Joy," stands in that tradition. There and elsewhere, the Pope has rejected an "economy of exclusion" and criticized blind faith in a free-market that perpetuates inequality—a message that politicians in Washington are starting to listen to.[7]

MORALITY NEEDN'T REST ON RELIGION

The idea that morality must be based on religion can be interpreted in three different ways, none of which is very plausible.

Many people believe that morality must be based on religion, either in the sense that without religion people would have no incentive to be moral or in the sense that only religion can provide moral guidance. Others contend that morality is based on the commands of God. None of these claims is convincing.

First, although a desire to avoid hell and to go to heaven may prompt some of us to act morally, this is not the only reason or even the most common reason that people behave morally. Often we act morally out of habit or just because that is the kind of person we are. It would simply not occur to most of us to swipe an elderly lady's purse, and if the idea did occur to us, we wouldn't do it because such an act simply doesn't fit with our personal standards or with our concept of ourselves. We are often motivated to do what is morally right out of concern for others or just because it is right. In addition, the approval of our peers, the need to appease our conscience, and the desire to avoid earthly punishment may all motivate us to act morally. Furthermore, atheists generally live lives as moral and upright as those of believers.

Second, the moral instructions of the world's great religions are general and imprecise: They do not relieve us of the necessity of engaging in moral reasoning ourselves. For example, the Bible says, "Thou shall not kill." Yet Christians disagree among themselves over the morality of fighting in wars, of capital punishment, of killing in self-defense, of slaughtering animals, of abortion and euthanasia, and of allowing foreigners to die from famine because we have not provided them with as much food as we might have. The Bible does not provide unambiguous solutions to these moral problems, so even believers must engage in moral philosophy if they are to have intelligent answers. On the other hand, there are lots of reasons for believing that, say, a cold-blooded murder motivated by greed is immoral. You don't have to believe in a religion to figure that out.

Third, although some theologians have advocated the **divine command theory**—that if something is wrong (like killing an innocent person for fun), then the only reason it is wrong is that God commands us not to do it—many theologians and certainly most philosophers would reject this view. They would contend that if God commands human beings not to do something, such as commit rape, it is because God sees that rape is wrong, but it is not God's forbidding rape that makes it wrong. The fact that rape is wrong is independent of God's decrees.

Most believers think not only that God gives us moral instructions or rules but also that God has moral reasons for giving them to us. According to the divine command theory, this would make no sense. In this view, there is no reason that something is right or wrong, other than the fact that it is God's will. All believers, of course, believe that God is good and that God commands us to do what is right and forbids us to do what is wrong. But this doesn't mean, say critics of the divine command theory, that it is God's saying so that makes a thing wrong, any more than it is your mother's telling you not to steal that makes it wrong to steal.

All this is simply to argue that morality is not necessarily based on religion in any of these three senses. That religion influences the moral standards and values of most of us is beyond doubt. But given that religions differ in their moral beliefs and that even members of the same faith often disagree on moral matters, you cannot justify a moral judgment simply by appealing to religion—for that will only persuade those who already agree with your particular interpretation of your particular religion. Besides, most

SUMMARY

Morality is not necessarily based on religion. Although we draw our moral beliefs from many sources, for philosophers the issue is whether those beliefs can be justified.

religions hold that human reason is capable of understanding what is right and wrong, so it is human reason to which you will have to appeal in order to support your ethical principles and judgments.

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ETHICAL RELATIVISM

Some people do not believe that morality boils down to religion but rather that it is merely a function of what a particular society happens to believe. This view is called **ethical relativism**, the theory that what is right is determined by what a culture or society says is right. What is right in one place may be wrong in another, because the only criterion for distinguishing right from wrong—and so the only ethical standard for judging an action—is the moral system of the society in which the act occurs.

Abortion, for example, is condemned as immoral in Catholic Ireland but is practiced as a morally neutral form of birth control in Japan. According to the ethical relativist, then, abortion is wrong in Ireland but morally permissible in Japan. The relativist is not saying merely that the Irish believe abortion is abominable and the Japanese do not; that is acknowledged by everyone. Rather, the ethical relativist contends that abortion is immoral in Ireland because the Irish believe it to be immoral and that it is morally permissible in Japan because the Japanese believe it to be so. Thus, for the ethical relativist there is no absolute ethical standard independent of cultural context, no criterion of right and wrong by which to judge other than that of particular societies. In short, what morality requires is relative to society.

