

When Managers Bend the Rules, Everyone Pays: New Study Reveals the Organizational Cost of Ethical Drift

PsychTests' recent research shows just how much rule-bending managers erode trust and culture, and how ethical leaders drive engagement and performance.

MONTREAL, QUEBEC, CANADA, May 27, 2026 /EINPresswire.com/ -- A new leadership study from [PsychTests](#) reveals a stark pattern: managers who believe their authority entitles them to bend rules consistently undermine trust, credibility, and team performance.



Integrity in leadership sets the tone for the entire organization.

The research analyzed 314 individuals in managerial roles and divided them into two groups:

- Managers who believe they should have the freedom to break or bend rules
- Managers who believe ethical standards apply equally to themselves

“

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Dr. Ilona Jerabek

The behavioral differences between the two groups were from subtle. They were systemic.

WHAT THE DATA REVEALS

Among managers who justified rule-breaking:

- 47% admitted to rewarding favored employees regardless of performance (vs. 4% of ethical managers).
- 40% reported not being taken seriously by their staff (vs. 5%).
- 68% prioritized “winning” arguments over compromise (vs. 30%).
- 47% used delegation as a dominance tactic (vs. 4%).

- 53% would “do whatever it takes” to get ahead—even act dishonestly (vs. 4%).
- 51% believed making promises they can’t keep is sometimes necessary to retain customers (vs. 2%).

The ripple effects extends beyond personal credibility.

- 79% equated maximum efficiency with strict control and micromanagement (vs. 45% of ethical leaders).
- 23% blamed past failures on others (vs. 1%).

When leaders treat rules as optional, accountability becomes selective—and culture absorbs the signal.

WHY ETHICAL DRIFT HAPPENS

Most managers don’t wake up intending to undermine trust. Ethical drift often begins subtly:

1. Entitlement Bias

Authority can create a psychological exemption mindset—“The rules apply to others.”

2. Performance Pressure

Short-term targets can rationalize questionable decisions.

3. Power Without Reflection

Without self-awareness, authority amplifies existing blind spots.

4. Control as a Substitute for Trust

When leaders lack confidence in influence, they default to dominance.

Rule-bending is rarely about efficiency—it’s often about insecurity, ego, or unmanaged pressure. The team members notice, and either respond in kind, disengage, or push back.

THE PERFORMANCE CONTRAST



Managers who upheld ethical standards were significantly more likely to:

- Earn strong leadership ratings
- Encourage open communication
- Build collaborative teams
- Maintain credibility during conflict

“Integrity is not a soft leadership trait,” says [Dr. Ilona Jerabek](#), president of PsychTests. “It directly shapes trust, engagement, and long-term performance. When leaders compromise their standards, they don’t just risk reputation—they destabilize team culture. For instance, I’ve worked with leaders who spoke passionately about long-term strategy—but in daily meetings, they micromanaged small details. The team didn’t know which signal to follow.”

THE LEADERSHIP IMPLICATION

Ethical leadership is not about blind idealism; it is the basis of structural stability.

When managers operate with consistency and fairness, teams respond with engagement and discretionary effort. When they don’t, employees adapt—by disengaging, protecting themselves, or mirroring the behavior.

Culture doesn’t follow policy; it follows precedent.

Organizations seeking to assess leadership integrity patterns or explore data-driven leadership diagnostics can [request an executive briefing from Dr. Ilona Jerabek](#).

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About PsychTests AIM Inc.

Founded in 1996, PsychTests AIM Inc. is a global provider of psychometric assessments and leadership diagnostics used by HR professionals, coaches, researchers, and organizations worldwide. The company specializes in evidence-based tools that measure cognitive, behavioral, and leadership competencies with scientific rigor and practical relevance. Its multidisciplinary team includes psychologists, test developers, statisticians, researchers, and AI specialists dedicated to advancing data-driven insight in talent assessment and leadership development.

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