



Preventing and Deterring Organizational Deviance

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Special thanks or other notes...

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Introduction

Organizations lost \$48.9 billion in 2016 from inventory shrinkage, of which 30%—nearly \$15 billion—was due to internal theft carried out by employees (Moraca & Hollinger, 2017). US businesses reported an average loss of \$1.1 million from employee theft in 2016 (Hiscox, 2016). Examining the cost of occupational fraud, the Association of Certified Fraud Examiners (2016) reported the total cost from the cases featured in their study was over \$6.3 billion, with an estimated loss of \$4.0 trillion globally. However, physical theft of inventory is not the only major monetary loss stemming from employees; the wasting or theft of time—also known as production deviance—affects almost every workplace. Although the cost associated with time theft is inherently more difficult to estimate, a recent study placed the annual U.S. cost at \$759 billion (Martin, Brock, Buckley, & Ketchen, 2010).

The aforementioned examples of employees' deviant actions are only the tip of the costly iceberg that loses employers trillions of dollars each year and affects overall company morale and climate. The terms used for these acts are workplace deviance and counterproductive work behavior (CWB; Spector et al., 2006), used interchangeably throughout this paper, and they encompass behaviors that adversely affect the well-being of the organization, its employees, or both. There are many types of workplace deviance, a few examples of which include behaviors such as ridiculing coworkers, abusing subordinates, sabotaging equipment, working slowly on purpose, and coming to work late. Given their impact on the bottom line, businesses would be smart to take notice of these daily, pervasive actions and search for solutions using the same effort with which employee theft is targeted.

Why Employees Act Out

Research on CWB has identified several causes of workplace deviance. In the following paragraphs we will focus on four of these causes: job stressors, perceptions of fairness, social relationships, and employee predictors.

Job Stressors

One stream of CWB research has focused on the role of job stressors and emotions. The job stress–emotion–CWB model developed by Spector (1998) views CWB as a result of job stressors. There are many things within an organization that can become job stressors, including role ambiguity or vague job descriptions, interpersonal conflict, role conflict (such as needing to fire a friend), and situational constraints (Bruk-Lee & Spector, 2006; Meier & Spector, 2013; Penney & Spector, 2005). If an employee encounters a job stressor, they may be motivated to commit CWB in response (Matta, Erol-Korkmaz, Johnson, & Biçaksiz, 2014). For example, employees who receive multiple, competing directives from different supervisors may become frustrated and choose to avoid work altogether to reduce their negative emotions. Fortunately, social support from coworkers, supervisors, and family can help limit CWB as an outcome of such stressors (Viswesvaran, Sanchez, & Fisher, 1999). For example, employees whose supervisors are willing to talk frequently with them and advocate for them may be less likely to take out their frustration in a destructive manner.

Perceptions of Organizational Fairness

A separate but related stream of research has considered the role that organizational fairness perceptions play in CWB (Holtz & Harold, 2013). This perspective describes CWB as a cognitive response to perceived unfairness. In this case, employees perceive that they are not adequately rewarded for the amount or quality of the work they do and logically conclude that they are treated unfairly. For example, employees who feel overworked may reason that theft is warranted because the organization owes them more money than they are receiving. The research on this shows that CWB can result from employee perceptions of organizational procedures and

outcomes as unfair (Spector & Fox, 2002). Examples of what might trigger this response would be an unexpected pay cut (an unfair outcome) or promotion decisions that appear to be made in a biased rather than objective manner (an unfair procedure).

Social Relationships

Social environments such as the workplace can heavily influence employee behavior in many ways. Deviant behaviors stem from a myriad of influences across all levels of the organization. Summarizing more than 30 years of research, Kish-Gephart and colleagues (Kish-Gephart, Harrison, & Treviño, 2010) found that employees who perceive the policies and practices of their organization as ethical are less likely to engage in CWB. This means that employees’ perceptions of the overall organization and how it operates can influence their behavior in good or bad ways.

The occurrence of CWB can also be influenced by leadership in the organization. At an extreme, abusive supervision has been linked to subordinate CWB. In a less extreme case, the way employees perceive the fairness of their supervisor’s decisions and actions is strongly linked to CWB (Colquitt et al., 2013; Tepper, Simon, & Park, 2017). This process is similar to perceptions of organizational fairness, but it describes how an employee feels their supervisor treats them rather than the organization as a whole. On a positive note, the demonstration of ethical behavior by leadership is associated with decreased workplace deviance in subordinates (Mayer, Kuenzi, Greenbaum, Bardes, & Salvador, 2009).