Those who endorse ethical relativism point to the apparent diversity of human values and the multiformity of moral codes to support their case. From our own cultural perspective, some seemingly immoral moralities have been adopted. Polygamy, pedophilia, stealing, slavery, infanticide, and cannibalism have all been tolerated or even encouraged by the moral system of one society or another. In light of this fact, the ethical relativist believes that there can be no non-ethnocentric standard by which to judge actions.

Some thinkers believe that the moral differences between societies are smaller and less significant than they appear. They contend that variations in moral standards reflect differing factual beliefs and differing circumstances rather than fundamental differences in values. But suppose they are wrong about this matter. The relativist's conclusion still does not follow. A difference of opinion among societies about right and wrong no more proves that none of the conflicting beliefs is true or superior to the others than the diversity of viewpoints expressed in a college seminar establishes that there is no truth. In short, disagreement in ethical matters does not imply that all opinions are equally correct.

Ethical disagreement does not imply that all opinions are equally correct.

Moreover, ethical relativism has some unsatisfactory implications. *First*, it undermines any moral criticism of the practices of other societies as long as their actions conform to their own standards. We cannot say that slavery in a slave society like that of the American South 175 years ago was immoral and unjust as long as that society held it to be morally permissible.

Second, and closely related, is the fact that for the relativist there is no such thing as ethical progress. Although moralities may change, they cannot get better or worse. Thus, we cannot say that moral standards today are more enlightened than were moral standards in the Middle Ages.

Third, from the relativist's point of view, it makes no sense for people to criticize principles or practices accepted by their own society. People can be censured for not living up to their society's moral code, but that is all. The moral code itself cannot be criticized because whatever a society takes to be right really is right for it. Reformers who identify injustices in their society and campaign against them are only encouraging people to be immoral—that is, to depart from the moral standards of their society—unless or until the majority of the society agrees with the reformers. The minority can never be right in moral matters; to be right it must become the majority.

The ethical relativist is correct to emphasize that in viewing other cultures we should keep an open mind and not simply dismiss alien social practices on the basis of our own cultural prejudices. But the relativist's theory of morality doesn't hold up. The more carefully we examine it, the less plausible it becomes. There is no good reason for saying that the majority view on moral issues is automatically right, and the belief that it is automatically right has unacceptable consequences.

RELATIVISM AND THE "GAME" OF BUSINESS

In his essay "Is Business Bluffing Ethical?" Albert Carr argues that business, as practiced by individuals as well as by corporations, has the impersonal character of a game—a game that demands both special strategy and an understanding of its special ethical standards.[8] Business has its own norms and rules that differ from those of the rest of society. Thus, according to Carr, a number of things that we normally think of as wrong are really permissible in a business context. His examples include conscious misstatement and concealment of pertinent facts in negotiation, lying about one's age on a résumé, deceptive packaging, automobile companies' neglect of car safety, and utility companies' manipulation of regulators and overcharging of electricity users. He draws an analogy with poker:

> Poker's own brand of ethics is different from the ethical ideals of civilized human relationships. The game calls for distrust of the other fellow. It ignores the claim of friendship. Cunning deception and concealment of one's strength and intentions, not kindness and openheartedness, are vital in poker. No one thinks any the worse of poker on that account. And no one should think any the worse of the game of business because its standards of right and wrong differ from the prevailing traditions of morality in our society.[9]

What Carr is defending here is a kind of ethical relativism: Business has its own moral standards, and business actions should be evaluated only by those standards.

One can argue whether Carr has accurately identified the implicit rules of the business world (for example, is misrepresentation on one's résumé really a permissible move in the business game?), but let's put that issue aside. The basic question is whether business is a separate world to which ordinary moral standards don't apply. Carr's thesis assumes that any special activity following its own rules is exempt from external moral evaluation, but as a general proposition this is unacceptable. The Mafia, for example, has an elaborate code of conduct, accepted by the members of the rival "families." For them, gunning down a competitor or terrorizing a local shopkeeper may be a strategic move in a competitive environment. Yet we rightly refuse to say that gangsters cannot be criticized for following their own standards. Normal business activity is a world away from gangsterism, but the point still holds. Any specialized activity or practice will have its own distinctive rules and procedures, but the morality of those rules and procedures can still be evaluated.

