

Self-Construal, Ethical Climate and Unethical Decision Making: Whether “I Am I” or “I Am We” Matters

Chad Parson
Baruch College, City University of New York

Daniele Artistico
Baruch College of the City University of New York

The current research examined how self-construal and organizational ethical climate predict unethical decision-making. Using an experimental design and an in-basket task, we manipulated the ethical climate of a fictitious organization to represent either a more ethical or less ethical work climate. Competing hypotheses were tested regarding type versus strength of self-construal. The type of self-construal (Independent versus Interdependent) was not related to unethical decision-making. However, the strength of self-construal did predict unethical decision-making, such that participants with stronger self-construals regardless of type were less likely to make unethical decisions than participants with weaker self-construals, particularly in more ethical climates.

INTRODUCTION

Renewed interest in unethical decision-making (UDM) is largely due to the increased visibility and magnitude of ethical violations by large corporations that look exponentially more damaging and prominent in the public eye (Jones, 1991; Brief, Dukerich, Brown, & Brett, 1996; Tenbrunsel, 2000; Barksy, 2007; Schminke, Arnaud, & Kuenzi 2007). Corporations (and by extension the individuals in decision-making seats) engaged in unethical decision-making and fostered practices that ranged from “questionable” to illegal. These practices and their consequences, (e.g. misrepresentation of finances, services, or products, fraudulent financial reporting, and environmentally or socially harmful behaviors) are painfully clear. A short list of consequences includes the worldwide recession, massive loss of jobs, financial volatility, and the U.S. house market collapse. One question remains open, however: Why is one person more inclined to make unethical decisions than others and under what circumstances? The goal of our paper is to present a more comprehensive explanation of UDM by drawing upon the person x situation framework with respect to self-construal (person) and the ethical climate (situation) that organizations promote.

Unethical Decision-Making

Jones’ (1991) defines UDM as a decision that is morally or legally unacceptable by societal standards that is contingent upon each ethical issue’s moral intensity. The moral intensity of an ethical issue refers to the saliency of the ethical dilemma based on six factors: 1) The magnitude of its potential consequences, 2) the social consensus on prescribed behavior, 3) the probability of harm due to action,

4) the temporal immediacy of any consequences, 5) how proximal the actor feels to potential victims of an unethical decision, and 6) how concentrated the effects of an ethical act are (Jones, 1991). Each of these dimensions has been argued to impact how aware individuals are of the presence of an ethical issue, though consistent findings on each individual component are sporadic at best. The dimensions of *social consensus* and *magnitude of consequences* have the most consistent support in making individuals aware of the presence of an ethical issue (Warren & Smith-Crowe, 2008).

In the current study, we considered ethical issues that entailed high moral intensity based on the factors of social consensus and the magnitude of consequences. Ethical issues with high moral intensity are more likely to be perceived by individuals as having an ethical component than are low moral intensity issues (Jones, 1991). Ethical issues were further defined as pertaining to ethical decisions involving impersonal rather than personal harm (e.g. fraudulent accounting, financial misrepresentation, or bribery) in order to maintain consistency in the types of ethical business decisions that individuals in management may be called to face. These impersonal types of decisions raise an initial moral response (moral awareness) that involves deeper moral reasoning and cognitive processing than is thought to occur in ethical decisions involving personal harm (Rest, 1986; Jones 1991).

UDM does not happen by itself nor does it evolve in isolation. There is a person or a group generally involved in UDM and within the context of their organization. Our goal here is specifically to explain the roles played by the organization's ethical climate and individuals' self-construal both as contributing factors to unethical decision-making. We proposed an interaction of ethical climate and self-construal as a novel and potentially critical factor in understanding how individuals differ in their decision-making across different ethical climates when faced with an impersonal ethical dilemma.

Organizational Ethical Climate

The ethical climate of an organization is a particularly salient antecedent of ethical behavior as well as, at least partly, responsible for the development of the value structures in organizations (Victor & Cullen, 1987; Guinto, 2004; Martin & Cullen, 2006). An organization's ethical climate is defined as the aggregate shared psychological perceptions by employees of "how things are done around here" regarding the organization's orientation toward ethical attitudes, norms, and conduct (Victor & Cullen, 1988; Martin & Cullen, 2006). These value structures in turn emphasize and reinforce what the organization expects in terms of ethical decision-making and behavior (Mumford, Waples, Antes, Murphy, Connely, Brown & Devenport, 2009).

The ethical climate of an organization exerts a strong influence on how employees recognize and act on ethical issues, and largely supersedes the organization's actual policies, procedures, reward, and punishment systems. The shared perception of less stringent ethical expectations has been proposed to result in a shift in the kinds of behaviors that are expected, accepted, and rewarded (Fritzsche, 2000; DeConnick, 2004; Guinto, 2004; Martin & Cullen, 2006; Schminke, Arnaud, & Kuenzi, 2007). In simple terms, the ethical climate of an organization depends more upon its reality than its rhetoric, and is fundamentally responsible for determining what is considered ethical and unethical behavior within an organization (Martin & Cullen, 2006). Though the perception of an organization's ethical climate is considered to be subjective, there is extensive evidence suggesting that individual employees tend to agree as to the type of climate that objectively exists in their organization.

