BUILDING CHARACTER AND LEADING THROUGH THE "EYES OF OTHERS:"
A QUALITATIVE AND QUANTITATIVE STUDY
OF ETHICAL DECISION-MAKING

By

Tim Nguyen

Submitted in Partial Fulfillment of the Requirements
for the Degree of Doctor of Management
at the Weatherhead School of Management

Advisors:
James Gaskin, Ph.D., Brigham Young University
Peter Whitehouse, MD, Ph.D., Case Western Reserve University
Chris Laszlo, Ph.D., Case Western Reserve University (Qualitative Content Advisor)
Stephan Liozu, Ph.D., Case Western Reserve University (Qualitative Methodology Advisor)
Corinne Coen, Ph.D., Case Western Reserve University

CASE WESTERN RESERVE UNIVERSITY

May 2022

DEDICATION

This EDM research is dedicated to all those who have helped and supported me on this incredible journey. First and foremost, I could not have started let alone finished without the support of my family members. They were my pillars and energy sources throughout the last few years. Second, I truly appreciate my two best friends—Dr. Benton Giap and Dr. Sonu Bedi—for their encouragement. Third, no project would be completed without attention to the bureaucracy, and Dr. Phil Cola, Sue Nartker, and Rochelle Muchnicki performed admirably in this regard, allowing me to focus on my research instead. Finally, my classmates in the EDM program supported me at every turn, and for that I will be forever grateful.

ACKNOWLEDGMENTS

TABLE OF CONTENTS

List of Figures

BUILDING CHARACTER AND LEADING THROUGH THE "EYES OF OTHERS:"
A QUALITATIVE AND QUANTITATIVE STUDY
OF ETHICAL DECISION-MAKING

By

Tim Nguyen

Submitted in Partial Fulfillment of the Requirements for the Integrative Paper
in the Doctor of Management Program
at the Weatherhead School of Management

Advisors:
James Gaskin, Ph.D., Brigham Young University
Peter Whitehouse, MD, Ph.D., Case Western Reserve University

CASE WESTERN RESERVE UNIVERSITY

April 2022

BUILDING CHARACTER AND LEADING THROUGH THE "EYES OF OTHERS:" A QUALITATIVE AND QUANTITATIVE STUDY OF ETHICAL DECISION-MAKING

ABSTRACT

This research explores the factors which influence and enhance ethical decision-making. Themes of managerial education, a liberal arts training, religiosity, personal value-guided behavior, and mindfulness are explored. This integrative paper reports two mixed method studies following an exploratory sequential design. The first qualitative study consisted of 30 qualitative semi-structure interviews of executives both at the C-level as well as at the middle manager level about their experiences in the corporate setting of ethical dilemmas which they faced. The second quantitative study involved a survey of 316 respondents composing of college students, entrepreneurs, and executives. Both studies provided insights about ethical decision-making at the workplace specifically the positive effects of personal value-guided behavior and religiosity. The relationship between mindfulness and ethical decision-making could not be demonstrated. As business ethics involves its own set of morals and values (e.g., profit-maximization vs ethics-maximization) that are becoming central in a workplaces and corporations, ethical business leaders stand to benefit from exploring multiple ways of neutralizing ethical misconduct including relying on personal values and religiosity.

Key words: management education; liberal arts; leadership; ethics; organizational behavior; sense-making; empathy; ethical decision making; mindfulness; religiosity; personal values

INTRODUCTION

All one has to do is to leaf through the *Wall Street Journal* or *Financial Times* to see that corporate misconduct continues to abound—from Theranos to Facebook. Through the eyes of the public, business schools fail to teach responsibility and instill an ethos of "care" to rising business leaders (Bisoux, 2021). The prioritization of "maximizing profit" and "maximizing shareholder value" at the expense of stakeholder interests continues to ring throughout the halls of business schools. Scholars like, Michael Pirson of Fordham University, Chris Laszlo of The Weatherhead School of Management at Case Western Reserve University, and Mihir Desai of Harvard Business School, just to name a few, have observed that an academic and pedagogical correction to the business school curriculum has never been more pressing.

