THE CONTRIBUTION
OF PHILOSOPHY AND PSYCHOLOGY
IN THE ETHICAL DECISION MAKING PROCESS

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Abstract: This article aims to explore the relationship between morality and organizational culture with reference to the process of ethical decision making and to the cooperation between philosopher and psychologist for the improvement of ethical climate within a public institution. Firstly, we introduce the notion of organizational culture emphasizing the importance of moral values and their role in building a true ethical climate. Secondly, we focus on the study of ethical decision making. The process is examined from the perspective of the interaction between human personality and different elements of organizational culture. Philosophy and psychology differently approach this problem. Our intention is to bridge the gap between the two perspectives, by demonstrating their belonging to the same continuum as well as the need for knowledge from both fields in order to have a complete overview of its internal mechanisms. Deontological and utilitarian theories fail to explain by themselves the decision making process and so psychology does: moral development theories, the leadership type, and emotions have on their basis a personal moral philosophy. We will also consider the influence of social groups on individual decision making.

Keywords: organizational culture, moral values, decision making, social influence

Values, norms, moral principles, ethics, gradually became part of the vocabulary of any professional who is carrying out activities in the public and private organizations. Moreover, deviations from moral rules and the emphasis made by the media in highlighting the ethical aspects that had been violated, acts like a catalyst which triggers a continuous adaptation of the areteo-deontic approach within the institutions.

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Understanding the meaning of the used terms, creating a coherent and accurate organizational philosophy, understanding the complex realities of organizations, all of these involve the intervention of specialists from many fields: psychology, philosophy, economics, education, etc.

Starting with the 1960's, in the Anglo-American area it has been observed a revival of the study and application of ethics in human resources management, becoming a part of most scientific work. Once this transformation occurred, the need for the specialists in philosophy assistance was observed. The new realities have also influenced the way that organizational culture is defined and evaluated. Now more than ever before, moral values are considered to be essential elements of the organizational culture.

ORGANIZATIONAL CULTURE

Providing a definition that summarizes all the acceptances of the 'organizational culture' collocation, can be a laborious intercession. Many authors say that it is hard to intercept the meaning of this expression, because it refers to what is specific to an organization, distinguishing it in a certain socio-cultural framework. A common idea that derives from the most founded definitions is that the organizational culture consists of a more or less coherent and articulated set of values, meanings, behaviors and organizational practices, that represent the main interpretation grid of the organizational reality.

As Zoltan Bogáthy stressed out[1], each organization is governed by certain principles or values that get to be known by all members of an organization and they tell everyone "what is our mission" or "what is important to us". From this values, more or less obviously, more or less expressed, the management philosophy of the organization is composed; these values representing the organization's "soul".

Culture influences all other components of an organization which is viewed as a whole. Thus, culture is responsible for the emergence of rules governing behavior in different situations; they will be applied as response to a wide range of phenomena that occurs in the organizational framework, defining the communication style, the

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[1] Zoltan Bogáthy (2002), "Valori în lumea muncii şi în mediile organizaţionale" in *Revista de psihologie organizaţională 4(1),* Iassy: Polirom, p. 29.

reward policy and, in general, characterizing the organization's strategy. As we specified in the beginning of this work, it is very important that the terms - part of an active vocabulary of a professional in organizational culture - have to be clearly defined in order to be correctly used. Perhaps the most common terms are those of 'virtue' and 'values'.

Philosophers give a central significance to these two concepts, because they direct the way that people should behave, what they should do. Virtue is the norm, the general rule, which cannot be derived from exceptional circumstances, for it is the natural way of order; they are basic values, moral qualities, only in connection with norms, basic ethical precepts[2].

A number of theoretical approaches determine in the organizational culture framework the moral culture. This is defined as being "the entire organizational and inter-generational conduct, built by a group of leaders and their employees, […] to show which are the boundaries between good and evil, and also the principles or rules of a proper behavior."[3] The dichotomies between good and evil are based on a complexity of concepts and beliefs that are generalized and codified within some cultures or groups, thereby serving to regulate the conduct of its members.

