ETHICAL DECISION-MAKING IN EVERYDAY BUSINESS DECISIONS

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Abstract

This thesis draws on and contributes to the literature on ethical decision-making and to the discussion of agency versus structure in institutional theory. It investigates ethical decision-making in ordinary business decisions through the lens of structuration theory. The overarching research aims are to investigate the manifestations of ethical decision-making in organisations, how such decision-making is influenced by agency and structure, and how unethical decision-making can be mitigated in organisations. This qualitative research comprised 24 semi-structured interviews with organisational decision-makers in Malta, selected through heterogeneous purposive sampling. Participants from diverse industries, professions and hierarchy levels were asked about their experiences of ethical decision-making. Data captured through these interviews was analysed and interpreted using open coding. The findings indicate that the micro, meso and macro environment impact decision-making to differing degrees. At a micro level, decisions may be influenced by the individual's traits, interpersonal relationships and their organisational roles. At the meso level, organisations exert influence, ranging from explicit regulations to implied norms and culture. Although micro-decisions may appear detached from the macroenvironment, they are significantly influenced by societal norms, cultures, and industry practices. The findings also indicate that ethical decisions can be described as varying in terms of awareness of morality and agency. The level of awareness of morality indicates how aware decision-makers are of the ethical dilemma. The level of agency indicates the degree to which decision-makers perceive themselves to be in control of their own decisions. This research makes a theoretical contribution through a framework which describes a dual relationship between structure, modalities, material constraints and decision-makers, as well as the varying degrees of awareness in ethical decision-making. It provides an empirical contribution to descriptive ethics through the lived experiences of ethical decision-making and a practical contribution through recommendations for actions by individuals, organisations, educators, and society.

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It is impossible to name all those who were there for me throughout this journey. Some warrant an extra mention.

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Thank you.

Author's declaration

I declare that, except where explicit reference is made to the contribution of others, that this thesis is the result of my own work and has not been submitted for any other degree at the University of Glasgow or any other institution.

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1 Introduction

As a customer experience strategy manager, and part of a commercial team in a telecoms company, I was often part of the decision-making team who steered company products and pricing. I remember vividly an incident which happened over ten years ago. Together with peers from other departments, including engineering, IT, and marketing, we were meeting to discuss the future of a service that was provided to elderly and vulnerable persons. This product included a device which the patient would press, and the fixed telephone line connects them to the national emergency number. It was part of our corporate responsibility. We took pride in providing it and helping to save lives. This was viewed as a unique selling proposition distinguishing us from competition and attracting funding in terms of government subsidy. We often considered competitors disinterested, although we suspected they might want to carve out a niche. Most of our parents also used the service, and we were a group of individuals who truly and deeply cared about the wellbeing of our customers. However, we were discussing the product as poor profit maker and decided to 'optimise' the level of service and 'bump up' the price. Initially, I emphasised the importance of prioritising corporate responsibility over profit in this case, but I eventually halted my efforts. I felt helpless and naïve in trying to push for less profit and I stopped arguing, genuinely believing that I could do nothing else. What this effectively meant was that customers in a potentially life-threatening situation would have less access to the lifeline with an ambulance and that they would need to pay more from their modest pension for the service. We were not a group of heartless decision-makers. I would say we were a typical group of decision-makers in an organisation trying to make the best commercial decision possible. One participant of this research who was in the room that day referred to the same discussion which we had had years earlier, when asked about ethical decision-making. They, too, viewed this as an example of unethical decision-making, which years later elicited strong emotions and questions. Through this thesis, I focus on ethical decision-making as something which practically everyone in any organisation faces at one point or another, and everyone has the potential of making ethical and unethical decisions. Sometimes

they are aware of them, other times not. In this view, our discussion that day was not the exception to the rule.

Institutions can be described as three environments, one nestled in the other, the micro, within a meso, within a macro environment (Battilana and D'Aunno, 2009). They exert regulative power by giving formal direction, normative power by shaping the informal norms and cultural-cognitive influence through unspoken but taken-for-granted ways of behaving (Scott, 2013). In Maltese we have a proverb "Il-ħuta l-kbira qatt ma kielet liż-żgħira" translating to the smaller fish never ate the bigger one. Picture an individual as a small fish (microenvironment) which can never eat the bigger one (mesoenvironment), whilst leaving any significant impact on the ocean in which it survives (macroenvironment). Let us assume individual actions are shaped by their environment. Then it is difficult to understand that an individual can shape the environment which is presumed to shape them (Battilana and D'Aunno, 2009). Especially when organisations have the power of impacting the very core of what it means to be an individual, their identity (Alvesson and Willmott, 2002). This can be seen as the paradox of an embedded agency (Seo and Creed, 2002). It is a paradox that leaves scholars perplexed, individuals questioning the viability of attempting to leave a mark on their environment, and me doubting the worth of understanding individual decision-making. Yet, even in institutional theory, which is marked by the significance that is given to the meso and the macro environment, there is a renewed debate on the relevance of the microenvironment (Zucker and Schilke, 2019). In a more emancipatory manner, authors like Glynn and D'Aunno (2023) mention institutional entrepreneurs as individuals who use the resources available to them and to leave a significant impact on the institutions in which they operate. Individuals are intelligent. They understand their environment and strategise ways to operate within them, never being totally independent of nor totally dependent on their environment (Giddens, 1984).

The anecdote I opened the discussion with can also be compared with observations from corporate scandals. Decision-makers operating within

institutional environments, taking what seem obvious business decisions, while engaging in poor ethical practices that may lead to organisational downfall. All too often, making the proverb "the road to hell is paved with good intentions" seem plausible. How can regular individuals operating within organisations make unethical choices without being fully aware? This is a question that has intrigued scholars including Ashforth and Anand (2003), Bandura (2016, 2002), Mazar et al. (2008), Palazzo et al. (2012) and Schaefer and Bouwmeester (2021), to name a few. Ethical decision-making research can be seen to emanate from two distinct angles, normative and descriptive ethics (Laczniak and Murphy, 2019). The traditional approach is the normative angle (Bazerman and Gino, 2012; De Cremer, 2010; Tenbrunsel and Smith-Crowe, 2008). This is an angle that focuses on how decisions ought to be taken (Bazerman and Gino, 2012; De Cremer, 2010; De Cremer and Vandekerckhove, 2017; Donaldson and Dunfee, 1994; Laczniak and Murphy, 2019; Tenbrunsel and Smith-Crowe, 2008). It is focused mostly on philosophy, with deontology, utilitarianism and virtue ethics being the three major perspectives (De Cremer, 2010; De Cremer and Vandekerckhove, 2017). The normative angle does not solely relate to academia but also to practice, where organisations are often expected to provide a clear direction of what ought to be done (Bazerman and Gino, 2012).

Compared to the normative standpoint, descriptive ethics, or as sometimes referred to, behavioural ethics, is an emerging field which is gaining legitimacy (Tenbrunsel and Messick, 2004). It has been described as research into systematic ways by which decisions that are inconsistent with individual and societal values are taken (Bazerman and Gino, 2012). It is a relatively new approach to ethical decision-making (Bazerman and Gino, 2012; De Cremer, 2010; De Cremer and Vandekerckhove, 2017; Donaldson and Dunfee, 1994; Tenbrunsel and Smith-Crowe, 2008) and focuses on in-the-moment decisions (De Cremer and Vandekerckhove, 2017). It postulates that decision-makers are influenced by environmental factors (Bazerman and Gino, 2012; De Cremer and Vandekerckhove, 2017). The differences between normative and descriptive ethics have been debated for decades, and no consensus has been reached. This leads to the two fields taking a stance that is often independent of each other (Donaldson and Dunfee, 1994). Considering my academic background in

normative ethics, I do not intend to underestimate its role. However, the fundamental subject area being investigated is in-the-moment decision-making. The practical nature of this question makes descriptive ethics a more appropriate approach. Similarly to von Kriegstein (2022), I argue for the relevance of acknowledging the factors that impact in-the-moment ethical decision-making (the descriptive ethics approach) and yet fulfil ethical obligations (the normative approach). Therefore, whilst respecting the legitimacy of the normative standpoint, this research focuses on the descriptive ethics perspective.

Descriptive ethics is often subdivided into two realms: rational and intuitive decision-making. Bazerman and Gino (2012) refer to these as System 1 (intuitive decision-making) and System 2 (rational decision-making) thinking, whilst Tenbrunsel and Smith-Crowe (2008) name these 'moral decision-making' (rational decision-making) and 'amoral decision-making' (intuitive decision-making). The rational decision-making viewpoint is the more traditional approach. It discusses that ethical decision-making is a rational and calculating process, during which an individual stops to think what course of action to engage in (Gioia, 1992; Haidt, 2001; Palazzo et al., 2012). Tenbrunsel and Smith-Crowe (2008) describe rational decision-making as underpinned by intentions and leading to intended ethical or unethical decisions with the possibility of unintended unethical decisions. This differs from the concept of *homo economicus,* which discusses individuals as being calculating and basing their decisions on self-interest (Gonin et al., 2012; Schreck et al., 2020). In rational decision-making, the individual knowingly factors ethical concerns in their decisions, whereas in intuitive decision-making they do not (Tenbrunsel and Smith-Crowe, 2008). Rational ethical decision-making can be seen as an individual acknowledging the ethical component and their agency in a situation. Recognising the intended consequences and individual agency can be equated to intentionality. Yet, decisions can have unintended consequences and be taken without recognition of agency (Giddens, 1984).

Authors advocating intuitive decision-making posit that many ethical failures can be explained as a lack of awareness that a person is facing an ethical dilemma (De Cremer, 2010). Intuitive decision-making refers to "quick, automatic evaluations" without the engagement of a rational thought process (Haidt, 2001, p. 814). When a decision-maker does not recognise that they are facing an ethical dilemma, they will engage in decision-making that does not contain an ethical dimension. This may lead to unintended ethical or unethical decisions (Tenbrunsel and Smith-Crowe, 2008). This lack of recognition of the ethical element of the decision, which is also referred to by Jones (1991), forms the basis of intuitional decision-making. In this view, when individuals face ethical dilemmas, they usually trust their instinct, decide, and move on (Bazerman and Gino, 2012; Tenbrunsel and Smith-Crowe, 2008). Haidt (2001), who is perhaps more radical in his theory, expresses that decisions are taken unconsciously and are guided by emotions or instincts that may be positive or negative. The individual may engage rational thought only at a later stage to explain and justify their automatic decisions. Both rational and intuitive decision-making can have the outcome of ethical and unethical decisions. The difference between them is the level of awareness a person has when they are engaging with an ethical dilemma (Tenbrunsel and Smith-Crowe, 2008).

Whereas authors including Haidt (2001), Bazerman and Gino (2012), and Tenbrunsel and Smith-Crowe (2008) distinguish between rational and intuitive decision-making, such a distinction may not always be as explicit, and rational and intuitive decision-making can be intertwined (Woiceshyn, 2011). Out of the various models of ethical decision-making, Jones' (1991) issue contingent model of ethical decision-making has gained the strongest support in academia (Kish-Gephart et al., 2010). This model, based on Rest (1986) describes the process of ethical decision-making as one starting from the recognition of an ethical dilemma, moving on to judgement, followed by the establishment of intended behaviour, and ending with ethical or unethical action. The rational process initiates only if an individual realises a dilemma has an ethical component (Garrigan et al., 2018; Jones, 1991). Consequently, the argument that will be elaborated upon in this thesis aligns with Garrigan et al. (2018) and Jones (1991), and designates intuitional decision-making as the absence of recognition

of the ethical component. This represents the initial stage of the decision-making process, while the subsequent stages involve more rational reasoning. Since intentional unethical decisions are not pervasive in everyday organisational settings (Palazzo et al., 2012), these are not pursued in this thesis. Various authors have discussed different facets of ethical decision-making which are prevalent in mundane organisational settings. These include ethical blindness (Palazzo et al., 2012), moral myopia (Drumwright and Murphy, 2004), moral disengagement (Bandura, 2002), obedience to authority (Milgram, 1974), moral awareness (Reynolds, 2006), moral dissonance (Lowell, 2012), moral uncertainty (MacAskill et al., 2020), ethical fading (Tenbrunsel and Messick, 2004), and normalisation of corruption in organisations (Ashforth and Anand, 2003). These will be explored in relation to Jones (1991) issue-contingent model of ethical decision-making by individuals in organisations as impacted and impacting the micro, meso and macro environment.

1.1   Research questions, aims and objectives

The overarching aim of this research is to theoretically and empirically engage with the subject of ethical decision-making in everyday business decisions. This aim is explored through three distinct yet related research questions. First, how does the interplay between agency and structure influence ethical decision-making? Second, how does ethical decision-making manifest itself in everyday business decisions? And third, how can unethical decision-making be mitigated in organisations?

Decisions are taken by decision-makers who hardly ever operate in a social vacuum. There are two extreme views of what impacts individual and collective decisions. One which describes decision-makers as mechanistic agents whose actions depend solely on external forces. The other is as independent agents whose actions are solely determined by them (Bandura, 2002, 1989; Battilana and D'Aunno, 2009). However, it is mostly recognised that decisions are influenced both by individual agency and structure (Giddens, 1984). In

organisational ethical decision-making literature there is an active debate on whether it is malevolent individuals who corrupt organisations (often termed as bad apples), or whether it is malevolent organisations which corrupt individuals (bad barrels) (Ashkanasy et al., 2006; Gonin et al., 2012; Kish-Gephart et al., 2010; Treviño and Youngblood, 1990). For this reason, the first research question is, how does the interplay between agency and structure influence ethical decision-making? No straightforward response to this question seems to exist. Therefore, I attempt to provide a more nuanced interpretation of the complexities surrounding this subject, first by reviewing and synthesising published literature that relates to the micro, meso and macro environment. Second, by exploring this subject empirically through the daily experiences of individual decision-makers from multiple industries and occupying various roles in hierarchical structures. The aim is to explore and present the complex environment which influences ethical decision-making and to highlight the factors which seem to be more impactful than others. Thereby contributing to the micro-institutional debate which focuses on how decisions and actions are shaped by and shape institutional processes (Zucker and Schilke, 2019), and to the bad apple and bad barrel debate in ethical decision-making.

Descriptive ethics research often considers ethical decision-making as either an individual process, for example Jones (1991), and Sonenshein (2007) or as distinctive phenomena like moral disengagement (Bandura, 2002), ethical blindness (Palazzo et al., 2012), moral dissonance (Lowell, 2012), and ethical fading (Tenbrunsel and Messick, 2004). The manifestations of unethical decision-making in high-profile cases has been reviewed by several authors including the Ford Pinto fires by Gioia (1992), the financial crisis in Iceland by Kvalnes and Nordal (2019), British American Tobacco by Fooks et al. (2013), and bankers in the 2007-2008 financial crisis in the UK by Siebert et al. (2020). However, published literature seems to lack an integrative view of the various phenomena under the broader umbrella of ethical decision-making. There also seems to be an opportunity for contributions through research which focuses on lived experiences in more mundane settings. This leads to the second research question: How does ethical decision-making manifest itself in everyday business decisions? The objectives of this question are to understand the lived

experiences of decision-makers in business, to explore the different aspects of ethical decision-making, and to propose a more detailed understanding of the subject. To reach these objectives, I adopted a three-step approach. First, on a theoretical level, I reviewed ethical decision-making literature sources and mapped the various phenomena to Jones (1991) issue-contingent model of ethical decision-making in organisations. Literature review has been conducted by starting with Lowell (2012), and evolving the search through a diversity of sources which focus on in-the-moment decision-making. When no new terms could be encountered, a comprehensive database search on the main theories identified was conducted to ensure that, as much as possible, the main aspects of ethical decision-making were identified. Second, by exploring how decision-makers in organisations experience ethical decision-making in their daily decisions. Third, by amalgamating reviewed literature sources with my findings and identifying different aspects of ethical decision-making ranging between unawareness and awareness and affected by (re)construction of morality and agency.

It is often assumed that ethical behaviour is desirable, whilst unethical behaviour is not desirable (Treviño et al., 2014), and that there are legitimate reasons to aim for the reduction of occurrences of unethical behaviour in organisations. However, often proposed mitigating actions focus significantly on the regulative element of organisations, such as compliance programmes and regulations. These seem to imply pre-meditation and bias towards rational decision-making. With the ever-increasing focus on intuitive decision-making, unethical behaviour can be countered by more focus on the unaware and self-deceptive practices. Significantly rooted in practice and realistically understanding that unethical decisions can never be eradicated, the third research question is, how can unethical decision-making be mitigated in organisations? This question focuses on the practical implications of the first two research questions. The response to this question is based on an interpretation of ethical decision-making as a constant interaction between structure and individual agency and impacted by the micro, meso and macro environment. Recommendations are drawn up through the amalgamation of suggestions by published sources, participant input and researcher observations. At the micro

level, individuals can take actions to help them increase their level of awareness. However, since most decisions are based on intuition (Haidt, 2001; Sonenshein, 2007), the input of organisations at the meso level and society at a macro level take on a more significant role. In the meso and macro environment, actions can be taken at the regulative, normative, and socio-cultural level, to support the mitigation of unethical practices. Substantiated by published sources, including Anand et al. (2004), and Detert et al. (2008), and participant observations, training has been identified as the more significant action that organisations can take. To support organisational trainers, I propose a training checklist which focuses on the salient challenges which were identified through my findings.

The word ethical is predominantly adopted throughout this thesis, however, there are also instances where the word moral is mentioned. This is often done by retaining original expressions used by other authors, for example, moral disengagement (Bandura, 2016, 2002), moral awareness (Reynolds, 2006), and moral dissonance (Lowell, 2012). Similarly to Jones (1991), the words ethical and moral are used interchangeably without distinction. The words businesses and organisations are also used interchangeably. Similarly to Treviño et al. (2014), the term ethical decision-making is used to refer to decisions which contain an ethical aspect and ethical decision-making can lead to both ethical and unethical decisions. Adopting the definition by Jones (1991, p. 367) "ethical decision is defined as a decision that is both legal and morally acceptable to the larger community. Conversely, an unethical decision is either illegal or morally unacceptable to the larger community."

1.2   Relevance and significance of ethical decision-making

The relevance of this research stems from its mundane, seemingly unimportant nature. Unethical decisions in everyday organisational settings are a regular occurrence (Gioia, 1992; Palazzo et al., 2012). Individuals can make unethical

decisions even when they do not recognise their own agency (Giddens, 1984). During an appearance in court, John Poulson, an architect who declared bankruptcy in 1972, said:

> "I will never believe I have done anything criminally wrong. I did what is business. If I bent the rules, who doesn't? If you are going to punish me, sweep away the system. If I am guilty, there are many others who should be by my side in the dock." (Chibnall and Saunders, 1977, p. 142).

It can be debatable whether individuals should be concerned about matters which may seem petty (Jones, 1991). Unethical actions are often committed by individuals who do not possess malicious intentions (Ashforth and Anand, 2003; Mazar et al., 2008). These can be committed by individuals who possess a strong reputation of integrity (Anand et al., 2004; Gellerman, 1986; Palazzo et al., 2012). It does not necessarily indicate that the individual lacks the level of moral maturity to make ethical decisions (Tenbrunsel and Messick, 2004). It can indicate unconscious (Palazzo et al., 2012; Sonenshein, 2007) or self-deceptive (Bandura, 2002) practices. Therefore, it is not the case of ethical individuals making ethical choices and unethical individuals making unethical choices. Everyone makes unethical decisions, sometimes they are aware of them, other times not (Tenbrunsel and Smith-Crowe, 2008).

Despite this, unethical decisions can have substantial implications in organisations. Small seemingly insignificant acts can lead to an amplification and escalation of unethical behaviour when previous decisions act as a facilitator for more substantial decisions and actions (Anand et al., 2004; Bandura, 2002; Chugh and Bazerman, 2007; Tenbrunsel and Messick, 2004). It can also lead to ethical fading, where actions which are deemed unethical in the beginning lose their ethical undertones, making them seem normal or even desirable (Tenbrunsel and Messick, 2004). Unethical actions can become normalised and routinised in organisation processes (Ashforth and Anand, 2003). Since organisations tend to follow the same norms in a phenomenon termed as isomorphism (DiMaggio and Powell, 1983), such decisions can seep into and

become established in the macro environment. The assertation that unethical decisions are often a sign of lack of awareness amongst individuals who are not ill-meaning, has its positive facet. It demonstrates that such decision-makers do not necessarily lack good-will, but are rather subject to processes which hinder them from recognising ethical dilemmas and dealing with them as such (Gioia, 1992). Decisions taken by individuals without malicious intent still have consequences, hence individuals possess agency, although they do not always recognise it (Giddens, 1984). The subject's importance stems from the everyday-every-person occurrence, the lack of intentionality and the banality of evil, as described by Arendt (1994). The substantial implications of (un)ethical decisions render it a relevant area of research despite the challenges associated with it (Jones, 1991).

1.3   Scope and flow of the thesis

Through this thesis, I engage with the subject of ethical decision-making to provide an informed opinion on the three research questions. Two broad sets of literature sources are referred to; the first is institutional theory with a focus on the debate between structure and agency, while the second relates to descriptive ethics.

Chapter 2: Literature review engages with how ethical decision-making can be viewed from an institutional and descriptive ethics perspective. This comprises three parts. The first part focuses on the forces which shape ethical decision-making. I engage with the individual as the micro-environment, the organisation in which decision-makers operate at the meso level, and societal factors as part of the macroenvironment. The discussion then moves onto individual agency or lack thereof and how individuals interact with structures. This positions the individual as an emergent interactive agent who is influenced by and influences their environment (Bandura, 1989). In the second part, ethical decision-making is then mapped onto Jones (1991) issue-contingent model of ethical-decision-making in organisations. A discussion on the moral intensity factors ensues,

followed by a critical analysis of how various theories in descriptive ethics can be interpreted as failures within the stages of the issue-contingent model. The final part describes how unethical decisions impact the micro, meso and macro environment regarding moderating actions, amplification, ethical fading, and normalisation of corruption in organisations.

Chapter 3: The methodology chapter starts off by expressing and arguing for a social constructivist approach to this research and the implications of this on the research method. This is followed by the identification of interviews as the method and delineates heterogenous purposive sampling as a strategy aimed at obtaining a diversity of opinions. The discussion moves on to the interview structure, validation and data capture, and the approach adopted for translation, transcription, and coding. Open coding and classification of stories are the two coding approaches engaged. The final part of this chapter delineates the coding structures and methods for theory building.

Chapter 4: Findings – agency and structure in ethical decision-making, focuses on the first research question and discusses how my findings are positioned in relation to literature sources. Taking a micro-to-macro approach, I first describe the individual attributes and institutional roles as they impact decisions. The discussion moves onto the meso environment, and interpreting this to be the organisation in which decisions are taken; I describe the regulative, normative, and cultural-cognitive influences. At a macro level, I display how tacit norms of ethical decision-making in business, country culture, and industry practices influence decisions. This chapter is concluded by illustrating how the uniqueness of circumstances acts as a force which shapes decisions.

Chapter 5: Findings – ethical decision-making in everyday business decisions, focuses on the second research question and describes the different characteristics of decisions as they map with various theories. The description of ethical decision-making starts off with ethical unawareness when decision-makers lack knowledge of the ethical component, moves onto moral disengagement, and differentiates between ethical blindness, moral myopia, and

advantageous comparison. I then describe the findings related to obedience to authority and moral uncertainty. This is followed by ethical awareness when decision-makers acknowledge the ethical component and their agency in decisions. The final section takes a micro-to-macro approach of interpreting how micro unethical decisions can impact the meso and the macro environment.

Chapter 6: In the discussion chapter, I synthesise my empirical findings as they relate to literature and sequentially provide responses to the three research questions. As a response to the first research question, the interplay between agency and structure is presented as structures interacting with modalities, material constraints and decision-makers. In relation to the second research question, ethical decision-making is described as a continuum raging between unawareness and awareness, diverse in terms of the salient challenges, and differing in their treatment of the morality and agency. I then describe the effects of unethical decisions on the microenvironment and potentially on the meso and macro environment. This discussion is then presented as the framework of everyday ethical decisions in business. The second part of this chapter focuses on the third research question and identifies actions which can be taken by individuals, organisations, and society to mitigate unethical decision-making.

Chapter 7: The limitations of this research are explored next. I do this by acknowledging the confines within which it has been conducted and the lessons learnt. This is followed by a delineation of the theoretical, empirical, and practical contributions of the thesis. I highlight avenues for further research in the micro, meso, and macro environment, and close off by providing concluding insights and remarks about this thesis and how it fits within a broader network of knowledge.

2 Literature review

Throughout this chapter, I review sources related to ethical decision-making in organisations by referring to two bodies of literature: institutional theory and descriptive ethics. Figure 2.1 summarises the main components of the literature review and their cyclical relationship. The explanation that follows the figure provides a detailed description.
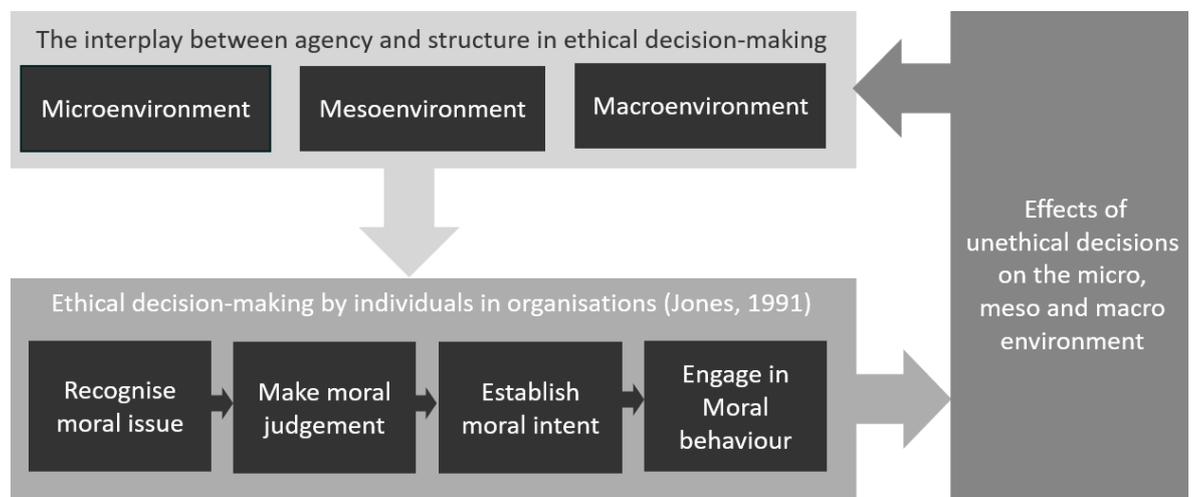
Figure 2-1 - The cyclical relationship between the environment and ethical decision-making

The interplay between agency and structure in ethical decision-making:
Conditions in the environment influence individual decision-making. These encompass the micro, meso and macro environment. Institutional theory is engaged as a theoretical lens and I adopt the definition of institutions by Scott (2013, p. 56) as "regulative, normative, and cultural-cognitive elements that, together with associated activities and resources, provide stability and meaning to social life." Discourse in institutional theory is often dominated by debates on the mediating power which institutions have on individual behaviour (Scott, 2013). The interaction between individuals and institutions in terms of agency and structure follows the view of Giddens' (1984) structuration theory.

Ethical decision-making by individuals in organisations: I use the four stages of Jones (1991), based on Rest (1986), issue-contingent model of ethical decision-making in organisations as an outline of different stages in ethical-decision-making. This is because, as Kish-Gephart et al. (2010) note, the decision-making model by Jones (1991) is the one which has garnered strongest support in academia. The first stage is recognition of the moral issue, however as Jones (1991) posits, although many decisions contain an ethical component, decision-makers do not always recognise it. In this section, I focus on two facets which challenge recognition of an ethical issue. First is the lack of knowledge of the ethical component. Since this does not seem to be specifically defined in literature, I build on the concept of moral perception by Blum (1991). Second is lack of visibility of the ethical component. Ethical blindness (Palazzo et al., 2012) is the temporary inability of a decision-maker to recognise the ethical component in a dilemma, whilst moral myopia (Drumwright and Murphy, 2009) describes a distorted moral vision which hinders individuals from recognising ethical components clearly. The second stage is making a moral judgement, and here I present the challenges posed by intuitional ethics. This discussion is based on the sensemaking-intuition model by Sonenshein (2007), and focuses on how decisions are often taken based on intuition, rather than rational decision-making. Establishing moral intent is the third stage of Jones (1991) decision-making model. As he notes, although an individual may have passed a moral judgement that an action is ethically wrong, they may fail to establish the intention to act morally. Here I adopt Bandura's (2002) selective moral disengagement as a primary theory and explain how Bandura (2002), Sonenshein (2007) and Lowell (2012) differ in how they theorise rationalisation techniques. Following, I explore varying standpoints on unconscious decision-making and self-deception as they feature in the establishment of moral intent. The fourth and final stage is engaging in moral behaviour (Jones, 1991). In this section, I consider four related concepts. The first is obedience to authority (Milgram, 1974), where individuals do not engage in ethical behaviour because of pressures from the mesoenvironment. The second is moral awareness (Reynolds, 2006). This refers to ethical actions following on from recognition, judgement, and moral intent, despite challenges posed by the environment. Third is moral dissonance (Lowell, 2012), and fourth moral uncertainty (MacAskill et al., 2020),

when individuals engage in unethical or dubious behaviour but experience dissonance thereafter.

Effects of unethical decision-making on the microenvironment and possibly on the meso and macro environment: I start by exploring how various authors argued that unethical decision-making in organisations is a commonplace occurrence, then debate the possibility of moderating actions and amplification as advocated by Lowell (2012). This is followed by a section which focuses on the possibility of ethical fading (Tenbrunsel and Messick, 2004), and normalisation of corruption (Ashforth and Anand, 2003). These refer to routes through which actions which have a clear ethical component become habitually more acceptable in the micro, meso and macro environment.

2.1 Agency and structure in ethical decision-making

Institutional theory is the major theoretical framework used in organisation and management studies. It is a vast area of research which focuses on understanding institutions, how they work and interact (Scott, 2013). I discuss institutions, because their impact on individual decision-making is acknowledged by authors, both in institutional theory, for example Giddens (1984) and Lawrence and Buchanan (2017), as well as in ethical decision-making, including Jones (1991), Gonin et al. (2012) and Sonenshein (2007). 'What are institutions?' This is a thorny issue and an active debate. I use Giddens' (1984) explanation of structure and his delineation of institutions as particular types of structures. Giddens (1984, p. 25) defines structures as "Rules and resources, or sets of transformation relations, organised as properties of social systems". He advocates against picturing structures as a skeleton, a scaffolding on a building or a constraining factor on independent individuals. Rather, he argues for structure to be understood as internal to individuals. It exists in their memory, endures over time, and orients actions. Whereas discourse on structure is often dominated by the mediating power which structure has on individual behaviour (Scott, 2013), structures can constrain and enable individual actions (Giddens,

1984; Scott, 2013). Giddens' interpretation of institutions is that they are structures which are stable over time and space (Giddens, 1984). They can be seen as past knowledge which conditions actions (Barley and Tolbert, 1997). Barley and Tolbert (1997, p. 96) define institutions as "shared rules and typifications that identify categories of social actors and their appropriate activities or relationships." The term institution can refer to any entity at any level which bears these hallmarks, be it a group of individuals, organisations, societies and other permutations (Barley and Tolbert, 1997). This has led to a blurring of the boundaries in defining institutions (Glynn and D'Aunno, 2023).

Describing the foundation of institutions, Scott (2013) proposes three systems; regulative, normative, and cultural-cognitive. These systems vary in levels of consciousness and range from formal rules to taken-for-granted elements. Similarities can be observed between the regulative, normative and cultural-cognitive elements of institutions as defined by Scott (2013) and the concept of structure by Giddens (1984). The latter also defines three properties of structures and terms them as signification, domination and legitimation. Institutionalisation happens when members of the institution first encode the scripts from the systems or structure, then act on them. Following this, they either revise or replicate the same scripts. These scripts are eventually institutionalised, becoming the script which members of the institution use for encoding in the future (Barley and Tolbert, 1997). Changes in institutions often happen over time and subtly, and even everyday decisions and actions can have significant consequences and become institutionalised over time (Powell and Rerup, 2017). Decision-making plays a central role in institutional theory (Lawrence and Buchanan, 2017). This theory posits that decision-making is caused by factors which exist in the decision-maker's environment and indicates that the environment, not simply pressures decision-making, but shapes it (Bandura, 1999; Wooten and Hoffman, 2017). Three environments are central to institutional theory, the micro, meso and macro environment, and can be pictured as nested within each other. The microenvironment relates to the individual, the meso environment to the organisation, and the macroenvironment to society (Battilana and D'Aunno, 2009). Inversely, individuals also play an active role in sustaining, shaping and extinguishing

institutions (Battilana and D'Aunno, 2009; Powell and Rerup, 2017; Zucker and Schilke, 2019).

2.1.1 The individual at the centre of ethical decision-making

The micro-level of institutional theory relates to the individual (Battilana and D'Aunno, 2009; Lawrence et al., 2009). Individual identity is shaped by and shapes institutional contexts and plays a significant role in institutional theory (Roberts, 2019). Individual cognitive processes, ways of communication and behaviour are thus a central aspect of institutional theory (Haack et al., 2020). For many ethicists, individual's behaviour, motivation and consequences have been central to ethical decision-making (Solomon, 1992). The micro-environment has also been described as a central component of ethical decision-making frameworks, including Sonenshein (2007) and Jones (1991). Voronov and Weber (2020) argue for a distinction between a person and an actor in institutional theory. In this distinction, a person is a human being who can think and reflect and who has a sense of self. That same person takes on actor roles within different institutions and temporarily aligns themselves with the expectations of different roles within different institutions. I use this distinction to discuss personality traits and typified actors in relation to ethical decision-making in organisations.

Ethical decision-making has been associated with a range of personality traits. Personality traits are "relatively stable patterns of behaviour, thoughts, and emotions" (Parks-Leduc et al., 2015, p. 3) and affect an individual's ability to be ethically aware (Jones, 1991; Palazzo et al., 2012). There seem to be two views related to personality traits and ethical decision-making. One which argues that ethical decision-making, particularly moral disengagement, is a trait, and the other which depicts personality traits as impacting ethical decision-making (Schaefer and Bouwmeester, 2021). Whereas the latter view seems to be less evident, one example is that of Rengifo and Laham (2022) who argue that moral disengagement is a trait which actively shapes personality. Literature which depicts personality traits as impacting ethical decision-making, seems to be

more mainstream, with different personality traits linked to such decision-making. Self-interest impacts cognition and determines how an individual constructs the situation in their mind (Bersoff, 1999; De Cremer and Vandekerckhove, 2017), and individuals are more biased towards what interests them in the short-term as opposed to the longer-term (De Cremer and Vandekerckhove, 2017). This self-interest can also be accompanied by motivation for financial gains (Baron et al., 2015). Locus of control also has a considerable impact on individual ethical awareness (Bandura, 1989; Detert et al., 2008; Street and Street, 2006). This refers to how individuals perceive themselves to be in control of their own actions. The more they believe they are in control over their own actions, the higher the goals they set for themselves, and the more committed they are to their goals (Bandura, 1989). Both Street and Street (2006) and Detert et al. (2008) describe a connection between locus of control and ethical awareness. Street and Street (2006) illustrate that individuals who have an external locus of control, and therefore feel that their lives are led by external forces, take more unethical decisions. Detert et al. (2008) discuss that individuals who believe that life comprises one's luck or fate, tend to be more unethical. Also, those who seem to possess characteristics of low trust and high frustration tend to be more prone to acting unethically and engaging in more rationalising techniques (Detert et al., 2008). Interestingly, Bok (1980) also refers to other traits which individuals have little control over, such as physical challenges, intellectual difficulties, fatigue and biases, all of which may lead to an incomplete understanding of the situation and therefore to lack of ethical awareness.

Inversely, personality traits can enable ethical awareness. Eweje and Brunton (2010) posit that females tend to be more ethically aware, this owing to a higher sensitivity to ethical issues. Ethical awareness also seems to increase with work experience (Eweje and Brunton, 2010; Harris, 1990). Individuals who consider themselves high in moral identity, therefore, those for whom ethical concerns are central to the way they define themselves, tend to be more ethically aware (Detert et al., 2008). This can be linked to conscientiousness, in which individuals place importance on their moral obligations and view honesty and truthfulness as central to their self-identity (Kish-Gephart et al., 2014;

Walumbwa and Schaubroeck, 2009). Empathy has also been associated with ethical awareness, since individuals who take others' perspectives engage less in rationalisation techniques (Detert et al., 2008). Individual values are also linked to institutional theory because they moderate both how much they engage in their institutional roles and how willing they are to conform or otherwise to pressures from institutions (Glynn and D'Aunno, 2023). Individual values are central to their moral identity, which is linked to a sense of self and impacts ethical decision-making (Detert et al., 2008).

As mentioned earlier, individuals play a dual role in institutional theory, that of a person and that of an actor (Voronov and Weber, 2020). Whereas I have previously discussed the individual as a person, I now turn to the individual as an actor. Individuals are positioned in time and space in social structures, and an identity emerges from within that structure. This is often associated with roles within the structure. Like in drama, where actors enact a script on stage, individuals act according to their institutional roles. Such roles entail both rights and duties, which create a typification of agents (Giddens, 1984). Individuals occupy various roles in various institutions simultaneously and to operate in different institutions, they disengage from one role to enter the next (Ashforth, 2000). The typification of agents can take on the form of regulation of identity where individuals are strongly encouraged to develop an image of themself and their work in line with that required by the institution. Such control can create tension within the individual and lead to them sanctioning the institution in one form or another (Alvesson and Willmott, 2002). Individuals slip into work roles and adopt a different set of beliefs than their privately held ones, causing them to act against their beliefs without experiencing dissonance (Anand et al., 2004). Works such as that of Zimbardo (2007) highlight the transformative power of roles in institutions and indicate that the power assigned to a role can lead individuals into unethical actions irrespective of character traits. Different expectations come out of high and low power jobs, as high power job role holders are expected to take a stand against unethical behaviour, whilst those low in power are more expected to comply (Wellman et al., 2016).

The role of a leader lies at the intersection of the micro and meso environment. By virtue of their role, leaders have the responsibility of integrating and legitimating organisations through their use of power and duty for practical and moral guidance (Kraatz, 2009). As individuals, they are influenced by higher management, peers and subordinates (Hiekkataipale and Lämsä, 2019). They possess higher levels of decision-making power and effect organisations through the setting of rules and norms (Ashforth and Anand, 2003). Leaders are role models who shape the organisational ethical climate (Wimbush, 1999) and impact followers' ethical decision-making (Almeida et al., 2021; Zhang et al., 2020). Leaders who behave ethically can positively impact both employee behaviour and organisational profitability (Xu et al., 2016).

Even when the rules of conduct are clear, if unethical practices go unnoticed or unpunished by management, people can assume that there is an opportunity for unethical behaviour. This leads to an increase in unethical behaviour, which is difficult to curb if a precedent has been set (Nieuwenboer and Kaptein, 2008). There are multiple, mostly indirect, ways through which leaders cause unethical decision-making. Yet, they rarely shoulder the responsibility and often ensure that they are not openly accusable of encouraging unethical behaviour (Bandura, 2002). The influence behind an unethical decision may still be leadership, whilst the apparent responsibility for the action shifts from the leader to the subordinate, without them realising their own agency (Ashforth and Anand, 2003). Leaders are role models, their words, and actions, personify what is acceptable or otherwise. Through their actions, they can create a social consensus about unethical practices, and such a consensus can be seen as the strongest of the moral intensity forces that affect ethical decision-making (Barnett, 2001). Leaders may not even engage in unethical practices themselves. The acts of supporting rewarding or ignoring unethical behaviour send clear messages to the rest of the organisation (Ashforth and Anand, 2003). An example of such practices is wilful blindness, when leaders choose to remain ignorant in situations because they prefer not to know (Diaz and Aylward, 2019). Leaders are claimed to be institutional workers as through their actions they enable the creation, maintenance and disruption of organisations (Kraatz, 2009).

2.1.2 The organisation as meso environment

Organisations are at the meso level of institutional theory (Battilana and D'Aunno, 2009) and affect an individual's ability to recognise and subsequently deal with an ethical dilemma (Jones, 1991). Tenbrunsel et al., (2003) advocate for an ethical infrastructure comprising of formal and informal elements to enable better ethical decision-making. I draw on the three pillars of institutions posited by Scott (2013); regulative, normative, and cultural-cognitive elements, to discuss the role of the organisation in ethical decision-making.

2.1.2.1 Regulative elements of organisations

The regulative element of institutions by Scott (2013) bears similarities to Giddens (1984) legitimation element of structure. Both describe how organisations shape behaviour through explicit rules and related sanctions. Tenbrunsel et al., (2003) describe these as formal systems of standardised, documented rules, visible within and outwith the regulating organisation. Such systems can take on various dimensions, including the establishment of an ethics function, hotlines, training, investigatory, and sanctioning functions (Weaver et al., 1999). They serve the role of the organisation being explicit about expected behaviours (Sims, 1992; Tenbrunsel et al., 2003; Umphress and Bingham, 2011). Regulative systems can be more effective when organisations audit their ethical risks and act on them (Anand et al., 2004). These systems have the role of regulating behaviour within the organisation and act as a mechanism which improves the reputation of the organisation through legitimation (Long and Driscoll, 2008). Three features which denote regulative elements in an organisation are those which are documented, monitored and sanctioned (Tenbrunsel et al., 2003).