Moreover, Carr's poker analogy is itself weak. For one thing, business activity can affect others—such as consumers—who have not consciously and freely chosen to play

SUMMARY

Ethical relativism is the theory that right and wrong are determined by what one's society says is right and wrong. There are many problems with this theory. Also dubious is the notion that business has its own morality, divorced from ordinary ideas of right and wrong.

the "game." Business is indeed an activity involving distinctive rules and customary ways of doing things, but it is not really a game. It is the economic basis of our society, and we all have an interest in the goals of business (in productivity and consumer satisfaction, for instance) and in the rules business follows. Why should these be exempt from public evaluation and assessment? Later chapters return to the question of what these goals and rules should be. But to take one simple point, note that a business/economic system that permits, encourages, or tolerates deception will be less efficient (that is, work less well) than one in which the participants have fuller knowledge of the goods and services being exchanged.

By divorcing business from morality, Carr misrepresents both.

In sum, by divorcing business from morality, Carr misrepresents both. He incorrectly treats the standards and rules of everyday business activity as if they had nothing to do with the standards and rules of ordinary morality, and he treats morality as something that we give lip service to on Sundays but that otherwise has no influence on our lives.

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HAVING MORAL PRINCIPLES

At some time in their lives most people pause to reflect on their own moral principles and on the practical implications of those principles, and they sometimes think about what principles people should have or which moral standards can be best justified. (Moral philosophers themselves have defended different moral standards; Chapter 2 discusses these various theories.) When a person accepts a moral principle, when that principle is part of his or her personal moral code, then naturally the person believes the principle is important and well justified. But there is more to moral principles than that, as the philosopher Richard Brandt emphasized. When a principle is part of a person's moral code, that person is strongly motivated to act as the principle requires and to avoid acting in ways that conflict with the principle. The person will tend to feel guilty when his or her own conduct violates that principle and to disapprove of others whose behavior conflicts with it. Likewise, the person will tend to hold in esteem those whose conduct shows an abundance of the motivation required by the principle.[10]

Accepting a moral principle is not a purely intellectual act like accepting a scientific hypothesis or a mathematical theorem.

Other philosophers have, in different ways, reinforced Brandt's point. To accept a moral principle is not a purely intellectual act like accepting a scientific hypothesis or a mathematical theorem. Rather, it also involves a desire to follow that principle for its own sake, the likelihood of feeling guilty about not doing so, and a tendency to evaluate the conduct of others according to the principle in question. We would find it very strange, for example, if Sally claimed to be morally opposed to cruelty to animals yet abused her own pets and felt no inclination to protest when some ruffians down the street set a cat on fire.

CONSCIENCE

People can, and unfortunately sometimes do, go against their moral principles, but we would doubt that they sincerely held the principle in question if violating it did not bother their conscience. We have all felt the pangs of conscience, but what exactly is **conscience** and how reliable a guide is it? Our conscience, of course, is not literally a little voice inside us. To oversimplify a complex piece of developmental psychology, our conscience evolved as we internalized the moral instructions of the parents or other authority figures who raised us as children.

When you were very young, you were probably told to tell the truth and to return something you filched to its proper owner. If you were caught lying or being dishonest,

you were probably punished—scolded, spanked, sent to bed without dinner, or denied a privilege. In contrast, truth telling and kindness to your siblings were probably rewarded—with approval, praise, maybe even hugs or candy. Seeking reward and avoiding punishment motivate small children to do what is expected of them. Gradually, children come to internalize those parental commands. Thus, they feel vaguely that their parents know what they are doing even when the parents are not around. When children do something forbidden, they experience the same feelings as when scolded by their parents—the first stirrings of guilt. By the same token, even in the absence of explicit parental reward, children feel a sense of self-approval about having done what they were supposed to have done.

As we grow older, of course, our motivations are not so simple and our self-understanding is greater. We are able to reflect on and understand the moral lessons we were taught, as well as to refine and modify those principles. As adults we are morally independent agents. Yet however much our conscience has evolved and however much our adult moral code differs from the moral perspective of our childhood, those pangs of guilt we occasionally feel still stem from that early internalization of parental demands.

