

The dark side of empowering leadership: Hindrance stressors and moral disengagement as pathways to unethical pro-organizational behaviour

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Abstract

Purpose – This study examines the conditional association between empowering leadership and unethical pro-organizational behaviour (UPB). Drawing on Social Cognitive Theory, it investigates whether moral disengagement statistically accounts for this association and whether hindrance stressors condition the association between empowering leadership and moral disengagement.

Design/methodology/approach – Data were collected through a cross-sectional online survey of 500 employees working in Indonesian digital start-ups. The proposed first-stage moderated mediation model was tested using PROCESS Model 7 for SPSS with 5,000 bootstrap resamples and 95% bootstrap confidence intervals.

Findings – Empowering leadership was positively associated with moral disengagement, and this association became stronger as hindrance stressors increased. Moral disengagement was positively associated with UPB, while the direct association between empowering leadership and UPB remained statistically significant. The conditional indirect association was positive at all examined levels of hindrance stressors and became progressively stronger as those stressors increased. The positive index of moderated mediation supported an amplification rather than a reversal pattern (index = 0.0897, 95% BootCI [0.0674, 0.1124]).

Research limitations/implications – The cross-sectional, single-source design does not establish temporal or causal ordering and may be affected by common method bias. Convenience and social-media-based recruitment may also introduce sampling and self-selection biases, limiting representativeness and generalizability.

Practical implications – Organizations should accompany employee empowerment with clear ethical boundaries, adequate structural support, and efforts to reduce obstructive workplace demands. These recommendations should be interpreted as precautionary considerations rather than causally established interventions.

Originality/value – The study provides a contextual replication and boundary-pattern extension of prior research. It refines understanding of a boundary condition by finding an amplification pattern in a non-Western digital start-up setting rather than proposing a new mechanism.

Keywords: Empowering leadership; moral disengagement; unethical pro-organizational behaviour; hindrance stressors; social cognitive theory; digital start-ups.

Introduction

A growing stream of research questions the assumption that empowering leadership is uniformly beneficial (Cheong et al., 2016; Lee et al., 2018). Empowering leadership generally promotes employee autonomy, participation in decision-making, and confidence in employees' ability to perform their work independently (Ahearne et al., 2005; Sharma & Kirkman, 2015; Zhang & Zhou, 2014). However, it may also increase employees' responsibility, workload, and job-induced tension (Cheong et al., 2016). That means its moral implications may depend on the conditions under which employees exercise their discretion. In particular, hindrance stressors may condition the association between empowering leadership and moral disengagement and, indirectly, unethical pro-organizational behaviour (Dennerlein & Kirkman, 2022).

The conditional process involving empowering leadership, hindrance stressors, moral disengagement, and unethical pro-organizational behaviour has been theoretically developed and empirically examined (Dennerlein & Kirkman, 2022). Accordingly, the present study does not introduce a new mediator, moderator, or conditional-process model. Instead, it addresses two more specific questions. First, it examines whether this established process remains observable among employees in a non-Western digital start-up setting. Second, it examines the form of the moderation produced by hindrance stressors. Replication across organizational and national contexts is important because it can clarify the generalizability, robustness, and boundary conditions of previously established theoretical relationships (Köhler & Cortina, 2021).

Dennerlein and Kirkman (2022) reported a reversing pattern in which empowering leadership was negatively associated with moral disengagement under low hindrance stressors but positively associated with it under high hindrance stressors. The present study examines whether hindrance stressors may instead produce an amplification pattern in which the association remains positive but becomes progressively stronger as hindrance stressors increase. This distinction is theoretically relevant because interaction patterns may strengthen, weaken, or reverse an established relationship, and each pattern has different implications for the specification of a theory's boundary conditions (Gardner et al., 2017).

Context can influence both the meaning of organizational behaviour and the functional relationships among organizational variables (Johns & Saks, 2006). The Indonesian digital start-up context therefore provides a domain for examining the contextual portability of this established conditional process. The study does not assume that Indonesian start-ups are inherently more ambiguous, resource-constrained, or institutionally underdeveloped than other organizations. Rather, the context is used to assess whether the conditional process and the form of its boundary condition remain observable across a different national, sectoral, and occupational domain (Johns & Saks, 2006; Köhler & Cortina, 2021). Because firm-level characteristics and comparison groups were not included, the context is treated as a scope condition for testing generalizability rather than as a causal explanation for the observed relationships.

The study makes two deliberately bounded contributions. First, it offers a boundary-pattern extension by examining whether hindrance stressors produce amplification rather than reversal in the association between empowering leadership and moral disengagement. This contribution refines understanding of the form taken by a boundary condition because strengthening and reversing interactions represent theoretically distinct patterns (Gardner et al., 2017). Second, it provides a contextual replication by assessing whether the conditional process remains observable among employees across several Indonesian digital start-up sectors. Contextual replication can contribute to theory development by determining whether established relationships remain robust across different populations and organizational domains (Köhler & Cortina, 2021). The contribution is thus best characterized as theoretical refinement and contextual extension rather than as theoretical invention or methodological novelty.

Drawing on Social Cognitive Theory of moral agency, the study examines moral disengagement as the moral-cognitive process statistically connecting empowering leadership with unethical pro-organizational behaviour (Bandura, 1991; Bandura et al., 1996). Moral disengagement enables individuals to deactivate internal moral sanctions and reinterpret ethically questionable conduct as acceptable or justified by desirable organizational ends (Bandura, 1991; Chen et al.,

2016). The study further examines hindrance stressors as a first-stage moderator of the association between empowering leadership and moral disengagement (Dennerlein & Kirkman, 2022). In doing so, it proportionately tests the robustness, form, and contextual portability of a dark-side model of empowering leadership.

