Behavioral Ethics in Organizations:
A Review

Linda K. Treviño*

Smeal College of Business, 402 Business Building, The Pennsylvania State University, University Park, PA 16802

Gary R. Weaver

Alfred Lerner College of Business & Economics, University of Delaware, Newark, DE 19716

Scott J. Reynolds

Business School, University of Washington, Box 353200, Seattle, WA 98195-3200

The importance of ethical behavior to an organization has never been more apparent, and in recent years researchers have generated a great deal of knowledge about the management of individual ethical behavior in organizations. We review this literature and attempt to provide a coherent portrait of the current state of the field. We discuss individual, group, and organizational influences and consider gaps in current knowledge and obstacles that limit our understanding. We conclude by offering directions for future research on behavioral ethics in organizations.

Keywords: *business ethics; ethical behavior; ethical decision making; moral awareness; moral judgment*

High impact scandals in organizations ranging from businesses to athletic teams and religious organizations have generated widespread interest in ethical[1] and unethical behavior in organizations. Stakeholders, including stockholders, communities, and governments, have placed increasing pressure on organizations to manage employees' behavior in ways that will

*Corresponding author. Tel: 814-865-2194; fax: 814-863-7261.

E-mail address: ltrevino@psu.edu

reduce individuals' illegal and unethical conduct. In the last 20 years, researchers have focused more attention on the social scientific study of ethical and unethical behavior in organizations and have produced a body of research that is informative and useful. This review of behavioral ethics research is aimed at providing a coherent, integrated portrait of much of this work and identifying directions for future research.

Parameters of This Review

We have established two parameters as guides. First, we have utilized a somewhat broad definition of the central topic. For purposes of this review, behavioral ethics refers to individual behavior that is subject to or judged according to generally accepted moral norms of behavior. Thus, research on behavioral ethics is primarily concerned with explaining individual behavior that occurs in the context of larger social prescriptions. Within this body of work some researchers have focused specifically on unethical behaviors, such as lying, cheating, and stealing. Others have focused on ethical behavior defined as those acts that reach some minimal moral standard and are therefore not unethical, such as honesty or obeying the law. Still others have focused on ethical behavior defined as behaviors that exceed moral minimums such as charitable giving and whistle-blowing. Our definition accounts for all three areas of study. Furthermore, our definition allows for a liberal consideration of existing research, and thus our review considers a broader range of topics than recent reviews on, for example, ethical decision making (O'Fallon & Butterfield, 2005), ethical conduct (Treviño & Weaver, 2003), and processes by which unethical behavior becomes normalized in organizations (Ashforth & Anand, 2003).

Second, given the size of the extant literature, we have restricted our review to social scientific works whose contributions to the field we perceive to be substantial. For empirical studies, we considered potential impact and methodological defensibility. For theoretical pieces, we considered theoretical foundations and realized or potential effects on future research. Thus, our review should not be considered a complete survey of the literature, but rather a thought-provoking portrait of key aspects of current knowledge.

Cognitive Processes and Ethical Decision Making

One frequently used framework for outlining the research on individual-level ethical decision making and behavior is James Rest's four-component analysis, which distinguishes among moral awareness, moral judgment, moral motivation, and moral behavior (Rest, 1986; Rest, Narvaez, Bebeau, & Thoma, 1999). We follow that general approach here and consider recent theory and empirical research that addresses individual and contextual influences on those processes (see Figure 1 for a general overview of our approach). Some of the research we address has been conducted in the field of moral psychology, rather than the organizational sciences. Thus, our account mixes research oriented toward traditional organizational behavior topics with more general psychological research relevant to further developing research on behavioral ethics in organizational contexts.

Figure 1
Categories of influences on behavioral ethics outcomes
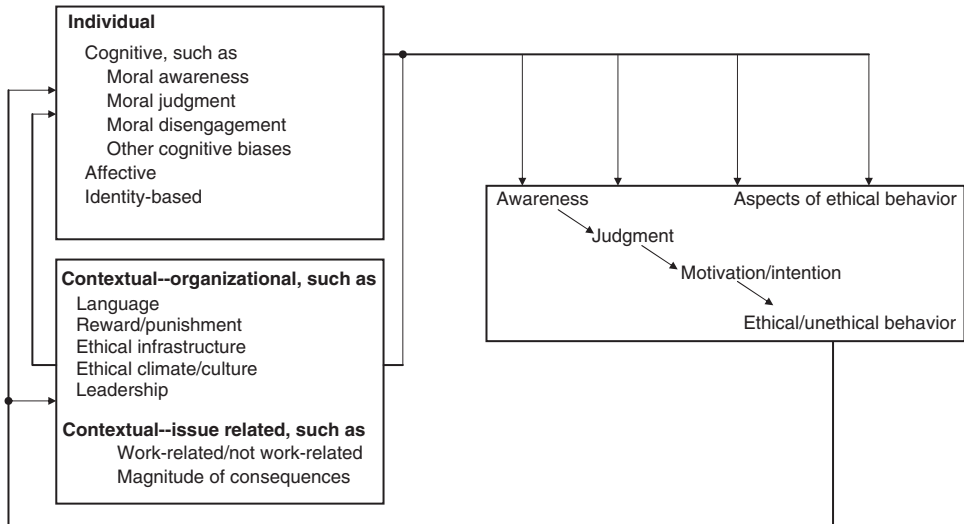
Moral Awareness

Rest (1986) argued that the first stage of the ethical decision-making process is moral awareness, or moral issue identification. He argued that identifying a moral issue involves an interpretive process wherein the individual recognizes that a moral problem exists in a situation, or that a moral standard or principle is relevant to the circumstances. This stage is considered critical, because identifying an issue as ethically significant presumably helps to initiate ethical decision making and in turn makes ethical behavior more likely.

Research related to moral awareness has generally taken one of two approaches. In the first approach, researchers have focused on individuals' ethical or moral sensitivity. Ethical sensitivity, defined as one's ability to recognize that a decision-making situation has ethical content (Sparks & Hunt, 1998), has been studied in dentistry (Baab & Bebeau, 1990; Bebeau, 1994; Bebeau & Brabeck, 1987; Bebeau, Rest, & Yamoor, 1985), nursing (Lützén, Johansson, & Nordström, 2002), accounting (Shaub, Finn, & Munter, 1993; Yetmar & Eastman, 2000), education (Clarkeburn, 2002), marketing (Sparks & Hunt, 1998), and the insurance industry (Blodgett, Lu, Rose, & Vitell, 2001). Generally speaking, this stream of research has noted that women tend to have greater skill at identifying ethical issues and that training and experience can improve individuals' ethical sensitivity.

In the second approach, researchers have considered the individual as just one of many factors that can shape moral awareness. Much of this research has focused on context, including the role of issue characteristics, characterized by T. M. Jones (1991) as an issue's moral intensity. T. M. Jones (1991) identified six dimensions of moral intensity: magnitude

of consequences, concentration of effect, probability of effect, temporal immediacy, social consensus, and proximity. Social cognition research suggests that issues with high moral intensity are more vivid and salient, and therefore gain the individual's attention and are more likely to be identified as ethical issues. Subsequent research has demonstrated that characteristics of a moral issue influence moral awareness (as well as ethical intentions), particularly the magnitude of consequences and social consensus dimensions (Flannery & May, 2000; B. F. Frey, 2000; May & Pauli, 2002; Singhapadki, Vitell, & Kraft, 1996).

S. J. Reynolds (2006a) argued that individual differences can interact with issue characteristics to shape moral awareness. Drawing from the social cognitive perspective on attention, S. J. Reynolds argued that individuals can be more attentive to information based on their cognitive predispositions. He focused on differences between those who prefer to focus on the ends in ethical decision making (utilitarians) and those who prefer to focus on the means (formalists). He drew a comparison between these frameworks and Kohlberg's stages of moral development to suggest a hierarchical relationship such that formalism represents a more encompassing and inclusive ethical decision-making framework. In his studies, both utilitarians and formalists identified issues involving harm as moral issues, but utilitarians were significantly less likely to identify issues that involved only violations of behavioral norms as moral issues. Based on these results, S. J. Reynolds argued that utilitarians could be considered "blind" to these kinds of ethical issues.

Butterfield, Treviño, and Weaver (2000) pushed beyond issue characteristics to suggest that other contextual factors can influence moral awareness. Their scenario-based study found that the existence of a competitive framework and the use of moral language influenced moral awareness (the latter by triggering a moral issue schema), along with the issue characteristics "magnitude of consequences" and "social consensus."

As research on moral awareness moves forward, two primary issues should be addressed. First, researchers must become more precise in their discussions and usage of the core constructs. For example, researchers often use measures of moral awareness that require the identification of an ethical violation or miscue, a determination that might confound moral awareness with moral judgment (S. J. Reynolds, 2006a). In short, greater care must be taken to align the theory of moral awareness with the methods used to study it. Second, although we know that issue characteristics influence moral awareness, many studies have discussed or revealed interactive effects between issue characteristics and both individual and contextual factors, and thus greater work will be needed to more fully understand such interactions.

Moral Judgment

Much research on moral judgment is built upon Kohlberg's (1969) cognitive moral development approach. We will summarize that work here, drawing on another recent summary (Treviño & Weaver, 2003). However, we also review research on cognitive biases and cognitive self-protective processes that may interfere with sound ethical judgment in important ways.

Cognitive moral development and moral judgment. Once an individual becomes aware of an ethical issue, ethical judgment processes should be more likely to be triggered (Rest, 1986). The link between moral awareness and moral judgment, however, has rarely been

investigated. The most prominent social scientific theory of ethical judgment remains Kohlberg's (1969) cognitive moral development theory. Kohlberg developed his theory by conducting interviews with males from middle childhood to young adulthood. By analyzing their spontaneously generated reasoning in response to hypothetical moral dilemmas, Kohlberg found that ethical reasoning becomes more sophisticated (and, he argued, normatively better) over time. The theory proposes six stages of moral judgment, embedded within three broad categories. According to the theory, individuals move through stages in an invariant, irreversible sequence, because higher stages depend upon cognitive capacity that is unavailable at lower stages.