One of the leading frameworks for examining the ethical climate of organizations is based on Kohlberg's (1969) moral stages theory and Merton's (1968) theory of reference groups (Victor & Cullen, 1988; Martin & Cullen, 2006). Victor and Cullen (1988) conceptualized organizational climates as consisting of three levels of moral concerns, which include egoism (self-interest), benevolence (care for others), and principle (rule-based). Martin and Cullen (2006) further delineated these three levels of concern by where the point of reference is based for an organization's ethical norms, decisions, and actions (Gouldner, 1957; Merton, 1968). These points of reference are on the person's own internalized moral beliefs and values (individual), the individual's immediate work-group, firm, or community of significant others (local), and externally through professional codes of ethics and societal laws (cosmopolitan).

Five distinct climate types typically emerge across organizations (Victor & Cullen, 1988; Martin & Cullen, 2006). The individual and local loci of decision-making collapse across the egoism and benevolence dimensions to create *instrumental* and *caring* climates that blend the decision making reference between the individual and the organization. The ethical climate dimension of principle typically retains all three loci of reference to delineate climates of *independence*, *rules*, and *law and code* respectively. The focus of the current research is on instrumental and caring climates due to the regularity of their occurrence within organizations, and their diametrically opposed natures in what each type of organization values and promotes.

Organizations with instrumental climates encourage ethical decision-making from an egoistic perspective and advance maximizing self-interests through attaining organizational goals (Martin & Cullen, 2006). The organization's norms and expectations promote the perception that decisions made egoistically best serve the organization and provide personal benefits to the individuals even when those decisions could cause harm to others. Organizations with caring climates place importance on the well-being and concern for others above individuals in the pursuit of organizational goals (Martin & Cullen, 2006). In organizations with caring climates there is a shared perception that concern exists for the individuals within an organization as well as within the greater society. These concerns are perceived by individuals to be embedded within and manifested directly in the architecture and enactment of the organization's policies, procedures, and business strategies.

In the present research, we examined the differential influences of instrumental and caring climates on ethical decision making. Since instrumental climates are typically the most prone to instances of various unethical behaviors, and caring climates are associated with significantly less unethical behaviors, we proposed that individuals who were asked to imagine working in instrumental climates would be more likely to engage in unethical decision-making than would individuals who were exposed to caring ethical climates (H1).

Accounting for the importance of the situation through the organization's ethical climate is only part of the picture, however, and the questions remain: Are individuals simply responding as expected in strong situations (Mischel, 1977) made up of diminishing ethical expectations (Victor & Cullen, 1987; Martin & Cullen, 2006; Barsky, 2007)? Or are behaviors and decision-making tendencies owed equally to a characteristic of the individuals themselves that makes some individuals more likely to make unethical decisions than others (Trevino, 1986)? It is this crucial intersection of the person and the situation that this research will examine next through the theory of *self-construal* (Markus & Kitayama, 1991). We believe this to be a highly relevant personality variable that informs how individuals assimilate and respond to their surroundings.

Self-Construal: I am "I" or I am "we"

Markus and Kitayama (1991) define *self-construal* as divergent views of the self that reflect the degree to which individuals emphasize their connectedness (*interdependent self-construal*) or their separateness from others (*independent self-construal*). Individuals with a more salient interdependent self-construal consider themselves, their thoughts, emotions, and behaviors in relation to the larger social context as less differentiated from others. Their focus is on the needs of others and on fitting in or assimilating themselves with others harmoniously. In contrast, individuals with a more salient independent self-construal define themselves by their own internal uniqueness of thought, emotion, and behavior. With these individuals the focus is on attending to the self and on furthering and promoting their unique attributes as an individual. In other words, interdependent individuals see themselves in terms of "us" and "we," and independent individuals see themselves in terms of "I" and "me."

Much of the research base on self-construal focuses on the construct as a self-evaluative individual difference variable originating in research examining differences in *individualism* and *collectivism* found between Eastern and Western cultures (Markus & Kitayama, 1991; Hofstede, 2001). These differing views of the self in relation to others have been found to have starkly different consequences for individual emotional experience, cognitive processes, motivation and behavior (Triandis, 2001; Trafimow, Triandis, & Goto, 1991; Stapel & Koomen, 2001). Individuals in many Eastern cultures

(particularly Asian cultures) tend to be more representative of the interdependent view of the self, and individuals in Western cultures (the US & Western Europe) are largely more representative of the independent view of the self. These divergent views of the self, however, do not exist separately as the sole self-concept of the person as a result of their cultural upbringing. Within cultures, individuals vary to the degree in which they define themselves as connected or separate from others (Suh, Diener, & Updegraff, 2008). Put simply, there is a view of “we” in every individual who is more chronically independent, as well as there is an “I” in every individual who is more interdependent.

We expected that individuals with interdependent self-construals would be more concerned with assimilating and fitting in to the climate type they perceive the organization to have, and thus would be more likely to engage in decision-making that fits with the expectations of that organization’s particular climate. Whereas, individuals with independent self-construals would be more concerned with maintaining their personal values reflecting their unique beliefs, and would not alter their decision-making to match the organization’s expectations. Thus we proposed that interdependent individuals would engage in more unethical decision-making in instrumental climates and less unethical decision-making in caring climates, whereas independent self-construal individuals would be less affected by ethical climate-type and would rely more on internal beliefs and values as their point of reference for making decisions (H2).

