

## **A Review of Theory Progression in Ethical Decision Making Literature**

**Alexandra E. MacDougall**  
**The University of Oklahoma**

**April A. Martin**  
**The University of Oklahoma**

**Zhanna Bagdasarov**  
**The University of Oklahoma**

**Michael D. Mumford**  
**The University of Oklahoma**

*Ethical dilemmas are characterized by complexity and ambiguity, and carry with them high-stakes implications for individuals and organizations alike. Consequently, a number of theories have been proposed in the literature in attempt to explain the underlying cognitive and behavioral processes guiding ethical decision making. It is thus the purpose of this effort to review and critique the progression of prominent theories surrounding ethical decision making by assessing the relative contributions and limitations of each. In addition, based on this review, several research ideas are identified as potential paths in moving theory forward in ethical decision making literature.*

### **INTRODUCTION**

Integrity is of key concern in today's business world. Indeed, ethical violations are on the rise, with 49 percent of for-profit employees reporting that they have witnessed some form of unethical conduct such as lying to stakeholders or abuse of resources (Plinio, Young, & Lavery, 2010). Even more, such violations are incredibly costly to organizations. For example, Chang and Smithikrai (2010) note that counterproductive behaviors cost US businesses up to \$50 million annually and that they may explain up to 20 percent of failed businesses. As such, organizations strive to reduce unethical conduct as to increase organizational functioning. This task is difficult, however, given that ethical dilemmas are complex and ill-defined (Mumford et al., 2008; Thiel, Bagdasarov, Harkrider, Johnson, & Mumford, 2012). Accordingly, when faced with an ethical dilemma, it can be challenging to navigate the situation and arrive at an appropriate course of action (i.e., an ethical decision).

Given the large-scale implications of unethical conduct, organizations and scholars alike seek to provide explanatory frameworks surrounding ethical conduct, yielding a great deal of quality knowledge surrounding the topic (Treviño, Weaver, & Reynolds, 2006; Tenbrunsel & Smith-Crowe, 2008). Indeed, since its inception, the empirical literature focusing on behavioral ethics and ethical decision making has continued to grow. As a result, the literature is replete with theories purporting to explain ethical decision

making. It is thus the goal of the current effort to differentiate between the prominent theories and models of ethical decision making that have evolved over time. In doing so, we delineate the relative strengths and weaknesses of each, and conclude by offering several fruitful research paths for moving theory forward.

## COGNITIVE DEVELOPMENTAL APPROACH TO ETHICAL DECISION MAKING

Much of the current research in ethical decision making is arguably founded in the cognitive developmental approach to ethics initiated by Kohlberg (1969; 1981; 1984) and later expanded upon by Rest (1974; 1986). Otherwise referred to as a rationalist approach, the cognitive developmental approach to ethical decision making holds that individuals' responses to ethical issues are "always based on deliberate and extensive moral reasoning" (Sonenshein, 2007, p. 1022). Specifically, models based on this approach assume a stage theory, wherein an individual's moral development, or cognitions regarding what is morally right or wrong, progresses through a series of stages towards an idealized endpoint. According to Kohlberg (1969), there are three underlying assumptions of cognitive development. First, each stage is viewed as a "structured whole," (Kohlberg & Hersh, 1977, p. 54) or an organized system of thought implying that individuals in the same stage hold the same level of moral judgment. Second, within this framework, it is assumed that stages are invariant. As such, Kohlberg (1969) claims that individuals always progress through the same sequence of stages in a forward fashion and that one stage must be mastered before moving on to the next. Finally, stages are conceptualized as "hierarchical integrations," (Kohlberg & Hersh, 1977, p. 54) meaning that each stage builds upon and requires comprehension of the last. Taken together, Kohlberg (1969) assumes that transformations occur during each stage which changes an individual's structure of thought or reasoning, independent of the environment.