Perhaps the most obvious and widely adopted of the regulative elements is the code of conduct (Weaver et al., 1999). Codes of conduct have become a widely accepted practice which seems to affect legitimacy of the organisation (Long

and Driscoll, 2008). Such codes serve a purpose in day-to-day decisions, particularly when individuals are not clear on what is expected of them (Lois and Wessa, 2021). However, their effectiveness is often debated. They seem to lose their strength and can be used as a fake façade (Kish-Gephart et al., 2010). Ethics training closely accompanies codes of conduct in terms of importance. Authors like Treviño et al. (2014) argue that there is little proof whether training improves ethical decision-making, whilst others like Anand et al. (2004) and Detert et al. (2008) argue otherwise. Practical and hands on training, rather than lecturing, can be more effective in transmitting the desired behaviours (Kavathatzopoulos, 1994; Treviño, 1986; Umphress and Bingham, 2011). The regulative strength of formal systems might be less tied to what is documented and more to its enforcement (Kaptein, 2008; Kish-Gephart et al., 2010; Treviño et al., 2014). When the organisation takes a stand against unethical actions, this provides a clear direction on what is socially acceptable and encourages more sensitivity in decision-making (Umphress and Bingham, 2011; Zhang et al., 2020). Enforcement includes giving employees a voice to speak up and creating psychological safety (Walumbwa and Schaubroeck, 2009). This is relevant because individuals who speak up but are not perceived to hold legitimate power are frowned upon by peers. Thus, organisations may enable speaking-up by clarifying that everyone is empowered and encouraged to raise ethical objections (Wellman et al., 2016).

2.1.2.2 *Normative elements of organisations*

Normative systems described by Scott (2013) and similar to the domination element of structure in Giddens (1984) are associated with both rights and obligations. They constrain and empower behaviour. Particularly, the operational model of organisations and targets, incentives, and salary structure, feature as normative systems which impact ethical decision-making. Organisational routines can turn unethical decisions into everyday practices (Kump and Scholz, 2022). Bureaucracy and automation might mask ethical dilemmas and obscure ethical awareness. The reason is that the victim is increasingly more anonymised and is no longer seen as a person. When a person is not recognised as such, ordinary individuals may perform unethical acts and

experience no remorse (Bandura, 2002). Specialisation can lead individuals to focusing only on their small part and developing a limited view of the world, which leads to unethical decision-making (Gonin et al., 2012). This is because tasks are so fragmented that it is hard for individuals to question their legitimacy (Ashforth and Anand, 2003). Perhaps unknowingly, organisations might prompt unethical decisions through targets, incentives, or salary structures (Anand et al., 2004; Ashforth and Anand, 2003; Mead et al., 2009). Through such normative systems, employees can be cornered into compromise (Anand et al., 2004). Targets, incentives and salary structures can create loyalty and obligation (Lee Hamilton and Sanders, 1999), provide moral justification for unethical actions (Bandura, 2002), and create a social cocoon which normalises unethical decisions through co-optation (Ashforth and Anand, 2003). Exaggerated targets push people to take unethical decisions, in order to reach them (Flitter, 2020; Gellerman, 1986; Nieuwenboer and Kaptein, 2008). Such targets push individuals towards unethical behaviour because of the rewards associated with them, and because they induce a change in ethical reasoning (Welsh et al., 2020). Individuals who hit their targets may to be hailed as leading group members and role models. Thus, in order not to lose face, individuals are prone to engaging in ever-increasing unethicality (Ashforth and Anand, 2003; Flitter, 2020; Nieuwenboer and Kaptein, 2008).

Incentives, be they monetary or otherwise, have the direct aim of nudging employees into a desired direction. For example, through commissions, an organisation may push products which are more profitable, and not necessarily the more ethical (Ashforth and Anand, 2003). Temporal immediacy affects ethical decision-making (Jones, 1991). When organisations pay wages and bonuses on decisions, the repercussions of which will be felt in the future, they are promoting unethical decision-making, because the individual is detached from the consequences of their actions, through lack of temporal immediacy (Donaldson, 2012). Owing to the focus of this thesis on unethical decision-making, I have concentrated on the normative elements which facilitate unethical decision-making, however, such elements can both enable and hinder such decisions. This is in line with Giddens (1984), who theorises that institutions

consist of rules and resources which mediate between individuals and organisations.

2.1.2.3 Cultural-cognitive element of organisations

The cultural-cognitive element of institutions focuses on the shared conceptions of meaning where culture shapes behaviour (Scott, 2013). Organisational culture, or rather various components of it, effect ethical decision-making (Jones, 1991; Palazzo et al., 2012; Sonenshein, 2007). Ethical culture, which refers to the shared perceptions around the ethical components of processes and procedures (Wimbush, 1999), acts as a social pressure on individual behaviour (Sonenshein, 2007). It can impact ethical decision-making (Hiekkataipale and Lämsä, 2019; Pearce, 2013; VanSandt et al., 2006), and is the main predictor of individual ethical awareness (VanSandt et al., 2006). Whilst often the ethical climate mirrors greater societal values, sometimes it does not (Treviño et al., 2014). Fostering an open ethical culture creates an atmosphere of ethical behaviour, respect, and justice where employees respect others and feel respected (Tenbrunsel et al., 2003). Individuals operating in ethical organisational climates tend to experience a strong sense of independence and self-efficacy, whilst in an unethical climate they are limited in the allowable range of personal decision-making and tend to be more inclined to act unethically (Hiekkataipale and Lämsä, 2019). Individuals may be led into thinking that they had an element of choice, when they had none and were cornered into the way things are done in the organisation (Anand et al., 2004).

The language that is used shapes organisational realities (Sonenshein, 2006; Vickers, 2002). It has the power to shape thoughts and actions (Bandura, 2002), whilst also affecting attitudes and intentions for behaviour (Rittenburg et al., 2016). Individuals can detect moral language much easier than other words. When such words are detected, individuals engage in ethical decision-making (Gantman and Van Bavel, 2015). Therefore, the choice of words used in company statements, including the mission, creed, and values, has a significant impact on employees (Vickers, 2002). Whilst euphemisms and metaphors are hailed as

effective in business (Bandura, 2002; Bhatia, 2018), organisations often use them to hide the ethical content. In such instances, words with ethical content are replaced with those containing none (Anand et al., 2004; Bandura, 2002; Tenbrunsel and Messick, 2004). These may include passive or neutral language, metaphors, negative labelling, or technical jargon (Ashforth and Anand, 2003). An example of this is when bribes are termed as soft commissions or kickbacks, as auditing fees. Thus, the choice of language can have the effect of decreasing transparency and masking the truth (Rittenburg et al., 2016). When the choice of language masks the truth, individuals cannot detect the ethical component, thus remain ethically unaware (Anand et al., 2004; Ashforth and Anand, 2003; Bandura, 2002; Tenbrunsel and Messick, 2004).

The assimilation of an individual with a group, the lack of personal responsibility, and the creation of an 'us' and 'them' mentality are three examples of group dynamics which impact ethical decision-making. People tend to choose organisations which are a good person-culture fit, therefore choose to be with like-minded people (Anand et al., 2004). Groups which individuals identify themselves with impact ethical decision-making (Pearce, 2013), because individuals tend to engage in (un)ethical behaviour in order to fit into the group (Sims, 1992; Sonenshein, 2007). Also, when groups are competing against each other, a team identity of 'us' versus 'them' is created (Cikara et al., 2011). Empathy tends to be stronger with people in the group than with outsiders (Hoffman, 2011). When groups of people compete against each other, there is often a feeling of satisfaction that is felt when other groups pass through hardships, because they are a 'them' and not part of 'us' (Cikara et al., 2011). In group decision-making, social factors often overtake individual differences (VanSandt et al., 2006). Groups of individuals create their own norms, which might go counter societal norms. When challenged, they can become even more closely knit and detached from the rest of society (Nieuwenboer and Kaptein, 2008). When decisions are taken in a group, individual members tend not to feel responsible, as group decision-making gives them a level of anonymity (Bandura, 2002; Giddens, 1984). In groups, individual values seem to dissipate and it is easier to harm others when acting on behalf of the group (Cikara et al., 2011).

Practically all organisations, overtly, want their employees to act ethically, and the commonplace practice of establishing codes of conduct is a testament to this (Wellman et al., 2016). But organisations can cause unethical decision-making (Garrigan et al., 2018; Kump and Scholz, 2022; Tenbrunsel and Messick, 2004). This can happen when organisations expect employees to act ethically, yet also demand that they act in the best interest of the company, often sending conflicting messages (Gellerman, 1986). This happened at Wells Fargo, an American Bank, which was in the limelight because of a scandal involving the opening of fake bank accounts to customers. The code of conduct stated: "We do what's right for our customers by: Helping them make informed financial choices and being honest and fair in our dealings and communications with them." (Wells Fargo, n.d., p. 4). However, lower-level employees were expected to reach unattainable targets that were constantly raised, and where the ones to reach these targets were hailed as role models (Flitter, 2020). Leadership is prone to tolerate unethical behaviour from employees who are performing higher than others (Zhu et al., 2021). Hence, the regulative, normative, and cognitive-cultural elements in organisations can be at odds with each other and send conflicting messages.

2.1.3 Society as the macro environment

Organisations are embedded in rules and norms that are prevalent in society (Gonin et al., 2012). Steele and Hannigan (2020) argue that defining the macro perspective can be multifaceted because of the complexity of linkages. They express macro foundations as sets of temporally located dimensions and influences which affect local activity. The definition of institution can be broad, see for example Barley and Tolbert (1997) and Giddens (1984), creating the blurring of boundaries of what institutions refer to (Glynn and D'Aunno, 2023). Thus Steele and Hannigan (2020) propose that scholars look at the micro-meso-macro environment as sets of relative lenses which highlight parts of the structures. The lens I adopt here is a more mundane understanding of the macroenvironment referring to the environment which is external to the organisation (Mullins and Christy, 2013). This includes industry, culture, and

regulation (Ma et al., 2023; Scott, 2013; van Wijk et al., 2019). The macroenvironment exerts direct pressure on the mesoenvironment (Hirsch and Bermiss, 2009; Scott, 2013), whilst it can also directly affect micro-level agency and institutional work (Battilana and D'Aunno, 2009). The macro and meso environment can act as support and fuel for unethical decision-making in the microenvironment (Rendtorff, 2020). Whilst Palazzo et al. (2012) refer to the macroenvironment as distal context, the macro perspective has been starkly missing from ethical decision-making literature (Gonin et al., 2012; Newman et al., 2020). In their decision-making frameworks, Bandura (2002), Jones (1991), Palazzo et al., (2012) and Sonenshein (2007), all refer to an interactionist approach to decision-making. This approach, initially defined by Treviño (1986, p. 602) states that "ethical decision-making in organisations is explained by the interaction of individual and situational components". Conventionally, these components have been expressed to be a composite of micro, situational and meso factors (Jones, 1991; Kish-Gephart et al., 2010; Kvalnes and Nordal, 2019; Sonenshein, 2007). Individuals construct a mental picture of a situation based on learned norms (Gonin et al., 2012; Tenbrunsel and Messick, 2004). For example, if the situation is perceived to be a competitive one, then the decision-maker is compelled to act in self-interest (Tenbrunsel and Messick, 2004). Norms affect the building of decision-making frames, leading to strong belief systems (Palazzo et al., 2012).

Organisations can be described as structured around institutional fields which serve the role of guiding and disciplining activity which happens at the micro and meso levels (van Wijk et al., 2019). Organisations within the same industry tend to become similar (DiMaggio and Powell, 1983; Scott, 2013). Yet, in their review of empirical research on ethical decision-making between 2004 and 2011, Craft (2013) found only one source which investigated industry as a variable in ethical decision-making. Industries also face their own ethical dilemmas, for example, the medical industry (Bommier, 2022), the gaming industry (Young, 2013), and the advertising industry (Drumwright and Murphy, 2009). They also face their own challenges, like the oil prices in the 1970s, which impacted significantly the automotive industry (Gioia, 1992). Regulators are major actors in industry practices. They not only regulate but can become part of unethical practices

(Ashforth and Anand, 2003). As an example, the indirect involvement of the NHTSA (National Highway Traffic Safety Association) in the Ford Pinto scandal as described by Gioia (1992), demonstrated the acceptance of the assignment of a financial value on a human life which enabled economic calculations based on the financial implications of deaths and injuries. The practices that are created within an industry can lead to unethical decisions (Ashforth and Anand 2003).

The work of Hofstede (1984), based on earlier research in IBM, brought to the fore the differences between country cultures. Hofstede describes culture as an accent that shows: "A quiet when and where we grew up. When we think, feel and act we also have our local accent acquired when and where we grew up" (Hofstede, 2015). National culture impacts ethical decision-making (Husted and Allen, 2008). Newman et al. (2020) argue that research on moral disengagement has not yet explored national cultures. In fact, I only found three articles which explored the cultural aspect of ethical decision-making, all of which were published close to or after the publication of Newman (2020). He et al. (2019) investigate the effects guanxi as an aspect of Chinese cultural ethical blindness. Haynes and Raskovic (2021) explore moral disengagement strategies across Hungary, North Macedonia and Slovenia, whilst Fleming et al. (2020) examine the normalisation of corruption in the Greek public sector. An interesting point was raised by Gonin et al. (2012) who posit that globalisation dis-embeds organisations from country cultures and norms, and this leads to the rise of unethical decision-making. Therefore, both country cultures and globalisation can impact ethical decision-making.

2.1.4 Agency and structure

Institutional theory has often been criticised because of the apparent lack of attention given to agency (Haack et al., 2020). For this reason, I use structuration theory to engage with this subject. The debate on agency and structure stems from the nature of freewill. It has deep historical roots dating hundreds of years and includes the works of John Locke, Adam Smith, and Immanuel Kant (Emirbayer and Mische, 1998). In ethical decision-making

literature, this debate often refers to the metaphor of bad-apples referring to individuals corrupting organisations, or bad-barrels referring to organisations corrupting individuals (Ashkanasy et al., 2006; Gonin et al., 2012; Kish-Gephart et al., 2010; Treviño and Youngblood, 1990). Gonin et al. (2012) introduce the notion of bad-larder or rather the effect of the macroenvironment on unethical decision-making. In institutional theory, this debate is referred to as agency versus structure or the paradox of embedded agency (Battilana and D'Aunno, 2009). Social practices are the outcome of the interplay between individual agency and structural influence over time (Giddens, 1984). There are two contrasting and extreme views of agency. The first is a view that individual actions are determined by external forces, and there is limited scope for individual agency. The second view is of individuals as autonomous and independent in their actions (Bandura, 1999, 1989; Battilana and D'Aunno, 2009). There is, however, an alternative view where individuals are considered as neither fully dependent on nor fully independent from their environment. This view acknowledges an interplay of personal and environmental factors (Bandura, 1989; Battilana and D'Aunno, 2009; Giddens, 1984). Indeed, much of social science research acknowledges an ongoing debate between agency and structure (Battilana and D'Aunno, 2009).

2.1.4.1 Agency and power

The definition of agency is debated, however Giddens (1984, p. 14) describes it as the ability to 'act otherwise', "This presumes that to be an agent is to be able to deploy (chronically, in the flow of daily life) a range of causal powers, including that of influencing those deployed by others." Individuals can exert direct personal agency in which they are responsible for their own actions (Bandura, 1999; Giddens, 1984; Jones, 1991). They can also exert proxy agency where a goal needs to be achieved through the action of others (Bandura, 1989). Inversely, individuals can bring about consequences unintentionally, either by chance or by acting on behalf of others (Giddens, 1984). Collective agency happens in groups of individuals working together (Bandura, 1999; Giddens, 1984). In such instances, the results are understood to be the actions of all and of no one in particular (Giddens, 1984). Individuals are often viewed as rational

entities basing decisions on efficiency (Battilana and D'Aunno, 2009; Gonin et al., 2012). However, there is a growing acknowledgement of the significant effect of bounded rationality (Battilana and D'Aunno, 2009; Giddens, 1984). Agency refers to the individual's ability to act and not to the intentions of action, therefore an agent can be such whether they realise it or otherwise. Thus, agency links to power and happens when a sequence of events unfolds in such a way because of individual intervention. Actions cause consequences whether decision-makers intended them to be or otherwise (Giddens, 1984).

Lawrence et al. (2009) explain that objectivists and structuralists tend to deny that people are intentional and deviant, whilst subjectivists and constructivists view actions as intentional and meant to construct the agent's own reality. Unethical decision-making is tied to unconscious and self-deceptive practices, yet Bandura (2002), Giddens (1984), and Emirbayer and Mische (1998) all contend that these practices are still relevant to an individual's agency, despite their varying viewpoints. Bandura (1999) argues that individuals anticipate the consequences of their actions. They formulate goals and devise a course of action that optimises the likelihood of attaining those goals while disregarding unsuitable options. In doing so, they also seek options which are congruent with their self-worth and do not engage in those which are likely to self-censure. Individuals live in their own constructed representation of reality, but they are also the product of their environment. They have set internal biases which regulate their ethical conduct and their exercise of moral agency. Based on this, they regulate their actions to meet the set moral standards by either refraining or engaging in particular practices.

Giddens (1984) describes three levels of consciousness in individuals; the unconscious motivation or cognition, practical consciousness, and discursive consciousness. The unconscious motivation of an individual to act in a particular manner is closely related to, but not necessarily followed by respective action. Motivation can be seen as a generic plan which influences actions, but which is largely unconscious. Giddens likens practical consciousness to the moral conscience and argues that the difference between practical and discursive

conscience is thin. The only difference lies between what can be articulated in discursive consciousness and what is done without articulation in practical consciousness. Rather than a level of consciousness approach, Emirbayer and Mische (1998) followed by Battilana and D'Aunno (2009) take on a temporal approach and describe agency as anchored in the past, present and future. Past actions lead to habits being formed, and these then become consistent ways of reasoning and acting. An individual is an agent because they select the memories which eventually become habitual schemas. When individuals are looking towards the future, they think of future oriented attainments such as goals, hopes and objectives. In this instance, individuals are agents through their ability to hypothesise the future and try to change mental schemas in a way to attain the envisaged future. Agency oriented towards the present is based on an individual's interpretation of the current situation. This interpretation informs their actions and makes them agents, even though the consequences of their actions may not necessarily be controlled (Emirbayer and Mische, 1998). Through agency, individuals can influence, create, change or eliminate institutions (Barley and Tolbert, 1997; Lawrence et al., 2009; Powell and Rerup, 2017). Changes to institutions may occur irrespective of intentionality (Giddens, 1984; Lawrence et al., 2009). Actions and intention can be separated. Actions but not necessarily intentions are attributes of agents. Unintended consequences can also lead to institutionalised practices (Giddens, 1984). Organisations are shaped by the collective actions of individuals operating in everyday circumstances (Powell and Rerup, 2017). Interestingly, Heroes and History (2012) argue that "History is not produced by the dramatic actions and postures of leaders, but by complex combinations of large numbers of small actions by unimportant people."

2.1.4.2 Structuration theory

Structuration theory by Giddens (1984) is widely used by scholars as a theoretical framework to describe the relationship between structure and agency (Battilana and D'Aunno, 2009). In this theory, Giddens describes the dual relationship between individuals and their social environment. This can be seen as Figure 2-2 - 'Figure 2' replicated from Giddens (1984, p. 29).
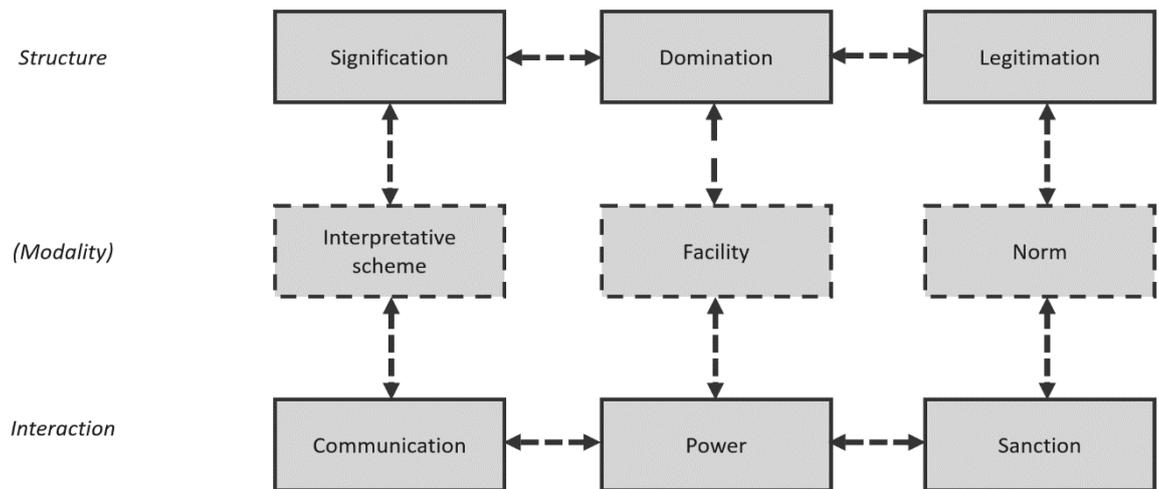
Figure 2-2 'Figure 2' - Giddens (1984, p.29)

Structure refers to how social systems are organised in a way that holds transformative power through rules and resources. Social systems display three forms of structure: signification, domination, and legitimation. **Signification** refers to signs which are not just related to symbols but have a broader meaning. **Domination** refers to drawing upon two types of resources; allocative resources refer to the capability to command objects, be they tangible or otherwise, whilst authoritive resources refer to the capability to exercise authority over other human beings. **Legitimation** refers to how structures are regarded in terms of their legitimacy. This is also related to the normative power that they hold. Modes of discourse and symbols are mostly related to the signification element of structures. Political and economic institutions relate more to the domination component, whilst legal institutions are more related to the legitimation component.

Modality is how knowledgeable individuals and structures interact in a dual manner. There are three types of modalities. The first is **interpretative scheme** referring to formulae which individuals possess enabling them to interact or communicate with others, the second is **facility** relating to the ability to hold power (in case of individuals) and domination (in case of structures) over objects and human beings. The third is **norms,** which can be seen as real boundaries within which social lives are to be conducted and comprise rights and duties.

Individuals need to provide both the reasons and the norms on which they draw, to successfully justify their actions (Giddens, 1984).

Interaction refers to how individuals interact with structures. For such interaction, individuals use modalities, replicating the features of the system in such a way as to reproduce it. They use communication, power, and sanction as three distinct yet inter-related areas of interaction. *Communication* refers to the ability to communicate and interact with others. *Power* relates to how actions can happen and thus holds both an enabling and a restraining factor. *Sanction* refers to agents using their power on structures in a constraining manner. Such sanctions can range from overt force to disapproval. Giddens also explains three types of constraints; material constraints, sanctions, and structural constraints, where each type of constraint can be experienced by an agent as an enabler or a restraining factor. Material constraints refer to physical constraints experienced in relation to the world. Sanctions, particularly having negative connotations, relate to the use of power to constrain others. Structural constraints result from characteristics of the structure that may be relatively unchangeable by the agent (Giddens, 1984).

2.2 Ethical decision-making by individuals in organisations

I now shift the attention to the decision-making processes associated with ethical decision-making by individuals in organisations. To structure this section, I discuss the issue-contingent model of ethical decision-making in organisations by Jones (1991). This is the model which has garnered most support in academia (Kish-Gephart et al., 2010). Jones (1991) introduces the concept of moral intensity as characteristics of the ethical issue, which are not features of the micro, meso, and macro environment. He argues that irrespective of the environment, moral intensity components of the issue impact decision-making. He also adopts the four stages of ethical decision-making proposed by Rest (1986, 1982) which are; recognition of the moral issue, moral judgement, establishment of moral intent, and engagement in moral behaviour.

2.2.1 The uniqueness of circumstances

Irrespective of knowledge and experience, acting in unique circumstances may impede individuals from making ethical decisions (Palazzo et al., 2012). Jones (1991) argues for six components moral intensity: magnitude of consequences; social consensus; probability of effect; concentration of effects; temporal immediacy; and proximity. Although not part of Jones' (1991) moral intensity components, time pressure is also a feature of the ethical issue which impacts decision-making. The magnitude of consequences refers to the extent of consequences of an issue. The more pronounced these consequences, the easier it is for an ethical dilemma to be recognised as such (Barnett, 2001; Jones, 1991). Jones argues that if individuals were to be concerned with minor ethical issues, they would be ethically challenged most of the time, but they only notice issues when they reach a certain magnitude of consequences (Jones, 1991). Attesting to this is Gioia's first-hand account when as field recall coordinator at Ford, he did not recognise that there was an issue worth following up, unless it was high in frequency and had a cause that was directly traceable (Gioia, 1992). Social consensus is the agreement about the issue being deemed as an ethical dilemma (Jones, 1991; Sonenshein, 2007). This is the strongest component of the situational factors (Harrington, 1997). It has also been empirically supported to be the factor which affects ethical awareness the most (Barnett, 2001). It can exert significant influence, both towards ethical and unethical decision-making (De Cremer and Vandekerckhove, 2017). If there is social consensus around a particular issue, then individuals tend to use that social consensus to make their decision (Sonenshein, 2007).

The probability of effect results from the likelihood that an act leads to the consequences predicted, be they harmful or beneficial (Jones, 1991; Wood et al., 2013). Concentration of effects is the trade-off between the magnitude of consequences and the number of people affected (Jones, 1991). Temporal immediacy holds that a decision-maker will be less ethically aware if the effects of a decision will be felt further in the future (Bandura, 1989; Hoffman, 2011; Jones, 1991; Wood et al., 2013). Individuals are also less empathic when those

who will be impacted are seen to be temporally distant (Cikara et al., 2011; Gibbs, 2019). Another issue-related component is time pressure. "...ethics becomes a luxury as the speed of our daily lives increases..." (Darley and Batson, 1973, p. 107). Individuals who are under time pressure are less likely to be ethically aware since their attention is focused on their main priority (Darley and Batson, 1973; Treviño, 1986). A person who is under time pressure is more prone to revert to non-rational ethical decision-making (Bazerman and Gino, 2012) and to making unethical decisions (Darley and Batson, 1973). Proximity is related to the feeling of being near, both in terms of distance and in terms of culture (Jones, 1991). The farther away the decision-maker is from the persons or objects being harmed, the less the impression of harm seems to be made (Bandura, 2002; Hoffman, 2011). Psychological distance makes thinking more abstract, inducing unethical decision-making (Wood et al., 2013). A strong facet of psychological distance is the 'us and them' phenomenon, characterised by strong empathy with those one associates themselves with, and a lack of empathy towards those who are socially distant (Cikara et al., 2011; Gibbs, 2019; Hoffman, 2011). In business, particularly when employees adopt a bottom-line mentality, they tend to consider everyone else an opponent, they become psychologically detached, and engage in unethical practices (Greenbaum et al., 2012). Ordinary people can act inhumanely without experiencing guilt (Bandura, 2002). This lack of empathy can turn into 'schadenfreude', where individuals or groups feel secretly happy for the suffering of others (Cikara et al., 2011).

2.2.2 Recognition of the moral issue

Ethical decision-making starts by recognising the ethical issue (Jones, 1991; Rest, 1982), yet decision-makers do not always recognise this (Jones, 1991). In situations, individuals perceive cues and interpret them (De Cremer and Vandekerckhove, 2017; Gantman and Van Bavel, 2015; Garrigan et al., 2018; Gioia, 1992). They construct their own representation of the situation to make sense of the information available (De Cremer and Vandekerckhove, 2017; Palazzo et al., 2012; Sonenshein, 2007). For an individual to realise that there is an ethical issue, they need to realise that their action affects others and that

they have a choice, thus they need to recognise their agency (Jones, 1991). The cognitive mechanism through which individuals create their own representation of the situation is termed as mental schemas (Gioia, 1992). These are organised knowledge or templates of decision-making internal to the individual. They are formed through experience (Gantman and Van Bavel, 2015; Gibbs, 2019; Gioia, 1992; Krebs and Denton, 2005; Sonenshein, 2007) or vicarious learning (Gioia, 1992). Once a mental schema is acquired, it is automatically engaged whenever a similar situation is perceived (Garrigan et al., 2018; Gioia, 1992; Krebs and Denton, 2005). Individuals employ mental schemas constantly in the daily flow of life. These schemas do not offer detailed rules for every situation, but generalised ones (Giddens, 1984). This process is not reserved solely for ethical decision-making. Most everyday life experiences are non-rational and controlled by mental processes which are triggered by the environment. Individuals use the same set of mental schemas under the same conditions, regardless of how frequently they meet with such circumstances (Bargh and Chartrand, 1999). In ethical decision-making, an individual may not recognise the ethical issue because of lack of knowledge or lack of visibility of the ethical component.

2.2.2.1 Lack of knowledge of the ethical component

Facing a dilemma, an individual goes through their working memory to retrieve the relevant schema (Garrigan et al., 2018; Krebs and Denton, 2005). By inference, individuals cannot make use of mental schemas that have not been constructed before. Similarly, if a person does not possess a value, they cannot perceive the situation as an ethical dilemma (Blum, 1991). Given that ethical decision-making is linked to emotions, individuals who are not experienced may not have developed the affective model that enables them to engage with such an issue (Sonenshein, 2007). It is therefore not surprising that Eweje and Brunton (2010) found a direct relation between work experience and ethical awareness, where more experienced employees were more ethically aware. This argument is also reflected in Sonenshein (2007) who argues that it is difficult for novices to understand and apply the exact rules, particularly when there are multiple complex rules.

The lack of knowledge of the ethical component is not solely linked to novices. Sometimes an individual does not know what is right or wrong yet (Demuijnck, 2015; Donaldson, 2012). Factors leading to not possessing mental schemas can be linked to changing work and societal environments. Specialisation leads to narrow thinking, where people and organisations tend to focus on their small part and are not aware of the bigger picture (Gonin et al., 2012). Individualisation or the shifting of societal values from traditionally guided decision-making to more autonomous decision-making can induce unethical decisions (Gonin et al., 2012). Globalisation refers to where businesses operating in international scenarios become disembodied from the norms of individual countries and, in such scenarios, organisations create new norms to transcend geographical boundaries (Gonin et al., 2012). Leaders increasingly need to engage with more abstract thinking, which creates psychological distance and unethical decisions (Wood et al., 2013). Changing working arrangements, such as remote working, can create physical distance, triggering unethical decision-making (Treviño et al., 2014), while technological advancements have a marked adverse effect on ethical awareness (Demuijnck, 2015; Donaldson, 2012; Treviño et al., 2014). Discourse on the ethics of AI is an example of how new technologies can lead to unethical decisions, including biases and discrimination, unfairness, misuse of personal data, and loss of freedom and individual autonomy (Stahl, 2021). Another example is in bioethics, where new questions are constantly being asked as advancements in medicine become available (Bommier, 2022). In these instances, and emerging ones, decision-makers might not perceive the ethical component because they do not possess the required experience or knowledge. Even more concerning is the danger for society not to recognise ethical dilemmas whilst creating new norms (Donaldson, 2012; Gonin et al., 2012).

2.2.2.2 Lack of visibility of the ethical component

Palazzo et al. (2012, p. 326) define ethical blindness as "the decision-maker's temporary inability to see the ethical dimension of a decision at stake." Mental schemas related to ethical decision-making are stored specifically as ethical frames. Whenever the individual perceives an ethical component, the particular

ethical mental schema is applied (Garrigan et al., 2018). Cognitive processes are particularly attuned to ethical content, and there is a phenomenon termed as 'moral pop-out effect' which ensures that moral content is given more attention (Gantman and Van Bavel, 2015). But there can be a gap between knowing about an ethical rule and understanding its relevance in a particular situation (Blum, 1991). Rigid framing describes a state where the individual considers a dilemma through previously learned thought processes, or mental schemas, that do not include an ethical component (Gioia, 1992; Palazzo et al., 2012; Tenbrunsel and Messick, 2004). This leads to the omission of the ethical component from decision-making. Since an individual can consider an issue using one schema at a time (Palazzo et al., 2012), they might not perceive the ethical component of a dilemma at all (Blum, 1991). Gioia (1992) recounts his experience of this during his involvement in the Ford Pinto fires case. Ford Pintos were small vehicles which had their fuel tank at the rear, and during rear-end collisions, explosions, as well as fires were commonplace. As the officer in charge of recalling defective vehicles, Gioia used mental cues to assess whether there was a case for potential recall. These cues were high frequency of accidents and a directly traceable cause. Not even seeing photographs of a burnt Ford Pinto with several fatalities in it served as a mental cue for him. Gioia argued: "It [not recalling vehicles] was a good business decision, even if people might be dying" (Gioia, 1992, p. 382). Oblivious to the implications, he owned a Ford Pinto, which he then sold to his sister (Gioia, 1992).

Circumstances of business decisions make them susceptible to rigid framing because of a tendency to use narrow frames such as business profitability or confines of the law (Tenbrunsel and Messick, 2004). Also, individuals might become so focused on winning that they become psychologically detached from the consequences of their actions (Greenbaum et al., 2012). Despite the strength of moral mental schemas, unless a decision-maker perceives the situation as having a moral aspect, ethical values will not be taken into consideration (Blum, 1991). Failing to perceive details leads to those details not featuring in decision-making considerations (Chugh and Bazerman, 2007; Jones, 1991). If an issue is constructed using an ethical mental schema, then the ethical component will be taken into consideration. If the issue is constructed through

other schemas, such as financial factors, then the ethical dimension will not be taken into consideration (Jones, 1991; Tenbrunsel and Smith-Crowe, 2008). Citing moral myopia, Landy and Royzman (2018) argue that in intuitive ethical decision-making, even when individuals perceive an ethical dilemma, they can only consider it from one ethical point of view, as opposed to considering a range of ethical perspectives. Also, using the term moral-myopia, Drumwright and Murphy (2009) describe a state, during which decision-makers experience distorted ethical visibility, wherein they do not recognise the ethical dimension as central to their decision. They describe this as a phenomenon ranging between ethical blindness and shortsightedness. Whereas ethical blindness as described by Drumwright and Murphy (2009) is similar in concept to that of Palazzo et al. (2012), moral myopia or shortsightedness can be more relatable to moral disengagement.

2.2.3 Making a moral judgement

Following the recognition of an ethical dilemma, an individual proceeds to making an ethical judgement or decision (Jones, 1991). Ethical decision-making has been strongly associated with rational thought, where the individual pauses to think which option is most ethical (Krebs and Denton, 2005). A major proponent of this was Kohlberg (1984) and his theory of cognitive moral development, which outlines various stages of moral maturity in individuals. Kohlberg (1984) argues that individuals reason according to their achieved level of moral development. Rest (1986, 1982) on whom Jones (1991) based his model is also associated with rational decision-making, which starts when a certain threshold of awareness is reached. Below such a threshold, intuitive decision-making occurs (Jones, 1991; Krebs and Denton, 2005) This threshold varies from one individual to another (Krebs and Denton, 2005). It is also based on how important an issue is to the decision-maker, because individuals are prone to be more sensitive to particular types of ethical dilemmas (Blum, 1991). Jones (1991) endorses Kohlberg's (1984) cognitive moral development theory, but argues that since rational ethical decision-making takes time and energy,

individuals take shortcuts when they do not recognise the situation as meriting the effort.

Several authors concur that ethical decision-making is rarely a rational process, but an intuitive one (Gioia, 1992; Haidt, 2001; Kish-Gephart et al., 2010; Palazzo et al., 2012; Tenbrunsel and Messick, 2004). This is far from a perfect process, and is impacted by non-conscious biases (Krebs, 2008). The intuitive nature of decision-making is not a feature exclusive to ethical decision-making. Most everyday life experiences can be described as controlled by mental processes triggered by the environment and are non-conscious (Bargh and Chartrand, 1999). These non-conscious processes are prone to blind spots, where decision-makers cannot perceive information that is otherwise clearly visible and pertinent to decisions (Simons and Chabris, 1999). Whilst both rational and intuitive decision-making can lead to ethical or unethical decisions, the difference is the level of understanding of the ethical valence in a decision (Tenbrunsel and Smith-Crowe, 2008). When faced with a dilemma, individuals trust their intuition and decide without engaging in rational thought (Bazerman and Gino, 2012; Tenbrunsel and Smith-Crowe, 2008).

Haidt (2001), a major proponent of intuitive decision-making, argues that decisions are based on intuitions, whilst rational reasoning is engaged in hindsight only if required. Therefore, if after a decision, the individual needs to explain their rationale, they engage in rational reasoning focused on providing a justification, similar to a lawyer defending their client's actions. Offering an alternative decision-making model, Sonenshein (2007) based on Haidt (2001) focuses exclusively on intuitive ethical decision-making. He provides a three stepped sensemaking-intuition model, where the individual first constructs the issue mentally, moves on to intuitive judgement based on the identified mental schema, and eventually engages in explanations and justifications. In intuitive ethical decision-making, the individual instantly develops an emotion towards the perceived information and this leads to ethical judgement (Gantman and Van Bavel, 2015; Haidt, 2001; Sonenshein, 2007). Whereas rational and intuitive decision-making refer to different mental processes, in practice, this distinction

is not as clear, and rational and intuitive decision-making can overlap (Woiceshyn, 2011).

2.2.4 Establishing a moral intent

Following on from moral judgement, the individual decides on their intended actions (Jones, 1991). Yet individuals might engage in rationalisation techniques which distort the narrative to allow them to perform unethical acts whilst still feeling justified (Tenbrunsel and Messick, 2004). For observers, rationalisations are like excuses to make unethical acts seem ethical (Ashforth and Anand, 2003; Dang et al., 2017). These techniques can be engaged both by the decision-maker and those around them (Anand et al., 2004; Ashforth and Anand, 2003). Whilst rationalisation techniques are explored by various authors, I observed three differing explanations in the sequence of events. These are by Bandura (2002), Sonenshein (2007) and Lowell (2012). In the theory of moral disengagement, Bandura (2002) asserts that individuals do not engage in unethical actions unless they have already rationalised their position with themselves. Once a decision has been rationalised, the self-regulation mechanism does not engage. Sonenshein (2007) following Haidt (2001) argues that first an intuitive decision is taken, then the decision-maker rationalises their position. Lowell (2012), building on Festinger (1962) asserts that following decisions, the individual experiences dissonance, which leads to rationalisation.

These differing positions are relevant because there is a distinction in the function of rationalisations before or after a decision or action. Rationalisation techniques invoked before a decision have the role of deflecting blame, guilt, or resistance (Anand et al., 2004; Kvalnes and Nordal, 2019; Sykes and Matza, 1957). The individual unknowingly restructures unethical decisions into well-meaning intentions and mild language, camouflaging a decision as ethical. This is because, as Bandura (2002) asserts, decision-makers engage in unethical conduct only when they justify it to themselves. In rationalisation techniques engaged after a decision or action, there is a calculating effort whereby the individual equips themself with an excuse which makes the behaviour seem ethical

(Ashforth and Anand, 2003; Haidt, 2001). Rationalisation techniques after a decision also have the effect of easing off the situation (Anand et al., 2004; Kvalnes and Nordal, 2019; Sykes and Matza, 1957).

Various rationalisation techniques have been identified in decades of literature. ***Denial of responsibility*** is engaged when a person feels their actions are not a choice of their own, but an extension of their environment (Anand et al., 2004; Ashforth and Anand, 2003; Bandura, 2002; Fleming and Zyglidopoulos, 2008; Harrington, 1997; Konovsky and Jaster, 1989; Kvalnes and Nordal, 2019; Siebert et al., 2020; Sykes and Matza, 1957). ***Denial of injury*** happens when an individual argues their actions did not have any victims or, as colloquially known, a 'victimless crime' (Anand et al., 2004; Ashforth and Anand, 2003; Bandura, 2002; Konovsky and Jaster, 1989; Kvalnes and Nordal, 2019; Sykes and Matza, 1957). ***Denial of the victim,*** also known as 'blaming the victim', is the reasoning that the victim deserved the actions that they received (Anand et al., 2004; Bandura, 2002; Gioia, 1992; Konovsky and Jaster, 1989; Lowell, 2012; Siebert et al., 2020; Sykes and Matza, 1957; Tenbrunsel and Messick, 2004). When ***condemning the condemner,*** decision-makers argue that the unethical acts result from the people, groups or authorities, which are condemning their actions (Anand et al., 2004; Ashforth and Anand, 2003; Gioia, 1992; Sykes and Matza, 1957). ***Selective social comparisons*** refer to a technique when decision-makers compare themselves to other actors and some may argue that others did much worse (Anand et al., 2004; Ashforth and Anand, 2003; Bandura, 2002), whilst some invoke a universal practice perspective and claim that everyone does the same in these circumstances (Cressey, 1986; Gellerman, 1986; Konovsky and Jaster, 1989; Siebert et al., 2020). ***Appeal to higher loyalties*** happens when the individual invokes a hierarchy of loyalties and argues that their loyalty is higher to one party than to another (Anand et al., 2004; Bandura, 2002; Fooks et al., 2013; Gioia, 1992; Kvalnes and Nordal, 2019; Siebert et al., 2020; Sykes and Matza, 1957). When an individual treats the situation as ***balancing the ledger,*** they reason that whatever benefit they obtain from a situation is theirs by right, as it is owed to them by previous actions (Anand et al., 2004; Ashforth and Anand, 2003; Cressey, 1986; Siebert et al., 2020). Decision-makers may use ***legal and procedural grounds*** to argue that laws and

procedures are the correct way of behaving, and if laws and procedures are followed, then actions are justified (Ashforth and Anand, 2003; Kvalnes and Nordal, 2019; Siebert et al., 2020). In **Identification with the victim,** the individual argues they are a victim too (Siebert et al., 2020).

