

## **Part II**

# **Understanding Why and How We Do What We Do**

## 4 Dispositional Factors Influencing Ethical Decisions

### Opening Case

This chapter reviews dispositional factors that influence our ethical decision-making such as personality traits and cognitive moral development. The “rotten apple” approach to understanding unethical behavior suggests that there are unethical types of people. Early on, this led to a search for personality traits that would identify individuals who were unethical. While this line of research has not proven wholly successful, certain personality traits have been identified that are more likely to appear in those who tend to act unethically. However, there is no one personality trait or measure that can identify an unethical person or someone who is prone to unethical acts. This, of course, makes sense, as we have already learned that we are *all* capable of doing “bad things.” However, certain propensities and characteristics have consistently been found to be associated with a greater degree of unethical behavior, and these will be discussed in this chapter.

### CASE STUDY 4.1

**Case 4.1** I was at my desk at work, minding my own business, when I happened to overhear a couple of co-workers talking about how they had been adding additional hours to their time sheets each week to make more money off of the company. My dilemma was whether or not to turn these two into my boss for their actions, or mind their privacy and not do so. I respected these two employees and had no issue with them; however, I was not okay with what they were doing.

I thought to myself: How could they be getting away with this? They must be trying really hard to pull it off and not get caught. I also thought about who it would hurt if I didn’t tell, or if there would be any consequences to me keeping it a secret. I wondered if they were just making it up, and if so, I would look pretty silly for telling my boss about a story

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I heard. However, I did think it was ultimately possible for it to actually be true, because I could think of a way to do it myself if I wanted to take the risk.

After thinking about it for the rest of the day, I decided to go to my boss and let him know what I heard. He expressed his gratitude for me coming through and doing the right thing. He made me feel better about the situation. The employees were eventually fired after it was determined that they did indeed commit fraud and enter more time than they actually worked. This was hard on me, because I did not want them to lose their jobs just because I happened to hear their private conversation. In the end, I feel like I did the right thing and I could not blame myself for the consequences they suffered because of their own actions.

The narrator in the opening case reports his co-workers' unethical behavior to the boss because that is the right thing to do. No one knows that the narrator is aware of the theft, so the external pressure to act ethically is weak. What is it about the narrator that he feels uncomfortable with this situation and takes responsibility to report it? The dispositional traits discussed in this chapter help explain the narrator's action.

## Locus of Control

Locus of control (LC) is a personality trait that describes the degree to which a person views themselves as having control over events in their life. LC is traditionally measured on a continuum, with individuals showing either an external locus or an internal locus, as illustrated in Figure 4.1. An external locus of control is indicative of a person who believes they have very little control or influence, and rather other people, luck, chance, or fate are responsible for the events in their life. On the other hand, someone who has an internal locus views their own actions as influential in determining their life situation (Rotter, 1966).

A series of literature reviews (Ford & Richardson, 1994; O'Fallon & Butterfield, 2005; Kish-Gephart, Harrison, & Treviño, 2010) identify several studies that investigated the relationship between LC and ethical

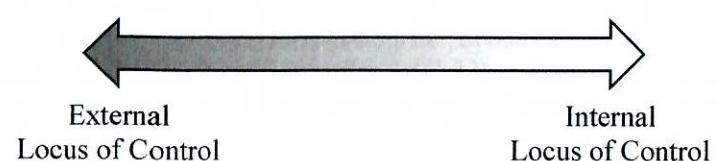


Figure 4.1 Locus of Control Continuum

decision-making. Mixed support was found, with about half the studies at that time reporting a relationship. When a relationship was found, it was always in the same direction: Internal LC was positively correlated with ethical behavior, while external LC was negatively related. For example, managers with a higher internal locus of control were found to have a more negative view of bribery, reported less intention to engage in bribery, and had a greater reliance on rules in their decision-making than those with external locus of control (Cherry & Fraedrich, 2000).

Several writers explain the processes at work in this relationship. Treviño and Nelson (2011) noted that individuals with an internal LC are more likely to take responsibility for their actions because they see a relationship between their behavior and outcomes. Such individuals are also less likely to yield to external pressure from a boss or peer. Jones and Kavanagh (1996) cite specific workplace behaviors of the internal LC such as prosocial behavior, whistleblowing, and resisting pressure to act unethically. In her review of the literature in 2013, Craft found that individuals with an internal LC are more likely to recognize a situation as an ethical concern than those with external LC. Based on this research, we might also conjecture that individuals with strong external LC are less likely to intervene when they see unethical actions by others as they believe their actions would have little influence on the course of events; thus, choosing not to act.

Too much internal LC can be problematic, as it can have a dark side. Individuals high on internal LC often feel responsibility in situations where they do not have control. This creates high levels of stress and an unwarranted burden of responsibility for other people's actions (Hollander, 2017). It is important to remember that other people have agency and responsibility as well. Several of the case studies reflect guilt and a disproportionate sense of responsibility by the narrator. The opening case of this Chapter, Case 4.1, is a good example where the narrator initially expresses guilt that the co-workers might be fired, but self-corrects this perception by recognizing that the workers too have agency in the situation. The narrator states: "I did not want them to lose their jobs just because I happened to hear their private conversation. In the end, I feel like I did the right thing and I could not blame myself for the consequences they suffered because of their own actions."