There are a total of six stages within Kohlberg's (1969) taxonomy, which fall into three broad levels of moral development. Stages 1 and 2 fall within the first level, termed the *preconventional level*, wherein an individual's moral judgment is characterized as a response to cultural rules concerning what is deemed right or wrong as indicated by consequences for one's actions (Stage 1) or the instrumentality involving the exchange relationship based on action (Stage 2). Stages 3 and 4 characterize the second level, referred to as the *conventional level*, wherein an individual moves beyond focusing solely on consequential information and instead relies predominantly on meeting and maintaining expectations put forth by family and significant others (Stage 3) or other authority referents based in rules and laws (Stage 4) as to what is deemed ethical. Finally, Stages 5 and 6 constitute the *postconventional level* (also referred to as the autonomous, or principled level), wherein moral values are defined based on a social contract involving individual rights and personal moral values (Stage 5) as well as self-chosen, universal principles that no longer rely on the beliefs of authority individuals or referent groups (Stage 6). Accordingly, individuals in the postconventional level decide for themselves what is deemed right or wrong. Nonetheless, as noted by Treviño, Weaver, and Reynolds (2006), empirical research has garnered little support for Stage 6, thus limiting its utility in our understanding of ethical decision making.

Rest (1974; 1986) extends Kohlberg's (1969) conceptualization of morality by claiming that it is rooted both in the human psyche as well as in the social condition, given that individuals live in a world where they are constantly exposed to the behavior of other individuals and groups. Like Kohlberg, Rest (1986) frames morality in a cognitive developmental framework and proposes a four-component model including (1) recognition of a moral issue, (2) ethical judgment, (3) moral intent, and (4) ethical behavior (Sonenshein, 2007). More recently, these four components have been identified as detailing one's moral awareness, moral judgment, moral motivation, and moral behavior (Treviño, Weaver, & Reynolds, 2006). Within this framework, Rest (1986) suggests that an individual's cognition, affect, and behavior are all interrelated components which cannot be separated when working through a moral dilemma (Sonenshein, 2007). In this way, Rest and colleagues (e.g., Rest, Narvaez, Bebeau, & Thoma, 1999) describe Kohlberg's stage theory as one premised on macromorality, whereas Rest's model addresses

micromorality, or everyday face-to-face interactions which result in cognitive schema induction concerning morality.

Theory put forth by Kohlberg (1969) and Rest (1986) offers one very important contribution to the literature on ethical decision making. Specifically, Kohlberg suggested that there is a need for discussion surrounding ethical conduct, and that moral reasoning may in fact be an important component of this discussion. Thus, Kohlberg (1969) opened the door for future examination surrounding ethical decision making. In addition, Kohlberg's model is a relatively simple, linear theory which makes it easy for others to grasp onto and build from, lending itself well to testable and useful theory extension. Rest (1986) also added valuable contributions to the ethics literature premised in the cognitive developmental approach. In particular, Rest's (1986) framework was designed with the intent of overcoming criticism associated with Kohlberg's work. As such, Rest theorized a less rigid stage progression and was the first to consider the important role of social information when making ethical decisions. Further, Rest (1986) posited that the self-concept would also influence ethical decision making. Taken together, Rest built upon the work conducted by Kohlberg in providing an organizing framework involving the consideration of affect, behavior, the self-concept, and social information as they together influence an individual's morality. Like Kohlberg, Rest (1986) provided clear theoretical claims, offering researchers well delineated research avenues and also developed the Defining Issues Test (DIT) as an alternate form of measurement for empirical work. As a result, subsequent research has elucidated various antecedents of moral reasoning, and has also found moral reasoning to be beneficial with regard to ethical decision making in ethics education (e.g., Bebeau & Thoma, 1994).

Despite its contribution to the literature, the cognitive developmental approach is not without limitations, particularly with regard to Kohlberg's (1969) model. Although Rest (1986) later begun to address the importance of social information, a key limitation in the rational approach is that it overwhelmingly ignores the context of the environment and the features of the ethical scenario itself (Jones, 1991), which are key factors in ethical decision making. Similarly, a second limitation with reference to Kohlberg's model is the overreliance on justice-based philosophical theories (Treviño, Weaver, & Reynolds, 2006) as well as the Foundational Principle of morality in solving ethical problems, an abstract principle which does not attend to the specifics associated with any given situation (Rest, Narvaez, Thoma, & Bebeau, 2000). Third, the stage theory adopted within Kohlberg's approach holds that there is complete dependency among stages, implying that an individual must master principles in one stage before moving on to the next, and disregarding how individuals differentially construct mental models in response to ethical events.