At the lowest two stages (preconventional level), the self-centered yet outward-looking individual reasons about what is right based upon either concern for obedience to authority and fear of punishment (Stage 1) or exchange in relationships (e.g., one hand washes the other) (Stage 2). At the middle two stages (conventional level), moral judgment is more externally oriented, relying on the expectations of significant others (Stage 3) or rules or laws (Stage 4). Finally, at the highest stages (principled) the individual determines what is right more autonomously by looking to universally held principles of justice and rights. Research has found that most adults are at the conventional level, meaning that their thinking about what is right is largely influenced by significant others as well as rules and laws. Fewer than 20% of American adults reach the principled level, Stages 5 or 6 (Rest et al., 1999), where actions should be more consistent with moral thought. It is also important to note that Stage 6 is considered a theoretically postulated stage only, because empirical evidence of it is rare.

These findings have clear implications for behavioral ethics in organizations. If most adults' thinking about right and wrong is highly susceptible to external influence, then the management of such conduct through attention to norms, peer behavior, leadership, reward systems, climate, culture, and so on becomes important. Treviño's (1986) model of ethical decision making in organizations builds on the assumption that the influences of contextual variables on decision making and behavior depend upon the individual's cognitive moral development, with those at the highest stages being less susceptible to contextual influences. Cognitive moral development is also relevant to the study of cross-cultural business ethics, and types of moral reasoning appear to be universal (Gielen & Markoulis, 1994; Moon, 1985; Snarey, 1985), with similar age and education trends found across cultures.

Kohlberg's theory has been criticized by philosophers and psychologists. Philosophers have criticized Kohlberg's reliance on particular justice-based philosophical theories (e.g., Hare, 1952; Rawls, 1971). Psychologists have criticized the rigid stage progression (Siegler, 1997) and Kohlberg's reliance on verbal self-reports as a primary data source (Schweder, Mahaptra, & Miller, 1987). In response to these criticisms, Rest (a student of Kohlberg) and colleagues (Rest et al., 1999) proposed alternatives to Kohlberg's developmental theory as well as alternative measurement approaches. Their conceptualization of higher level thinking is not directly tied to a philosophical theory, and it incorporates more gradual shifts among developmental schemas. They also claim that Kohlberg's theory is better suited to issues of societal-level "macromorality" than to "micromorality" issues in daily relationships.

Most research on cognitive moral development (including behavioral ethics research) has relied on Rest's paper and pencil survey instrument, the Defining Issues Test (DIT) that is now in a revised version (DIT2) (available from the Center for the Study of Ethical Development

at the University of Minnesota). Rest and colleagues represent the DIT as "a device for activating moral schemas" (Rest et al., 1999: 6) and for assessing their importance. The DIT has been validated and used in hundreds of studies. However, others have successfully adapted Kohlberg's interview methodology (Weber, 1990) or they have used Gibbs and colleagues' (Gibbs, Basinger, & Fuller, 1992) sociomoral reflection measure (e.g., Greenberg, 2002).

Correlates of moral judgment. Not surprisingly, given its cognitive nature, cognitive moral development has been most strongly associated with age and education level (Rest, Thoma, Moon, & Getz, 1986). However, moral judgment level does not appear to be associated with gender, at least for adult women in work settings (Derry, 1987, 1989; see also Ambrose & Schminke, 1999, and Rest et al., 1986, for reviews) despite earlier claims that males and females reason differently about ethical dilemmas (Gilligan, 1982).

Moral judgment has also been associated with characteristics of ethical issues, particularly the type of harm and the magnitude of consequences and dimensions of an issue's moral intensity (B. F. Frey, 2000; T. M. Jones, 1991; Weber, 1996). Weber (1996) found that higher level moral reasoning was evoked in response to issues involving physical harm (as opposed to economic or psychological harm) and a greater magnitude of consequences.

Work environment has also been associated with moral judgment. For example, research has found that accounting students and practitioners have lower moral reasoning scores compared with their counterparts in other types of schools or professions (Lampe & Finn, 1992). Perhaps more important is the finding that managers and partners in public accounting firms have lower moral reasoning scores than those at lower organizational levels in the firm (Ponemon, 1988, 1990, 1992; Shaub, 1989). It is unclear whether those with higher levels of moral reasoning select themselves out or whether the work environment itself undermines moral judgment (Treviño & Weaver, 2003). Elm and Nichols (1993) found similar results in a more general management sample. Older and longer tenured managers had lower moral judgment scores than did younger and less experienced employees. These findings are troubling and suggest that researchers should hypothesize and test theories about potential job and organizational context influences on moral reasoning (such as those proposed in Treviño, 1986).

Moral reasoning has also been found to be lower when individuals respond to work-related dilemmas compared to nonwork dilemmas (Weber, 1990; Weber & Wasieleski, 2001). This finding is similar to findings from the sports arena, where Bredemeier and Shields (1984, 1986a, 1986b, 1986c) found lower levels of moral reasoning among athletes when they responded to sport (compared to nonsport) dilemmas.

Findings that older and more experienced managers reason at a lower level, and that individuals reason at a lower level in response to work-related issues compared to more general ethical issues, seem counter to cognitive moral development theory's proposed hierarchical sequence of moral development. According to the original theory, it should be more difficult to reason at a level lower than one's attained level because of the cognitive inconsistency involved. However, more recent theorizing about moral judgment as schema driven seems more accommodating of these findings. If schemas are more likely to be triggered under certain circumstances, it is possible that work settings depress the triggering of moral judgment processes. If so, research will be required to understand the circumstances under which the depression of moral schemas occurs. The DIT measure called the utilizer (U) score may

help. The U score goes beyond earlier measures of moral reasoning capacity to capture whether individuals actually use their moral reasoning capacity in decision making.

Additional research suggests that leaders' moral reasoning is linked to their leadership style. Turner and colleagues (Turner, Barling, Epitropaki, Butcher, & Milner, 2002) found that managers' cognitive moral development (as measured by the DIT) was related to their subordinates' perceptions of them as transformational leaders. They proposed that leaders with the capacity for more complex moral reasoning would have the ability to conceptualize problems and interpersonal situations in more complex ways, resulting in the likelihood that they would go beyond short-term self-interest to focus on the good of the group. Furthermore in decision-making groups, leaders with lower levels of moral reasoning were found to depress group performance as well as the group's average moral reasoning level. Leaders with higher moral reasoning levels, however, were not more likely to emerge as leaders in these decision-making groups (Dukerich, Nichols, Elm, & Vollrath, 1990). These findings suggest that organizations should consider using measures of moral reasoning to identify individuals for leadership development or to assign them to leadership roles, particularly if they are going to lead group decision making about ambiguous ethical issues.

Individuals' ethical decision frameworks. Many researchers have looked beyond cognitive moral development to consider the specific normative criteria or frameworks that individuals use to make moral judgments. Behaviorally oriented economists, for example, have noted multiple respects in which individuals' actions cannot be explained by reference to rational self-interest and must instead be explained by reference to moral ideals and emotional commitments (e.g., Elster, 1998; Frank, 1996; Rabin, 1998; see Cropanzano, Stein, & Goldman, in press, for a review of research on self-interest and other motives). Other researchers have attempted to assess the role of specific philosophical moral theories, such as relativism or utilitarianism, as frameworks guiding individuals' ethical decisions and behavior.

Forsyth (1980) argued that moral judgments are shaped by individuals' preferences for relativism and idealism. Using Forsyth's Ethics Position Questionnaire (EPQ), researchers have identified relationships between an individual's moral judgments and stance toward relativism and idealism (Davis, Andersen, & Curtis, 2001). For example, Forsyth (1985) found that idealists strongly condemned individuals who caused extremely negative consequences, and Henle, Giacalone, and Jurkiewicz (2005) found that relativism and idealism interact to predict organizational deviance.

Similarly, Brady and Wheeler (1996) used vignettes to identify the extent to which individuals prefer utilitarian/consequentialistic (results-based) and formalistic (rule- or principle-based) rationales and solutions to ethical dilemmas. They demonstrated that responses to the vignettes correlated with preferences for traits associated with utilitarianism (e.g., results oriented, productive) and formalism (e.g., honest, trustworthy). Schminke, Ambrose, and Noel (1997) discovered that utilitarians were more sensitive to distributive justice issues and formalists were more sensitive to procedural justice issues. As noted previously, S. J. Reynolds (2006a) demonstrated that preferences for utilitarianism and formalism influence moral awareness. We recommend that more construct development and validation work be done regarding these constructs and their measures. S. J. Reynolds and Ceranic (2006) have contributed to this process by confirming that the trait version of the Brady and Wheeler scale significantly

correlates with vignette responses and by demonstrating with confirmatory factor analysis that the trait measures generate a marginally significant fit to their latent constructs.

Limitations on Moral Cognition

A number of researchers have begun to consider how the limitations and failures of human information processing may influence moral thought. This includes work by behavioral economists and work on moral disengagement processes and cognitive biases more generally.

Moral disengagement. According to Bandura (1999), most people are guided by personal standards of ethical behavior. When these standards are activated, they play a self-regulatory role by guiding good behavior (consistent with the standards) and deterring misconduct (that would violate the standards). Thus, ethical conduct is regulated largely through "anticipatory self-sanctions" that keep behavior in line with personal standards and help the individual avoid unethical behavior that would lead to self-censure (Bandura, 1999).

Bandura (1999) proposed that people often disengage these self-regulatory processes through anticipatory "moral disengagement" processes. Moral disengagement frees the individual from the self-sanctions and guilt that would normally accompany violation of one's ethical standards. Having morally disengaged, unethical behavior is more likely. Bandura proposed three categories of moral disengagement mechanisms, each of which can manifest itself in multiple ways: 1) cognitive reconstruction of behavior (moral justification, euphemistic labeling, and advantageous comparison); 2) minimizing one's role in the harmful behavior (displacement of responsibility, diffusion of responsibility, and disregarding or distorting of the consequences); and 3) focus on the targets' unfavorable acts (dehumanization and attribution of blame) (Bandura, 1986).