THE LIMITS OF CONSCIENCE

Telling someone to "follow your conscience" is not very helpful, and sometimes it can be bad advice.

How reliable a guide is conscience? People often say, "Follow your conscience" or "You should never go against your conscience." Such advice is not very helpful, however. Indeed, it can sometimes be bad advice. *First*, when we are genuinely perplexed about what we ought to do, we are trying to figure out what our conscience ought to be saying to us. When it is not possible to do both, should we keep our promise to a colleague or come to the aid of an old friend? To be told that we should follow our conscience is no help at all.

Second, it may not always be good for us to follow our conscience. It all depends on what our conscience says. On the one hand, sometimes people's consciences do not bother them when they should—perhaps because they didn't think through the implications of what they were doing or perhaps because they failed to internalize strongly enough the appropriate moral principles. On the other hand, a person's conscience might disturb the person about something that is perfectly all right.

Consider an episode in Chapter 16 of Mark Twain's *The Adventures of Huckleberry Finn*. Huck has taken off down the Mississippi on a raft with his friend, the runaway slave Jim, but as they get nearer to the place where Jim will become legally free, Huck starts feeling guilty about helping him run away:

> It hadn't ever come home to me before, what this thing was that I was doing. But now it did; and it stayed with me, and scorched me more and more. I tried to make out to myself that I warn't to blame, because I didn't run Jim off from his rightful owner; but it warn't no use, conscience up and says, every time: "But you knowed he was running for his freedom, and you could a paddled ashore and told somebody." That was so—I couldn't get around that, no way. That was where it pinched. Conscience says to me: "What had poor Miss Watson done to you, that you could see her nigger go off right under your eyes and never say one single word? What did that poor old woman do to you, that you could treat her so mean? . . ." I got to feeling so mean and miserable I most wished I was dead.

Here Huck is feeling guilty about doing what we would all agree is the morally right thing to do. But Huck is only a boy, and his pangs of conscience reflect the principles that he has picked up uncritically from the slave-owning society around him. Unable to think independently about matters of right and wrong, Huck in the end decides to disregard his conscience. He follows his instincts and sticks by his friend Jim.

SUMMARY

Accepting a moral principle involves a motivation to conform one's conduct to that principle. Violating the principle will bother one's conscience, but conscience is not a perfectly reliable guide to right and wrong.

The point here is not that you should ignore your conscience but that the voice of conscience is itself something that can be critically examined. A pang of conscience is like a warning. When you feel one, you should definitely stop and reflect on the rightness of what you are doing. But you cannot justify your actions simply by saying you were following your conscience. Terrible deeds have occasionally been committed in the name of conscience.

MORAL PRINCIPLES AND SELF-INTEREST

Sometimes doing what you believe would be morally right and doing what would best satisfy your own interests may be two different things. Imagine that you are in your car hurrying along a quiet road, trying hard to get to an important football game in time to see the kickoff. You pass an acquaintance who is having car trouble. He doesn't recognize you. As a dedicated fan, you would much prefer to keep on going than to stop and help him, thus missing at least part of the game. Although you might rationalize that someone else will eventually come along and help him out if you don't, deep down you know that you really ought to stop. **Self-interest**, however, seems to say, "Keep going."

Consider another example. You have applied for a new job, and if you land it, it will be an enormous break for you. It is exactly the kind of position you want and have been trying to get for some time. It pays well and will settle you into a desirable career for the rest of your life. The competition has come down to you and one other person, and you believe correctly that she has a slight edge on you. Now imagine that you could spread a nasty rumor about her that would guarantee that she wouldn't get the job, and that you could do this in a way that wouldn't come back to you. Presumably, circulating this lie would violate your moral code, but doing so would clearly benefit you.

Some people argue that moral action and self-interest can never really conflict. Although some philosophers have gone to great lengths to try to prove this, they are almost certainly mistaken. They maintain that if you do the wrong thing, then you will be caught, your conscience will bother you, or in some way "what goes around comes around," so that your misdeed will come back to haunt you. This is often correct. But unfortunate as it may be, sometimes—viewed just in terms of personal self-interest—it may pay off for you to do what you know to be wrong. People sometimes get away with their wrongdoings, and if their conscience bothers them at all, it may not bother them very much. To believe otherwise not only is wishful thinking but also shows a lack of understanding of morality.