Gantman and Van Bavel (2015) explain that when a situation contains explicit moral content, individuals are more prone to express personal moral values. Words like kill, moral, and should are more easily detected than die, useful, and could. While the language used by organisations has the power of hiding moral content, in intuitive ethical decision-making, the internal language, which an individual uses to rationalise their decisions and actions, also plays a central role in self-deception. Cressey (1986) identified three types of language employed by his research participants, who were white-collar criminals. First, those who stole small amounts over a long period used language which relates to borrowing as opposed to stealing. Second, embezzlers who used their own organisation to commit crimes used their ownership to justify their action. Third, those who ran away with other people's money used terms such as 'I don't care'. Bersoff (1999) explains that instead of an individual outright stating that stealing is acceptable, they would say that taking this object right now is acceptable. Tenbrunsel and Messick (2004) and Anand et al. (2004) highlight that such euphemistic language is used to soften an act. When they find the internal language which excuses decisions or actions, individuals allow themselves engage to in unethical conduct (Bandura, 2002; Cressey, 1986).

2.2.4.1 Self-deception in establishing the moral intent

There are differing opinions on whether an individual unconsciously or self-deceivingly establishes a moral intent that differs from their beliefs and values. Authors like Sonenshein (2007) argue that intuitive decision-making is unconscious, whilst others, including Bandura (2016) and Tenbrunsel and Messick (2004) debate otherwise. However, there seems to be an agreement that the decision-maker is unaware and self-deceiving (Bandura, 2016; Lowell, 2012; Sonenshein, 2007; Tenbrunsel and Messick, 2004). Even without consciously

realising, internal motivations affect the choice of mental schema (Gantman and Van Bavel, 2015). Internally, there is a conflict between what a person should do and what a person wants to do (De Cremer and Vandekerckhove, 2017). Humans are wired to allow themselves to get what they want and justify their own actions. In ethical decisions, there is often a tension between self-interest and values. Without realising, individuals avoid the values discussion, so that they can reach their objective, while still believing that they have behaved ethically (Tenbrunsel and Messick, 2004). Individuals predict they will behave more ethically than they eventually do (De Cremer and Vandekerckhove, 2017; Tenbrunsel et al., 2010). In hindsight, they also judge that they acted more ethically than they did (Tenbrunsel et al., 2010).

Individuals value their standards and avoid actions that oppose them, as opposing personal values leads to self-condemnation, therefore, they self-regulate. However, in moral disengagement, the self-regulation mechanism is unknowingly bypassed (Bandura, 2002). This violation of personal ethical standards is also observable in the empirical research by Cressey (1986), who interviewed over 150 convicted embezzlers. He explains that the first common step towards their crime was that they fooled themselves into believing that their actions were acceptable (Cressey, 1986). On the one hand, self-regulation does not trigger unless specifically invoked (Bandura, 2002). On the other, people tend to unknowingly avoid the values discussion (Tenbrunsel and Messick, 2004). Thus, if people unknowingly avoid the values discussion, self-regulation will not trigger because it is not specifically invoked. Mazar et al. (2008) explain that self-deception is fuelled by a preference for honesty, but challenged by the gain which dishonesty brings. To appear ethical and reap the benefits of being un-ethical, an individual deceives themselves that they are taking the ethical option (Batson, 2011; Mazar et al., 2008; Shalvi et al., 2011; Tenbrunsel and Messick, 2004). Thus, individuals can maintain a positive self-concept whilst denying that their behaviour is unethical (Vasquez et al., 2019). Individuals tend to be dishonest up to where they start perceiving themselves as such, therefore the more significant the rewards from the unethical act, the less the tendency to act unethically (Mazar et al., 2008). Shalvi et al. (2011) argue that people

tend to lie only when there is enough self-justification that allows them to still feel honest.

2.2.5 Engaging in moral behaviour

Engaging in moral behaviour might require efforts to overcome challenges associated with the decision (Jones, 1991). Individuals in organisations need to find a balance between their duty towards the direction given by the organisation and accountability for their actions (Bandura, 2002). The power relations between individuals and organisations can be described as one of autonomy and dependence (Giddens, 1984). Whilst agency and power in institutions has already been described in section 2.1.4, here I engage with sources which debate agency and power in relation to (un)ethical behaviour.

2.2.5.1 Obedience to authority

Individuals might feel pressured into making decisions which go counter their values (Anand et al., 2004; Bandura, 2002; Palazzo et al., 2012). This is a subject explored in the light of decades of research following the Milgram experiments initiated in 1961. Milgram (1963, p. 371) describes obedience to authority as "the dispositional cement that binds men to systems of authority". Perhaps speaking more to today's terminology, Haslam and Reicher (2017) argue for viewing the work of Milgram in terms of engaged fellowship. Employees are expected to act in line with the direction from management (Lee Hamilton and Sanders, 1999), whilst getting ahead in organisations often requires them to flatter their superiors by recognising their superiority, as well as an idolisation of the organisation (Schwartz, 1991). There are several avenues through which rules are exchanged between individuals and institutions and these range between strong sanctionable rules and tacit norms (Giddens, 1984). Management might take concrete actions against individuals or groups who do not agree with their point of view (Ashforth and Anand, 2003; Schwartz, 1991). However, they rarely openly order unethical actions. Rather, they use indirect ways to force

unethical decision-making (Bandura, 2002). Individuals may be subject to an illusion of choice where they perceive to possess more power in situations than they do (Jones, 1991). This might happen whilst unethical behaviours are subtly induced through a constellation of factors unknown to the individual (Anand et al., 2004).

Individuals can influence others, including those to whom they are subordinate (Giddens, 1984). Yet, they may overlook the possibility that they can shape their environment (Bandura, 1989). Because of power dynamics, individuals do not always perceive themselves as agents (Jones, 1991). In agreement with this view, Bohns et al. (2013) and Bohns and Flynn (2013) argue that individuals constantly underestimate their influence and do not realise how much they contribute to the surrounding culture and norms (Bohns et al., 2013). The wider the power distance between the upper and the lower tiers, the less in control of their decisions individuals feel (Hofstede, 2015). Out of fear, individuals might not perceive that they have a choice (Ashforth and Anand, 2003). They might feel constrained to follow a particular path whilst recognising that something is not right and experiencing strong emotions. They feel that whichever path of action they choose, it will be the wrong one (Lee Hamilton and Sanders, 1999). Yet even when individuals perceive no choice, they can still act and those actions are their own (Giddens, 1984). When they perceive a particular direction from management, individuals might construct a mental schema of a situation which restricts their choices to fit within the boundaries of that frame (Lee Hamilton and Sanders, 1999).

In not recognising their agency, individuals may feel that responsibility is external to them. External attribution is sometimes done by blaming authority, other times by blaming the victim (Andiappan and Dufour, 2017; Konovsky and Jaster, 1989). Lee Hamilton and Sanders (1999) describe a distinction between individuals who focus on the action itself and thus view the action as unethical, and those who focus on their role as subordinate and view their action as justified. Individuals who focus on the action itself argue they are forced into making unethical decisions without having a say in their actions. This leads to

feelings of powerlessness and to a resignation that unethical actions cannot be changed, leading to apathy (Fleming et al., 2020). Yet, obeying authority can be seen as two opposing forces, one which re-enforces, the other which resists power structures (Jones, 1991).

2.2.5.2 Ethical awareness

Ethical awareness involves perceiving the ethical components, recognising them as significant, and knowing when to apply particular ethical principles (Blum, 1991). Reynolds (2006, p. 233) defines moral awareness as "a person's determination that a situation contains moral content and can be legitimately considered from a moral point of view." Engaging in ethical behaviour might require the individual to pose resistance to the environmental forces (Jones, 1991). Whilst resistance against meso and macro environment is a difficult position (Bandura, 2002; Palazzo et al., 2012), resistance can also challenge the micro environment where self-deception can lead to unethical decisions without awareness (Tenbrunsel and Messick, 2004). Jones (1991) argues that decision-makers need to recognise that they have an element of choice in order to engage knowingly in the ethical decision-making process. Recognition of the element of choice might be challenging (Bandura, 1989). To assert oneself and perceive their own agency, an individual needs to re-define the relationship with authority (Jones, 1991). This is often done at a personal sacrifice and some choose to defend their ideals by jeopardising personal wellbeing (Bandura, 2002). Whistleblowers can be viewed as ethically aware decision-makers who believe that they can influence practices through their actions (Bohns and Flynn, 2013). Those who persevere through adversity obtain a stronger sense of self-efficacy (Bandura, 1989). Individuals who perceive themselves as autonomous make more ethical choices because they recognise their own power in situations (Ashkanasy et al., 2006).

2.2.5.3 Moral dissonance and moral uncertainty

Individuals acting against their values may experience dissonance, which includes a host of strong negative emotions like disgust with oneself, guilt, shame, and anxiety (de Klerk, 2017). Festinger (1962) who introduced the term cognitive dissonance, described it as an uncomfortable emotion together with ensuing actions that arise from holding two inconsistent cognitions (Aronson, 1992; de Klerk, 2017; Festinger, 1962; Lowell, 2012). It is strongest when the action deviates significantly from personal values and when there are no ready justifications for the action (Festinger, 1962). Dissonance can be described as a feature of both rational and intuitive ethical decision-making. In rational decision-making, the decision might cause emotions of dissonance, particularly when there is no clear cut right or wrong solution (MacAskill et al., 2020). Knowing which mental schema to apply may not be enough and the individual might require reasoning that goes beyond the rule itself to resolve a dilemma (Blum, 1991). Such a situation, termed as moral uncertainty by Macaskill et al. (2020) is not caused by lack of clarity of the situation but lack of clarity of what the ethical decision is.

In self-deceptive intuitive decision-making, the individual may still sense that something is not right because of a discrepancy between the implications of a decision and their actions (Lowell, 2012; Palazzo et al., 2012). This emotion usually leads to either engaging in rationalising that emotion or to moderating actions (Andiappan and Dufour, 2017; Festinger, 1962; Hinojosa et al., 2016; Lowell, 2012). Since individuals tend to view previous decisions in a positive light, when an unethical decision has been made, they are compelled to justify decisions rather than admit mistakes (Arad, 2013; Aronson, 1992; Festinger, 1962; Lowell, 2012). An individual can change their thoughts to make the decision taken seem right (Hinojosa et al., 2016). Once a rationalisation technique is used to match cognitions to decisions, these decisions become ingrained in the individual. They become normal behaviour and individuals no longer perceive the ethical ramifications of similar future decisions (Kvalnes and Nordal, 2019; Lowell, 2012). Whilst the emotions associated with dissonance are negative, it can be regarded as a positive emotion which demonstrates that the

individual is trying to resolve the underlying dilemmas (MacAskill et al., 2020). If dissonance is not dealt with through rationalisations or moderation of actions, the emotion may last for a considerable amount of time (Festinger, 1962).

2.3 Effects of unethical decisions on the micro and possibly on the meso and macro environment

Despite its self-deceptive nature, intuitive unethical decision-making is arguably the most common reason for unethical decisions in organisations (Bandura, 2002; Gioia, 1992). Often, unethical decisions and actions are committed by those who do not possess malicious intentions (Ashforth and Anand, 2003; Mazar et al., 2008). Instead, intuitive unethical decision-making can happen even to those who possess high levels of integrity and moral reasoning (Anand et al., 2004; Gellerman, 1986; Palazzo et al., 2012). Everyone makes unethical decisions, sometimes they are aware, other times they are not (Tenbrunsel and Smith-Crowe, 2008). Konovsky and Jaster (1989) conducted an experiment involving 362 respondents, which revealed that admissions of guilt accounted for 2%, denials of guilt for 9%, excuses for 27%, and justifications for 62%. The results point towards a low propensity to admit mistakes, whilst outright lying is more likely. It also shows that justifications and excuses can be more prevalent. The regular occurrence of unethical decision-making is compounded by an affirmation that there is nothing psychologically wrong with individuals who commit white-collar crimes (Ashforth and Anand, 2003). Criminals, including white-collar criminals, can be viewed more as conformists than deviants, because they mirror the normal practices that happen in their social worlds (Cressey, 1986). Analysing Konovsky and Jaster's (1989) work in the light of Cressey's (1986), perhaps passive conformity can lead from benign unethical decision-making to criminal actions.

Intuitive unethical decisions may have repercussions which persist until after the decision or action (Anand et al., 2004; Gioia, 1992; Kvalnes and Nordal, 2019). It is common that an individual who has acted unethically is still convinced that

they are acting in line with their principles (Tenbrunsel and Messick, 2004). The element of self-deception can last a considerable amount of time after the action has occurred (Anand et al., 2004; Gioia, 1992; Kvalnes and Nordal, 2019). This is visible in the work of authors including Fooks et al. (2013) who investigated British American Tobacco, Gellerman (1986) who analysed Manville Corporation, Continental Illinois Bank, and E. F. Hutton, Gioia (1992) who explains his own experience at Ford, and Kvalnes and Nordal (2019) who explore the 2008 Financial Crisis in Iceland. In all these examples, unethical decisions were left unchecked for several years. Unethical decisions impact the micro, meso, and macro environment through moderating actions, amplification, ethical fading, and normalisation of corruption.

2.3.1 Moderating actions

With the passage of time or change in environmental conditions, individuals may 'wake up', to realise that they had been unethical in their actions (de Klerk, 2017; Lowell, 2012; Palazzo et al., 2012). They may even change their course of action (Arad, 2013; Aronson, 1992; Festinger, 1962; Lowell, 2012). An example of this is when Zimbardo (2007) recounts that an observer on the Stanford prison experiment made him aware of his actions:

> "That powerful jolt of reality snapped me back to my senses. I agreed that we had gone too far… I too had been transformed by my role in that situation to become a person that under any other circumstances I detest - an uncaring, authoritarian boss man." (Zimbardo, 2009)

Shalvi et al. (2011) explain that ethical decision-making is like drawing a line. This line is usually drawn when the individual can no longer justify the decision. Individuals take unethical decisions up to the point when they perceive themselves as dishonest (Mazar et al., 2008; Shalvi et al., 2011). Gellerman (1986) argues that every individual occasionally finds themselves in a situation where they do not know how far is too far. Usually, one can say in hindsight

where the line should have been drawn, but hindsight can be too late. Simons and Chabris (1999) explain that once individuals are made aware of an element they had been missing, they usually question how they could have possibly missed it. Ashforth and Anand (2003) discuss that once a person realises they had been unethical, they either embrace their actions consciously and continue along the same path, or opt out. This reasoning compliments the literature that argues that dissonance can lead to an individual moderating their actions (Arad, 2013; Aronson, 1992; Festinger, 1962; Lowell, 2012). Once an individual realises, through experience (Gantman and Van Bavel, 2015; Gibbs, 2019; Gioia, 1992; Krebs and Denton, 2005; Sonenshein, 2007) or learning (Gioia, 1992), that they had acted unethically, a new mental schema is created. This schema will be used whenever a situation requiring that same reasoning is perceived (Garrigan et al., 2018; Gioia, 1992; Krebs and Denton, 2005).

2.3.2 Amplification

Amplification of unethical behaviour happens when unethical acts start off small and incrementally increase in magnitude (Anand et al., 2004; Bandura, 2002; Chugh and Bazerman, 2007; Shu et al., 2011; Tenbrunsel and Messick, 2004). Unethical actions may become routinised in a way that they provide a platform for greater unethical ones (Bandura, 2002; Lowell, 2012; Palazzo et al., 2012; Tenbrunsel and Messick, 2004). Rationalisation strategies, including selective memory processing, attributing biases and changing an individual's ethical standards (Tenbrunsel et al., 2010), have the effect of preserving self-esteem (Mazar et al., 2008; Shalvi et al., 2011) and saving face in front of others (Staw, 1981). Dissonance and rationalisation strategies can help to explain the effect of past choices on future ones (Arad, 2013). Once a rationalisation technique has been engaged to match cognitions to decisions, these decisions become ingrained as routinised behaviour and the individual no longer perceives the ethical ramifications of similar future decisions (Bersoff, 1999; Kvalnes and Nordal, 2019; Lowell, 2012). Through this process, the individual changes their ethical standards (Tenbrunsel and Messick, 2004). They become detached from strongly held values and engage in diminishing self-censorship (Bandura, 2002). This propels the escalation of unethical behaviour (Bersoff, 1999; Lowell, 2012;

Staw, 1981; Tenbrunsel et al., 2010; Tenbrunsel and Messick, 2004). Like the fabled frog in the pot of water, which as heat increases slowly, does not realise it is being boiled before it is too late, an individual who is experiencing amplification may not realise the unethical ramifications of their actions before they have become unmanageable (Chugh and Bazerman, 2007). Even in organisations, unethical behaviour may escalate from relatively benign actions to ones with more significant repercussions (Ashforth and Anand, 2003; Fleming and Zyglidopoulos, 2008; Nieuwenboer and Kaptein, 2008). If initial relatively benign unethical actions are routinised, the next actions may not be as difficult to commit, and this possibly leads to amplification (Ashforth and Anand, 2003). Such routinisation can lead to unethical behaviour becoming admirable (Jenkins and Delbridge, 2017). If such actions remain uncurbed, it can become increasingly difficult to prohibit unethical behaviour (Nieuwenboer and Kaptein, 2008). If unethical behaviour escalates, it can lead to organisations, which started off with solid values, to deteriorate into gross deception (Fleming and Zyglidopoulos, 2008).

2.3.3 Ethical fading and normalisation of corruption in organisations

Some unethical actions require the input and cooperation of numerous individuals (Anand et al., 2004). The dynamics of individuals acting in groups has been the subject of significant empirical studies for decades, including the Asch experiment in 1951 (Asch, 1951) and the Stanford prison experiment in 1971 (Zimbardo, 2007). Belonging to a group is a basic human need and individuals often adapt to conform to the group (Palazzo et al., 2012). Individuals look at others' accepted behaviour to model their own (Barnett, 2001). Groups tend to focus only on principles and values that are shared and ignore the ones that are not shared by the group (Chugh and Bazerman, 2007). They can illude themselves that they are not vulnerable, believe that the ethical climate of the group is the right one, collectively justify their actions, demonise people who are out with the group, apply censorship within the group, give the impression that decisions are unanimous, and put pressure on group members who do not conform (Janis, 1991). Ethical fading is a process through which an action which

seemed unethical becomes normalised until the unethical component is no longer viewed as such (Ashforth and Anand, 2003; Chibnall and Saunders, 1977; Donaldson, 2012; Palazzo et al., 2012; Spicer, 2009; Tenbrunsel and Messick, 2004). Normalisation of unethical behaviour occurs when initial decisions or actions become embedded in the daily processes and structures, leading to routinisation of unethical actions (Ashforth and Anand, 2003; Kump and Scholz, 2022). This behaviour may become the norm and decision-makers reason that if everybody is doing the same, then it must be the right decision (Chibnall and Saunders, 1977). Ashforth and Anand (2003) who refer to this as normalisation of corruption, explain that when a behaviour becomes accepted and routinised, it can become rationalised.

Alternatively to ethical fading and normalisation of corruption, Fleming et al., (2020) describe situations where individuals do not accept unethical practices but experience feelings of resignation, apathy, powerlessness and inertia. They thus do nothing to stop such actions. They may initially protest, then they become implicated whilst still protesting, then they become uneasy collaborators, and eventually they would still participate in acts but condemn them on a personal basis (Ashforth and Anand, 2003). "What is normalised at this level is not corruption, but its tolerance." (Fleming et al., 2020, p. 1). Unethical practices remain viewed as wrong, but they are accepted as part of the norm. This can lead to values becoming dormant but not eradicated (Spicer, 2009). Individuals introduced to unethical practices initially feel a level of dissonance (Anand et al., 2004; Chugh and Bazerman, 2007; Tenbrunsel and Messick, 2004). This dissonance is often dissipated by the individual blaming themselves for not conforming to the group, rather than understanding that the reasoning of the rest of the group is incorrect (Anand et al., 2004). If dissonance is strong enough, then people leave the organisation (Anand et al., 2004; Chugh and Bazerman, 2007; Tenbrunsel and Messick, 2004). With the departure of employees who do not agree with unethical behaviour, the organisation becomes a space for individuals who conform to the unethical behaviour (Anand et al., 2004). For those who remain, it becomes easier to accept amplified unethical actions (Anand et al., 2004; Chugh and Bazerman, 2007; Tenbrunsel and Messick, 2004).

If unethical actions become institutionalised, they can become a shared resource on which the company culture feeds to justify actions, even when the initial perpetrators leave the organisation (Ashforth and Anand, 2003). Once unethical practices in organisations become exposed outside of the socially accepted bubble, the rules of larger society apply and the action is outed as wrong (Chibnall and Saunders, 1977). However, sometimes normalisation of unethical actions goes beyond one organisation and filters into the macro environment (Ashforth and Anand, 2003; Donaldson, 2012; Gonin et al., 2012). Societies can deceive themselves that an unethical action is acceptable, and this is the most dangerous type of self-deception (Bok, 1980).

3 Methodology

This chapter defines the methodology for empirical research that addresses the three research questions. The first step is to introduce the research philosophy and method, which complement each other. Next, the conversation focuses on the sampling strategy, data capture, translation, and transcription methods. This is followed by an explanation of the coding approach, including open coding and the coding of stories, leading to the identification of various aspects of ethical decision-making.

3.1 Research philosophy

I conducted this research from an interpretivist perspective. This is a perspective that aims to create a more detailed understanding of the social world (Saunders et al., 2019). By engaging with the data, I aimed to understand, interpret, and express theory. This interpretivist perspective is espoused by a social constructivist view of ethical decision-making. Social actors, in the micro, meso, and macro environment influence and are influenced by each other. In this sense, both the participants' input and my interpretation are part of the data collection (Flick, 2018). Moerman (2021) explains that research approaches can be viewed as a matrix made up of two axes producing four quadrants. The first axis describes research approaches which deal with single versus multiple realities. The second axis portrays social independence versus social dependence-oriented research. Within this explanation, the social constructivist position resides within the quadrant of multiple realities and dependent research. The axis component of multiple realities contends that different contexts lead to different outcomes. As discussed earlier, the environment in which decision-makers operate shapes their perceived realities. The axis component of social dependence describes research based on the notion that individuals influence and are influenced by each other. This complements the interactionist models of ethical decision-making of which Treviño (1986), Palazzo et al. (2012), Bandura (2002), Sonenshein (2007) and Jones (1991)

amongst others, are proponents. Interactionist models conceptualise decision-making as an interaction between individuals and their environment.

Referring to the descriptors by Saunders et al. (2019), this research leans towards the more subjectivist ontology, epistemology, and axiology. Ontologically, in terms of the assumptions about reality, it argues that reality is socially constructed and that multiple realities are created around different points of view. Epistemologically, focusing on what constitutes knowledge, it moves away from hard facts and numbers and places importance on the knowledge that is gained through opinions and experiences. Axiologically, with reference to the role of values and ethics, as the subject area demonstrates, it is value-bound, and the values of research participants constitute an integral part of the research. In fact, in defining axiology, Saunders et al. (2019) assert that even the act of choosing one subject area over another demonstrates the importance that is placed on that subject. Therefore, the choice of this topic attests to the underlying importance that is given to values and ethics. In their meta-analysis of descriptive business ethics literature, Tenbrunsel and Smith-Crowe (2008) note with disappointment that there is not an agreed definition of what ethical means. By adopting a social constructivist view, in this thesis I contend that the meaning of what is ethical is socially constructed, and values are therefore those negotiated through social interaction. In relation to this, two different stances have been encountered in descriptive ethics literature. On the one hand, De Cremer and Vandekerckhove (2017) express that descriptive ethics is targeted at understanding why individuals do not always act in line with universally accepted ethical principles. On the other hand, authors including Palazzo et al. (2012) and Tenbrunsel and Messick (2004) argue that there is value in researching why individuals act against their personal values (Palazzo et al., 2012; Tenbrunsel and Messick, 2004).

Three levels of ethical principles are being expressed at different points in this thesis: individual, organisational, and universal. Individual values may differ from those of other members of society, but through self-deceptive practices, individuals may even make decisions that oppose their own values (Bandura,

2002; Palazzo et al., 2012). Organisational values pertain to the particular entity. Referring to Schein (2010), organisational values are expressed as the values that the organisation espouses. These can be both at an overt level through statements such as mission, vision and values, and at a covert level in deeply ingrained assumptions which are often unspoken and taken for-granted. Universal ethical values are those on which there is significant universal alignment by social consensus. Two sources of what can be termed as universal values by social consensus are being invoked. First, the Ten Principles of the UN Global Compact (United Nations, n.d.) which act as non-binding guidelines on universal values. This is because, as Donaldson and Dunfee (1994) argue, the United Nations are best positioned to define universal norms which transcend localised interpretations. Second, are the six universal ethical values for organisations worldwide by Schwartz (2005). These are trustworthiness; respect; responsibility; fairness; caring; and citizenship. Although individual values lie at the basis of ethical decision-making (Bandura, 2002; Palazzo et al., 2012), such values can vary from one person to another. Thus, when the interpretation of values during data analysis was ambiguous, the ten principles of the UN Global Compact (United Nations, n.d.) and the six universal ethical values by Schwartz (2005) were invoked.

3.2 Research method

This is a cross-sectional, exploratory, abductive, single-method qualitative research based on interviews. It is a cross-sectional study because it is onetime research as opposed to longitudinal. The reason is that it is a PhD research project. Therefore, the timeline and resources lend themselves better to a cross-sectional study. It is exploratory, and thus meant to answer questions which usually begin with a 'how' or 'what'. Such research focuses on clarifying the understanding of particular subject areas (Saunders et al., 2019). It is not meant to validate knowledge, but to create new understanding. The stance taken was abductive. This started by reviewing literature on ethical blindness and moral disengagement, then interviews were conducted. Following interviews, I reverted to literature to identify new sources which could help

explain my findings and draw up the initial document. Following the viva-voce examination, I introduced institutional and structuration theory as a theoretical lens. This was done by considering theoretical lenses which would help explain my findings better, re-interpreting these findings using the theoretical lens and crafting a new set of contributions. Whereas a more deductive approach was taken before and during the interviews, coding was done in an inductive manner. Individuals acting within organisational settings are at the core of this research. This research angle is interested in individual reasons, actions, and ensuing results (Solomon, 1992). Similarly to Cressey (1986) I focused on how individuals describe their experiences. As advocated by Saunders (2019), to ensure that the data collected matched the purpose of the research, I opted for primary data collection. Because of its exploratory nature, and since it focuses on a complex subject of debate, interviewing was the research method chosen. This method does not pre-suppose full knowledge by the researcher, and the aim was to expand rather than test pre-existing knowledge. In agreement with Campbell and Cowton (2015), qualitative research methods are well attuned to business ethics, as they focus on values and the most significantly deep questions related to ethics are qualitative. Interviews have been used to discuss how participants experienced ethical decision-making and their views on the subject. This allowed for the exploration of the subject in depth and from a personal context perspective (Ritchie et al., 2013). Interviews are adapted to provide insights into complex research areas, as well as to explore sensitive subjects, particularly those in which social norms play an important role (Ritchie et al., 2013).

In view of the strong influence of organisational settings, a case study approach was one option considered. Such an approach focuses on a single setting and can lead to strong theory building (Eisenhardt, 1989). It enables a detailed analysis of complex subjects through the collection of data from a well-defined context (Rashid et al., 2019). Indeed, other authors, including Siebert et al. (2020), Fooks et al. (2013) and Kvalnes and Nordal (2019) have taken this approach. As Solomon (1992) argues, the case study approach focuses mostly on the particular environment and the prevalence of case study research can lead to a narrowness of focus. Two variations of case studies were considered, Malta as a country, or organisations as a case study, perhaps as a comparative case study between

different organisations. Being a distance researcher from Malta, the country as a case study could have been explored. However, ethics is a highly politicised subject in Malta. Whilst researcher bias is inherent in qualitative research, however obvious researcher bias should be avoided as much as possible, as advocated by Ritchie et al. (2013). Thus, I did not focus on the Maltese culture, although it was still discussed to a lesser degree. Studying organisations requires a negotiated access to the organisation in which it will act as a gatekeeper (O'Gorman and MacIntosh, 2015). Using gatekeepers might introduce the challenge that participants are included or excluded based on the direction of the gatekeeper (Ritchie et al., 2013). It is also advisable that researchers do not induce an un-due burden on participants (Ritchie et al., 2013). Recruiting participants through an institution and researching the institutional impact on their (un)ethical decisions might induce such undue burden. Conversely, not choosing a particular setting enabled me to research the subject from an individual perspective through a range of diverse institutions. This in-turn yielded heterogeneous data, which, although not free of limitations, emanated from a diversity of participants ranging over several industries, departmental levels, and hierarchical levels. Indeed, Lawrence et al. (2009) advocate for a range of methods in institutional theory spanning between case studies and longitudinal research even across country borders. Additionally, Battilana and D'Aunno (2009) argue that work which focuses on how individuals and institutions interact, contributes to a better understanding of institutions.

Interviews took the form of semi-structured conversations based on a set of initial questions, but exploring related subjects. This is also in line with Saunders et al. (2019), who explain that, in exploratory research, the subject can change directions following the streams of data as they emerge from the discussions with participants. This means that the initial topics could be revised following the flow of data being uncovered (Easterby-Smith et al., 2019). During the interviews, I encouraged participants to give examples. They were asked to discuss how they experienced ethical decision-making and their views on the subject. In this methodology, the participant is the narrator of their own story, whilst the role of the researcher is that of listening and enabling an easier flow of discussion (Saunders et al., 2019). Stories and examples have been previously

used in business ethics by Gioia (1992), Hiekkataipale and Lämsä (2019) and Cressey (1986). Using stories falls within the social constructivist stance and focuses on the meanings which people create. This centres on participant experiences, incorporating the researcher's interpretation (Saunders et al., 2019). This approach is adapted for social constructivist research as it focuses on the analysis of links, the relationships, and the sense-making strategies which participants used to understand everyday experiences (Saunders et al., 2019). The role of the researcher is a key element, since their approach is indeed part of what is being observed (Easterby-Smith et al., 2019). Because of previous experiences and studies, this research could not be unbiased. My previous experience impacted the positionality and the views on the subject both during the interviews and in data interpretation. However, the interpretivist stance is not intended to be unbiased, but one where the researcher takes on the crucial role of shaping, leading, and interpreting the data (Saunders et al., 2019). During interviews, my role took on three functions. The first was the input given to the interviewee. Since intuitive ethical decision-making is not a mainstream subject, the ability of participants to understand what was being researched depended on the explanation provided. The second function was the management of the interview through the direction or lack of it. Steering the discussion, focusing, or allowing the stories to flow influenced the outcome of the interview. The third function was the analysis and interpretation of data. Whilst my role as a researcher had the effect of shaping the direction of research, this research has also significantly shaped my personal knowledge, outlook, and experience.

3.3 Sampling strategy

The sampling strategy is heterogeneous purposive sampling, arrived at following the sampling flowchart by Saunders et al. (2019, p. 316). The research targets all decision-makers in organisations; therefore, the data could not be feasibly collected from the entire target population. Because this was exploratory research, there were no pre-existing sampling frames, no statistical inferences needed to be made, and the sample did not need to represent the population

proportionally. Access to participants was not deemed difficult and there was a clear focus on selecting the sample. Since the focus was to explore ethical decision-making in everyday business decisions, diversity within respondent point of views was important. This led to heterogeneous purposive sampling being identified as the recommended sampling strategy by Saunders et al. (2019). Heterogeneous sampling techniques require using good judgment to choose a group of respondents who provide maximum variation in the data collected and the suggested sample size is between twelve and thirty interviews (Saunders et al., 2019). Participants were chosen to represent different professions, hierarchy levels, and industries. Table 3-1 illustrates the participant number, their current industry, departmental focus, and hierarchy level. They worked in private industry, parastatal organisations and third sector, representing fifteen industries. The departmental focuses ranged between customer experience, lecturing, HR, general management, marketing, sales, internal audit, finance, software development, administration, and operations. The hierarchical levels varied from entry level, middle management, higher management / directorship, and ownership. While the table relates to the position occupied as at the time of the interview, participants also recounted previous experiences. Such experiences related to other countries, industries, departmental focuses, and hierarchical levels depending on their experiences. This further increased heterogeneity.

Participant Number	Industry	Departmental focus	Hierarchy level
1	Software / IT	Customer experience	Middle management
2	Higher education	Lecturing	Middle management
3	Tourism	HR	Higher management / Directorship
4	NGO	General management	Higher management / Directorship
5	Telecoms	Marketing	Middle management
6 and 6a	Machinery import	General management	Ownership
7	Financial sector	Sales	Middle management
8	Emergency and Uniformed	Internal audit	Middle management
9	Tourism	Finance	Higher management / Directorship
10	Tourism	Software development	Middle management
11	Telecoms	CEO	Higher management / Directorship
12	Emergency and Uniformed Services	Marketing	Middle management
13	Software / IT	Software development	Entry level
14	Business consulting	Sales	Higher management / Directorship
15	Higher education	Administration	Entry level
16	Construction	General management	Ownership
17	Beauty	Sales	Entry level
18	Marketing	General management	Ownership
19	Higher education	Lecturing	Middle management
20	Water services	HR	Middle management
21	Local council	Customer experience	Middle management
22	Software / IT	Sales	Higher management / Directorship
23	Entertainment	General management	Ownership
24	Emergency and Uniformed	Operations (Fire-fighting)	Entry level

Table 3-1 Participant sample spread

3.4 Data capture, translation, and transcription

Ethical approval was obtained from the College of Social Science Research Ethics Committee on 19th March 2021 and a copy of it can be found in Appendix 2. Thirty-one invitations were sent, and these translated to twenty-four interviews, which were held between 17th April and 29th August 2021. Interview duration ranged between twenty-two and eighty-eight minutes. Prior to starting the interviews, I attended an interviewing techniques workshop, as well as an online course specialising in qualitative techniques. Following this, a draft interview script was created. The interview format was tested through a trial interview with an HR professional, which was not included in the research. The participant of the first official interview was also asked to provide feedback. Interviews were semi-structured. Following the guidelines on semi-structured interviews by Saunders et al. (2019) and Easterby-Smith et al. (2019), prior to the interviews, a key set of themes and questions were identified. Using an interpretivist approach, the themes and questions were adjusted to match the interview flow and the participant's situation. This was done keeping in mind that interviews are contextual, fluid and negotiated with the participant (Easterby-Smith et al., 2019).

Prior to the interview, participants were sent a participant information sheet, privacy document, and consent for research. Since the topic of research was initially ethical blindness, the subject was introduced in the participant information sheet, and they were asked to spend some time to think about ethical blindness and take note of some examples before the interview. During the first interviews, I observed that participants wanted to know more about the subject before providing answers, thus approximately from the fourth interview onwards a first version of the ethical blindness framework as annexed in Appendix 1 was used. Although the framework was utilised to initiate the discussion, it was not intended to serve as a guideline. This is also acknowledged as a limitation of this research. Although they were asked to be honest in their answers, participants were encouraged to feel free not to answer any of the questions, and that the experiences they shared could be theirs or observed on

others. When prospective participants showed interest or concern on the subject, the email invite also included the interview guidelines. Interviews started off with rapport building (often not recorded), introductory questions, followed by questions around the main theme and concluding questions (Easterby-Smith et al., 2019). The main themes of the research were based on the literature review. The initial set of themes and questions was devoid of technical terms as much as possible, and these are explained in Table 3-2.

Question / Theme	Aim
What experience do you have in different organisations?	Introduction: grand tour question as suggested by Moerman (2021) aimed at setting the scene and identifying the meaning of unethical decision-making to the participant.
What, in your opinion, is unethical decision-making in the workplace?	
Introduction to ethical blindness by the researcher. A first version of the ethical blindness framework was used, as observed in Appendix 1.	To explain the aim of exploring unethical decisions which are not considered as such during decision-making.
Can you give me an example of what you consider small unethical decisions?	Body of the conversation aimed at exploring the themes present in literature, as well as personal experiences around these themes.
Can you tell me about a time when you encountered a case where it was difficult to recognise an ethical dilemma?	
Explore the themes of: • Individual characteristics • Organisational cultures • Situational contexts	
Have you ever encountered a case where an unethical decision was justified?	
Can organisations be ethical and make a profit?	
How do you think we can enable less unethical decision-making in organisations?	Conclusion: closing off with an empowering question based on practical actions

Table 3-2 Interview questions, themes, and aims

Four interviews were held online, and twenty in-person. The in-person interviews followed the directives issued by public health because of the ongoing pandemic. Online interviews provided flexibility, as well as maintenance of health conditions, however, they lacked the richness of face-to-face interviews (Easterby-Smith et al., 2019). As much as possible, participants were made to feel at ease and significant focus was placed on ensuring a meaningful conversation, rather than simply a data-extraction method (Easterby-Smith et al., 2019). An approach of interview, translation, transcript and coding of one interview before proceeding to the next, as advocated in a grounded theory approach, was considered (Easterby-Smith et al., 2019). However, this was not practical.

The methodology selected was to conduct between one and three interviews and proceed with translation and transcription. This allowed for more familiarisation with the data and the formulation of upcoming interviews depending on the flow of research, whilst making the most of the summer months which coincided with easing off COVID-19 restrictions, and this enabled twenty interviews to be held face to face. Most of the interviews were in Maltese, therefore they needed to be translated as well as transcribed. The method used was translation and transcription in one step, retaining as much as possible the same words and sentence structures which were used by the participant. This allowed for a level of language analysis. Transcription was done by typing the translated text into a Microsoft Excel Sheet. As Flick (2018) asserts, there is not yet a standard for transcription, especially in terms of detail. However, there is no need for exaggerated exactness except for studies where linguistic focus is essential for interpretation. Keeping this in mind, transcription has been detailed in terms of content and sentence structure, whilst pauses and gap filling language such as "erm" were removed. Although all participants provided a different point of view on the subject, and each experience was unique, it was noticed that recurring themes were present in most interviews. Theoretical saturation (Flick, 2018) was reached by the nineteenth interview, as no new significant themes were emerging. Following this, five more interviews were held.

3.5 Coding approach

Two approaches were used to analyse the data; the first was open coding, which was employed to the texts in full, and the second was an analysis of stories. A description of both approaches follows.

3.5.1 Open coding approach

The coding approach was tested and selected following interview ten. First, I reviewed and considered several approaches as presented by Flick (2018), then I used interview nine to test both qualitative content analysis and open coding. This interview was chosen since it was the longest one spanning on eighty-eight minutes. The discussion also ranged over a wide number of subjects; thus, it provided a strong set of initial codes. This coding was conducted to ensure that the aims of the research were being met, and to enable further learning opportunities. Interview nine was first coded using qualitative content analysis and basing on the methodological guidance by Flick (2018). First, a coding structure based on the literature review was created, then the extracts of the interview were mapped with the pre-set codes. Such a technique allows for data to be analysed based on a structure of set concepts (Easterby-Smith et al., 2019). The coding structure was built on the main themes that emerged from the literature review and allowed for new concepts that emerged as part of the interview. Whilst this coding process provided insights into the subject, the methodology used posed a challenge.

Since this was exploratory research, it was observed that fitting data into pre-assigned categories might restrict theory development, and qualitative content analysis was therefore not fit for this purpose. Because of the restrictions imposed by the qualitative content analysis, I changed the approach to open coding. In open coding, codes are structured around the data itself, as opposed to following a pre-defined structure (Easterby-Smith et al., 2019). It treats participants as knowledgeable agents who can express their 'thoughts, emotions,

intentions, and actions' (Gehman et al., 2018, p. 291). The open coding approach, as described by Gioia et al. (2013) was recommended for consideration by the supervisory team and the faculty. Interview seventeen was randomly selected to test this methodology. This interview was coded based on the terms and subjects as they emerged through the conversation with the participant (Gioia et al., 2013). This methodology was chosen to be adopted for all interviews since it allowed for new findings, was in line with the social constructivist point of view and allowed for building a theory on respondents' feedback, rather than fitting into a pre-defined structure (Gehman et al., 2018).