In a dialogue on transformative learning, American sociologist Jack Mezirow clairvoyantly observed a need to transform education and propagated "This rational process of learning withing awareness is a metacognitive application of critical thinking that transforms an acquired frame of reference—a mindset or worldview of orienting assumptions and expectations involving values, beliefs, and concepts—by assessing it epistemic assumptions (Cranton et al., 2006). In 1959, the report on management education authored by Robert Aaron Gordon and James Edwin Howell noted that "education for business must be a dynamic thing, sensitive both the changing character of business itself and to the advanced in the fields of knowledge on which an understanding of business should be based. The need for experimentation and for keeping up with and applying new knowledge never ends (Gordon & Howell, 1959).

The point of view that the contribution of the humanities centers around moral improvement mirrors a consensus that is found in nearly all recent reports on the future of management education. There are two key factors shaping this view. First, business ethics are the interface between the Humanities and management education. Second, the translating of the humanities' contribution into accessible terms for management consumption remains an undeveloped effort by those in the academy. Hence, this study attempts to meet the challenge and translate the contributions which the Humanities can offer to management education and business schools *writ large*.

Humanistic management is old as time but relatively new to the field of management. For this third integrative paper, we would like to highlight the advantages of a Humanistic management approach which is advocated by Pirson (2017), Laszlo (2021), and Desai (2020). Einstein famously indicated: "We can't solve problems by using the same kind of thinking we used when we created them" (Pirson, 2017). Yet, mainstream management executives, as well as business school educators, appear to lack imagination—of engaging in an alternative way of embracing business principles.

The Humanistic Management Network is composed of scholars from around the globe who advocate for the reconceptualization of this much-needed alternative paradigm for business (https://humanisticmanagement.network/). The network aims to replace the existing paradigm with a humanistic one—where love, dignity, and the promotion of well-being over wealth is desired.

Therefore, the goal of our research is to identify potential connections and effects regarding how a humanistic values influence ethical decision-making. To gain sufficient understanding of this relationship, a mixed method design is carried out. Summary statistics

from the quantitative data and details from the coded qualitative transcripts will result in a unified articulation of the research problem. At the highest level, our research attempts to answer the question whether humanistic values should be emphasized in management schools and corporate settings to serve as a corrective measure against unethical decision-making. With this as a context, three questions follow suit which propel our studies. They are:

> **Study 1: RQ (Qualitative):** *What are the factors of a liberal arts education that influence business ethical decision-making?*
>
> **Study 2: RQ (Quantitative):** *Do humanistic values such as, personal values, religiosity, mindfulness, influence ethical decision-making, and what role does empathy have in this relationship?*
>
> **Study 3: RQ (Mixed Methods):** *How do humanistic principles influence management leadership?*

WHY A MIXED METHODS APPROACH?

We follow a sequential mixed methods approach with two studies because the literature review references the inherent complexity in decision-making, especially situated in an ethical context. Our mixed methods study combines the findings of the qualitative study with the potential outcome of the quantitative study. It will generate conclusions about potentiality of developing and honing a more humanistic form of management. Because this study examines the same topic as our two previous studies—one qualitative and one quantitative *("From Plato to Peter Drucker: Liberalizing Management Education" and "The Making of the 'Moral' Manager: A Mediated Analysis" respectively)* in order to obtain complementary data, a convergent design is proposed (Morse, 1991). This design utilizes concurrent data collection and face-to-face electronic interviews (via zoom) as the data collection method.

There are immense benefits to a mixed-methods study. For one thing, it helps with the topic of validity—to corroborate the quantitative findings with the qualitative findings (Tashakkori, et al., 2021). For another, it provides a more comprehensive account that a qualitative or quantitative study alone cannot (Creswell, et al., 2017). Still, it helps offset and/accentuate of both the qualitative and the quantitative approaches (Creswell, et al., 2017).

For example, relating to the qualitative tradition, it provides access to the subjective domain as it relies on a participant observation approach. Inductively, reasoning from detailed facts to general principles is a critical feature of this approach (Lyytinen, 2021). The quantitative tradition, on the other hand, aims to classify and to count features in an efficient manner, allowing us to scale up and have an aerial view of the phenomenon. Additionally, it adopts a deductive perspective, allowing reasoning from the general to the particular (reinforcing the cause to effect) (Lyytinen, 2021).

Therefore, in Study 1, which is qualitative in nature, we endeavored to answer our research question: *What are the factors of a liberal arts education that influence business ethical decision-making?* Organizationally, we performed semi-structured interviews to develop grounded theory (Corbin & Strauss, 2008). We were interested to learn about how a liberal arts education help shape ethical decision-making in managers.

