



Toxic Leadership and Workplace Deviant Behavior among Gen Z Employees: The Mediating Role of Moral Justification and the Moderating Role of Resilience

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ABSTRACT

This study examines how toxic leadership influences workplace deviant behavior among Gen Z employees in Indonesia by testing the mediating role of moral justification and the moderating role of resilience. Data were collected from 409 Gen Z employees in Jakarta through an email survey conducted in June and July 2025. The hypotheses were tested using partial least squares structural equation modeling (PLS-SEM). The findings show that toxic leadership significantly increases moral justification and workplace deviant behavior. Moral justification also significantly increases workplace deviant behavior and partially mediates the relationship between toxic leadership and deviance. Resilience weakens the positive relationship between toxic leadership and moral justification, and the moderated mediation effect is significant. The study contributes to the literature by identifying moral justification as a cognitive mechanism linking toxic leadership to deviant behavior and by positioning resilience as a boundary condition that reduces employees' susceptibility to moral rationalization under toxic leadership.

Keywords: Toxic Leadership, Moral Justification, Workplace Deviant Behavior, Resilience, Gen Z Employees, Indonesia

JEL Classifications: M12; M14; M54; J24

1. INTRODUCTION

The role of leaders in shaping employees' work attitudes and behaviors is of interest to many researchers in management and organizational behavior. Despite its positive role, several harmful leadership styles have also been identified, such as toxic leadership. This leadership style tends to involve intimidation, manipulation, and humiliation (Schmidt, 2014), not only damaging employee well-being but also provoking negative reactions, such as workplace deviant behavior (Liu et al., 2012; Lyu et al., 2023). Hence, understanding how and when toxic leadership translates into deviance is essential for organizations seeking to maintain ethical climates and productive work environments.

Extensive research has examined the impact of toxic leadership on employee deviance; however, several gaps in the literature

persist. First, the existing works have established that toxic leaders can indirectly influence deviant behavior through various mediators, such as moral disengagement, job satisfaction, organizational commitment, emotional exhaustion, and cynicism; however, other mechanisms remain limited (Ahmed et al., 2024; Gallus et al., 2013; Noori and Phoolka, 2026). While moral justification is confirmed in the context of abusive leadership (Lyu et al., 2023), there is limited empirical evidence specifically examining its mediating role between toxic leadership and deviant behavior. Moreover, most studies focus on moral disengagement broadly or on other mediators such as psychological safety, loyalty, or moral emotions (Erkutlu and Chafra, 2019; Syed et al., 2020; Valle et al., 2019). Second, cultural and regional contexts are also underrepresented. While some studies have examined toxic leadership in countries like Egypt, Pakistan, and China, there is a lack of research in other cultural settings, particularly

in Southeast Asia (Ahmed et al., 2024; Hui Sim et al., 2021; Olabiya et al., 2024; Qi et al., 2020), including Indonesia. Third, although resilience is known to buffer stress, few studies have positioned resilience as a moderator that weakens the cognitive effects of toxic leadership – specifically, the tendency to justify unethical actions morally. Existing research has not integrated toxic leadership, moral justification, resilience, and workplace deviance into a single moderated mediation model, particularly for Gen Z employees.

This study offers several original contributions to address the identified gaps. First, while prior research has established that toxic leaders can indirectly influence deviant behavior through various mediators (Ahmed et al., 2024; Gallus et al., 2013; Noori and Phoolka, 2026), the specific mediating role of moral justification in the relationship between toxic leadership and workplace deviance remains underexplored. This study therefore positions moral justification as a key cognitive mechanism linking toxic leadership to deviant behavior, thereby extending the moral disengagement literature. Second, while some studies have examined toxic leadership in countries such as Egypt, Pakistan, and China (Ahmed et al., 2024; Hui Sim et al., 2021; Olabiya et al., 2024; Qi et al., 2020), cultural and regional contexts remain underrepresented, particularly in Southeast Asia, including Indonesia. By focusing on Gen Z employees in Indonesia, this research responds to calls for more context-specific studies in diverse cultural and generational settings. Third, although resilience is known to buffer stress, few studies have positioned resilience as a moderator that weakens the cognitive effects of toxic leadership – specifically, the tendency to justify unethical actions morally. There has been no research integrating toxic leadership, moral justification, resilience, and workplace deviance into a moderated mediation model for Gen Z employees. This study thus introduces resilience as a boundary condition, demonstrating that the effect of toxic leadership on moral justification is conditional upon employees' level of resilience. By addressing these gaps, the study enriches theoretical understanding of how cognitive mechanisms transmit leadership effects and how individual differences can interrupt this process.