In line with Gioia et al. (2013), a structure of first order concepts, second order themes, and aggregate dimensions was followed. As an opening stance, I adopted a 'wilful suspension of belief concerning previous theorising' (Gehman et al., 2018, p. 291). This meant that as much as possible, I would not refer to previous knowledge of the subject, but construct a core structure based on participant input. During first order concept open coding, expressions and subjects mentioned by participants were employed to label categories (Gehman et al., 2018; Gioia et al., 2013). As also highlighted by Gioia et al. (2013), such methodology leads to an overwhelming number of codes. In fact, following first order concept coding, 110 unique codes were identified. As a second step, these codes were merged into second order themes and aggregate dimensions. In line with Gehman et al. (2018) whilst the first order concept coding was participant-centric, second order analysis focused on researcher-centric theory building. The creation of second order themes and aggregate dimensions moved concurrently as first order codes were ordered and re-ordered to create an overarching hierarchy. While first order concepts were being grouped together to create themes, it was observed that several themes paralleled components of the ethical blindness framework version 1, displayed in Appendix 1. At this stage, components were labelled according to this framework whenever relevant. Since first order concepts were structured around open codes, it naturally led to a framework structure similar to content analysis (Easterby-Smith et al., 2019). This resulted in a research data structure similar to that as suggested by Gioia et al. (2013), and is exhibited in Table 3-3.

Second order themes	Aggregate dimensions
- Definition of ethics or ethical decision-making - Interpersonal dimension - Character - Role of the individual within the company	Context - individuals in organisations
Context - situational factors	Context - situational factors
- Leadership and culture - Organisation and task structure - Organisation type	Context - organisational environment
- Country - Industry	Context - wider factors
Decision - ethical unawareness	Decision - ethical unawareness
Decision - rational decision-making	Decision - rational decision-making
- Emotions associated with ethical blindness - Learning through experience - No perceived choice - forced	Decision - partial blindness - individual experience
Manifestations of ethical blindness in everyday business decisions	Decision - partial blindness - manifestations in everyday business decisions
Reasons justifications and excuses	Decision - partial blindness - reasons, justification, excuses
- Accepted level of unethical behaviour - Tension between being ethical and profitable - When to put your foot down	Decision - partial blindness - striking a balance
- Effects of ethical blindness - Effects of ethical decision-making	Effects
- Creating the right conditions for individual decision-making - Organisation providing direction - Solutions external to organisations	Solutions to ethical blindness
Interesting expressions	Miscellaneous category

Table 3-3 Research data structure

As informed by Gioia et al. (2013), the data structure was then converted into a process. This is also in line with Gekara (2020), who recommends drawing up a mind map as the first step towards writing the findings of the thesis. Aggregate dimensions, which resulted from coding following Gioia et al. (2013) methodology, were compared and transposed into the original ethical blindness framework, leading to the creation of an updated framework. Following the viva-voce examination held in December 2023, the research questions were updated, and the aggregate dimensions were mapped onto institutional theory and structuration theory using the related narrative.

In terms of software, until the coding of the second interview (interview seventeen) Microsoft Excel was being used. However, during the coding of this interview, it became apparent that Microsoft Excel posed challenges in terms of open coding record keeping, therefore NVIVO12 was considered. NVIVO12 is a software that is approved and provided by the University of Glasgow. I followed asynchronous courses and videos to assess the suitability of this software. NVIVO12 can be used either for manual coding and data storage, or for automated data analysis, or both. I used NVIVO12 for manual coding and data storage only. Automated data analysis capabilities were not engaged to enable more immersion in data. The final version of this thesis was proofread by an expert in English and ethics and using ProWritingAid software provided by the University of Glasgow. ProWritingAid was used solely for proofreading and not for text generation purposes.

3.5.2 Classification of stories

The empirical contribution of this thesis stems from the identification and classification of different aspects of ethical decision-making. To produce this contribution, I classified the stories recounted by participants who described their experiences as interpretations of (un)ethical decisions. Eighty-three story extracts were identified and analysed to understand why each was chosen by participants. This differs from open coding, because whereas the former focused on smaller sections of data, this approach analysed stories as a single unit of

analysis (Flick, 2014). Stories were categorised using a decision tree method, as displayed in Figure 3-1. The stories were first analysed to determine whether they contained an ethical component. As highlighted by Tenbrunsel and Smith-Crowe (2008), there is no agreed definition of what ethics means, and thus it was challenging to define ethical decision-making. This led to the importance of base lining what unethical decision-making means, and as highlighted in the research philosophy, the ten principles of the UN global compact (United Nations, n.d.) as well as the universal values expressed by Schwartz (2005) were employed. For a story to be considered as containing an ethical component it needed to be within the spirit of the Ten Principles of the UN Global Compact (United Nations, n.d.), or the six universal ethical values for organisations worldwide by Schwartz (2005), or both. This translated into nine stories which were marked as *disputable ethical component* and were thus removed from further analysis. The next node in the decision tree was whether the decision-making criteria were defined. This meant that in the story, there needed to be both a decision which contained an ethical component and references to the rationale used to arrive at such a decision. The three extracts in which the decision-making criteria were not defined were marked as *not relevant*. The extracts where the decision-making criteria were defined were subdivided into three categories: ethical unawareness; partial awareness; and rational decision-making. *Ethical unawareness* translated into six stories, and *partial awareness* contained thirty-seven stories. The *rational decision-making* stories were further subdivided into four categories; one story which had an *ethical outcome from an ethical context*; fifteen which had an *ethical outcome from unethical context*; four *unethical outcome from an unethical context;* and seven *dubious outcome*. This decision tree led to the identification of different aspects of ethical decision-making. In Chapter 5, each of these categories will be described. Stories marked as *intuitive – ethical unawareness* refer to ethical unawareness. *Intuitive - partial awareness* was mapped with ethical blindness, moral myopia, advantageous comparison, obedience to authority, unethical decision-making in groups, and normalisation of corruption. Stories classified as *dubious outcome* were mapped with moral uncertainty. *Ethical outcome from an unethical context* feature as ethical awareness.
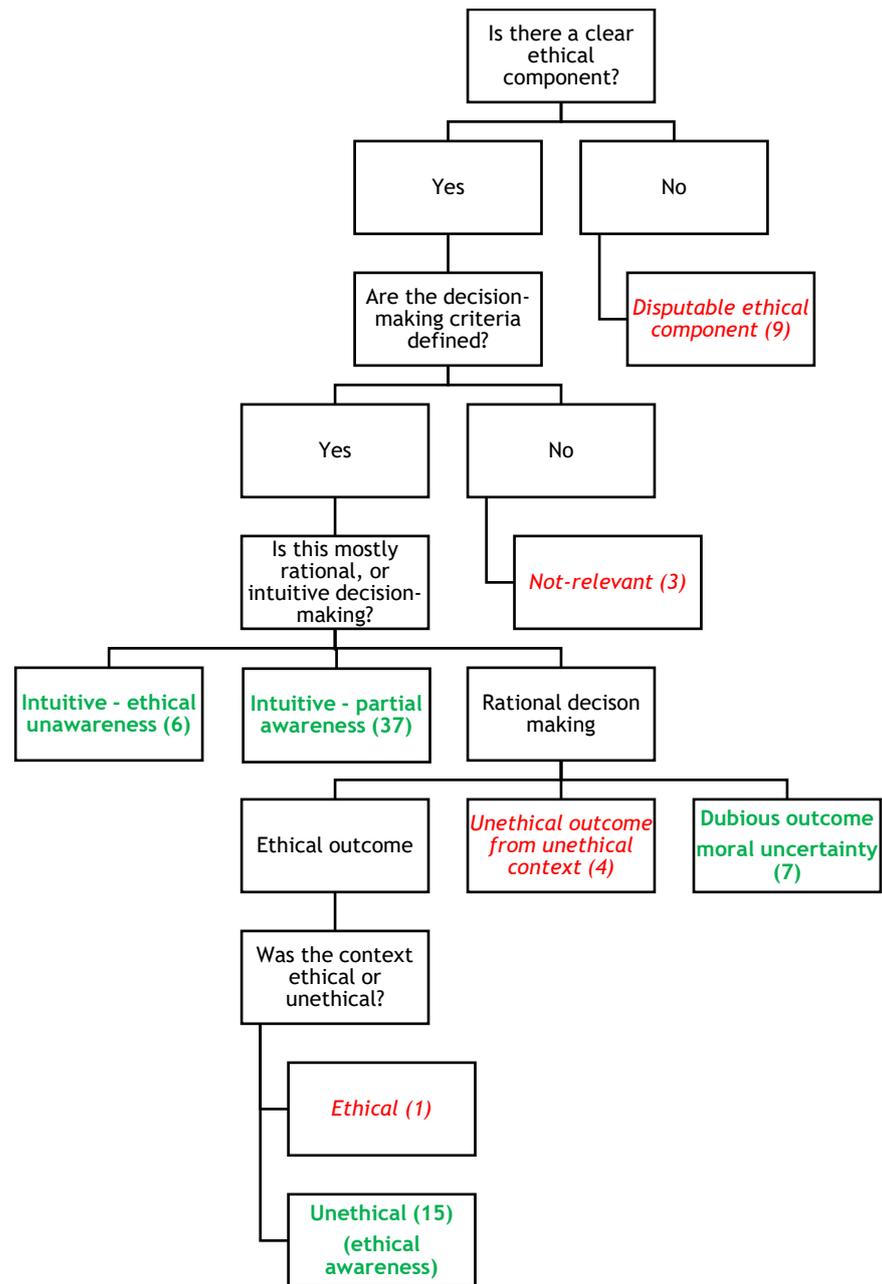
Figure 3-1 Decision tree - categorisation of stories

4 Findings – Agency and structure in ethical decision-making

In this chapter, I present the empirical findings related to the first research question: How does the interplay between agency and structure influence ethical decision-making? This is done by highlighting the interpretation of interview data as it relates to the microenvironment, mesoenvironment, macroenvironment, and the uniqueness of circumstances.

4.1 The microenvironment – individual attributes and institutional roles

Perhaps due to the personal nature of the discussion, participants spoke extensively of their circumstances and the link between individuals and ethical decision-making. This view compliments what Solomon (1992) described as the conventional approach of considering the individual as central to ethical decision-making. Findings related to the microenvironment are shaped into four themes; the meaning that participants give to ethical decision-making, individual traits, the significance of interpersonal relationships, and institutional roles related to the individual.

4.1.1 The meaning of ethical decision-making

Various authors in intuitive ethical decision-making, including Palazzo et al. (2012) and Bandura (2002) posit that individuals act against their own values and there is often an understanding that decision-makers know what ethical and unethical decisions are. However, that might not always be the case. Participants were asked to describe what ethical decision-making means in their own words.

Three participants could be described as experts in ethics: Participant 12 worked in an investigative body for financial crimes, Participant 15 obtained a Master's Degree in Bioethics, and Participant 19 conducted PhD research into ethical decision-making. Their responses were comprehensive, and discussed various undertones of what ethics means, including culture, societal norms, and intuitional decision-making. For example, Participant 19 explained:

"It is not easy to define ethical… You have the cultural dimension of it, whatever we agree that is not ethical… But when that comes to be adopted by the individual, the 'how' 'why' and 'maybe' start featuring. You would be amazed at how much even the principles which we think are universal, when it comes to the particular, they change or they get elasticated…. When we look at ethical decision-making, we always think that it is something rational… But on a day-to-day basis, many decisions are taken on the spur of the moment." (Participant 19)

Non-experts focused on narrower concepts, such as reasoned decision-making, gut feelings, the individual's role, fairness, and legality. Such definitions were considerably shorter and focused. For example, Participant 22 focused on feelings and said, "deciding between what you feel internally as being good and leading to something better or taking a decision which internally makes you feel that there is something wrong". Whilst Participant 23 linked ethical decision-making to their entrepreneurial role and explained, "Currently, I would say that I am giving the correct value for money for my services." Fairness also featured often and whilst arguing that fairness constitutes a narrower understanding than the definitions provided by experts, it seems to be a concept that is easier to grasp and transmit when explaining ethics. Others pinned ethics to legality, explaining that ethics is going beyond legal requirements. Personal values were the ones referred to the most, whilst none of the participants mentioned organisational or universal value sets in defining ethical decision-making. Despite possessing significant experience, other participants struggled with explaining what ethical decision-making is. This seems to be contrary to the findings of Eweje and Brunton (2010) who found ethical awareness to be linked with

experience. This was exemplified by Participant 1, who was a Customer Experience Manager with over twenty years of work experience: "Unethical decision-making. To be honest, I googled it a bit before today, so that I could understand what the definitions are, because it is a bit… so for me something unethical is something that … maybe… I don't know."

All participants demonstrated a possession of a sense of right and wrong, in some more pronounced than others. Yet, in-depth understanding does not seem to be common knowledge. During the recognition of a moral issue stage (Jones, 1991) the individual refers to their working memory and to existing mental schemas (Garrigan et al., 2018; Krebs and Denton, 2005). The findings indicate that a lack of comprehensive understanding of ethical decision-making prevents individuals from accessing ethical decision-making schemas. This might also be an enabler for moral myopia, as referred to by Landy and Royzman (2018) wherein the individual considers decisions from one ethical point of view, rather than a range of perspectives.

4.1.2 Individual traits

Similarly to Jones (1991), Palazzo et al. (2012) and others, my findings indicate that individual traits are related to ethical decision-making. Participants mentioned greed, personal responsibility, conscientiousness, education, and experience, as examples of such.

The Cambridge Dictionary defines greed as "a very strong wish to continuously get more of something, especially food or money" (Cambridge University Press, 2022). Similarly to Bersoff (1999) and Baron et al. (2015) the link between greed and unethical decisions featured in several responses. As Participant 19 explained, perhaps stemming from a person's pursuit of happiness, money becomes the primary objective that is continuously fleeting as higher levels of wealth are achieved. While profit is crucial for business, participants defined greed as an irrational pursuit of excessive profit. It is manifested in actions that,

for pursuing money, a decision-maker behaves unethically towards others. There is a notion of never making enough money, even when business is running smoothly. Participant 19 provided an example of a businessman who: "he bought a yacht this year... next year he wants a bigger one ... and if he has two hotels, they are not enough. So, this is not profitability, this is greed". Greed has also been described as an opportunistic attitude that is not solely related to money, but also to acquiring favours, power, or possessions. In another form of greed, the person may engineer their actions opportunistically to gain more possessions. This leads to a disconnect between individual conscience and the wish for material possessions, where greed may win because of its tangible benefits. When money and possessions become currency for unethical decision-making, then people's decisions can be bought. It can also be linked to culture, and with a level of greed that is routinised and culturally accepted. Participant 6, who was a business owner, explained, "The greed there is for money...it's mandatory". Consequently, society may establish a collective agreement that greed is an acceptable quality.

As also posited by Bandura (1989) and Detert et al. (2008), a pronounced sense of responsibility appears to be significant in ethical decision-making. This is exemplified by the words of Participant 9, who said, "For me, the decision I take, I have to own it. Otherwise, I have a problem". This resonates with the argument by Jones (1991) that individuals need to realise that their actions have consequences and that they have a choice in order to recognise a moral dilemma. A sense of ownership and perceived agency was observed when participants believed that their actions carried considerable weight. This was augmented by the position and liability within the organisation, as well as the responsibility towards the wellbeing of the company, the profession, or others. The higher up the position, the more pronounced the sense of ownership articulated. This does not mean that all individuals ranking higher in organisations always feel the same sense of responsibility, but that the higher up, the fewer avenues for excuses there seem to be. Participant 11, in his position as CEO, said "...in my position... there's no excuse at all. I cannot go and claim nobody told me". In such positions, the stakes were considerably higher since this responsibility is not felt only on a professional level, but also on a

personal liability level. A strong sense of responsibility was also pronounced when the participant felt that they have a higher purpose. This has been noticed when they described a responsibility towards others. For example, Participant 16, as an architect, explained "The more my client is not savvy, the more I protect him… If I have a client who is not savvy, I have to be his guardian as well, not simply his architect." This higher purpose was not just pronounced in terms of other individuals but also towards entities such as professions and the organisation. For example, Participant 8, an internal auditor, described a strong sense of responsibility towards their profession "You have the individual responsibility to be independent, you do not subject your opinion to others". They explained that their profession provides them with guidelines and their responsibility towards such guidelines directs their actions. Whilst most of the examples displayed that a sense of responsibility is tied to ethical decision-making, it does not guarantee ethical behaviour. It can be the mask or excuse for unethical behaviour. Consider this anecdote by Participant 14:

> "I was given the direction to make as many obstacles as possible for new companies coming to the market… this is just like when you have a football team who always wins the championship, and the coach tells you if you need to break his leg, break it so that he doesn't score… And as you are doing it, at least I used to feel that it is part of my duty." (Participant 14)

This indicates that a sense of responsibility paired with higher loyalty to the organisation as opposed to ethical values, may lead to unethical choices, often without the individual realising. On the opposite of responsibility, lack of responsibility for actions has been highlighted as an individual factor that induces unethical decision-making. A lack of a sense of responsibility can lead to a detachment from consequences and to an individual not feeling responsible. Examples quoted by Participant 15 included the abuse of work from home and wasting time during overtime. The participant described these as stealing and yet explained that individuals taking such actions were not understanding their implications. A lack of feeling of responsibility can lead to a detachment from consequences and the person seems to be freer to take unethical decisions.

Irresponsible actions can lead to disengagement from others and leave onlookers feeling frustrated. One cannot, however, say that an individual is constantly irresponsible or constantly responsible in every sphere of life.

I have observed that individuals hold in high esteem their values and their own perception of how they adhere to such values. Participants overall valued consistency and liked to perceive themselves in a particular way, yet this consistency is not always possible. Individual values seem to act as a guide in ethical decision-making and despite the strength of the elements in the meso and macroenvironment, these values seem to rest at the base of individual decision-making. This has been discussed by several participants and can be exemplified through the explanation of Participant 11:

> "There's always a foundation that relates to certain values that a company needs to have, and also a person needs to have. And that it has to be very specific and very engraved in somebody's daily activities. It needs to be the guide that is second nature." (Participant 11)

Similar to the assertion by Kish-Gephart et al. (2010) and Walumbwa and Schaubroeck (2009) participants seemed to identify personally with their own decision-making style. Assertions about their style indicate that they feel strongly about how they decide, often referring to 'I am like this' as an intrinsic part of who they are. Decisions taken can express individual personality, and opposing their values means betraying who they are. They can be seen as indicators of pride in the strength of character and the ability to act against situations which challenge their principles. For example, when Participant 3, was ordered to take legal action against someone they deemed innocent they said: "I am quite a rebellious person… I am very principled and I will not take enforcement, legal action against someone who does not deserve it… I will lose my value and my dignity." Participants displayed a preference towards behaving consistently and spoke in a way that indicated a conviction that it is important for all their decisions to follow the same path. Despite the importance of individual values and a preference for consistency, these values seem to be challenged both by external and internal elements. External elements include

the meso and macroenvironments, while internal elements lead to an individual not taking the same decision under a similar set of circumstances. Participant 9 provided an example of how mood also affects decision-making when said: "Sometimes someone tells me, 'but once you did not reason this way'. But maybe that day was different, maybe then things were not exactly the same, maybe I was in a better mood, or maybe I was in a much worse mood." This unpredictability can contest the degree stability in consistent choices of mental schemas as portrayed by authors like Garrigan et al. (2018), Gioia (1992) and Krebs and Denton (2005).

Messick and Bazerman (1996) explain that the role of conscience is to provide the individual with input to determine the limits of ethicality. Similarly, conscience has been described by participants as an internal compass which matches actions with values. For example, Participant 11 described it as an internal compass that is "always in the back of your mind as a guide to tell you. Am I crossing a line? That is something that maybe should not be happening? Do I need to say something?" Conscience enables the person to discern whether an ethical dilemma exists and what they should do when faced with such a dilemma. Some participants described it as a series of questions they asked themselves, whilst one participant described it as an angel sitting on one side and a devil on another, probing an individual. Conscience seems to be a motivating factor towards ethical decisions, and when an individual opposes their conscience, they do not feel well. Participant 20, an HR Manager, alluded to this when discussing unfairness in job allocation and said: "I wish if I could at least not know things. Because I would feel more at ease with my conscience and again, I am trying to find a way to get out of this type of work that I am doing, so that I feel more comfortable with myself."

Education and experience have been described as the platform on which individual values are built and refined. This outlook is similar to how authors like Gantman and Van Bavel (2015) and Gioia (1992) explain that education and experience shape mental schemas. Discussions about education focused on the formation of values based on the teaching of others, whilst experience has been described as the lessons learnt through personal episodes. Education ranged from the fundamental values instilled in early childhood to essential training

requirements for an individual to perform their duties. Learning through experience was described as more effective than education. Participant 2, an academic and who therefore worked in the education sector, explained that "It is the experience which really shocks you… That's what really changes your ethics and values when you are shocked into reality." Experience can help individuals to realise when they had taken unethical decisions and enable future ethical decision-making. The more experienced participants were, the more aware they seemed to be. However, while most spoke of experience in the positive formative sense, experiences do not necessarily teach ethical conduct. Rather, they can make the individual more shrewd and less ethical. An example of this was given by Participant 13, when explaining how more experienced sales representatives became numb and less considerate towards customers, "They used to think things differently, I guess. I would say it's either because of their work experience, or they have lived in a different era where people were not so considerate." As Blum (1991) explains, individuals cannot perceive an issue as an ethical dilemma unless they possess relevant mental schemas. Whilst acknowledging that individuals are agents even without realising it as posited by Giddens (1984), equipping individuals with a broader value set may enable them to recognise the ethical component in a dilemma and become more knowledgeable agents.

4.1.3 The significance of interpersonal relationships

Interpersonal relationships seem to shape ethical decision-making in several ways. The lack of relationship may hinder ethical decision-making, but knowing someone does not lead to consistent ethical or unethical decisions. However, trust, respect and reputation, which result from knowing someone personally, may act as moderators towards ethical decision-making. My findings do not fully align with Jones' (1991) social consensus component, which focuses on social agreement on what is ethical or otherwise. Rather, it is more akin to the aspect of 'social, cultural, psychological or physical' nearness (Jones, 1991).

Not knowing someone personally may hinder ethical decision-making. This may be attributed to a lack of nearness, be it cultural, psychological, or physical.

Participant 23 alluded to this when discussing their experience in filming "Some foreign videographers are much worse than locals, because locals everyone knows each other, so there is a kind of camaraderie, irrelevant if you are filming for Station A, Station B or rivals." In what seems to be a contradictory manner, knowing someone personally may also motivate unethical decisions. This was described by Vickers (2002) and also exemplified by Participant 15 when recounting a situation at the office, "There is a particular person and her character is a bit difficult… plus our boss is biased and does not like her, and I see that they do not treat her fairly." Interpersonal relationships can induce favouritism. The decision-maker might be in a position where they must choose between favouring a person they know and the organisation's interests. This happened to Participant 22, who needed to have a difficult discussion about pay with a subordinate who was also a friend: "…this person apart from being a colleague was also a friend… probably nobody would have questioned my decision to pay him a higher percentage…but I think it was the right thing to do for the organisation." Cliques or groups of people who come together to serve mutual interests seem to facilitate unethical decisions. This is also in line with the assertations by Janis (1991) when describing the unique eco-system which groups can create. Participant 14 gave an example of this when relating to their experience: "In these cliques what keeps them united is the infringements that they do between them… they were more chosen for their alliances with this type of non-ethical behaviour… what makes them bond are things which have nothing to do with work."

A level of animosity may manifest itself and lead to situations where it is impossible to decipher which actions caused which reactions. This sort of chicken and egg situation was explained by Participant 15, who recounted how staff felt they were treated by management when they could not work from home during COVID-19. "Then you say 'listen if these are not appreciating us, they do not care about our health, during the worst part of COVID.'" Conversely, workers themselves may have been fuelling this situation because "Sometimes you find people who sort of brag about them wasting time. I mean, are you serious? Don't say anything if you did something wrong… so it's because of these people that they do not trust us." Participants also described instances where personal relationships were abused simply because of a level of familiarity.

Participant 5 explained how sometimes they abuse of relationships to negotiate a better price: "You know how much your suppliers are willing to negotiate… what do you do? … you have another one who is genuine and believes in the relationship… so you sort of abuse of the good relationship that you have." As also posited by Detert et al. (2008), empathy and trust associated with relationships can positively impact ethical awareness. Building personal relationships in business, also referred to as networking, is not just an accepted but an encouraged practice. As an architect, Participant 16, was often asked for a list of their approved contractors whom they recommend: "When I choose a contractor, I know my experience with whom I have worked with, so if a person had done the work well…that one I would suggest, otherwise I would not". Knowing someone personally may create an additional layer of ethical sensitivity. For example, Participant 23 explained their reaction when they were asked to film the funeral of an accident victim for sensationalism. They argued, "This person I knew, I know his family… over and above the fact that I don't feel that it is ethical as a human being to film or shoot accidents where people are hurt or people are dead." When knowing someone was mentioned from a positive angle, the relevance of trust, responsibility, respect, and reputation emerged as distinct components. Hence, my findings support the relevance of proximity or nearness component in Jones (1991).

4.1.4 Individuals and their institutional roles

Voronov and Weber (2020) distinguish between individual attributes of a sentient human being and role associated attributes in which the individual behaves as an actor. A similar distinction could be observed in my findings, even though this distinction can be debatable in some instances. Whereas traits such as greed, personal responsibility, and conscientiousness, as described earlier, can be attributable to the individual, perhaps irrespective of their role, several role-associated attributes were identified. These have been categorised in two; first, the role of individuals in organisations, which bears similarities to Giddens' (1984) description of an actor on a stage and second, the exercise of power or lack thereof which is associated with that role.

On the one hand, the role can be regarded as a relatively fixed concept which individuals need to fit in and act in accordance with. Roles were described as very important for the individuals occupying them and can be seen as giving the position holder the licence to behave in unethical ways. Explaining how they used to cheat the competition by amending technical terms in a contract, Participant 14 argued, "I do not see that as a lack of ethics, I used to see it as part of my role". This suggests that role holders sometimes presume that it is their duty to act unethically, to protect the organisation and fulfil their role. In roles, such as sales-oriented ones, a level of unethical behaviour can be embedded in the job role itself. Participant 17, a sales representative in the beauty industry, explained: "I think nothing works miracles. It might make you look better, so maybe I convince people, more than I think it is going to do the miracle…but I think that is part of the job." Unethical behaviour may not even be in the interest of the individual but rather of the organisation, thus the individual would act against their own interest, and unethically, but in the interest of the organisation. Decision-making was often done with a considerable level of responsibility by the job holder, and lines are blurred between what the individual wants and what the individual wants on behalf of the organisation. This can be observed in the reasoning of Participant 9, "Let me tell you, not I will get what I want. I will get what I want on behalf of someone or something. It is on behalf of the company. It's obvious, it's not for me". Yet, despite the person not acting in their self-interest, they can still be motivated and engaged.

On the other hand, some participants viewed their role as an integral part of their identity. Individuals can become synonymous with their role so much that it defines them, as this example by Participant 23 suggests:

> "The people who are in front of the camera love to be there, so it is their life. They are defined by that, so if you are… a dancer on TV, that is you… it defines you. These people aren't much without their dancing. These … or journalists, they live, breathe and sleep journalism." (Participant 23)

There can be such an attachment to the job role that it seems to dictate what individuals do, on and outside of the job. This can pose an alternative view to

the position by Ashforth (2000), and Anand et al. (2004) who argue that individuals disengage from one role before engaging into the next. Respondents often talked with pride about their job role. A pride which can spur them to fulfil their roles but hinders them from questioning their job role. This can be seen through Participant 14, who used to consider foul play as part of their role and said: "Now you tell me that is foul play? I used to consider it part of my role to delay the competitor from entering the market." Strong job role angles like sales orientation, hindering competition, surviving difficult financial situations, or making strategic decisions to benefit the business, can impact how the job holder decides and is expected to decide. Consistent with the findings by Zimbardo (2009), the power conferred upon the individual through their job role can be relevant to ethical decision-making because power seems to be closely linked to opportunities for unethicality. Power gives the individual leverage, and such leverage may be acknowledged, abused, or used positively. Various participants highlighted the level of power which is given to them through different sources and acknowledged that this power provides opportunities for abuse. Sources of power described include customers, professional charters, the job title, access to data, and comfort zones. Power is not necessarily negative because it depends on whether it is used or abused. Whereas the instances where power is abused may get more attention, sometimes individuals hold power and choose not to take advantage of it. The power which job roles provide to individuals may give them leverage over other parties whilst making unethical decisions with readily available rationalisations. The findings described in this section interestingly align with Giddens' (1984) typification of actors; individuals perform their roles similarly to actors on a stage, and their roles provide them with both responsibilities and privileges.

4.2 The mesoenvironment – organisational impact on decision-making

As also proposed by the interactionist approach to ethical decision-making, organisations influence ethical decision-making significantly (Bandura, 2002; Jones, 1991; Palazzo et al., 2012; Sonenshein, 2007; Treviño, 1986). This

section, which is structured on Scott's (2013) regulative, normative and cultural-cognitive influences of institutions, describes my findings related to how the meso environment impacts ethical decision-making.

4.2.1 Regulative elements of organisations

Organisations provide rules governing the expected behaviour and mandate conformity (Scott, 2013). Rules related to ethical decision-making were deemed important by participants. An illustration of this was provided by Participant 11, who said "If there's a company that doesn't believe in certain values and doesn't want to instil this ethical framework, then very easily that [company] can be blinded because of profit maximisation." Rules and regulations have been associated with a function of streamlining decisions and creating a level of fairness. This fairness makes it easier for management to decide, for employees to know that is expected, and clarifies related sanctions if the regulations are not followed. A sound regulative structure was also described as providing secure channels for whistleblowing and ensuing actions. The regulative element has been associated by participants with stability, preventing unethical decisions, and providing legitimate power for compliance professionals. At face value, the support for rules and regulations contrasts with the findings of Kish-Gephart et al. (2010), who found that codes of conduct are losing their strength. Even though participants did not clearly indicate the importance of enforcement, it is implied through their comments about structure and clarity. This dovetails with Kish-Gephart et al. (2010) and Treviño et al. (2014), who argue that the power of a good code of conduct comes from its enforcement.

Although Treviño et al. (2014) argue that there is little proof of training improving ethical decision-making, participants highlighted the importance of training to accompany rules and regulations in clarifying expected behaviour. Continuous training might engrave desired behaviours and act as a compass for future decision-making. It can build a more robust conscience which facilitates ethical decisions and strengthens individual character. More importantly, the individual may be willing to take ethical decisions, but if they are not provided

with training, they will not know what the ethical decision is. This reinforces the argument by Blum (1991) that an individual might lack the knowledge of the ethical component in decisions. When discussing how training strengthens individual character, Participant 11, who was also a director at a bank, explained that at the bank they conduct considerable training on ethics: "there's no ambiguity as to what you're supposed to do and think… they try to make it clearer, to give you glasses. So, there they bombard you with training." Similarly to Kavathatzopoulos (1994), participants agreed that active learning is more effective than theory because it is imprinted into an individual's mind, and it is more easily recounted. Practice in a calmer environment enables one to think and makes the learning permanent. Practice on the smaller decisions may enable decision-makers to face greater ones. Recounting his firefighting job, Participant 24 explained how they used to approach small undesirable tasks to be able to face greater ones: "If there was a dead cat in pieces, a hedgehog, I used to go. Because you train yourself with these things, because otherwise if you go on something significant where there are people [you could not handle it]". I challenged some participants whether training is effective. The general response received was that training has long-lasting effects and when describing the training they received during service, Participant 24 said:

> "What you have learnt stays in your mind. This is like when a person drives a car, and they are about to crash. They know what to do. He knows he should push the clutch and break. The procedure is there. From what you have learnt, nothing is lost." (Participant 24)

Most of my findings support Brown et al. (2005) in that organisational leadership should provide ethical guidance, and that leadership rarely issues unethical orders, which might also leave them exposed to sanctions (Bandura, 2002). However, sometimes the regulative element promoted or rather ordered unethical actions. Participants provided examples of when they received direct orders to act unethically and sometimes illegally. This can be exemplified through the words of Participant 20 when discussing how they were forced into hiring individuals who did not deserve the positions: "Some decisions are taken that as if they are nearly dictated. These are not decisions where you are doing

an assessment on what is just, and you conclude…things are set up…". This expresses a sentiment that is similar to Milgram (1974) who discusses that leaders' influence can be so powerful that people believe that they have no other choice. An example of this was explained by Participant 1, who at the time was a customer experience officer and they were tasked with taking an illegal action. They said, "when it comes from the CEO, you do not have much of an option." In agreement with Lee Hamilton and Sanders (1999), such orders appear to put followers in a double bind, when opposing orders means insubordination, and adhering to them is clearly wrong.

However, organisations might break their own rules and go counter the principle of congruency as advocated by Kaptein (2008). This creates anomalies. For example, recounting their experience as a teacher in a school for non-academically inclined children, Participant 19 said:

> "There was this sort of unwritten agreement… if you do not have the last two lessons, you could go, and if you do not have the first lesson, you can come late. However, then there were those who used to miss lessons because they have the part time [they reasoned] 'oh well these kids will not learn just the same'… 'What does this one care about Italian, anyway?'" (Participant 19)

Highlighting individual agency, some participants argued that if regulations allow an action to happen, it does not mean that action is ethical. Lack of rules, regulations, training, and practice do not replace individual responsibility. Linking regulations to locus of control, participants said that ethical decision-making should not be solely tied to rules and, as Participant 19 questions, "should it be the regulations to keep us doing the ethical things or the wish to do things properly?"

4.2.2 Leadership as a normative element

In support of Wimbush (1999) and as in this anecdote by Participant 2, people follow the lead and example of others, particularly when these are looked up to as role models. Recounting the effect of a strong leader, Participant 2 said, "Because of the great influence that this person exerted, when it came to voting, nearly everyone voted like this person. Everyone was agreeing [to an unethical decision being taken] because this person is so influential. That made it even more wrong." My findings support the argument by Brown et al. (2005) that leaders provide guidance for ethical decision-making guidance. The power of leaders as role models and their ability to influence ethical decision-making has been described through a range of roles within and external to organisations. External to organisations, the early influence of parents and teachers has been described as having long-lasting effects into adulthood. In discussing parental role modelling, Participant 19 said, "What role models is he seeing, the boy or girl, when they come home, and his father brought him papers from the workplace so that he can scribble on them?" An example relating to teachers has been provided by Participant 16 when recounting their childhood experience:

> "This teacher… left a big mark on me…the teacher recognised… that I protected my brother [in an incident where the participant protected his brother by standing up to the teacher]. He had a piece of cake, he split it in two and he gave us a reward, a piece for him and one for me… This is one of the reasons why I say that I should not be afraid to stand up for…the truth that I know, and that I do what is right." (Participant 16)

In organisations the most obvious leadership may be management. However, ethical decision-making seems also affected by more experienced or charismatic colleagues. These are people who do not occupy higher positions but are role models and exert influence. Participant 24 gave an example of this when discussing the courage, he emulated from a colleague when they said "There was one we used to call 'the spider'… and he was one of the older ones… this man filled me with courage to go in and not be afraid of anything. Because this

one, in his life, he even had to collect human body parts from the runway…"
Also, organisations themselves may be looked up to as role models. These are
organisations such as religious institutions or NGOs, which intrinsically in their
mission are expected to act as role models and therefore any unethical decisions
on their part are much more visible and pronounced. Participant 2 provided a
practical lived example of this when recounting their experience, "I see it as an
unethical practice…when you earmark people who would support your own
vision, but it's even worse, in my opinion, in a religious institution. In a religious
institution, you should be more free, not less free."

Jordan et al. (2011) argue that organisations which prioritise ethical decision-
making choose and promote leaders who serve as ethical role models. However,
it does not seem that organisations always prioritise leaders' ethical conduct
when choosing role models. Participant 16 emphasised this situation when
recounting their experience in a construction company "The people he used to
employ in the higher positions … were also in a position that they steal … He
used to hold them in high esteem, and he knew for sure that was the way they
operated." Leaders were described as holding the most influence on young and
relatively junior employees. Influence over younger persons was discussed with
the youngest Participant 13, who was twenty-three years of age. Relating to
their first experience as a sales representative in a retail outlet, they explained,
"if they are still young you should instil in them a sense of morality… and not
encourage them." They described the influence which older worker's attitude
towards a sales mentality, had: "I was an eighteen-year-old, basically, and there
were people double my age, and others triple my age. They would have been
working there for forty years and basically 'carry on, let get this over. Let us
make money and that's it.'" Leaders described they were expected to possess
certain qualities, including decisiveness, however, at times they felt intimidated
by potential conflict for a multitude of reasons. Despite the logical argument
that leaders have the greatest influence over younger and more junior
employees, and that they are assumed to be acting freely, yet even leaders
stated that at times they experienced helplessness under the influence of
others. This can be seen when Participant 20 was discussing how they were
forced into employing people who were not the right candidates:

"I felt I am very liable for my staff. So, if my staff are also not accepting these things, and they are showing me that they are against their principles, I used to feel that I owe them, and that I stop them [the injustices], but when I had no power to stop them, I used to talk against these things." (Participant 20)

Whereas younger and more junior employees tend to be most affected, leaders' influence on others may be limited or under rated. My findings suggest that leadership has the power to influence current and future decisions.

4.2.3 Targets as a normative element

Norms specify what aims are to be reached and how (Scott, 2013). Of the twenty-four participants, fifteen mentioned targets as common practice and a means to provide direction, instigate motivation, and guide behaviour. As a normative element targets both constrain and empower behaviour (Scott, 2013). Ethical decision-making can be impacted both by the quality of targets and the consequences of reaching or otherwise those targets. Targets that can be defined as unethical may be rare (Bandura, 2002), however, they exist. Participant 10 spoke of their experience in the gambling industry. They said: "The targets of the company drive that… it is about optimisation of the addiction. It is finding the right balance between addicting people enough so that they keep spending, but not too much that it raises red flags for the government." However, the general understanding is that targets are not unethical in and of themselves, but can induce unethical decisions. This also mirrors the arguments of authors like Anand et al. (2004), Ashforth and Anand (2003) and Mead et al. (2009). One such example was provided by Participant 8, who explained common practice in call centres "You have your KPI [Key Performance Indicator] … that you have to answer immediately and close the call in a limited amount of time. At the cost of the person not understanding you, you have to cut the call short." In agreement with Ashforth and Anand (2003), organisations sometimes place unachievable targets which push individuals towards unethical decision-making in which the individual becomes

an accomplice. An illustration of this was given by Participant 5 when they were explaining how senior management set the targets: "they inflate that percentage [projected market growth] so that they look good with the board of directors, but then frankly you need to reach it. So… that objective can never be reached. It is not realistic." In some organisations, unethical actions may be deemed necessary for targets to be reached. One such example is when Participant 13 described their previous role as a sales representative: "They used to tell us the most important thing is that you sell… if you want to sell, you must take shortcuts somewhere."

It seems that the higher the stakes, the more likely it is for individuals to question whether they should oppose their values. This seems to be contradictory to Mazar et al. (2008) who posit that with more significant rewards, individuals have less tendency for unethicality. In discussing the effects of rewards for reaching targets, Participant 19 who was experienced in the insurance sector explained "If you reach the target, you will get a Ferrari, you will increase the chances of [unethical decision-making] … but if you are given a bonus of €100, it will not make that much of a difference." Whereas rewards for targets vary in value and denomination, monetary targets are viewed as stronger. Monetary high stakes sometimes take the form of super bonuses. One such example was explained by Participant 14 whose argument was that they paid little attention to the regular SMART targets, in fact they would just store them in the cupboard, but hefty bonuses made a big difference: "if you go over this profit, the company will give you a bigger bonus… that blinds a lot of people… The super bonuses… would be more than the average salary in Malta. How can you not work for it?". Punishments for not reaching targets can also act as a strong influencer in ethical decision-making. Participant 7, in their role as financial advisor, provided an example of the pressures of not reaching targets when they said, "The company forces you to sell 2,000,000 a year. So, you are working in a company where you know that if you don't do this, you will be without a job… You grab the telephone and you call whoever you know, so that you reach your targets." The consequences of not reaching targets can also have a social element to them, particularly when the targets are set on a group of people. Participant 14 provided further insight when recounting their experience as they felt pressured to make unethical decisions for the wellbeing of the group

"It's either everyone gets it [a bonus] or no one gets it. So…I am not going to do this [an ethical action] and jeopardise the bonus of another thirty people."

4.2.4 Cultural-cognitive element

My findings corroborate those of Hiekkataipale and Lämsä (2019) who found that unethical organisational culture leads to more morally disengaged reasoning whilst ethically sound culture enables ethical awareness and more ethical behaviour. Interpreting my findings, the cultural element of organisations can be described as decision-making which impacts and is impacted by culture. When discussing individual and group decision-making, Participant 19 said, "all of that plays into…the culture of the company… maybe to a greater extent than we imagine." Participants distinguished between different organisational cultures, particularly those which aid or hinder ethical decision-making. Also supporting the work of Kaptein (2008) and Arnaud (2010) corporate culture was described as influencing ethical decision-making. Responses were also in agreement with Anand et al. (2004), Chugh and Bazerman (2007) and Tenbrunsel and Messick (2004) because several participants argued that when they feel they do not fit into the culture, they choose their actions, which may include leaving the organisation.

