

Understanding the Moral Decision-Making Processes of Working Professionals

Bruce T. Teague, Department of Management,
College of Business and Public Administration,
Eastern Washington University
668 N. Riverpoint Blvd., Suite A, #359, Spokane, WA 99202-1677

George W. Watson, Department of Marketing and Management,
School of Business, Southern Illinois University, Edwardsville
Box 1100, Founders Hall 2136, Edwardsville, IL 62026-1100

Abstract

This article builds upon a long standing interest on the part of business ethics scholars regarding the nature of moral reasoning and the linkages between cognitive development and ethical decision-making. In this study, we attempt to eliminate ambiguity in earlier results while also exploring the importance of moral hypocrisy as an organizational issue. Using a sample of working professionals, we extend the generalizability of prior results beyond freshman psychology students. Additionally, we conclude that earlier results were not an artifact of cognitive neurological immaturity.

Introduction

Numerous studies and reports have amply documented transgressions in ethical behavior on the part of working professionals and organizations. For example, in a study of 337 medical residents (67% response rate), 36% of respondents indicated they were likely to use deception to avoid exchanging a call, 14% acknowledged they would fabricate a laboratory value to an attending physician, 6% would substitute their own urine in a drug test to protect a colleague, and 5% would lie about checking a patient's stool for blood to cover up a medical mistake (Green, Farber et al. 2000). Similarly, a study of North Carolina teachers found that 35% of respondents had witnessed their colleagues cheating by giving students extra time, suggesting answers, or manually changing student's answers (Gay 1990). A 2006 Harris Interactive survey reported that more than half of office workers admit to pilfering office supplies—and that one in twenty workers even takes home decorations like plants, paintings, and furniture (Howard and Korver 2008). Patrick Schiltz (1999), federal judge and former law

professor at Notre Dame, described how the practice of padding of billable hours by attorneys begins. He stated, “They will start billing clients for a little extra time, figuring this is a “loan” against future work. They will consider it “borrowing,” not “stealing.” But as borrowers, they will get steadily sloppier about repaying, and then not repay at all” (Schiltz 1999). And, finally, Starbucks, after long presenting itself as a proponent of fair-trading practices in the coffee industry (Starbucks 2005), was accused of trying to inhibit Ethiopian farmers from securing trademark protection for their coffee which would have facilitated better prices for the farmers (Adamy and Thurow 2007).

In each example, we observe working professionals who are violating ethical standards of their workplace or industry. Yet, it would be troubling to believe that these behaviors are indicative of generally bad people, given the breadth of the evidence. Studies indicate that most deviant individuals possess conventional values, but are able to commit deviant acts by rationalizing their behaviors as situationally appropriate (Sykes and Matza 1957). According to Colman (1987), “Almost all studies have agreed on 1 point: White-collar offenders are psychologically normal,” (pg 178) In fact, most wrongdoers are considered psychologically “normal” in the sense that they see themselves as fair, moral, and honest (Allison, Messick et al. 1989). Thus, we witness an ability to balance ethical deviations in behavior against a stable perception of oneself as ethical and fair.

In response to this observed pattern of unethical conduct in otherwise ethical individuals, Bandura (1999) has suggested, “the self-regulatory mechanisms governing moral conduct do not come into play unless they are activated, and there are many psychosocial maneuvers by which moral self-sanctions are selectively disengaged from inhumane conduct” (pg. 193). We witness moral disengagement anytime individuals perform activities which further their own interests but have negative consequences for others (Bandura, 2004). Among these mechanisms are advantageous comparison, euphemistic language, and displacement of responsibility. Studies show that people behave more cruelly when assault actions are given a sanitized label than when they are called aggression (Diener, Dineen, Endersen, Beaman, & Fraser, 1975). Similarly, when people are allowed to displace responsibility for their actions, they will behave in ways they normally would find abhorrent (Diener, 1977; Milgram, 1974).