This study aims to examine the relationships between toxic leadership, moral justification, workplace deviant behavior, and resilience among Gen Z employees in Indonesia. Specifically, the study tests whether toxic leadership affects moral justification and workplace deviant behavior; whether moral justification positively affects workplace deviant behavior; whether moral justification mediates the toxic leadership–deviance relationship; and whether resilience moderates the toxic leadership–moral justification link. The findings are expected to enrich theoretical understanding of how cognitive mechanisms transmit leadership effects and how individual differences such as resilience can interrupt this process. In practice, the present study offers guidance for organizations, especially those employing Gen Z workers, to reduce toxic leadership through better selection, training, and accountability, and to build resilience through targeted interventions in the Asian context.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1. Toxic Leadership and Moral Justification

Toxic leadership refers to a recurring set of harmful behaviors in the workplace, such as intimidation, manipulation, and humiliation (Schmidt, 2014; Schmidt et al., 2009). According to social exchange theory (Blau, 1964), employees who perceive their leaders as unethical or abusive are likely to feel a reduced sense of moral obligation and become more prone to justifying their own harmful actions. Moreover, Valle et al. (2019) specifically use SET to demonstrate that moral disengagement mediates the relationship between abusive supervision and organizational deviance. Previous empirical studies have shown that toxic leadership behaviors significantly damage trust and morale within organizations (Emanuel et al., 2018; Ghislieri, 2024; Karaszewski, 2026; Lipman-Blumen, 2010). A crucial element of toxic leadership is its activation of moral justification, a cognitive process that enables individuals to perceive unethical actions as acceptable or necessary depending on the situation (Bandura, 1991). Consequently, employees might rationalize that violating rules or responding to an unfair system is warranted. Moreover, research has established a positive relationship between destructive leadership and moral disengagement (Beu and Buckley, 2004; Lyu et al., 2023). Furthermore, Lyu et al. (2023) indicate that exploitative leadership encourages moral justification, which subsequently leads to workplace deviance. The impact of this behavior is further intensified by hostile attribution bias. Hence, we propose:

H₁: Toxic leadership has a positive effect on moral justification.

2.2. Toxic Leadership and Workplace Deviant Behavior

Workplace deviant behavior (WDB) refers to actions by employees that violate organizational norms and may harm the organization. These behaviors can range from minor acts (e.g., reduced effort) to more serious actions (e.g., theft, aggression, harassment) (Braje et al., 2020; Raza et al., 2023; Singh, 2019). WDC is an action that can harm colleagues, such as incivility or harassment, and also negatively impact the organization through sabotage or resource misuse, which is a more serious form of WDB (Raza et al., 2023). Overall, previous studies have noted factors that lead to WDB, including individual characteristics, organizational culture, job dissatisfaction, and leadership styles (Braje et al., 2020; Walsh, 2014).

Toxic leadership disrupts the reciprocal relationship between leaders and employees, resulting in negative emotions such as distrust and dissatisfaction. Employees may reciprocate this imbalance by engaging in deviant behaviors as a form of retaliation or to restore perceived equity (Bou Reslan et al., 2025; Iqbal et al., 2022). For example, despotic leadership fosters job dissatisfaction and organizational deviance, as employees feel undervalued and mistreated. Similarly, toxic leadership increases emotional exhaustion and organizational cynicism, which mediate the relationship between toxic leadership and WDB (Ahmed et al., 2024; Noori and Phoolka, 2026). Toxic leaders serve as negative

role models, influencing employees to justify deviant behaviors through moral disengagement. Employees exposed to exploitative leadership may rationalize harmful actions as acceptable, thereby increasing organizational and interpersonal deviance (Liu et al., 2012; Lyu et al., 2023). For instance, toxic leadership reduces unit civility, which mediates its impact on job satisfaction and organizational commitment, further encouraging deviant behaviors (Gallus et al., 2013). Hence:

H₂: Toxic leadership positively affects workplace deviant behavior.

2.3. Moral Justification and Workplace Deviant Behavior

Moral justification is a public endeavor that requires individuals to explain their actions to their community in understandable terms. It relies on shared moral resources and assumes an audience, even when done internally (Musschenga, 2017). In general, justification involves aligning actions with moral frameworks such as virtue ethics to evaluate their morality. (Becker, 2014; Khalid et al., 2017). Moral justification enables employees to view unethical actions as acceptable by shifting blame to external factors or minimizing harm. Those inclined toward deviant behavior may use tactics like blaming victims or circumstances to rationalize their actions (Kalinnikova et al., 2021). In the workplace, moral justification helps employees see their harmful behavior as acceptable. They do this by blaming outside factors or by making the harm seem smaller than it really is. For example, workers who tend to engage in deviant behavior may use moral disengagement to justify their actions, such as by saying the victim deserved it or that the situation left them no choice (Kalinnikova et al., 2021). According to Bandura (1991), moral justification reduces feelings of guilt and shame, making it easier for people to engage in deviant behavior. Studies also show that moral disengagement is closely linked to workplace deviance, including sabotage, manipulation, and other destructive actions (Kalinnikova et al., 2021; Wang et al., 2025). Thus, we propose:

H₃: Moral justification positively affects workplace deviant behavior.