My data indicates that organisational values as they intersect with individual values can impact ethical decision-making. Authentic values go deep into the roots of the organisation. Participant 3, who was an entrepreneur and an organisational strategy lecturer, explained a host of attributes which make up an ethical organisational culture, including trust, values, a structured environment, adequate skill sets, integrity of the CEO, meritocracy, growth, development, and stakeholder involvement. They added, "When there are these types of values… very strong unethical decisions are not even on the table." An ethical organisational culture requires clarity (Kaptein, 2008). However, organisations may use lack of clarity to induce unethical decisions, such as when Participant 14 explained how unethical actions were hinted at using non-explicit language: "My only direction was you are allowed a yellow card, but don't get a red card

from the regulator" Such hints can be open to interpretation, and indeed if legal actions ensue, they would be challenging to prove, yet consequences which accompany not following such hints may be clear to the less powerful party. This leads to an observation in agreement with Ashforth and Anand (2003) that individuals may not realise their own agency, even though the apparent responsibility shifts from the leader to the decision-maker. Similarly to the concept of wilful blindness (Diaz and Aylward, 2019) and supporting the importance of sanction-ability (Kaptein, 2008), there were also instances where leaders demonstrated lack of involvement and allowed unethical decision-making. This is described as a hands-off approach, abdication from responsibility and lack of interest such as the quotation provided by Participant 6, when explaining how management in organisations allow or perhaps encourage unethical behaviour by purchasing departments, "Management tell you I can't be bothered with these sorts of things. They tell you… You have a budget of €20,000. See what you are going to buy."

4.3 Society as the macroenvironment

The macro level elements described in this section refer to factors that are external to the organisation, as also described by Mullins and Christy (2013). These have been missing from some ethical decision-making frameworks, such as Sonenshein (2007) and Jones (1991). Such factors have been divided into three categories, namely: the tacit norms of ethical decision-making in business, country culture, and industry practices. These seem to influence the environment which organisations operate in and ethical decision-making at the micro level.

4.3.1 The tacit norms of ethical decision-making in business

Participants alluded to tacit norms that can be stated as obvious in business decision-making. These norms seem to be constantly present in the minds of individuals, conditioning pragmatic decision-making. Their relevance is that individuals base decisions on their mental schemas, which are shaped by learned

norms (Gonin et al., 2012; Tenbrunsel and Messick, 2004). Similarly to the argument by Palazzo et al. (2012) these tacit norms seem to be strong belief systems. This could be understood through the conviction and emphasis that participants placed, often unprompted, on such beliefs. Norms can induce double-blindness in which individual lack of perception of the ethical component is supported and fuelled by an additional layer of overarching moral blindness (Rendtorff, 2020).

Astute business decisions are imperative for business survival. Participants discussed several of what can be termed as legitimate business aims. These include surpassing competition, not being surpassed by competition, conducting successful negotiations, retaining the most loyal customers, pushing for a higher profit margin, selling, and upselling, keeping costs low, pursuing growth, and short-term and long-term business survival. Decisions related to these business aims are taken at the same time as the business is defending its position on the market, dealing with human resources related challenges, including retaining and attracting talent or reducing headcount and complying with increasing regulations. Whereas most commercial explanations centred around for-profit organisations, non-profit organisations were not exempt from commercial decisions. These included pressures to obtain financing, keeping costs low, paying loans, and covering costs. Such business decisions are not intrinsically ethical or unethical. The ethical discussion often arises through the approaches that decision-makers use to reach these goals.

The business environment can be very hostile. For example, Participant 13 explained: "Business is so cutthroat. If you made that excuse [of being ethical] that's it. Someone else came and took it from you." Such hostility describes the pressures in which businesses have to perform and survive. An expression that was reiterated by both Participant 14 and Participant 22, in their commercial roles, is that they cannot allow competition to steal their lunch. This both conveys the message that competition is stealing what rightfully belongs to the company and that without food, they cannot survive. This extended extract from Participant 9 provides more visibility into the experience of the business landscape at the height of the COVID-19 pandemic:

"We are in survival mode. The thing is that you either kill and you live, or others kill you and you die… If there is some business, everyone pounces on it… no one is mentioning profit. At the moment we are trying to count the lowest losses. If you can lose 100, don't lose 101… because obviously when there is no income, new income needs to come from somewhere. Either you live with what you have, and you stretch it until this situation is over or you would need a fresh injection [of money] from shareholding." (Participant 9)

Being too benevolent in business leads to organisational failure. My participants discussed that in a business environment that can be unsparing, survival might depend on making astute decisions and businesses that behave in what can be termed as a too benevolent manner may not survive. Participant 15, who previously owned a second-hand bookstore, learnt this through experience. As they were explaining when a customer expected to pay less for a product that was clearly priced, they said: "I felt guilty that as a person I did not help him…if I was not doing so badly, I would have… told him 'bring it back, don't worry'. But I was doing so badly, going bankrupt…" It was explained that in organisations there is an element of need that individuals and organisations take care of themselves and not be too benevolent. This is exemplified in Participant 14's argument: "Now either you are going to be more virgin than the Pope, and you would continuously be hit on the head… or otherwise". This self-protection can be described as an element of hardiness and perhaps of aggression that is required to survive in business. Participant 18 was vocal on this as they explained "at the end of the day… we are talking about survival of the fittest… Meaning that if ethically you are asking a lion 'why you are eating another animal?'… Because if you work only ethically you will die of hunger".

Ethics goes against the nature of business. Although there are numerous examples of ethical businesses which are profitable, these seem to be the exception. Ethical foundations and the wish to do the right thing seem at odds with profit maximisation. Participant 7, a financial advisor, asserted that "Many people think that in order to be profitable, you need to remove ethics". By inference, ethical businesses cannot be profitable. Despite that, as testified by

businesses which focus on ethical values, ethical businesses can be profitable, this goes to show the inverse relationship that is observed between ethics and profit. When asked whether ethics and profit are at conflict, Participant 11 said, "Yeah, of course they are, they shouldn't be… [organisations can] very easily be blinded by profit maximisation." Profit maximisation was described as the primary goal of businesses and, as Participant 18 asserts, "Business is making money". There seems to be a level of negative stereotyping that surrounds businesspeople. For example, Participant 16, who had been self-employed for over thirty-four years, dis-associated themselves from the title of 'businessperson'. They insisted: "No, I do not have the traits of a businessman. A businessman does not have morals in my opinion … with these people, ethics does not exist. It is the maximisation of profit."

Unethical decision-making may be more profitable. Participants explained that unethical decisions lead to more profits. In an environment where business is about making money, making more profits is a real temptation. Being unethical was also described as easier than working hard for a modest profit. This is exemplified in the assertation by Participant 10 "I do believe that large profits are made out of being unethical…it is just easier to be". Various participants explained that their business would have been more profitable if they acted more unethically. Thus, there seems to be a literal price to pay for being ethical. Participant 11 gave the example of when they were working for a US Telecom company in the middle east: "we lost a lot of business because we were not working with bribes or anything like that, which was the norm in the Middle East." Also, lower profits in a small family run business means less take-home wage. When asked "do you feel that through your own choices you could have made more money?" Participants 6 and 6a a husband-and-wife team who run a small business, replied "Oooooh a lot. I would be a prime. I would not have given anyone else a chance…. But if we decided… that I will get bribed. There would have been a great chance that I would have expanded my business." Adding to this, their partner explained: "We did earn money. I am not saying that we did not. We earned and we are happy with them but we did not climb the ranks." Participants explained it can be easier to be more profitable in an unethical manner and that making ethical choices can bring hardships. Participant 12, who dealt with financial crimes, explained that: "because of the

level of competition, being ethical in the country as it is, you are going to suffer." Being unethical can be described as easier and more profitable, while being ethical as being more difficult and less profitable.

Ethical decision-making is better (in the longer term). Ethical decisions have been described as associated with the longer-term wellbeing of the business and with attracting like-minded stakeholders. The stakeholders mentioned included suppliers, clients, and employees. Participant 16 stated that they reject to partner with suppliers whom they deem unethical. They took a religious stand and said: "So if you do the right thing… God will send you those who …have heard from others that you are honest." Beyond the religious argument, there may be a belief that if one does the right thing, they will be rewarded. Customers can be more attracted to and act as advocates for businesses, which they deem honest. To this effect, Participant 15 explained, "when people see that you are fair, the word spreads… So if you are ethical and good, it pays off as well." Being an employee of a business who forewent profits as they came from working with organisations that were deemed unethical, Participant 22 stated, "I appreciate the fact that we are not after making a profit or doing business at all costs." Ethical decision-making seems to be associated with a longer-term view of business stability. Lack of honesty towards the customer may mean that the customer is eventually lost. Participant 7, who was explaining how important honesty is in providing financial advice, said: "it is important to be honest… If you are not honest, tomorrow or the day after you will lose the customer." Whilst short-term exponential profits were associated with short-term stints, longer term business wellbeing was associated with ethical practices.

Ethical mistakes differ from intended unethical decisions. Ethical decision-making is not straightforward, as the difference between what is right and wrong can often get blurred. When it is challenging to decipher between right and wrong, ethical mistakes can happen. Participant 10 says: "it is very easy to be ethically blind in any organisation… I think most organisations are now and then ethically blind… but I don't think that most are actively unethical." Actively unethical has been described by participants as being intentionally unethical or illegal in decisions and actions. This has been contrasted with ethical mistakes. Whereas there seems to be a general acceptance that mistakes

happen, intended harm does not seem to be as acceptable. For example, Participant 8, who was an internal auditor, explained "nobody's perfect. If you had to check me, you are going to find errors… unless you are being fraudulent. If you are being fraudulent, then I'm all out against you". Intentionally unethical actions were explained to be clear even to the individual, and they felt different as well. Participant 14 explained numerous instances when they were ethically unaware. They distinguished between ethical unawareness and intended unethicality and explained, "There I used to feel it…because when you are blatantly breaking the law… I tell you yes there I used to feel an element of uneasiness…. That you feel sweat going down your neck." Intentionally unethical actions have been described as those in which the decision-maker has clarity about the unethicality and the illegality of their decision and yet proceeds with them.

Decision-makers cannot be a hundred percent ethical. A resounding statement by fourteen of the twenty-four participants was that one cannot always be ethical. While being ethical was important, most agreed that one cannot be a hundred percent ethical. This 'hundred percent' was the expression used by several participants. The lack of practicality was also highlighted as to do business, a decision-maker needs to reach out to others and sometimes one simply cannot operate unless they bend the rules. Considering a hypothetical situation of a business, Participant 21 said, "You need other people, other entities… if there is only one planning authority and you need to approach her for that permission, ultimately what will you do? You say I will not open the store and remain without it?" Perhaps even more controversially, it was discussed that individuals who act consistently ethically can be seen as embracing unachievable standards and that is not advisable. Table 4-1 provides a selection of quotations supporting this view.

Participant	Quotation
3 – Manager and academic	"But ethics, as we all know, is not something that can always be maintained in the workplace… ethics cannot be done by the book…. to be practical, you can't be hundred percent ethical… It's impossible. Absolutely impossible."
5 – Marketing manager	"If you want to be ethical, a hundred percent, it is difficult to be practical. Because practice comes from being able to play with all the circumstances you meet. So, for me to arrive at certain ideas… I am not going to say these are ethical and I am only going to use them, because you know that you will not find your solution. So yes, I believe that it is impossible to be practical and you keep with ethics hundred percent."
17 – Sales representative in the beauty industry	"I think that you need to be as ethical as much as you can and profitable…. I think it is half and half."
18 – Entrepreneur in the marketing industry	"If you have a good product that in reality, it sells itself and you make a profit you can be ethical but if you are struggling on a line, in the sense that you are earning it and eating it, you cannot be a hundred percent ethical."
21 – Executive in a local council	"So, you have to be a bit ethical… you cannot always be ethical."
23 – Entrepreneur in the audio-visual industry	"I think it's very difficult. Because if you have to work by the book with everyone, you will not succeed."

Table 4-1 Decision-makers can never be one hundred percent ethical

A balance needs to be found. Since there seems to be a fundamental struggle between ethics and business, and in business profit is crucial, whilst one cannot be a hundred percent ethical, decision-makers face the challenge of finding the optimal balance. Participant 7, discussed this element and said: "yes, it is all the time as if you have an angel on this side telling you ethically what you should do, and the devil on the other side telling you 'what does it matter if you don't walk a straight line'?" This balance has also been described by multiple participants as choosing the battles to fight. At a younger age, individuals may be more prone to 'fighting' for what they believe in, but with experience, they tend to learn to choose the battles that are worth fighting. This type of

reasoning points towards an amount of complacency that is reached in ethical decision-making, which complacency cannot be labelled as wrong because practice has taught participants one must focus on areas where they can make a difference. Two quotations by Participants 5 and 9 demonstrate this attitude:

> "I am a person who challenges… But then with time I have frankly learnt that there are some battles you need to fight, and certain battles you just have to lie low and leave everything pass passively. And the reason is that if you know that there are certain battles you know you are going to lose, might as well you do not go down, or get all bloody for nothing." (Participant 5)

> "When I was younger, I used to fight every battle. For me, it was easy having a boxing round over it… But today I try to choose my battles, and if a battle is not created better…I do not have time literally… Why should we always have a quarrel going on?" (Participant 9)

It is possible to be ethical, but this comes with moderated goals. Moderation has been described as the key to being ethical in business. Participants argued one needs to moderate their dreams and their targets. When discussing this point, Participant 15 explained: "What is important is that you do not exaggerate… but still, I think you can make a profit and be ethical. Not an enormous amount of profit." The regulation of greed was mentioned to achieve business success. Greed was contrasted with peace of mind. Always wanting more, leads businesses and individuals to become depleted, whereas moderation brings the happiness of success and the peace of mind. At various points during interviews, participants mentioned the importance of sleeping well in the sense that, as the person comes to lay their head on the pillow at night, they would not have any remorse. An example of this comes from Participant 23, who explained: "you are not going to become a millionaire but… If your type of character is comfortable with the little achievements and your business life is not everything, then I think you can have little ethical profits and you can still go home and sleep at night."

These tacit norms lead to questioning the subject of ethical decision-making on a deeper level. From a theoretical standpoint, ethical decision-making is right and unethical decision-making is wrong. The practical perspective, however, seems to challenge whether decision-makers can and should be a hundred percent ethical. The question arises whether these arguments demonstrate that ethics in business can be defined as choices that satisfice, or whether these arguments point towards accepted unethical practices at a grand scale. These norms can be seen as a rationalisation tactics to justify unethical decision-making in business, another excuse, if not the biggest excuse to justify unethical decision-making as a legitimate occurrence in business. Conversely, they can be interpreted as lived experiences in which individuals need to satisfice and make the best decisions under conditions of uncertainty.

4.3.2 Country culture

My findings concur with the argument by Husted and Allen (2008) that national culture impacts ethical decision-making. Various country and regional cultural traits were discussed with participants. These included negative traits, such as bribing in the Middle East, scammers operating from India, and golden passport schemes in Cyprus, as well as positive traits like the work ethic in Sweden and the attitude towards politicians in Scandinavian countries. However, from a country perspective, this research is significantly impacted by the Maltese culture. The highlight of this section is not the particularity of Maltese culture, but examples of how local culture can impact ethical decision-making. Malta is a small island in the Mediterranean sea and is one of the most densely populated countries in the world, with about 516,000 inhabitants by July 2021 (NSO, 2022). As part of the Mediterranean, Maltese culture was described as similar to neighbouring countries. Participant 12, an expert in financial crimes, explained:

"This unfortunately seems to be something Mediterranean... a country like Italy and Sicily... with phenomenal resources ... and they have managed to bankrupt the country. Why? because of the same mentality, tax evasion, steal from here, be lazy from the other side.... Greece, another country full of resources ... what was there? Mismanagement, corruption, back handlers.... Spain, another country which surpasses Malta by far.... Again, a country on the verge of bankruptcy, an economical disaster [and] phenomenal unemployment. Again, the same mentality laziness, stealing, everything done in the haphazard way." (Participant 12)

Most participants were critical of the local culture. Participant 19 argued that "we as a culture, it has been shown that we are prone to unethical behaviour, in various contexts". Unethical practices in the local context have been rife, and the grey listing of Malta by the FATF (Financial Action Task Force) in June 2021 underscores this. The most notable examples quoted by participants were clientelism, tax evasion, and the abuse of political power. Clientelism was described as ingrained in local politics, and this gives rise to numerous problems, including incompetent or even criminals occupying positions of trust, positions and promotions that require a person to speak to a politician to obtain, and unmerited allocation of contracts. An example of such practices was provided by Participant 18 in their capacity as an experienced local politician. They recounted:

"I was near a member of parliament... and the telephone call went like this: 'so you want a job for you, your boy, and your girl. I will see, so you are all unemployed? no?... oh you are all employed, so you want to find a job with the government all three of you. Oh, because you voted for me! Let me see what I can do." (Participant 18)

Such practices were mostly mentioned when speaking of government departments and authorities, but they were also mentioned in parastatal and the private industry. Tax evasion has often been dubbed a 'national sport' and the talk of paying taxes is often branded as naïve. Participant 12 chimed in on this

topic when they said, "One of our biggest stumbling blocks is tax evasion. Did tax evasion start happening now? As if! It is ingrained in our culture." Political power was highlighted to be abused not just by the politicians themselves but also by people supporting the winning political party. These often flaunt their power, and as Participant 14 explained, "'It's our government and we do whatever we like.' ... This is a culture which has been built ... I have heard this since I first started hearing [and] now, I am 60 years old." This embedding of unethical practices into local culture can make unethical behaviour normalised and perpetuated.

The relevance of such a context is that people may become ethically unaware, either because they no longer discern between correct and incorrect practices as also argued by Ashforth and Anand (2003), or because they believe that there is no other option as also expressed in the findings of Fleming et al. (2020). Many believe that changing a country's culture is close to impossible. An example of such a statement comes from Participant 12, when they said, "we have discussed the loss of a moral compass as a nation, or the pendulum that has swung too far and God knows if it can come back." If the individuals responsible for initiating cultural change, like Participant 12, are discouraged, then the situation appears to be even more critical. Operating within a culture where a common saying is 'it does not matter what you know, but who you know' leaves citizens demoralised and hampers the development of the nation. These cultural traits are also observed in the upcoming generation with a considerable number of youths not realising that issues like tax evasion and clientelism are unethical. Participant 12 gave the example of fourteen to fifteen-year-olds "glorifying tax evasion or working on the black market so that they do not pay National Insurance and tax..." whereas Participant 20, explained the approach towards finding a job by the younger generation:

> "The children today, the eighteen-year-olds, many of them are expecting the same things that their fathers had. So, I became employed with the government, I don't know absolutely anything, but I do not want to work in a shop, I want to go and work with the government as a clerk, and it is irrelevant whether I know how to switch on the computer or not."

4.3.3 Industry practices

My findings corroborate the assertation by Ashforth and Anand (2003) that industry practices are sometimes routinised through similar practices across various organisations operating in the same field. Consistent with the notion of isomorphism argued by DiMaggio and Powell (1983) and Scott (2013) it was noticed that organisations working within industries were described as adopting similar practices. Some of these practices may be ethical, like adopting more fair wage structures, or unethical. Participants provided several unethical examples. For instance, Participant 14, argued that cheating in contracts was common practice in the telecoms industry, "You put in four clauses in there in the middle [of the contact] … when you come to implement you either cannot implement or you cannot give the service… everyone used to play those kinds of games in the industry." Participants argued that industry wide unethical practices make unethical decision-making more rampant because leaving the practice means that one must also leave the industry. When explaining the unethical practices they used to meet in employee conditions, Participant 23, who worked in the audio-visual industry said: "you don't question it because …there isn't much to compare with… it's the norm and they will always find people… because there are always young upcoming students that are ready to work for a pittance and work round the clock."

Gambling is a major industry in Malta, and a debated one, as it can be argued that, similarly to the tobacco industry, it feeds on addictions. The salary is quite high and has attracted many talented individuals from the IT industry. Being employed in such an industry may look unethical from an outsider point of view, but not necessarily so from an insider perspective. This may be partly because of a narrow focus by the employee, as also argued by Gonin et al. (2012). Participant 10, who was a software developer in a gambling company said: "I used to feel…[that] my work and the work of my team was innocent, in the sense that a lot of the time it was developing games to specifications." Also, Participant 13, who was previously employed in the gambling industry, argued, "I was not the one on the table distributing the cards. I was behind the screen, fixing problems and coming up with new developments."

Industry or sector traits were also described in non-profit organisations, and unethical traits may be veiled by the benevolence in purpose of the NGO sector. Unethical practices observed in such sectors included religious organisations expecting generous donations from members, members taking decisions without consultation in clubs, greed for funding and a drive for excessive fund raising in charities. Similarly to Ashforth and Anand (2003), my findings suggest that when organisations are operating similarly, it is much easier to assume that unethical practices are acceptable. Ethical practices and healthy competition are established through industry-wide regulation. Participants mentioned the significant role of authorities, particularly in the telecoms, gambling, tourism, construction, employment and training, and financial services. Regulators' role is often viewed as restrictive but necessary, with some participants expressing a sentiment that is similar to Kish-Gephart et al. (2010) when arguing that some organisations act in line with regulations solely to avoid fines. Since their role is to reduce unethical and illegal decision-making as much as possible, they may impact ethical decision-making positively. As also argued by Ashforth and Anand (2003), if regulations do not enforce ethical behaviour, organisations within the industry may act unethically, with the regulators themselves becoming participant in such practices.

4.4 The uniqueness of circumstances

As the Ancient Greek Philosopher, Heraclitus is quoted "No man ever steps in the same river twice, for it's not the same river and he's not the same man". No one situation is completely identical to another, as the set of circumstances which surround the situation are unique. This was endorsed by several participants, case in point Participant 5, who said, "Everyone has an element of their personal values hammering, regulating you and exerting pressure so that you make certain decisions and not others. But then, frankly, I think it depends on the situation you are working within." Whereas many situations can lead to individuals utilising existing mental schemas, the uniqueness of circumstances might not always allow the individual to match the situation to existing frames. My findings support the views of Jones (1991), Bandura (1989), and Palazzo et al.

(2012) that situational factors affect ethical decision-making. Although Jones (1991) posits that situational factors are independent of the meso, and macro environment, my findings are not clear-cut and the uniqueness of circumstances cannot be totally separated from the surrounding environment. The way a decision-maker views the situation may contain conflicting schemas, which might lead them to decide that an unethical action is justifiable in these circumstances. Interviews were peppered with such inferences such as this one by Participant 14: "Sometimes the circumstances dictate the situation. If that is what the competition is doing, what do you do?" Circumstances in organisations may change drastically and with drastic change, there are many moving parts. Whilst the primary focus of the organisation may be to adapt to new realities, ethical decision-making may fall by the wayside. The perceived unique dimension of a situation also provides for unconventional decision-making. This is highlighted by reasoning such as that provided by Participant 5 when they were discussing loss of budgets "This does not happen always…you have a circumstance where… your budget got reduced by 25% or 35%. So, you have to wreck your brain to see from where you are going to get the money."

My interviews suggest that extraordinary circumstances may exert pressure on decision-makers to be flexible in their judgements. What seem to be clear demarcations of what is ethical or otherwise in theory, in practice it is not, because a set of circumstances are acting together exerting pressure on the individual. Participant 9 describes themselves as "A person who is inflexible, black, and white, yes and no. There are not those in-betweens" yet they argued that certain circumstances call for unethical actions and COVID-19 was a case in point, "You say listen… this is what I have to do… whatever it is, if I fire someone unjustly, if I'm going to steal from a person. We are seeing this at the moment… but you cannot do it any other way." Because of the uniqueness of situations, regulations and general guidelines cannot be built with each circumstance in mind. Participant 2 who contributed to the establishing of several rules and regulations for a society they were involved in said: "Rules of procedure help… but when you face actual situations, you meet with things that are so particular… that no one is going to write a rule for that… it's just not possible." The appreciation that each situation is unique explains that, whereas

normatively it is expected that individuals act in certain ways, and organisational guidelines can push in this direction, the uniqueness of each situation brings to the fore the importance and role of flexibility.

In line with the work of Darley and Batson (1973) time constraints affect individual decision-making. Participant 13 observed that: "Life has become so fast that you cannot stop and think on these problems, you must move on." A similar sentiment was described by Participant 8, who said: "You work day by day so you do not have the time to stop and think outside the box". The words of Participant 8 carry more weight because of their profession as an internal auditor and their role as investigators and promotors of good governance. Time clashes with ethics and something has got to give in. Time has been highlighted as a constraint in various instances, for example, when Participant 5 explained:

> "We are so absorbed in our work, and we are so inundated and pressed with work, that you have two options you can take. Either you take the longer road, which is more ethically correct, or you are going to take…the shortest road and you know that it is not so ethical for out there, for your friends, colleagues, or the client." (Participant 5)

Time constraints emerged as a significant influence in four ways: they force fast decision-making, threaten business survival, pressure decision-makers to oppose the very ethos of their roles and can be used unethically in and of themselves. Time is a limited resource which decision-makers need to use as best they can. Because of such time pressures, the decision-maker needs to be selective where they dedicate attention to. Not having enough time to think, forces individuals into fast decision-making, leading to shortcuts which they would not normally take. Whereas ethical decision-making has been explored in various organisation types, in for-profit business scenarios, this time element seems to be tied to business survival. In such a context, time is money, and money is the lifeline of the business. This was explained by Participant 21, when they said, "unfortunately many decisions are taken in a rush, not because one wants to, but because they find themselves in a situation where if they do not take a

decision… a competitor will enter his patch." Whereas time pressures can be seen as a necessary evil in business, and that unless a business moves fast, they will lose out, it can also be argued that time pressures oppose the very interests of the business, as quality and price take the back seat for the sake of time. Time may even jeopardise the very ethos of the organisation or of the job role holder. In trying to utilise time wisely, participants described that shortcuts are taken and sometimes these shortcuts oppose the purpose of the decision-maker's role. In describing a situation in an NGO which focuses on providing spiritual formation for girls and adolescents, Participant 2 explained, "But this second group [girls who were viewed as difficult], in practice, it was very difficult to keep them on board. Because time was limited, most of the time the alternative was we keep whoever we wanted… and the rest we told them 'that's enough'." Therefore, time constraints may not just hinder ethical decision-making, they may hinder the decision-maker from performing the role they were tasked with doing. Time constraints can also become the unethical action themselves. There may be instances where time constraints are fabricated to pressure people into fast decisions. This subject was explored by Participant 5, explaining how they need to issue new products fast:

> "So, you are going to disrupt half the company to issue an offer the day after. Instead of taking a week or two to issue it… the number of customers you can lose in a week or two weeks is relatively small, compared with the disruption you are going to cause in the company so that they can do something ad hoc for you." (Participant 5)

There may also be instances where a lack of time is used as an excuse to inhibit individuals from saying 'no'. Participant 23 recounted how their previous workplace used to pressure them into saying 'yes' to an assignment "you are going for a shoot, and you are kind of told that same evening… you can't say no, because it is tonight and you can't not do it tonight because tonight is the only night you can do it." Heightened by constant checking in, time constraints can create a sense of urgency which pressures decision-makers into action. Participant 5 explained how management put undue pressures creating urgency "[Management is] telling you 'Listen where are we at?' 'Listen have we reached

our numbers?' 'How short are we of the number?', 'Do you think we are going to exceed them?' Because obviously figures translate into money." Thus, whereas time can be a legitimate constraint, it can also be used maliciously to pressure individuals into heuristic-based decision-making.

5 Findings - Ethical decision-making in everyday business decisions

In this chapter, I present the empirical findings related to the second research question: How does ethical decision-making manifest itself in everyday business decisions? The classification of stories described in the coding approach led to the identifications of different aspects of ethical decision-making.

5.1 Ethical unawareness - lack of knowledge of the ethical component

Participants described instances where the decision-maker was not aware at all of the ethical implications. This can be linked to Blum (1991) who explains that ethical awareness entails knowing about ethical principles and understanding when they apply. In all instances, there was the absence of knowledge of the ethical implications. The comments were devoid of rationalisations and emotions that indicate a level of awareness, which accompanied other patterns of reasoning. Since this state has not been defined in literature, I will refer to it as ethical unawareness. Whilst onlookers would know that unethical decisions and actions have been taken, the individual does not. Following are some interview extracts which exemplify this. Participant 2 explained how lecturer posts were pre-assigned to certain individuals. They described that faculty staff in charge of the decision "never justify anything. Because I do not think they realise …what is going on". Similarly, Participant 17 described a situation where employers exploited foreign workers "for them they are doing nothing wrong. For them they are doing them a favour 'ooh those, they have so much poverty in their country, here they are living in luxury'". There were feelings of doing the right thing or even pride associated with ethical unawareness. This is illustrated by Participant 6, when explaining the approach which some employers took when hiring people with a disability without having a job for them "They fall into the 'pity factor', 'Poor souls let me employ them'… if you throw a person in a corner

of a reception for eight hours doing nothing, that is not being productive". Participant 14 explained that they were totally unaware that cheating competition was unethical, "I used to feel that it is part of my duty... and up till this day I still don't feel that I was doing something wrong... when I felt that it was legitimate I used to enjoy doing it."

Participants remarked that when they were young and inexperienced, they were not aware of the implications of their own and others' actions. This led them to make mistakes and learn from them. Therefore, experience instils a higher sense of ethical understanding. For example, explaining how when they were younger, they had access to a system which jeopardised their integrity, Participant 1 explained: "At that point I was not yet capable of articulating such things, but today I would have made sure that if there was not a requirement, I would not have access". Although as also Eweje and Brunton (2010) argue, ethical awareness is associated with experience, the lack of awareness was also observed in more experienced individuals who were just starting out on a new job. The individual would be yet lacking knowledge of the new job and therefore they may be unaware of the implications, be they ethical or otherwise of the situation. Participant 8, an internal auditor, described the importance of experience on their job and stated: "When a person does not have experience he cannot challenge, they take things at face value... your experience teaches you where you should look". Another case was that explained by Participant 19: "I have been here [as head of department at a university] for ten years, but a few of my staff are professors and they have been here for thirty years ...there are instances where I find it difficult to be assertive... because there is a difference in experience and knowledge."

There is the understanding that as an individual gains experience, they tend to become more aware, however, exceptions to this were also raised by participants. Particularly, there were examples mentioned where ethical unawareness remained unchallenged and became intrenched behaviour. A case in point is that provided by Participant 14, who at the time of the interview was nearing pensionable age and they explained "before I met you...I had never considered whether I was working ethically or not ... In the few discussions which

we had … a few bells started ringing." Because of exponential changes in the working environment, my findings concur with authors like Wood et al. (2013), Treviño et al. (2014) and Demuijnck (2015) amongst others, who warn of an increasing risk of ethical unawareness. An additional challenge arises because, whereas before an ethically unaware decision, the individual does not possess the necessary mental schema, after the decision, they are equipped with a mental schema which will be used in future situations (Bargh and Chartrand, 1999). Since the new mental frame does not contain an ethical component, this leads to similar decisions in future similar situations. As Bargh and Chartrand (1999) highlight, those decisions that have been made in the past predispose the decision-maker to act in similar ways when faced with similar situations.

5.2 Moral disengagement in unethical decisions

Ashforth and Anand (2003, p. 3) define rationalisation as "the process by which individuals who engage in corrupt acts use socially constructed accounts to legitimate the acts in their own eyes". In thirty-seven stories, rationalisation techniques could be identified. Participants in this study appeared convinced of the narrative adopted when recounting their own decisions. They also explained how others appeared convinced when they used rationalisation strategies to justify their behaviour. These stories also exhibited techniques of moral disengagement, as posited by Bandura (2002) especially related to moral justification, minimising, ignoring or mis-constructing the consequences and advantageous comparison. Whereas these can collectively be referred to as moral disengagement, varying traits were identified. Hence I am referring to ethical blindness (Palazzo et al., 2012) in relation to moral justification, to moral myopia (Drumwright and Murphy, 2009) in relation to minimising ignoring or mis-constructing the consequences and retaining the term advantageous comparison by Bandura (2002). This classification was done according to the expressions used; positive, neutral, or negative. In positive expressions, participants explained that an unethical action was deemed to be the right thing in the circumstances and this points towards ethical blindness (Palazzo et al., 2012). In neutral expressions, participants did not express a normative position, as the ethical valence of that decision was determined by outside forces. This

points towards moral myopia (Drumwright and Murphy, 2009) as although there is an ethical element, it does not seem to be central to reasoning. Negative expressions can be interpreted as advantageous comparison (Bandura, 2002) because the argument was that, whereas the decision was not right, there was a reason which made it plausible. Table 5-1 summarises these rationalisation strategies.

Rationalisation strategy	Category	Underpinning Theory
Righting a wrong	Positive	Ethical blindness (Drumwright and Murphy, 2009; Palazzo et al., 2012)
It is an accomplishment		
It is not a big deal	Neutral	Moral myopia (Drumwright and Murphy, 2009)
My input is innocent		
Everybody is doing it		
It is not my responsibility		
It does not matter		
It does not happen		
It is a need	Negative	Advantageous Comparison (Bandura, 2002)
It is my job		
Protecting what is ours		
I need to protect myself		
It is for the greater good		
It is for the best; worse things can happen		
I will make it right through other means		
Too big to pass up		

Table 5-1 Rationalised unethical decisions

5.2.1 Ethical blindness

Positive reasoning was characterised by arguments that the unethical action was the right thing to do and that it was acceptable to reason in this way. These stories point towards ethical blindness (Drumwright and Murphy, 2009; Palazzo et al., 2012) because the individual can be described as not recognising the ethical component in the decision.

Righting a wrong: This was the most prevalent of the sixteen rationalisation strategies and depicted situations where something that was not right, has now been corrected. For example, Participant 3 explained how they performed less because they were not respected:

> "When you do something that really shines, you do not get merited for it. And well, after all these years and all these experiences, I have learnt to deliver less right now. Because to be honest, if they are going to pay me anyway …and they don't want to respect me… then, no problem my friend, I will just give you less than you want, so give me the salary and I will just continue delivering the very basic amount of work. It's fine for me because my rate per hour is high." (Participant 3)

In this type of reasoning, the decision-makers argued that they were bringing justice to an unjust situation. Other examples included cheating someone back, stealing because of being mistreated, and not paying commissions because of previous mistakes by the employee.

It is an accomplishment: This was a step up from righting the wrong where the individual felt proud of the unethical action. For example, Participant 15 explained how university administration staff felt proud when they cheated the university:

> "Sometimes they even feel proud doing it. Like you did a bet, and you won it. You feel good that you are cheating. Cheating the University, to make up for the fact that it is not giving you a good wage… And they feel justified because 'it is the University that wronged me, so I have the right to get my payback.'"

Whereas in 'righting a wrong' individuals were being cautious in communicating their actions, in this category, individuals expressed pride in their actions.

5.2.2 Moral myopia

In neutral reasoning, participants did not demonstrate a preference towards whether the decision was positive or negative, but the reasoning was mostly focused on either explaining that the matter was trivial or attributable to forces outside of the individual's remit. This can be described as similar to moral myopia (Drumwright and Murphy, 2009) in which the ethical component was present, but did not come into focus. Six aspects of neutral reasoning were identified.

It is not a big deal: The issue was deemed as petty, and petty issues are not a big deal. For example, Participant 18 said, "[What] is not acceptable, I believe, [is] when you are going to hurt someone, most of all. You tell me, if sometimes one bummed something from work, he took a hamper instead of giving it to the boss [it is not a big deal]". In this type of reasoning, the language used was neutral. Two such expressions indicated by participant 10 were "tax optimisation" when moving numbers around in order to declared the amount of profit to suit the taxation needs of an organisation, and "optimisation of addiction" when a gambling company "is finding the right balance between addicting people enough so that they keep spending, but not too much that it raises red flags for the government, and for the licencing."

My input is innocent: This was noticed when something deemed unethical was happening, but the input of the decision-maker was viewed as innocent. This was mostly related to an individual's input to a bigger whole. Participant 13, a software developer, explained their role in the gambling industry and said, "I was not the one on the table distributing the cards. I was behind the screen, fixing problems and coming up with new developments. So indirectly I do not feel responsible." Specialisation or narrowed thinking may lead to such reasoning as the individual is only seeing their part and that part is harmless. Examples related to this strategy included factory workers in a factory that produces products detrimental to the environment, IT related work in the gambling industry, and entrepreneurs enabling employees to cheat their bosses by manipulating charges.

Everybody is doing it: This reasoning highlighted the social acceptability of unethical decision-making. If everyone is doing it, then a particular action is acceptable and anyone who does not act in such a way is not acting in a socially acceptable manner. Participant 15 gave an example of this when explaining how wasting time was the socially accepted norm in the office: "Negative attitudes are more contagious than the positive attitudes…. there are people who continue on working, and they really work… But the majority yes… and when they see people wasting time they start feeling like, 'if she wastes time then why should I work?'". This type of reasoning can be related to meso and macro environment because if the environment is creating acceptability of an action, when someone does not act in such a way, they may be considered a misfit. This was also observed when participants discussed instances when it was socially acceptable to waste time at work and to bribe.

It is not my responsibility: This was prevalent where the individual felt that the decision was not theirs to take. Despite that it contained an ethical component, they passed on the responsibility of the decision on to someone else, for example, to management or on to the customer. To demonstrate this, Participant 1, who was an administrative officer at the time, was asked to divulge a telephone number when they were not supposed to. They said:

> "Obviously there was an amount of pressure to give this number, but I did not want to. So, what I did is that I spoke to my senior manager and told him 'listen this is how things are. If you want, I will give you this number and then you deal with it.' So, then I passed the number to the person who I trusted, who was my boss… if this person decides to give the number to the CEO, then it was his decision not mine."

This passing on of responsibility left the decision-maker with a neutral feeling and an acceptance that whatever is going to be decided is adequate.

It does not matter: This was noticed when the individual did not care at all about what was happening. This is highlighted by examples such as the one provided by Participant 21, discussing vandalism:

"There is the mentality that if something is not mine, then I don't care… we did a project, we did a gazebo with turf. What happens? That one, he got his dog who did his business on the turf. The other one brought his kids to play there, and they broke the gazebo. Since it is not mine, I can break it, then the council will fix it." (Participant 21)

This strategy was evident in statements where, since whatever was being done was harming nothing that matters to the individual, then the action had no ethical bearing on them and, therefore, the reasoning was of a neutral stance.

It does not happen: The decision-maker denied that an unethical action has occurred, therefore there was nothing to justify because nothing was wrong. For example, Participant 2 explained how academic posts are taken up by unsuitable candidates and said, "I have never heard someone defending this…on the contrary, they [faculty management] deny this thing. They say, 'it is not true that this is happening' but I know that it is the way things happen." This type of reasoning differs from ethical unawareness because the individual is aware of the ethical component of a decision, yet they deny that an action has occurred.

5.2.3 Advantageous comparison

Negative rationalisation strategies were employed when individuals explained that something was not ethical, but there was a counter reason that makes it acceptable. This can be described as advantageous comparison (Bandura, 2002) wherein the individual recognises the ethical component and yet argues that it is the right decision to take.

It is a need: The arguments brought forward in this strategy were that, although something was not ethical, it was necessary. As an example, Participant 3, who in the past occupied sales management roles, said:

> "In sales …there is a small element of overlapping on an unethical level … Like a white lie up to a certain point… if you are selling something which you believe in and which you know has certain benefits… So, when you say like 'this is an amazing product, it is really long lasting'. Something can happen to the product in production, something can come out defective, but you are not going to say that. You are going to state only the positive." (Participant 3)

'It is a need' reasoning was underpinned by arguments that an individual must be unethical because of circumstances, and whilst in obedience to authority an individual is not comfortable with a decision, in this case the decision is rationalised, and the decision-maker does not consider that there is anything wrong. Examples that were brought up included someone stealing because they are hungry, businesses being unethical because they are struggling, and that cheating is the only way to survive in business.

It is my job: In this strategy; the individual assumes that unethical actions are part of their job, therefore there is nothing wrong with them. As an example, Participant 14, who was trying to hinder new entrants on the market, said that deceiving competition is part of the job:

> "My work was to negotiate agreements so that networks can work together… I think the first operator who came into the voice market, I hindered him at least a year and a half before he could come into the market…. I used to consider it part of my role to delay the competitor from entering the market" (Participant 14)

This type of reasoning was also evident when participants explained that hitting targets was the primary purpose of the job and therefore the individual needs to do all in their power to reach such targets.

Protecting what is ours: this strategy seems to be underpinned by a belief that if something is yours you need to protect it and that need to protect provides enough reason for an unethical decision to be taken. An example was provided

by Participant 18, an entrepreneur who was discussing their duty to charge the highest amount possible because of their responsibility towards their family:

> "Now in reality, ethically I am obliged, … that for my family I earn the most money… I am not in business to do a favour; in that case I should go to do charity work… so it is not the first time that I try to earn a bit more. But, as much as possible, it comes back to the same argument that you try to earn money, because at the end of the day you have to live. When bad times come, like last year, and you do not have money, no one comes to give it to you. So, you always have to think of a rainy day, even if not totally ethical." (Participant 18)

This type of reasoning was also noticed when participants explained how organisations need to protect their market share at all costs.