Many academic integrity cases express the narrator's guilt should the cheaters be punished. "In the end, I didn't do anything . . . If I had said something, then there could have been major repercussions. It would have been investigated and then found out to be true, and it would have gone on their records that academic dishonesty had occurred and may have affected their college admissions."

A common measure of LC is a survey developed by Rotter in 1966. The survey and scoring guideline appear at the end of this chapter. Readers are invited to take the survey and derive their own LC score.

**Case Studies: Identifying Internal vs. External Locus of Control.** In which of the following case studies does the narrator describe an internal LC, and in which does he/she describe an external LC?

## CASE STUDY 4.2

**Case 4.2** A few years ago, I worked at a local gas station convenience store. I thought it would be like any other job until I realized that the owner of the store (a married man) and the manager in charge were dating each other. The manager and owner would leave the store together during our busiest times and leave me and my co-worker to manage the customers and the close-out of shifts. This was difficult to do as the customers in a convenience store never stop coming in. It also made it uncomfortable to work there as the manager (female) was very jealous of other females working at the store, in fear the owner would dump her and date one of them. She would always give dirty stares, would rarely talk to us in a professional manner, and anytime you made the slightest mistake she would run to the owner and try to have you fired. The owner would also bring his wife to work on Sundays and the staff would be under the clear understanding we were to act as if nothing was happening and greet his wife as if we knew nothing. This was all able to happen because, as a franchised store, there was no higher management to monitor the situation and no accountability for the owner or the manager. I ended up quitting the job after dealing with the unethical choices of my management team, and I do not regret my decision. I never did report this to anyone, as I knew this dating was occurring way before I was hired on the job and would continue long after. I felt that I probably could not do anything about it on my own, and so my leaving the job was the easiest way to avoid dealing with stressful work situations.

## CASE STUDY 4.3

**Case 4.3** My friends and I were at a frat party. We saw this guy hit on this girl all night; pretty much just getting her all boozed up. We saw her walk away for a little and he held onto her drink, real sneaky, he put something in her drink. When she came back, she took a sip of it and kept drinking. I was drinking at the time, and I saw this going on and so did my friends. This girl was clearly drinking something tainted, so I decided to step in and tell her what happened. She didn't really believe me and the guy started to get in my face. My friends came and said they saw the same thing. An altercation ensued, and the police were called after a rather large fight broke out between a lot of people. I was able to tell the police what happened, and I was honestly able to save this girl from potential rape.

## CASE STUDY 4.4

**Case 4.4** I was riding the school bus one day, and we were getting close to my bus stop when I hear kids yelling "Chink!" from the back of the bus. This word hits my chest and my face heats up. I thought for a few seconds, "I'm in middle school, it's the 21st century, I have never had to deal with racism directly, maybe I had heard them wrong?" Hoping that I was wrong, I look to my best friend, who was sitting next to me. Her face was filled with sympathy and confusion. I turn around and the boys are looking out the window. I live in a middle-class neighborhood and a high percentage of people who live there are Asian. What would drive these boys to say that word? Do they not have friends who are not white? These are people who I had grown up with, although we were not friends. I thought there was an invisible boundary that protected me from racism. If I saw them every day, they must have accepted me.

I wanted to say something, but the bus stop was coming close. In a few minutes, we would all be walking out of the bus. In a few minutes, we would all be in our homes where I could pretend everything was back to normal. My friend does not know what to say but I wish she did. I did not have the courage to say something, yet I knew that would make it worse. What could I have done to make these boys realize the power of their words? Nothing. So, instead, I swallow my pride and walk off the bus. I keep on thinking; to justify my actions, or no action. "These boys are going to be losers when they grow up. Someday they are going to have to work with people of different races whether they like it or not. They are just weak and think they can get away with it because they are on a bus." What is worse is that they did get away with it. Maybe it ate them up inside. Maybe it was all for a bet. Maybe they did not mean it. Then I see my brother walking around the neighborhood, and I make the connection. They called my brother, my 21-year-old brother, a "Chink." The man that I respect, more than my father; the one I look up to every day. The one who tells me that I can do anything. But I realize that I cannot. When I get home, I talk to my brother about my day. But I cannot seem to bring up the event that just changed my perspective on everything, my ethnicity, my peers, my courage, my priorities. He did not hear it, I surmised, he seemed to have had a good day.

In Cases 4.2 and 4.4, the narrator expresses an external LC. The narrator in the convenience store case states that, since the establishment was a franchise, there was no accountability for the owner and that the "dating was occurring way before I was hired on the job and would continue long after." The situation of racial bullying on the school bus is similarly one where the narrator feels powerless when she says "What could I have done to make these boys

realize the power of their words? Nothing." In Case 4.3, on the other hand, the narrator, observing a girl's drink being tampered with an assumed date-rape drug, demonstrates a strong internal LC when they step in and inform the girl, stating "I was honestly able to save this girl from potential rape."