Prior studies reveal that moral disengagement plays a critical role in mediating the relationships among factors such as work pressure, moral identity, and organizational pressure, and their influence on unethical behavior. First, moral disengagement has been shown to link high organizational identification to pro-organizational unethical behavior ((Payne, 2023) and to link workplace ostracism to pro-employment unethical behavior (Liu et al., 2025). Second, factors like workplace ostracism, job insecurity, and performance pressure have been shown to increase levels of moral disengagement, which in turn can lead to deviant behavior (Wang et al., 2025; Zhang et al., 2022). Hence, we argue that moral justification will also mediate the relationship between toxic leadership and workplace deviant behavior, as toxic leaders foster an environment where employees can rationalize unethical actions. This perspective aligns with Bandura's concept that moral disengagement serves as a bridge between external stimuli and unethical conduct.

H₄: Moral justification mediates the relationship between toxic leadership and workplace deviant behavior.

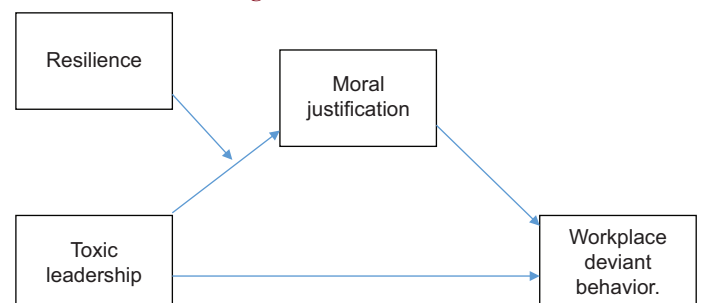
2.4. The Moderating Role of Resilience

Resilience encompasses the capacity to not only withstand challenges but also to adapt and flourish in the face of adversity; this quality enables individuals to maintain their well-being and performance even when confronted with stressors (Gadzali et al., 2025; Yu et al., 2022). Traits commonly associated with resilience include psychological characteristics such as adaptability, the ability to adjust one's thinking and behavior in response to new situations, and emotional strength, which involves maintaining composure and a positive outlook during tough times (Boullion and Clinker, 2026). Together, these traits foster an environment where individuals or teams can not only survive difficulties but also emerge from them with enhanced skills and a greater sense of purpose. In this study, we propose that resilience plays a critical moderating role in the relationship between toxic leadership and its adverse effects on employees. Drawing on SCT (Bandura, 1991), resilient employees are characterized by robust self-regulatory skills that enable them to manage negative emotions effectively; this capacity allows them to navigate the challenges posed by toxic leaders without succumbing to detrimental psychological effects. Individuals with lower resilience are more vulnerable to compromising their ethical standards in the face of unethical behavior. They often engage in moral justification, rationalizing their actions to align with their beliefs and reduce cognitive dissonance discomfort.

Existing studies reveal that resilience enables individuals to adopt healthier coping strategies, such as seeking social support or maintaining ethical standards, rather than resorting to deviant behaviors or moral disengagement (Moorman et al., 2025; Webster et al., 2016). Resilient employees are better equipped to maintain ethical decision-making and moral integrity, even in toxic environments (Brewer et al., 2024). This could counter the tendency to justify unethical actions under toxic leadership. Hence, although toxic leadership increases moral justification, this effect likely depends on employees' resilience. High-resilience employees maintain self-regulation and resist cognitive distortions such as moral justification. They attribute the leader's toxic behavior to the leader's personal flaws rather than to a need for self-defense. In contrast, low-resilience employees lack such protective resources and are more prone to moral justification as a coping strategy. Thus, resilience weakens the positive relationship between toxic leadership and moral justification. We propose:

H₅: Resilience moderates the positive relationship between toxic leadership and moral justification, such that the relationship is weaker when resilience is high than when resilience is low.

Figure 1: Research model



As depicted in Figure 1, the proposed research framework guides the hypothesis formulation and structural analysis.