Rethinking Self-Construal

We wanted to look beyond the convention in the self-construal literature, which is to simply take individuals’ greater self-construal score as their dominant construal and examine between group differences (Markus & Kitayama, 1991; Singelis, 1994; Lalwani & Shavitt, 2009). As such we proposed that the strength of individuals’ self-construal may be more informative of their tendencies toward UDM than self-construal type. Since greater personal awareness of a self-concept-related variable like self-construal could indicate that individuals have a more clear sense of who they are in relation to their own beliefs and in relation to others, we proposed that individuals with stronger self-construals would engage in less UDM than individuals with weaker self-construals (H3). We also proposed that self-construal and ethical climate would interact such that individuals with weaker self-construals would engage in more UDM in instrumental climates (H4a), whereas individuals with stronger self-construals would engage in less UDM, particularly in caring climates.

Personality Traits and Self-Construal

We were also interested in how personality traits known to predict UDM would relate to self-construal. We measured several personality traits typically associated with UDM in order to better explain our findings regarding self-construal.

Empathy

Trait empathy is the degree to which individuals are able to take the perspective of others (Batson, Batson, Griffitt, Barrientos, Brandt, Sprenkelmeyer, & Bayly, 1989). Individuals with a greater sense of empathy are more aware of others’ emotions and of the impact of their personal actions on others. We predicted that empathy would be positively related to interdependent self-construal (H5a)

Self-Important Moral Identity

An individual’s self-important moral identity (SIMI) refers to the degree of emphasis placed on themselves as being a moral person as part of their internalized identity (Aquino & Reed, 2002). Individuals who have a highly developed sense of self-important moral identity have a well-defined set of moral principles, and are generally more attuned to the ethical aspects of situations. We predicted that SIMI would be positively related to independent self-construal (H5b).

Trait Cynicism

Trait cynicism refers to how individuals may be predisposed to hold a generally negative perception

of human behavior and a mistrust of others (Wrightsmann, 1992; Abraham, 2000). These individuals tend to be jaded in their perceptions of others' intentions and motives, and may experience feelings of being mistreated or exploited even in the absence of such conditions. We predicted that trait cynicism would be positively related to independent self-construal (H5c).

Chance Locus of Control

Chance locus of control (CLOC) is a subset of locus of control (LOC) that refers to the degree of control individuals feel over life events and outcomes, and is conceptually and empirically distinct from both internal and external LOC (Levenson, 1981). Individuals who have a strong sense of CLOC tend to believe that events in their lives are not guided by themselves (internal LOC) or by any external force (external LOC), but are instead largely due to random chance with no systematic reasoning behind them. We proposed that CLOC would be positively related to independent self-construal (H5d).

Empathy and self-important moral identity generally correlate negatively with UDM, whereas trait cynicism and chance locus of control generally correlate positively with UDM (Detert, Trevino, & Sweitzer, 2008). As these trends are already well established in the literature, we did not propose hypotheses for them.

METHODS

Participants

The participants in this study were 81 undergraduate students (34 male, 47 female) from an urban university in the Northeastern United States who were enrolled in either a required introductory management or psychology course. In the current sample 43.2% of the participants were Asian, 24.7% were Caucasian, 14.8% were Hispanic/Latino, 3.7% were African-American, and 13.6% identified as "Other." Participants were required to be at least 18 years of age at the time they signed up to participate via the university's online participant pool system, though participants were not asked to report their actual age. Participants were informed that the study would require their participation for a total of two hours over two sessions one week apart (session one, 30 minutes; session two, approximately 90 minutes) and that they would be given course credit for their participation.

Research Design

A 2 (*self-construal: independent or interdependent*) x 2 (*ethical climate: caring or instrumental*) between subjects design was used to test the study's hypotheses. Participants' self-construal was measured using the 24 item self-construal scale (Singelis, 1994). The convention in the literature is typically to treat self-construal as a dichotomous variable resulting in two discrete groups of participants based upon their reported chronic self-construal. The resulting four conditions were: Independent self-construal/caring ethical climate, independent self-construal/instrumental ethical climate, interdependent self-construal/caring climate, and interdependent self-construal/instrumental climate. The operationalization of self-construal by its strength will be discussed in the section relating to its hypothesis testing. Participants were randomly assigned to one of the two ethical climate conditions. UDM was measured as the dependent variable in this study.

Materials and Instruments

Ethical Climate

The ethical climate of the organization was manipulated by the use of different mission statements, organizational culture statements, and organizational memos that corresponded with the characteristics of instrumental or caring ethical climates. These documents were provided in packets that participants received to familiarize themselves with the exercise, the organization, and their role within the organization. This manipulation was chosen based on previous research that manipulated the type of information provided to participants, which predicted their decision-making tendencies when faced with the opportunity to engage in unethical or illegal behavior (Laczniak & Indereiden, 1987; Aquino, 1998;

Aquino & Becker, 2005). As an example of the manipulation, the instrumental ethical climate mission statement presented to participants was as follows (differences italicized):

“Advanced Illumination Technologies’ will produce superior financial returns for shareowners by being the leading global innovator, developer and provider of lighting fixtures and services. *Our purpose is to earn money for shareholders and to increase the value of their investment. We will do that through aggressively growing the company, controlling assets, and properly structuring the balance sheet, thereby increasing earnings per share, cash flow, and superior return on invested capital.*”

The caring ethical climate mission statement presented to participants was as follows:

“Advanced Illumination Technologies will produce superior financial returns for shareowners by being the leading global innovator, developer and provider of lighting fixtures and services. *We will strive to develop mutually rewarding relationships with our employees, partners, and suppliers. Corporate activities will be conducted to the highest ethical and professional standards. Philanthropy supports the social responsibility cornerstone of Advanced Illumination Technologies’ mission: To live up to our responsibilities to serve each other, and enhance the communities in which we work and live, and the society on which we depend.*”