### Machiavellianism

A Machiavellian is defined as a person who "views and manipulates others for his own purposes" (Christie, 1970a, p. 1) and is characterized by a cynical world view, manipulative tactics, and a departure from ethical standards (Dahling, Kuyumcu, & Librizzi, 2013). Those who score high on this trait (Machs), display strong self-interest and often act unethically, employing a mentality of "the ends justify the means." Machs are characterized as manipulative, persuasive, and deceitful in their actions, in order to achieve their goals (Bass, Barnett, & Brown, 1999). Several researchers have provided support for both a theoretical and empirical association between Machiavellianism and ethical beliefs and behaviors.

Literature reviews (Ford & Richardson, 1994; O'Fallon & Butterfield, 2005) report strong and consistent support (over 75% of the reviewed studies) of the negative relationship between Machiavellianism and one's perception of ethical issues as well as ethical decision-making. Studies demonstrate that Machs are more accepting of unethical action, such as approving unethical judgments by others, expressing an intention for their own unethical behavior, or actively engaging in unethical behavior (Bass et al., 1999; Ford & Richardson, 1994; Hegarty & Sims, 1978, 1979; Jones & Kavanagh, 1996; Kish-Gephart et al., 2010; Tijdink et al., 2016). In academic settings, Machs are more likely to plagiarize (copy someone else's written work) and claim extra credit when they have not earned it (Furnham, Richards, & Paulhus, 2013).

"Dark" personality traits (Machiavellianism, narcissism, and psychopathy) are prevalent in only 1% of the general population but estimated at 4% of CEOs (Jonson, 2011; Yatzeck, 2012). Such a difference in the percentage is not surprising, as others note that Machs are able to "get ahead" but not "get along." They are known to rise to positions of leadership in organizations, but then often have a tendency to derail (Furhnam et al., 2013). High Machs are effective strategists compared with low Machs, but low Machs are more sensitive to others, recognizing them as individuals. High Machs are also less susceptible to social pressure (Christie, 1970b).

**Case Studies: Identifying Machiavellian Traits.** Read the following cases and describe the high-Mach traits expressed by the narrators.

### CASE STUDY 4.5

**Case 4.5** An ethical dilemma I was involved in happened earlier last semester with my best friend Jenna. She's a bit of a hypocrite, but aren't

we all? Even I'll admit that I am. She disagrees with my methodology of doing "anything to get the job done."

She specifically had a problem when I began slacking off while working for a local politician's campaign. Part of the campaign involved us walking door-to-door to promote the candidate. Walking door-to-door is a crap job and we all know it – no one answers the door, and if they do, they usually just close the door on you. It was winter, too, so it was freezing, and I just wanted to get this crap over with. This was nothing but a quick job for me to make an easy \$150; nothing important or worth any kind of sacrifice. Jenna, however, decides to call me lazy and deem my reasons a cop-out. She also labeled my actions dishonorable and corrupt. Hah! What person could ever have any pride in such a corrupt job as politics?! This wasn't my passion, I just needed money, and I would do it at my satisfaction and leisure. The only reason I even do such peasant's work, such sheep work, is because I need the money – I come from a family that isn't financially secure. Please, what kind of pride and honor should I hold doing this kind of work? Should a factory worker, janitor, or fast-food worker be proud, honorable, and put their fullest into such crap work?! I get everywhere using my own methods, clean or dirty, because I've been taught to survive at all means necessary, and because I have myself and my family to protect.

Jenna thinks everything should be done right, but she's never faced hardship or stereotyping like I have, she doesn't know how it feels for society to force you and your family into a corner, to push until your backs are up against the wall. She's never had to survive using any means necessary, and she doesn't understand why I think so cynically and manipulatively against those who are immature, spoiled, or who disregard others and deem themselves superior. I love Jenna to death, but she doesn't understand me and my sense of justice and survival. I don't harm people I care about, but everyone else who I wouldn't sympathize or empathize with can go to hell at my benefit. At least I'm getting \$150 dollars for this meaningless and pointless work.

### CASE STUDY 4.6

**Case 4.6** I work as an information technology (IT) consultant in a smaller department within a large university. Recently, my employer has taken on a number of cost-reduction and management-optimization measures to try to create better work output from fewer administrative employees. As part of this initiative, many quantitative metrics have

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been implemented in order to determine which employees should be kept on and which should be fired under downsizing.

In my office, there are six employees in total, larger than most IT units in similar departments. We function effectively as a team, but the introduction of the performance metrics has created an incentive for us to compete, as we feel that it's likely our unit will be downsized. One of the most valued metrics in the eyes of our upper management is the number of calls we respond to.

When I go to solve problems for some clients, I give them my personal email address, rather than our departmental one, and encourage them to contact me if they have other issues. This was a standard practice prior to the downsizing, as it allowed individual technicians to build relationships with certain clients and accumulate background information that makes future visits easier. However, I am now going against the informal policy of directing clients to our shared email; thus, I'm keeping work for myself out of the general pool that my co-workers have access to, giving me a leg up in the performance metrics.

I recognize that my behavior is unethical from a legalistic standpoint (i.e., our policy says to give the shared email address) and denies my co-workers an opportunity. On the other hand, I'm rewarding myself for good performance and protecting my own interests.