3. METHODOLOGY

3.1. Sample and Procedures

The target respondents in this study were Gen Z employees working in Jakarta, Indonesia. To facilitate data collection, the researchers collaborated with the alum center of a private university in Jakarta to obtain a distribution list of bachelor's and master's degree graduates working across various sectors. Data collection took place in June and July 2025. All target respondents were sent an email inviting them to participate voluntarily. Participation was voluntary, and informed consent and data confidentiality were explained on the survey's cover page; only those who agreed completed the questionnaire. Of more than 1,000 emails sent, 562 responses were received. After checking for data completeness and duplication, the final sample comprised 409 respondents. Assuming a medium effect size ($f^2 = 0.15$), a significance level of 0.05, and a power of 0.80, the minimum sample size was 92. To address potential non-response bias, we targeted a larger sample. The final sample of 409 employees exceeded the minimum requirement, ensuring adequate power to detect hypothesized effects.

Table 1 summarises the demographic characteristics of the 409 respondents in this study. The majority were female (62.0%), with males representing 38.0%. Regarding education, most respondents held a bachelor's degree (72.0%), followed by a master's degree (14.0%), while the remaining 14.0% chose not to answer. Next, the majority of respondents worked in private companies (51.0%), followed by government institutions (28.0%), self-employed or entrepreneurs (12.0%), and 9.0% preferred not to answer. By age, 67.0% of respondents were under 25, and the remaining 33.0% were 25 or older.

3.2. Measurement

Moral justification was measured using four items adapted from the Moral Disengagement Scale (MMDS) developed by Bandura et al. (Bandura, 2002; Bandura et al., 1996). For this study, four items that capture a subscale of moral justification were selected and adapted to the workplace context. Items were rated on a 7-point Likert scale ranging from 1 = "Strongly Disagree" to 7 = "Strongly Agree". The item samples were: (1) "It is acceptable

to break company rules to defend a coworker"; and (2) "Being rude or undermining a coworker is just part of normal workplace dynamics."

Toxic leadership was assessed using the modified version of Schmidt's (2014) Toxic Leadership Scale. The scale comprises 13 items, all rated on a 5-point Likert scale ranging from 1 = "Strongly Disagree" to 5 = "Strongly Agree". Each item begins with the stem "My current supervisor..." Example items include: "...will only offer assistance to people who can help him/her get ahead" and "...publicly belittles subordinates".

Workplace deviant behavior was measured using nine items adapted from Stewart et al. (2021), who modified the scale originally developed by Robinson and Bennett (1995). The original 12-item scale includes four dimensions: production deviance, political deviance, property deviance, and personal aggression. Because items related to property deviance were considered too sensitive for the context of this study, the property deviance dimension was omitted. Consequently, three items from production deviance, three from political deviance, and three from personal aggression were retained. All items were rated on a 5-point Likert scale ranging from 1 = "Never" to 5 = "Very often". Example items include: "Worked on a personal matter instead of working for your employer" (production deviance); "Repeated gossip about a coworker" (political deviance); and "Cursed at someone at work" (personal aggression).

Resilience was measured using five items adapted from Reinwarth et al. (2024). Items were rated on a 5-point Likert scale ranging from 1 = "Strongly disagree" to 5 = "Strongly agree". The items were: (C) "Keeping interested in things is important to me"; (F) "I am determined"; (G) "I keep interested in things"; (H) "I can usually find something to laugh about"; and (I) "I can usually look at a situation in several ways."

3.3. Data Analysis Procedures

This study applied Partial Least Squares Structural Equation Modeling (PLS-SEM) using SmartPLS 4.0 to test the research model. The analysis followed procedures. First, we assessed common method bias using two approaches: Harman's single-factor test and the full collinearity assessment (Kock et al., 2021; Podsakoff et al., 2012). Second, we evaluated the measurement model by examining factor loadings, composite reliability (CR), average variance extracted (AVE), and discriminant validity (using the Fornell-Larcker criterion and the HTMT). Third, we assessed the structural model by estimating path coefficients, coefficients of determination (R^2), effect sizes (f^2), and predictive relevance (Q^2) using a bootstrapping procedure with 5,000 resamples (Legate et al., 2023; Sarstedt et al., 2021).

4. RESULTS AND DISCUSSION

4.1. Common Method Bias Evaluation

Common method bias (CMB) was assessed because all data were collected from a single source (self-reported). Statistically, we employed two complementary approaches: (1) Harman's single-factor test using principal component analysis, and (2) the full

Table 1: Demographic characteristics of respondents (n=409)

Characteristic	Category	n	Percentage
Gender	Female	254	62.0
	Male	155	38.0
Education	Bachelor's degree	294	72.0
	Master's degree	57	14.0
	Prefer not to answer	58	14.0
Employment sector	Private company	209	51.0
	Government institution	115	28.0
	Self-employed/Entrepreneur	49	12.0
	Prefer not to answer	36	9.0
Age group	<25 years	274	67.0
	≥25 years	135	33.0