Literature Review and Hypotheses

Social Cognitive Theory and Moral Disengagement

Social Cognitive Theory of moral agency proposes that individuals regulate their conduct through internal moral standards and expected self-sanctions. Moral disengagement temporarily weakens these self-regulatory processes by letting individuals justify questionable conduct, reduce its harmful consequences, displace responsibility, or reconstruct the behaviour as serving a worthy purpose (Bandura, 1991; Bandura et al., 1996). This mechanism is relevant to unethical pro-organizational behaviour because employees may reinterpret unethical actions as necessary sacrifices undertaken to protect or advance organizational interests.

Moral disengagement is not unique to empowering leadership. Ethical, exploitative, abusive, and bottom-line-oriented leadership have also been associated with employees' moral disengagement and unethical conduct (Basaad et al., 2023; Hsieh et al., 2020). Moral disengagement should be understood as a general moral-cognitive mechanism through which leadership signals and workplace conditions may be translated into ethically questionable behaviour.

Empowering leadership still provides a theoretically relevant setting for moral disengagement because it combines employee discretion with active encouragement to contribute to organizational objectives. Empowering leaders share power, encourage participation, communicate the meaningfulness of employees' work, and express confidence in employees' ability to exercise independent judgment (Ahearne et al., 2005; Sharma & Kirkman, 2015; Zhang & Bartol, 2010). These behaviours can strengthen employees' agency while simultaneously increasing their perceived responsibility for organizational outcomes.

This combination does not necessarily produce moral disengagement. When legitimate routes to goal attainment are available, employees may use their discretion consistently with organizational and ethical standards. When those routes are obstructed, however, employees may experience tension between their responsibility to achieve organizational objectives and their limited ability to do so through legitimate means. Moral disengagement may then provide a cognitive means of reconciling empowered responsibility with ethically questionable methods. Thus, empowering leadership is relevant not because it uniquely activates moral disengagement, but because it combines the capacity to act independently with a pro-organizational reason and perceived responsibility for exercising that capacity.

Empowering leadership differs from delegation, autonomy support, and laissez-faire leadership. Delegation primarily involves transferring authority for particular tasks or decisions. Although delegation increases discretion, it does not necessarily include motivational behaviours such as communicating work meaningfulness, encouraging participation, and expressing confidence in employees.

Autonomy support emphasizes employee volition, meaningful choice, and non-controlling interpersonal treatment. However, it does not necessarily transfer formal decision authority or emphasize responsibility for organizational performance. Laissez-faire leadership reflects leadership avoidance or absence rather than the deliberate sharing of power and responsibility that characterizes empowering leadership.

These distinctions imply different pathways to unethical consequences. Delegation may create ethical risks when authority is transferred without enough control, while autonomy support may create risks when employee choice is not accompanied by ethical guidance. Laissez-faire leadership may permit misconduct through leader absence and inadequate oversight. Empowering leadership presents a different configuration because employees receive both discretion and an active motivational signal they are trusted to advance organizational goals. Its potential moral risk therefore arises from discretion, leader-expressed confidence, responsibility for outcomes, and pro-organizational motivation—not from autonomy alone.

The Moderating Role of Hindrance Stressors in the Relationship Between Empowering Leadership and Moral Disengagement

According to Social Cognitive Theory of moral agency (Bandura, 2014), contextual pressures that generate strain and cognitive overload can undermine moral self-regulation, making individuals more susceptible to cognitive justifications that relax internal moral standards. Hindrance stressors—such as bureaucracy, role ambiguity, organizational politics, and obstructive rules—represent demands appraised as hindering goal attainment rather than enabling learning or growth. Consistent with the challenge–hindrance framework, hindrance stressors usually elicit negative affect, fatigue, and frustration, which deplete the cognitive and emotional resources required to sustain self-control and moral vigilance (Pindek et al., 2024). From an empowerment perspective, these same obstacles are directly relevant because structural constraints and “red tape” can weaken employees’ perceived efficacy and control—precisely the psychological states that empowering leadership is intended to cultivate (Conger & Kanungo, 1988). Under high hindrance stressors, empowerment may therefore be interpreted less as constructive autonomy and more as pressure to achieve outcomes despite uncontrollable constraints, increasing the likelihood that employees rely on moral disengagement strategies (e.g., reducing consequences or justifying questionable acts as necessary) to reconcile performance demands with ethical standards. Recent empirical work also suggests that the moral consequences of empowering leadership are contingent on the stressor environment, with hindrance stressors shaping when empowerment is more likely to be associated with moral disengagement and ethically problematic behaviour (Dennerlein & Kirkman, 2022). Taken together, these arguments imply that hindrance stressors strengthen the positive relationship between empowering leadership and moral disengagement.

On this basis, we propose the following hypothesis:

H₁: Hindrance stressors moderate the relationship between empowering leadership and moral disengagement such that the positive relationship becomes stronger when hindrance stressors are high and weaker when hindrance stressors are low.

Taken together, the above discussion suggests that hindrance stressors condition employees’ moral self-regulatory responses to empowering leadership. We next develop the mediating logic, arguing that moral disengagement provides the proximal cognitive pathway through which empowering leadership may be associated with unethical pro-organizational behaviour.

The Mediating Role of Moral Disengagement

Unethical pro-organizational behaviour refers to actions that violate normative or moral standards but are performed to benefit the organization, such as misrepresenting information, exaggerating performance, concealing negative facts, or selectively withholding critical information about products, services, or colleagues (Umphress & Bingham, 2011). Social cognitive theory posits that this behaviour occurs when individuals morally disengage—that is, when they cognitively deactivate or bypass internal moral self-sanctions by reconstructing unethical behaviour, obscuring or reducing harmful consequences, or devaluing and blaming victims (Bandura, 2014). Recent reviews and empirical studies highlight moral disengagement as a central cognitive mechanism through which various contextual and individual factors translate into unethical behaviour, including unethical pro-organizational behaviour (Chen et al., 2016; Sulistyowati & Ahmar, 2023).