We adopted grounded theory with the hopes of being explorative, iterative, and embracing the cumulative way of building theory (Glaser & Strauss, 1977). We know from previous studies that no one phenomenon is best explained by a single discipline or factor. Multiple factors comprise the liberal arts of which one is the Humanities—the study of human record, achievements, and personhood.

After our Study 1, we carried out our Study 2, which is quantitative in nature, builds off the results of Study 1 and attempts to quantify the impact of humanistic values in the ethical decision-making process. The research question for Study 2 is: *Do humanistic values such as, personal values, religiosity, mindfulness, influence ethical decision-making, and what role does empathy have in this relationship?*

To integrate the results gained from Study 1 and 2, we desire to overcome the framing of pure qualitative or quantitative studies and adopt a mixed methods approach. Following the lead of other mixed methods research (Creswell, et al., 2017; Muller et al. 2017), we adopt a sequential, two-strand, equally weighted research design (see Figure 1). From there, we triangulated the results from Study 1 and Study 2 to ascertain convergent, divergent, and complementary insights to understand how certain humanistic principles could influence ethical decision-making.

THEORETICAL FRAMING & LITERATURE REVIEW

Management Development Theory

Management education and business ethical decision-making have received critical scrutiny from practitioners and management scholars (Astin 1999; Seifert et al., 2007; Steyaert et al., 2017; Morrissey, 2013; Wankel et al., 2011; Wren et al., 2009). The Association to Advance Collegiate Schools in Business (AACSB) established a task force to investigate on the status of ethics education in business schools (Waples et al., 2009). The published report was resolute in its recommendation for it strongly encouraged business schools to ramp up their ethics education to better prepare students for the wide range of ethical dilemmas found in day-to-day business decision making (Waples et al., 2009).

Unfortunately, the forward movement in business ethics education has several obstacles to clear before the subject would be fully integrated into the business curriculum. One obstacle relates to the ongoing mounting pressure facing business school administration and leadership (Painter-Moreland, 2016) regarding dedicating more resources to ethical education which is often competing against areas of topic interest like finance, data science, and other quantitative disciplines which earn higher salaries (Center on Education and the Workforce, 2022). Another relates to lacking knowledge about whether and to what extent ethical issues are being integrated into traditional business disciplines like marketing, finance, and accounting (Christensen, et al., 2007). An additional study lays blame on business schools for cultivating unethical behaviors in their students who then enact this unethical behavior in the business world (Dean et al., 2006). The final obstacle relates to the limited desire to engage in interdisciplinary examinations and exploration of religiosity, mindfulness, and personal values on ethical decision-making in business settings (Nonet et al., 2016; Gardiner, 2012). A result of the failure to integrate these ethical competencies in business schools is "unchecked self-interested mentalities" (Huhn et al., 2014; Miller 1999).

A brief literature review is provided below for other constructs in our study to help us reconceptualize management leadership.

Value-Guided Behavior

Broadly, values signify what is good and worthy (Williams, 1970). Values describe both individuals and social collectives. Examples of social collectives include nations, business organizations, and groups. Values of social collectives could be conceptualized as cultural values (Sagiv, et al., 2017). Members of the social collective then aspire to pursue

them. Values could be utilized to justify actions taken by collective members and leaders in pursuit of these goals (Schwartz, 1999).

Values of individuals, on the other hand, (often described as personal values) are also admittedly broad in nature. Personal values are defined as trans-situational, desirable goals that serve as guiding principles in people's lives (Sagiv et al., 2017). They are aspirational goals that motivate peoples' action and serve as guiding principles in their lives (Kluckhohn, 1951). They shape people's preferences and behavior over time and across situations.

Given the under-explored area of personal value-guided behavior in ethical decision-making especially in the workplace, our study attempts to "fill in the gap" and provide a fuller understanding of the potential role of value formation (Sagiv, et al., 2017). We naturally would like to know how significant personal values play in ethical decision-making.

Religiosity

Religion, on the other hand, is also considered for it influences people's goals, decisions, motivations, purpose, and satisfaction (Zimbardo et al., 1979). Religiosity extols acts of unconditional love (displaying and embodying acts of love to other humans and the environment). Religion cultivates prosocial behavior consisting of sympathy and compassion. Thus, recognizing that different religious beliefs emphasize different aspects of a moral life. Other scholars (Kum-Lung et al. 2010) note that one who is religious is less inclined to behave in an unethical way since punishment is not only perceived as temporal, but also eternal.