Table 2: Measurement model results

Construct	Item	Loading factor	CA	CR	AVE
Moral Justification (MORAL)	MORAL1	0.82	0.82	0.83	0.65
	MORAL2	0.84			
	MORAL3	0.78			
	MORAL4	0.79			
Resilience (RES)	RES1	0.82	0.91	0.92	0.73
	RES2	0.85			
	RES3	0.86			
	RES4	0.86			
	RES5	0.89			
Toxic leadership (TL)	TL1	0.71	0.94	0.94	0.61
	TL2	0.71			
	TL3	0.79			
	TL4	0.80			
	TL5	0.82			
	TL6	0.83			
	TL7	0.81			
	TL8	0.85			
	TL10	0.72			
	TL11	0.78			
	TL12	0.79			
Workplace deviant behavior (WD)	WD1	0.74	0.89	0.89	0.57
	WD3	0.74			
	WD4	0.75			
	WD5	0.75			
	WD6	0.73			
	WD7	0.76			
	WD8	0.77			
	WD9	0.80			

CA: Cronbach's alpha, CR: Composite reliability, AVE: average variance extracted

collinearity assessment (Kock et al, 2021). First, all items were entered into a principal component analysis with an unrotated solution. As shown in Table 2, the first extracted factor accounted for 33.40% of the total variance, which is below the recommended threshold of 50% (Podsakoff et al., 2012). This result suggests that common method variance is not a serious concern in this study.

Second, we performed a full collinearity assessment by regressing each latent variable against the others and examining the variance inflation factor (VIF) values in the inner model. As presented in Table 2, all VIF values were below the conservative cut-off of 3.3 (Kock et al., 2021). Therefore, common method bias does not pose a serious problem in the data.

4.2. Measurement Model Evaluation

The initial analysis identified several indicators that did not meet the required threshold (factor loading <0.70). Specifically, one item from the Toxic Leadership (TL) scale and three items from the Workplace Deviant Behavior (WD) scale were removed from the measurement model. After eliminating these items, the measurement model was re-evaluated. The results are presented in Tables 2 and 3.

As shown in Table 2, all retained items demonstrated factor loadings above the recommended threshold of 0.70 (Hair et al., 2017). Composite reliability (CR) values ranged from 0.83 to 0.94, exceeding the minimum requirement of 0.70, indicating satisfactory internal consistency. The average variance extracted (AVE) for each construct ranged from 0.57 to 0.73, all above the acceptable cut-off of 0.50 (Fornell and Larcker, 1981; Hair and

Table 3: Heterotrait-Monotrait (HTMT) ratio

Construct	MORAL	RES	TL	WD
MORAL	–			
RES	0.335	–		
TL	0.596	0.287	–	
WD	0.504	0.184	0.347	–

Alamer, 2022). These results support the convergent validity of the measurement model.

Discriminant validity was assessed using the Heterotrait-Monotrait (HTMT) criterion (Henseler et al., 2015). As presented in Table 3, all HTMT values were below the conservative threshold of 0.85 (ranging from 0.184 to 0.596). This result confirms that discriminant validity is established among the constructs.

4.3. Structural Equation Model

As shown in Table 4, the structural model explained 32.3% of the variance in moral justification ($R^2 = 0.323$) and 20.2% of the variance in workplace deviant behavior ($R^2 = 0.202$).

Supporting H_1 , toxic leadership had a significant positive effect on moral justification ($\beta = 0.45$, $P < 0.001$, $f^2 = 0.257$), whereas resilience had a significant negative effect ($\beta = -0.19$, $P < 0.001$, $f^2 = 0.050$). The effect size for toxic leadership was large, whereas resilience showed a small-to-medium effect. Regarding H_2 , the direct effect of toxic leadership on workplace deviant behavior was significant but weak ($\beta = 0.12$, $P = 0.05$, $f^2 = 0.012$), with the lower bound of the confidence interval at zero. This suggests a marginal direct effect.

Supporting H_3 , moral justification had a significant positive effect on workplace deviant behavior ($\beta = 0.38$, $P < 0.001$, $f^2 = 0.128$), indicating a medium effect size. The indirect effect of toxic leadership on workplace deviant behavior through moral justification was significant ($\beta = 0.169$, $P < 0.001$, 95% CI [0.112, 0.225]), supporting H_4 . This indicates that moral justification partially mediates the relationship between toxic leadership and workplace deviant behavior. Given that the direct effect ($\beta = 0.12$) remained significant but decreased after including the mediator, the mediation is partial (complementary).