Morality restrains our self-interested desires. A society's moral standards allow conflicts to be resolved by an appeal to shared principles of justification.

Morality serves to restrain our purely self-interested desires so we can all live together. The moral standards of a society provide the basic guidelines for cooperative social existence and allow conflicts to be resolved by an appeal to shared principles of justification. If our interests never came into conflict—that is, if it were never advantageous for one person to deceive or cheat another—then there would be little need for morality. We would already be in heaven. Both a system of law that punishes people for hurting others and a system of morality that encourages people to refrain from pursuing their self-interest at great expense to others help make social existence possible.

Usually, following our moral principles is in our best interest. This idea is particularly worth noting in the business context. Recently, a number of business theorists have argued persuasively not only that moral behavior is consistent with profitability but also that the most morally responsible companies are among the most profitable.[11] Apparently, respecting the rights of employees, treating suppliers fairly, and being straightforward with customers pay off.

But notice one thing. If you do the right thing only because you think you will profit from it, you are not really motivated by moral concerns. Having a moral principle involves having a desire to follow the principle for its own sake—simply because it is the

right thing to do. If you do the right thing only because you believe it will pay off, you might just as easily not do it if it looks as if it is not going to pay off.

In addition, there is no guarantee that moral behavior will always benefit a person in strictly selfish terms. As argued earlier, there will be exceptions. From the moral point of view, you ought to stop and help your acquaintance, and you shouldn't lie about competitors. From the selfish point of view, you should do exactly the opposite. Should you follow your self-interest or your moral principles? There's no final answer to this question. From the moral point of view, you should, of course, follow your moral principles. But from the selfish point of view, you should look out solely for "number one."

Which option you choose will depend on the strength of your self-interested or self-regarding desires in comparison with the strength of your other-regarding desires (that is, your moral motivations and your concern for others). In other words, your choice will depend on your character, on the kind of person you are, which depends in part on how you were raised. A person who is basically selfish will pass by the acquaintance in distress and will spread the rumor, whereas someone who has a stronger concern for others, or a stronger desire to do what is right just because it is right, will not.

When morality and self-interest conflict, what you choose to do will depend on the kind of person you are.

Although it may be impossible to prove to selfish people that they should not do the thing that best advances their self-interest (because if they are selfish, then that is all they care about), there are considerations that suggest it is not in a one's overall self-interest to be a selfish person. People who are exclusively concerned with their own interests tend to have less happy and less satisfying lives than those whose desires extend beyond themselves. This is usually called the **paradox of hedonism**, but it might equally well be dubbed the "paradox of selfishness." Individuals who care only about their own happiness will generally be less happy than those who care about others. Moreover, people often find greater satisfaction in a life lived according to moral principle, and in being the kind of person that entails, than in a life devoted solely to self-gratification. Thus, or so many philosophers have argued, people have self-interested reasons not to be so self-interested. How do selfish people make themselves less so? Not overnight, obviously, but by involving themselves in the concerns and cares of others, they can in time come to care sincerely about those persons.

SUMMARY

Part of the point of morality is to make social existence possible by restraining self-interested behavior. Sometimes doing what is morally right can conflict with one's personal interests. In general, though, following your moral principles will enable you to live a more satisfying life.

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MORALITY AND PERSONAL VALUES

It is helpful to distinguish between morality in a narrow sense and morality in a broad sense. In a narrow sense, morality is the moral code of an individual or a society (insofar as the moral codes of the individuals making up that society overlap). Although the principles that constitute our code may not be explicitly formulated, as laws are, they do guide us in our conduct. They function as internal monitors of our own behavior and as a basis for assessing the actions of others. **Morality in the narrow sense** concerns the principles that do or should regulate people's conduct and relations with others. These principles can be debated, however. (Take, for example, John Stuart Mill's contention that society ought not to interfere with people's liberty when their actions affect only themselves.) And a large part of moral philosophy involves assessing rival moral principles. This discussion is part of the ongoing development in our moral culture. What is at stake are the basic standards that ought to govern our behavior—that is, the fundamental framework or ground rules that make coexistence possible. If there were not already fairly widespread agreement about these principles, our social order would not be sustainable.