In a broader sense, cognitive developmental approaches have several additional limitations. As noted by Sonenshein (2007), the developmental approach fails to address the presence of equivocality and uncertainty that are characteristic of real-life ethical dilemmas. This is to say that these stage theories neglect consideration of the notion that people can differentially interpret the same situation based on differing cognitive processes and subjective evaluation of the situation. Moreover, models of the cognitive developmental approach as laid out by Kohlberg and Rest assume that deliberate and extensive reasoning is required before one engages in ethical behavior. As pointed out by Sonenshein (2007), however, individuals often engage in mental processes without conscious awareness of doing so. Assuming constant, deliberate thinking as Kohlberg and Rest do fails to consider individual limits in cognitive processing capacity (e.g., Simon, 1955).

## **PERSON-SITUATION INTERACTIONIST APPROACH TO ETHICAL DECISION MAKING**

Building from the cognitive developmental approach, Treviño (1986) introduced an interactionist model of ethical decision making which posits that individual variables coupled with situational factors explain and predict for employee ethical decision making in organizations. Specifically, Treviño suggests that individual difference variables will interact with either the situation or cognitive moral development in determining ethical behavior. Accordingly, although the interactionist model attends to moral reasoning, it holds that it is not sufficient in explaining or predicting ethical decision making. In

particular, Treviño (1986) contends that when an ethical dilemma is present and an individual becomes aware of it, the individual proceeds to a cognitive stage as explicated via Kohlbergian theorizing. When operating within a given stage, however, Treviño holds that both individual and situational factors will operate to influence the outcomes corresponding to their cognitive processing (Jones, 1991). As such, Treviño's (1986) person-situation model places an equal emphasis on individual difference variables (i.e., ego strength, field dependence, and locus of control) as well as environmental considerations (i.e., organizational culture and characteristics of work) as compared to cognitive moral reasoning. In this way, while Treviño did not explicitly address Rest's (1986) model, she implicitly built upon it through the formation of a competing model (Jones, 1991), wherein individuals at higher stages of cognitive development will be less susceptible to outside influences when navigating ethical dilemmas (Treviño, Weaver, & Reynolds, 2006).

The primary contribution of Treviño's (1986) theory of ethical decision making is the implication that the context of the environment as well as an individual's personality will interact with cognitive moral development to determine ethical decision making. Although a competing model in theory, Treviño's (1986) model therefore appears to mesh past theory by combining the role of the individual and the situation into one coherent model. Based on this assumption, a large body of research was initiated examining the interactive effects of personality and contextual variables in influencing specific ethical decision making variables. In particular, this model provided initial justification for the consideration of situational variables such as ethical organizational cultures and reinforcement contingencies and also suggested the importance of accounting for ethical decision making based on individual differences such as personality. Furthermore, as noted by Sonenshein (2007), while the interactionist model accounts for individual moral reasoning, it focuses attention away from the reasoning process and onto the individual difference and situational variables at play.

Although the interactionist model advanced theory in ethical decision making, it is limited in that it does not consider a number of potentially important constructs. Thus, while a general gestalt was provided concerning the interactive effects of individual and situational variables, it leaves room for a number of variables that were not explicitly accounted for. In addition, despite the consideration of additional explanatory variables, Treviño (1986) maintains a rationalist perspective in that stage of moral development is still considered an important explanatory device concerning ethical decision making. In this way, the dependency assumption associated with the cognitive developmental approaches is maintained, and the expectation remains that individuals will necessarily engage in deliberate reasoning prior to acting when faced with an ethical dilemma.