The interaction between resilience and toxic leadership on moral justification was significant ($\beta = -0.12$, $P = 0.01$, $f^2 = 0.023$), supporting H_5 . The negative interaction coefficient suggests that resilience weakens the positive relationship between toxic leadership and moral justification. In other words, when employees have higher resilience, the effect of toxic leadership on moral justification is reduced. The index of moderated mediation was significant ($\beta = -0.044$, $P = 0.013$, 95% CI [-0.079, -0.010]), indicating that the indirect effect of toxic leadership on workplace deviant behavior via moral justification is conditional on resilience level. Specifically, the mediating effect becomes weaker as resilience increases.

To further interpret the significant moderating effect of resilience on the relationship between toxic leadership and moral justification (H_5), a simple slope analysis was conducted at three levels of the moderator: one standard deviation below the mean (-1 SD), at

Table 4: Structural model and hypothesis testing

Hypothesis	Path	Coeff	SD	t	p	2.5%	97.5%	R ²	f ²
H ₁	TL→MORAL	0.45	0.04	10.12	0.00	0.36	0.53		0.257
	RES→MORAL	-0.19	0.05	4.32	0.00	-0.27	-0.10	0.323	0.050
H ₂	TL→WD	0.12	0.06	1.98	0.05	0.00	0.23		0.012
H ₃	MORAL→WD	0.38	0.06	6.02	0.00	0.24	0.49	0.202	0.128
Mediating effect									
H ₄	TL→MORAL→WD	0.169	0.029	5.872	0.000	0.112	0.225		
Moderated mediation									
	Index of moderated mediation	-0.044	0.018	2.497	0.013	-0.079	-0.010		
Moderating effect									
H ₅	RES×TL→MORAL	-0.12	0.04	2.71	0.01	-0.19	-0.02		0.023

TL: Toxic Leadership, MORAL: Moral justification, RES: Resilience, WD: Workplace deviant behavior. Bootstrapping with 5,000 resamples was used. Confidence intervals are bias-corrected

Table 5: Conditional direct effect of TL → MORAL based on moderator values

Condition	Coeff	SD	t	P	2.5%	97.5%
RES at -1 SD (low resilience)	0.566	0.055	10.198	0.000	0.448	0.663
RES at Mean	0.449	0.047	9.487	0.000	0.354	0.540
RES at +1 SD (high resilience)	0.333	0.071	4.692	0.000	0.203	0.480

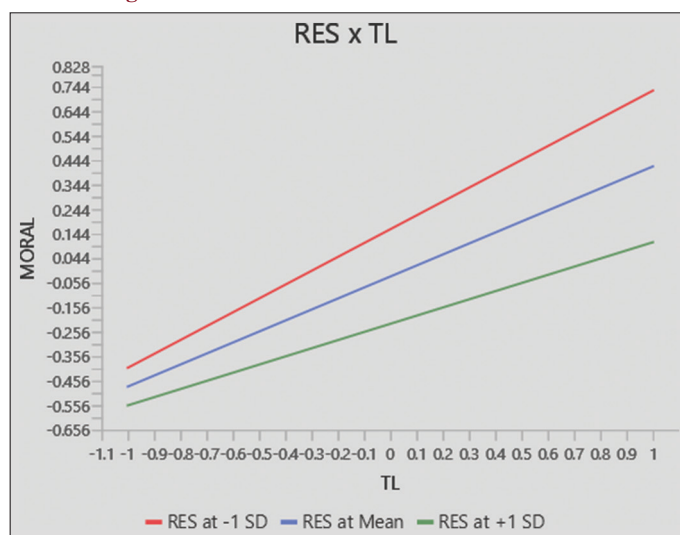
Table 6: Predictive metrics for moral justification (MORAL) and workplace deviant behaviour (WD) indicators

Indicator	Q ² _predict	PLS-SEM_RMSE	PLS-SEM_MAE	LM_RMSE	LM_MAE	IA_RMSE	IA_MAE
MORAL1	0.268	1.668	1.360	1.708	1.348	1.950	1.622
MORAL2	0.179	1.671	1.327	1.702	1.316	1.844	1.506
MORAL3	0.138	1.685	1.374	1.726	1.401	1.815	1.511
MORAL4	0.197	1.680	1.337	1.692	1.334	1.875	1.526
WD1	0.053	1.187	0.951	1.215	0.975	1.219	0.970
WD3	0.070	1.320	1.112	1.340	1.100	1.368	1.171
WD4	0.053	1.191	0.961	1.212	0.962	1.225	0.966
WD5	0.044	1.294	1.082	1.324	1.083	1.323	1.096
WD6	0.082	1.302	1.098	1.321	1.105	1.359	1.166
WD7	0.064	1.278	1.065	1.316	1.079	1.320	1.092
WD8	0.073	1.271	1.089	1.307	1.093	1.320	1.140
WD9	0.044	1.274	1.072	1.298	1.076	1.303	1.088

the mean, and one standard deviation above the mean (+1 SD). The results are presented in Table 5.