A 'healthy' and effective organizational culture implies, first of all, the harmonization of its values. The "values harmony" basically means two things: the internal harmony of the organization's values and the harmony between organization's values and its members conduct[4].

Values promoted by organizations are not rigid, but rather very dynamic. Not only that each culture has its own hierarchy, but within these hierarchies values may also vary depending on many factors.

ETHICAL DECISION MAKING

One of the areas in which the study of ethics intervenes, is in the ethical decision making. This work will present the factors involved in

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[2] Carmen Cozma (2001). *Introducere în aretelogie. Mic tratat de etică*. Jassy: Editura „Universității Al. I. Cuza", p.78
[3] John C. Thoms (2008). "Ethical Integrity in Leadership and Organizational Moral Culture", *Leadership* 4 (4), p.421
[4] Zoltan Bogáthy (2004). *Manual de psihologia muncii și organizațională*. Jassy: Polirom, p.35

this process, aiming to make a bridge between philosophical and psychological approaches.

Although there are opinions according to which the study of ethics in an organization is redundant because moral values are taught in childhood or that we live in a world where non-values are first (winning at any cost, vices, false heroes, etc.), we also reject this assumption by saying that a revival of the "good fund" of man is absolutely necessary and possible by the rediscovery, defense, development of "moral sense" which, "continuouslly exists in a latent mode" (Cozma 2001, 56). In support of this idea education comes, offering ways of application of knowledge so that people can function better in society and thus they are able to make ethical decisions more accurately.

Ethics training determines a growth in the individual's sensitivity towards the moral implications of personal decisions; it supports situations analysis from ethical view, so that the final decision to be consistent with moral values learned during the development of human personality.

Those who make ethical decisions use a set of fundamental moral values which help them to act in an inteligent and consistent way. Moral values influence the problem identification, definitions and settlement. The most frecquently used values are: caring, honesty, responsibility, promises keeping, excelence, loyalty, impartiality, integrity, respect, citizenship[5].

People have to take moral decisions daily on what is good or bad, right or wrong, scarcely using these sets of moral values or, in some cases, ethical tools. Sociologist J. S. Coleman[6] argues that social actors have a range of qualities, norms, values at a t_0 time moment, and these will cause some structuring of social actions at a t_1 temporal moment. The values system's consistency is therefore particularly important. To illustrate the link between individuals' morality and organization's morality, we will use one of the metaphors proposed by Lynch et al: "When someone hurts himself at his little finger, the whole body suffers until that wound heals."[7] The same happens with deviations

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[5] Mary Ellen Guy (1990). *Ethical Decision Making in Everyday Work Situations*. Westport: Greenwood Press, pp.26-27
[6] See Adrian Netedu (2005). *Fundamente teoretice la o sociologie a deciziei*. Jassy: Editura "Universităţii Al. I. Cuza", pp.52-53
[7] Thomas D. Lynch et al. (2002). "Productivity and the Moral Manager", *Administration & Society* 34, pp.351-353

from moral standards of an institution's employees: individual deviations from moral norms are 'paid' by all the other employees through public image damage of the institution.

In daily activity we often face situations where we do not know which is the most correct decision that we can make in concrete situations that involve either a conflict between two principles or ethical values, or a conflict that appears in an ethical principle or value. These are ethical dilemmas[8].

The most common ethical values or principles at which moral dilemmas refer to are:
- To whom do I have a duty - to myself, family, friends, colleagues, institution, future generations, etc.?
- How can I minimize the possibility of causing any harm – physically, economically, psychologically, an actual harm towards a potential one, to harm more people or only a small number etc.?
- What is fair or right – everyone should receive an equal proportion or those who deserve more or maybe those who have a greater need should receive more?
- How can I protect the rights of others – the right to life, to information, safety or health?
- How can I remain an honest, trustworthy, incorruptible person?

Moral dilemmas place the one who has to make an ethical decision in a position where the values or ethical principles discussed above are in conflict.