Self-Construal

Self-construal was measured during with the 24-item *Self-Construal Scale* (Singelis, 1994). This measure is comprised of two 12-item dimensional scales measuring independent and interdependent self-construals discretely (Singelis, 1994). The instrument is a 7-point Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree), $\alpha = .69$ and $.73$ respectively for each scale. An example of an item from the interdependence scale is “I have respect for the authority figures with whom I interact.” An example from the independence scale is “I’d rather say ‘No’ directly than risk being misunderstood.” Consistent with the literature, the two dimensions of self-construal were orthogonal of each other in the current sample ($r = .038$), comprising two discrete constructs rather than one continuous variable (Markus & Kitayama, 1991; Singelis, 1994). The accepted convention used to determine individuals’ self-construals is to take average scores for from each subscale and derive both an independent and interdependent self-construal score for each individual, the greater of which indicates their chronic self-construal (Singelis, 1994; Singelis, Triandis, Bhawuk, & Gelfand, 1994). This convention was followed for the first set of hypotheses. Alpha levels in the current study were slightly lower than in previous research ($\alpha = .64$ for each scale), but the scale means and standard deviations were similar to previous research (Interdependent $M = 5.24$, $SD = .58$; and Independent $M = 4.99$, $SD = .67$).

Empathy

Empathy was measured with the 10-item scale from the International Personality Item Pool (IPIP; Goldberg, 2001). The items were designed to measure individuals’ willingness and ability to take the emotional perspective of others into consideration. The instrument is a 7-point Likert-type format scale ranging from 1 (strongly disagree) to 7 (strongly agree), $\alpha = .80$. A sample item from this scale is “I am not interested in other people’s problems” (reverse scored).

Self-Important Moral Identity

Self-important moral identity was measured with the Internalization subscale (Aquino & Reed, 2002). Nine adjectives were initially presented to participants (e.g., caring, compassionate, fair) along with a statement that the adjectives “represent some characteristics that might describe a person.” Participants rated from 1 (strongly disagree) to 5 (strongly agree) the degree to which those characteristics represent an important aspect of their own identity through statements such as “Having

these characteristics is not really important to me” (reverse scored). The scale itself is a 5-item Likert-type instrument, $\alpha = .77$.

Trait Cynicism

Trait cynicism was measured with the Philosophy of Human Nature (PHN) subscale for cynicism (Wrightsmann, 1992). The items assessed individuals' degree of agreement with statements that represent human nature as nefarious, attributing qualities of “selfishness and fakery” to others (Abraham, 2000; Johnson & O’Leary-Kelly, 2003). A sample item from the scale is “If most people could get into a movie without paying, and be sure they would not be seen, they would do it.” The scale is a ten-item Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree), $\alpha = .77$.

Chance Locus of Control

Chance locus of control was measured with an 8-item scale tapping into people’s beliefs in the probability that events occur strictly due to fate or chance (Levenson, 1981). A sample item from this scale is “To a great extent my life is controlled by accidental happenings.” The scale is an eight-item Likert-type scale ranging from 1 (strongly disagree) to 6 (strongly agree), $\alpha = .78$.

Unethical Decision-Making

Unethical decision-making was measured using an in-basket simulation that included four items that contained an ethical component. The four ethical items were presented as scenarios involving a business decision requiring participants to make a decision that involves engaging in fraudulent financial reporting or bribery for information. Participants rated their likelihood of making the decision to engage in each of the behaviors on Likert-type scales ranging from 1 (very unlikely) to 5 (very likely). Average scores were obtained from these four ratings to create an overall unethical decision-making score for each individual. The remaining twelve non-ethical items were similar business scenarios with no ethical component that were presented as distractor items to minimize suspicion aroused from the ethical items.

Main Task

A managerial selection in-basket simulation originally adapted from Mumford, et al. (1993) by Connolly, Helton-Fauth, & Mumford (2004) was for use in the present study. The in-basket simulation was presented as a selection tool for regional sales managers for a fictitious lighting products company called Advanced Illumination Technologies (AIT) and contained scenarios requiring decisions that are typical to in-basket exercises. The modified exercise consisted of sixteen total items, four of which contained the ethical components previously noted. The remaining twelve items consisted of similarly presented memorandums, emails, directives, and general work-related issues but with no ethical component. Participants responded by answering a series of open-ended questions particular to each individual item. Each of the twelve non-ethical items were derived from the results of a job analysis and SME meetings conducted with a fortune 100 lighting company (Connelly, et al., 1991). Three of the four ethical items were adapted from scenario-based ethical decision-making research and tailored the items to fit within the framework of the current exercise (Brief, et al., 1996; Elango, et al., 2010). The fourth ethical item was derived from the original in-basket exercise developed by Connelly and colleagues (2004).

Procedure

Session One

Participants completed the measures of self-construal (Markus & Kitayama, 1991; Singelis, 1994), empathy (IPIP; Goldberg, 2001), self-important moral identity (Aquino & Reed, 2002), trait cynicism (Wrightsmann, 1992), and chance locus of control (Levenson, 1981), and a short series of demographics questions. A cover story was given to participants where they were told that the purpose of the study was to examine the influence of personality on managerial decision-making.