## **ISSUE-CONTINGENT APPROACH TO ETHICAL DECISION MAKING**

Juxtaposed with the cognitive developmental approach which focuses on individual moral development, and building on Rest's (1986) and Treviño's (1986) call to consider situational factors, Jones (1991) proposed an issue-contingent model of ethical decision making. The issue-contingent model holds that the context, namely characteristics of the issue at hand, plays a central role in one's moral awareness as well as overall ethical decision making (Treviño, Weaver, & Reynolds, 2006). In this way, the issue-contingent model serves to supplement, not replace, rationalist or individual-focused models (Jones, 1991).

According to Jones (1991), the characteristics which define an ethical issue are reflected in the moral intensity associated with the issue at hand. Moral intensity is defined as "a construct that captures the extent of issue-related moral imperative in a situation" (Jones, 1991, p. 372). Consequently, issues that have higher levels of moral intensity become more salient and vivid to individuals involved than do issues with low levels of moral intensity. As a result, the presence of high moral intensity increases the likelihood that an individual will perceive the issue as one involving moral, or ethical, implications. Drawing on the work put forth by Rest (1986), Jones' (1991) contention surrounding moral intensity therefore maps on quite well to an individual's moral awareness surrounding an issue.

Jones (1991) further delineated six components believed to contribute to the moral intensity of a given situation. First, the *magnitude of consequences* involves the total amount of harm or benefit received by relevant stakeholders as a result of the moral act. Second, *social consensus* of a moral issue refers to the extent to which an act is socially viewed as being good or evil. Third, *probability of effect* reflects the likelihood that a supposed act will actually occur, and the likelihood that it will result in either harm or benefit if it does occur. Fourth, *temporal immediacy* refers to the time lapse between the present time and the time at which consequences of the moral act might take place. Fifth, *proximity* of the moral issue denotes the “feeling of nearness” (p. 376) with regard to social, cultural, psychological, or physical implications concerning the influence of the moral act on relevant stakeholders. Lastly, *concentration of effect* reflects the relationship between the number of people involved and the magnitude of the moral act. Specifically, Jones (1991) specifies that a moral issue is more concentrated when fewer individuals are impacted by a given sum as compared to more individuals. It is of note that while these components are distinguishable, they together characterize the construct of moral intensity and therefore should also exhibit interactive effects. In this way, an increase or decrease in any one component should result in a subsequent increase or decrease in overall moral intensity, respectively, where other components remain constant (Jones, 1991).

In his discussion surrounding moral intensity, Jones (1991) advanced the field in several ways. Most notably, Jones (1991) identified an important yet previously omitted influence on ethical decision making. Aside from the theoretical contribution put forth through the identification of moral intensity, subsequent research has garnered support for the contributing role of moral intensity on ethical decision making (e.g., Nill & Schibrowsky, 2005). Accordingly, whereas Rest (1986) and Treviño (1986) both suggested that the situation is important, Jones (1991) furthered this contention by identifying specific aspects of the situation (i.e., six components of moral intensity) which increase the likelihood that an actor in that situation will perceive it as having ethical implications. Similarly, in addition to describing the role of moral intensity as explaining ethical decision making, Jones (1991) also accounts for the role of the organization as influencing ethical behavior. Specifically, group dynamics, authority factors, and socialization processes are posited to influence the ethical decision making process via moral motivation and behavior. Second, whereas rationalist approaches view ethical decision making as a deliberate and conscious process, Jones (1991) proposes an intuitive and observational process wherein individuals first perceive characteristics of the moral issue itself, before consciously working through it. Finally, through its design, Jones’ (1991) issue-contingent model builds on, rather than replaces, previously existing theory. In this way, rather than offer a competing model, Jones offered a clear advancement in the literature by providing a more comprehensive framework from which to view and study ethical decision making.