In unethical pro-organizational behaviour, moral disengagement lets employees reinterpret unethical acts as serving a higher, prosocial purpose for the organization. For example, employees who strongly identify with their organization may reconstruct unethical pro-organizational behaviour as necessary “service” to protect or advance the collective, thereby perceiving their behaviour as justified for the greater good (Chen et al., 2016). The more employees rely on such cognitive tactics to distance themselves from the immorality of their actions, the more likely they are to engage in unethical pro-organizational behaviour. Recent work shows that moral disengagement mediates the relationship between organizational identification, leadership styles, and unethical pro-organizational behaviour, confirming its pivotal explanatory role (Chen et al., 2016; Newman et al., 2020).

Ethical decision-making models similarly posit that situational factors influence moral cognition, which shapes unethical behaviour. Internal locus of control is negatively related to moral disengagement, which is positively related to unethical decisions. Empowering leadership increases employees' sense of control, agency, and internal locus of control by granting autonomy and discretion (Detert et al., 2008). At the same time, when hindrance stressors are high, these feelings of control may be undermined by perceptions that external, uncontrollable constraints dominate the work environment, pushing employees toward more external attributions and greater reliance on moral disengagement to resolve the tension between "what is expected" and "what is ethical." Recent work confirms that empowering leadership can increase unethical pro-organizational behaviour through moral disengagement, and that this indirect effect is contingent on contextual factors such as hindrance stressors and performance pressures (Ahmad et al., 2021; Dennerlein & Kirkman, 2022).

In line with these arguments and findings, we propose that empowering leadership will influence unethical pro-organizational behaviour primarily through its impact on moral disengagement, and that this indirect effect is sensitive to stressor conditions in the work environment. Formally, we state:

H₂: Moral disengagement statistically accounts for the positive association between empowering leadership and unethical pro-organizational behaviour.

The Conditional Indirect Association Through Moral Disengagement

The preceding arguments suggest that the association between empowering leadership and unethical pro-organizational behaviour cannot be understood through mediation or moderation alone. Empowering leadership gives employees discretion, decision authority, and responsibility for organizational outcomes, but moral disengagement lets them justify ethically questionable conduct undertaken in pursuit of those outcomes. The extent to which empowered discretion is associated with moral disengagement is expected to depend on the hindrance stressors employees encounter. That means hindrance stressors are positioned as a first-stage moderator of the indirect association between empowering leadership and unethical pro-organizational behaviour through moral disengagement.

Social Cognitive Theory proposes that moral conduct reflects the interaction among individual agency, cognitive self-regulation, and environmental conditions. Employees ordinarily regulate their behaviour through internal moral standards and expected self-sanctions. Moral disengagement weakens these self-regulatory processes by enabling individuals to justify questionable conduct, reduce its consequences, displace responsibility, or portray harmful actions as serving a legitimate purpose (Bandura, 2014; Bandura et al., 1996). The discretion associated with empowering leadership may not have the same moral implications across different work environments. Employees' interpretations and use of discretion may depend partly on whether their organizational environment helps with or obstructs legitimate goal attainment.

When hindrance stressors are relatively low, employees have greater opportunities to pursue organizational objectives through legitimate procedures. Clear responsibilities, accessible information, manageable administrative requirements, and supportive organizational arrangements may reduce conflict between performance expectations and ethical standards. Under these conditions, employees have less need to reconstruct questionable conduct as necessary or acceptable. Empowering leadership may still remain positively associated with moral disengagement because it combines discretion with responsibility for organizational outcomes, but the corresponding indirect association with unethical pro-organizational behaviour is expected to be comparatively weak.

When hindrance stressors are high, employees may be expected to meet organizational goals while encountering bureaucracy, role ambiguity, organizational politics, conflicting expectations, and obstructive procedures. Such demands can generate frustration and cognitive strain while reducing employees' perceptions that legitimate courses of action are enough to achieve expected outcomes (Pindek et al., 2024). Under these conditions, employees may experience empowerment less as supportive discretion and more as responsibility for producing results without adequate organizational means. Moral disengagement may then provide a cognitive means

of reconciling performance responsibilities with ethically questionable methods.

Greater moral disengagement is expected to be associated with a greater willingness to regard unethical pro-organizational behaviour as justified by desirable organizational ends. Employees may conceal negative information, exaggerate organizational performance, misrepresent products or services, or disregard external stakeholders while construing such conduct as necessary to protect or advance the organization (Chen et al., 2016; Umphress & Bingham, 2011). Empowering leadership provides the discretion and perceived responsibility to act, but moral disengagement provides the cognitive justification for exercising that discretion in ethically problematic ways.

Together, these relationships imply a conditional indirect association. If hindrance stressors strengthen the association between empowering leadership and moral disengagement, and moral disengagement is positively associated with unethical pro-organizational behaviour, the indirect association should become stronger as hindrance stressors go up. Thus, hindrance stressors condition the first stage of the indirect pathway: empowering leadership is expected to be more strongly associated with moral disengagement at higher levels of hindrance stressors, resulting in a stronger indirect association with unethical pro-organizational behaviour.