Employees are also influenced by their workgroups and peers. When norms in a work group or organization support unethical behavior, employees are more likely to act in deviant ways (Bamberger & Biron, 2007; Pierce & Snyder, 2008). The way coworkers behave can also affect employee deviance. Chiaburu and Harrison (2008) found that

antagonistic coworker behaviors were associated with increased deviance. But, employees who enjoy healthy, helping relationships with others at work are less likely to engage in CWB (Viswesvaran, et al., 1999).

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Employee Predictors

Some employees are more likely to be deviant than others due to individual differences. Workers who are predisposed to respond to situations in a hostile manner (known as trait anger in the deviance literature; Spielberger, 1991) are more likely to commit CWB (Hershcovis et al., 2007). Employees who often feel distressing emotions like anxiety and hostility are more likely to commit CWB, whereas those who experience positive emotions are less likely to engage in CWB (Dalal, 2005; Hershcovis et al., 2007). Employees who have more friendly and likable personalities are less likely to commit CWB (Berry, Ones, & Sackett, 2007), as are those who are more honest and display high levels of integrity (Ones, Viswesvaran, & Schmidt, 1993).

There are additional employee-level predictors of workplace deviance beyond personality traits. In particular, job attitudes play a large role in deviant behavior. Positive job attitudes, such as satisfaction with one’s job and commitment to the organization, lead to positive workplace behaviors. Conversely, negative job attitudes,

such as dissatisfaction with one’s job and a lack of commitment to the organization, are linked to deviant workplace behaviors (Judge & Kammeyer-Mueller, 2012). Employees who are dissatisfied with their jobs and who are not committed to the organization are more likely to engage in CWB (Dalal, 2005).

Implications for Practice

This research leads to several recommendations for preventing and deterring workplace deviance at various levels of the organization. These recommendations will be organized by cause. A summary of the tips provided in this section for reducing employee deviance can be found in Table 1.

Job Stressors

Organizations can routinely survey employees on their perceptions of workplace stressors to identify causes of potential CWB. To the extent possible, steps should be taken to remove or reduce the impact of workplace stressors by giving employees more control over their workplace environment. For example, survey results may show role ambiguity as a stressor, which occurs when employees are unsure of the behaviors that are expected of them in their job. Detailed and thorough job descriptions, proper job training, and well-communicated performance evaluation processes can relieve this stressor.

Table 1 <i>Recommendations for Preventing and Deterring Workplace Deviance</i>	
Job stressors	<ul style="list-style-type: none"> • Routinely survey employees for possible stressors • Remove identified stressors through methods like providing updated and clear job descriptions, training, and clear communication of performance evaluation procedures • Give employees more control of their environment
Organizational fairness	<ul style="list-style-type: none"> • Use surveys, focus groups, or informal conversations with employees to assess fairness perceptions • Avoid punishment or negativity toward employees who express their honest opinions and concerns • Use fair, clearly explained procedures to select, promote, reward, and discipline employees • Create a representative committee of employees to oversee these processes and involve employees when making decisions • Reward ethical behaviors through linked incentives
Social relationships	<ul style="list-style-type: none"> • Supervisors should lead by example and demonstrate ethical behaviors • Assess an employee’s past behavior when hiring/promoting • Provide channels to report supervisor and coworker aggression • Implement clear policies and procedures to outline desired ethical behaviors and actions that will be taken in cases of violence and unethicity • Provide group-based incentives related to ethical behavior
Employee predictors	<ul style="list-style-type: none"> • Use the hiring process to prevent deviance before employees even enter the workplace • Use personality assessments to predict performance and the possibility of future deviant behaviors • Use integrity tests to screen for deviant thought and behavioral processes • Contact test publishers to ensure the tests you use have been rigorously tested, validated, and are reliable • Validate your assessments in house to make sure they are predicting performance and deviant behaviors for specific positions • Explore the possibility of having employees work in groups or installing surveillance systems to minimize unethical behaviors after selection

Perceptions of Organizational Fairness

Organizational leaders can take steps to assess whether their employees view their practices as fair, which can help identify perceived inequities. This can be through surveys, focus groups, or informal communication with workers. Once identified, feelings of unfairness should be addressed and explained in a manner that does not punish employees for expressing their honest thoughts. Organizations should use fair procedures to select, promote, reward, and discipline their employees, ensuring that criteria for raises, promotions, and punishments are clearly communicated to employees. Research has shown that involving employees in decision-making processes and keeping them informed of organizational policies and procedures is a best practice for organizations. Establishing a representative committee of employees to aid in overseeing organizational processes may also help to ensure that workers feel they have a seat at the table. Additionally, incentives should be used to reward ethical behaviors which are valuable to the organization. Locke (2004) provides a useful summary of different methods for linking rewards to the achievement of organizationally valued goals.