In Case 4.5, the narrator suggests an “ends justify the means” mentality when they state they would do “anything to get the job done” and that they go through life with a goal to “survive using any means necessary.” They further express a complete disregard for anyone else’s welfare when they continue “but everyone else who I wouldn’t sympathize or empathize with can go to hell at my benefit.” In Case 4.6, the narrator manipulates the help request email notification process to ensure they benefit more than their co-workers, stating that they are “protecting [their] own interests.”

A measure of Machiavellianism, the Mach-IV Scale (Christie, 1970c), is provided at the end of this chapter. Machiavellianism is measured on a continuum, with higher scores indicating a greater tendency for traditional Mach traits. Moderate levels of Mach or tempered expression of Mach personalities can be successful early in one’s career, but extreme or constant expression of Mach traits can be problematic in the long term.

### Moral Identity and Empathy

We can expect to see ongoing research and conversation on the relationship of personality traits with ethical conduct as several traits continue to be explored. For example, moral identity is defined as the degree to which

our concept of self includes specific moral traits (i.e., caring, compassion, fair, friendly, generous, hardworking, helpful, honest, kind). Individuals who are strong in moral identity should act more ethically, because it is critical to their self-concept. Thus, they will self-regulate their behaviors, avoiding unethical action, so as not to contradict the values by which they define themselves. Recently, moral identity has been shown to be associated with ethical behaviors such as volunteerism and donations (Aquino & Reed, 2002). The authors of the Moral Identity Scale (Aquino & Reed, 2002) defined moral identity as having two components: an internalization, or the degree to which morality is central to one’s self-concept; and symbolism, the extent to which moral identity is reflected in one’s actions. Another trait that has been associated with moral behavior is empathy, based on the theory that individuals high in empathy are more aware of and concerned with the impact of their actions on others. In her review of the literature, Craft (2013) reported on studies where individuals high in empathy were more likely to demonstrate ethical intentions and self-reported ethical behavior.

Locus of control, Machiavellianism, moral identity, and empathy describe relatively stable personality traits which are often – although not always – related to ethical behavior. Not all of those who are external LC, high Machs, or low moral identity, or low empathy will engage in unethical behavior; nor will those with internal LC, low Machs, high moral identity, or high empathy always refrain. The next section covers a trait, cognitive moral development, that is developmental in nature; that is, we expect people to change as they mature.

### Cognitive Moral Development

#### Exercise: The Terminally Ill Patient.

Consider the events described in Figure 4.2 and the narrator’s actions. Is the narrator’s action legal or illegal? Explain your answer.

Is the narrator’s action ethical or unethical? Explain your answer.

What factors revealed in the story contributed to your answers above? What additional information might you want to have in answering the questions posed above?

The terminally ill patient lay on a hospital bed connected to various monitors and tubes. I could hear the “beep,” “beep” of the equipment registering the heartbeat. Placing my index finger on the control panel, I pushed the button marked “total system,” moving it from the “on” position to “off.”

The “beeping” stopped, replaced by a steady alarm, as all the machinery shut down and the patient stopped breathing and expired.

Figure 4.2 The Terminally Ill Patient

Many people are influenced by the “terminal” nature of the patient. Other factors that may influence your decision might include the age, diagnosis, length of illness, and the narrator’s relationship to the patient. Lawrence Kohlberg, who developed a theory of cognitive moral development, would be interested in the reason behind the narrator’s action more than in the decision to “pull the plug.”

In the 1960s, Kohlberg proposed a theory of cognitive moral development (CMD). Based on a series of interviews with young men spanning several years (Kohlberg, 1963), he proposed distinct phases of moral awareness that we advance through as we mature. Using a sample of 72 boys aged 10, 13, and 16 in the Chicago area, he analyzed their responses to 10 hypothetical moral dilemmas (including the Heinz Dilemma). The initial focus of the research – the boys’ actual choices in responding to the dilemmas – did not reveal expected developmental trends of increasing consideration of human needs rather than blind obedience to rules. However, clear developmental patterns were seen in the *reasons* for the choices made and the way each child defined the ethical situation (Kohlberg, 1963). It was their “motive” in justifying or explaining their choice of actions that led Kohlberg to develop his theory of cognitive moral development.

Therefore, Kohlberg’s stages reflect ways of thinking about moral issues; he was not concerned with the decision that one makes, but with the reasoning and intention behind the decision (Kohlberg & Hersch, 1977). In the example that opened this section, Kohlberg would be not interested in the direction of a decision – to shut down the life-support system or to leave it as is – because people at different stages can make the same decision. He proposed six stages housed in three main levels – pre-conventional, conventional, and post-conventional. As with many developmental theories, in the earlier stages, the individual has an internal focus and decisions are guided by self-interest; while in later stages, the focus shifts outward to others; and finally, to larger societal and universal truths.