I need to protect myself: Similarly, to protecting 'what is ours', this strategy seems to rely on the duty of personal wellbeing. An individual needs to prioritise personal wellbeing and take decisions that ensure that their wellbeing is not jeopardised. This can be exemplified through the words of Participant 2, who was explaining their role in a voluntary religious organisation. They said:

> "Although this is a voluntary organisation and up to a point you have chosen to be burdened with such things out of your own free will… The idea that we do not want too much trouble is still there. Yes, we are coming here and we are making our sacrifices but…there is a limit. And it could be that it is done for the benefit of the group of adults, so that no unnecessary anxiety is created in the group of adults…these [unethical] decisions used to be taken." (Participant 2)

This was also the strategy engaged by employees; taking longer breaks because they are protecting a right to rest, selling sub-optimal products in order to afford a wedding, justifying mistakes so that one can sleep, or over-promising in sales in order to have a guaranteed job.

It is for the greater good: In such instances, the individual may argue that despite that an action is not ethical, the greater good demands that such a decision be taken. This was visible when the benefit to the organisation was described as overtaking that of other stakeholders. For example, when Participant 22 was describing an instance where it was decided not to give the client advice that was in their best interest. They said:

> "We are happy making the client pay more, happy as long as we are there, and our conversation was 'sorry but who is your employer?' … Who is paying your wage at the end of the month?… Here is where I had to pull completely and take a decision completely loyal to my employer, at the cost of potentially screwing the customer a little bit." (Participant 22)

Similarly, to the rationalisation technique 'appeal to higher loyalties', decision-makers argued that, for example, the employer is paying their wages and thus it is acceptable to cheat a customer. This type of reasoning also followed the rationale that the individual would not agree with a particular decision, however they also have a role to play within a larger group and that means displaying loyalty towards the group, even if they do not consider a decision being the most ethical one.

It is for the best, worse things can happen: In this strategy the individual felt that whilst the choice they were making was sub-optimal, they were averting worse consequences. Participant 1, a customer experience manager provided an example of this when explaining why managers pushed employees to take a golden handshake: "But at the same time a person was reasoning, that 'if they take the golden handshake, it is for their best. Otherwise, they remain without it. If they don't do that, worse things will happen." This type of reasoning seems to be based on the perceived probability of future events. Other examples quoted included not stopping drugs because the economy suffers without the black market and giving a sub-optimal customer experience which could have been worse.

I will make it right through other means: The argument in this strategy was that despite something not being right, there are other ways through which to make it right and they will take such actions. Two examples of this were in procurement and in regulatory compliance. Participant 10, who was a software development manager in charge of procurement, recounted how they realised they were paying less for a service and explained that they will make it right in the future when the contract is up for renewal. Participant 4, who used to work for the authority presiding over disabled workers, explained how employers used to ignore the disability quotas (employing a percentage of employees with a disability) and pay the fine upfront asking "do you want me to write you a cheque of €10k now?"

Too big to pass up: Arguments brought up in this type of reasoning evolved around decisions that under normal circumstances they would deem this action as unethical, but in this instance, the stakes are too high. To substantiate this, a quotation by Participant 9 is being referred to. The participant was explaining the necessity of competing harshly and said, "That is the reality we are living in. The business is what it is, and in tourism, that's how it works. If there is a group, you will not let your competitor get the business, just for the sake of not walking on the line." This type of reasoning was noticed to be related to financial gain both in terms of revenues, for example playing dirty in order to get big business, or exceptionally high bonuses which are too significant to miss.

5.2.4 Rationalisation as reconstructing morality and agency

Focusing on moral disengagement, Schaefer and Bouwmeester (2021, p. 533) introduce 'the open inventory of psychological mechanisms of moral disengagement'. This is a two-by-two matrix which depicts moral disengagement as a combination of reconstruction of morality and reconstruction of agency. In the reconstruction of morality, the individual reasons that 'behaviour B is not morally wrong' and in reconstruction of agency, they argue that 'actor A is not responsible'. It can be noticed that in ethical blindness, moral myopia and moral disengagement, individuals use rationalisation techniques. I propose that this inventory can also be used for ethical blindness and moral myopia because, in all

verbalisations observed, the individual was reconstructing morality, reconstructing agency, or both. Figure 5-1 depicts how each rationalisation strategy can be mapped to the open inventory of psychological mechanisms of moral disengagement (Schaefer and Bouwmeester, 2021). This mapping indicates a distorted understanding of the ethical issue which can range in intensity. I argue that when there is neither reconstruction of agency nor of morality; the individual is ethically unaware, experiencing moral uncertainty, or ethically aware.
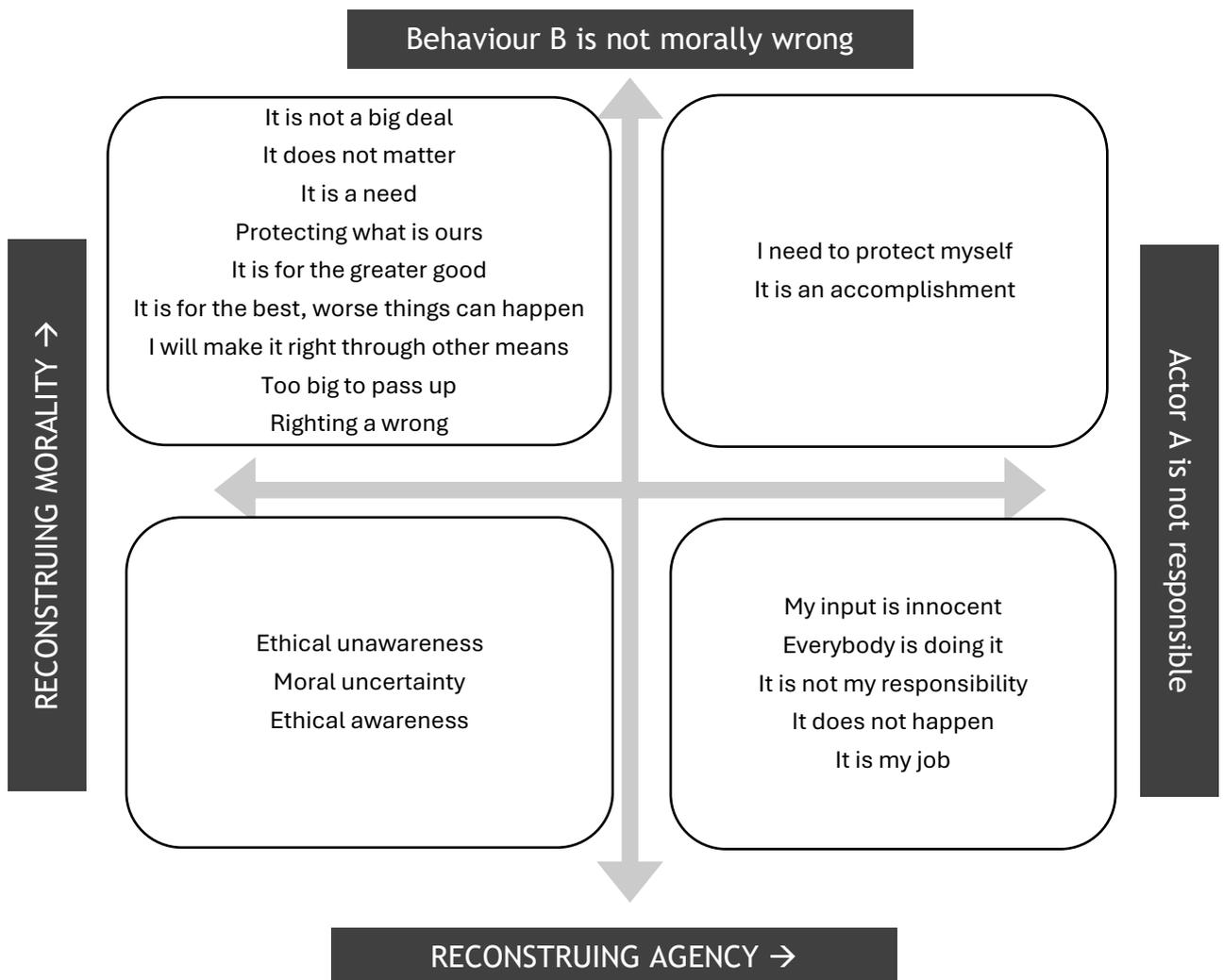

Figure 5-1 Classification of rationalisation strategies within the open inventory of psychological mechanisms of moral disengagement

5.3 Obedience to authority

Similar to the seminal work on obedience to authority (Milgram, 1974) and also mentioned by Palazzo et al. (2012), Bandura (2002), and Ashforth and Anand (2003), several participants described experiences of being forced into unethical decision-making without a viable choice. Whilst these authors mention obedience to authority as part of intuitive unethical decision-making, I propose a distinction between intuition and obedience to authority. These instances showed three distinctive features. The first was that the individual was forced into an unethical decision, the second was that the decision taken was unethical, and third that the individual either perceived no choice or no feasible choice. Without such pressure, individuals would have presumably acted ethically. As articulated by Participant 14, "I believe that people who normally work... even if they have a performance bonus, if they do not have pressure from above to play nasty, I tell you that the bulk of the people will not do it." Perhaps influenced by the work of Milgram (1974), several participants mentioned that subordinates are conditioned by management decisions. Participant 11 stated: "[if] your boss tells you 'okay you do this... I'm telling you it's okay'... and then if later on, you find out that it was wrong. You can actually claim that 'I was influenced under the power of my management'". Three participants drew parallels between subordinates following orders and German soldiers in World War II. This is an example by Participant 9:

> "You start saying okay, Second World War, Holocaust ... one of the biggest problems was authority. Authority makes you do these things. If you did not do it, they would literally kill you. Today my boss will not kill me if I tell him 'I will not do this', but I am sure I will not be the flavour of the month. Probably I will be the flavour of never from now onwards." (Participant 9)

Individuals may be constrained by the perception that they have no choice, or that the price to pay was too high. This bears similarity with the assertation by Lee Hamilton and Sanders (1999) that individuals act within the constraints of

the mental schema. Several constraints were mentioned, including senior management orders, market circumstances, peer pressure, losing a job, losing business, and even organisational survival. The words of Participant 9 attest to the strength of constraints during the COVID-19 pandemic, which was at its height during this interview. They said, "We are in survival mode. The thing is that you either kill and you live, or others kill you and you die. There is no other way, and we are seeing this happen all the time… So, you have to do it." However, situations may change. Participant 14 explained instances when in the past women who were subject to sexist jokes had no other option: "Certain jokes, at least I hope they were jokes, which were said at certain levels…At that time, the only thing which you could do… either you frown, but what do you do?" They continued that today such instances are cases of sexual harassment. This demonstrates that with mechanisms in place, victims of such treatment have options.

The first inclination may be to label obedience to authority as rationalisations, but perhaps individuals are truly not recognising a feasible choice. They seem not to recognise their own agency (Bandura, 1989; Jones, 1991). Participants mentioned that sometimes a choice exists, but the price to pay is too high. Most of the time, the only choice perceived was that of leaving a job, and even of leaving the industry with significant repercussions, including economic instability and family hardship. One cannot leave their job every time they are challenged ethically. Because ethical dilemmas are characterised by a lack of clarity, sometimes the decision was perceived as required by the job role. To this effect, Participant 23 who was recounting their experience in filming particularly ethically challenging scenes for a current affairs programme explained "What they used to tell me is that 'you have to get the shot because it is your job' and if you don't do it, they have to find someone else, and it is not possible that you choose what you want to film". This supports Anand et al. (2004) who explain that individuals may be encouraged to perceive themselves as the problem.

Obedience to authority was accompanied by descriptions of emotions which ranged from uneasiness, unhappiness, guilt, disgust, to outright fear. These emotions can persist for years. As Participant 12 was explaining why people may

make unethical decisions without having room to manoeuvre, they said: "they put you in a position where you are truly with your back against the wall…feeling trapped". Participant 18 argued that "It seems that ethics evolves around whether you have or don't have options in reality… A rat does not attack a person, but if you corner it, it will attack you. It is the same thing. Are there options?" The enduring effect of unpleasant emotions can be detrimental to individuals. Case in point, Participant 20, an HR Manager who was forced to employ individuals based on their political connections, explained that they had to go to a psychologist to help them handle the situation. They continue:

> "I am a very strong person…I am a fighter. I don't give up and I will never release myself. In the sense that I will continue fighting, fighting, and always trying to do the good thing. When I was shown that is not the luggage I deserve to carry, at that point in time, I released myself and I said, 'So it's not up to me to control the situation.'" (Participant 20)

Whilst 'releasing themselves' from a situation may be a good strategy for enabling the individual to feel better, the underlying problem may be exasperated by others who also 'release themselves' and no longer contest actions that are deemed unethical. This can lead to situations where individuals resign, leaving behind those who conform to unethical behaviour (Anand et al., 2004). Whereas Jones (1991) argues that to recognise an ethical dilemma, the individual needs to recognise an element of choice. My findings indicate that individuals recognise the ethical issue, but not a feasible choice. They owned their actions but were not satisfied with them and similarly to the argument by Lee Hamilton and Sanders (1999) they felt that whichever choice they take is the wrong one. Because individuals often underestimate their own influence (Bohns et al., 2013), I question whether in such instances there could be a choice that may not be clear. If an individual feels that they either have no choice or that they will lose their job if they speak up, this may be a significant deterrent for an individual to act in line with their values. However, perceived consequences which hinder individuals from raising their concerns may not be actual consequences. To highlight this, Participant 19 recounted their experience when they were in their first years of teaching and the more experienced workers used

to skive work. "I did not feel comfortable to speak out. And no one used to speak out… I don't know if it was a rational fear or otherwise … because what could they have done to you in reality?"

5.4 Moral uncertainty

Seven stories demonstrated traits of rational decision-making but had a dubious outcome. These can be compared to moral uncertainty, as introduced by Macaskill et al. (2020). Participants explained that in some decisions they were aware of the ethical implications, however, the right decision was not clear, neither then, nor years later. This seems to support Blum (1991) who argues that knowing the rule which applies in a particular situation may not be enough, and the decision-maker requires reasoning that goes beyond the rule itself to tackle a dilemma (Blum, 1991). An example of such an observation is the story narrated by Participant 22, who was explaining a situation when an ex-employee applied to go work for a friend:

> "A person who used to work with us, we stopped her employment in a friendly manner, meaning that we did not just terminate. We said 'listen guys, this is not working. You have three months'…However, then I got to know that she was going to work with an ex-colleague of mine and in a similar role to what she was doing with us… and according to her performance and from what I learnt in a year, I don't think that she is the right fit for that kind of job. But I did nothing about that. So, to my friend with whom this person went to work, I did not open her [eyes], I did not share my opinion, because I said 'at the end of the day who am I to judge how she is going to perform with another organisation? At the end of the day, my friend who is recruiting, should be intelligent enough to do the right homework and why should I jeopardise the opportunity for our ex-employee.' And today I am still a bit bitter… I am still not convinced, and I would like to pacify it with myself, if I know how this person is performing now." (Participant 22)

The common factor between this story and the other six is lack of clarity, which was described with an element of disappointment by the participant. Resonating with Festinger (1962), participants described an uncomfortable feeling that was experienced even when thinking about the incident years later. For example, Participant 15 who was a store owner years earlier and once decided not to refund a customer said "Once something happened and I still remember it… because I felt very bad… I wanted to give him the money back but then I fought it off with myself… I still think about it, and I feel like I did something wrong." The emotion which seems prevalent is dissonance that is felt when individuals take decisions which oppose their values (de Klerk, 2017; Festinger, 1962; Lowell, 2012). Participant 2 described their guilt during their volunteering experience in a youth organisation. Discussing an incident which happened decades earlier, said:

> "It is something which is very ugly when you are trying to attract youths and instead of attracting them to you, you tell them not to come to you. So yes, I still feel guilty for young ladies whom we failed. We failed them because we had an ideal for the institution and they did not fit into it."

> (Participant 2)

Through this and other examples provided by participants, it can be said that dissonance persists with decisions which were neither clearly ethical nor unethical. The strength of emotions seems to be closely linked to individual values and to conscience as an internal regulator for ethical decision-making. It also points to the direction that when an individual holds a value, they experience related emotions, yet no related emotions can be experienced when the individual does not possess a particular value. This adds a complication to the structuration theory (Giddens, 1984) because the individual does not seem to be aware of which interpretative scheme or mental schema to utilise.

5.5 Ethical awareness

In fifteen stories, identified as ethical decisions within an unethical environment, participants spoke of when they were aware of the ethical component, considered that they had feasible, even if difficult options, and were aware of the possible consequences. This can be described as moral awareness, but not exactly as Reynolds (2008) defined it. Emotions seem to indicate a level of awareness which varies between intuitive decision-making and rational thought. Sometimes individuals refused to betray their values and decided not to conform to pressures from the meso environment.

Different emotions were associated with varying levels of ethical awareness. As noted in section 5.1, ethical unawareness was characterised by a lack of knowledge and ethically related emotions. In all other decision-making aspects, emotions featured to some extent. These can indicate a level of awareness and are related to practical consciousness and discursive consciousness, as posited by Giddens (1984). Gut feeling was mentioned multiple times as a guidance in ethical dilemmas. This supports intuitive decision-making as postulated by authors like Sonenshein (2007) and Haidt (2001), in which individuals do not constantly stop to think about a decision, but experience a gut feeling, whether something is right or wrong. As reinforced by Participant 19, gut feeling provides the individual with a valence of whether a decision compliments their personal values:

> "On a day-to-day basis, many decisions are taken on the spur of the moment, and you do not stay thinking about it, that you are going to act on your gut feeling. It is true that it is based on what you think is right, but you did not stay reasoning it out because at that point you needed to decide, and it could be that these decisions are urgent." (Participant 19)

Participants often reported 'not feeling well' when deciding. Participant 15 provided an example when explaining why they do not leave home for errands when they are working from home "It's not that I am afraid that they see me… but because I do not feel well. So, I do not go to shop from the pharmacy which

is a few steps away from my home.… It does not feel right… because I say, 'this is my time at work'". Milder emotions like uneasiness were described to escalate to stronger ones like anxiety and stress. This is exemplified by the quotation from Participant 18, when explaining how they no longer service a customer whose employee was requesting them to cheat on the employer "I was not feeling comfortable… you tell me 'Aren't you earning money?' … in the end I don't want to stay with anxiety in my stomach, afraid that one day I will get a call from the boss and he asks me 'How much did you charge me there?'" The emotions described when individuals refused to betray their values were like those described in obedience to authority. However, whereas in obedience to authority, individuals did not perceive a choice, in these instances a choice was perceived. Emotions were described as regulators of actions and instigators for change. This could be inferred through participants who indicated that emotions spurred them to take a different course of action. Individuals seem to avoid the negative emotions associated with unethical decisions, therefore, these emotions can hinder them from making unethical decisions. Participant 9 provided an example of this: "I do not want that when I receive my wage in the bank account at the end of the month, I say 'this month I did not work one minute for it' that will not make you happy." When rational unethical decisions have been taken, future actions may also be regulated because of such emotions. For example, Participant 20 discussed how they felt when they chose candidates who were not qualified. They were planning to change their employment because of it: "I wish if I could at least not know things. Because I would feel more at ease with my conscience, and again, I am trying to find a way to get out of this type of work that I am doing, so that I feel more comfortable with myself."

In the interplay of agency and structure (Giddens, 1984) individual agency sometimes resists structure with varying outcomes. As mentioned in section 4.3.1, participants argued that individuals cannot be a hundred percent ethical. However, they also spoke of 'a line' that, when crossed, they would take a resolute stand. This was mentioned as a point below which unethical decision-making was acceptable, but above which, actions were clearly unethical. To provide an illustration, when speaking of their experience in the gambling industry, Participant 10 said:

> "Most of the time it is entertainment, ok? It becomes a moral problem when … you hear things like 'listen how can we push these close enough to addiction that we get more money out of them?'… then it starts to bring up some ethical questions." (Participant 10)

Despite pressures to conform, at times individuals acted according to their values, and it seems that, as Jones (1991) posits, such situations call for the individual to assert themselves, acknowledge their agency, and re-define the relationship with authority. Such decisions bore four distinct features; an adverse push from the meso and macro environment, the risks perceived by the individual, the actions that were taken, and the actual consequences. As an example, which portrays all four features, these are the words of Participant 7, a financial advisor, when asked by management to engage in insider information:

> "I used to be trading, meaning buying and selling shares… and I remember that the owner of the company called me. During the call, he told me that someone will call me, someone I knew, and who will buy an amount of shares of a particular company… 'So, mine sell them at €5.49.' That is inside information… This was the owner. I remember I had just taken on my home loan, trembling, but I said 'I do not want to do this' because if you do it once you will lose everything. It was not easy. I remember I went to the head of risk. I told him 'I cannot do this. I want to stop here'. And the owner was not one to mess with. It would not have been very difficult for him to fire me. I advised the head of risk that whether he told me to do it or not, I will not do it. I am ready to resign… On the day the owner did not call me, but the day after he did and he said nothing, but I felt that instead of firing me his respect for me grew." (Participant 7)

The strength of the meso environment came through the direct order of the owner. The individual went beyond the push for obedience and consciously risked losing their job. They took an assertive decision not to comply, and the consequences differed from the expected ones. Following are examples of environmental pressures, risk, actions, and consequences as described by other participants.

Environmental pressures: These can emanate from different stakeholders, including management, clients, suppliers, macroenvironments, peers and friends. Similarly to obedience to authority, the individual experienced a threat, whether expressed or implied, but they acted against these pressures. Directions from stakeholders formed a strong push for obedience, driving unethical decision-making and putting individuals under pressure to retain their job. Participant 17 described this when, as a sales representative, they were asked to sell expired products "I told her [the boss] to order more, she had products and she told me 'Listen I have these…' I told her 'no these are not good, these are expired now.'" Pressures from clients were more noticeable with entrepreneurs and business owners where clients or client representatives expected decision-makers to act in unethical ways, otherwise they risk losing business. Participant 18, recounted a time when the employee of a client used to ask them to charge their employer for more work than performed "I don't want to stay with anxiety in my stomach, afraid that one day I will get a call from the boss and asks me 'How much did you charge me there?'" Demands from suppliers to buy their products may take the form of gifts and favours for decision-makers. An example of this was provided by Participant 16 recounting when suppliers used to ask them to report wrong figures in the delivery of material "They used to tell me 'we are paid only a little'. I used to tell them next time price your tender right and don't come to me to tell me this. 'I will bring you a bottle of wine', 'no my brother, I do not drink wine'."

Even the macroenvironment was noticed as exerting pressure, for example, in cases of political intervention and bribing. Participant 11 recounted the challenges of opposing the current when bribing was the norm in the Middle East "We were not working with bribes or anything like that which was the norm in the Middle East, the norm wrongly so but other companies were actually bribing people" Peer pressure from colleagues can also push decisions to which the group conforms and may exert social exclusion as a threat. Participant 14, highlighted this in describing instances where in a meeting with peers there would be pressures to change parameters in reports, and said: "You would have written the business plan for the next years and it may have been used to get funding, loans from the bank, where you would have pressure to change certain parameters." Friends or acquaintances may exert influence with the price to pay

being risking the relationship. An example of this was described by Participant 16, recounting when a neighbour wanted them to lie to another architect: "A neighbour who is a professional... He has his property for sale... he said 'My architect is going to call you... don't tell him that the building isn't strong enough.'"

Perceived Risk: Experiences of ethical awareness were often accompanied by a perceived form of risk. Such risk was stated or implied and included: confrontation, losing employment, losing business, losing relationships, losing reputation, and social exclusion. Confrontation seems to be a deterrent for individuals and is also a perceived risk of speaking out. Participant 9 described such a risk while discussing unethical directions from management "If your boss told you to do it, no matter how much you got hurt and cried, but you had to do it." As noted by Participant 16, in situations where the stakeholder in question was a client or a supplier, saying 'no' may mean losing the business relationship "So there are things which in their makeup they absolutely cannot match with my ethical standards. So, I do not work with them". Where decision-makers had a personal relationship with the stakeholder in question, that relationship was also in jeopardy. This is exemplified through the words of Participant 22, when explaining that they were to confront their friend over commission workings "I had an uncomfortable discussion with a person... and this person apart from being a colleague, he was also a friend". Although these risks affect individuals, those who were ethically aware choose to take the risk and act in line with their values.

Action: Despite perceived risks, the individual still took an action. This action was sometimes drastic, like changing jobs and at other times more mellow. The most common form of action was of 'saying no' clearly. This type of action was accompanied by a strong statement such as the one presented by Participant 23 when they refused to film the funeral of a person who was murdered: "In fact this is one of the times where I stopped and I said, 'no I will not do that'." An action that was also challenging for the decision-maker was saying no in front of a group of people. An example of this was observed through the story of Participant 3 when they were asked to take legal action against a person who complied with tourism regulations: "And I stood up in a meeting of about twenty

people and I refused. I said, 'no I am not going to do it.'" Another form of strong stand was leaving employment. As was explored in the perceived risk, some individuals felt that the risk of taking a stand was losing their employment, but several participants proactively left the employment. For example, Participant 12, who was recounting a conversation they had during a job interview: "[I moved jobs] to get away from the toxic side of it which was very painful… Because now is the time my daughter is a bit older… now I am in a position to up and leave." Refusing business was another stance. This can be observed in the quotation by Participant 22 when explaining how their organisation declined business with another they deemed unethical: "We were approached by an organisation to talk to them about a project. This organisation in our eyes is an unethical organisation. With that in mind, we walked away from the business." However, not all examples were accompanied by clear stands. At times, the individual found a more mellow way. This can be observed through the actions of Participants 18 and 14. Participant 18 explained that they were not comfortable with a situation when the employee of a client had continuously asked them to cheat in invoicing and they found the right occasion to decline business "I had an employee and he left and I thought this is the right occasion, I told him I don't have time to work for you". Whilst Participant 14 explained that when they were asked to change numbers in reports "I used to have my own business plan, and the business plan of the person who made me change these things… so that if something happens, I would say listen this was mine, and this I was made to change."

Consequences: Two types of consequences can be pegged to ethical awareness. The first is an awareness of the consequences which an eventual unethical action can cause others and second is awareness of the consequences which nonconformity brings for them. Ethical awareness seems to increase as the weight of perceived consequences on others increases. Therefore, the more significant the perceived consequences, the more an individual is aware of the ethical component. This has been illustrated by Participant 19 when saying "taking a pencil from work… is bad but objectively the consequences are not big neither on the company nor on you… But unethical decision-making by a prime minister can start a war". The perceived weight of consequences can affect ethical awareness. By inference, this highlights that when a person does not

perceive significant consequences to their actions, they are more prone to conform. Actions were often accompanied by consequences to the individual themselves. These were sometimes positive, other times not. Positive consequences usually meant that the risk they were taking did not materialise, like, for example, not losing one's employment or being supported in a decision. As an example, Participant 20, who was risking being reprimanded when not giving preferential treatment based on political connections, explained that their superior supported their decision when they took a stand: "In this circumstance it came in my favour, my boss told me I did right." In other instances, similar to Bandura (2002), the actions meant that the individual faced adverse consequences and sacrificed personal wellbeing. Clearly revenue lost accompanied decisions when business was refused. In other instances, the employee got reprimanded or falsely accused as happened with Participant 3 when they refused to take legal action against someone who was innocent: "the worst part of it all… the person heading this department told me he is going to file a report against me for handling in false reporting." What is noticeable, however, is that none of the participants described feeling dissonance after the decision. They rather described feelings of pride. This can be observed through the words of Participant 3 and 23, who decided to change employment. Participant 3 said: "I just walked out of the place resigned but I walked out with my nose high in the air because I refused to do things with that level of disregard towards the way things should be." Whilst Participant 23 said: "I finally figured out… in reality I said listen 'I am worth more than this'… I remember meeting my partner and telling her from tomorrow, I am going to start freelancing".

5.6 Unethical decision-making in groups and normalisation of corruption

Instances of unethical decisions that require the input of several individuals, as described by Anand et al. (2004) have been observed. These can be described as a weighing scale and the side where most weight is placed wins the argument. Individuals hold varying weights and there are several reasons why individuals put their metaphorical weight on the unethical side of the scale. Four such examples were identified. The first occurrence happened when individuals opted

to endorse one party without considering the specific matter at hand. As demonstrated by Participant 1, who was a manager trying to decide whether to terminate an employment, "HR told me that the decision is mine and that any decision I take, they will support it." In this instance, the individual had the trust of the backing party, but the backing party did not participate in the decision. The second example is when individuals put their metaphorical weight on the same side of the most influential party. Describing discussions relating to a proposed decision not to report self-confessed child abusers, Participant 2 explained "because of the great influence that this person exerted, when it came to voting, nearly everyone voted like this person…. [who] was arguing…. when a person confides in you, this is a matter of confidentiality." In this case, through the intervention of one person who refused to betray their values, a decision was taken to seek legal advice, which changed the decision. The third example was when Participant 22, who was a senior manager, knew that the decision being taken by the group was wrong and yet did not feel comfortable entering a confrontation on the spot. They explained, "[When] we are taking a decision unfairly against a client… there I would probably not air it within the group, but I would air it one to one with the right person. And even try to change the decision." The final example is when individuals back unethical decisions because of their belonging to a group. Participant 14 quoted the example of cliques in organisations: "In these cliques, what keeps them united is the infringements that they do between them." They described episodes when unethical actions such as marriage infidelity were first promoted through the group and then used to blackmail the individual into making particular decisions. These examples indicate that power dynamics are strong in group decision-making and elements of groupthink, as described by Janis (1991) were observable.

Unethical decision-making in groups can be described as a form of unintentional institutional work (Lawrence et al., 2009). Participants highlighted that unethical decision-making affect teams, organisations, industries, countries and worldwide. Explaining this through the structuration theory (Giddens, 1984), interaction affects modality, which affects structure. Similarly to the concept of ethical fading (Tenbrunsel and Messick, 2004) groups of people may become numb to ethical issues as these become normalised and eventually particular

values may be lost. Decision-making in groups also showed traits of ethical unawareness, rationalisations, particularly 'everybody is doing it', and obedience to authority.

Participants recounted experiences which can be likened to ethical fading (Tenbrunsel and Messick, 2004), when unethical decision-making became the norm in organisations. For example, Participant 13 discussed how older workers became numb to ethical dilemmas "this is like if you work in a slaughterhouse, you are going to pity killing the animals, but if you have been killing animals for five years, killing another one would not make a difference." At the start of employment, individuals may be affected by unethical norms, but eventually, they either leave or become accustomed to them. Participant 20 articulated this when they said: "If you have good values, I can say that it will affect you badly. Especially in the beginning, when you start being exposed to things that you have never seen. But as you go along, you get used to them." This goes a step further as individuals felt that they were part of the system and, despite not agreeing with it, they saw no other option but to go along. As Participant 20 continues:

> "And this is a disease… which has become accepted, and we are not realising the problems we are creating… when I say we, I am saying that I am part of this process, where unfortunately, I have no decision-making power, but I have to assist in these things and I feel participant in this." (Participant 20)

As unethical behaviour is seen to become the norm and the individual feels, they are simply part of a bigger whole without the strength to change things. Similarly to the work on normalisation of corruption by Ashforth and Anand (2003), participants noted that unethical behaviour become the norm in a way that the line between ethical and unethical became blurred. An example of this is that provided by Participant 6, when explaining how bribing had become the norm in their industry:

"Before, we used to find it strange because you would meet one every once in a while. Now it's everywhere. … Literally it's in the air. It's true… We no longer take any notice. It's the norm. Before I used to take it personally… Now it is so much in the air that if you see it from that angle, it's normal, it's good and it's healthy." (Participant 6)

Unethical behaviour in organisations may act as a kind of bond, keeping people together and locked in a cycle of unethical actions. Participant 14 provided an example of this when they were discussing cliques "in these cliques what keeps them united is the infringements that they do between them… the people who started to group together in there… they were more chosen for their alliances with this type of non-ethical behaviour." Perhaps if people who do not agree with such actions decide to leave the organisation, and the rest become normalised to such behaviour, then this becomes the norm and part of organisational culture. As argued by Bok (1989), societies can deceive themselves when an unethical action becomes regarded as ethical. When collective values are lost, ethical unawareness can arise, leading to a shift in what is considered socially acceptable.

The erosion of values was highlighted with disappointment by several participants and was accompanied by a feeling of helplessness and hopelessness, leading to acceptance that this is the way things are going, and it is all downhill. Participant 13, who at the time of the interview was at the beginning of their career at twenty-three years of age, remarked: "Unfortunately, I don't think that ethics exists anymore in today's world. Partly it's because life has become so fast that you cannot stop and think about these problems, you must move on." Expressions related to loss of values often projected onto a negative future, and the lack of passing on of values from one generation to the next. For example, Participant 20 explained this when they said: "This is damage without a limit that in the future will have repercussions, because we are bringing people up with a sense of entitlement… these are families who are raising their children with the same principles". If values are not passed on from one generation to the next, then such values could not feature in ethical decision-

making, leading to conformity on the acceptance of altered value sets. What participants described was similar to normalisation of corruption by Ashforth and Anand (2003) where decision-makers no longer recognised the ethical component. However, the very fact that they recognised normalised corruption points towards an agreement with Fleming et al. (2020) and what seems to have become normalised is the tolerance to corruption as opposed to corruption itself.

6 Discussion

In this chapter, I synthesise the empirical findings with related literature and use this synthesis to provide responses to the three research questions.

6.1 Agency and structure in ethical decision-making

The first research question was intended to explore the interplay between agency and structure in ethical decision-making. The response to this question can be summarised as structural components and individual agency that interact through modalities and are moderated by material constraints. For this reason, structure, modalities, material constraints, and decision-makers will be discussed as the initial set of themes. The second objective was to investigate how ethical decision-making manifests itself in everyday business decisions. In summary, the response to this question is that ethical decision-making can be described as a continuum ranging between unawareness and awareness. By analysing my findings through the various theories of ethical decision-making, it can be argued that the (re)construction of morality and the (re)construction of agency seem to be dominant. Thus, I discuss and build upon the open inventory of psychological mechanisms of moral disengagement by Schaefer and Bouwmeester (2021) and the varying degrees of awareness to explore the mechanisms behind ethical decision-making.

6.1.1 Structure

The impact of institutions on decision-making is widely reflected in institutional theory by authors, including Lawrence and Buchanan (2017), and in ethical decision-making literature, including Jones (1991) and Sonenshein (2007). However, institutional theory has been criticised for the apparent lack of attention to agency, as also noted by Haack et al. (2020). Whilst acknowledging

to a degree the role of institutions, ethical-decision-making literature like Jones (1991), Palazzo et al. (2012) and Bandura (2002) leans more towards individual agency. This merits the adoption of principles which are more appreciative of the constant relationship between agency and structure, as advocated by Giddens (1984). In line with Giddens (1984), the institutional factors identified in my findings can be described as structures, and institutions being a subset of such structures. This is because my findings indicate the presence of both institutions and structures. Examples of institutions include those which have been stable for many years, like political parties, universities, and long-standing companies. Structures could be understood as those which have rules and resources but may not be stable over time, for example, cliques, teams, and new organisations.

Adopting the proposal by Steele and Hannigan (2020) to consider the micro-meso-macro environment as a set of related lenses, structure here refers to structures and institutions operating in the meso and macro environment in relation to the microenvironment. In my findings, the most prevalent source of influence is the structure which operates in the meso environment relative to decision-makers. This is consistent with Battilana and D'Aunno (2009), implied in most literature sources, and is often the organisation in which decision-makers operate, depending on their current role. Thus, as in the example of Participant 2, the rules and resources available to the same decision-maker at the meso level are different depending on whether they are acting as a lecturer in a university or as a leader in a religious organisation. My findings also point in the direction that elements in the macroenvironment, like country laws, geographic region, culture, and industry regulations, exert influence. Sources of influence can be rooted in the present, for example, through the current job roles and industry trends. They can also be rooted in the past, like through early years education, previous job roles, and family. It is also noticeable that structures at the meso and macro level demonstrate a tendency for isomorphism, or rather for consistency to be displayed throughout a range of institutions, as prevalent in institutional theory and described by Glynn and D'Aunno (2023). This was expressed in the findings as prevalent industry practices, like cheating in telecom contracts, sensationalism in journalism, and clientelism in politics.

My findings related to structural influence could be mapped to the regulative, normative and cultural-cognitive elements by Scott (2013), and similarly to Giddens (1984) and Scott (2013) they can be described as promoting or hindering ethical decisions. For example, as also argued by Kish-Gephart et al. (2010) and Treviño et al.(2014) codes of conduct can be effective, but their impact emanates more from their enforcement rather than just their content. My findings also indicate that training is effective, and it can be even more so by applying active learning techniques which can make knowledge more permanent. The acceptance of codes of conduct with an emphasis on the relevance of their enforcement and the expressed validity of training implies that such regulative actions and related sanctions are regarded as legitimate actions. Perhaps even more so when they come through more established institutions.

Leadership has, in instances, been described by participants as being synonymous with the institutions they represent. In support of Wimbush (1999), my findings indicate that whilst the regulative direction which leaders exert through rules might be a more direct form of influence, their actions as role models were highlighted as more significant. These results further support the argument by Bandura (2002) that leaders hardly ever use direct orders to mandate unethical actions. Rather, participants have described indirect means, such as hints, lack of guidance and direction, to influence ethical decision-making intentionally or unintentionally. My findings indicate that leaders do not need to be ethical, nor do they need to have strong arguments. They just need to be influential to affect decisions. Through the various arguments by participants, it can be inferred that leaders emanate from various spheres within structures, both from the meso and macro environment. Examples of leaders included parents, teachers, peers, organisations, and management. Interpreting my findings through the theoretical lens proposed by Giddens (1984), leaders can be said to impact modalities, which include interpretative schemes. In analysing my findings, it can be said that the effects of leadership are stronger on younger and less experienced decision-makers, however, even more experienced decision-makers are subject to such influence. Kaptein (2008) and Arnaud (2010) argue that the prevalent culture within structure shapes decision-making.

Through these findings, culture at the meso level can be described as more evident. For example, the culture of groups (meso level) within which individuals work (micro level), the culture of organisations (meso level) within which groups (micro level) operate, or the culture of industries (meso level) of which organisations (micro level) form part. However as exhibited in the findings and building upon Gonin et al. (2012), the culture at macro level also shapes decisions. Structures at the macro level in relation to decision-makers includes industry culture (macro level) in relation to decision-making groups (micro level) within organisations (meso level) and country culture (macro level) in relation to organisations (micro level) operating within industries (meso level). Hence, whereas the macro environment has been given significant attention in institutional theory, I agree with Gonin et al. (2012) and Newman et al. (2020) who argue that the effect of the macroenvironment specifically on ethical decision-making merits further research. Throughout the literature review, I drew parallels between the different theories of decision-making and Jones (1991). Jones (1991) explains that institutional factors impact the latter two stages of ethical decision-making; establishing moral intent, and engagement in moral behaviour. However, backed by my findings, I argue that institutional factors can also impact the recognition of the moral issue and moral judgement. Such factors can also be described as having a duality in nature and can thus both impair or encourage ethical decision-making. For instance, as described in the findings, codes of conduct can sensitise decision-makers to ethical issues, helping them to recognise the moral issue. Conversely, in support of Kump and Scholz (2022) organisational processes can induce ethical blindness. For example, when employees are treated unfairly, and they in-turn believe that cheating the organisation back is the right thing to do, not realising that their action is unethical.

6.1.2 Modalities

In light of Giddens' work (1984), knowledgeable individuals and structures interact reciprocally through modalities which are interpretative schemes, facilities and norms. Interpreting modalities as shared resources which

streamline the interaction between structure and decision-makers, ethical decision-making can be understood as linked to such shared resources. Perhaps the strongest of the three types of modalities which can be seen to affect ethical decision-making is interpretative scheme. Giddens (1984) refers to these as knowledge pertaining to the decision-maker. This can be interpreted as the same or very similar to mental schemas as described by authors like Gioia (1992) and Palazzo et al. (2012). Whereas due to the nature of this research, mental schemas could not be recognised in the findings, their link to knowledge, or rather lack of it, featured several times. Although authors like Palazzo et al. (2012) refer to erroneous interpretative schemes being used in ethical blindness, here I also refer to the lack of relevant interpretative scheme as affecting ethical decision-making. These will be discussed in the next section as constraints. In accordance with earlier research, my findings indicate that the targets which are set by structures guide decisions. In instances, these can be described as facility which holds power over individuals, for example, as mentioned by Participant 14 optional targets, which are accompanied by hefty bonuses. Other times, these can be described as norms together with related sanctions, as described by Participant 7 when not reaching targets may mean losing one's job. Whilst targets such as those set on sales and profit in organisations can be the obvious example, I argue for further research into how targets in the macro environment affect decision-making. These may include targets such as gross domestic product (GDP) on a national and UN SDGs at a global level.

The dual role of individuals as persons and as actors, as advocated by Voronov and Weber (2020), can help in interpreting the roles of individuals in institutions as facility. This is because institutional roles provide guidance like a script for actors on what is expected and give the role holder relative facility in terms of power over people and domination over objects (Giddens, 1984). This, to the extent that individuals may act unethically or illegally against their will, but in line with what they perceive as the interest of the institution, because they view it as their role. As also apparent in Zimbardo (2009), my findings indicate that the ability to use or abuse facility, can be seen as the power emanating from institutions such as professions, job roles, and domination such as the access to

sensitive data. Espousal to the job role can be so strong that it is described as one with individuality, like how Participant 23 described journalists as living, breathing, and sleeping journalism. This can blur lines of what can be described as modality and constraint.