Social Relationships

Supervisors and other leaders can play a key role in preventing deviance. Organizational leaders should lead by example, displaying the ethical behavior that is expected of subordinates. Leaders should communicate transparently with employees about their actions and decisions, set goals for ethical behavior, and reward employees for promoting an ethical workplace. When hiring or promoting for leadership positions, organizations can assess candidates' past ethical behavior and integrity. There are several valid self-report measures for assessing integrity and honesty during these processes (e.g., Fraud & Forensic Services, 2017; Hogan & Hogan, 1989). It is very important that organizations provide employees with appropriate channels to report abusive supervision or coworker aggression. Without such channels (e.g., an employee hotline number or an anonymous whistleblowing platform), employees may find more damaging outlets for their emotions and thoughts. Quick action on such reports is necessary to limit retaliatory subordinate deviance.

Organizational and group norms can also be powerful determinants of deviant behavior. Companies should consider implementing strong, organization-wide policies that prioritize ethical behavior. However, research suggests that simply implementing these policies does not guarantee ethical behavior—organizations must ensure that they are effectively *communicating* and *enforcing* these policies by outlining them for employees during onboarding and ensuring their accessibility at all times. Coworker conversations about ethics should be encouraged, and, to the extent possible, work groups should contain employees known to behave ethically. Setting group rewards for goals related to ethical behavior (e.g., reaching a certain level of retail shrinkage for a month) may encourage employees to work together to prevent deviance. Conversely, establishing and following through with consequences for employees caught committing deviant behavior is necessary for a policy to be effective.

Organizational leaders should lead by example, displaying the ethical behavior that is expected of subordinates



Employee Predictors

Fortunately, it is also possible for organizations to prevent deviance from occurring in the first place by screening out job applicants with a high potential to engage in such behaviors. In fact, many organizations already include personality and integrity tests in their applicant selection procedure. In a recent survey of HR professionals 62% of respondents reported that their organization used personality assessments during the hiring process (Kantrowitz, 2014). It is obvious, then, that many organizations already have access to and use several of the stronger predictors of workplace deviance (i.e., personality traits such as agreeableness, conscientiousness, and emotional stability). Integrity tests have also become increasingly popular in employee selection. They warrant consideration from any organization interested in preventing CWB because they are useful in predicting deviant behaviors (Berry, Sackett, & Wiemann, 2007).

In a recent survey of HR professionals, 62% of respondents reported that their organization used personality assessments during the hiring process.

Whenever considering the use of personality or integrity tests for selection, the organization should contact the test publisher to ensure that the tests have been rigorously developed and demonstrate reliable, valid prediction (Zickar, Cortina, & Carter, 2017). Further, it is recommended that these assessments be validated within any organization considering their use to ensure the assessments are predictive of organizational deviance or CWB for the specific positions in question. Although the hiring process can help minimize the selection of deviant employees, unethical behaviors may still occur in the workplace. Simply requiring employees to work in pairs or installing surveillance systems can curtail undesirable behaviors such as theft (Gregory, 2013).

Next Steps

There are several steps that organizations can take to reduce organizational deviance. With regard to employee characteristics, organizations can use their hiring process to decrease the likelihood of workplace deviance by selecting on relevant individual differences. Although many organizations already select on personality traits such as the Big Five traits (Barrick & Mount, 1991) and integrity, other traits—such as narcissism, trait anger, and positive and negative affectivity—can also be assessed to ensure that the organization can hire applicants who are less predisposed towards engaging in workplace deviance. Several professionally developed, self-report measures of personality traits are available to organizations (e.g., Costa & McCrae, 1992; Hogan, 1995; Schmit, Kihm, & Robie, 2000). References from past employers may also be good indicators of previous deviant behaviors and possible unethical tendencies, but it might be difficult to obtain the true reason an employee is switching companies through this method.

Separate from the hiring process, organizations should be sure that those in leadership positions are representing the organization well by communicating the importance of ethical behavior in the workplace while also behaving ethically themselves. It is also important to survey current employees on their job attitudes and perceived stressors, as more satisfied and committed employees are less likely to commit CWB. Organizations that assess employee job attitudes can identify the sources of job dissatisfaction and can work with the employees to improve these aspects of the job. Examples of free, validated scales of both job satisfaction and organizational stressors can be downloaded from Paul Spector's website (<http://shell.cas.usf.edu/~pspector/scalepage.html>) and can be easily implemented into any employee survey. Properly implemented engagement surveys are also a good way to get a pulse on the current organizational climate and try to identify issues of employee dissatisfaction and low morale (Mann & Harter, 2016).

Employee deviance can be extremely costly for organizations, resulting in monetary losses, climate problems, and employee turnover. This is obviously a major issue for organizations, but it is also an issue that luckily has many solutions, most of which can be easily implemented at relatively low costs. The above information and resources will hopefully provide a starting point for employers to begin tackling the pervasive problems of CWB.

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