Previous research found a reversing pattern in which the direction of the association between empowering leadership and moral disengagement differed across levels of hindrance stressors (Dennerlein & Kirkman, 2022). The present study examines an amplification pattern instead. Specifically, the indirect association is expected to remain positive across the examined levels of hindrance stressors but become progressively stronger as those stressors go up. Under this pattern, lower hindrance stressors weaken, but do not necessarily eliminate, the moral risks associated with empowered discretion.

The following hypothesis is proposed:

H₃: The positive indirect association between empowering leadership and unethical pro-organizational behaviour through moral disengagement is stronger at higher levels of hindrance stressors.

Figure 1 illustrates the proposed model in which empowering leadership predicts unethical pro-organizational behaviour, with hindrance stressors acting as a moderator and moral disengagement serving as a mediator in this relationship.

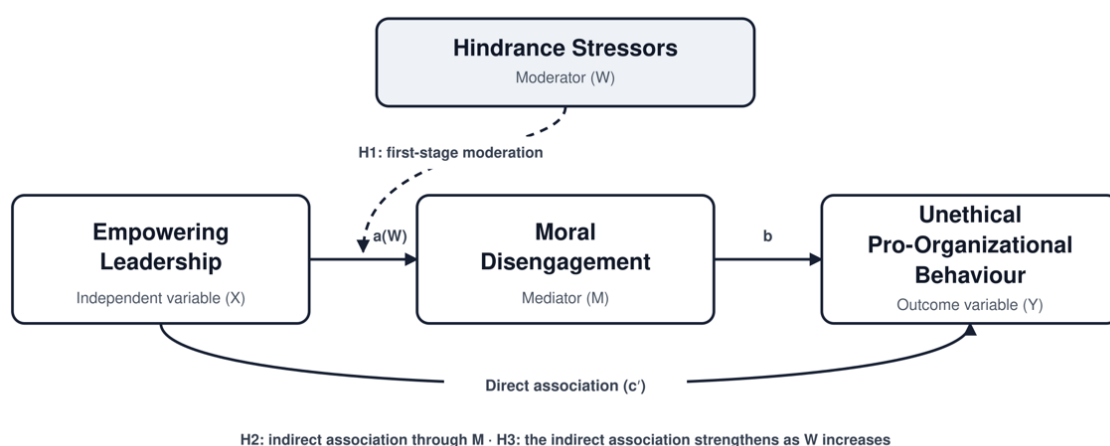


Figure 1. Research Model

Research Methods

This study employed a quantitative, cross-sectional survey design to test a conditional process model grounded in the Social Cognitive Theory of moral agency. Specifically, the study examined whether moral disengagement mediates the association between empowering leadership and unethical pro-organizational behaviour and whether hindrance stressors moderate the association

between empowering leadership and moral disengagement. The empirical data were collected using a structured, closed-ended online questionnaire.

The target population of this study comprised employees working in Indonesian digital start-ups. Because a complete sampling frame for this population was unavailable, the study employed non-probability convenience sampling. An initial target of 475 respondents was established using an item-to-response heuristic of 25 respondents for each of the 19 questionnaire items ($25 \times 19 = 475$). The final analytic sample comprised 500 usable responses, exceeding this initial target. Nevertheless, this heuristic does not substitute for an a priori statistical power analysis and should be interpreted only as a practical basis for determining the initial recruitment target.

The empirical analysis was based exclusively on primary data obtained directly from respondents through the online questionnaire. Published journal articles, academic books, and other scholarly sources were used to develop the theoretical framework, hypotheses, and measurement approach, but were not treated as secondary data in the statistical analysis.

Data were collected using an online survey administered through Google Forms between March and August 2024. The survey link was distributed through WhatsApp, Facebook, X (formerly Twitter), and LinkedIn. Eligibility was assessed through screening questions at the beginning of the questionnaire. To take part, respondents had to confirm that they were employed by an Indonesian digital start-up and to provide information about their job level and the sector in which their start-up operated. These responses were examined to assess the internal consistency of respondents' occupational profiles.

The dataset was screened for incomplete questionnaires, invariant responding, identical response patterns, and potential duplicate submissions based on the information in the dataset. Response timestamps and demographic profiles were also examined. Responses that did not meet the eligibility criteria or showed clear evidence of inadequate response quality were excluded. After these screening procedures, 500 usable responses were kept for the analysis.

Because the survey did not collect organizational identification documents, employer records, or IP addresses, respondents' employment status could not be independently verified, and the possibility of undetected duplicate or ineligible responses cannot be completely ruled out. That means the screening procedures were intended to improve data quality but could not eliminate the limitations associated with convenience sampling, voluntary participation, and online self-report recruitment.

The use of convenience sampling and social-media-based recruitment has several implications for sample quality. First, this approach may introduce sampling bias because employees who are more active on digital platforms or connected to the researchers' distribution networks were more likely to encounter the survey invitation. Second, participation was voluntary, creating the possibility of self-selection bias. Employees who chose to respond may differ systematically from non-respondents in their perceptions of leadership, workplace stressors, moral reasoning, or willingness to reveal sensitive behaviours. Third, because no complete sampling frame of Indonesian digital start-up employees was available, the probability of choice could not be determined and sampling error could not be estimated. The final sample should be regarded as a screened non-probability sample and should not be interpreted as statistically representative of the wider population of Indonesian digital start-up employees.

All constructs were assessed using multi-item measurement scales adapted from previously confirmed studies. Respondents indicated their agreement with each statement using a seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree). The hypotheses were tested using Model 7 of the PROCESS macro for SPSS (Hayes, 2012). In this conditional process model, empowering leadership was specified as the independent variable (X), moral disengagement as the mediator (M), hindrance stressors as the moderator (W), and unethical pro-organizational behaviour as the dependent variable (Y). Model 7 was appropriate because the proposed moderation occurs on the first stage of the indirect association—that is, hindrance stressors were expected to moderate the association between empowering leadership and moral disengagement.