For the purposes of our conversation, we will only focus on the three main levels. Individuals at the pre-conventional level act out of self-interest, focusing on the consequences of their actions in terms of avoiding punishment,

seeking rewards, or engaging in fair exchanges. The actions of those in the conventional level are guided by personal conformity or loyalty, meeting the expectations of important others (family, peers) as well as complying with authority and adhering to the social order. Those in the post-conventional level act in accordance with broader moral principles and values even if these go against social or legal rules (Kohlberg & Hersch, 1977; Kohlberg & Kramer, 1969).

According to the theory, the act of shutting off the life support would be considered pre-conventional if this were done for self-interest, such as benefiting from the deceased’s will. This act would be considered conventional if it were done to comply with the sick person’s expressed wishes regarding end-of-life care. It would be considered post-conventional if the act were undertaken because of a belief that prolonged suffering is morally wrong. On the other hand, declining to turn off the life support would be considered pre-conventional if it were done for the sole reason to avoid punishment for an illegal act. Declining would be considered conventional if it were undertaken because that is what is proscribed by religious doctrine. It would be post-conventional if it were done because of a belief that all life is precious and should be protected, no matter the quality of that existence. The various decisions and reasons for those decisions are summarized in Table 4.1

Individuals progress through the stages in a linear fashion; stages are not skipped, nor does one go backwards (Kohlberg & Hersch, 1977). More recent studies suggest that most adults operate at Level 2, Conventional (Kohlberg, 1987; Treviño & Nelson, 2011).

Table 4.1 Cognitive Moral Development Applied to End-of-Life Scenario

Level of development	Reason for “shutting off” life support	Reason for “leaving on” life support
Pre-conventional	Financial gain from terminally ill person’s death	Fear of punishment/ illegality of act
Conventional	Comply with expressed wishes of terminally ill person	Compliance with religious doctrine
Post-conventional	Belief that prolonged suffering is morally wrong	Belief that all life is precious, regardless of the quality

**Case Studies: Identifying Levels of Cognitive Moral Development.** Consider the sample cases that follow. Can you identify the level of moral development (pre-conventional, conventional, or post-conventional) expressed by the narrator?

## CASE STUDY 4.7

**Case 4.7** Two years ago, I attended an organized trip into New York City with students from my school. Two of my friends and I stopped at a shop in Manhattan for breakfast. There were only two employees working. Sharna and I ordered items that were displayed in the case by the register and paid for our meals. Gwen ordered a hot breakfast sandwich which was brought to our table once it was ready. After we finished our meals, Gwen announced that she had to go pay. We walked over to the counter, only to notice that both girls who were working were not present at their stations. Gwen said "forget it" and turned to walk out of the door without paying. I looked around to see if anyone noticed and, in fear of getting caught, quickly followed behind her. I knew what she just did was wrong, but I did not say a word. Both Gwen and Sharna were laughing and cheering about what had just transpired, but I felt overwhelmed with guilt.

We stopped at a clothing store a block away. I couldn't focus on shopping that day because my thoughts were elsewhere. Although I did not personally steal, I felt as if I had because I did not prevent it from happening. I'll never forget when Gwen came over to me with the shirt she wanted. I was amazed at how she was willing to pay \$60 for a top but could not dish out the \$5 for her breakfast. Something inside me snapped and I knew I had to go back to that shop.

While the girls were busy gathering more clothes, I left the store and ran the entire block back. I approached the register and simply stated, "My friends and I were just in here a few moments ago and my friend forgot to pay. She had a breakfast sandwich and an orange juice." The girl looked shocked and said to me, "Wow, most people would not have come back to pay. That'll be \$5.78, thank you." Even though I did not tell the truth, I felt good about doing the right thing. I walked back into the store only to find that the girls hadn't even noticed I left. I watched as they each spent over \$200 on clothes and souvenirs.

## CASE STUDY 4.8

**Case 4.8** Some years ago, my husband lost his job, and even though he worked some temporary jobs, we were in great need of income. I had two small children at the time. A neighbor who had run an in-home daycare for several years was about to stop providing daycare and go to work full-time. She said if I would be interested in starting a daycare in my

home, not only would she send her two children to me, but she would encourage her other customers to come to me, too.

As I thought about this opportunity, I looked up the county laws and found that legally, in order to run a home daycare as a business, I would need to file paperwork, pay a fee, and have a home inspection before receiving any money. When I asked the neighbor about this, she laughed at me and said, "Oh, nobody cares about that. I never bothered with it. Nobody is going to check up on you."

At the time, there was a lot of stress in our family, and I had a lot to think about while considering taking on this new responsibility. So not only did I have the pressure of this neighbor thinking I was stupid for worrying about the laws, but it also seemed very attractive to avoid the hassle of the licensing process and start providing daycare immediately, so I wouldn't lose the customers who were being handed to me. Also, we were definitely in need of money right away. And I knew from hearsay that it was true that a lot of home daycare providers in our area did not bother getting licensed.

But I did not feel right about ignoring the laws. Part of this was simply practical. If there were ever a problem or investigation in the future, I wouldn't want to be found doing something illegal. But even if I never got caught, I knew I would not feel right about knowing the law existed and not complying with it. One of my personal values is being honest, and this path did not feel honest to me.