How a person relates to, or creates an ethical dilemma may depend both on the structure of that person's values and on its adherence to certain ethical principles. In this case we want to present the ethical decision making process both in terms of utilitarian perspective and according to the theory of moral duty.

The term 'utility' was introduced in the philosophical doctrine by Bentham as designating that property of which object tends to produce benefits, advantages, pleasure, a state of well or happiness or to prevent errors, pain, evil or unhappiness of the one in question.

Summarizing, by utilitarianism is understood "The greatest good for most people" and "the end justifies the means". Utilitarian people

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[8] *Encyclopaedia of Business Ethics and Society* (2007). SAGE Publications. http://www.sage-ereference.com/ethics/Article_n299.html

consider that possible results of a decision should be reviewed in light of potential beneficiaries and people likely to be disadvantaged.

Utilitarian thinking is specific to the rational pattern of decision making, but in reality, people do not have access to all data and therefore is impossible for them to foresee all possible consequences arising from their actions. An utilitarian must always have justifications to do the least bad thing that is necessary in order to prevent the worst thing that could happen otherwise, in given circumstances (including, of course, the worst thing that someone else could do)[9]. Consequently, this theory has a limited validity in the way that the end cannot always justify the means and that, in its shadow, serious breaches of ethics can occur.

Theories of ethics are most often associated with Immanuel Kant's philosophy, in terms of the categorical imperative: "Act so that the maximum of your will can always worthwhile as a principle of a universal legislation". Another famous statement of the German philosopher is that "man is an end in himself; he can never be used by anyone (not even by God) only as a means". By this last statement, Kant's ethics puts in the foreground the respect for individuals. Instead of requiring the verification of the principle's universality, we are asked in a less direct way to act so that we respect or, at least, not to affect the ability of others to act. The philosopher believes that each individual is both a source of laws, but also subject to laws, in which each is an autonomous being in the sense that he gives his own law, maintaining the condition that his laws have to respect the autonomy of others[10].

The theory of duty directly deals with utilitarianism, scarcely by its categorical imperative: humanity has an intrinsic value, and therefore fundamental rights that can't be violated by treating people just like means of achieving goals is denied both their value and their fundamental rights.

A strict application of the categorical imperative is considered by many authors as a very difficult one. Ideals promoted by Kant's theory are striking, in human resources management practice, by considering people as 'resources' of the company, so means of achieving a goal, namely profit maximization.

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[9] Bernard Williams (2002). *Moralitatea: o introducere în etică*. Bucharest: Punct, pp.108-109

[10] Onora O'Neill (2006). "Etica lui Kant", in Peter Singer (ed.). *Tratat de etică*. Iassy: Polirom, pp.207-208

Sociological theories of decision mention the utilitarianism and ethics intervention in the mixed pattern – a mix between the rational pattern and the incremental one (or of successive adjustments). For example, A. Etzioni proposes the operationalization of the mixed pattern, the two philosophical principles intervening at the alternatives analysis stage, supporting the rejection of some of them: by the help of utilitarianism, the means sufficiency is assessed and the governors' respect of basic values (Netedu 2005, 67-73).

Analyzing how individuals make decisions when faced with ethical dilemmas, researchers have imposed two patterns: a pattern of consequences contingency which postulates that the result's moral intensity is the most important and an interaction pattern that takes into account the interaction between the individual and contextual factors in decision making[11].

Many socio-psychological approaches of decision making emphasize upon interaction between personality and social factors. As a matter of fact, these two can be segregated only by scholastic reasons: between a person and social environment there is a continuum of influence and mutual determination.

In this study, we want to make just a brief note of those mentioned by the literature that we have studied, however, performing a selection. The following lines will present a number of factors specific to individuals' personality such as age, genre, moral development, experienced or anticipated emotions, locus of control.

Although some researches[12] found a pozitive relation between age and moral behavior or between ethical decision making and education, empirical evidences are limited. Some linked ethics by tenure and ethical climate, subject over 50 years old and minimum ten years work experience view themselves as being more ethically.