The analysis used 5,000 bootstrap resamples and 95% percentile bootstrap confidence intervals. H1 was assessed using the coefficient for the interaction between empowering leadership and hindrance stressors in predicting moral disengagement, supplemented by conditional effects at

low, moderate, and high levels of hindrance stressors. H2 was assessed using the conditional indirect association between empowering leadership and unethical pro-organizational behaviour through moral disengagement. H3 was evaluated using the index of moderated mediation. An indirect association or index of moderated mediation was considered statistically supported when its 95% bootstrap confidence interval did not include zero.

Common Method Bias

Because the data were collected from a single source using a self-report survey, procedural and statistical measures were used to reduce and assess the risk of common method bias (CMB). Procedurally, respondents were assured of anonymity and confidentiality, told that participation was voluntary, and instructed that there were no right or wrong answers. These procedures were intended to reduce evaluation apprehension, consistency motives, and socially desirable responding.

Statistically, potential common method variance was examined using Harman's single-factor test, in which all measurement items were entered into an unrotated principal component analysis. The first factor accounted for 58.388% of the total variance, suggesting that shared method variance may be present and cannot be dismissed as trivial. However, Harman's single-factor test is a limited diagnostic and cannot establish either the presence or precise amount of common method bias. The estimated relationships should be interpreted cautiously because their magnitude may have been affected by the common measurement source, scale format, social desirability, or respondents' general evaluative tendencies. Future research should use time-lagged, longitudinal, or multi-source designs to reduce this concern.

Results and Discussion

Table 1. Respondent Profile

Variable	Category	n	%
Gender	Male	205	41.0
	Female	295	59.0
Age (years)	21–25	118	23.6
	26–30	203	40.6
	31–35	144	28.8
	≥ 36	35	7.0
Education	Diploma (D3)	55	11.0
	Bachelor (S1)	390	78.0
	Master or higher (S2+)	55	11.0
Job Level	Staff	244	48.8
	Senior Staff	137	27.4
	Supervisor/Leader	81	16.2
	Manager	38	7.6
Startup Type	E-commerce	120	24.0
	Edtech	62	12.4
	Fintech	94	18.8
	Healthtech	55	11.0
	Other	60	12.0
	SaaS/B2B	109	21.8

As shown in Table 1, the respondent profile in this study consists of 500 employees working in various types of digital startups. Regarding gender, the sample is slightly dominated by female respondents, with 295 individuals (59%), while 205 respondents (41%) are male. As for age, most respondents are in young, productive age groups: 23.6% are between 21–25 years, 40.6% are 26–30 years, and 28.8% fall within the 31–35 years range. Only 7% of respondents are aged 36 years and above, suggesting that the sample largely reflects the demographic features of a relatively young startup workforce. Regarding educational background, most respondents hold a Bachelor's

degree (S1), accounting for 78% of the sample, while 11% have a Diploma (D3) and another 11% have a Master's degree or higher (S2+). In terms of job level, nearly half of the respondents are positioned at the staff level (48.8%), followed by senior staff (27.4%), supervisors/leaders (16.2%), and managers (7.6%). This distribution suggests that the findings primarily represent perceptions of non-managerial employees. Respondents are used across a range of startup sectors, with the largest proportions working in e-commerce (24%), SaaS/B2B (21.8%), and fintech (18.8%), alongside those in edtech (12.4%), healthtech (11%), and other sectors (12%). The sample included employees from several digital start-up sectors, suggesting sectoral diversity; however, this diversity should not be interpreted as statistical representativeness.

Validity and Reliability

We assessed construct measurement quality in terms of reliability, convergent validity, and discriminant validity. Reliability was evaluated using Cronbach's alpha and composite reliability (CR). Convergent validity was assessed using average variance extracted (AVE). Following common guidelines, standardized loadings should ideally be ≥ 0.70 , $CR \geq 0.70$, $AVE \geq 0.50$, and HTMT values below 0.85 (or 0.90) indicate adequate discriminant validity.

Table 2. Validity Measurement

Construct	AVE
Empowering Leadership (EL)	0,650
Hindrance Stressors (HS)	0,666
Moral Disengagement (MD)	0.502
Unethical Pro-Organizational Behaviour (UPB)	0,522

Table 2 presents the average variance extracted (AVE) for each construct. All AVE values exceed the recommended threshold of 0.50, suggesting that each construct explains more than half of the variance in its indicators on average. These results provide evidence of adequate convergent validity for empowering leadership, hindrance stressors, moral disengagement, and unethical pro-organizational behaviour.

A reliability test was carried out to determine the stability and consistency of the research questionnaire. According to Nunnally (1974), A construct is generally considered to demonstrate acceptable internal consistency when its Cronbach's alpha is at least 0.70. In this study, all research instruments were reliable. It was proven that each variable had a Cronbach's alpha value of over 0.6 (Table 3). All constructs were assessed using previously validated multi-item measures and were adapted to the study context. Respondents rated each item on a seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree). All constructs demonstrated strong internal consistency: empowering leadership ($\alpha = 0.955$), hindrance stressors ($\alpha = 0.915$), moral disengagement ($\alpha = 0.819$), and unethical pro-organizational behaviour ($\alpha = 0.953$).

Table 3. Reliability Measurement

Variable	Cronbach's Alpha
Empowering Leadership	0,955
Unethical Pro-Organizational Behaviour	0,953
Hindrance Stressor	0,915
Moral Disengagement	0,819

Measurement and Structural Model

Hypothesis testing

The hypotheses were tested using Hayes PROCESS macro Model 7 for SPSS, specifying empowering leadership as the predictor (X), moral disengagement as the mediator (M), unethical pro-organizational behaviour as the outcome (Y), and hindrance stressors as the first-stage

moderator (W). The analysis was based on 500 respondents and used 5,000 bootstrap samples to generate 95% percentile bootstrap confidence intervals. The proposed indirect association was considered statistically significant when its bootstrap confidence interval did not include zero. All reported coefficients are unstandardized.