Most research on moral disengagement has been conducted with children, showing negative relationships between overall moral disengagement and helpful and cooperative behavior, and positive relationships with aggression and delinquency (Bandura, Barbaranelli, Caprara, & Pastorelli, 1996; Bandura, Caprara, Barbaranelli, Pastorelli, & Regalia, 2001; Bandura, Underwood, & Fromson, 1975). However, organizational scholars are becoming interested in these processes. For example, Beu and Buckley (2004) proposed that transactional, personalized charismatic leaders can influence the way their subordinates think about behavior in ways that are more morally justifiable. Ashforth and Anand's review of the processes by which unethical behavior is rationalized explicates how "corrupt individuals tend not to view themselves as corrupt" (Ashforth & Anand, 2003: 15-25) insofar as circumstances and behavior can be reframed by "rationalizing ideologies" (Ashforth & Anand, 2003: 16). Similarly, Tenbrunsel and Messick (2004) proposed that people deceive themselves about the ethical nature of the issues they face through psychological processes that hide the ethical issues from view. Although Bandura (1992, 2002) clearly conceptualized moral disengagement as "anticipatory" (occurring before the behavior and allowing unethical behavior to occur), others such as Ashforth and Anand (2003) have discussed similar processes (e.g., use of euphemistic language) in terms of post hoc rationalization and justification. Research will be needed to better understand whether these same processes are anticipatory, post hoc, or both. If they are

anticipatory, moral disengagement processes seem related to moral awareness. An individual who has morally disengaged is not morally aware. If they are post hoc rationalization, these cognitions should be treated as cognitive outcomes of unethical behavior.

Moral inclusion and exclusion. Research on moral disengagement is consistent with work that considers who is within and who is outside the moral community boundary when people think about moral issues. Opotow (1990) proposed that moral inclusion occurs when considerations of fairness apply to another person. Moral exclusion occurs when some people are considered to be "outside the boundary in which moral values, rules, and considerations of fairness apply" (Opotow, 1990: 1). For example, harm to some individuals or groups is more likely because those individuals or groups are seen as out-group members and are more likely to be excluded from moral consideration. Although this work has rarely been applied to moral cognition in work settings, we believe that its relevance should be considered. Competitors, immigrant employees, employees in developing countries, and difficult customers are all likely candidates for moral exclusion unless safeguards are put into place.

Other cognitive biases. Research by behavioral economists has highlighted multiple ways in which people misapply or ignore apparently straightforward decision frameworks such as utility maximization (e.g., conflation of nominal and real measures of value [Shafir, Diamond, & Tversky, 1997]). They have also considered the problems people have in comparing gains and losses over extended time periods (Camerer, Babcock, Loewenstein, & Thaler, 1997). (See Camerer & Loewenstein, 2004, Kahneman, 2003, and Rabin, 1998, for surveys of this general line of research.)

In a series of articles, two of them aimed at managers, Bazerman and colleagues (Banaji, Bazerman, & Chugh, 2003; Messick & Bazerman, 1996; Moore, Tetlock, Tanlu, & Bazerman, 2006) suggested that executives can improve their ethical decision making by becoming aware of systematic cognitive biases that affect how individuals process information (see also the general discussions of how cognitive biases lead to departures from rational decision making in Rabin, 1998, and Kahneman, 2003). The list of biases includes the tendency to reduce the number of consequences considered (Messick & Bazerman, 1996). Given the importance of consequences to utilitarian decision making and moral awareness, the potential negative impact of such a limitation seems obvious. Furthermore, Messick and Bazerman (1996) proposed that people have incorrect theories about social groups such as women and minorities, resulting in ethnocentric decisions. They proposed that explicit corporate policies that make decisions more concrete, systematic, and objective can discourage such erroneous thinking, a proposal that should be tested empirically. Individuals' theories about themselves can also interfere with effective ethical decision making. For example, people tend to be overconfident and to view themselves as highly ethical people who are in control of their lives. Finally, researchers (Moore et al., 2006) have proposed moral seduction theory to explain how professionals become morally compromised gradually over time, a process that is facilitated by unconscious thought processes. Messick and Bazerman proposed a number of potential safeguards, such as basing decisions on data, using a devil's advocate to question decisions, and consciously expanding the analysis to include consequences for multiple stakeholders. Again, such recommendations can and should be empirically tested.

From Cognition to Action: Moral
Motivation, Identity, Affect, and Behavior

Moral awareness and moral judgment are generally considered to be cognitive processes that serve as precursors to ethical intentions and behavior. The link between moral cognition and behavior has long been theorized and studied, and a moderate correlation has been found (Blasi, 1980; Kohlberg, 1969; Treviño & Youngbood, 1990). Some researchers relying on the theory of planned behavior (Ajzen, 1985), however, have examined the link between ethical beliefs, intentions, and behaviors and found significant differences between beliefs or intentions and actual behaviors (e.g., Weber & Gillespie, 1998). Therefore, we recommend that more attention be paid to the links between judgment and action and intention and action. Here we turn attention to the remaining two elements of the awareness–judgment–motivation–behavior framework that may help to explain what interferes with these links.

Moral Motivation

Moral motivation has been described as a person's "degree of commitment to taking the moral course of action, valuing moral values over other values, and taking personal responsibility for moral outcomes" (Rest et al., 1999: 101). Discussion of the relationship between moral judgment and motivations or intentions to act morally goes back at least to Plato and Aristotle, for whom the debate is framed in terms of the possibility of *akrasia*, or weakness of will, or the "thought-action problem" (Bergman, 2004: 30): whether it is possible for an individual to assent genuinely to a moral judgment while recognizing no reason or motive to act in accordance with that judgment. Here we examine moral motivation from a social scientific standpoint focused on factors that might influence individuals' moral intentions and actions.

Moral motivation (i.e., a sense of felt obligation to act; Eisenberg, 1986: 206) appears to mediate the relationship of moral attitudes and judgments to behavior (see Eisenberg's summary of research on this topic; Eisenberg, 1986: 205-208). But moral behavior itself, and thus—one might assume—moral motivation, often appears disconnected from explicit moral reasoning processes (Bergman, 2004; Blasi, 1980, 1999, 2004, 2005). Cases of acquired sociopathy sometimes involve persons who are quite capable of complex and correct moral reasoning but never form any intention, or felt sense of obligation, to act in accordance with that reasoning (Roskies, 2003). In short, conscious moral reasoning is not always sufficient for understanding moral behavior, but neither is conscious moral reasoning always necessary for moral behavior. Self-reports of persons who engage in morally exemplary behavior often highlight a high degree of automaticity (Lapsley & Narvaez, 2004: 204; Narvaez & Lapsley, 2005: 146), and an absence of any conscious reasoning or internal mental struggle in determining the proper course of action (Blasi, 2005; Colby & Damon, 1992; Oliner & Oliner, 1988). In some cases, rather than seeing moral behavior arise from a process "marked by struggle, inner battles, and hesitations. . . . [M]oral desires are so strong and unconflicted, so central in the actors' motivational system, and so identified with their core identities, that moral action follows from a kind of spontaneous necessity. . . " (Blasi, 2005: 84-85).

Cognitive but nonconscious moral motivation. If conscious moral reasoning does not necessarily lead to moral intentions and ultimately moral behavior, what else is involved? Some answers to this question are explicitly cognitive but without conscious, intentional reasoning being involved. In claiming this, these approaches blur the line between moral judgment and moral motivation. For example, moral motivation and judgment both can be based in routinized, or scripted, responses triggered in particular situations; the situation triggers the scripted response that involves both the formation of a judgment and an intention to act (rather than having the judgment lead to the action). Put differently, "moral schemas are chronically accessible for social information processing" (Narvaez & Lapsley, 2005: 146), often leading to automatic, intentional responses in morally significant situations.

Haidt's (2001) recent "social-intuitionist model approach to moral judgment" similarly blurs the distinction between judgment and motivation. This account builds on the evidence against models of ethical judgment and consequent behavior, that presume intentionally reasoned judgment and instead appeals to earlier theories of intuitive judgment in psychology and moral philosophy (e.g., Bastick, 1982; Simon, 1992). This intuitionist theory posits that certain situations elicit intuitive, nonreasoned moral responses from people, for which subsequent moral reasoning processes provide an after-the-fact rationale. Intuition, in this model, is a quick, unintentional, and automatic cognitive process that is inaccessible to participants. By contrast, moral reasoning (e.g., in Kohlberg's sense) is an "intentional, effortful, and controllable" process (Haidt, 2001). Intuition is a cognitive process that issues in a moral judgment (e.g., "That's wrong"), but its immediacy and directness make it more reflexive than deliberate (S. J. Reynolds, 2006b). As Haidt describes it, "moral intuition can be defined as the sudden appearance in consciousness of a moral judgment, including an affective valence (good-bad), without any conscious awareness of having gone through steps of searching, weighing evidence, or inferring a conclusion. . . . One sees or hears about a social event and one instantly feels approval or disapproval," after which might come *post hoc* reasoning to justify that intuition. Intuition, as a cognitive phenomenon, is distinct from affect. But in this account intuition and affect are closely related, in that affective responses function analogously to embedded and automatic codings of more complex but nonconscious information on which an intuition is based (cf. Damasio, 1994). And this connection to affect (specifically, moral emotions) can contribute to the motivating power of intuitively formed judgments (see the discussion of moral affect below).

Despite their historic pedigree, intuitionist models of moral judgment require substantial elaboration and testing. In particular, it is important to consider the factors that influence the formation of deeply embedded, unconscious moral intuitions. It is likely that this process involves a mix of physiological and macrocultural influences (as does, for example, the process of language acquisition). Moreover, influences from childhood and adolescence are important in the process (see Haidt, 2001: 825-828). However, it seems unlikely that moral intuitions specifically about some of the ethical issues that occur in complex organizations are all, or entirely, formed during early periods of life. Thus, researchers might ask whether and how the social context of organizational life influences moral intuition. For example, do social learning processes (e.g., behavior modeling by others at work), or successful opportunities for moral behavior, build up a repertoire of affectively supported moral intuitions? Finally, even if much moral judgment does not involve conscious, intentional reasoning processes, it is also

clear that sometimes moral judgment does involve conscious, intentional reasoning and that the two processes are related (in what are sometimes called "dual process models"). Thus, researchers also need to consider the intricacies of these relationships.

Identity-based moral motivation. Much recent theorizing, and some empirical research—especially in the field of moral development—focus on the formation of moral identity (e.g., Bergman, 2004). Increasingly, this work has begun to inform research on ethical behavior in the organizational and applied social sciences (e.g., Aquino & Reed, 2002; Reed, Aquino, & Levy, in press; S. J. Reynolds & Ceranic, 2005; Weaver, 2006). The basic idea in this growing line of research is that to understand whether a person's moral judgments motivate moral behavior, "we must know about not only the person's moral beliefs but also the person's understanding of self in relation to those moral beliefs" (Damon, 1984: 110). In this view of moral motivation, "Why be moral?" is answered by "That is who I am." Insofar as morality is central to a person's self-understanding, failure to act morally creates cognitive dissonance and emotional discomfort (Blasi, 1999, 2004; Festinger, 1957). Failure to act morally becomes, in effect, a betrayal of oneself, and the motivating power of morality resides in its degree of integration with the self (Bergman, 2004).