Session Two

As part of the continuing cover story, participants were told that they would be completing a simulation that is typically used by organizations to select candidates for management positions, and that the simulation would require them to make decisions on a series of tasks in the form of emails, internal memos, and other directives. Participants were given an envelope containing documents with organizational charts, information about the mission and culture of the organization, and their role within the organization and were told to familiarize themselves with those documents for a period of 10 minutes. Participants were given one hour to complete the in-basket simulation via computer, with instructions that they should refer back to the paper materials in order to properly complete the in-basket task.

RESULTS

The sample consisted of 36 (44.4%) participants who identified as having a more dominant interdependent self-construal, and 45 (55.6%) participants who identified as having a more dominant independent self-construal. Among the interdependent self-construal participants, 53% (19) were males; among the independent self-construal participants, 33% (15) were males.

TABLE 1
CORRELATIONS BETWEEN SELF-CONSTRUAL, PERSONALITY AND UDM VARIABLES

Item	1	2	3	4	5	6	7
1. Interdependent SC	1.00						
2. Independent SC	.04	1.00					
3. Moral Identity	.16	-.05	1.00				
4. Empathy	.31**	.12	.20	1.00			
5. Trait Cynicism	-.03	.01	.16	-.09	1.00		
6. Chance LOC	.01	-.27*	.20	.03	.31**	1.00	
7. UDM	-.32**	-.26*	.16	-.23*	.09	.33**	1.00

** Correlation is significant at the 0.01 level (2-tailed)

* Correlation is significant at the 0.05 level (2-tailed)

Significant negative relationships were found between both interdependent ($r = -.316$, $p = .004$) and independent ($r = -.264$, $p = .017$) self-construals and UDM. This suggests initial support for our second set of competing hypotheses, that higher levels of both types of self-construals predict lower levels of unethical decision-making.

In the current sample, neither self-important moral identity nor trait cynicism was significantly related to self-construal (or unethical decision-making). However, as hypothesized, empathy was related to interdependent self-construal ($r = .314$, $p = .004$) and CLOC was related to independent self-construal ($r = -.266$, $p = .02$). Though not hypothesized, CLOC ($r = .333$, $p = .003$) and empathy ($r = -.232$, $p = .037$) were related to UDM.

Self-Construal Type Hypotheses

A two-factor ANCOVA was conducted to test the hypothesized main effects and interactions between ethical climate and type of self-construal on unethical decision-making. Hypothesis 1 stated that ethical climate type would influence unethical decision-making, such that individuals in instrumental climates would engage in more unethical decision-making than individuals in caring climates. This hypothesis was not supported, $F(1,77) = .05$, $p = .822$, $\eta^2 = .001$. We did not propose a main effect hypothesis for

self-construal type. Hypothesis 2 stated that ethical climate type and self-construal would interact to differentially predict unethical decision-making, such that interdependent individuals would be more likely to engage in unethical decision-making in instrumental climates than in caring climates, whereas independent individuals would exhibit similar unethical decision-making across climates. This interaction was not significant, $F(1, 77) = .05, p = .82, \eta^2 = .001$, and hypothesis 2 was not supported.

Self-Construal Strength Hypotheses

The data presented in Table 1 seem to confirm our idea that a different set of psychological processes may be occurring regarding self-construal and UDM. The initial data seem to suggest that the more developed a sense of self-construal an individual has, the less likely he or she will be to engage in UDM.

In order to test this way of thinking about self-construal, we split self-construal scores to create three groups. We began by distinguishing among people with a *strong self-construal* (>1 SD above the mean on one or both scores), a *moderate self-construal* (1 SD above or below the mean on one or both scores), and *weak self-construal* (both scores >1 SD below the mean). In the current sample only two participants scored more than one standard deviation below the mean on both self-construal scores, making a test of their data unfeasible. When these two cases were dropped from this set of analyses, the groupings were comprised of 35.44% of participants placed in the *strong self-construal* group, of which 50% had been assigned to the instrumental climate condition and 50% to the caring climate condition. The remaining 64.56% of participants were placed in the *moderate self-construal* group, of which 51% had been assigned to the instrumental climate condition and 49% to the caring climate condition.

Means and standard deviations for unethical decision-making by ethical climate type and self-construal strength are presented in Tables 2 and 3.

TABLE 2
MEANS AND SD'S FOR UDM IN EACH ETHICAL CLIMATE CONDITION
BY SELF-CONSTRUAL TYPE

Ethical Climate	Instrumental Climate		Caring Climate	
	Int SC (N=17) M (SD)	Ind SC (N=23) M (SD)	Int SC (N=16) M (SD)	Ind SC (N=21) M (SD)
UDM	2.57 (.86)	2.61 (.79)	2.45 (.82)	2.44 (.63)

TABLE 3
MEANS AND SD'S FOR UDM BY ETHICAL CLIMATE AND STRENGTH OF SELF-CONSTRUAL

Ethical Climate	Instrumental Climate		Caring Climate	
	Strong SC (N=17) M (SD)	Moderate SC (N=23) M (SD)	Strong SC (N=16) M (SD)	Moderate SC (N=21) M (SD)
UDM	2.54 (.73)	2.58 (.82)	1.98 (.40)	2.76 (.71)

The strength of individuals' self-construal was found to predict unethical decision-making, $F(1,79) = 5.93, p = .017, \eta^2 = .073$. Participants with moderate strength self-construals ($M = 2.67, SD = 0.77$) were more likely to engage in unethical decision-making than participants with strong self-construals (M

= 2.26, SD = 0.64). As before, there was no main effect for ethical climate, however, there was an interaction of ethical climate type and self-construal strength on unethical decision-making, $F(1,79) = 4.799, p = .032, \eta^2 = .06$.