Howard and Korver (2008) argue that, “When circumstances conducive to misbehavior arise, when temptations are put before us, we often don’t hold the line as we would like to. We go numb to our own ethical standards.” (pg. 18) Moral hypocrisy offers one mechanism through which

this can occur by predicting that people will adjust the outcome and preserve their own sense of ethical behavior simultaneously. Moral hypocrisy has been defined as an individual's ability to hold a belief while acting in discord with it (Bierbrauer 1976).

Though circumstantial evidence would appear to support the existence of moral hypocrisy in working professionals, thus allowing us to explain this empirical distinction between self-interested behavior and ethical self-image, little has been done to systematically evaluate moral hypocrisy as a possible explanation for behavior in organizations. This article addresses this gap in the extant literature by studying a sample of working professionals using a modified version of the research protocol developed by Batson and colleagues (1997).

Moral Hypocrisy

The psychological mechanism known as moral hypocrisy was introduced to the literature through a series of three papers reporting the results of eight studies by Batson and his colleagues (see: Batson, Kobrynowicz, Dinnerstein, Kampf, & Wilson, 1997; Batson, Thompson, & Chen, 2002; Batson, Thompson, Seufferling, Whitney, & Strongman, 1999). In each of the experiments, the subject was faced with a simple task assignment decision, in which one individual (either the actual subject making the assignment decision, or a fictitious paired subject, would be assigned to a positive task, while the other would be assigned to a neutral task. In the positive task condition, the subject would have the opportunity to win a small cash prize (usually \$30 in a raffle); in the neutral condition, the subject would engage in a "rather dull and boring" task and would not have the chance to win a prize.

In their first set of studies, Batson, et al., (1997) observed a pattern of behavior in which student subjects were observed simultaneously manipulating outcomes to their own benefit, while retaining a belief that they utilized an ethical task assignment procedure. In later experiments (studies 2 and 3 from Batson, et. al., 1999; and the studies reported in Batson, et. al, 2002), the emphasis was on understanding variables which moderate moral hypocrisy, such as self awareness and the salience of a moral standard. Importantly, study 1 (Batson, et. al, 1999) and study 2 (Batson, et. al, 2002) represent the only explicit attempts to provide direct evidence for the existence of moral hypocrisy.

We expect that systematic replication of the Batson, et al. (1997) methodology, with modification to increase observational control will support the conclusions of earlier studies on this phenomena.

Hypothesis 1: When the research protocol is modified to facilitate clear observation of behavior and ethical self-assessment, moral hypocrisy will still explain the behavior of a portion of the sample.

The moral hypocrisy hypothesis has been well-tested on college freshman psychology students; however, it remains unclear as to whether it usefully applies to understanding working professionals who are typically older, have more experience, and ostensibly more cognizant of the real-world consequences of unethical behavior. Nonetheless, the pattern of findings in the extant psychological literature, when combined with circumstantial evidence of behavior in organizations supports an expectation that replication of the Batson, et al. experiments, with minor modification to the study protocol, will yield evidence that moral hypocrisy does, in fact, occur in samples composed of working professionals, thus establishing the validity of moral hypocrisy as an organizational research hypothesis.

Though it is reasonable to expect replication of the Batson, et al. results, there is also a cognitive development challenge to the assumption of generalizability of findings to a population of older, working professionals. A recent longitudinal study of brain development found that the prefrontal cortex does not reach maturity (i.e., become fully functional) until individuals reach the age of twenty (Gogtay et al., 2004). This is relevant because the prefrontal cortex governs impulsivity (DeLong, 2000), as well as the ability to reason and make rational decisions (Kandel, 2000).

Given that the ability to resist the impulse of personal temptation is governed by this late developing region of the brain, we cannot assume, *a priori*, that Batson, et al's (2002) findings generalize to older organizational decision-makers. The only way to rule this possibility out is to test Batson's method on a group of subjects sufficiently beyond the developmental phase of the brain. Professionally employed subjects twenty-one and older should provide an adequate test.

Hypothesis 2: Working professionals will exhibit patterns of behavior consistent with moral hypocrisy.