Behavior, affect, and cognition are closely linked to self-identity. For example, judgments that harmonize well with one's identity have been theorized (Weaver & Agle, 2002) and empirically shown (Bolton & Reed, 2004) to be more stable and enduring than judgments not in harmony with one's identity. Identity itself is formed through social cognition processes (e.g., Bandura, 1986), such that much theorizing regarding identity examines how a person's identity is formed in interaction with, and with reference to, other people (Tajfel, 1959, 1974; Tajfel & Turner, 1979; Turner & Oakes, 1986). Particular self-concepts are propagated and reinforced by social psychological factors such as behavioral modeling (Bandura, 1986) and the explicit and implicit behavioral expectations of others (Stryker, 1980), and by elements of macro-level "institutional logics" (Friedland & Alford, 1991) such as linguistic practices, social network location, and the "positional identities" that come with a particular social status (Oakes, Townley, & Cooper, 1998). Given the plethora of identity-shaping influences acting on persons, individuals can embody multiple social identities (Markus, 1977), but any particular identity will vary in influence according to its (perhaps transient) salience or its centrality within the total set of identities that constitute the self (Bergman, 2004; Blasi,1999; Weaver & Agle, 2002).

Of particular importance for understanding ethical and unethical behavior in organizations is the ease with which situationally defined identities become entrenched within organizations (Ashforth, 2001) or larger social frameworks (Misangyi, Weaver, & Elms, in press), leading to routine behavior that is essentially amoral because persons' active identities are devoid of moral content (Ashforth & Anand, 2003; Bandura, 2002; Misangyi et al., in press). Thus, for example, Weaver and Agle (2002) theorized about how individuals' religious identities and associated ethical tendencies compete with organizationally defined identities that might have different implications for ethical behavior and described how the salience of an individual's religio–ethical identity can be influenced by contextual organizational factors. These salience influences include factors such as the presence of others who share the same ethically relevant identity, linguistic norms within the organization (cf. Bird, 1996), and formal position within the organization (see also Reed et al., in press).

Early empirical research on the relationship of moral identity to moral motivation and behavior primarily was qualitative (e.g., Colby & Damon, 1992; Oliner & Oliner, 1988) or developmentally focused (see Lapsley & Narvaez, 2004; Lapsley & Power, 2005). This early work illustrated the potential importance of moral identity in determining the moral motivation and behavior of people but did not provide systematic measures of the concept and its impact. Recently, Aquino, Reed and colleagues have worked to develop a measurable moral identity construct (which is in turn linked to cognitive, affective, and behavioral outcomes; Aquino & Reed, 2002; Reed & Aquino, 2003; Reed et al., in press). Aquino and Reed, (2002) conceptualize moral identity in terms of the embeddedness of certain characteristically moral traits in ones' self-concept and behavior. Specifically, in a series of empirical studies Aquino and Reed defined the moral identity construct along two dimensions, internalization and symbolization. Internalization reflects the degree to which a set of moral traits is central to the self-concept, whereas symbolization reflects the degree to which these traits are expressed publicly through the person's actions. Both dimensions have been found to predict morally significant behaviors, though internalization tends to be more predictive than symbolization (Aquino & Reed, 2002; Reed & Aquino, 2003; Reed et al., in press).

Self-identity is a complex phenomenon, in which moral identity often competes with other senses of self (e.g., loyal employee). Contextual influences can enhance or reduce the salience and influence of any particular identity (Ashforth & Mael, 1989), and of specifically moral identities (Weaver, 2006; Weaver & Agle, 2002; cf. Bandura, 2002). Economic research, for example, has shown that providing price incentives to people for engaging in voluntary contributions to social goods reduces the willingness of people to engage in that task—in contrast to conventional models of the rational, self-interested actor (who should be more willing to engage in a task if more incentive is provided) (B. S. Frey & Oberholzer-Gee, 1997; Gneezy & Rustichini, 2000). Brekke, Kverndokk, and Nyborg (2002) argue that this phenomenon is best explained by reference to identity; for a morally identified person, harmony with one's self-understanding "can only be obtained by doing what one truly believes to be right" (p. 1970), and providing compensation or other incentives to act morally undermine that identity-based sense of purity of motive. This kind of identity-based insight can inform the way organizations might use—or refrain from using—incentives in efforts to foster ethical behavior by employees.

Empirical research specifically addressing the impact of organizational context on moral identity is scant. Theoretically, however, several relationships stand out as candidates for study (Weaver, 2006: 350-358). Behavior in conformity to an identity typically reinforces that identity; consequently, organizational contexts that provide opportunities for ethical behavior should help to reinforce moral identity. As a cognitive phenomenon (i.e., a self-concept), identity is also susceptible to influence insofar as any form of schematic cognition can be influenced by the attitudes and behavior of organizational peers and leaders and the taken-for-granted assumptions about "who we are" that are embedded in organizational cultures. Simple matters such as the relative degree to which one spends time with coworkers should also affect the salience of a workplace-defined identity vis-à-vis other identities (Reed et al., in press; Weaver & Agle, 2002). Organizational structure—both symbolically and physically—also is implicated in matters of identity; to the extent that organization members are able to carve out private "identity space" in their organizations, they might be better able to maintain the salience of identities distinct from their on-the-job identities (Weaver, 2006: 353).

Affect in moral motivation and behavior. As we have been discussing, much of our understanding of ethical decision making in organizations has relied on a cognitive perspective. This perspective has been aligned with an emphasis on cognition in organizational behavior more generally (Ilgen, Major, & Tower, 1994) and philosophers' emphases on logic and rationality (Lurie, 2004). However, echoing early theorizing by Adam Smith (1759/1981), recent research has been focusing more on the role of affect in both organizational behavior (Barsade, Brief, & Spataro, 2003) and economic behavior (Ashraf, Camerer, & Loewenstein, 2005; Elster, 1998; Frank, 1987; Kirchsteiger, Rigotti, & Rustichini, 2006) and so the time seems right to think more about how affect may influence ethical intention and action in organizations (Lurie, 2004).

Affect is a broad term that refers to trait-based positive and negative emotionality, explicit felt emotions such as fear and joy that represent relatively intense reactions to events (Weiss & Cropanzano, 1996), as well as moods that are more diffuse, less intense and of longer duration (Frijda, 1986). Eisenberg (2000) published a comprehensive recent review of work in the area of emotions and morality. Although much of the research reviewed was conducted on children, portions of it are relevant to behavioral ethics in organizations. Eisenberg's review focuses on the "moral emotions" guilt, shame, and empathy (Eisenberg, 2000: 665). Eisenberg noted that emotion has long been viewed as disruptive to rational moral thinking. However, more recent work suggests that emotions can both motivate and interfere with ethical behavior. Although both guilt and shame are associated with responsibility for violating some moral standard, these emotions are quite different in how they relate to moral behavior. Guilt, defined as "regret over wrongdoing" (Eisenberg, 2000: 667), focuses on the wrongful behavior. Alternatively, shame is associated with personal devaluation and condemnation and is more focused on the self and identity. Therefore, guilt is more strongly linked to empathetic reactions, and attempts to apologize or make restitution, whereas shame is more strongly associated with personal distress and an inward focus.

Eisenberg and colleagues define empathy as "an affective response that stems from the apprehension or comprehension of another's emotional state or condition and is similar to what the other person is feeling or would be expected to feel" (Eisenberg, Fabes, Murphy, Karbon, & Maszk, 1994: 671). With additional cognitive processing, an empathic response becomes sympathy for the situation of another. This process is related to the cognitive process of role taking that is so important to Kohlberg's (1969) theory of moral reasoning. A number of researchers have demonstrated a modest relationship between the empathic response and prosocial behavior (see Eisenberg, 2000, for a review). However, similar to reactions to shame, what is termed "empathic overarousal" (Eisenberg et al., 1994: 674) can result in personal distress and a focus on the self rather than the other.

Business ethics researchers have recently become interested in affect. Gaudine and Thorne (2001) addressed the role of emotions in all stages (awareness, judgment, motivation, and intention) of ethical decision making. For the most part, they did not differentiate among specific emotions (such as guilt and shame or empathy). Rather, they were concerned with how more generalized emotional states and generalized arousal may influence each stage. For example, they proposed that emotional arousal would be positively associated with moral awareness and that positive affect would positively influence moral awareness (because individuals experiencing positive affect should have more information available for

retrieval). Basic psychological research suggests that specific emotions such as guilt and shame operate differently (Eisenberg et al., 1994) and that reactions to arousal depend on how the arousal is labeled (Schacter & Singer, 1962). Therefore, additional study will be required to more clearly specify the role of specific emotions with respect to moral awareness, judgment, intentions, and actions and to better understand the relationships between moral cognition and moral affect (Haste, 1990).

Individual Differences, Organizational Context, and Ethical Behavior

Moral behavior is of interest in itself, apart from its neurological, cognitive, and affective origins. Thus, much behavioral ethics research and theorizing has examined direct relationships between ethical behavior and a variety of antecedent conditions and also has considered the impact of contextual conditions on the transition from merely having moral intentions to actually engaging in moral action. Some of this research has focused on individual differences; other research has examined the impact of organizational and cultural contexts on ethical behavior.

Individual differences and ethical behavior. Not surprisingly, cognitive moral development is linked to ethical behavior (see the discussion above regarding cognitive moral development and moral judgment) (Ashkanasy, Windsor, & Treviño, 2006; Treviño & Youngblood, 1990). Among other individual differences, locus of control has been shown to be linked to ethical behavior (Forte, 2005). Persons with an internal locus of control are more likely to see the connection between their own behavior and its outcomes. Therefore, they are more likely to take responsibility for their ethical behavior and act according to judgments of what is right (Treviño & Youngblood, 1990). An individual's ego strength (Treviño, 1986) also has been linked theoretically to moral behavior. Ego strength is defined as an individual's ability for self-regulation specifically regarding resistance to impulses and determination to follow one's convictions. Individual capacities for self-regulation have been linked specifically to ethically relevant outcomes (Eisenberg, 2000).

Multiple elements of organizational contexts have been shown to influence ethical behavior. Overt on-the-job pressures to act unethically clearly have an impact (e.g., Robertson & Rymon, 2001). Unmet organizationally defined goals also contribute to unethical behavior, even in the case of goals that involve no tangible economic benefits, and especially in situations when individuals are just slightly removed from the achievement of a goal (Schweitzer, Ordoñez, & Douma, 2004). Role conflict can also contribute to unethical behavior. Research by Grover (1993, 1997), for example, found that nurses will cope with role conflict by resorting to unethical behavior such as lying.