Furthermore, it has long been argued that religious values shape decision-making. Vitell et al (2003) for example note that faith, rather than reasoning or knowledge, is the

keystone to a moral life. Religion develops an individual's internal and cognitive world. Religion is a strong determinant of values. Given religiosity refers to the proclivity to be religious, current studies emphasize religiosity's positive influence on ethical decision making.

However, a theme that is underdeveloped in this area is a lack of understanding regarding how religiosity could potentially be intertwined with empathy which shapes ethical decision-making. As such, our study attempts to explore this relationship.

Mindfulness

Mindfulness is a concept that involves awareness and observation of the present moment. One's ability to be mindful could influence decision-making as others have discovered (Glomb et al., 2011; Karelaia et al., 2015). The more mindful I am, the more self-discipline I have. Through self-discipline, I can self-regulate and respond in a measured way to undesirable responses and situations like the workplace (Long et al., 2015; Nguyen 2019). Other scholars support the importance and role of quality of attention (Bishop et al., 2004; Hayes et al., 2004; Laszlo et al., 2021) and its prosocial behaviors in workplace settings.

Overall, the field of mindfulness meditation and practice is a budding area of interest in business studies (Laszlo et al., 2021). As such our study attempts to weigh in and provide additional insights to this area. We want to know, if it is truly the case that mindfulness improves ethical decision-making (Ruedy et al., 2010; Shapiro et al., 2012) and desire to learn of any possible connection to empathy.

Empathy

Empathy is a multidimensional concept. It encapsulates how human beings understand the lived experiences of others. It helps individuals relate to one another.

Empathy has been closely studied by many and from across disciplines. Relating to organizational and management studies, empathy has been examined in relation to a range of organizational and managerial phenomena, including managerial and corporate citizenry (Settoon & Mossholder, 2002), leadership emergence (Wolff, Pescosolido, & Druskat, 2002), and interpersonal justice (Patient & Skarlicki, 2010).

Empathy has both a cognitive and affective dimension. It solicits "perspective taking" and allows individuals to display "concern." Through perspective-taking, individuals develop tendencies to spontaneously adopt the psychological point of view of others (Davis 1983). Empathetic concern, on the other hand, documents the feelings of concern or sympathy that a person has toward another. The empathetic concern is more intellectual than the former which is more emotional (Halpern 2003).

The concern for others propels a prosocial behavioral response (Bazerman et al., 2009; Batson et al., 2003; Cohen, 2010). Hoffman (2003) observed that empathy provides the internal motivation for acting in accord with a principle. In a game-theoretic study, higher levels of empathetic concern tend to disapprove of unethical negotiations and behavior more likely Hoffman (2003).

As Baker (2017) notes in her study, empathy could be nurtured and taught, and there are a variety of ways of doing this. This is an important observation because empathy stabilizes in early adulthood (Eisenberg et al., 2005). However, it should be noted that not all scholars subscribe to the effectiveness of empathy as a potential predictor of ethical decision-making. Scholars Decety et al. (2014) questions the robustness of empathy and its influence on ethical decision-making. For her, this concept is imperfect and is in need of further investigation. Drawing from her research at the University of Chicago, she challenges

empathy as a reliable source of information in moral decision-making (Decety 2021). For her, empathy is "unconsciously and rapidly modulated by various social signals and situational factor." At times, empathy could even erode ethical values" (Decety 2021). This observation is interesting and piques our interest; hence, we would like to explore this claim.

Ethical Decision-Making

Ethical decision-making encompasses a broad range of perspectives, and normative ethics provides a way of thinking about how people *ought* to act and which decisions are more optimal than others (Hoover and Pepper, 2015). In a review of ethical decision-making theory, Schwartz (2016) offered an integrated decision-making model that recognizes a comprehensive understanding of ethical choice. First, ethical decision-making is a process of moral reasoning which is a rationalist perspective. The second one is intuitive or based on emotion (i.e., a non-rationalist perspective). Schwartz (2016) argued that the moral capacity of individuals, in addition to the context at hand, shapes the moral reasoning process.

The study of ethical decision-making is evolving and steeped with conflicting study results (Pan et al., 2012). As such, we would like to investigate this construct and fill in the gap where we can. We have adopted the Reidenbach and Robbin (1998, 1990) multidimensional ethics scale to determine the effectiveness and reliability of the scale given its popularity.