In addition we can talk about our **morality in the broad sense**, meaning not just the principles of conduct that we embrace but also the values, ideals, and aspirations that shape our lives. Many different ways of living our lives would meet our basic moral obligations. The type of life each of us seeks to live reflects our individual values—whether following a profession, devoting ourselves to community service, raising a family, seeking solitude, pursuing scientific truth, striving for athletic excellence, amassing political power, cultivating glamorous people as friends, or some combination of these and many other possible ways of living. The life that each of us forges and the way we understand that life are part of our morality in the broad sense of the term.

It is important to bear this in mind throughout your study of business ethics. Although this book's main concern is with the principles that ought to govern conduct in certain business-type situations—for example, whether a hiring officer may take an applicant's race into account, whether insider trading is wrong, or whether corporate bribery is permissible in countries where people turn a blind eye to it—your choices in the business world will also reflect your other values and ideals or, in other words, the kind of person you are striving to be. What sort of ideal do you have of yourself as a businessperson? How much weight do you put on profitability, for instance, as against the quality of your product or the socially beneficial character of your service?

The decisions you make in your career and much of the way you shape your working life will depend not only on your moral code but also on the understanding you have of yourself in certain roles and relationships. Your morality—in the sense of your ideals, values, and aspirations—involves, among other things, your understanding of human nature, tradition, and society; of one's proper relationship to the natural environment; and of an individual's place in the cosmos. Professionals in various fields, for example, will invariably be guided not just by rules but also by their understanding of what being a professional involves, and a businessperson's conception of the ideal or model relationship to have with clients will greatly influence his or her day-to-day conduct.

SUMMARY

Morality in the sense of the rules or principles that regulate one's conduct toward others can be distinguished from morality in the broader sense of the values, ideals, and aspirations that shape a person's life.

There is more to living a morally good life, of course, than being a good businessperson or being good at your job, as Aristotle (384–322 BCE) argued long ago. He underscored the necessity of our trying to achieve virtue or excellence, not just in some particular field of endeavor, but also as human beings. Aristotle thought that things have functions. The function of a piano, for instance, is to make certain sounds, and a piano that performs this function well is a good or excellent piano. Likewise, we have an idea of what it is for a person to be an excellent athlete, an excellent manager, or an excellent professor—it is to do well the types of things that athletes, managers, or professors are supposed to do.

But Aristotle also thought that, just as there is an ideal of excellence for any particular craft or occupation, similarly there must be an excellence that we can achieve simply as human beings. He believed that we can live our lives as a whole in such a way that they can be judged not just as excellent in this respect or in that occupation but as excellent, period. Aristotle thought that only when we develop our truly human capacities sufficiently to achieve this human excellence will we have lives blessed with happiness. Philosophers since Aristotle's time have been skeptical of his apparent belief that this human excellence would come in just one form, but many would underscore the importance of developing our various potential capacities and striving to achieve a kind of excellence in our lives. How we understand this excellence is a function of our values, ideals, and world view—our morality in a broad sense.

Aristotle also emphasized the importance of character and of being a person whose life displays the various virtues that human beings are capable of achieving. A virtue is a trait or settled disposition; for example, a courageous, generous, or kind person is one who habitually acts in ways that are courageous, generous, or kind. A generous person does not debate whether to act generously; for her or him acting generously is second nature. How we act, however, shapes the character we come to have; that is, we become a generous person by acting in generous ways whereas we come to be selfish or stingy by acting in stingy or selfish ways. For Aristotle, it was therefore important to model ourselves on those who are virtuous and to try to act as they act. As we shall see in the next section, though, different social environments can make it easier or harder to develop virtuous habits and to be the kind of person we want to be.

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INDIVIDUAL INTEGRITY AND RESPONSIBILITY

Previous sections discussed what it is for a person to have a moral code, as well as the sometimes conflicting pulls of moral conscience and self-interest. In addition, we have seen that people have values and ideals above and beyond their moral principles, narrowly understood, that also influence the lives they lead. And we have seen the importance of reflecting critically on both moral principles and our ideals and values as we seek to live morally good and worthwhile lives. None of us, however, lives in a vacuum, and social pressures of various sorts always affect us. Sometimes these pressures make it difficult to stick with our principles and to be the kind of person we wish to be. Corporations are a particularly relevant example of an environment that can potentially damage individual integrity and responsibility.