In the instrumental climate, the strength of self-construal did not impact unethical decision-making; rather, unethical decision-making was consistent for both strong ($M = 2.54, SD = 0.73$) and moderate ($M = 2.58, SD = 0.82$) self-construal individuals lending no support for hypothesis 4a. Hypothesis 4b was supported. An examination of mean scores shows that in the caring climate, participants with stronger self-construals ($M=1.98, SD=0.40$) were less likely to engage in UDM than were individuals with moderate self-construals ($M = 2.76, SD = 0.71$).

DISCUSSION

Our findings call into question the scoring and reporting systems developed in previous research related to self-construal (for review and examples see Markus & Kitayama, 1991; Singelis, 1994; Lalwani & Shavitt, 2009). There is no mention in the literature of what it means psychometrically to “have” a particular self-construal. Further, the extant literature does not report a specific difference threshold that would serve as a meaningful and sufficient psychological and psychometric distance between the two self-construals to validly infer that a person actually experiences one self-construal more than the other. This raises important theoretical, empirical, and psychometric questions: Is it sufficient to say that a person actually has a self-construal when both scores are low but one is simply greater than the other? Can a self-construal said to be distinct if one score is simply numerically greater than the other regardless of the degree of distance? These questions bring to light the need to consider reconceptualizing self-construal in a way that takes into account the magnitude with which individuals identify with one or both self-construals, and to define more specific measurement differences in what it means to experience one self-construal over another. Thus we suggest a different organization of self-construal that considers what it means to actually have a self-construal (magnitude), as well as what it means to have a *specific* self-construal (distance).

Extant literature on self-construal has not yet examined these intra-group differences between individuals for either self-construal type (for Markus & Kitayama, 1991; Singelis, 1994). Further, specific measurement guidelines to discern meaningful psychological and psychometric differences between self-construal groups have not been developed. Considering the common acceptance of different experiential and behavioral outcomes between individuals who vary the degree to which they experience or identify with other similar self-evaluative individual difference constructs (e.g., self-concept clarity, self-esteem), the lack of study in this regard is somewhat puzzling. So what does it actually mean for individuals to have stronger self-construals?

Looking to the self-concept literature for a possible explanation, individuals’ self-concept clarity (SCC) is the clearness with which individuals understand and define their self-belief structures (Campbell, 1990; Campbell, Trapnell, Heine, Katz, Lavallee, and Lehman, 1996). It is the degree to which an individual’s perceived personal attributes are clearly defined, temporally stable, and internally consistent. It is possible that individuals with stronger self-construals, similar to individuals with greater SCC, may be more aware of and have more clearly defined beliefs in regards to others in how they would react in situations where their ethical judgment is called upon. Individuals with weaker self-construals, again similar to individuals with less SCC, may have less clearly defined belief structures to look to in regards to others for ethical judgment.

Considering the individual difference traits that were strongly related to each construal type (interdependent positively related to empathy; independent negatively related to chance LOC) it follows that those with weaker interdependent self-construals tend to be lower in empathy, while those with weaker independent self-construals tend to be higher in chance LOC. A less developed sense of empathy allows individuals to make decisions without consideration for its impact on others because they have an attenuated capacity to “step into others’ shoes” and recognize the feelings or experiences of others (Batson, et al., 1989). Having a stronger chance LOC allows individuals to make decisions without

taking responsibility for their actions because they believe that they have no control over events in their lives (Levenson, 1981). These individuals may be more willing to “roll the dice” and make unethical decisions because they feel that there are no systematic causal forces at work other than random chance to determine whether they are caught or not.

Focusing on the current findings, the question remains as to why having a stronger self-construal would be associated with less unethical decision-making in caring climates but not in instrumental climates. It is possible that the influence of self-construal was attenuated in the instrumental climate condition due to the strength of the manipulation calling for more unethical decision-making. Referring back to Mishel’s (1968) argument for the structure of strong situations to restrict the influence that individual differences have on outcomes, the structure of the situation in the instrumental climate was also consistent with the nature of the ethical items presented. The consistency of both the ethical climate and the ethical items presented may have confirmed for participants that the expectation was for them to make more unethical decisions and overridden the influence of self-construal. Conversely in the caring climate, the climate expectations of less unethical behavior were contradictory to the presence of the same unethical items. It may have seemed at odds for participants to be confronted with such blatant ethical issues in an organization purporting to embrace more caring and ethical ideals. These contradictory messages may have weakened the structure and strength of the situation and allowed individuals’ own belief structures regarding empathy and chance LOC to have more influence over their unethical decision-making.

Strengths, Limitations, and Future Research Directions

Multiple steps were taken to design and conduct a study with a high degree of internal validity. A true experimental design was used to exercise experimental control by randomly assigning participants to conditions in order to determine causality and to rule out potential alternative explanations. The construct definitions and operationalizations of each of the ethical climates that were manipulated were based upon well-established research conducted in real-world organizations (Victor & Cullen, 1988; Martin & Cullen, 2006). The method itself used to manipulate the ethical climate of the organization in the study was based on methodologies and materials established by previous researchers and shown to influence behavioral outcomes due to ethical expectations (Laczniak & Inderrieden, 1987; Aquino, 1998; Aquino & Becker, 2005). Steps were also taken to avoid the impact of common method variance by breaking up the study into two separate sessions, and by utilizing conceptually and theoretically distinct manipulations and measures throughout the study.