After a lot of thought, I decided to begin the licensing process and get licensed as soon as I could. In the meantime, I would begin providing daycare so I wouldn't lose the customers, but I would explain the situation and not ask for payment until after I was licensed. This was a difficult financial decision, but even more difficult was explaining my reasoning to the customers. I could tell that most of them thought I was being silly.

## CASE STUDY 4.9

**Case 4.9** I am currently employed as a student assistant football coach at a college. My job description includes monitoring the weight room, recruiting, attending and coaching at practices, and viewing film of our team and opposing teams. In the off season, recruiting and team workouts are my biggest responsibilities. Many times when recruiting, we will not tell the truth to an applicant, mainly because we want to retain

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his interest in our school. We are sure to only portray the good aspects of our school as well as convince the kids we need them. While we do need numbers, in the end, every player is replaceable. This is certainly an ethical dilemma and the one I most often feel bad about. I try to be as honest as possible when it comes to admissions and potential playing time without hurting my job. However, because it is a business, I do always have to look at my own self-interest and career advancement. Many times, parents call and ask what the chances of their son playing are, and more often than not, I give them a more optimistic outlook than I should. I feel this is ethically wrong, but I am simply judged on my results, the number of recruits I can personally bring in due to my negotiating pitch, and keeping prospective students interested.

The narrator in Case 4.7 acts in a manner that suggests a post-conventional level of CMD, as she is largely driven by doing the right thing and removing the discomfort she feels through her association with the theft. While not stated, we could conjecture on why she did not tell her friends and whether there might be elements of conventional CMD such as not wanting to violate the norms of her peer group. As we see in this case, although there is no obvious personal gain for the narrator, the determination of CMD level is not always clear.

In Case 4.8, the feelings of the narrator are most aligned with the conventional level of CMD. This is apparent when she states her need to comply with the rules and regulations, or what is expected of an in-home childcare provider: "But even if I never got caught, I knew I would not feel right about knowing the law existed and not complying with it."

Finally, Case 4.9 demonstrates reasoning from the pre-conventional level of CMD when the narrator states "because it is a business, I do always have to look at my own self-interest and career advancement," thus providing fear of negative consequences as the reason for their actions.

Numerous studies provide strong evidence of a relationship between ethical judgement, as measured by CMD, and ethical perception and decision-making (Craft, 2013; O'Fallon & Butterfield, 2005). The relationship between CMD and ethical behavior has been demonstrated by several researchers exploring both naturally occurring behaviors and behaviors measured in research laboratory settings (Rest, 1986). For example, lower scores on CMD measures have been associated with higher rates of delinquency, cheating, and school dropout, while laboratory studies have shown relationships with cheating and unfair distribution of rewards. Other studies focused on business simulations or used participants who were currently employed. Treviño and Youngblood (1990) demonstrated greater ethical decision-making in MBA students tasked with a simulated managerial decision-making task (an in-basket), for those

individuals who were in the post-conventional Stages of 5 or 6. Schwepker (1999) similarly showed greater intentions to behave ethically in salespersons who scored in the higher levels of CMD. Thus, people in lower stages of CMD are more likely to act unethically in their own lives or when responding to situations in a research setting. In a meta-analysis of the literature on CMD, Kish-Gephart et al. (2010) found evidence for a strong relationship between CMD level and both unethical intention and unethical behavior.

### Bias

People exposed to the same situation often interpret events differently – think about discrepancies in eyewitness accounts or a "call" at a sporting event. Our feelings for our preferred team vs. an opponent may further cloud our perception and recall for events.

When we add to this the fact that we differ in our experiences and accuracy of information, we then create greater differences not just in our perception of events that have transpired but in our attitudes toward people, organizations, and issues. A negative view of a person, group of people, or event often leads to pre-judging future events or developing ingrained bias against particular groups. That bias can be conscious and purposeful, or unconscious to the point where we are unaware of it ourselves.

The term "explicit prejudice" (Weir, 2016, p. 39) is used to describe situations when we are aware of the fact that we are being biased/prejudiced, while "implicit bias" occurs at more of an unconscious level. Specifically, implicit bias is defined as: "attitudes or stereotypes that can influence our beliefs, actions and decisions, even though we're not consciously aware of them and don't express those beliefs verbally to ourselves or others" (Weir, 2016, p. 39). Part of the problem with bias is that we have a natural tendency to organize information by putting things "into boxes" (p. 41). Unfortunately, this means we prejudge people on the basis of gender, race, and skin color. We see this in policing where data show a greater probability of a black person being stopped, searched, experiencing use of force, or being arrested than a comparable white person. Implicit bias is stronger in situations where events support and reinforce preconceived notions. The less exposure we have to people who differ from us (or when our exposure is selective via media outlets), the more likely we are to "view them through a narrow biased lens" (Bazerman & Tenbrunsel, 2011, p. 48).

Bazerman and Tenbrunsel (2011) note the existence of "in-group" favoritism (p. 39) which, while not a blatant discrimination to exclude people different than ourselves, is still problematic. When we "put in a good word" for someone or otherwise grant a favor, this creates a greater disadvantage for members of an out-group without such connections. We can readily see how various gateways such as college admissions, job opportunities, internships, or financial opportunities would remain with the group that is currently in control or "in."