Moderating role of hindrance stressors

Hypothesis 1 proposed that hindrance stressors moderate the relationship between empowering leadership and moral disengagement, such that the positive association becomes stronger at higher levels of hindrance stressors. The regression model predicting moral disengagement was statistically significant. As reported in Table 4, the interaction between empowering leadership and hindrance stressors was positive and statistically significant. The interaction term accounted for an additional 7.68% of the variance in moral disengagement. Because the model contained an interaction term, the lower-order coefficient for empowering leadership represents its association with moral disengagement when hindrance stressors equal zero. As zero was outside the examined conditional values of the moderator, interpretation focused on the interaction and conditional associations rather than the lower-order coefficient in isolation.

Table 4. PROCESS Model 7 Regression Results

Outcome and predictor	B	SE	t	p	95% CI
Outcome: Moral disengagement					
Constant	2.2505	0.2481	9.0695	<0.001	[1.7630, 2.7381]
Empowering leadership	-0.1237	0.0754	-1.6404	0.1016	[-0.2719, 0.0245]
Hindrance stressors	-0.1454	0.0572	-2.5425	0.0113	[-0.2577, -0.0330]
Empowering leadership × Hindrance stressors	0.1404	0.0172	8.1735	<0.001	[0.1066, 0.1741]
Outcome: Unethical pro-organizational behaviour					
Constant	0.2784	0.1034	2.6914	0.0074	[0.0752, 0.4816]
Empowering leadership	0.2683	0.0304	8.8410	<0.001	[0.2087, 0.3280]
Moral disengagement	0.6389	0.0304	21.0475	<0.001	[0.5792, 0.6985]

The interaction was further examined by estimating the conditional association between empowering leadership and moral disengagement at the 16th, 50th, and 84th percentiles of hindrance stressors. As shown in Table 5, empowering leadership was positively associated with moral disengagement. The association became stronger at moderate hindrance stressors and strongest when hindrance stressors were high.

Table 5. Conditional Association Between Empowering Leadership and Moral Disengagement

Level of hindrance stressors	HS value	B	SE	t	p	95% CI
Low, P16	2.0000	0.1571	0.0473	3.3186	0.0010	[0.0641, 0.2501]
Moderate, P50	4.0000	0.4379	0.0340	12.8902	<0.001	[0.3711, 0.5046]
High, P84	6.0000	0.7186	0.0493	14.5854	<0.001	[0.6218, 0.8154]

These findings indicate an amplification rather than a reversal pattern. The association between empowering leadership and moral disengagement remained positive across all examined levels of hindrance stressors but became progressively stronger as hindrance stressors went up. That means hypothesis 1 was supported.

Mediating role of moral disengagement

Hypothesis 2 proposed that moral disengagement mediates the positive association between empowering leadership and unethical pro-organizational behaviour. The outcome model predicting UPB was statistically significant and explained 63.24% of its variance. Moral disengagement was positively associated with UPB. The direct association between empowering

leadership and UPB also remained positive and statistically significant after moral disengagement was included in the model.

Because the association between empowering leadership and moral disengagement was moderated by hindrance stressors, the indirect association between empowering leadership and UPB through moral disengagement was examined conditionally. At low hindrance stressors, the conditional indirect association was positive and significant (effect = 0.1003, BootSE = 0.0314, 95% BootCI [0.0410, 0.1639]). It was also significant at moderate hindrance stressors (effect = 0.2797, BootSE = 0.0242, 95% BootCI [0.2330, 0.3288]) and high hindrance stressors (effect = 0.4591, BootSE = 0.0356, 95% BootCI [0.3917, 0.5302]).

Because none of the confidence intervals included zero, the indirect association was statistically significant at all three examined levels of hindrance stressors. Meanwhile, the remaining direct association between empowering leadership and UPB says moral disengagement statistically accounts for only part of the relationship. Thus, Hypothesis 2 was supported.

Moderated mediation

Hypothesis 3 proposed that the positive indirect association between empowering leadership and UPB through moral disengagement becomes stronger as hindrance stressors increase. As shown in Table 6, the amount of conditional indirect association increased from 0.1003 at low hindrance stressors to 0.2797 at moderate hindrance stressors and 0.4591 at high hindrance stressors. The index of moderated mediation was positive and statistically significant (index = 0.0897, BootSE = 0.0116, 95% BootCI [0.0674, 0.1124]). Because its bootstrap confidence interval did not include zero, the conditional indirect association differed significantly across levels of hindrance stressors. That means hypothesis 3 was supported.

Table 6. Conditional Indirect Association of Empowering Leadership with UPB Through Moral Disengagement

Level of hindrance stressors	HS value	Indirect effect	BootSE	BootLLCI	BootULCI
Low, P16	2.0000	0.1003	0.0314	0.0410	0.1639
Moderate, P50	4.0000	0.2797	0.0242	0.2330	0.3288
High, P84	6.0000	0.4591	0.0356	0.3917	0.5302
Index of moderated mediation	—	0.0897	0.0116	0.0674	0.1124

Notes: Bootstrap confidence intervals were calculated using 5,000 bootstrap samples. An indirect association or index of moderated mediation is statistically significant when the corresponding bootstrap confidence interval does not include zero.