Research Questions

Based upon the above review of the existing literature, relevant questions remain unanswered. First, we must ask whether moral hypocrisy has been sufficiently proven as a decision-making phenomenon. Second, if it can be adequately established, is it prevalent enough in the population to warrant study on the part of organizational scholars? Third, we must ask whether this is potentially an important behavioral hypothesis in organizational scholarship; or, is it a limited psychological phenomenon prevalent only in adolescent minds prior to full development of the impulse governing prefrontal cortex region of the brain (i.e., is this something people mature beyond)? We believe that the answers to these three questions will establish, or dismiss, moral hypocrisy as an issue of meaning to organizational leaders and organizational scholars alike.

STUDY 1: RANDOMIZED CONDITION

In Study 1, we replicate Batson, et. al.'s 1999 Study 1 with task assignment using a labeled coin. This study serves to confirm that our use of a randomized computer program for subject condition assignment did not unduly bias subject behavior. This experiment also validates earlier findings and extends generalizability to the population of working professionals that interest organizational scholars and professional managers.

Method

We used 60 working professionals who were seeking to advance their career options by taking additional courses at a university in the Tampa/St. Petersburg region of Florida. All participants received five points extra credit towards their course grade for participating. Of the 60 participants, 16 were male and 44 were female. The age of participants ranged from 21 to 45 (males $M=25.12$, females $M=24.83$).

Following Batson, et al., participation was by individual appointment. Upon arrival, participants were greeted by the experimenter and escorted into the research room. The experimenter explained that there were 2 participants in the study and that it was important that they not meet or see one another. (No other participant was actually involved.) The subject was then left alone with written instructions that indicated the experiment was an attempt to understand the effects of task assignments on feelings and responses of individuals:

Results

Of the 60 subjects participating in study 1, 24 reported using the computer for task assignment, and 36 did not. Of the 36 who did not use the random computer program, 30 (.833) assigned themselves to the positive task, and 6 (.167) assigned the other subject to the positive task. Of the 24 who reported using the random computer program, 19 (.791) assigned themselves to the positive task, and only 5 (.208) assigned the other subject to the positive task. This pattern differs significantly from random ($X^2 = 8.167$, significance $p < .004$).

When subjects were asked to rate the morality of their task assignment on a 5-point scale (1 = in a very fair way; 5 = in a very unfair way; 3 = there is no fair or unfair way to assign tasks), we obtain confirmation of Batson, et. al.'s (1999) moral hypocrisy finding. When we compared the subjects who had selected themselves without using the computer ($M = 3.55$), to those subjects who selected themselves with the computer but reported that they perceived the computer to be unfair ($M = 1.40$), the difference is statistically significant (2-tailed $t = 5.569$) ($p = .000$). Thus, subjects who used the computer but were able to convince themselves the computer was unfair—in spite of contrary evidence through initial training—were also able to perceive their own choice in a much more moral light: Moral hypocrisy.

STUDY 2: BIASED CONDITION

Study 1 allows us to conclude that moral hypocrisy appears to be happening; however, it does not facilitate exploration of results at the individual level. By exploring this phenomenon at the individual decision level of analysis, we can better identify and understand instances in which subjects clearly made the unethical task assignment decision and yet still assigned a high morality rating to their decision-making process.

The random computer program, as with the labeled coin, creates an expectation that half of the subjects who use the computer (or the coin) will be told to select themselves. We would expect those subjects to not only select themselves, but also feel quite good about doing so. An advantage of our randomized computer assignment over the labeled coin is that we were able to engage perception of fairness of the instrument. This led to a stronger conclusion of moral hypocrisy.

It would be helpful to be able to analyze subjects while knowing exactly what assignment came up on the coin (or computer). Thus, in this study, we replicate the method of Study 1, with the exception that after

training the subject to use the randomized computer program, we placed the subject at a work station with an identical looking program interface, but one that was biased to only select the other subject. (Note, the program could not be used repeatedly without the experimenter resetting it, thus “fiddling” with the result was not possible.) In this way, the study allows us to explore moral hypocrisy both quantitatively and qualitatively by virtue of the fact we know that each subject who uses the computer is being told to assign the other subject to the positive study condition.