There are limitations that must be addressed, however, which could limit my ability to draw conclusions from the findings and to generalize their implications to other populations. Recommendations for methods to potentially minimize or ameliorate these limitations in future research are presented alongside each. The first potential limitation to be addressed is the lack of differences between groups exposed to each of the distinct ethical climate types. As mentioned previously, the method in which participants were exposed to either an instrumental or caring climate was built upon previous work that has successfully utilized similar manipulations of organizational ethical climate and ethical expectations (Laczniak & Indereiden, 1987; Aquino, 1998; Connelly, et al., 1991; Mumford, et al., 1993; Connolly, et al., 2004; Aquino & Becker, 2005).

Future researchers may wish to vary the intensity of ethical issues that are presented to participants, as well as perhaps even the type of ethical issue (personal versus impersonal). Varying the intensity of issues encountered may help to minimize the potential for drawing out demand characteristics of participants, as well as to provide further means of exploring how self-construal and ethical climate interact to predict decision making with different intensities of ethical issues. Recent neuroscientific evidence exists in support of dual process theories of cognition and emotion suggesting that different psychological and neural mechanisms operate to inform decision-making when faced with impersonal versus personal ethical dilemmas (Greene, Nystrom, Engell, Darley, & Cohen, 2004; Greene, 2009). This distinction in the perception of personal versus impersonal harm has been found to occur across cultures. This cross-culture consistency is methodologically important when generalizing findings to a culturally

diverse population (as in the current research), particularly when considering the cultural underpinnings of the construct of self-construal (Markus & Kitayama, 1991; Moore, Lee, Clark, & Conway, 2011).

To our knowledge, this is the first research to attempt to operationalize and experimentally manipulate an organization's ethical climate according to empirically derived climate types (Victor & Cullen, 1988; Martin & Cullen, 2006). Multiple aspects of the organization's climate were manipulated in order to create a strong manipulation. Future research may wish to empirically identify which aspects of an organization's climate are most effective at conveying the desired behavioral expectations while eliminating extraneous information participants must process. As an example, the current research followed previously established methods and manipulated the organization's mission statement, its statement of culture, and the CEO's apparent concern for ethical issues over financial issues. This information was presented along with consultant reports, organizational charts, and general company background. The amount of information that participants were instructed to use when making decisions may have diluted the climate manipulation's strength to the point where both climates were reported as similarly ethical.

Conclusions

Unethical decision-making and behavior in organizations has a long history, but it has become what seems to be an epidemic in recent years. The continued and increased interest in the study of business ethics and ethical decision-making in organizations is due in large part to the greater visibility of ethical violations, and will hopefully be critical to ultimately understanding, predicting and reducing the occurrence of unethical decision-making and behavior. As has been argued throughout this work (and as is generally well accepted in the social sciences), behavior is by and large the result of an interaction between personal characteristics and the environment that individuals operate in. The findings in this study indicate that self-construal may offer a unique perspective on the underpinnings of unethical decision-making and behavior in conjunction with such powerful situational drivers as ethical climate. This interaction should be particularly salient as the world continues to move toward the globalization of resources, organizations, and workforces, and could be a critical link in understanding the commonalities and the differences we experience as individuals when faced with decisions that violate our ethical standards.

REFERENCES

- Aquino K., & Reed, A. (2002). The self-importance of moral identity. *Journal of Personality and Social Psychology, 83*, 1423-1440.
- Barsky, A. (2007). Understanding the ethical cost of organizational goal-setting: A review and theory development. *Journal of Business Ethics, 81*, 63-81.
- Batson, C. D., Batson, J. G., Griffitt, C. A., Barrientos, S., Brandt, J. R., Sprengelmeyer, P., & Bayly, M. J. (1989). Negative-state relief and the empathy-altruism hypothesis. *Journal of Personality and Social Psychology, 56*, 922-933.
- Brief, A., Dukerich, J., Brown P., & Brett J. (1996). What's Wrong with the Treadway Commission Report? Experimental Analyses of the Effects of Personal Values and Codes of Conduct on Fraudulent Financial Reporting. *Journal of Business Ethics, 15*, 183-198.
- Campbell, J., Trapnell, P., Heine, S., Katz, I., Lavalley, L., and Lehman, D. (1996). Self-concept clarity: Measurement, personality correlates, and cultural boundaries. *Journal of Personality and Social Psychology, 70*, 141-156.
- Connelly, S., Reiter-Palmon, R., Clifton T., & Mumford, M (1991) Exploring the C&I division regional manager position: Summary of subject matter expert meetings (Technical Report CBCS 91-6 for General Electric Corp.). Fairfax, VA, George Mason University, Center for Behavioral and Cognitive Studies.
- Connelly, S., Helton-Fauth, W., Mumford, M. (2004). A managerial in-basket study of the impact of trait emotions on ethical choice. *Journal of Business Ethics, 51*, 245-267.