Several limitations should also be noted with regard to Jones’ (1991) issue-contingent approach. Although the issue-contingent model suggests that individuals must intuitively judge a situation based on observation, it does not address individual differences as they may influence individual perceptions. Specifically, certain individuals may be more or less perceptive of ethical events to begin with, whereas others may not. Accordingly, certain individual differences may moderate the relationship between moral intensity and moral awareness, and these are not accounted for given that Rest’s (1986) underlying stage theory is adopted as explaining an individual’s progression through the decision making process. In addition, a number of cognitive biases and self-protective biases exist (Medeiros, et al., 2014; Treviño, weaver, & Reynolds, 2007; Tenbrunsel & Smithe-Crowe, 2008) that may influence one’s susceptibility to moral intensity. Whereas Jones (1991) contends that biases should be constant over moral issues, he does not address the possibility that biases differ across individuals. Such a consideration may substantially alter the extent to which individuals faced with an ethical dilemma (1) view the issue as a moral one, and (2) concern themselves with the implications corresponding to each of the six components of moral intensity, even if they do view the situation as having ethical implications.

## NEUROCOGNITIVE APPROACH TO ETHICAL DECISION MAKING

Reynolds (2006) provides a largely different take on ethical decision making. He calls on research from neuroanatomy, neurophysiology, and neurochemistry to put forth a neurocognitive model of EDM, which suggests that the EDM process consists of two cycles. Specifically, Reynolds (2006) submits that his framework outlines *how* the decision maker thinks “from the moment the first stimuli are encountered, through the transmission of electrochemical signals in the brain, to the engagement of ethical behavior” (p. 737), rather than simply *what* the decision maker thinks, which is covered by currently existing cognitive models. This particular theory draws on prototype comparison to propose that when an individual encounters an ethical problem, he/she will compare the new stimuli to preexisting, experience-based knowledge, thus allowing for automatic recognition of a presence of an ethical dilemma. This pattern matching occurs once the new stimuli sensed by the individual activate brain processes, which in turn organize and structure the stimuli into neural patterns, resulting in comparison against available prototypes (Salvador & Folger, 2009). Reynolds is clear about this process occurring automatically and intuitively, where individuals never expend conscious effort during prototype comparison, thus minimizing cognitive load and expediting decision making. Given that many complex ethical dilemmas require decision making under time pressure, the reflexive nature of this route is immensely valuable for EDM (Woiceshyn, 2011). In addition to the descriptive nature of a prototype, the individual is also able to recognize and evaluate whether the situation is construed by society as unethical, and, in turn, consider a solution to the problem.

But, what if the individual lacks appropriate prototypes or the situation at hand is more complex than previously experienced? At that point, Reynolds (2006) submits that people will take a second path to EDM, one that requires active and deliberate processing of information, termed *active judgment*. This active cognitive processing is used by individuals to rationalize and justify their initial intuitions (Sonenshein, 2007) or consciously analyze the situation. Rationalization is yet another attempt at minimizing cognitive investment in the ethical issue and is conducted following decision making. If the individual chooses to make active judgments, he/she will need to engage in conscious analysis and make decisions using available moral rules (Dedeke, 2013).

There are several advantages to grounding EDM in neurocognition. For one, the stage model proposed by Kohlberg (1969, 1981, 1984) and cognitive perspectives (Rest, 1986) did not account for intuition. Reynolds (2006) speaks to reflexive decision making directly and provides legitimate explanation behind its existence. This aspect of the neurocognitive model explains how individuals make decisions under time pressure, which commonly characterizes ethical dilemmas. Second, Reynolds (2006) clarifies that no other model speaks to the matching of prototypes. Third, most models either describe the underlying mechanisms of the thought process leading to an ethical decision, or they predict the actual behavior in an ethical situation. The neurocognitive model, on the other hand, does not distinguish between ethical thought and ethical behavior, proposing that the same two cyclical routes are appropriate for both intent and behavior. Finally, Reynolds (2006) suggests that the most important difference between cognitive models currently in existence (Rest, 1986) and the neurocognitive approach is that the cognitive approaches do not account for retrospective processes known to be essential to the ethical experience.

There are also several limitations to the neurocognitive framework. For one, this model relies heavily on prototypes. When prototypes are not available or are inaccurate, unethical behavior is more likely to occur (Reynolds, 2006). Building accurate prototypes requires that decision makers have comprehensive experience working in their respective domains and have engaged in self-reflection of past ethical situations. Second, when individuals do engage in active processing yet utilize misdirected moral rules, unethical behavior could emerge. Third, even if the moral rules were accurately represented, individuals may lack the ability to apply them. Finally, Reynolds (2006) fails to consider the unique nature of ethical events. He contends that ethical issues are ambiguous, but fails to differentiate among the many different types of ethical issues.