Method

Participants for Study 2 were 20 working professionals enrolled in courses at the same university (11 women, 9 men), ranging in age from 19 to 40 ($M = 26.30$). Thus, the sample closely parallels the sample collected in Study 1. As with the first study, subjects received 5 points extra credit for participation.

The procedure for Study 2 was exactly the same as in Study 1, except that the computer program at the subject’s work station was biased to always select the other subject for the positive task condition.

Results

Of the 20 subjects in Study 2, 15 subjects (.75) assigned themselves to the positive task condition, while 5 (.25) assigned the other subject to the positive task. Only 7 subjects (.35) reported using the computer to assign tasks, while 13 subjects (.65) made assignments without using the program. Of the 7 subjects who used the computer, only 2 (.29) assigned the other subject to the positive condition while 5 (.71) assigned themselves to the positive condition in spite of receiving a computer response indicating the other subject should be assigned to the positive task. Of the 13 subjects who made task assignments without the program, 10 (.77) assigned the positive task to themselves, and 3 (.23) assigned the positive task to the other subject.

When we examined the self-rated morality of the subject’s task assignment decision (using the same 5-point scale as in Study 1), we obtain similar results: when we compare the group that assigned the positive task to themselves without using the program ($M = 3.80$), to the moral hypocrisy group (the group that reported using the computer but assigned themselves to the positive task anyway) ($M = 1.60$), we obtain a significant difference (2-tailed $t = 4.407$) ($p = .001$), with the moral hypocrisy subjects rating themselves significantly more moral than those subjects that assigned themselves the positive task without the computer.

When we compared this group (used computer, assigned self, perceived computer unfair) ($M = 1.60$) with the subjects who assigned the positive task to the other subject ($M = 2.20$), the difference is not significant (2-tailed $t = 1.095$) ($p = .305$). However, the subjects who engaged in moral hypocrisy posted a (non-significant) higher mean score than the group that assigned the other individual to the positive task.

In this study, due to the nature of the intervention, we know exactly what response each subject who used the computer received for task assignment. This allows us to take an individual level look at the dynamics underpinning moral hypocrisy (see table 1).

Table 1: Results of Task Assignment by Behavioral Category

	Extremely Fair	Moderately Fair	Neither Fair Nor Unfair	Moderately Unfair	Extremely Unfair
Assigned self to positive task but perceived computer as unfair	3	1	1		
Assigned other to positive task	1	1	2		
Assigned self to positive task without using the computer		1	2	5	2

As can be observed in Table 1, 3 of the 5 subjects who demonstrated “moral hypocrisy” actually evaluated their task assignment decision as “Very Fair”, even though the computer program had told them to assign the other subject to the positive task. Of the remaining subjects in this group, 1 felt s/he had been “Mostly Fair” and 1 felt s/he had been neither fair nor unfair. None of the subjects who exhibited moral hypocrisy believed their decision to be either “Mostly Unfair” or “Very Unfair”.

Subjects who assigned the other subject to the positive task also did not report feeling that their task assignment was “Mostly Unfair” or “Very Unfair”, but 2 of the 4 reported themselves as “Not Fair, Not Unfair”, which is somewhat surprising, considering they had sacrificed a chance at the \$100 raffle. We cannot explain this result.

In contrast with the other two groups, subjects who assigned themselves to the positive task without using the computer for task assignment generally acknowledged that their decision was either “Mostly Unfair” or “Very Unfair”, though 1 subject did report him/herself as “Mostly Fair” in this assignment choice.

DISCUSSION

In an attempt to further our understanding of moral hypocrisy in working professionals, we developed two experiments. The first was designed to replicate Batson, et. al.'s 1999 Study 1, to extend the range of generalizability in the population, and to confirm that our computer program intervention would not substantially bias the results obtained. With a subject pool of sixty individuals, we reaffirmed that gender does not appear to play an explanatory role in moral hypocrisy. This is consistent with findings from Batson, et. al. 1999, and Batson, et. al., 2002. Additionally, our results indicate that socioeconomic upbringing and age also do not significantly explain moral hypocrisy results. It would perhaps be interesting in future work to explore whether or not socio-cultural differences, or educational differences play influence the outcomes. In our studies, as well as those by Batson and colleagues, all of the subjects have been working towards college degrees, and thus are more educated than average. It might be that subjects of different educational backgrounds would exhibit more or less of this behavior.