Rewards and punishments also have an impact on ethically relevant behavior. Multiple studies have shown that the presence of rewards or incentives for unethical behavior increase that behavior (Ashkanasy et al., 2006; Hegarty & Sims, 1978; Tenbrunsel, 1998; Treviño & Youngblood, 1990). But the relationship of rewards to ethical behavior is more complex. In particular, offering rewards for ethical behavior does not necessarily increase that behavior, as

the presence of the reward risks undermining the intrinsic value of ethical behavior (Treviño & Youngblood, 1990). As noted above (in our discussion of moral identity), economic incentives for prosocial behavior have been shown to undermine motivation for engaging in that behavior (B. S. Frey & Oberholzer-Gee, 1997; Gneezy & Rustichini, 2000). Nevertheless, it also is clear that persons expect at least to not suffer because of their ethical behavior (Treviño & Ball, 1992; Treviño, Weaver, Gibson, & Toffler, 1999). Also, individuals' expectations for fairness in turn produce expectations in observers that those who violate ethical expectations will be disciplined (Treviño, 1992; Treviño & Ball, 1992; Treviño & Weaver, 1998). Failure to satisfy that "fairness heuristic" (Van den Bos, Lind, & Wilke, 1997) is likely to lead to self-protective and possibly unethical behavior (Treviño et al., 1999).

Along with reward, punishment influences ethical behavior in organizations. However, the relationship is not simple. Studies by Tenbrunsel and Messick (1999), for example, show that weak sanctions can be worse for ethical behavior than no sanctions at all, in part because the presence of sanctions makes it more likely that individuals will view a decision from within a framework of narrowly business-driven thinking (in contrast to an ethical decision-making framework).

Organizational/contextual influences. Much research has noted the impact of multiple aspects of organizational contexts on individuals' ethical behavior. For example, individuals' perceptions of organizations' ethical climate (Cullen, Victor, & Bronson, 1993; Victor, & Cullen, 1988), and the subclimates that can occur within organizations (Weber, 1995), are potential influences on organization members' ethics-related attitudes and behavior. Ethical climate, as introduced by Victor and Cullen (1988) and adapted by others (Schminke, Ambrose & Neubaum, 2005) is defined as a shared perception among organization members regarding the criteria (e.g., egoism, benevolence, and principle) and focus (e.g., individual, group, society) of ethical reasoning within an organization.

By contrast, ethical culture has been defined as a slice of the organizational culture that influences employees' ethical behavior through formal and informal organizational structures and systems (Treviño, 1990). Treviño and colleagues (Treviño, Butterfield, & McCabe, 1998) used both constructs to study the influence of the organization's "ethical context" on ethics-related attitudes and behaviors. They found that selected ethical climate and culture dimensions were nearly interchangeable in their ability to predict employees' organizational commitment, but they found more differences when they looked at behavior. In ethics code settings, a culture-based dimension that they labeled overall ethical environment (including leadership, reward system, and code support for ethical behavior) had the largest negative influence on unethical conduct. In noncode settings, a climate focused on self-interest influenced unethical behavior the most.

The attitudes and behaviors of peers in the workplace also affect individuals' ethical behavior, with the frequency and intensity of interaction with peers making that influence stronger (Zey-Ferrell & Ferrell, 1982). This finding forms the basis for recent efforts to understand ethical behavior by reference to social networks in the workplace (Brass, Butterfield, & Skaggs, 1998). It also highlights the importance of moral approval from one's peers as an influence on how people respond in morally significant situations (Jones & Ryan, 1997, 1998). Finally, it opens the door to considering how other persons' ethical behavior serves as an influential role model for an individual's own ethical behavior. A recent qualitative study

by Weaver, Treviño, and Agle (2005) indicated multiple aspects of a person's behavior that can lead others to consider that person to be an ethical role model. Importantly, the ethical role modeling relationship requires relatively close interaction with the role model; despite organization's efforts to highlight an executive's stance toward ethics, the role models people look to tend to be among those with whom they have close working relationships (cf. Walker, Pitts, Hennig, & Matsuba, 1995).

Brown and colleagues have focused attention on the role of leadership in influencing ethical conduct (Treviño & Brown, 2004; Treviño, Brown, & Hartman, 2003; Treviño, Hartman, & Brown, 2000; Brown, Treviño, & Harrison, 2005). They defined ethical leadership as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making" (Brown et al., 2005: 120. They also developed a measure of ethical leadership and assessed the construct's validity in a study conducted at the supervisory level (Brown et al., 2005: 120). They proposed that ethical leaders influence followers' ethical behavior primarily through social learning (Bandura, 1986). Employees pay attention to leaders and the ethical standards they set (or fail to set) in part because leaders are salient authority figures in organizations who have the power to gain employees' attention and hold them accountable to ethical standards. Second, because ethical leaders are caring and fair, relationships with ethical leaders are built upon social exchange and norms of reciprocity (Blau, 1964). An ethical leader's followers should wish to reciprocate the leader's supportive treatment (Treviño & Brown, 2004) with ethical behavior. Research has found that employees' perceptions of their supervisors' ethical leadership were associated with followers' willingness to report problems to management (Brown et al., 2005) as well as dedication to the job and satisfaction with the supervisor.

In addition, a study by Schminke et al. (2005) linked leader moral development, ethical climate, and employee attitudes. Leaders with high U scores (meaning that they actually utilize their moral judgment capacity) on the Defining Issues Test were found to be more likely to influence ethical climate in their groups, particularly in younger organizations. Furthermore where the leader's and the employees' moral development were more congruent, employee attitudes were more positive.

Linguistic practices within organizations also influence ethical behavior. Empirical data gathered across four large companies by Treviño et al. (1999) showed that the degree to which individuals openly talk about ethics in an organization is a good predictor of ethical conduct in that organization. Similarly, organizational situations characterized by "moral muteness" appear to support ethically problematic behavior (Bird, 1996). This relationship likely has much to do with the impact of language on the formation and content of cognitive schemas and thus on moral awareness and decision making. Studies by Frank and colleagues, for example, indicate that immersion in the study of economics, with its conceptual models based on the idea of rationally self-interested *homo economicus*, induces behavior inclined away from cooperation and altruism among students of economics (Frank, Gilovic, & Regan, 1993, 1996; but cf. replies by Yezer, Goldfarb, & Poppen, 1996). Similarly, Bandura (1999) includes the use of euphemistic language as a key moral disengagement process.

Organizations characterized by strong expectations that members obey authority figures have been theorized (Treviño, 1986) and found (Treviño et al., 1998, 1999) to have higher levels of unethical behavior than other organizations as well as reduced levels of ethically

relevant behaviors (Treviño et al., 1998), (i.e., employees' willingness to report ethical problems to management) (Treviño et al., 1999). This is in keeping with general social science research that has noted that the dictates of authority figures can strongly influence individuals to act unethically (Kelman & Hamilton, 1989; Milgram, 1974;). Further research, however, should investigate conditions that moderate this relationship, as sometimes individuals "blow the whistle" on authority figures who pressure people for unethical behavior, and in other cases the influence of an authority figure might be constrained by more general cultural expectations and norms within an organization. (See below for more on whistle-blowing research.)

Organizations embody a number of processes by which new members are socialized into accepted and standardized ways of thinking and acting. If sufficiently isolated from larger, external social concerns, organizations can constitute a kind of "moral microcosm" (Brief, Buttram, & Dukerich, 2001) into which new members are incorporated. This can produce an isolated style of moral thinking and acting, in which organization members uncritically equate organizational interests with public interests and ethical behavior (Brief et al., 2001). Organizational cultures and practices also can normalize unethical behavior, so that organization members' unethical acts are committed thoughtlessly. In such situations, it can be more accurate to speak of their behavior simply as amoral rather than immoral; considerations of ethics never enter into the cognitive, affective, and behavioral process leading up to unethical acts (Ashforth & Anand, 2003). There are multiple complex processes by which socialization into an amoral organizational culture can occur and by which such amoral cultures can be sustained or reinforced. Ashforth and Anand (2003) recently reviewed a large amount of research on this process, which they describe as one of initial cooptation of newcomers, incremental increases in unethical behavior by the newcomer (leading to changes in attitude), and repeated moral compromises that similarly bring about ultimate attitude change. We recommend that readers interested in the process of normalizing unethical behavior, and socializing newcomers into unethical organizational cultures and systems, consult Ashforth and Anand's (2003) extensive review.

Ethical Decision Making and Behavior in Groups

The group is a well-researched unit in the social sciences. Unfortunately, little research has been conducted on the group as an ethical decision-making unit, and the research findings in this area have been difficult interpret. For example, Jennings, Hunt, and Munn (1996) asked college students and professional managers to participate in a competitive management simulation exercise that involved ethical issues. In the study, higher performing groups tended to make the most ethical decisions, whereas student groups and younger age groups tended to make the most unethical decisions. Later, though, Hunt and Jennings (1997) conducted a similar study, and although they found an age effect they did not find a relationship between group performance and ethical decisions. Thus, the relationship between group performance and ethical behavior remains unclear.

Nichols and Day (1982) used moral development theory as a lens for examining group-level phenomena (Kohlberg, 1981; Rest, 1986). They asked business students to complete Rest's Defining Issues Test (DIT) as a group and discovered that the groups arrived at decisions demonstrating a level of moral reasoning higher than the average moral reasoning level of their individual members' decisions. Abdolmohammadi, Gabhart, and Reeves (1997), however, conducted a similar study and found that only male groups demonstrated this kind of improvement—female groups actually regressed from their individual average. Baker and Hunt (2003) compared male and female groups and found no differences between the two. Abdolmohammadi and Reeves (2003) considered the possibility that ethical decisions made by groups were compromises between more or less morally developed members, but they found no evidence of this effect. Moreover, they were unable to demonstrate any ethical advantage to group ethical decision-making. Subsequently, it is unclear whether or not groups are able to make decisions that demonstrate greater moral development than the simple average of their members.