RESEARCH DESIGNS FOR THE 2 STUDIES & FINDINGS

As shown in Figure 1 below, the data collection phase included quantitative and qualitative interviews. Each data set will be analyzed separately. Then, the data sets will be integrated into a unified theme. Finally, the data will be interpreted through a discussion of the ways humanistic principles inform ethical decision-making.

FIGURE 1
Research Methodology Qualitative-Quantitative Integration

	Phase 1: **QUALITATIVE**	**Phase 2:** **OUANTITATIVE**	**Phase 3:** **METAL INFERENCE**
Research Question	*What are the factors of a liberal arts education that influence business ethical decision-making?*	*Do humanistic values such as, personal values, religiosity, mindfulness, influence ethical decision-making, and what role does empathy have in this relationship?*	*How do humanistic principles influence management leadership?*
Method	**Semi-Structured Interviews**	**Survey Questions** (64 questions)	
Unit of Analysis	**Simple Random**	**Individuals (College Students, Entrepreneurs, and Executives)**	
Sample	**Simple Random (N = 30 participants)**	**Simple Random (N = 316 respondents)**	
Analysis	**Open coding, Axial coding, Selective Coding, and Grounded Theory Construction**	**Causal Effect Analysis**	
Results	• An interplay exists between awareness and rational justification of the ethical violations. • Those who experience unethical acts engaged in calculated strategic moves at the expense of human affairs. • Ethical violations negatively affect one's personhood. • Visualizing (proxy for mindfulness) the ethical situation and naming culprits proved challenging for those who were affected by the unethical act. • Temporality and recency of the unethical act matters. • Apologies for ethical actions had to be authentic. • Religion and spirituality regulated unethical actions. • Personal values help navigate unethical act.	**Hypothesis** • *H1:* Value-guided behavior positively associated with ethical decision-making. • *H2*: Religiosity is positively associated with ethical decision-making. • *H3*: Mindfulness is positively associated with ethical decision-making. • *H4a:* Value-guided behavior positively associates with ethical decision-making through empathy. • *H4b:* Religiosity positively associates with ethical decision-making through empathy. • *H4c*: Mindfulness positively associates with ethical decision-making through empathy.	**Integration of QUAL and QUAN Influences**

Phase 1: About Our Qualitative Study

The title of the qualitative paper is *From Plato to Peter Drucker: Liberalizing Management Education.* The qualitative strand of the study (Phase 1) was conducted to determine what factors influence ethical decision-making. We performed semi-structured interviews to develop grounded theory (Corbin & Strauss, 2008). We were interested to learn about how a liberal arts education help shape ethical decision-making in managers.

Grounded theory is an explorative, iterative, and cumulative way of building theory (Glaser & Strauss, 1977). The main features of this approach involve theoretical sampling