Overall, the findings support the proposed first-stage moderated mediation model. Empowering leadership was more strongly associated with moral disengagement at higher levels of hindrance stressors, and this strengthened association was accompanied by a progressively larger indirect association with unethical pro-organizational behaviour through moral disengagement. Nevertheless, because the data were cross-sectional and collected from a single source, these findings should be interpreted as conditional statistical associations rather than definitive evidence of temporal or causal processes.

Theoretical Implications

The findings provide further evidence that empowering leadership may have morally ambivalent associations under hindrance stressors. Empowering leadership was positively associated with moral disengagement, and this association became progressively stronger as hindrance stressors increased. Moral disengagement was also positively associated with unethical pro-organizational behaviour (UPB). The conditional indirect association between empowering leadership and UPB through moral disengagement increased from low to high levels of hindrance stressors, while the significant index of moderated mediation confirmed that the strength of this indirect association varied across the stressor environment. The results therefore indicate an amplification rather than

a reversal pattern: the association remained positive across the examined levels of hindrance stressors but became progressively stronger as those stressors increased.

Social Cognitive Theory of moral agency provides a framework for interpreting this pattern. Individuals ordinarily regulate their conduct through internal moral standards and anticipated self-sanctions. Moral disengagement weakens these self-regulatory processes by allowing individuals to justify questionable conduct, minimize its consequences, displace responsibility, or portray harmful actions as serving legitimate organizational purposes. In the present study, moral disengagement statistically accounted for part of the association between empowering leadership and UPB. This pattern is consistent with the possibility that employees use moral rationalization to reconcile organizational expectations with ethically questionable methods.

Hindrance stressors appear to condition how employees interpret and exercise the discretion provided by empowering leaders. When employees encounter bureaucracy, role conflict, ambiguity, organizational politics, or other obstructive demands, they may experience tension between their responsibility to achieve organizational objectives and their limited ability to do so through legitimate means. Moral disengagement may help them reinterpret questionable conduct as necessary, harmless, or justified by organizational interests. Hindrance stressors may therefore operate as contextual amplifiers of the association between empowered discretion and moral disengagement.

These findings do not imply that moral disengagement is unique to empowering leadership or that empowering leadership uniquely activates moral rationalization. Moral disengagement can arise under various leadership styles and workplace conditions. Empowering leadership is theoretically relevant because it combines discretion and decision authority with leader-expressed confidence, responsibility for outcomes, and encouragement to advance organizational objectives. Its potential moral risk therefore arises from this configuration of agency and pro-organizational responsibility, rather than from autonomy alone.

The study contributes a contextual replication and boundary-pattern refinement of previous research rather than introducing a new mediator, moderator, or conditional-process model. Whereas previous research reported a reversing pattern, the present findings indicate that lower hindrance stressors weaken—but do not necessarily eliminate—the positive association between empowering leadership and moral disengagement. The contribution therefore lies in clarifying the form of an established boundary condition—amplification rather than reversal—and examining whether this pattern remains observable in a non-Western digital start-up setting.

The Indonesian digital start-up context should nevertheless be treated as a domain for testing the contextual portability of the model, not as a causal explanation for the amplification pattern. The study did not directly measure organizational maturity, resource scarcity, role fluidity, governance quality, or institutional safeguards and did not include a comparison group from other organizational settings. Consequently, the findings cannot establish that Indonesian digital start-ups are inherently more ambiguous, resource-constrained, or institutionally underdeveloped than other organizations.

The findings also do not demonstrate that empowering leadership causes moral disengagement or UPB. The cross-sectional design does not establish temporal ordering, and reverse or reciprocal relationships remain possible. Employees who are more morally disengaged may perceive their leaders' behaviour differently, while unmeasured organizational conditions may simultaneously shape perceptions of leadership, stressors, and unethical conduct. The indirect associations and index of moderated mediation should therefore be interpreted as evidence that the observed data are consistent with the proposed theoretical process, not as proof of a temporal causal mechanism.

Common method bias further limits the theoretical interpretation. All constructs were self-reported by the same respondents at the same time, including sensitive variables such as moral disengagement and UPB. Harman's single-factor test showed that the first factor accounted for 58.388% of the total variance. Although this test cannot establish the precise presence or magnitude of common method bias, shared method effects cannot be dismissed as trivial. The observed

coefficients and conditional indirect associations may therefore be inflated by consistency motives, social desirability, common scale formats, or respondents' general evaluative tendencies.

Overall, the findings support a more nuanced interpretation of empowering leadership. Empowerment should not be regarded as inherently ethical or unethical. Its moral implications may vary according to the stressor environment and the cognitive interpretations employees apply to their discretion. The findings also reinforce the distinction between pro-organizational intention and ethical conduct: behaviour intended to benefit an organization may still violate broader moral standards and harm external stakeholders.

Managerial Implications

The following managerial implications should be interpreted as precautionary considerations suggested by the observed associations, rather than as interventions whose causal effectiveness has been established by the present study. Organizations implementing empowering leadership may benefit from ensuring that employee autonomy is accompanied by clear ethical expectations, accountability, and adequate structural support. Employee discretion should not be communicated as unrestricted freedom or permission to achieve results by any available means.

Managers may emphasize that both organizational outcomes and the methods used to achieve them matter. Discussions concerning performance, innovation, and target achievement should explicitly distinguish acceptable from unacceptable practices. Leaders may also clarify that actions intended to benefit the organization are not legitimate when they mislead customers, conceal material information, violate regulations, or harm external stakeholders.