Dukerich and colleagues (1990) considered the possibility that leadership affected the ethical behavior of the group. In the first of two studies, their analysis of group discussions indicated that a group's moral reasoning level depended upon whether more principled reasoning members took a task leadership role. The second study manipulated the leadership variable by assigning the task leadership role to individuals who reasoned at more versus less principled levels. The results indicated that the reasoning level of the assigned leader affected group performance, while individual performance overall on a subsequent moral reasoning task benefited from the group experience. They noted that the extent of the individual change was influenced by subjects' initial reasoning level. Clearly, leaders can play a role in the ethical behavior of the group, however little research has followed on the heels of this work.

Studying thirty-six student groups, Schminke, Wells, Peyrefitte, and Sebora (2002) investigated the relationship between a group leader's style (active versus passive) and the extent to which conformity in the use of particular ethical frameworks (formalism, utilitarianism) would increase in those work groups. They found that a more active leadership style was associated with increased conformity in the use of both types of frameworks.

Beyond the few studies that have focused on ethical decision-making in groups, however, little research has considered the group's influence on the ethical behavior of the individual. Brass et al. (1998) theorized about the positive impact of others in the individual's network. Ashforth and Anand (2003) argued that the capacity of isolated, polarized groups to normalize unusual behavior (cf. Ashforth & Kreiner, 2002) means that groups can uphold improper behavior that their individual members, in isolation, could not. Several scholars have empirically demonstrated positive peer-effects on individual ethical behavior (Beams, Brown, & Killough, 2003; Izraeli, 1988; Jones & Kavanagh, 1996; Zey-Ferrell, Weaver, & Ferrell, 1979), but none of these scholars have explicitly defined their level of analysis as the group. An exception is related empirical work on antisocial behavior in work groups (Robinson & O'Leary-Kelly, 1998) that found a positive relationship between individual antisocial behavior and the antisocial behavior of coworkers. Research also indicates that group members can play a role in the enforcement of ethical norms through peer reporting of unethical behavior. For example, in a fast food environment, Treviño and Victor (1992) found that the extent to which the unethical behavior threatened the group's interest (by leading to a harsh group consequence), group members were more willing to report a peer.

Future research should address the ways in which group-level ethical phenomena can emerge from collections of individual behaviors that might or might not be ethically significant if considered individually. Although particular, broadly social psychological accounts of this kind of phenomena are well known (Lee & Ermann, 1999; Vaughan, 1996), other fields have developed new ways of thinking about complex, emergent group-level phenomena. In particular, computational models of self-organizing group processes (i.e., agent-based modeling) recently have shown much potential to explain complex, emergent group phenomena, explaining how seemingly rational, intentional group practices can arise from relatively unintentional, mindless individual behaviors (e.g., the organization of flocks of birds) (Resnick, 1997; C. W. Reynolds, 1987). Recent work in computational sociology has shown the potential value of this kind of approach in explaining group phenomena (Macy & Willer, 2002) and may be applicable to ethical behavior in groups.

Organizations' Ethical Infrastructures and Individual Ethical Behavior

In large part due to pressures from the legal and regulatory environment, many large organizations have adopted various efforts to implement policies and programs aimed at fostering ethical behavior in organization members (Weaver, Treviño, & Cochran, 1999a). These "ethical infrastructures" (Tenbrunsel, Smith-Crowe, & Umphress, 2003) contain both formal and informal elements: ethics codes and policies, communications, training, monitoring systems, sanctions, and rewards on the formal side, and attention to ethical climates and organizational cultures on the informal side. But, empirical research on the workings and outcomes of these ethical infrastructure initiatives has been modest, perhaps in part because of the difficulties of gaining permission to collect data on ethically and legally sensitive matters within organizations (see the extensive review of these topics in Treviño & Weaver, 2003).

Research has shown that the origins of these programs are mixed; they reflect both pressures from outside the organization (e.g., the Federal Sentencing Guidelines, and Sarbanes-Oxley requirements, in the United States) and from inside the organization (in particular, the degree to which top management is committed to concern for ethical behavior) (Weaver, Treviño, & Cochran 1999b). Important in these findings is the fact that although external pressures appear able to force organizations to do something about ethics, there is a wide range of things organizations can do in response, and those responses are heavily determined by managerial stances toward ethics. In particular, organizational ethics initiatives vary in terms of the kind of control they embody: control based on compelling compliance with policies and expectations or control rooted in the propagation and modeling of a set of ethical values that become internalized by employees, thereby becoming part of the organization's culture (Weaver et al., 1999b). These different, and not mutually exclusive, approaches have been shown to have differing impacts on ethically relevant behavior in organizations, with the value internalization approach having stronger and more wide-ranging impacts (Weaver & Treviño, 1999). Just as important in understanding the impact of ethics initiatives and infrastructures on behavior, however, is the question of their integration with routine organizational functions (Weaver, Treviño, & Cochran, 1999c). Little research, however, has addressed the specific behavioral outcomes of particular constellations of ethical infrastructure (see Ethics Resource Center, 2005, for an exception).

What is clear is that the task of designing organizations to foster ethical behavior is not always a straightforward and simple one. For example, the impact of typical elements of ethics infrastructures, such as corporate codes of ethics, appears to be minimal, at least in isolation from more informal, culturally based and leadership-based efforts to foster ethical behavior (Treviño et al., 1999) including employees' concern for organizational fairness. For example, research has shown that when employees perceive general organizational justice and the organization's desire to follow through on its formal ethics programs, unethical behavior is reduced and employees are more willing to report problems to management (Treviño & Weaver, 2001).

Linking Behavioral Ethics to Other Organizational Behavior Topics

Researchers in organizational behavior have become increasingly interested in ethics-related topics, although they rarely use the term "ethics." We do not have the space to be exhaustive, but we will address several areas that overlap significantly with behavioral ethics work, and that potentially can contribute significantly to behavioral ethics research in the future.

Behavioral Ethics and Justice

Behavioral ethics researchers have found links between employees' justice perceptions and employees' ethical and unethical conduct. Organizational justice became one of the most studied organizational behavior topics in the 1990s (Colquitt & Greenberg, 2003). Greenberg (1987) coined the term *organizational justice* to refer to employees' perceptions of organizational events, policies, and practices as being fair or not fair. Organizational researchers have built upon classic work on distributive justice (perceptions of the fairness of resource distributions) (Deutsch, 1975; Homans, 1961), procedural justice (perceptions of the fairness of the procedures managers and organizations use to make decisions) (Leventhal, 1980; Thibaut & Walker, 1975), and interactional justice (perceptions of the fairness of interpersonal treatment and explanations for bad outcomes) (Bies, 2001; Bies & Moag, 1986). This research has focused on theoretical development and empirical testing regarding the formation and triggering of justice judgments as well as the outcomes of these justice judgments. Perceptions of justice and injustice have been linked with a wide variety of employee attitudes and behaviors including satisfaction, commitment, trust, turnover, extrarole behavior, and a number of counternormative negative behaviors such as theft and more general unethical behaviors (e.g., Greenberg, 1990, 1998, 2002; Weaver & Treviño, 1999; see also Colquitt & Greenberg, 2003, for a review).

Despite the obvious connection between notions of justice and ethical theory (e.g., Rawls, 1971) organizational justice work had largely ignored the normative link until recently. Research on reactions to injustice generally assumed an individualistic and rationally self-interested focus on fairness for the self (what's in it for me?). Folger, Cropanzano, and Goldman (2005), however, proposed that injustice has "distinctive qualities" (Folger et al., 2005: 218) that differentiate it from other types of social evaluations and that people care about

justice intrinsically because of moral motivation. Folger and colleagues (Cropanzano, Goldman, & Folger, 2004; Folger, 2001; Folger et al., 2005) refer to individuals' reactions to injustice as the "deontic response," an evolutionary-based response that is thought to be automatic, emotionally reactive (e.g., anger), retributive, and sometimes irrational (at least in the short term). As an example, research has found that individuals will punish others' unfair behavior even if they sacrifice personal gain to do so (e.g., Turillo, Folger, Lavelle, Umphress, & Gee, 2002). Moral accountability is central to fairness theory, a theory developed to help explain this response (Folger & Cropanzano, 1998, 2001). Under this theory, individuals label actions as unfair if the actor could have and should have behaved differently and the outcome could have been more favorable. Given the obvious importance of reactions to unfairness, this new work provides an opportunity to strengthen the link between the justice and ethics literatures.

Perhaps such links could be advanced by connecting justice theory with the stages of the ethical decision-making process, as researchers are beginning to do. For example, moral awareness should increase for issues that trigger the deontic response (Folger et al., 2005), an often automatic and affect-based process that is consistent with recent theorizing about the importance of affect to moral awareness (Gaudine & Thorne, 2001). Furthermore, Kohlberg's (1969) theory of moral judgment depends upon justice judgments, suggesting that researchers can further develop theoretical and empirical links between organizational justice work and our understanding of ethical decision making. Schminke and colleagues (1997) linked individuals' ethical frameworks (utilitarian or formalist) with sensitivity to distributive and procedural justice issues, respectively. Finally, the link between justice and moral motivation can certainly be developed further. We know that injustice creates tension that is motivating. Justice researchers (e.g., Greenberg, 1990) have already used specific justice-based theories such as equity theory (Adams, 1965) to predict ethics-related outcomes such as theft. These are just a few examples of the rich possibilities available to researchers who explore the links between the justice and behavioral ethics literatures.

Managing Organizational Misconduct, Deviance, and Counterproductive Work Behavior

Organizational behavior researchers have begun studying phenomena that are variously referred to as organizational misconduct, misbehavior, deviance, and counterproductive behavior, among other labels. These behaviors represent negative employee actions that violate the legitimate interests of an organization in some way (Martinko, Gundlach, & Douglas, 2002; Sackett & DeVore, 2001). Because this research is fairly new, construct definitions overlap and labels have proliferated (Bennett & Robinson, 2003; O'Leary-Kelly, Duffy, & Griffin, 2000). We may only contribute to the confusion by adding behavioral ethics to the mix, but research in this domain does overlap significantly with behavioral ethics work.

Earlier, we defined behavioral ethics in terms of social scientific attempts to understand individual behavior that is subject to or judged according to generally accepted moral norms of behavior (e.g., honesty, lying, cheating, stealing). Thus, this work clearly overlaps with work on "deviance" that assumes some kind of norm or rule violation (Bennett & Robinson, 2003;

Robinson & Bennett, 1995). With deviance, the norm or rule is generally assumed to be an organizational rule and in many (if not all) cases, organizational norms coincide with societal norms, as with prohibitions against employee theft (e.g., Greenberg, 1990). Thus, work in these arenas overlap to the extent that they address counternormative behavior.