We believe that the results of Study 1 sufficiently replicate and strengthen prior indications of moral hypocrisy in simple decision-making circumstances (Batson et al., 1997; Batson et al., 1999). Of the 60 subjects in the experiment, 36 chose to make assignments without the aid of the computer, while 24 reported using the computer. Similar to Batson and colleagues, of the 36 who did not use random assignment, 30 assigned themselves to the positive task, while only 6 assigned the other subject to the positive outcome task. Of the 24 subjects who used the computer, 19 of them still assigned themselves to the positive condition, while only 5 assigned the other individual to the positive condition. Of the 24 subjects who used the computer for assignment, 11 reported believing the computer to be unfair, in direct contradiction to their experience with the computer in training. The subjects who reported believing the computer unfair, also rated the morality of their assignment decision significantly higher than subjects who did not use the computer.

Based upon these results, it seems clear that using the computer program as an intervention in place of the labeled coin from Batson, et. al.'s 1999 Study 1, did not interfere with the experimental result. Thus, we concluded that it was also reasonable to proceed with the follow-up experiment in which we manipulated the computer program condition such that all subjects would obtain the result "OTHER to POS/ SELF to NEUTRAL). (Remember, all subjects went through the same training regardless of experimental condition.)

In this second experiment, we obtained a similar pattern of results. Of the 20 subjects, 13 chose to make assignments without the computer, while 7 reported using the computer. Of these 7 subjects, 5 assigned themselves to the positive outcome condition, in direct contradiction to the computer's output. All 5 reported believing the computer to be unfair (again, in direct contradiction to their training experience). These subjects also rated the morality of their task assignment decision significantly higher than subjects who did not use the computer program.

There are three important outcomes from this second experiment. First, it provides unambiguous support for the moral hypocrisy hypothesis proposed by Batson and colleagues. Second, it allows us to start understanding this behavior proportionally within populations (on a small, speculative scale), given that 5 of 20 subjects (.25) clearly exhibited this behavior. On the positive side, it was only 25% of the subjects; on the negative side, it is concerning that 25% of these subjects were able to bias their perception of the world to this degree over such a small prize.

The third important outcome is it allows us to more clearly examine the psychological process taking place within the individual that is subject to moral hypocrisy patterns of reasoning. This manipulation allowed us to explore the more interesting issue of how subjects rationalize their decision patterns.

Several mechanisms have been proposed to explain moral disengagement, or behavior-standard discrepancy. Among the simplest is ordinary self-deception (Mele, 1987) in which the individual simply uses situational ambiguity as a basis for *ex post* interpretation of results in one's own favor. The computer program intervention allowed for a rather extreme form of this behavior, in that the subject was given a chance to "prove to themselves" that the program randomly produced both sets of results, during their initial training. Thus, subjects should have believed in the randomness of the assignment decision, yet in both cases—when the computer assignment really was random, and when it was not random—similar proportions of subjects still were able to convince themselves that the computer had not been fair. This was then used to rationalize the assignment they preferred: themselves to the positive outcome condition.

The result could also be loosely interpreted as "displacing and diffusing responsibility" (Bandura, 1991), whereby the subject places responsibility for the outcome on the "unfair computer" and feels justified

in correcting this perceived injustice, thus feeling somewhat self-righteous in the process, though this would be an admitted stretch.

Regardless of mechanism, and this is certainly an area that deserves further study, it appears that some proportion of the general population is vulnerable to moral hypocrisy when their self-interest is sufficiently engaged. This would be a particularly troublesome quality to find in leaders with significant decision-making power, such as politicians and organizational leaders. It would be beneficial if future studies pursue questions related to promotion and leadership acquisition. Specifically, are individuals who obtain leadership roles and positions of power, more/less/or equally susceptible to moral hypocrisy. These, for the time being, will remain questions for future study.

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