It is easy to see how these biases will influence our perception of ethical situations from the first step in determining that an ethical issue in fact exists, to the consequences that may result, and our own sense of personal responsibility.

### Exercise: The Causes of Homelessness.

Consider the issue of homelessness. In U.S. cities, we walk past the homeless every day. They sleep on sidewalks, in subway stations and bus depots, beg for money, work, and food. Why do you think they are homeless?

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Certainly, the reasons for homelessness are many and vary substantially across individuals. However, people have a tendency to seek a single explanation for social problems, an inclination that narrows our lens and contributes to bias (Bazerman & Tenbrunsel, 2011). Prejudging based on a limited perspective presented by the media or personal experience can easily lead to a negative perception of all individuals who are homeless. Thus, a prejudice against the homeless might include victim-blaming, whereby the homeless are viewed as lazy or substance abusers; when in fact many homeless people are families with children, or adults with mental health issues. There are 3.5 million homeless in the United States, of which 1 million are children. Causes of homelessness are varied – homeless people are individuals as well as families impacted by abuse, job loss, health issues, natural disasters, reintegrating war veterans, and youth who lack parental support (HomeAid America, n.d.). Our prejudging of homelessness as something under the control of, or even caused by, the homeless person allows us to conclude that homelessness is not an ethical problem, and that we therefore do not have an obligation to act.

Lastly, we have an inherent bias to judge ourselves differently than we judge others (Bazerman & Tenbrunsel, 2011). We tend to apply a double standard when we view an action by ourselves as acceptable or excusable, but when the same behavior in someone else would be objectionable. If we found ourselves homeless, it would be for acceptable reasons, not our fault, and would not de-value us as human beings.

**Case Study: Bias and Unethical Business Practices.** The case below illustrates racial bias against customers in a workplace.

### CASE STUDY 4.10

**Case 4.10** I used to work at a supermarket that is part of a national chain, and since I was a student who had school in the morning, I worked the night shifts. I was a sample girl who stood quite near the door and asked people to try various foods. One day, my supervisor came to me and said to keep a special eye open as lately there have been a lot of people sneaking things out without paying for them. She also added that only keep your eyes open for Hispanic people and African-Americans. I felt very bad for the racism as the people who sneaked the most things out were white. I did not agree with my supervisor's point of view, so decided not to turn anyone in as it could have not been the right thing to do.

The supervisor in Case 4.10 is biased against ethnic minority groups, specifically, African-Americans and those of Hispanic descent. It's unclear where this bias came from – personal experience, news reporting, lack of interaction with these groups, upper management at the supermarket – but the perception disagrees with the facts at this particular store, as the narrator notes that most theft at the store was committed by white people. This directive by the supervisor creates a situation of procedural injustice (discussed in Chapter 6), specifically racial profiling.

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While a few personality traits are associated with unethical judgement and action, they do not provide a failsafe method of identifying people who will or will not act unethically. People who are high Machs, have a weak moral identity, little empathy, demonstrate external LC, or are at the pre-conventional level of CMD are more likely to fail to see a situation as an ethical problem, more often express intentions of unethical behavior, and more frequently engage in unethical behavior. Further, our biases (intentional and unintentional) cloud our perceptions and interpretations of people and events, often leading to unethical decisions. But, as we will see in both Chapters 5 and 7, other factors – psychological processes and characteristics of the setting – further influence our ethical actions.

### Rotter's Locus of Control Scale

Each item consists of a pair of alternatives labelled "a" or "b." For each pair, select the one statement that is most true for you. Please answer honestly, as there are no "right" or "wrong" answers.

- 1 a Children get into trouble because their parents punish them too much.  
b The trouble with most children nowadays is that their parents are too easy with them.
- 2 a Many of the unhappy things in people's lives are partly due to bad luck.  
b People's misfortunes result from the mistakes they make.
- 3 a One of the major reasons why we have wars is because people don't take enough interest in politics.  
b There will always be wars, no matter how hard people try to prevent them.
- 4 a In the long run, people get the respect they deserve in this world.  
b Unfortunately, an individual's worth often passes unrecognized no matter how hard he tries.
- 5 a The idea that teachers are unfair to students is nonsense.  
b Most students don't realize the extent to which their grades are influenced by accidental happenings.
- 6 a Without the right breaks, one cannot be an effective leader.  
b Capable people who fail to become leaders have not taken advantage of their opportunities.
- 7 a No matter how hard you try, some people just don't like you.  
b People who can't get others to like them don't understand how to get along with others.
- 8 a Heredity plays the major role in determining one's personality.  
b It is one's experiences in life that determine what one is like.
- 9 a I have often found that what is going to happen will happen.  
b Trusting to fate has never turned out as well for me as making a decision to take a definite course of action.
- 10 a In the case of the well-prepared student, there is rarely if ever such a thing as an unfair test.  
b Many times, exam questions tend to be so unrelated to course work that studying is really useless.
- 11 a Becoming a success is a matter of hard work, luck has little or nothing to do with it.  
b Getting a good job depends mainly on being in the right place at the right time.
- 12 a The average citizen can have an influence in government decisions.  
b This world is run by the few people in power, and there is not much the little guy can do about it.
- 13 a When I make plans, I am almost certain that I can make them work.  
b It is not always wise to plan too far ahead because many things turn out to be a matter of good or bad fortune anyhow.
- 14 a There are certain people who are just no good.  
b There is some good in everybody.
- 15 a In my case, getting what I want has little or nothing to do with luck.  
b Many times, we might just as well decide what to do by flipping a coin.