ORGANIZATIONAL NORMS

One of the major characteristics of an organization—indeed, of any group—is the shared acceptance of **organizational norms** and rules by its members. Acceptance can take different forms; it can be conscious or unconscious, overt or implicit, but it is almost always present, because an organization can survive only if it holds its members together. Group cohesiveness requires that individual members "commit" themselves—that is, relinquish some of their personal freedom in order to further organizational goals. One's degree of commitment—the extent to which one accepts group norms and subordinates self to organizational goals—is a measure of one's loyalty to the "team."

The corporation's overarching goal is profit. To achieve this goal, top management sets specific targets for sales, market share, return on equity, and so forth. For the most part, the norms or rules that govern corporate existence are derived from these goals. But clearly there's nothing in either the norms or the goals that necessarily encourages moral behavior; indeed, they may discourage it.

According to a recent survey by the American Management Association, pressure to meet unrealistic business objectives and deadlines is the leading cause of unethical business conduct.[12] And mounting evidence suggests that most managers experience role conflicts between what is expected of them as efficient, profit-minded members of an organization, and what is expected of them as ethical persons. In a series of in-depth interviews with recent graduates of the Harvard MBA program, researchers Joseph L. Badaracco, Jr., and Allen P. Webb found that these young managers frequently received

explicit instructions or felt strong organizational pressure to do things they believed to be sleazy, unethical, or even illegal.[13] Another survey found that a majority of managers at all levels experience "pressure from the top" to meet corporate goals and comply with corporate norms. Of the managers interviewed, 50 percent of top managers, 65 percent of middle managers, and 84 percent of lower managers agreed that they felt pressure to "compromise personal standards to achieve company goals."[14]

The young managers interviewed by Badaracco and Webb identified four powerful organizational "commandments" as responsible for the pressure they felt to compromise their integrity:

> First, performance is what really counts, so make your numbers. Second, be loyal and show us that you're a team player. Third, don't break the law. Fourth, don't overinvest in ethical behavior.[15]

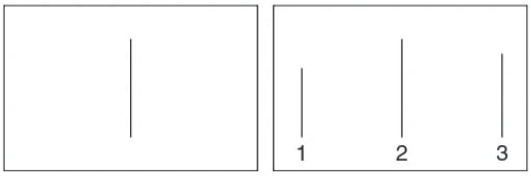
Pressure to meet corporate objectives, to be a team player, and to conform to organizational norms can sometimes lead people to act unethically.

Although most corporate goals and norms are not objectionable when viewed by themselves, they frequently put the people who must implement them into a moral pressure cooker. In addition, people can overlook the ethical implications of their decisions just because they are busy working on organizational goals and not looking at things from a broader perspective. In these ways, the need to meet corporate objectives, to be a team player, and to conform to organizational norms can sometimes lead otherwise honorable individuals to engage in unethical conduct.

CONFORMITY

It is no secret that organizations exert pressure on their members to conform to norms and goals. What may not be so widely known is how easily individuals can be induced to behave as those around them do. A dramatic example is provided in the early conformity studies by social psychologist Solomon Asch.[16]

In a classic experiment, Asch asked groups of seven to nine college students to say which of three lines on a card matched the length of a single line on another card:



Only one of the subjects in each group was "naive," or unaware of the nature of the experiment. The others were shills or stooges of the experimenter, who had instructed them to make incorrect judgments in about two-thirds of the cases and in this way to pressure the naive subjects to alter their correct judgments.

The results were revealing. When the subjects were not exposed to pressure, they invariably judged correctly, but when the stooges all gave a false answer, the subjects changed their responses to conform with the unanimous majority judgments. When one shill differed from the majority and gave the correct answer, naive subjects maintained their position three-fourths of the time. However, when the honest shill switched to the majority view in later trials, the errors made by naive subjects rose to about the same level as that of subjects who stood alone against a unanimous majority.

Why did they yield? Some respondents said they didn't want to seem different, even though they continued to believe their judgments were correct. Others said that although their perceptions seemed correct, the majority couldn't be wrong. Still other subjects didn't even seem aware that they had caved in to group pressure. Even those