Although there is no a general accord on influence of genre over decision making, it seems like women define themselves through types of relations they are involved in. In addition of that, they tend to make

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[11] See Richard Coughlan and Terry Connoly. *Investigating unethical decision at work: justification and emotion in dilemma resolution.* http://www.entrepeneur.com/tradejournals/article/ 188064186_5.html

[12] Denis P. Wittmer (2005). „Developing a behavioral model of ethical decision making in organizations: conceptual and empirical research", in George H. Frederickson and Richard K. Ghere (eds.). *Ethics in Public Management*, New York: M. E. Sharpe, p.51

those decision which conserve the relations acting in a caring way (Wittmer 2005, 55).

We discuss individual's moral development by Lawrence Kohlberg theory. His concepts have been taken over in many fields such as psychology, philosophy, pedagogy, political science, business administration, and more recently public administration. The stadiality proposed by Kohlberg explains the process by which individuals deal with ethical dilemmas and, at the same time, he doesn't attempt to determine the morality or value of any person. Moral judgement refers to how a person thinks and not to what that person is thinking of.

Kohlberg's theory suggests a morality evolution in three stages: preconventional, conventional and post conventional, each having two under stages. The author motivates that these stages are hierarchically in nature, that individuals progress irreversible from the basic level to the highest and that they are valid regardless of the culture's influence and they are not dependent of any age.

L. Kohlberg summarizes his theory like this: level I is that of a preconventional person, for which rules and social expectations are perceived as being outside the self. Level II is that of the conventional person: 'self' identifies or interiorizes rules and expectations of others, particularly of those holding authority. Level III characterizes the post conventional person. Now the individual is differentiating himself from rules and expectations of others. Values are defined in terms of personal principles.

A study conducted by Sharie McNamee on a population of students from U.S. had the conclusion that, in terms of moral development, the averages obtained by subjects are normally distributed (according to Gauss curve), the average being in the first understage of the II stage: conformity, mutual interpersonal relations and expectations. Expectations of others become important for the individual; entourage's preoccupations can be more important than someone's own interests. To do what is right is to meet the expectations of the close ones: the individual does what is good in order to get approval (Lynch et al. 2002, 354).

If some patterns, which aim to offer explanations concerning the decision making process, have highlighted the importance of the consequences concerning individuals' choices justification, others have taken in consideration cultural and individual components, as theories of decision making which emphasize experimented or anticipated emotions. One of these emotions, which attracted a wide interest, is the

regret, "negative emotion based on cognition, which we experience when we realize or imagine that our present situation would have been better if we had acted differently" (Coughlan et al. 2009).

Another important emotion in decision making is the relief - a feeling experienced by those who are no longer burdened by a stressful situation. Relief was described as a basic emotion which can motivate individuals to act in a particular way. It can especially occur in situations where the fear of anxiety is present. Ethical dilemmas are often accompanied by the anxiety of decision makers who need to consider different alternatives and consequences determined by them.

Many decisions are affected by the expected satisfactions to be experienced after making them. Utilitarianism is a pattern of choice in which the results' anticipated value play a key role in many decisions, and the role of anticipating satisfaction should not be ignored.

Locus of control, another individual influence on ethical decision making, is a relative perception over ones control on his/ hers life. By Rotter's theory, individuals place themselves on a scale between internal and external locus of control, where internal means the perception of a person to have full control over his own life. The more internal locus of control one has, the more ethical decision makes (Wittmer 2005, 59).

The position in the organization of individuals makes the link with social influence. Leadership's theories make a difference between the ethics of a leader and his leadership style. These differences depend on personal values, moral development stage, conscious intentions, freedom of choice and the use of ethical and non-ethical behavior (Thoms 2008, 419-422).

Depending on the position in an organization's hierarchy, people have different views on ethics. Leadership implies a range of cognitive challenges which if not addressed properly, can lead to ethical errors. The tendency to easily abandon personal principles is what stands at the origin of many ethics violations, rather than lack of character strength or courage, or personal virtues. Therefore, morality is directly influenced by personal interests rather than ignorance.