## SENSEMAKING APPROACH TO ETHICAL DECISION MAKING

In 2007, Sonenshein introduced a new model of ethical decision making which he called the sensemaking-intuition model (SIM). The SIM was proposed in reaction to the rationalist models which had preceded it in an attempt to account for some of their weaknesses. Namely, despite their popularity, rationalist approaches to EDM actually received only relatively poor or unreliable empirical support, and models offering alternative explanatory mechanisms did not exist (Sonenshein, 2007). Sonenshein (2007) described four primary weaknesses of the rationalist models when viewed in aggregate: (1) They did not adequately address the equivocality and uncertainty surrounding ethical issues, (2) they required extensive deliberative and complex reasoning on the part of a decision maker, (3) they did not acknowledge the importance of how individuals construct ethical issues during the decision process, and (4) they suggest that moral reasoning is necessarily used to produce moral judgments. Two individuals may interpret the same ethical situation differently because they hold different value systems, or one individual may be able to see the situation from multiple perspectives with varying consequences. Which then is the correct interpretation from which to proceed in making a decision? A model hoping to explain how people reason about ethical issues needs to account for the equivocality of alternative interpretations. Similarly, individuals may lack information about a situation, may have difficulty predicting the outcomes of potential actions taken, or may not be certain that a particular construction of that situation includes all relevant information. It is always the case that there exists some amount of irreducible uncertainty in the decision environment, and thus models of EDM need to take this consideration into account in order to be fully specified. Issue-contingent models of EDM (i.e., models predicated on the idea that the particulars of any given ethical issue are unambiguous and determine the outcome of ethical decisions) are thus ill-equipped to address the real-world phenomena of equivocality and uncertainty (Sonenshein, 2007). As to ethical behavior requiring extensive and deliberate reasoning, previous literature from cognitive and social psychological research has demonstrated that mental resources are capacity-limited and that people seldom use thorough and effortful reasoning, relying instead on rapid (often unconscious) heuristic processing (Sonenshein, 2007). It seems unlikely that ethical matters are somehow exempted from these influences and, while there is no doubt that people can and do engage in extensive deliberate reasoning about ethical issues, it is not evident that such reasoning is a prerequisite for satisfactory EDM. The third problematic characteristic of some rationalist accounts of EDM is a tendency to discount the subjectivity involved in interpreting the specifics of an ethical issue. That is, circumstances which may be one person's ethical molehill may be another's mountain and, despite involving the same objective considerations, be mentally constructed by those individuals in vastly different ways, thus leading to vastly different decisions. Finally, Sonenshein (2007) posits that the moral reasoning often reported as taking place prior to rendering a judgment may actually be a post hoc rationalization of a much more immediate and intuitive judgment.

These criticisms are addressed in the SIM as a decision-maker progresses through its three stages of "issue construction, intuitive judgment, and explanation and justification" (Sonenshein, 2007, p. 1022). During the issue construction phase, various individual and collective factors influence how a situation is perceived and whether or not an ethical issue will be recognized (i.e., they shape an individual's ongoing narrative of reality). Individual factors are personal expectations and motivations. Because ethical issues involve equivocality and uncertainty, individuals are likely to have to use their expectations to guide their behavior. These expectations introduce biases that shape how or if an ethical issue is perceived. A certain course of action might seem unethical to an outside observer, but may not even be recognized as an ethical issue by an individual whose expectations contain that course of action. Similarly, if there is motivation (whether conscious or unconscious) on the part of the individual to interpret circumstances in a particular way (e.g., one interpretation paints the individual in a positive light while another may not), this is likely to determine whether or not that individual perceives an ethical issue. At the collective level, social anchors (people who cause an individual to examine their interpretations) and representation (mental models of other people's perspectives) impact individual sensemaking and ethical issue

construction by providing comparison frameworks and alternative points of view, which in turn allow for introspection.