Furthermore, much of the work in both arenas assumes intentionality (O'Leary-Kelly et al., 2000; Vardi & Weitz, 2004; Vardi & Wiener, 1996). For example, organizational mis-behavior is defined as "any *intentional* [italics added] action by members of organizations that violates core organizational and/or societal norms" (Vardi & Wiener, 1996; 151). Although philosophers assume intentionality in their treatment of ethical behavior, social science–based behavioral ethics work does not always assume intentionality. For example, moral awareness is not generally considered to be an intentional process, and cognitive biases often operate at a subconscious level.

Both research areas have addressed theoretical influences on counternormative behavior within a person/situation framework (Marcus & Schuler, 2004; Martinko et al., 2002; Sackett & DeVore, 2001; Treviño, 1986). Individual differences such as demographic characteristics, personality, and cognitive moral development have been found to increase the likelihood that an individual will engage in counterproductive (e.g., theft, deviance) and/or unethical behav-iors (e.g., Greenberg, 2002; Hollinger & Clark, 1983; Robinson & Greenberg, 1998; Treviño & Weaver, 2001; Treviño & Youngblood, 1990; Vardi & Weitz, 2004; Vardi & Wiener, 1996). Researchers have also emphasized the influence of organizational context on such behavior (e.g., fair treatment, social norms, ethical climate and culture, ethical leadership) (Bennett & Robinson, 2003; Brown et al., 2005; Greenberg, 1990, 2002; Robinson & Greenberg, 1998; Robinson & O'Leary-Kelly, 1998; Treviño et al., 1998).

A research issue shared by both areas is whether to focus on a specific behavior such as lying (e.g., Grover, 1993, 1997) or employee theft (e.g., Greenberg, 1990, 2002) in isola-tion or whether to cluster related types of behaviors together. For example, employee deviance (Robinson & Bennett, 1995), antisocial behavior (Giacolone & Greenberg, 1997), organiza-tional misbehavior (Vardi & Weitz, 2004; Vardi & Wiener, 1996), and general counterpro-ductive behavior (Marcus & Schuler, 2004) describe related sets of negative employee acts. Similarly, much research on ethical or unethical behavior in organizations (e.g., Treviño, 1986; Treviño et al., 1998; Treviño & Weaver, 2001; Treviño & Youngblood, 1990) presumes that such behaviors can be clustered and will be predicted by similar factors. Bennett and Robinson (2003) and Marcus and Schuler (2004) prefer the broader approach to understand-ing counterproductive behavior because it allows researchers to theorize more generally about common influences on these related behaviors (e.g., codes of conduct, fair treatment, ethical leadership), and addresses problems with their low base rates. On the other hand, some theo-ries may be more applicable to explaining particular outcomes. For example, equity theory may be perfectly appropriate to explain theft responses to pay cuts (e.g., Greenberg, 1990), but role conflict may be more appropriate to explain lying (Grover, 1997). Warren's (2003) typology of deviant behaviors provides one way of conceptualizing potential differences among different types of deviant behaviors. Researchers will need to think carefully about their research goals and whether it is appropriate to focus on specific behavioral outcomes that can be explained by a particular theory or to focus on a cluster of related behavioral outcomes that can be explained in combination by similar contextual variables. Researchers in behavioral

ethics and counterproductive work behavior are facing similar research issues. Increasingly, these scholars are recognizing their overlapping interests and issues, and we encourage increased dialogue across domains.

Whistle-blowing

In terms of explicit positive behaviors, whistle-blowing is probably the most explored behavioral outcome that spans the organizational behavior and behavioral ethics literatures. In a recent meta-analysis (Mesmer-Magnus & Viswesvaran, 2005), the authors relied on Near and Miceli's (1985: 4) definition of whistle-blowing as "the disclosure by organization members . . . of illegal, immoral, or illegitimate practices under the control of their employers, to persons or organizations that may be able to effect action." Similar to the person–situation approach in organizational ethics, whistle-blowing research has explored person and contextual antecedents of whistle-blowing behavior. The meta-analysis differentiated between whistle-blowing intentions and actions, although given the sensitivity of the behavior, relatively few studies have investigated actual whistle-blowing behavior. With regard to individual differences, the analysis found that females, more tenured employees, higher performers, and those at higher job levels are more likely to blow the whistle. Interestingly, ethical judgment was significantly correlated with whistle-blowing intentions, but not actual whistle-blowing behavior. For contextual variables, the analysis found expected relationships between a number of variables and whistle-blowing intentions (e.g., climate, threat of retaliation, supervisor support, severity of the transgression, closeness to the wrongdoer) but few relationships to actual whistle-blowing behavior. Behavioral ethics researchers should think about other ethical behavior outcomes and whether these would be predicted by similar sets of independent variables. For example, Mesmer-Magnus and Viswesvaran (2005) suggest that employees with more power (French & Raven, 1959) or idiosyncrasy credits (Hollander, 1958) have greater latitude to act outside group or organizational norms.

Positive Psychology

Though it does not represent a specific construct or topic, the area of positive psychology seems to hold many implications for behavioral ethics researchers who wish to focus on positive outcomes. Positive psychology is a movement, an attempt to change researchers' frame of reference from negative concepts (e.g., turnover) to concepts that are more positive and affirming (e.g., loyalty). Within this movement, several researchers are focusing on concepts that emphasize the quality and meaning of life and are therefore thought to be directly related to ethics (Seligman & Csikszentmihalyi, 2000). For example, a great deal has been written about virtues that have value in organizations, such as gratitude, resiliency, authenticity, and courage (Cameron, Dutton, & Quinn, 2003), concepts often associated with ethical conduct. Whereas much of the writing in this area is theoretical in nature, some empirical research has emerged. Dahlsgaard, Peterson, and Seligman (2005) examined the texts of ancient religions, philosophies, and societies and identified virtues that transcend major cultures (courage, justice, humanity, temperance, wisdom, and transcendence). Giacalone, Paul, and Jurkiewicz (2005)

gathered survey responses from 133 managers/professionals and demonstrated that hope, gratitude, spirituality, and generativity (being a contributing member of society) were positively correlated with consumer sensitivity to corporate social performance. Although we recognize that very little empirical work has been conducted in this area, we believe that positive psychology has much to offer the study of ethical decision making and ethical behavior. In particular, positive psychology might add a great deal to our understanding of moral motivation (Schulman, 2005). We currently know relatively little about what it takes for an individual to follow through on ethical judgments, but the assumption seems to be that doing so can be interpersonally difficult (i.e., if one has to challenge a peer or superior) and personally risky (risking marginalization in a group or even job loss). Further understanding constructs such as courage (Cavanagh & Moberg, 1999; Worline, 2004) may be particularly important to explaining and predicting the behavior of those who have the strength to follow through on their ethical beliefs and judgments. In short, the growing interest in positive psychology and its focus on the "good life" suggests that this is an area that is and will continue to be of interest to ethics researchers.

Our discussion of deviance, whistle-blowing, and positive psychology research suggests some additional questions for future consideration. For example, are these areas linked theoretically and empirically or are they discrete areas in need of separate theorizing and testing? Much of the research on behavioral ethics in organizations has treated ethical/unethical behavior as a continuum and assumed that the same theories that explain ethical behavior will explain unethical behavior. Some research has been supportive. For example, in separate studies, cognitive moral development has been found to predict ethical behaviors such as whistle-blowing (Brabeck, 1984) and unethical behaviors such as theft (Greenberg, 2002). Researchers, however, have rarely addressed both types of behavior in a single study. Treviño and Weaver (2001) did find that employees' general perceptions of fairness both increased positive discretionary behavior (e.g., reporting ethical problems to management) and reduced a broad range of unethical behaviors. They hypothesized that perceived injustice arouses negative feelings that lead employees to attempt to rebalance the scales of justice, whereas perceptions of fairness tap into social exchange relationships (Blau, 1964) and motivate employees to reciprocate. So, despite the fact that justice/injustice perceptions influenced ethical/unethical behavior, different theoretical arguments were required to explain the relationship between fairness perceptions and each outcome. We encourage future researchers to think more explicitly about these issues in designing their research.

Discussion

In this review, we have provided an overview of what we consider to be the current state of knowledge in the field of behavioral ethics and we have offered suggestions for future research along the way. The central issues involve the relationships among individual characteristics, organizational contexts, and multiple aspects of ethical behavior by individuals either singly or in groups (Figure 1). Clearly, researchers have made strides toward understanding the factors that influence individual ethical behavior in organizations, but there is much work yet to be done. Having surveyed this field of study, we suggest that the next generation of research should focus on four main areas: theory development, methodological rigor, investigation of neglected areas of study, and translation of research knowledge for practitioners.

Theory Development

Many opportunities exist for theory development in behavioral ethics in organizations. Frequently, researchers have successfully borrowed and applied theory from related areas. For example, Kohlberg's (1969) and Rest's (1986) work have informed research on ethical decision making. Social cognition theory informed work on moral intensity (T. M. Jones, 1991), and Bandura's (1986) social learning theory provided a theoretical basis for understanding how ethical leaders might influence followers. We support the continued application of solid behavioral science theories to important behavioral ethics questions. Moreover, we encourage researchers to think beyond these theories. In particular, many of these theories borrowed from psychology do not account for the "organizational" influences that are so important to behavioral ethics in organizations. For example, moral identity (Aquino & Reed, 2002) is obviously an important concept, but how do employees negotiate among their multiple professional and personal identities, and how might such a process influence ethical behavior at work? Similarly, we encourage theoretical work along the lines of Folger and colleagues' (Folger et al., 2005) work on deontic justice that attempts to develop new theory to explain moral motivation apart from other types of motivation.

It would also be helpful for researchers to think theoretically about the relationship between research we have labeled "behavioral ethics" and other related areas we have identified. For example, unethical behavior overlaps significantly with behavior labeled deviant, antisocial, and counterproductive. Where these behaviors overlap, research may find a similar array of antecedents and outcomes. Similarly, ethical behavior may overlap with behaviors considered to be appropriate but personally risky such as voice, whistle-blowing, and internal reporting of misconduct.