- DeConnick, J. (2004). The effect of ethical climate and moral intensity on marketing managers' ethical perceptions and behavioral intentions. *Marketing Management Journal*, *14*, 129-137.
- Detert, J., Trevino, L., and Sweitzer, V. (2008). Moral disengagement in ethical decision making: A study of antecedents and outcomes. *Journal of Applied Psychology*, *93*, 374-391.
- Fritzsche, D. (2000). Ethical climates and the ethical dimension of decision making. *Journal of Business Ethics*, *24*, 125-140.
- Goldberg, L. (2001). *International Personality Item Pool: A scientific collaboratory for the development of advanced measures of personality traits and other individual differences*. Retrieved April 11th, 2011, at <http://ipip.ori.org/>
- Gouldner, A. (1957). Cosmopolitans and Locals: Toward an Analysis of Latent Social Roles. *Administrative Science Quarterly*, *2*, 281-306.
- Greene, J. (2009). The cognitive neuroscience of moral judgment. *The Cognitive Neurosciences*, *4*, 1-48.
- Greene, J., Nystrom, L., Engell, A., Darley, J., Cohen, J. (2004) The neural bases of cognitive conflict and control in moral judgment. *Neuron*, *44*, 389-400.
- Guinto, J. (2004). Lie, cheat, and steal your way to the top. *American Way*, 32-35.
- Hofstede, G. (2001). *Culture's Consequences: comparing values, behaviors, institutions, and organizations across nations* (2nd ed.). Thousand Oaks, CA: SAGE Publications.
- Howard, E., Gardner, W., & Thompson, L. (2007). The role of the self-concept and the social context in determining the behavior of power holders: Self-construal in intergroup versus dyadic dispute resolution negotiations. *Journal of Personality and Social Psychology*, *93*, 614-631.
- Johnson, J., & O'Leary-Kelly, A. (2003). The effects of psychological contract breach and organizational cynicism: Not all social exchanges are created equal. *Journal of Organizational Behavior*, *24*, 627-647.
- Jones, T. (1991). Ethical decision making by individuals in organizations: An issue-contingent model. *Academy of Management Review*, *16*, 366-395.
- Kohlberg, L. (1969). *Stages in the Development of Moral Thought and Action*. New York: Holt, Rinehart & Winston.
- Laczniak, G. & Inderreiden, E. (1987). The influence of stated organizational concern upon ethical decision making. *Journal of Business Ethics*, *6*, 297-307.
- Lalwani, A. & Shavitt, S. (2009). The "me" I claim to be: Cultural self-construal elicits self-presentational goal pursuit. *Journal of Personality and Social Psychology*, *97*, 88-102.
- Levenson, H. (1981). Differentiating among internality, powerful others, and chance. In H. M. Lefcourt (Ed.), *Research with the locus of control construct: Vol. 1. Assessment methods* (pp. 15-63). New York: Academic Press.
- Markus, H. & Kitayama, S. (1991). Culture and the self: Implications for cognition, emotion, and motivation. *Psychological Review*, *98*, 224-253.
- Martin, K., and Cullen, J. (2006). Continuities and extensions of ethical climate theory: A meta-analytic review. *Journal of Business Ethics*, *69*, 175-194.
- Merton, R. (1968). *Social Theory and Structure*. Free Press: New York.
- Mischel, W. (1977). The interaction of person and situation. In Magnusson, D.; Endler, N.S. *Personality at the crossroads: Current issues in interactional psychology*. Hillsdale, New Jersey: Lawrence Erlbaum Associates.
- Moore, A., Lee, N., Clark, B., and Conway, A. (2011). In defense of the personal/impersonal distinction in moral psychology: Cross-cultural validation of the dual process model of moral judgment. *Judgment and Decision Making*, *6*, 186-195.
- Mumford, M., Gessner, T., Connelly, M., O'Connor, J., & Clifton, T. (1993) Leadership and destructive acts: Individual and situational influences. *Leadership Quarterly*, *4*, 115-147.
- Mumford, M., Waples, E., Antes, A., and Murphy, S., Connelly, S., Davenport & Brown (2009). Exposure to unethical career events: Effects on decision making, climate, and socialization. *Ethics and Behavior*, *19*, 351-378.
- Rest, J. (1986). *Moral development: Advances in research and theory*, Praeger, New York.

- Schminke, M., Arnaud, A., & Kuenzi, M. (2007). The power of ethical work climates. *Organizational Dynamics*, 36, 171-186.
- Singelis, T. (1994). The measurement of independent and interdependent self-construals. *Personality and Social Psychology Bulletin*, 20, 580-591.
- Stapel, D., & Koomen, W. (2001). I, we, and the effects of others on me: How self-construal level moderates social comparison effects. *Journal of Personality and Social Psychology*, 80, 766-781.
- Tenbrunsel, A., Wade-Benzoni, K., Messick D., & Bazerman, M. (2000). Understanding the influence of environmental standards on judgments and choices. *Academy of Management Journal* 43, 854–866.
- Trafimow, D., Triandis, H., & Goto, S. (1991). Some tests of the distinction between the private self and the collective self. *Journal of Personality and Social Psychology*, 60, 649-655.
- Trevino, L. (1986). Ethical decision making in organizations: A person-situation interactionist model. *Academy of Management Review*, 11, 601-617.
- Triandis, Harry C. (2001). Individualism-Collectivism and Personality. *Journal of Personality*, 69, 907-924.
- Victor, B., & Cullen, J. (1988). The organizational bases of ethical work climates. *Administrative Science Quarterly*, 33, 101-125.
- Warren, D., & Smith-Crowe, K. (2008). Deciding what's right: The role of external sanctions and embarrassment in shaping moral judgments in the workplace. *Research in Organizational Behavior*, 28, 81-105.
- Wrightsmann, L. (1992). *Assumptions about human nature: Implications for researchers and practitioners* (2nd ed.). London: Sage.