and the constant comparison of data. Frequent comparison is a rigorous method of analysis that involves constant interactions with the data (Maxwell, 2005: 42) to compare emerging with already emergent ideas and themes. Simultaneous collection and processing of data (Lincoln et al., 1985: 335) leads to the generation of theory firmly grounded in it.
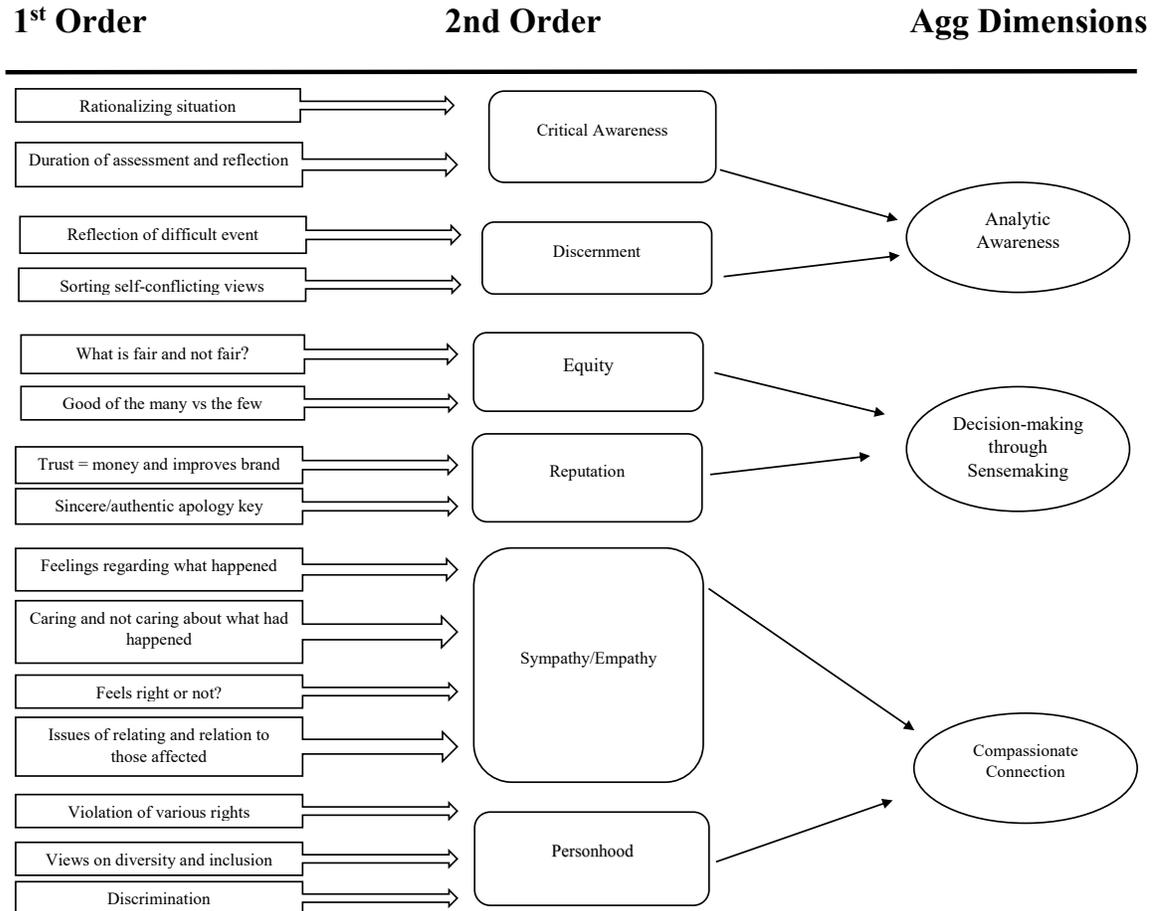
Theoretical sampling refers to ongoing decisions about who to interview next and how. As the constant comparison of data yields insights about the phenomena of interest, the sample and the interview protocol were refined allowing for sub-themes to surface.

A qualitative approach using grounded theory was deemed appropriate for the proposed research as prior empirical studies on ethical decision-making from a situated organizational perspective are rare. Therefore, in this study, we wanted to find out differences and impact of liberal arts education. We gathered 50 percent (n=15) of the interviewed business professionals earned a non-liberal arts undergrad education (ranging from engineering to business studies) while the remaining earned a typical liberal arts undergraduate education (ranging from theater to economics). Based on the interviews procured, the lived experiences of various business professionals (n=30) are rich with business ethical encounters during their professional life. Background questions as well as a variety of business ethic vignettes involving American Apparel, Mozilla, and Snapchat were posed to the participants.

Participants were selected based on the primary researcher's professional and casual network. To date, our sample consists of business individuals, composing of analysts, associates, middle-managers, and C-level individuals from a variety of sectors with 21 being males and the remaining 9 being females. The ages in the sample ranged from 26 years old to 57 years old. They come from a variety of industries and profession.

Figure 2 below provides the theoretical construct which informed our aggregate

dimensions.

FIGURE 2
Factors Influencing Ethical Decision-Making

1ˢᵗ **Order**   2nd **Order**   **Agg Dimensions**

1st Order	2nd Order	Agg Dimensions
Rationalizing situation	Critical Awareness	Analytic Awareness
Duration of assessment and reflection		
Reflection of difficult event	Discernment	
Sorting self-conflicting views		
What is fair and not fair?	Equity	Decision-making through Sensemaking
Good of the many vs the few		
Trust = money and improves brand	Reputation	
Sincere/authentic apology key		
Feelings regarding what happened	Sympathy/Empathy	Compassionate Connection
Caring and not caring about what had happened		
Feels right or not?		
Issues of relating and relation to those affected		
Violation of various rights	Personhood	
Views on diversity and inclusion		
Discrimination		

The results from our qualitative study are displayed in Table 1 below.