As we announce above, ethical decision making is on intersection of individuals with their social environment, which in an organization is called organizational culture. Observing a group of people, we note the similarity of beliefs and rules to which they relate. This remains valid for the values unity and moral principles that govern work

groups. Each individual contributes to the formation of organizations' moral culture with a personal philosophy of life.

Organizational culture influences individuals in two main ways: forcing them to accept something (e.g. a point of view, a decision) or by convincing them to endorse. The process by which the group puts pressure on members to comply with rules is known in social psychology as social influence process. In the social influence processes, common rules to which individuals comply represent more than the sum of individual beliefs. Social psychology refers to the normalization, conformism, processes of the deviation tolerated as factors involved in group norms creation and shaping[13].

Normalization necessarily involves a group in which members have mutual influence. What is characteristic for this social influence phenomena consists of the lack of rules established in advance, which the group might impose to individuals, without himself to be sensitive to their position. Lack of majority consensus regarding the correct answer makes members, unsure of their responses, to exercise influence over one another and to end by adopting a common standard that meets everyone's adhesion and represents that group's position.

If in what concerns normalization, the individual accepts the majority group's pressure, regarding conformism it adheres to group's norm by its own will, desiring to manifestly agree with the group, otherwise risking exclusion. Psychologist Leon Festinger intercepted the conditions which determine *public conformism* from the ones that lead to private acceptance. According to his view, the attraction felt by individual towards the group decides influence's degree at private level. Depending on how much the individual is attracted to the membership group, the private change of attitude will be more or less significant. This effect is mediated by the person's desire to maintain a positive relationship with the other group members. Conversely, groups that use punishment or punishment threat for getting their members to obey rules obtain complacency and not private acceptance.

Analyzing this situation from the adhesion prospect at a set of values and moral norms, conformism can explain the individual's subjection to group pressure even when his system of values comes in flagrant contradiction with the new requirements: that's how 'good' people come to commit 'bad' acts. Also by social conformity to group norms are assumed a set of moral values by an individual and of some

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[13] Ştefan Boncu (2002). *Psihologia influenţei sociale*. Jassy: Polirom, p.52

principles that are very resistant to any modeling from outside. The proposal of new moral norms sets must take into account these psychological realities.

In order to determine organizational culture's alteration of some components is necessary to assess relationships within the group and identification of reference people (stakeholders) who could become agents of change.

Normalization and conformism are only two aspects of contextual factors, namely the presence of others, that influence decisions making.

People also make decisions when they are in cooperation situations. Almost every problem has multiple alternatives. Each perspective depends on how the problem is defined and by the individual priorities.

We will present in the following lines how decisions are made in groups. Making a decision implies solving a problem, reaching an agreement between group members. Experimental researches[14] showed that, regardless of the procedure used for making a group decision is likely the appearance of the so-called effect of 'risky-shift'. It consists of the fact that groups can make more risky decisions than the ones that would be made by a single individual and may be manifested in different forms, such as:

a) *decision-polarization* - phenomenon indicating that the position of the group in the final decision is more radical than the initial views of the group members. Thus, as the debate of the issue on which must be decided becomes more heated, participants' views are radicalized, getting further and further from the initial positions;

b) *group thinking*, which represents uncritical decision making, determined by different factors, like: the high degree of group cohesion, leader's authority, a group's major threat perception from outside, time pressure.

CONCLUSIONS

New social demands emphasize the moral component of activity performance within an organization. The need of changing and improvement of moral culture is more present than ever. The need for

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[14] See Eugen David (2006). *Psihosociologia grupurilor umane* (Note de curs). Bucharest: Spiru Haret, pp.44-45

organizational ethics is claimed by both its inside and outside, and the moral decision's impact is becoming more ample, starting to be felt by the entire society.

Our work aimed to demonstrate that is possible and it is even necessary that ethics and psychology professionals to cooperate. Building a moral vision of an organization, changing organizational culture, understanding the ethical decision making process must rely on knowledge of the two related areas and the need for collaboration with sociologists and psychologists is proven.

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