- 16 a Who gets to be the boss often depends on who was lucky enough to be in the right place first.  
b Getting people to do the right thing depends upon ability, luck has little or nothing to do with it.
- 17 a As far as world affairs are concerned, most of us are the victims of forces we can neither understand, nor control.  
b By taking an active part in political and social affairs, the people can control world events.
- 18 a Most people don't realize the extent to which their lives are controlled by accidental happenings.  
b There really is no such thing as "luck."
- 19 a One should always be willing to admit mistakes.  
b It is usually best to cover up one's mistakes.
- 20 a It is hard to know whether or not a person really likes you.  
b How many friends you have depends upon how nice a person you are.
- 21 a In the long run, the bad things that happen to us are balanced by the good ones.  
b Most misfortunes are the result of lack of ability, ignorance, laziness, or all three.
- 22 a With enough effort, we can wipe out political corruption.  
b It is difficult for people to have much control over the things politicians do in office.
- 23 a Sometimes I can't understand how teachers arrive at the grades they give.  
b There is a direct connection between how hard I study and the grades I get.
- 24 a A good leader expects people to decide for themselves what they should do.  
b A good leader makes it clear to everybody what their jobs are.
- 25 a Many times, I feel that I have little influence over the things that happen to me.  
b It is impossible for me to believe that chance or luck plays an important role in my life.
- 26 a People are lonely because they don't try to be friendly.  
b There's not much use in trying too hard to please people, if they like you, they like you.
- 27 a There is too much emphasis on athletics in high school.  
b Team sports are an excellent way to build character.
- 28 a What happens to me is my own doing.  
b Sometimes I feel that I don't have enough control over the direction my life is taking.
- 29 a Most of the time I can't understand why politicians behave the way they do.  
b In the long run, the people are responsible for bad government on a national as well as on a local level.

Figure 4.3 Rotter's Locus of Control Scale

**Scoring Instructions.** Of the 29 items, 23 are scored with the remaining 6 (items 1, 8, 14, 19, 24, and 27) serving as “filler” items.

For the 26 scored items, award one point for each of the following: 2a, 3b, 4b, 5b, 6a, 7a, 9a, 10b, 11b, 12b, 13b, 15b, 16a, 17a, 18a, 20a, 21a, 22b, 23a, 25a, 26b, 28b, 29a

Total scores can range from 0 to 23, with lower scores indicating a strong internal LC and higher scores indicating a stronger external LC.

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### Machi-IV Scale

Instructions: Please indicate the extent to which you agree or disagree with each statement below. There are no “right” or “wrong” answers, so please give your honest reaction.

(1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree)

	SD	D	N	A	SA
1 Never tell anyone the real reason you did something unless it is useful to do so.	1	2	3	4	5
2 The best way to handle people is to tell them what they want to hear.	1	2	3	4	5
3 One should take action only when sure it is morally right.	1	2	3	4	5
4 Most people are basically good and kind.	1	2	3	4	5
5 It is safest to assume that all people have a vicious streak and it will come out when they are given a chance.	1	2	3	4	5
6 Honesty is the best policy in all cases.	1	2	3	4	5
7 There is no excuse for lying to someone else.	1	2	3	4	5
8 Generally speaking, people won't work hard unless they're forced to do so.	1	2	3	4	5
9 All in all, it is better to be humble and honest than to be important and dishonest.	1	2	3	4	5
10 When you ask someone to do something for you, it is best to give the real reasons for wanting it rather than giving reasons which might carry more weight.	1	2	3	4	5
11 Most people who get ahead in the world lead clean moral lives.	1	2	3	4	5

12	Anyone who completely trusts anyone else is asking for trouble.	1	2	3	4	5
13	The biggest difference between most criminals and other people is that criminals are stupid enough to get caught.	1	2	3	4	5
14	Most people are brave.	1	2	3	4	5
15	It is wise to flatter important people.	1	2	3	4	5
16	It is possible to be good in all respects.	1	2	3	4	5
17	Barnum was very wrong when he said there's a sucker born every minute.	1	2	3	4	5
18	It is hard to get ahead without cutting corners here and there.	1	2	3	4	5
19	People suffering from incurable diseases should have the choice of being put painlessly to death.	1	2	3	4	5
20	Most people forget more easily the death of a parent than the loss of their property.	1	2	3	4	5

Figure 4.4 Mach-IV Scale

**Scoring Instructions.** Reverse score items 3, 4, 6, 7, 9, 10, 11, 14, 16, and 17. Then add the reversed items to other items for a total score. Total scores can range from 20 to 100, with higher scores indicating a greater degree of the Machiavellianism trait.

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