In phase two, intuitive judgment, an individual forms an “automatic, affective” reaction to the interpretation constructed in phase one (Sonenshein, 2007). Importantly, the behaviors generated as potential solutions to the ethical issue are not the result of deliberative processes, rather they are instantaneous and possess an affective valence. The automatic component of this judgment refers to the idea that the judgment results from effortless cognitive processes resulting from experience in how an individual morally constructs issues (Sonenshein, 2007). The affective component of the judgment is comprised of the instantaneous emotional appraisal of a situation (i.e., whether something “feels” wrong or right). Together, the automatic and affective intuitions produce good or bad behaviors according to an approach avoidance framework where “negatively valenced potential behavioral responses are to be avoided [and] positively valenced potential behavioral responses are to be approached” (Sonenshein, 2007). Similar to constructs in phase one, intuitions in phase two are influenced by individual and collective factors. The individual level influence is a person’s personal experience. Over time as experience in dealing with ethical issues increases, these experiences are internalized as intuitions. At the collective level, social pressures (behavioral influences stemming from parents, friends, organizations, etc.) can cause an individual’s internalization of their associated moral values.

The third phase of the SIM involves the explanation and justification of the judgments rendered in phase two. Because the earlier phases involve largely unconscious behavior, individuals seek an explanation for their judgments and construct justifications based on the idea that they are rational actors operating in a way that is logically consistent with their value systems (Sonenshein, 2007). These explanations and justifications may involve moral reasoning, but it is important to note that these are a posteriori descriptions. Sonenshein points out that he does not believe the lines between these phases are absolute. Rather, they are blurry, allowing for overlap and for processes in different phases to be completed simultaneously or feed backward (2007).

Sonenshein has not been the only one to invoke sensemaking processes in a model of EDM. Mumford et al.’s (2008) sensemaking model, as implicit in its name, removes emphasis on the intuitionist portions of the SIM, focusing instead on delineating specific and measurable sensemaking components. The end product of the sensemaking model is a constructed mental model that can be applied to solving an ethical dilemma. In the sensemaking model, as in the SIM, various situational constraints influence a person’s appraisal of an issue. Situational appraisal results from the combined influences of rules, standards, perceptions, and goals. If the situational appraisal is determined to have ethical implications, this sets the frame from which the individual will proceed. Accompanying this framing are associated emotions which are expected under affect-laden situations like ethical conundrums. The framing and emotions also receive input from a process of self-reflection wherein an individual searches memory for related prior personal and professional experiences (cases) that may aid in a decision. This is an iterative process and does not necessarily occur in sequence. After completing these information gathering processes, the individual engages in forecasting, attempting to predict outcomes associated with various potential courses of action and appraising those actions accordingly. Again, with self-reflection, the final mental model is chosen and this determines any further sensemaking activities which in turn guide the decisions applied to the ethical issue at hand.

Although the sensemaking models of EDM are effective, there are a few limitations. For one, they are limited in that they do not really explicate the necessary steps to enhance sensemaking in individuals to promote EDM. Second, these models do not take into account individual cognitive capacities. Meaning, those with higher cognitive capacities may be more capable of considering additional relevant and contributing factors (e.g., constraints, causes), which might in turn lead to different EDM outcomes. Also, these models fail to specifically account for individual cost functions regarding differential outcomes. For example, one person’s weighting of the loss of a job may be much more consequential than another individual’s consideration of the same outcome. In other words, certain outcomes mean more to certain people based on individual differences and while the SIM and sensemaking models both allow for individual consideration of this information, no attempt is made to quantify or understand the magnitude

of impact. Another limitation of the sensemaking (Mumford et al., 2008) approach is the underlying assumption that individuals have the time to make sense of a given situation prior to acting. Although this is premised in part on the fact that individuals can engage in mental processes without conscious awareness, there may be situations that require immediate reaction wherein there is not enough time to adequately reflect on the situation. In addition, as noted by Thiel, Bagdasarov, Harkrider, Johnson, and Mumford (2012), sensemaking models of ethical decision making are limited in that they do not consider compensating tactics that can promote accurate sensemaking.