As shown in Table 5 and Figure 2, the positive effect of toxic leadership on moral justification was significant at all three levels of resilience (all $P < 0.001$). However, the strength of this effect decreased as resilience increased. Specifically, when resilience was low (-1 SD), the coefficient was 0.566; at mean resilience, it was 0.449; and when resilience was high (+1 SD), it dropped to 0.333. This pattern confirms that resilience attenuates the relationship between toxic leadership and moral justification, supporting H₅.

Finally, we evaluated how well the model predicts results outside of the sample using the PLSpredict procedure (Legate et al., 2023; Shmueli et al., 2019). In Table 6, the results show the Q²_predict values, RMSE, and MAE for each indicator. We compared the PLS-SEM model to a linear model (LM) and an indicator average (IA) benchmark. The indicators for the moral justification construct (MORAL1 to MORAL4) showed positive Q²_predict values ranging from 0.138 to 0.268, indicating predictive power. PLS-SEM had lower RMSE values than LM for all indicators; for instance, MORAL1 had a PLS-SEM RMSE of 1.668 compared to 1.708 for LM. For workplace deviant behavior (WD1-WD9), we found small positive Q²_predict values ranging from 0.044 to 0.082. Again, PLS-SEM outperformed LM, as seen in WD1, where

Figure 2: Effect of TL on WD based on RES value

PLS-SEM had an RMSE of 1.187 and LM had 1.215, confirming the model's predictive validity.

As shown in Table 7 also shows the average differences in loss between the PLS-SEM model and the indicator average (IA) benchmark. For moral justification, the PLS-SEM model had a lower

Table 7: Average loss comparison between PLS-SEM and indicator average (IA) benchmark

Construct	PLS loss	IA loss	Average loss difference	t value	P-value
MORAL	2.809	3.503	-0.694	4.692	0.000
WD	1.601	1.705	-0.104	2.618	0.009

loss of 2.809 compared to the IA’s 3.503, resulting in a difference of -0.694 ($t = 4.692$, $P = 0.000$). For workplace deviant behavior, the PLS loss was 1.601, lower than the IA’s 1.705 (difference = -0.104; $t = 2.618$, $P = 0.009$). These results suggest that the PLS-SEM model is a strong predictor and consistently outperforms the linear model and the indicator-average benchmarks.

5. DISCUSSION

This study examined the relationships among toxic leadership, moral justification, and workplace deviant behavior, and examined resilience as a moderator of these relationships. Supporting SCT and SET, this study found that toxic leaders significantly affect moral justification and deviant behavior among Gen Z employees. In addition, this study found that resilience moderates the relationship between toxic leadership and moral justification.

First, the present study confirmed that toxic leadership had a significant positive effect on moral justification, aligning with SET (Blau, 1964) and previous works (Beu and Buckley, 2004; Lyu et al., 2023). The results in this study indicate that when employees perceive their leaders as manipulative, intimidating, or humiliating, they experience a reduced sense of moral obligation and become more willing to rationalize unethical actions. Toxic leaders create a climate of fear and unfairness, which triggers moral justification as a cognitive coping mechanism. Employees may convince themselves that bending rules or retaliating is acceptable given the unjust treatment they receive. This result also supports Valle et al. (2019), who demonstrated that abusive supervision leads to moral disengagement. For Gen Z employees, who may have lower tolerance for authoritarian practices, the effect of toxic leadership on moral justification appears particularly strong.

Second, the direct effect of toxic leadership on deviant behavior was positive and significant; consistent with prior research, which reveals that destructive leadership fosters deviance through frustration, perceived inequity, and negative role modeling (Ahmed et al., 2024; Lyu et al., 2023). Toxic leaders serve as negative role models; subordinates observe that unethical behavior goes unpunished and may imitate such actions. Additionally, employees may engage in deviance as a form of retaliation to restore equity (Bou Reslan et al., 2025). However, the relatively small coefficient suggests that the direct pathway is not the primary mechanism; instead, the effect of toxic leadership on deviance operates more strongly through moral justification. This is plausible because not all employees react to toxic leadership by overtly violating norms – some may withdraw or disengage silently.