Giddens (1984) proposes a view that norms shape decisions and can be seen as ways of creating the boundaries within which decision-makers operate. Adopting this theoretical lens, my findings indicate several inferences to norms within the meso structure, such as meritocracy, growth, development, and stakeholder involvement. They also point towards norms within the macro culture, which can play into how decision-makers interpret ethical dilemmas. As also contended by Giddens (1984), these norms include how the relationship between business and ethics is defined and re-defined. As with the dual nature of structuration, the norms explored in the findings could be positive, such as 'ethical decision-making is better (in the longer term)' or negative like 'ethics goes against the nature of business'. Also, decision-makers may interpret norms such as 'being too benevolent in business leads to organisational failure' positively or negatively. Such interpretation may lead to decision-makers believing either that they should still be benevolent or that they need to be sly in business dealings. Giddens (1984) argues that for decision-makers to justify their actions successfully, they need to provide plausible reasons and the norms which they infer their decisions from. Rationalisation techniques which were explored in literature including by Cressey (1986), Konovsky and Jaster (1989), Sykes and Matza (1957) and Bandura (2016) and visible in my findings can be regarded as examples of such norms which decision-makers use to infer decisions. Whereas norms such as 'it is for the greater good' can provide justification, it does not mean that a rationalised action is ethical.

6.1.3 Material Constraints

While analysing the data, I noticed that there were themes which were prevalent in ethical decision-making literature, most pronounced of which in Jones (1991) but that did not fit within the structuration theory framework as

represented in figure 2-2. However, they bore similarities to the concept of material constraints, described by Giddens (1984, p. 174) as "the constraining aspects of the body and its location in contexts of the material world". Two types of material constraints can be interpreted as impacting ethical decision-making. Properties of decision-makers and properties of circumstances, of which neither decision-makers nor structures are totally in control of. Based on my findings, I argue that material constraints may be under-represented in institutional and structuration theories and merit more consideration.

First, I focus on constraints related to decision-makers. In agreement with Bandura (1989) and Giddens (1984), decision-makers are agents even when they do not realise it. However, ethical decision-making is often an intuitive decision-making process (Gioia, 1992; Haidt, 2001; Kish-Gephart et al., 2010; Palazzo et al., 2012; Tenbrunsel and Messick, 2004). My findings indicate that there can be instances where decision-makers cannot access the necessary interpretative scheme because of lack of knowledge. This is an argument which seems to be missing from ethical decision-making literature including Jones (1991), Palazzo et al. (2012) and Sonenshein (2007). A limited understanding of ethics as discussed in section 4.1.1 might mean that individuals experience moral myopia as interpreted by Landy and Royzman (2018); or rather, taking just one ethical point of view in decisions. Lack of interpretative schemes can be noticed when individuals are entering a new job, like the anecdote by Participant 8 explaining how new internal auditors lack the knowledge to conduct effective audits. Other examples include the lack of knowledge of the principles within a code of conduct, experienced workers facing new challenges, or using faulty interpretative schemes which have been entrenched in time. In support of the argument by Bok (1980), I agree that material constraints such as intellectual challenges and fatigue also act as moderators in ethical decision-making. Even when decision-makers possess the relevant interpretative schemes, they cannot always be accessed. By saying 'cannot', I keep in mind the argument by Giddens (1984) and Bandura (1999) that even unconscious decisions can be seen as deliberate choices. They are simply not visible as such in the moment. Such instances can include moods influencing the decision-makers' state of mind. The individual's inclination to act in accordance with their traits or stable patterns

of actions, emotions and thoughts (Parks-Leduc et al., 2021) can also be regarded as a material constraint. In my findings, I have identified traits such as greed, personal responsibility, conscientiousness, education, and experience.

Second, constraints posed by the uniqueness of circumstances. Although situations might often resemble others, participants spoke of unique situations which make it challenging for them to decide. Hence, it might be challenging to choose a relevant interpretative scheme. I interpret the uniqueness of circumstances as a material constraint between the construct of modalities and what decision-makers perceive. This ties into Jones' (1991) moral intensity components and is also in agreement with Jones (1991) Bandura (2002) and Palazzo (2012) who posit that unique characteristics of situations impact decision-making. In my findings, it can be observed that time is a strong element of situations and, in accordance with authors including Darley and Batson (1973), time restrictions seem to impact the ability for rational thought. Participants described that limited time can force hasty decisions, threaten business survival, pressure decision-makers to act against their values and their roles. Also linked to Jones' (1991) moral intensity component of proximity, my findings indicate that interpersonal relationships or lack thereof interact with ethical decision-making in a non-consistent manner. In instances, personal relationships can enable ethical decisions because of empathy, trust, and respect. They can otherwise act as a hinderance since personal relationships can lead to unethical decisions because of favouritism and clientelism or out of animosity which emerges from relationships.

Conflicting messages from institutions described by participants can also be interpreted as a material constraint related to circumstances. Whereas modalities include interpretative schemes, facility and norms which act as shared resources for decision-making (Giddens, 1984), there can be in-consistent messages. Relating to examples by participants these can include cliques which adopt unethical norms that contradict those at the societal level. Influence from a particular institution may not even be consistent between its regulative, normative, and cultural-cognitive elements. As Participant 19 described, in a

school where regulations required teachers to be on the job for set hours, a normative rule was that if there are no classes in the morning, teachers can come into work later, and a culture where teachers do not show up to work because they have a part-time job. As inferred through my findings, influence from institutions may manifest itself as hints which are open to interpretation. Also, my findings support Ashforth (2000), that as individuals occupy various roles in several institutions, there may be conflicting interests between the different roles.

6.1.4 Decision-makers

Adopting the related lens approach by Steele and Hannigan (2020), decision-makers can be individuals or groups which decide at the micro-level. I interpret decisions as influenced by structures, shaped by modalities, and filtered through material constraints. As proposed in section 5.2.4, the open inventory of psychological mechanisms of moral disengagement by Schaefer and Bouwmeester (2021) can be extended to include ethical decision-making. I refer to literature to sum up and provide a starting point for the discussion on ethical decision-making. During decisions, decision-makers create new or use existing mental schemas (Garrigan et al., 2018; Gioia, 1992; Krebs and Denton, 2005) which can also be understood as interpretative schemes (Giddens, 1984). Whether intentional or otherwise, this can be seen as a construction, re-construction or use of pre-existing schemas which inherently comprise morality and agency. Morality refers to what decision-makers perceive as an ethical component (Schaefer and Bouwmeester, 2021). Perception of the ethical component can be related to the recognition of the moral issue stage in Jones (1991). To perceive the ethical component, decision-makers need to possess the knowledge of that component (Blum, 1991), as well as be able to recognise it as such (Palazzo et al., 2012). This also requires decision-makers to recognise and acknowledge the significance of consequences (Jones, 1991). They also need to recognise their own agency (Jones, 1991; Schaefer and Bouwmeester, 2021), and this relates to how decision-makers recognise their own responsibility, power, and freewill (Giddens, 1984). My findings, however, indicate that also in

accordance with Bandura (1999) and Giddens (1984) there needs to be a distinction between agency and perceived agency. The balance, or lack thereof, between morality and agency can explain the different nuances of ethical decision-making on a continuum ranging between unawareness and awareness.

6.2 Ethical decision-making in everyday business decisions

I have employed structuration theory (Giddens, 1984) to derive the discussion related to the interplay between agency and structure. However, as I shift the attention to the decision-maker's experience, I move away from it, as structuration theory is on the weaker side when dealing with experiences (Shilling, 1999). To introduce the structure which I use to present the response to the second research question, I refer to figure 2-1. Building on this figure and referring to table 6-1, I start by pegging the different aspects of ethical decision-making, which have been identified in the findings to the most relevant stage of the decision-making process adopted by Jones (1991). Since the stages of ethical decision-making by Jones (1991) indicate progressive awareness, I interpret the different aspects of ethical decision-making as a continuum ranging between unawareness and awareness. As seen in the final two columns of table 6-1, I am also presenting the aspects of ethical decision-making as susceptible to lack of clarity of morality and/or agency in support of Schaefer and Bouwmeester (2021), as well as posing different salient challenges. While these will be discussed in the following sections, here I introduce two arguments. First, that towards the unawareness end of the continuum construction or reconstruction of morality is more noticeable, towards the middle of the continuum construction or reconstruction of agency is more pertinent, whilst at the awareness end of the continuum, both morality and agency are clear. Second, as interpreted through my findings, each aspect of ethical decision-making seems to pose salient challenges. In ethical unawareness, the lack of knowledge can be seen as the salient challenge. Ethical blindness implies the lack of visibility of the ethical component, moral myopia can be interpreted as lacking interest by decision-makers. Advantageous comparisons indicate a lack of clarity on the prioritisation of values. In obedience to authority, power or lack

thereof affects decisions. Moral uncertainty lacks in choice-worthy options, whilst in ethical awareness decision-makers face risks related to the exercise of individual values. These salient challenges will then be built upon to discuss the mitigation of unethical decision-making.

Unawareness - awareness continuum	Aspects of ethical decision-making	Stage of ethical decision-making (Jones, 1991)	Morality and Agency (un)clear	Salient challenge
	Ethical unawareness	Recognition of the moral issue	Morality unclear	Knowledge
	Ethical blindness	Recognition of the moral issue	Morality unclear	Visibility
	Moral myopia	Recognition of the moral issue	Morality and agency unclear	Interest
	Advantageous comparison	Establishing the moral intent	Agency unclear	Clarity
	Obedience to authority	Engaging in moral behaviour	Agency unclear	Power
	Moral uncertainty	Engaging in moral behaviour	Morality and agency clear	Choice-worthiness
	Moral awareness	Engaging in moral behaviour	Morality and agency clear	Risk

Table 6-1 Aspects of ethical decision-making

6.2.1 Ethical unawareness

In the absence of a term attributed to it in previous literature, I use the term ethical unawareness to describe a state in which decision-makers do not possess the necessary experience or knowledge to recognise an ethical dilemma. Basing on previous literature, I interpret this as a material constraint on decisions,

impacting the interpretative scheme which decision-makers use. Since decision-makers use their working memory to retrieve relevant schemas (Garrigan et al., 2018; Krebs and Denton, 2005), by inference, they cannot use schemas that have not been constructed before. In support of Eweje and Brunton (2010), my findings indicate that ethical unawareness is more pronounced in early career, because of lack of experience. But my findings also indicate that this can happen to more experienced individuals entering new job roles, while it can become entrenched behaviour which lasts, unless decision-makers are sensitised to the ethical component. Decision-making in groups can also be subject to potential ethical unawareness. Think of legislators who are dealing with new situations such as passing laws relating to artificial intelligence, an area that is emergent and ever-changing as described by Scherer (2015).

Ethical unawareness can be interpreted as the construction of morality without previous knowledge. Jones (1991) argues that recognising an ethical issue requires the decision-maker to recognise the ethical component and their agency, but as described in the findings section 5.1, in ethical unawareness, decision-makers recognise neither. Nor do they experience emotions which are associated with ethical decision-making, such as guilt and conscience. As Bandura (2002) explains, self-regulation is unknowingly bypassed in self-deception. However, self-regulation cannot trigger on values that the decision-maker does not possess (Blum, 1991). Hence, since an individual does not possess a particular value, they cannot self-deceive. The acknowledgement of ethical unawareness is implied through the importance which institutions place on codes of conduct and training, for example, as a way of structures facilitating knowledge for decision-makers. This is, however, an element which has been notably missing in ethical decision-making literature, such as Jones (1991), Sonenshein (2007), and Palazzo et al. (2012).

6.2.2 Moral disengagement – ethical blindness, moral myopia, and advantageous comparison

Reading Bandura (2002), Drumwright and Murphy (2009), and Palazzo et al. (2012), it can be inferred that ethical blindness, moral myopia and moral disengagement overlap. This to the point that it can be argued they are referring to the same phenomenon. In fact, the moral disengagement mechanisms proposed by Bandura (1989), can be observed in my findings classified as ethical blindness, moral myopia and advantageous comparison. Thus, I am using moral disengagement as an umbrella theory and then use my findings to argue for a set of characteristics which define one from the others, whilst being cognisant that in theory and in lived realities, these overlap. I am interpreting these aspects of decision-making as increasing in terms of awareness by referring to the positive, neutral, and negative stances observed in my findings. When engaging in positive terms such as 'righting a wrong', these can be viewed as focused on the re-construction of morality and making an unethical action look ethical. In engaging with neutral reasoning such as 'my input is innocent', decision-makers are still engaging with the re-construction of morality, but a re-construction of agency can also be noted. In negative reasoning such as 'I need to protect myself', there seems to be an acknowledgement of the moral element, but a re-construction of agency. Although an individual is an agent whether they realise it or otherwise (Bandura, 2002; Emirbayer and Mische, 1998; Giddens, 1984), in moral disengagement, they deceive themselves into believing their interpretation of the situation (Bandura, 2002; Lowell, 2012; Sonenshein, 2007; Tenbrunsel and Messick, 2004). Thus, self-deception indicates that the individual is believing the rationalisations that they profess. Hence, I argue that this version of the truth is valid for the decision-maker, and I suggest that this view is considered as an authentic, albeit unethical, angle to decision-making.

Palazzo et al. (2012) discuss ethical blindness as a temporary state in which the decision-maker does not have visibility of the ethical component. Reconciling mental schemas in works such as Gioia (1992) and Palazzo et al. (2012) with interpretative schemes as argued by Giddens (1984), this can be considered as

decision-makers accessing interpretative schemes which do not contain an ethical component. An example from my findings is a decision-maker who acknowledges the duties that accompany their role but overlooks their responsibility for doing their job effectively because they feel disrespected. Unlike what I have described as ethical unawareness, decision-makers seem to possess the knowledge of the pertinent values, however, they temporarily do not recognise an ethical dilemma as such. As argued by Palazzo et al. (2012) and suggested by the findings section 5.2.1, ethically blind decision-makers may explain their actions with a sense of pride whilst believing that they are bringing justice to an unjust situation. In my findings, these feature as decision-makers righting a wrong and that what they did was an accomplishment. This ties into Bandura's (2002) explanation of moral justifications, in which soldiers may regard themselves as preserving peace. The argument by Palazzo et al. (2012), similar to that of Giddens (1984) is that decision-makers are still responsible for their actions even when the decisions are not conscious. Whilst concurring with this position, I argue that this does not aid in mitigating it. Participants seemed surprised that this could happen to them, similarly to Gioia (1992) when he realised he had been ethically blind years later. Whilst the description of the phenomenon helps us to understand it, I argue that, to instigate change, decision-makers need to become sensitised. This is because, as Bandura (2002) explains, individuals need to feel that they are acting in line with their values and in line with, Festinger (1962), the dissonance that is felt when they do not impels them to act on it. This position is not to be confounded with what Lawrence et al. (2009) described as an objectivist or structuralist view that individuals are not intentional or deviant. Rather, that the intentionality and deviance of individuals may not be visible to them.

On the continuum, ethical blindness can be described as closely related to moral myopia, as introduced by Drumwright and Murphy (2009). In moral myopia, the ethical component is present but is not central to the discussion. My findings show similarity to cases exhibited by Drumwright and Murphy (2009), when decision-makers may reason that the issue is trivial and does not merit ethical consideration. This indicates a lack of interest in dealing with an ethical dilemma as such, as seen in the example of the software developer in the

gambling industry, who argued that their input was an innocent part of a more significant unethical whole. This can also be the case for citizens who damaged park facilities, reasoning that it does not matter because the local council will fix it. These point in the direction that, as Giddens (1984) proposes, decision-makers use norms as modality to draw socially acceptable reasoning from. The categorisations of Drumwright and Murphy (2009) are interesting for the current study, because they too describe moral myopia as varying between blindness and distorted vision. Because ethical blindness can be more closely related to the re-construction of morality and advantageous comparison indicates re-construction of agency, I am retaining moral myopia to explain examples when the ethical component is present but not central, as the term myopia indicates. There is also the indication of re-construction of agency where moral myopia can take the shape of an 'agentless passive voice' as Bandura (2002) describes it. Hence, there is an acknowledgement that something is unethical, but it is outside of the decision-makers' interest.

Focused on re-construction of agency and demonstrative of moral awareness are advantageous comparisons (Bandura, 2002). This moral disengagement mechanism can explain examples when decision-makers know that a decision is unethical. However, they find the language to justify it. This once again points towards Giddens' (1984) argument that decision-makers access socially acceptable norms to guide and explain their behaviour. As displayed in the findings section 5.2.3, these include situations where decision-makers argue that an unethical action is necessary, falls withing their institutional roles, is required for self-protection, benefits the greater good, or is taken to avert more serious repercussions. In agreement with Bandura (2002), advantageous comparisons rely on utilitarian arguments. Parallels can be drawn between these utilitarian arguments and the establishment of moral intent stage. Jones (1991) explains that at this stage, decision-makers balance moral with non-moral criteria, such as self-interest. Bandura (2002) argues for self-deception in moral disengagement, but analysing my findings, it can be arguable whether the decision-maker is rationally weighing the decision or they are self-deceiving. What might help to explain this is the suspension of the normative judgement. Taking the example of Participant 3, when explaining that sales representatives

need to exaggerate the benefits of a product to sell, the exaggeration can be interpreted as an unethical action or as a need. Using this case as an example, weighing the benefits in a utilitarian manner, and introducing the notion of self-interest, one can question what viable methods sales representatives have at their disposal to do their job well. Furthermore, one can question what constitutes a job well done. Is it meeting the targets or serving customers honestly? Maybe in serving customers honestly, the targets are not met to the detriment of their and others' job stability. Thus, here I advocate for more sensitivity towards the complexity of lived realities. This also implies sensitivity to the fact that some decisions may emerge as unethical in hindsight (Gellerman, 1986). Hence, decision-makers in advantageous comparison may lack clarity due to competing priorities.

6.2.3 Obedience to authority

Further on the awareness continuum is obedience to authority, as discussed by Milgram (1974). As described in literature and apparent in my findings, in such instances, decision-makers feel powerless and cornered in taking unethical decisions and actions. In my findings, such decisions were accompanied by a host of negative emotions ranging between uneasiness and fear. Although the term 'obedience to authority' jars with more modern language, such as 'engaged fellowship' by Haslam and Reicher (2017), the term obedience might more clearly explain how participants described it. Authority seems to have a broader meaning than just leadership within organisations. Participants perceived factors like the market dictating circumstances, peer pressure or even the need for unethical decisions for business survival in situations like the COVID-19 pandemic, as authority. Interestingly, Giddens (1984, p. 175) argues: "Even the threat of death carries no weight unless it is the case that the individual so threatened in some way values life". He further argues that in saying that one has no choice, what they effectively mean is that they value their life enough as to perceive that there is no choice. In obedience to authority, as explored through section 5.3, decision-makers feel forced towards decisions which do not align with their values, without perceiving a choice or a feasible choice. Choices

which were described by participants as unfeasible at the time of a decision included leaving a job when caring for young children or leaving an industry or profession when all the training and experience acquired was within that industry and sectors in which unethical practices were the norm. Hence, unfeasible choices refer to options which were perceived by decision-makers but were not considered as reasonable during decision-making. Interpreting my findings in the light of Giddens (1984), decision-makers value their wellbeing enough so as not to perceive a viable choice. Whilst this rationale helps to explain my findings, the experience of the decision-maker is that they feel powerless and perceive no viable choice. This indicates that, whereas the morality aspect of the decision is perceived, the agency aspect, together with its power connotations, is not.

6.2.4 Moral uncertainty

Moral uncertainty (MacAskill et al., 2020) can be interpreted as being close to ethical awareness. In my findings, these were situations in which decision-makers were aware of the ethical component and of their agency, yet they did not know whether a choice was ethical, even after the decision was taken. In ethical decision-making models, like Jones (1991), Sonenshein (2007), Palazzo (2012), and indeed prevalent in this thesis, there is a baseline understanding that situations have an ethical or unethical valence. As already hinted at in advantageous comparisons, situations are not always normatively clear-cut. Whereas in advantageous comparisons, decision-makers engage in moral disengagement to rationalise their decisions, sometimes decision-makers do not rationalise such decisions. This aspect of decision-making is characterised by feelings of dissonance which can last for years. Referring to Lowell (2012) and basing on Festinger (1962), for dissonance to dissipate, decision-makers either revert to rationalising their decision (moral disengagement), or to changing it. I advocate for a level of tolerance to ambiguity in ethical decision-making. In a genuine wish to simplify knowledge, decision-makers and scholars may opt to define decisions as ethical or unethical. After all, dissonance is an uncomfortable feeling (Festinger, 1962; Lowell, 2012). Defining decisions as

ethical or unethical may help dissipate the dissonance but may also lead to skirting an important debate in ethics. Consider the proposal where some dilemmas need to remain dilemmas for decision-makers to be more ethical. This does not mean that decision-makers cannot increase their knowledge to a point where the ethical valence of a dilemma is clearer. It means that there is value in decision-makers questioning their decisions whilst living with dissonance. By doing so, decision-makers avoid resorting to rationalisations that impede ethical awareness. In agreement with MacAskill and Ord (2020) maximising choice-worthiness can dissipate moral uncertainty. Choice-worthiness refers to recognising the relative strength of different options, making choices clearer (MacAskill et al., 2020; MacAskill and Ord, 2020).

6.2.5 Ethical awareness

Ethical awareness can be described as the end point of the awareness continuum. Whilst the term moral awareness was used by Reynolds (2006), this was employed in a more restricted sense. He refers to moral awareness as the recognition of a moral dilemma in the first stage of the ethical decision-making process by Jones (1991), and to it being an individual-level phenomenon. I argue that referring to ethical awareness as such, excludes the aspects related to moral myopia, advantageous comparison, obedience to authority, and moral uncertainty. It also lacks the recognition of structural influences on decision-making. In moral awareness as identified in my findings, decision-makers recognised the moral aspect, as argued by Reynolds (2006) and their agency. Using the same terminology by Jones (1991) in ethical awareness as described in my findings, decision-makers recognise the moral issue, make a moral judgement, establish moral intent, and engage in moral behaviour, even when such behaviour requires of them to redefine their relationship with authority. As described in the findings, this entails risks or perceived risks, which may include losing a job, negative impact on reputation, social exclusion, and direct confrontation. When decision-makers' judgement goes counter the forces exerted by structure, the former may refuse to betray their values and challenge structure. In describing what I am here referring to as ethical awareness,

participants expressed strong emotions when going counter structural forces. These are similar to those expressed in obedience to authority, but also included the pride of adhering to values despite challenges. One difference between ethical awareness and obedience to authority can be the perception of power and choice. Perhaps, as indicated by Giddens (1984), what one decision-maker perceives as constraint, another sees as an enablement for change. This can be linked to perceived agency and locus of control, as advocated by Bandura (1989), Detert et al. (2008), and Street and Street (2006). As my findings indicate, decision-makers perceive structural forces as pushing them to act against their values. They perceive an element of risk associated with the decision; they decide in line with their values and face consequences, which may be positive or negative to themselves. Whereas ethical awareness, as explored in the findings, links to a positive sense of ethical decision-making. Keeping in mind the duality of structures (Giddens, 1984), this awareness may lead to both ethical and unethical decisions. Being ethically aware and acting in line with individual values does not imply that those same values apply to the rest of society.

6.3 Effects of ethical decision-making on decision-makers, material constraints, modalities, and structures

I argue that ethical decision-making is bi-directional. Perhaps the most logical way of explaining it is that structures influence modalities, which in-turn influence decision-making. However, whilst following structuration theory (Giddens, 1984), and as expressed by the notion of institutional work (Battilana and D'Aunno, 2009), the influence can also be vice versa. Decisions can impact material constraints, modalities and eventually structures. Let me illustrate this with an example from Malta. Participant 18 recounted a situation when a jobseeker expected of the minister (decision-maker) to find a job for them and their family, because they voted for them. Participant 20, who was an HR professional working in a parastatal company, explained this from their point of view. They did not agree with such practices but had to act on orders (decision-maker) because their current circumstances did not allow them to leave their

job (material constraint). They further explained that such behaviour came to be expected (modality) even from the younger generation. This culture (structure) became prevalent in a way that Participant 12 questions whether unethical practices such as these can ever be changed. This is accompanied by a legitimacy given to such practices by the government (structure). In an interview on a driving-test scandal, the Prime Minister of Malta argued that customer care officials (structure) helping people get unfair advantage were justified because "This is the way the political system works. If anyone is saying this should not apply for this country, I disagree". ("Watch," 2023). Noting the bidirectionality of flow of influence, when such actions are justified, they can become ingrained in the modality as interpretative schemas and norms. As already discussed, at a modality level, decision-makers create new or use existing interpretative schemes. In individuals, this takes the form of mental schemas (Gioia, 1992) while in groups this relates to the embedding of action in structure and processes (Ashforth and Anand, 2003).

The effect of decisions on decision-makers includes the creation of new or amendments to interpretative schemes, and can be accompanied by a change of actions, routinisation, ethical fading, or amplification. Changing of actions (Festinger, 1962) can be illustrated by the example of Participant 1, who explained that following a decision, they have decided that for the future when they have access to data they do not need for their job, they would request that such access is removed. Decisions can also lead to routinisation (Ashforth and Anand, 2003), like the example provided by Participant 13 when explaining that killing animals is part of the daily job of people who work in slaughterhouses. They can lead to ethical fading (Tenbrunsel and Messick, 2004), such as when Participant 6 explained that whereas before bribing was unacceptable, this has become routinised and it is no longer considered as unethical. Amplification (Lowell, 2012) refers to decisions increasing in valence, like when Participant 24 explained that as firefighters they undertake jobs which are increasingly more challenging so that they can handle possible major incidents.

Normalisation of corruption (Ashforth and Anand, 2003) can be explained as institutional work (Lawrence et al., 2009). As explored in the example from Malta, interpretative schemes which become available as modalities can become a resource for structures. Structures may reject the updated schemes (Chibnall and Saunders, 1977). Otherwise, they may become accepted and routinised (Ashforth and Anand, 2003). Routinisation can lead to isomorphism in which similar structures and institutions adopt the same schemes (Ashforth and Anand, 2003). For example, as explored in the findings, when practices like cheating on contract writing moves from being an organisational practice to an industry one. Incorporating practices into interpretative schemes can be seen as the acceptance of such practices in the meso and macro environment. It can also indicate that other decision-makers may consider unethical practices as acceptable, as advocated by Ashforth and Anand (2003). For example, arguing that clientelism is normal in a political system (Participant 14). Otherwise, it can be interpreted as an action being unethical but normal. Using the same theme of clientelism, decision-makers may view clientelism as wrong, but as a normal practice. This is a view that is also promoted by Fleming et al. (2020) when discussing corruption in Greece. They describe that what is normalised is not corruption but the tolerance of it.

6.4 The framework of everyday ethical decisions in business

Building on the previous discussion, figure 6-1 represents the framework of everyday ethical decisions in business. It is depicted as decision-making that is impacted by structures and modalities and filtered through material constraints. Decision-making is a property of decision-makers and can range between ethical unawareness and ethical awareness. Decisions can affect material constraints and modalities, with the possibility of also impacting structure. The upward and down word arrows refer to the bi-directional relationship between the elements, as also discussed by Giddens (1984).
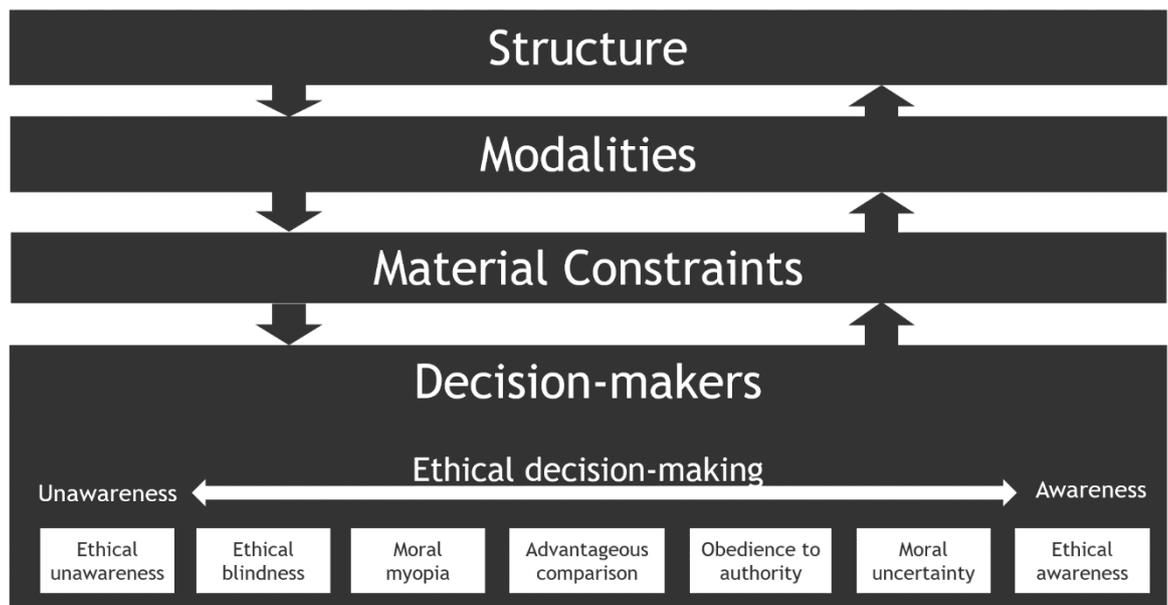
Figure 6-1 Framework of everyday ethical decisions in business

6.5 Mitigating unethical decision-making in everyday business decisions

The usefulness of investigating and mitigating unethical decision-making in everyday business decisions might be questionable. Especially since, as Jones (1991) remarks, most decisions contain an ethical element and decision-makers should not feel constantly ethically challenged. However, the significance of mitigating such decisions stems from its impact on more substantial unethical decisions, as discussed in section 2.3. This section is focused on responding to the third research question: How can unethical decision-making be mitigated in organisations? The response to this question is proposed by amalgamating literature reviewed, my findings and reflections to make up a list of recommendations aimed towards the micro, meso, and macro environment. This is based on two elementary assumptions. The first is that ethical decision-making is desirable and unethical decision-making otherwise, as argued by Treviño et al. (2014). The second is that structure has the legitimate power to influence modalities and expect conformity. Most participants argued that it is close to impossible to eradicate unethical decisions and there was not a single silver bullet, although training and education came quite close. Whilst the responses to the first two research questions focused on theory, the third

research question highlights the implications for practice in an action-oriented manner. I am delineating the actions which can be taken at individual, organisational, educational, and societal levels to mitigate unethical decision-making. However, it is both interesting and disappointing to note that there is nothing original about the proposed actions. This highlights that although most recommendations are already known, there is a gap between knowing and acting, because unethical decisions are still widespread (Kump and Scholz, 2022), hence still require mitigation.

6.5.1 The micro level - actions by individuals

As described in section 6.2, ethical decision-making can be described as ranging between unawareness and awareness and can be explained as a composite of morality and agency. Despite that, the mitigating actions which organisations can adopt seems to be a better researched area, individuals can take concrete steps towards more ethically aware decisions. Therefore, the recommended mitigating actions for individuals are based on supporting the recognition of the ethical component and of personal agency in ethical dilemmas.

Some participants argued that the possession of a strong set of values by the individual rests at the base of ethical decisions. This position seems to reflect an Aristotelian virtue ethics perspective, as promoted by Solomon (1992). Whilst possessing such values has been described as essential, yet they are missing in ethical unawareness. As argued by participants and in support of authors like Gioia (1992) and Gantman and Van Bavel (2015), individual values are internalised through education or experience and can prevent ethical unawareness. As inferred through my findings, engaging with a more heightened understanding of ethics can equip individuals with new knowledge. I argue that such knowledge can remove the material constraint of lack of it, enabling the individual to access new interpretative schemes. Intuitive decision-making is prevalent in everyday life (Bargh and Chartrand, 1999). Because of heuristic decision-making individuals might miss the ethical component in a decision without realising (Palazzo et al., 2012; Sonenshein, 2007). This whilst deceiving themselves that the action was the right one (Bandura, 2002). But as discussed

in the findings and also in support of Gioia (1992), Gellerman (1986), and Zimbardo (2009), individuals can realise that they acted unethically in hindsight. Based on this, I support the view by Sezer et al. (2015) that individuals can train themselves to analyse their actions in hindsight. This might require an added time commitment, but has the potential to modify interpretative schemes, provide more clarity and facilitate future decisions.

Chugh and Bazerman (2007) argue that the inability to recognise biases can effectively be more dangerous than the bias itself. But as experienced through the interviewing process, once individuals notice the impact of self-deceiving cognitive biases, they can engage in understanding their own. Individuals can utilise generic online searches for reliable cognitive biases sources or use dedicated resources like Kahneman (2011). This is because noticing biases enables their reduction (Bohns and Flynn, 2013). Self-deception is difficult to rectify because it is invisible to the decision-maker (Tenbrunsel and Messick, 2004). However, one can learn to recognise the early signs of moral disengagement and endeavour to correct as opposed to rationalise them (de Klerk, 2017). This includes debating the role of self-interest, its legitimacy and the challenges it poses (Tenbrunsel and Messick, 2004). My findings support Blum (1991) that ethical awareness can be perceived as a value in its own right and can be enhanced by individuals. This can be done, for example, by engaging in critical thinking and discussions with others, as Sims (1992) suggests. Dedicating the time to stop and think before deciding, moves decision-making from intuitive to rational (Sezer et al., 2015). Whereas it might not guarantee ethical decisions, it can enable individuals to think with more clarity about situations and explore choice-worthy solutions which might not be available in intuitive decision-making.

As Jones (1991) argues, recognising ethical issues requires an understanding of consequences. But as observed in the findings, individuals do not always recognise them, even because prior to a decision, it may be difficult to predict them. This is even an argument raised by Giddens (1984). However, actively assessing a fuller range of implications, as also advocated by Messick and Bazerman (1996), can lead to a better understanding of consequences. One option available is learning to engage lateral thinking techniques. Similar to this,

Palazzo et al. (2012) suggest that individuals learn to apply different cognitive frames. This provides visibility of the dilemma from different perspectives. Perspective taking can also take the form of empathy and thus considering others' point of view before deciding (Bohns et al., 2013). Participants also highlighted the benefits of empathy, as it gives them a perspective that transcends their own. Since as also explored in the findings, information might be limited, I support Chugh and Bazerman's (2007), who recommend that individuals seek more information without relying solely on data that is readily available. As my findings support authors like Cressey (1986) who argue that consequences can be brought about by language, I support the caution which authors like Bandura (1999) advocate for internal language and those who like Vickers (2002) argue for more considerate language to be engaged in organisations.

Bandura (2002) and Umphress and Bingham (2011) highlight that building solid social relationships can lead to more ethical decisions. However, my findings resonate with Umphress and Bingham (2011) who argue that social relationships do not necessarily lead to more ethical decisions. Thus, basing on the experiences shared by participants, I also advocate for individuals to understand the role that social relationships play. Their ability to enable both ethical decisions, such as promoting a more humane workplace, and unethical decisions like unfair treatment and clientelism. Whereas one of the rationalisation techniques visible both in works of authors including Siebert et al. (2020) and Kvalnes and Nordal (2019), as well as in my findings, is a taken for granted hierarchy of loyalties, I recommend that individuals question and, if needed, challenge such taken for granted loyalties. In support of Detert et al. (2008) my findings indicate that empathy enables more ethically aware decision-making. Interestingly, however, one participant added that sometimes individuals might understand that a position is unethical, only when the same thing they did to others, happens to them.

When engaging with how participants described the influence of structures, perhaps they can be described as iron cages, as argued by DiMaggio and Powell (1983). But individuals also possess agency, even when they are not aware of it

(Bandura, 1989; Giddens, 1984). Despite the strength with which participants described the constraints of structure on decision-making, in support of Solomon (1992), some participants also highlighted that individuals do not relinquish the possibility of personal choices and responsibility. Yet, as has also been explored in section 5.3, sometimes individuals do not perceive feasible choices and personal power. The role of conscience in acting as an internal moral compass has been spoken about at length by the participants and also promoted by authors like Messick and Bazerman (1996). As discussed in section 4.1.2, conscience enables individuals to understand when a line should be drawn. Perhaps, as also argued by Messick and Bazerman (1996), individuals can give more credit to conscience and use it as guidance to understand the limits of what is acceptable. Because, as even Giddens (1984) explains, there is always a choice, I argue that individuals can learn to foster their own element of choice in situations where they perceive none. In support of the argument by von Kriegstein (2022), knowing about the diverse mechanisms through which intuitive unethical decision-making happens, can lead individuals to having a broader understanding which provides choice. As Bandura (1999) asserts, knowing about and fostering an element of choice can lead to an increase in self-efficacy. It can be relevant to realise that after an initial commitment, individuals are prone to continue down a chosen route even when they know that it was not the right choice (Street and Street, 2006). Even though the intuitive utilisation of existing interpretative schemes can act as a deterrent, it is worth questioning the logic of repeat decisions, perhaps escalating in commitment.

In the findings, I discussed how personality traits seem to impact ethical decision-making. Street and Street (2006) argue that individuals with an external locus of control are more likely to behave unethically. Perhaps locus of control is an unchangeable character trait. Yet there are resources, such as Covey (2020), which offer techniques to internalise the locus of control. Adopting an internal locus of control and understanding personal influencing ability enables better ethical decision-making. Conversely, as Andiappan and Dufour (2017) explain, externalising blame may lead to consonance, but will not rectify the situation. Since, through my findings, it can be understood that individuals do not always understand their personal influencing power, I support the assertation by Bohns

and Flynn (2013) that individuals can recognise that they can bring about change. As also discussed by Andiappan and Dufour (2017), such recognition of power can help individuals to build up the courage to speak up in situations which create dissonance. Bohns and Flynn (2013) discuss that individuals can become more aware of their power over others by considering their perspective. Consider the story by Participant 2, where an influential leader, perhaps not realising their power, proposed that child abuse should be dealt with in secret by the organisation. The other members of the committee felt compelled to follow this decision just because of the influence that the leader exerted. Individuals are susceptible to abusing the power which their role gives them, refer for example to Zimbardo (2009). Hence, it is recommendable for individuals to find the balance between acknowledging power and not abusing it. This comes with an added complexity that, as Giddens (1984) argues, the interpretation of agency and power exists in the minds of individuals. Whereas this implies that one's interpretation may be totally different from another's, yet it is up to individuals to engage with their interpretation of power and choice. That is, if they can realise that what they perceive is an interpretation of the situation.

It is essential to reiterate that everyone is susceptible to making intuitive unethical decisions (Anand et al., 2004; Bazerman and Banaji, 2004; Palazzo et al., 2012). As Tenbrunsel et al. (2004) argue, when individuals illude themselves that they are constantly ethical, then their behaviour cannot be improved. However, experiences of ethical failures can be turned into learning opportunities. The dissonance that is felt after an unethical decision, for example, as described in the findings related to obedience to authority and moral uncertainty, is positive, as it can foster more ethical decision-making. Therefore, in agreement with Andiappan and Dufour (2017) and Vasques et al. (2019), I suggest that there is value in exploring such feelings as opposed to dissipating them prematurely. I also advocate for self-reflection, which has the potential of empowering individuals to know themselves better. This is because, as even Tenbrunsel and Messick (2004) argue, knowing about and being critical of one's own motives, ways of thinking and behaving, can lead to more ethically aware decisions. Gioia's (1992) experience is an example of this. Through self-

reflection, he turned his own experience of unethical decision-making to a practical lesson for himself and his students. Mitigating actions at the individual level face a significant challenge, that as even Tenbrunsel and Messick (2004) discuss, when engaging in intuitive decision-making, it is difficult for individuals to realise that they are deceiving themselves. Because of this, the supporting structures by organisations, education and society take on a more important role.

6.5.2 The meso level - actions at the organisational level

Whereas discussions with participants revolved mainly around individual decision-makers, the mitigating actions they proposed focused mostly on organisations, acknowledging the strength of the organisation in individual decisions. This is also in line with Glynn and D'Aunno (2023), who argue that change in the organisational setting is directly related to the regulative, normative and cultural-cognitive influence they exert. To this aim, building a comprehensive ethical infrastructure in organisations endorses more ethical decision-making (Tenbrunsel et al., 2003).

Regulative actions are focused on the organisation taking clear positions on ethical standards. I agree with Tenbrunsel et al. (2003), who describe these as the formal standardised systems and rules which are visible within and outside of the organisation. Since regulative elements are intended to be clear, they might create more awareness of what the organisation expects of employees. It is pertinent for organisations to understand where their particular ethical risks lie (Anand et al., 2004). Then, to be explicit about the type of behaviour they expect from employees (Sims, 1992; Tenbrunsel et al., 2003; Umphress and Bingham, 2011). Many organisations opt to do this through codes of conduct, which create awareness and automatically reduce ethical unawareness because of lack of knowledge. Although even in my findings, the effectiveness of codes of conduct is often debated, Lois and Wessa (2021) explain that they are particularly helpful in day-to-day decisions and in providing guidance where individuals are not clear on what is expected of them. They need to be a lived document which also acknowledges that, as Participant 2 highlighted, there will

be instances that may not be covered by the code. Therefore, it can be good practice to provide parameters and promote ethical attitudes rather than being a guide to behaviour. Providing employees with ethics training focused on creating awareness of the ethical implications as well as of personal and role related agency, might increase ethical awareness through more clarity. In agreement with Anand et al. (2004) and Detert et al. (2008), various participants described training as a key action, but they also argued that experience is a better teacher. They also agreed with Treviño (1986) and Umphress and Bingham (2011) that active learning techniques make learning more permanent, and theoretical teaching is limited in impact. Whilst experience is subjective to the individual, the use of experiential learning may facilitate better teaching in groups.