Methodological Rigor

We also encourage behavioral ethics researchers to use rigorous research methods. This includes rigorous qualitative methods that can be applied to the many topics about which current knowledge is limited. For survey research, a rigorous approach will require using the latest construct development methods (e.g., Ghiselli, Campbell, & Zedeck, 1981; Hinkin, 1998) to develop measures that demonstrate solid construct validity before they are widely adopted. It also means going beyond studies that rely on data from a single survey and the associated common methods bias problems. Multistage studies or those with multiple measures from different informants will be needed to increase confidence in research results. The behavioral laboratory may also offer opportunities to increase knowledge about ethical decision making and behavior in organizational contexts. Such studies, however, will have to be carefully and cleverly designed to reduce demand characteristics and so that the results are generalizable to the populations whose behavior we wish to understand. In areas where multiple studies have been conducted, the field may also be ready for meta-analysis techniques that can provide a clearer picture of where research stands in those particular areas.

Neglected and New Topics in Behavioral Ethics

In reviewing the extant literature on behavioral ethics, we have also identified a number of knowledge gaps that hopefully will be filled by future research. These include research on neurobiological approaches to understanding ethical judgment and behavior, additional studies on group and organizational-level behavioral ethics, research on the consequences of ethical and unethical behavior, and research on behavioral ethics in a global environment.

Neurobiological approaches to judgment and behavior. Though behavioral ethics research has long been grounded in an individual-level cognitive perspective, more fundamental approaches are emerging. One of the most fascinating and rapidly growing of these approaches involves studies that explore the neurological mechanics of ethical decision making. For example, recent research suggests that prefrontal damage, although not necessarily affecting reasoning, is related to deceitfulness, aggression, violence, and other antisocial behaviors (Anderson, Bechara, Damasio, Tranel, & Damasio, 1999; Grafman, Schwab, Warden, & Pridgen, 1999; Raine, Lencz, Bihrle, LaCasse, & Colletti, 2000). Furthermore, researchers using Functional Magnetic Resonance Imaging, which traces blood flow in the brain while participants make decisions, have discovered that different sections of the brain activate during moral (versus nonmoral) decision making (Greene, Sommerville, Nystrom, Darley, & Cohen, 2001; Moll, 2001; Moll, de Oliveira-Souza, Bramati, & Grafman, 2002; Moll, de Oliveira-Souza, Eslinger, et al., 2002; Moll et al., 2005).

Based on such findings, social scientists have offered models of ethical decision making that are grounded in or tied to neurology and that challenge the dominant cognitive perspective. Haidt's (2001) social intuitionist model argues that ethical decision making is not simply the result of moral cognition but is instead heavily influenced by emotions, along with social cues and social priming by the environment. Emotion, in turn, is linked to cognition (e.g., Phelps, 2006). More recently, S. J. Reynolds (2006b) argued that ethical decisions are made by different but cooperating subsystems within the brain; one that uses prototypes of ethical issues to make decisions on an automatic or nonconscious level (reflexive or intuitive decision making) and one that uses moral rules and deliberate cognitive processes to address novel or unusually demanding ethical issues. These models, rooted in the literal mechanism of the brain, promise to turn attention from the field's psychocognitive perspective and spur entirely new areas of research on the intuitive or automatic and emotional aspects of ethical decision making. They also have implications for practical concerns such as ethics training and ethical cultures (S. J. Reynolds, 2006b).

Higher levels of analysis. Little research has focused on behavioral ethics as a group-level or organizational-level phenomenon. Because much decision making in organizations occurs in groups, and actions are taken on behalf of groups, we encourage researchers to focus more attention on the group level of analysis. Future research should investigate whether and how the cognitive processes of moral awareness, moral judgment, and moral motivation can be conceptualized and studied at the group level. For example, with regard to moral motivation, can groups have a moral identity or moral courage? If so, how would that develop and be sustained over time? Future research should also consider whether the hierarchical level of the

decision-making group matters. For example, when it comes to ethical decision making, how are top management teams different from other types of decision-making groups, if they are?

Researchers should also investigate the genesis and outcomes of even higher levels of "collective" forms of corrupt behavior. Understanding unethical behavior in individuals and even in work groups is insufficient to explain how corruption becomes institutionalized in an organizational environment or beyond, in industries or even in countries (e.g., Anand, Ashforth, & Joshi, 2004; Misangyi et al., in press; Nielsen, 2003). Understanding the processes that drive and sustain such differences in corruption levels, as with the outcomes of such corruption, would be extremely helpful and could inform initiatives with the potential to decrease such corruption.

Consequences of ethical and unethical behavior. Individual-level ethical/unethical decision making and behavior is the dependent variable in most of the research reviewed here. Future research might attend more to the consequences of such behavior. Research has begun on the positive consequences of ethical leadership such as positive employee attitudes and willingness to report problems to management (Brown et al., 2005). Nevertheless, we know little about what happens when an employee is highly ethical in an organization, perhaps with the exception of those who have studied the (mostly negative) fate of employees who risk reporting misconduct either within (Treviño & Victor, 1992) or outside the organization (e.g., the fate of whistle-blowers) (Miceli & Near, 1992). Such research will be challenging because outcomes will likely depend on whether the behavior is internally (e.g., S. J. Reynolds, 2003) or externally determined (e.g., Puffer, 1987) or is seen as ethical or unethical. We speculate that the outcomes of "ethical" behavior depend on the organization's normative environment. For example, reporting a peer's misconduct should be more readily accepted and perhaps even applauded in a work group or organization with a strong ethical culture, but in an unethical environment, being an ethical voice might risk marginalization and worse.

An emphasis on consequences could also help to highlight the importance of these behaviors and help ethics/compliance officers in organizations make the business case for their function. For example, one outcome of increased ethical and reduced unethical behavior may be increased trust with customers, employees, and business partners, as well as lower business costs that result when employees do not steal or waste organizational resources (Detert, Treviño, Burris, & Andiappan, 2006).

Global business ethics. A significant amount of research has been conducted to document differences in organizationally relevant ethical attitudes and beliefs across national cultures (see reviews in Ford & Richardson, 1994; Loe, Ferrell, & Mansfield, 2000; O'Fallon & Butterfield, 2005). For example, cultures vary in preferences for equality versus merit as a basis for moral decision making (Bontempo, Lobel, & Triandis, 1990) and in the extent to which individuals respond to punishment because of the degree to which they have internalized group norms (as opposed to responding because they personally will suffer from punishment) (Berman, Murphy-Berman, & Singh, 1985). But the increasing globalization of the business environment makes it imperative that we learn more and, in particular, move beyond merely documenting the existence of cultural differences. For example, we need to know which behavioral ethics research findings are culturally specific and which are not. From a

practical perspective, multinational companies need such information if they are to manage ethics effectively (Weaver, 2001). As noted earlier, research findings tend to support similarity in cognitive moral development across cultures (Snarey, 1985), and some types of ethical norms (e.g., hypernorms) relevant to behavior in organizations appear to hold similarly across cultures (Donaldson & Dunfee, 1999; Spicer, Dunfee, & Bailey, 2004). Much research stimulated in part by cross-cultural psychology (e.g., Hofstede, 2001; Triandis, 1989), however, finds substantial differences in ethical attitudes and behaviors across cultures (e.g., Cullen, Parboteeah, & Hoegl, 2004; Husted, 1999). We believe that cross-cultural research needs to move beyond the simple identification of these differences based upon cultural values to develop theory that explains the potential interaction of national cultures and subcultures with matters such as moral awareness, moral identity, moral affect, cognitive issues of disengagement and cognitive bias, and group and organizational influences on ethical behavior. For example, how does the interaction of differences in power distance, collectivism, or other dimensions of culture affect the propensity of people in different cultures to model ethical behavior after organizational leaders or to engage in different sets of linguistic and social practices for normalizing or rationalizing unethical behavior? Does moral identity have different salience and motivating capacity in collectivistic versus individualist cultures? Conducting rigorous international research that moves beyond the mere documentation of differences is challenging for many reasons, yet it is worth doing even if we conduct fewer studies as a result.

Research Translation

Given recurring ethics scandals in a wide variety of organizations, behavioral ethics research is clearly important to real organizations and their employees. We believe that researchers have an obligation to tackle important topics and then translate valid research findings into a form that can be applied to make a difference in real organizations. For example, when the Federal Sentencing Guidelines for Organizations were recently reviewed, the U.S. Sentencing Commission made changes to the guidelines, calling for attention to the ethical culture of the organization, in part based upon research suggesting that the informal culture of the organization is at least as important as the formal "ethics/compliance programs" that were in place. Organizations are now scurrying to figure out what "culture" means and are paying more attention to cultural dimensions such as leadership and fairness climate. Behavioral ethics researchers are in a position to provide unique and meaningful assistance, if they will but take this important step.

Concluding Thoughts

Having reviewed this literature, we note that although the field is progressing, it is also grounded in several fundamental assumptions that are open to challenge. For example, ethical decision-making research is entrenched in an assumption that ethical behavior is primarily a cognitive process, but recent research in many different areas has challenged that view and is dramatically expanding our perspective. Similarly, the management perspective, more generally, assumes that management can and should influence employees' ethics—using

management levers to increase ethical and decrease unethical behaviors. There are, however, theoretical and normative reasons to question this assumption. Perhaps ethics-oriented interventions should be viewed as manipulative intrusions with ethically counterproductive impacts (Stansbury & Barry, in press). Perhaps organizations can help behavioral ethics more by doing less. Should organizations simply set aspirational ethical values and get out of the way? Would such an approach benefit employees and better fit today's knowledge-oriented work environment? Or, do organizations have an obligation to support employees' ethical intentions with enlightened ethics interventions? We believe that more explicitly addressing such challenges to our most fundamental assumptions will provide opportunities to further our knowledge of individual ethical behavior in organizations.

Note

1. In this article we consider the terms "ethical" and "moral" to be synonymous and use them interchangeably.

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Author Biographical Sketches

Linda K. Treviño earned her Ph.D. at Texas A&M University. She is a professor of organizational behavior and Franklin H. Cook Fellow in Business Ethics at the Smeal College of Business, Pennsylvania State University. Her research on the management of ethics in organizations has focused most recently on leadership influences, voice and reporting, and moral disengagement processes.

Gary R. Weaver is a professor of management at the University of Delaware's Alfred Lerner College of Business and Economics and editor-in-chief of *Business Ethics Quarterly*. He holds PhD degrees in philosophy (University of Iowa) and management (Pennsylvania State University). His research encompasses micro-level, macro-level, and metatheoretical issues in business ethics.

Scott J. Reynolds earned his PhD degree at the University of Minnesota. He is an assistant professor of business ethics and the Helen Moore Gerhardt Faculty Fellow at the University of Washington Business School. His research interests revolve around ethical decision making, particularly moral awareness and the reflexive and retrospective aspects of ethical decision making.