Organizations should avoid treating empowerment as a substitute for structural support. When employees face excessive bureaucracy, unclear responsibilities, conflicting expectations, or obstructive procedures, additional discretion may leave them responsible for outcomes without providing adequate legitimate means to achieve those outcomes. Organizations may therefore consider simplifying unnecessary procedures, clarifying roles, coordinating conflicting demands, and improving access to information and supervisory support. The present results do not demonstrate that reducing hindrance stressors will causally prevent moral disengagement or unethical behaviour; these measures are better understood as plausible risk-management practices.

Moral rationalizations may also provide warning signs of ethical risk. Statements such as “everyone does it,” “it is for the company,” or “meeting the target is more important than the method” may indicate that questionable conduct is being normalized. Managers and human resource professionals may use ethical-climate assessments, confidential reporting systems, employee discussions, and qualitative feedback to identify such narratives without creating a punitive or excessively controlling environment.

Performance management systems may also evaluate how results are achieved, rather than focusing exclusively on whether targets are met. Ethical conduct, transparency, regulatory compliance, and stakeholder treatment can be incorporated into performance discussions and reward decisions. Leadership development may similarly promote ethical empowerment by training leaders to grant autonomy while maintaining accountability, ethical clarity, structural support, and psychologically safe opportunities for employees to question problematic targets or procedures.

Further intervention-based research is required to determine whether ethical-boundary communication, hindrance-stressor reduction, process-oriented performance management, and speak-up mechanisms effectively reduce moral disengagement and UPB.

Conclusion and Future Research Directions

This study examined the conditional association between empowering leadership and UPB through moral disengagement. Empowering leadership was positively associated with moral disengagement, and this association became stronger as hindrance stressors increased. Moral disengagement was positively associated with UPB, while the direct association between empowering leadership and UPB remained statistically significant. The conditional indirect association through moral

disengagement increased across the examined levels of hindrance stressors, supporting a first-stage moderated mediation model in which direct and indirect associations coexist.

The study's contribution lies in contextual replication and boundary-pattern refinement rather than in identifying a new mechanism. Whereas previous research reported a reversing pattern, the present findings indicate amplification: the positive association between empowering leadership and moral disengagement remained observable across the examined levels of hindrance stressors but became progressively stronger as those stressors increased. The study therefore refines understanding of the form taken by an established boundary condition and assesses whether the conditional process remains observable in a non-Western digital start-up setting.

The findings are consistent with a morally ambivalent interpretation of empowering leadership. Empowering leadership should not be regarded as inherently ethical or harmful. When autonomy and responsibility are accompanied by bureaucracy, role ambiguity, organizational politics, or other obstructive demands, employees may experience tension between expectations to achieve organizational objectives and their ability to do so through legitimate means. Consistent with Social Cognitive Theory, moral disengagement may help employees reinterpret questionable conduct as necessary or justified by organizational interests.

Several limitations qualify these conclusions. First, the cross-sectional design does not establish temporal ordering or causal direction. Reverse, reciprocal, and omitted-variable explanations remain possible. Second, all constructs were measured through simultaneous self-reports. Given that the first factor in Harman's test accounted for 58.388% of the total variance, common method effects cannot be dismissed as trivial, and the reported coefficients and indirect associations may be inflated.

Third, convenience and social-media-based recruitment limit the external validity of the findings. Employees who were more digitally active, connected to the researchers' distribution networks, or willing to disclose sensitive workplace experiences may have been overrepresented. Respondent eligibility relied on self-reported employment information, and duplicate or ineligible submissions could not be identified with complete certainty. The final sample should therefore be regarded as a screened non-probability sample rather than as statistically representative of all Indonesian digital start-up employees.

The contextual interpretation is similarly limited. The study did not directly assess organizational maturity, governance quality, resource scarcity, role fluidity, or institutional safeguards and did not include comparison groups from other organizational or national contexts. It therefore cannot conclude that Indonesian digital start-ups are inherently more ambiguous or less institutionally consolidated than other organizations. The sampled employees also represented multiple digital sectors and occupational levels, indicating sectoral diversity rather than organizational homogeneity.

Future research should use longitudinal, time-lagged, or experimental designs to establish temporal ordering more rigorously. Empowering leadership and hindrance stressors could be measured at an initial stage, moral disengagement at a subsequent stage, and UPB at a later stage. Experimental studies could manipulate empowering leadership and hindrance stressors to examine whether their interaction produces changes in moral rationalization and behavioural intentions. Multi-source measures, behavioural tasks, peer or leader evaluations, confidential incident records, and archival misconduct indicators could further reduce common method and social desirability concerns.

Future studies should also recruit respondents through verified organizational partnerships, distribute unique survey links, and collect sufficient non-identifying organizational information to validate eligibility. Firm-level data—including organizational age, workforce size, funding stage, governance arrangements, and degree of formalization—would allow researchers to examine whether organizational characteristics explain variation in the conditional process. Direct comparisons among start-ups, mature corporations, public organizations, and non-profit institutions would provide stronger evidence concerning the contextual robustness of the amplification pattern.

Further research may examine conditions that amplify or buffer the moral risks associated with empowered discretion. Ethical climate, moral identity, ethical leadership, accountability, and organizational justice may weaken the association between empowering leadership and moral disengagement. Conversely, bottom-line mentality, performance pressure, organizational politics, and competitive intensity may strengthen it. Future studies may also extend the outcome domain to rule bending, organizational deviance, silence, voice, whistle-blowing, and constructive rule breaking.

Overall, the study provides provisional evidence that empowering leadership may be associated with morally problematic outcomes when employees encounter hindrance stressors and report greater moral disengagement. Its contribution lies in refining an established boundary condition and testing its contextual portability, rather than in establishing a new mechanism or causal relationship. Empowerment may remain a valuable leadership practice, but its implementation should be accompanied by clear ethical guidance, adequate structural support, and attention to the organizational conditions under which employees exercise discretion.

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