Perhaps not as popular as codes of conduct and training, but arguably more salient are actions organisations take when the rules are not adhered to. In promoting accountability, organisations keep everyone responsible for their own actions. My findings support Treviño (1986) and Wimbush (1999), who argue that personal responsibility and accountability need to start at higher levels of management. Taking a stand includes challenging actions and providing guidance when lack of accountability is detected. Participants argued that accountability demonstrates that individual actions matter, and that the organisation gives weight to actions and results. Considering my findings, if people are held accountable, then the rationalisations like 'it is not my responsibility', 'it's my job', and 'it does not matter' may be reduced. Sanctioning unethical actions is also advisable since, when they are not called out, this may create the impression that such actions are acceptable norms. My findings support what Umphress and Bingham (2011) and Zhang et al. (2020) suggest, that taking a stand against unethical actions helps to provide a guidance on what is socially acceptable, and encourages more sensitivity in decision-making. Since unethical behaviour can be an effect of organisational routines (Kump and Scholz, 2022), regulative actions can be accompanied by organisational policies, such as the restriction of data access to per need basis (Shu et al., 2011). This can help mitigate circumstances when, as described in the findings, having access to information which is not needed for a role can lead to unethical decisions. Since

lack of perceived power has been highlighted in the findings, effective sanctioning can include, as Walumbwa and Schaubroeck (2009) discuss, giving employees a voice to speak up and creating psychological safety. This is because, as Wellman et al. (2016) argue, individuals who do not hold high-power roles can be regarded as not holding the legitimate power to speak up. Hence, organisations can clarify that everyone is empowered to raise ethical objections, and that such behaviour is socially desirable.

Management literature often stresses that leadership plays a significant role in employees' ethical decision-making and in creating an ethical culture. This is because they act as role models for employees who look up to them and model their own behaviour. Thus, my findings support Anand et al. (2004), Ashforth and Anand (2003), and Zhang et al. (2020), who argue that it is essential that leaders acknowledge this role and its implications. Whereas as Bandura (2002) discusses, it can seem obvious that it is undesirable for leaders to overtly expect unethical behaviour from employees, my findings show that they might be inclined to use tactics which displace responsibility onto others. Such tactics included hinting towards unethical actions and creating an illusion of choice, similarly to that described by Ashforth and Anand (2003). Leaders who want to mitigate unethical decision-making might take heed of the advice by Anand et al. (2004), Ashforth and Anand (2003), and Bandura (2002) to be considerate of the language and euphemisms that they use, because as Vickers (2002) argues language shapes the reality of their teams.

Other sources of literature also provide guidance on how leaders can act in a way to mitigate unethical decision-making. Ethical leaders concentrate on the quality of their decisions, on the breath of considerations and practice honesty (Messick and Bazerman, 1996). They listen, act transparently and foster a culture of discussion without fear of retaliation (Kaptein, 2008), whilst empowering employees to realise their own power to influence what is happening around them (Bohns and Flynn, 2013). When choosing future leaders, organisations who want to be ethical choose candidates with strong ethical characteristics (Almeida et al., 2021; Treviño and Youngblood, 1990). This includes candidates who are not prone to morally disengage and who demonstrate empathy (Detert et al., 2008). Additionally, it is advisable to limit

the time periods which individuals occupy in significantly powerful positions, as this reduces the risk of abuse of power (Almeida et al., 2021). Participants emphasised the importance of involved leadership. They argued that leaders who move closer to the grassroots may understand the perspectives of their employees more. This indicates that they might be more able to identify ethical mistakes, whilst reducing their own ethical unawareness because of lack of knowledge. My findings support literature which discusses the crucial role that leadership plays in ethical unawareness, particularly in obedience to authority and moral disengagement, and that involved management may improve the quality of decisions and direction. Also, participants argued that it is advisable to dedicate the time to listen to what individuals are saying across the organisation. The benefits may be mutual, the listener is more aware of what is going on, and the individual being listened to feels more understood and respected. This indicates that listening has the potential of creating more ethical awareness through more information and empathy, therefore counters ethical unawareness and may reduce instances where decision-makers may reason that 'it does not happen'.

As also argued by Kaptein (2008) my findings highlighted that employees need to be provided with the resources and direction to perform their duties ethically. Such resources include time, workload, and targets. Lack of availability of time has been highlighted as one of the major forces impacting ethical decision-making. In agreement with Sezer et al. (2015) and Sonenshein (2007), when organisations allow enough time for their employees to perform their duties, they reduce the pressures of fast decision-making, and therefore decision-makers have more time to think their decision through. The allocation of time is ideally also balanced by an allocation of a fair workload. Once again, in agreement with authors like Darly and Batson (1973), participants argued that when employees are overwhelmed with tasks, they are less ethically aware. As also highlighted in the findings, organisations need to be mindful of the work that requires to be done to ensure that employees are adequately employed. Therefore, finding the right balance to assign realistic objectives whilst allowing for adequate rest can be seen as conducive to more ethically aware decisions.

As discussed in section 4.2.3, targets can be regarded as clear and deliberate motivators for action. They are often designed in such a way to push actions into particular directions. Whereas, as Welsh et al. (2020) also argue, targets and accompanying financial rewards are important for organisational efficiency, it is essential to set targets that act as motivators, but not inducers of unethical decisions. Therefore, targets which focus, or at least, promote better ethical decision-making may have the power of reducing ethical unawareness as they create focus on the ethical elements of decisions. Good practice in terms of targets, as highlighted in the findings, can include creating a healthy balance between fixed salary and commission, and measuring more ethics related components such as customer ratings. This is also in agreement with Ashkanasy et al. (2006) and Wood et al. (2013), who recommended that the reward structures are set in a way that discourages unethical actions and not seal them with financial or other rewards. As suggested by Barsky (2011), organisations might also consider the involvement of team members in goal setting, as this engages rational thinking and limits rationalisation techniques. Sims (1992) supported by participants of my research, discuss that organisations can also encourage ethical behaviour through non-monetary rewards, such as recognition, which continues to express the desired social behaviour.

Tenbrunsel et al. (2003) argue that fostering an open ethical culture creates an atmosphere of ethical behaviour, respect and justice. My findings also support the argument by Tenbrunsel et al. (2003) that when organisations promote respect and empathy, they create an atmosphere where employees respect others and feel respected. A culture of transparency can lead to leadership being more accountable, and employees to be more inquisitive. As also argued by Kaptein (2008), the increased clarity that transparency brings makes unethical actions easier to spot and rectify, not hide, and escalate. This also entails placing ethics as part of a structured environment with clear roles and responsibilities. In such a structure, there is no one-size-fits-all as organisations are unique and evolve. This evolution would ideally retain or adapt clarity on roles and responsibilities. As observed in most of the organisations which my participants worked within, ethics may not be a main focus area, but a supporting pillar to a central purpose, which may be profit maximisation. However, as also discussed by various participants and advocated by Kaptein

(2008), making ethics a subject which can be discussed and enabling decision-makers to consider ethics as a legitimate reason, may help reduce unethical decisions through added attention on making ethical choices. This is accompanied by the relevance of creating a speak-up culture where people are encouraged to discuss ethical dilemmas or anomalies, because ethics becomes a more open subject, as also advocated by authors like Kaptein (2008).

Through interpreting my findings, it seems that employees are a central element in the promotion of ethical behaviour. Therefore, choosing the right people, providing ethical role models, and fostering healthy human relationships may be key actions towards more ethical decision-making. As has been explored earlier in the findings, individual characteristics may play a decisive role in ethical decision-making. Therefore, choosing people with a tendency for more ethical decisions, such as responsibility, possessing core values, as well as an optimal education and experience for the job role, leads to more ethically inclined employees. Participants explained that individuals look up to others and often copy their behaviour. Organisations choose who to reward for their behaviour and that behaviour is endorsed as best practice. Therefore, if organisations reward individuals who consider ethics as a core principle, they would make it easier for decision-makers to be more ethically aware, because they would reinforce how 'everybody's doing it'. As argued by participants, in support of Detert et al. (2008), when organisations operate on a level of trust, they may create healthy relationships with their stakeholders. These relationships may enable the different parties to discuss ethical issues more openly. Organisations who display openness may involve multiple stakeholders in decision-making (Detert et al., 2008; Sonenshein, 2007; Walumbwa and Schaubroeck, 2009) and invite outside experts to provide their opinion (Sims, 1992). This level of openness may eventually lead to more ethical awareness.

6.5.3 Education at the macro level

Fifteen out of twenty-four participants highlighted the importance of education in preventing unethical decisions. Knowledge of the subject may naturally create

more awareness. The role of education is being invoked in two aspects: teaching and researching. In section 7.1, I highlight areas for further research, here I focus on teaching ethics to mitigate unethical decision-making. As my findings indicate, this starts with early years of education, as it seems to be a strong influence on the foundation of individual values. My findings concur with literature sources such as Solomon (1992), who discusses that individual values play a core role in ethical decision-making as they are the foundations of conscience. Hence, early years education, together with family upbringing, impacts the ethical reasoning of children into adulthood. As highlighted by participants, ethics education may be improved even in advanced educational institutions. Teaching normative business ethics may focus on rational decision-making, but as Sezer et al.(2015) also argue, there are teachable skills with the potential to impact intuitive decision-making. Students can be introduced to decision-making frames, and how to apply different frames to different situations (Palazzo et al., 2012; Tenbrunsel and Messick, 2004). Perspective taking can be included in the curriculum (Bohns and Flynn, 2013), as it can enable students to realise their own power, choice, and free will (Bohns et al., 2013). This can also be accompanied by highlighting the importance of language use and its effect in creating realities for oneself and others (Detert et al., 2008).

As Newman et al. (2020) argue, educators can create a debate on how organisations can mitigate unethical actions through prevention and control. This indicates that the legitimacy of ethics as a discussable subject in organisations can be influenced through university courses. Since part of university teaching often involves theoretical frameworks, as Gonin et al. (2012) discuss, educators can promote decision-making models which encourage the integration of social, environmental and ethical issues as a legitimate part of decision-making. My findings support Treviño (1986) who argue that given that lack of ethical awareness thrives in uncertainty, and when new situations are encountered, students also need to be prepared for changing jobs with new ethical challenges. Teaching ethics does not simply fall in the domain of ethics educators, it is a much wider area. My findings indicate support to Gonin et al. (2012) who argue that business teaching based on profit maximisation has significant practical

implications and creates the basic rules on which businesses are built, thus educators need to be careful of the rules that are introduced. Participants highlighted that business ethics education is relevant not just in business schools but also in other courses, especially since many individuals who move to management positions are not trained in management. Such education can also be considered in the planning for lifelong and consistent education.

My findings align with the literature, which suggests that the use of more interactive methods can be more effective in creating awareness. Such methods can include providing situations, vignettes and discussions (Tenbrunsel et al., 2010), as well as co-curricular and extracurricular activities (Parks-Leduc et al., 2021). Because, as discussed in the findings, personal agency is not always perceived, students can be more sensitised towards the environmental factors that influence decisions and their agency in such decisions (Tenbrunsel and Messick, 2004). It is also recommended to dedicate more attention to the teaching of business ethics and an increased awareness of intuitive decision-making and biases as a commonplace occurrence. As Kim et al. (2021) also argue, the focus of education on intuition has the potential to impact the underlying phenomenon because it creates awareness and enables decision-makers to recognise different possibilities. Since as seen in my findings, ethical dilemmas are diverse in their nature and change over time, ideally individuals keep themselves updated with changes and with expected behaviours. Because of the exhibited significance of education, I recommend that ethics education is considered as a lifelong journey, starting with early years of education, and being updated to the changing personal and environmental needs. Consistent training may enable ethical decision-making as a second nature. Such education aids more clarity in decision-making and, since many decisions are based on intuition, it facilitates the creation of more reinforced attitudes and behaviours. I support Pless (2007), who suggests the provision of incremental ethics education to members of academia who are also responsible for their own learning. The aim of education may be seen as creating awareness and such awareness, although crucial does not need to happen only within the formal education system, but where decision-makers are. Education can take on various

forms and the more the spread of methods used, arguably, the more the possibility of impact.

6.5.4 The role of society in mitigating unethical decisions

Newman et al. (2020) and Gonin et al. (2012) indicate that more research is required at the macro level. Despite that, my findings align with literature which argues that the macro environment, including policy makers and civil society, influence the rules that are prevalent in decision-making. This is because they provide information on the desired social behaviour (Lois and Wessa, 2021), whilst they can create overarching rules that, if implemented incorrectly, can lead to double-blindness in society (Rendtorff, 2020). Social consensus about what is ethical or otherwise is the strongest component which enables individuals to recognise an ethical dilemma (Barnett, 2001). How social rules are interpreted by organisations depends on the rules adopted by society (Gonin et al., 2012). Therefore, policy makers and civil society have an active role in ethical decision-making. Normalised unethical actions are often deeply ingrained in modalities and consequently require strong stands by external sources (Ashforth and Anand, 2003). Organisations, especially NGOs, whose purpose is to impact unethical behaviour by other organisations, need to be aware of the processes through which unethical practices become normalised in organisations, industries and countries (Spicer, 2009). One of the most substantial challenges for such organisations is to support the least powerful within a community to take concrete actions against unethical practices (Spicer, 2009).

Society can also experience normalisation of unethical practices, since strong opinions and lobbying can lead to such practices being converted into policy (Sims, 1992). Society needs individuals and organisations who question and challenge decision-making, as this brings to the fore aspects which decision-makers may be unaware of (Sims, 1992). They can do so by promoting social systems that embrace empathy and inclusion and discourage hatred (Bandura, 2002; Palazzo et al., 2012). Even the macro level contributes to unethical

decision-making and should be accountable for such decisions (Palazzo et al., 2012). As Anand et al. (2004) argue, prevention is better than cure. Unethical practices that materialise at the societal level are much more difficult to eradicate (Spicer, 2009). This is because it is much more difficult to reverse decision-making that comes from engrained modalities that are used as resources by individuals, organisations, and societies. Ethical awareness in society can be fostered through open and democratic discussions and engaging with critical voices (Palazzo et al., 2012). Specifically, regulators play a leading role. Since initial decisions are crucial, regulators can enable more ethically aware decision-making by placing added focus on initial due diligence processes (Sherman, 2020). They can facilitate more ethically aware decisions through avoiding euphemistic labelling (Ashforth and Anand, 2003), and promoting behaviour that is demonstrative of ethical awareness (Lois and Wessa, 2021).

6.5.5 Ethical decision-making training checklist

As argued previously, my findings concur with literature that education is effective in ethical decision-making and that organisations are looked up to for regulative guidance. In Table 6-2 I propose a corporate ethical decision-making training checklist, aimed at assisting ethics trainers in corporate settings. It is gleaned from the discussion related to how unethical decisions can be mitigated in the micro, meso and macro environment and each section targets a different salient challenge as introduced in section 6.2.

Ethical decision-making training checklist

Reducing perceived risk

☐ This training is endorsed (ideally promoted) by the leadership team

☐ Sessions are planned for management with a focus on role-model impact

☐ Involves employees from all levels of the organisational hierarchy

☐ Provides details of where participants can seek help and guidance

☐ Gives details of secure internal and external speaking-up channels

☐ Is designed around the ethical risks pertaining to this organisation

☐ Participants are allocated sufficient time without detriment to their duties

☐ It is a training that is offered periodically (as opposed to one time)

☐ The training environment is conducive to sensitive discussions

Enhancing knowledge

☐ It engages active learning techniques with limited time on theory

☐ Provides clarity on expected behaviour and related sanctions

☐ Discusses ethical decisions as ranging between unawareness and awareness

☐ The training team engaged with their own cognitive biases and intuitive decisions

☐ Discusses the possibility of amplification of unethical choices

Providing more visibility

☐ Enables participants to use a range of cognitive frames and lateral thinking

☐ Gives participants space and time to think about their ethical challenges

☐ Introduces and discusses intuitive decision-making

☐ Explains that everyone makes unethical choices

Eliciting interest

☐ Debates the role and legitimacy of self-interest

☐ Enables participants to engage with consequences of mundane decisions

☐ Speaks of the importance of personal responsibility and accountability

☐ Discusses how participants impact the organisational ethical culture

Offering clarity

☐ Explores self-deceptive biases and their impact on decisions

☐ Includes an element which promotes empathy and listening to others

☐ Provides techniques for making ethical decisions

☐ Gives time and space for participants to share experiences

Power and perceived choices

☐ Provides tactical tips for participants to rationalise ethical decision-making

☐ Discusses the importance of and challenges to dedicating time for decisions

☐ Explores the power of internal and external language

☐ Enables participants to foster a mindset of choice

☐ Speaks of agency and locus of control, and their impact on decisions

☐ Considers the impact of authority and possible choices by every individual

☐ Encourages participants to question taken for granted norms

Increasing choice-worthiness

☐ Includes content on the role of dissonance in decision-making

☐ Includes experiences of moral uncertainty

☐ Provides a platform to explore safely a range of feasible choices

☐ Explores how participants can increase the number of perceived choices

Table 6-2 Corporate ethical decision-making training checklist

7 Conclusion

In the discussion chapter, I have highlighted the responses to the three research questions. In this chapter, I discuss the limitations of this research, provide visibility of the contributions of my thesis, share avenues for future research and discuss the positionality of this research within existing literature.

7.1 Limitations of this research

Despite the best of efforts, this research has limitations, many of which have been mitigated but not eliminated through various means. Whereas as much as possible, the limitations were planned for, several additional limitations became evident at various stages of research. Ethical decision-making is a sensitive subject which deals with ideological and methodological challenges. This leads to it not being commonly empirically researched (Jones, 1991). Given this sensitivity, potential participants may have felt uncomfortable discussing it. This led to several rejections and unanswered communications from individuals who were chosen because of their high-profile positions. This may have also led participants 8 and 24 to circumvent the subject. Campbell and Cowton (2015) argue that in ethics, participants may not be truthful in their responses or they reply according to socially accepted standards. To mitigate this concern, interview participants were sent a participant information sheet which explained the subject before they agreed to contribute. I asked them to be truthful and explained that it is more beneficial not to answer rather than make up a reply. To put participants at ease, I explained that everyone experiences intuitive unethical decision-making, however if they felt uneasy about recounting their own experience, they could relate to episodes in which they had been involved, but not been decision-makers. This was also accompanied by the guarantee of confidentiality.

The self-deceptive and unawareness component of ethical decision-making causes the subject to be challenging to research. As Uhlmann et al. (2012) discuss, it is challenging for individuals to identify processes which are out of their control, making introspection difficult. I tackled overtly a subject that has been described as largely unconscious or self-deceiving. In such research, both overt and covert methods are prone to challenges, and it is advisable to combine overt and covert methods (Uhlmann et al., 2012). This research was planned to contain two components, an overt component through interviews and a covert component through a vignette. Given the amount and depth of data that resulted from the interviews, adding the vignette outcomes would have diluted the data captured through interviews, thus the covert component did not feature in the results. Intuitive decision-making is rooted in psychology, and I am not a psychologist. Although throughout the years knowledge and familiarity with psychology texts has been acquired, I remain a management researcher. The conclusions that have been drawn do not discuss ethical decision-making from a psychological, but from a management perspective. This limitation has been kept in mind when discussing the subject to ensure that limitations in knowledge in the area do not become a personal blind spot. This said, I posit that if such subjects are not explored by management researchers, there is a risk of them remaining in the domain of psychology and on the outside of management literature, where they might provide the most impact to practice.

The sampling technique, heterogeneous purposive sampling, enabled a diversity of responses but also posed limitations to research. This strategy focuses on key themes and cannot provide in-depth focus (Saunders et al., 2019). Since this was not a case-study and participants hailed from different organisational settings, the range of experiences they provided were not typical of one setting. Because discussions focused on individuals, the institutional impact could have been under-explored. The initial area of research was ethical blindness, and the preliminary literature review focused on intuitive decision-making, mainly ethical blindness, and moral disengagement. Thus, interviews were conducted to discuss how ethical blindness manifests itself in everyday business decisions. The participant information sheet and my description of the topic during interviews focused on the subject as it emerged from the literature review. Although the

aim of the research was exploratory, the direction of ethical blindness and the use of the ethical blindness framework may have biased my findings. This, even though during the interviews the focus was on unethical decision-making in the workplace, and not on ethical blindness. Institutional and structuration theory were superimposed at a later stage. This meant that the first drafts and examined thesis focused on ethical blindness as opposed to ethical decision-making. The outcome would have been different if the theoretical lenses were included in earlier stages of research. As explained in section 3.5, during coding, I noticed that the findings went beyond the components of the framework. Although, as exploratory research, this was intended, and I encouraged participants to discuss other angles, I moved from qualitative content analysis to open coding. Such coding led to reverting to literature to interpret the findings. In retrospect, I could have employed more grounded theory approaches to avoid biasing my findings as much as possible. This could be done by less reliance on literature review, more focus on interviews and utilising open coding techniques by design (Flick, 2018). This would have also minimised a level of deduction and allowed for more open theory construction.

The research was conducted predominantly in Malta by a Maltese researcher. Country cultures differ in ethical perceptions and judgements (Melé and Sánchez-Runde, 2013). This means that the angle and the discussions were significantly grounded in the Maltese culture. Clear pronunciations of local culture have been expressed in 4.3.2, however, this does not exclude other traces of culture which could have seeped unnoticed in the write-up. The initial plan was to conduct this research face-to-face in various European countries; however, financial challenges and COVID-19 restrictions made this non-viable. Since interviews were held during the COVID-19 pandemic, it was noticeable that practically all individuals were experiencing a host of negative emotions (Rodas et al., 2022). It was challenging to discuss the core subject without references to the ongoing situation, whilst putting aside the challenges which the pandemic posed in different ways to all individuals. Four interviews were held online. Such meetings lacked in nonverbal cues and were held when many were experiencing Zoom fatigue, or rather the exhaustion that accompanies video conference meetings (Nesher Shoshan and Wehrt, 2022). The current events and state of

mind, both mine and that of the participants, may have had a negative impact on the outcome of the research.

As has been expressed and experienced throughout this research, personal values differ largely and the discussion between personal and universal values can become thorny. This led to an analysis based on the more universal values via the Ten Principles of the UN Global Compact (United Nations, n.d.), and the six universal ethical values for organisations worldwide by Schwartz (2005), as a proxy. However, this does not mean that the subject of personal values has been or was meant to be tackled. Therefore, situations that featured non-universal values were not considered as relevant data. Although the challenge of differing personal values has been mitigated through universal values, personal values cannot always be equated to universal values. Many authors writing about intuitive decision-making portray that this is a new literature stream, or one that has been gaining traction in recent years, see for example, Sonenshein (2007), Palazzo (2012), and Schaefer and Bouwmeester (2021). Throughout this research, it became evident that there is another literature stream which covers the subject, the philosophical angle. These are works dating even centuries, from philosophers like Jean Paul Sartre - Being and Nothingness, Adam Smith - Theory of Moral Sentiments, Mary Rowland Haight - A Study of Self-Deception, and Hannah Arendt – Eichmann in Jerusalem. These are all valid and significant works which were not humanly possible to include in this research. Therefore, this thesis is grounded in a body of literature which emanates from psychology and management whilst understanding that there are related works that could not be taken into consideration.

7.2 Contributions of my thesis

Three contributions have been presented in this thesis. The theoretical contribution addresses the first research question and examines how the interaction between individual agency and structure impacts ethical decision-making. The empirical contribution addresses the second research question and

explores the manifestation of ethical decision-making in everyday business decisions. Lastly, the practical contribution focuses on answering the third research question on how organisations can mitigate unethical decision-making.

The theoretical contribution can be summed up in figure 6-1, the framework of everyday ethical decisions in business and described using the framework for conceptual contributions in marketing by MacInnis (2011). This framework can be seen as contributing primarily to ethical decision-making literature by adopting structuration theory (Giddens, 1984) as a novel angle to the debate. The framework of everyday ethical decisions in business can be envisaged as comprising two major parts. The upper part focuses on the agency versus structure debate and the bottom part integrates different tones of ethical decision-making. In the agency versus structure part of the framework, I have used structuration (Giddens, 1984) to contribute to theory by delineating (MacInnis, 2011) the interplay between agency and structure in ethical decision-making. I have discussed the components within structures that impact decision-makers. Adopting Giddens (1984) concept of modalities, I have discussed how interpretative scheme, facility and norms shape decision-making as sentient individuals and structures interact. Ascribing additional focus on material constraints, I have argued how such constraints merit more recognition in institutional theory.

The part of the framework which focuses on ethical decision-making has been constructed using the stages outlined by Jones (1991) in the issue-contingent model of ethical decision-making in organisations as the basis of the framework. Using the framework by MacInnis (2011) this can be described as a conceptual contribution which integrates previously distinct theories under a wider umbrella of ethical decision-making in organisations. The various aspects of ethical decision-making have been reviewed and presented on a continuum ranging between unawareness and awareness. I have also argued for extending the use of the open inventory of psychological mechanisms of moral disengagement by Schaefer and Bouwmeester (2021) and describing ethical decision-making as the construction or re-construction of morality and agency. Ethical unawareness,

which had not previously been assigned a term, has been described as the unawareness end of the continuum. I have argued that moral disengagement (Bandura, 2002) can describe ethical blindness (Palazzo et al., 2012) and moral myopia (Drumwright and Murphy, 2009), as well as advantageous comparisons which is also a moral disengagement mechanism introduced by Bandura (2002). I have discussed obedience to authority (Milgram, 1974) in the light of what, even today, can be termed as authority in its various facets, forcefully shaping decisions. Towards the awareness end of the continuum, I have discussed moral uncertainty (MacAskill et al., 2020) and the effects of dubious decisions over prolonged periods of time. Finally, I have argued to expand the term moral awareness as adopted by Reynolds (2008) to encompass a broader and deeper appreciation of what being ethically aware entails.

The empirical contribution focus on the lived experience of decision-makers in organisations in what can be termed as everyday business decisions. They contribute to the descriptive approach to business ethics and illustrate the complexity of situations and the challenges that decision-makers encounter. My findings support intuitive decision-making literature, such as Sonenshein (2007), Palazzo et al. (2012), and Bandura (2002), and can continue to question suppositions of decision-makers as rational and calculating. At the micro environmental level, through interpreting my findings, I have questioned the relevance of the meaning that individuals ascribe to ethical decision-making and how this impacts decisions. I have discussed the individual traits and explored the significance of interpersonal relationships as they may be associated with ethical decision-making and in support of existing literature. These findings have highlighted and built upon the literature that discusses the intersection of personal and institutional roles. At the meso level, my findings continue supporting institutional theory and describe the impact of the regulative, normative and cultural-cognitive elements as delineated by Scott (2013). At the macro level, the empirical findings provide a new understanding of the tacit norms of ethical decision-making in business. I have argued that these can be interpreted as the practical aspect of ethical decision-making or as ethical blindness on a larger scale. This thesis has perhaps provided a deeper insight into the Maltese culture as manifested in ethical decision-making. In support of

Jones (1991), whilst not featuring as distinctly in institutional theory, the uniqueness of circumstances has been highlighted as a major contributory factor for unethical decisions.

As interpreted through my findings, decision-makers sometimes experience, other times employ various undertones of ethical decision-making. There are instances where they are totally unaware of the ethical component in a decision. As seen both in the findings and through literature, the ever-evolving nature of organisations and their environment will increase the risks of ethical unawareness. Through the findings, I have identified sixteen rationalisation strategies mapped to the moral disengagement mechanisms by Bandura (2002) and differing in their negative, neutral and positive stances. These results also point in the direction that obedience to authority, as described by Milgram (1974), is ever present, and authority can be seen to emanate from various sources and not necessarily from leadership. Through the stories by participants and in support of Macaskill (2020), cases of moral uncertainty have been described. As Macaskill et al. (2020) also argue, literature has been missing a focus on such decisions. Through the findings, this thesis also provides exemplars of ethical awareness, describes the struggles, emotions, and risks which decision-makers encounter to make decisions that go counter structural forces. In support of authors like Ashforth and Anand (2003), and Fleming et al. (2020), my findings describe how decision-makers experience institutionalised unethical decision-making, and the challenges which such decisions pose for society. These findings will be of interest both to ethical decision-making and to institutional theory scholars.

By synthesising literature with participant feedback, I have collated practical recommendations, which can help in mitigating unethical decisions in organisations. In this practical contribution, I have argued that, at an individual level, actions can be taken to enable the recognition of the ethical component and individual agency. These can help mitigate the challenges which the reconstruction of morality and agency as posited by Schaefer and Bouwmeester (2021) pose. The meso level actions which can be taken by organisations have

been structured on Scott (2013) and subdivided by actions that can be taken at the regulative, normative, and cultural-cognitive level in organisations. Also, in support of previous literature, on the macro level, education has been identified as a major contributor to the mitigation of unethical decision-making. Hence, a set of recommendations aimed at improving the teaching of ethics in various educational environments have been delineated. This has been followed by a recognition of various actions which can be taken at the societal level. This contribution has been supplemented by an ethical decision-making training checklist, which has been designed around the salient challenges related to the various aspects of ethical decision-making. The aims of this checklist are to enable reduction of perceived risk, enhance knowledge, provide more visibility, elicit interest, offer clarity, tackle power and perceived choices and increase choice-worthiness.

7.3 Avenues for future research

I concur with Campbell and Cowton (2015) and Jones (1991), who argue that despite the challenges which tend to overshadow researching ethical decision-making; it is an area which merits further research. At a micro level, further research can enable a better understanding of individual decision-making. Ethical unawareness merits dedicated attention. This is an area that calls for a definition and incorporation into ethical decision-making frameworks. It not only offers potential for future research, but given its implications, it highlights that the need for such research is imminent and important. As discussed, see for example Gioia (1992) and Palazzo et al. (2012), individuals use mental schemas to decide. Through my findings, I described how the meaning of what ethical decision-making is to individuals might shape decisions. The relationship between the understanding of ethical decision-making and resultant decisions merits further scholarly attention. Another interesting angle is understanding the role that professional identity plays in ethical decision-making. Role identity has been explored by authors, including Ashforth (2000) and has been given attention in institutional theory. However, ethical decision-making literature

seems to miss a focus on this. Based on my findings, the roles of individuals in organisations impact their decisions and this calls for further research.

Another interesting lead is emotions in intuitional decision-making. Strong emotions have been expressed in my findings, ranging from uncomfortable to disgust. The role that emotions play in ethical decision-making merits further attention and thus, in line with de Klerk (2017), I call on researchers to continue exploring the relationship between ethical decision-making and emotions. Bandura (2002) explains that the sensation of negative findings fuels more research in the area. However, there are decisions where individuals choose to act in line with their values, even when facing strong structural or circumstantial forces. These areas also merit research. The negative traits of unethical decision-making have been given priority in this research, but equally interesting are the expressions related to ethical awareness.

At a meso level, I support the incorporation of material constraints, particularly in relation to circumstances, in institutional theory. The agency and structure debate inherently focuses on the structural and individual elements of decisions. But as advocated by Jones (1991) and supported by my findings, the nature of circumstances seems to play a significant role in decision-making and thus merits more attention. Following on from the discussion on obedience to authority, which is interwoven throughout this thesis, it can be observed that authority might emanate from different sources, that might not be regarded as institutions but bear the hallmarks of structures. These include markets, competition, peer pressure and organisational survival. Thus, I suggest more research on the forms of authority which individuals perceive as impacting decisions. In the literature review, the effects of unethical decisions on the meso and macro environment have been touched upon. However, I have not explored their ramifications in significant depth. It would be interesting to explore how micro decisions can be forms of institutional work, as described by authors like Lawrence et al. (2009), and thus how they impact structures at the meso and macro levels. This can also be accompanied by research into how decision-makers experience moderating actions, amplification, ethical fading, and normalisation of corruption. Research

into moderating actions can focus on understanding how and when decision-makers realise that an unethical decision has been made and what leads them to reconcile with the past or change future behaviour. Literature in cognitive dissonance can be a fruitful lead, including the works of Festinger (1962) and Lowell (2012). This also includes more research in moral uncertainty following on from the work of Macaskill et al. (2020).

The macro level also merits dedicated attention. Since the targets which are set by structures impact decision-making, I recommend that more research is done whether and in what manner macro targets affect micro decisions. Such targets may include gross national product (GDP) targets on national levels and the UN Sustainable Development Goals at a global level. In institutional theory, the macro level is extensively researched, yet literature in descriptive ethics calls for further research as also advocated by Gonin et al. (2012) and Newman et al. (2020). My sampling strategy, heterogeneous purposive sampling, was intentionally broad, but as discussed in the methodology, case studies also have the potential for significant contributions. Whilst case studies in organisations might be challenging for reasons outlined in the methodology, but case studies at the macro level may provide insights into the particularities. For example, case studies on the ethical culture of countries, regions, industries. This is without disregard for the need for global research into current and future ethical challenges.

7.4 Positionality of this research

Appreciative of the fact that the debate on ethical decision-making has been ongoing for millennia, through this thesis, I have marginally contributed to this debate with a renewed focus on the lived experience of decision-makers in organisations. This is a drop in the ocean of literature debating institutional theory, agency, structure, and ethical decision-making. Yet the ocean is made up of drops. Forewarned by Jones (1991), research in ethical decision-making is riddled by challenges related to what constitutes values and how such a sensitive

subject can be researched meaningfully. Yet over the years, this subject has brought me in contact with individuals who take their decision-making seriously and who value being ethical. As part of the research process and of engagement with academics and practitioners, a multitude of conversations have augmented what I now envisage ethical decision-making to be. This is a view that I consider will continue to evolve throughout my work.

Lawrence et al. (2009) explain contrasting stances by objectivists and structuralists as opposed to subjectivists and constructivists. The former tend to deny that individuals are deviant, whilst the latter describe individuals as intentionally constructing their own reality. And this poses a challenge to me as a researcher and as an individual. As described in the methodology chapter, I have taken a constructivist stance. I have argued that, in line with the constructivist stance, individuals construct their own reality. We construct our own reality. Yet, fundamentally, I still hold on to my belief in the inherent goodness of individuals. My belief is that the individuals with whom I interact and myself, also as a decision-maker, are primarily well-intentioned. On an ontological level, I question whether that makes me an objectivist. Still, I argue otherwise. Ethical decision-making, as I have discussed it in this thesis, can be described as varying in terms of levels of awareness. Often, we are oblivious to our own unethical actions. On a theoretical level, drawing from my reading, I concur with the idea that we are deviant and subconsciously align our decisions with our goals, as discussed by authors such as Giddens (1984) and Bandura (2002). However, given the practical implications and the desired impact of my work, I recall the words of Mother Teresa: "If you judge people, you have no time to love them." Maybe by comprehending our deviant nature, we can make more ethical choices. Through this understanding, we can customise our management styles and teaching methods to recognise the widespread and often unintentional occurrence of unethical behavior and find effective ways to minimise it. Therefore, I propose that it is worthwhile to consider many unethical decisions as unawareness, rather than deliberate actions. This does not excuse unethical behavior nor undermine the significance of taking strong and resolute action against it. It rather expresses that in everyday business circumstances, many decisions may be taken better through ethical awareness.

Through this thesis I explored ethical decision-making from a descriptive ethics perspective, and as such, it has been rooted in and contributes to ethical decision-making literature whilst engaging with institutional theory and the agency versus structure debate. I articulate this standpoint as a node in a network of information. It is a branch of descriptive ethics, connected to broader fields such as ethics, institutional theory, management, and organisational behaviour. However, there are numerous other approaches to ethical decision-making, such as rational decision-making and normative ethics, which can be powerful and often in conflict with intuitive decision-making. By no means does this thesis claim to possess absolute knowledge; it simply adds to the discourse. The subject of ethical decision-making is not isolated but interconnected within a network and acquires strength through connections with other literature streams. Perhaps the duality of structure is also visible in this. Ethical decision-making literature at the micro level influences and is influenced by broader fields subjects. These fields encompass job role identity, obedience to authority, power, choice and free will, country cultures, and globalisation. Stronger connections lead to fewer gaps in knowledge. One augurs that the theoretical, empirical, and practical contributions of this thesis enhance the strength of knowledge of ethical decision-making.

Appendix 1: Ethical blindness framework V.1

This is a representation of the first version of the ethical blindness framework that was constructed as an outcome of the literature review and utilised in interviews to introduce the subject to participants.
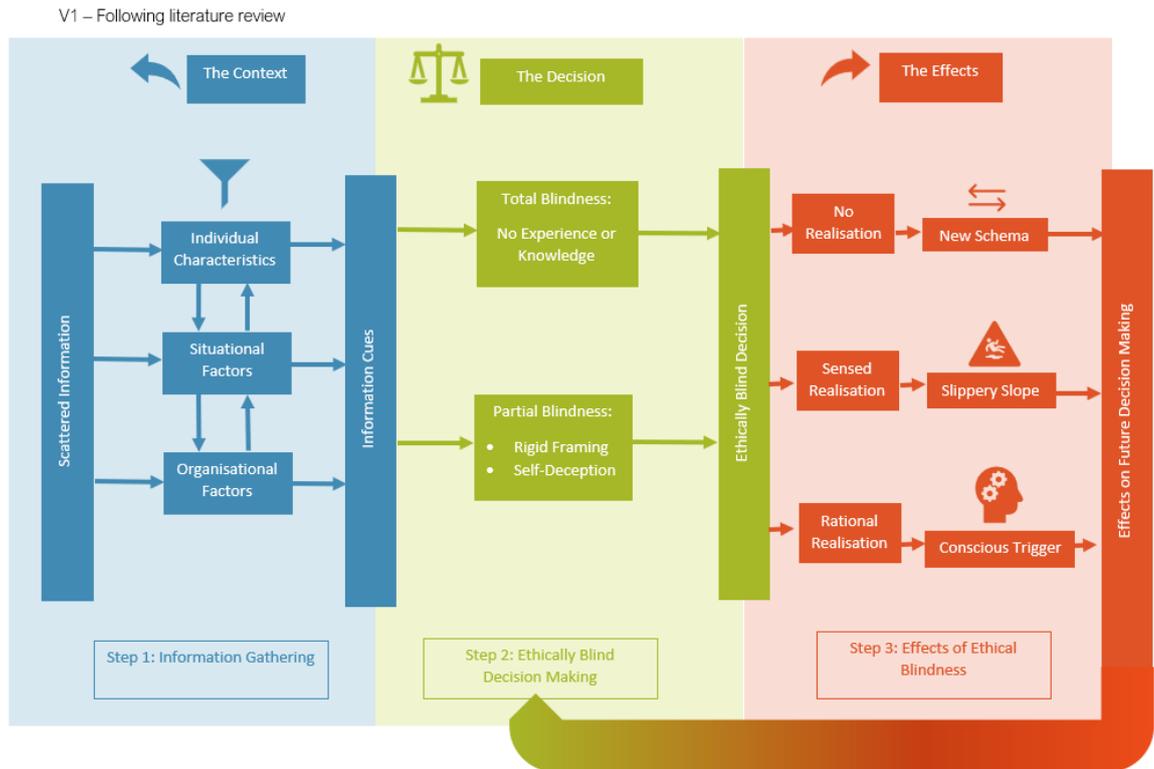
Appendix 2: Ethical approval

University of Glasgow

College of Social Sciences

College of Social Sciences Research Ethics Committee

19 March 2021

Dear Corinne Fenech

Project Title: Ethical Blindness in Everyday Business Decisions

Application No: 400200120

The College Research Ethics Committee has reviewed your application and has agreed that there is no objection on ethical grounds to the proposed study. It is happy therefore to approve the project, subject to the following conditions:

- Start date of ethical approval: 19/03/2021
- Project end date: 30/09/2024
- Any outstanding permissions needed from third parties in order to recruit research participants or to access facilities or venues for research purposes must be obtained in writing and submitted to the CoSS Research Ethics Administrator before research commences. Permissions you must provide are shown in the *College Ethics Review Feedback* document that has been sent to you as the Collated Comments Document in the online system.
- The data should be held securely for a period of ten years after the completion of the research project, or for longer if specified by the research funder or sponsor, in accordance with the University's Code of Good Practice in Research: (https://www.gla.ac.uk/media/media_490311_en.pdf)
- The research should be carried out only on the sites, and/or with the groups and using the methods defined in the application.
- Approval is granted for virtual methods outlined in the application however restrictions noted below should be followed for any face to face data collection methods.

  ♦ **Approval has been granted in principle**: no data collection must be undertaken with the exception of methods highlighted above until the current research restrictions as a result of social distancing and self-isolation are lifted. You will be notified once this restriction is no longer in force.

Any proposed changes in the protocol should be submitted for reassessment as an amendment to the original application. The **Request for Amendments to an Approved Application** form should be used:
https://www.gla.ac.uk/colleges/socialsciences/students/ethics/forms/staffandpostgraduateresearchstudents/
Yours sincerely,

Dr Muir Houston College Ethics Officer

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