Third, moral justification had a strong positive effect on deviant behavior. This finding supports Bandura’s (1991) moral

disengagement theory, which posits that when individuals justify unethical actions, they experience reduced guilt and shame, thereby facilitating deviant behavior. Employees who rationalize their harmful actions as acceptable – for example, by blaming external factors or minimizing the harm – are more likely to engage in production deviance, political deviance, or personal aggression. This result is consistent with studies that link moral disengagement to sabotage, manipulation, and other destructive workplace behaviors (Kalinnikova et al., 2021; Wang et al., 2025). For Gen Z employees, who may be more sensitive to perceived injustice, moral justification appears to be a strong predictor of deviance.

Fourth, moral justification significantly mediated the relationship between toxic leadership and deviant behavior. Since the indirect effect was robust and the direct effect remained significant but became smaller after including the mediator, these results indicate partial mediation. This finding shows that toxic leadership fosters deviance not only directly but also indirectly by activating moral justification. In other words, toxic leaders create an environment where employees cognitively restructure unethical acts as necessary or deserved. Once employees adopt moral justification, they become more prone to deviance. This result aligns with Bandura’s assertion that moral disengagement mechanisms serve as intermediate links between external stimuli and unethical conduct. It also extends prior work on moral disengagement as a mediator among work pressure, ostracism, and unethical behavior (Liu et al., 2025; Payne, 2023; Wang et al., 2025).

Finally, the present study confirmed that resilience moderated the positive relationship between toxic leadership and moral justification. The interaction effect was significant, and a simple slopes analysis revealed that the effect of toxic leadership on moral justification was strongest among employees with low resilience and weakest among those with high resilience. This supports the reasoning that resilience acts as a protective factor, enabling employees to maintain self-regulation and resist cognitive distortions such as moral justification (Bandura, 1991). They attribute the leader’s toxic behavior to the leader’s personal flaws rather than to a need for self-defense. In contrast, low-resilience employees lack these protective resources and are more prone to moral justification as a defensive coping mechanism. This finding is consistent with prior studies showing that resilience promotes ethical decision-making and reduces moral disengagement (Brewer et al., 2024; Moorman et al., 2025; Webster et al., 2016).

In sum, this study makes several theoretical contributions. First, the present study extends the application of Social Cognitive Theory and the moral disengagement framework to the context of toxic leadership in a non-Western setting (Indonesia) and among Gen Z employees. Second, the present study uncovers moral justification as a key mechanism linking toxic leadership to workplace deviance, thereby extending prior work that uses moral disengagement as a general mechanism. Third, more importantly, in this study, we introduce resilience as a moderator that buffers the cognitive effects of toxic leadership. While previous research has focused on resilience as an antecedent of well-being, this study demonstrates its role as a boundary condition that weakens the link between toxic leadership and moral justification. Fourth,

the findings also support a moderated mediation pattern, in which the indirect effect of toxic leadership on deviance via moral justification depends on the level of resilience, even though this was not formally hypothesized as a separate hypothesis.

5.1. Practical Implications

First, organizations should implement interventions to identify and mitigate toxic leadership behaviors, such as 360-degree feedback, leadership training, and clear accountability mechanisms. Second, given that moral justification mediates the effects of toxic leadership, organizations should foster ethical climates where rationalizations are openly discussed and challenged. Third, organizations can invest in resilience-building programs – for example, through mindfulness training, stress management workshops, or employee assistance programs – to equip employees with coping strategies that reduce the tendency to justify deviance morally. Fourth, the human resource manager should consider resilience a selection criterion for roles with high exposure to leadership stress and provide coaching or mentoring to employees who report experiencing toxic leadership. For Gen Z employees specifically, organizations may benefit from transparent communication, fair treatment, and regular check-ins to prevent moral disengagement.

5.2. Limitations

This study has several limitations. First, the cross-sectional design in this study precludes causal inference; hence, we suggest that future research employ longitudinal or experimental designs to establish causality. Second, all data were self-reported, raising the possibility of common method bias. Although this study confirms that bias was not a serious concern based on the Harman single-factor test and a full collinearity assessment, we still suggest that future studies use multi-source data, for example, from employees and direct supervisors, to provide more objective results. Third, the sample was limited to Gen Z employees in Indonesia, which may limit generalisability to other generations or regions. Hence, future studies could replicate the model across different age cohorts (e.g., Millennials, Gen X) and industries (e.g., manufacturing, public sector).

6. CONCLUSION

The results in this study show that toxic leadership increased deviant behavior among employees, both directly and indirectly through moral justification. Notably, the study also emphasizes resilience as a protective factor, which tends to diminish the positive relationship between toxic leadership and moral justification. For Gen Z workers in Indonesia, improving resilience and tackling toxic leadership are effective ways to reduce moral justification and the consequent deviant actions. Hence, organizations should focus on fostering ethical leadership, investing in resilience training, and building supportive work environments to sever the connection between harmful leadership practices and employee misconduct.

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