## **FUTURE DIRECTIONS**

Despite the variety of theories surrounding ethical decision making, we are left with a number of unanswered questions. Accordingly, we now turn to potential avenues for future research that may serve to provide greater clarity with regard to these questions. First, although the sensemaking models have made great strides in EDM research, there is room for improvement and extension. For instance, while Mumford et al. (2008) account for affect in terms of the influence of emotion regulation on forecasting and self-reflection processes, the impact of emotion on other important elements, such as personal or professional goal attainment is ignored. Additionally, Mumford and colleagues (2008) failed to discuss how individual factors such as personality or locus of control might interact with sensemaking processes to predict EDM. Furthermore, there is some evidence to suggest that expertise plays an important role in other complex decision-making domains, such as pilot decision making (Nodine et al., 1999; Stokes et al., 1992), yet the influence of expertise on EDM remains an unexplored arena. Future researchers might consider the impact of expertise on EDM and incorporate this element into new models. Other interesting questions arise in reference to metacognitive reasoning strategies relevant to sensemaking. Mumford et al. (2008) have proposed a number of prescriptive strategies to facilitate EDM, yet no new strategies have been identified with reference to specific ethical events. Given the range of complexity of ethical dilemmas, some strategies may be more or less useful depending on the event at hand.

A second potentially fruitful research path with regard to ethical decision making involves the consideration of team level phenomenon. Specifically, it is possible that shared mental models within teams would lead to a shared sensemaking process in the case that ethical events arise. In the case that shared mental models are not achieved, interesting yet competing hypotheses arise. On one hand, teams may prove beneficial with regard to ethical decision making in that individual team members may hold each other accountable for their actions. Conversely, given diffusion of responsibility, it is possible that team- or group-ethical decision making would suffer.

Third, it is important to note that we are living in a digital age and today's youth is constantly influenced by the internet, video games, and social networking sites. Future researchers might find it interesting to investigate the effects of social connectivity via the internet on EDM. Additionally, it may be worthwhile to examine the effects of interacting with different forms of these media (e.g., movies, internet, and games) on awareness of situations with ethical implications. Are today's youth more aware of ethical events when they are occurring around them due to the large amount of media they are exposed to? Are they better at perceiving an ethical situation when one is developing? Along similar lines, the effects of workplace monitoring, done using software that records keystrokes or monitors one's emails, on the number and severity of integrity violations may be of interest to certain researchers.

Fourth, the effects of sensemaking as applied to EDM on different types of violations needs to be clarified. Is sensemaking useful for very serious ethical violations, or is it more effective in a specific context or domain? In some ways, sensemaking models operate on the assumption that people always want to act ethically and any deficiencies in their decisions stem from failures in reason, in considering all relevant information, or from lack of experience. However, a model aimed at giving a complete picture of how people arrive at ethical decisions or one that is intended to inform people how to make more ethical decisions, may need to account for those situations where individuals choose to act sub-optimally despite having no deficiencies in their sensemaking processes. Finally, given the wide availability of information at our fingertips, has this affected how people view certain forms of integrity violations (i.e., plagiarism)?

For example, is plagiarism perhaps viewed as a less severe violation by the digital natives because they are accustomed to using internet sources without repercussions?

## CONCLUSION

Taken together, the literature examining behavioral ethics and ethical decision making has come a long way from early Kohlbergian theorizing. Although various theories come with inherent flaws, they have served to advance our understanding of underlying factors and processes influencing ethical decision making. Indeed, throughout the progression of ethical decision making theories over time, a wide array of contributing factors have been identified and examined with both theoretical and empirical scrutiny. Through our review, we identified the relative contributions and limitations of the more predominant theories in this domain. In doing so, we hope to have provided greater clarity with regard to the current state of the ethical decision making literature, while offering plausible avenues for further advancement within the field. Taken together, it is clear that much remains to be known concerning how individuals function in the face of ethical dilemmas. Accordingly, we as scholars should continue in our quest to better understand the many mechanisms influencing ethical decision making.

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