TABLE 1
Summary of Qualitative Findings

#	Findings
1	(Interviewee 2, 4, 19)
2	We found that those who experienced unethical acts frequently engaged in calculated strategic moves at the expense of human affairs (e.g., what is right and what is wrong).
3	We found that ethical violations negatively affect one's personhood (Interviewee 1, 11, 18).
4	Visualizing (proxy for mindfulness) the ethical situation and naming culprits proved challenging for those who were affected by the unethical act.
5	We found that temporality and recency of the unethical event matters (Interviewee 4, 16, 17).
6	We found that participants expressed views that apologies for ethical violations had to be authentic or there will be a crisis of confidence (Interviewee 4, 9, 17).
7	We found that religion and spirituality informed responses to the unethical act and violation (Interviewee 3, 18, 30).
8	Related, personal values guided behavior informed responses to ethical violation. (Interviewee 6, 15, 22).

From the respondents' personal experience from the interview, additional findings showed that those who earned an undergraduate degree away from the Humanities discipline were less sensitive to the unethical act which they encountered than those who did earn a Humanities degree. Additionally, those who had a Humanities training relied on personal values, religiosity, mindfulness to navigate personal ethical conflicts as well as the situational vignette provided in the interview.
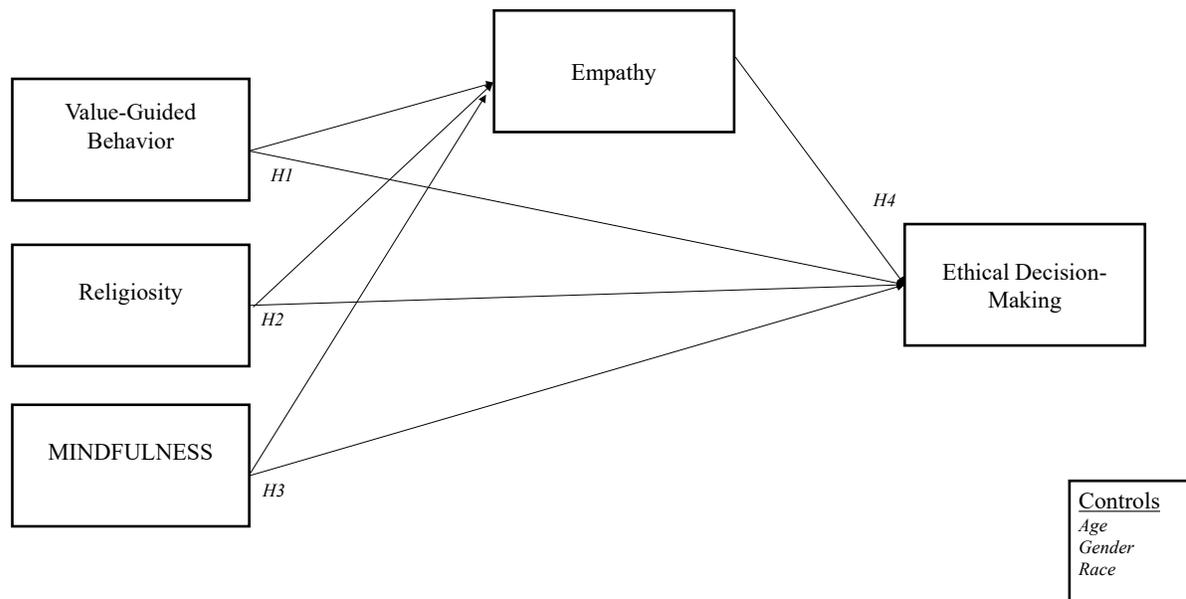
Phase 2: About Our Quantitative Study

Based on the findings from our qualitative study, we carried out a quantitative study entitled *The Making of the "Moral" Manager: A Mediating Analysis.* In this study, we tested some of emergent themes and desired to learn about their potential impacts on ethical

decision-making. These themes are value-guided behavior, religiosity, and mindfulness. We also wanted to assess the potential impact of empathy on ethical decision-making. We controlled for age, race, and gender as prior works have tested these co/variates extensively.

Through our survey instrument, we assembled a dataset where 316 respondents provided feedback and evaluations regarding an ethical vignette along with other important demographic and moral positionalities. The mean age of our respondent is 24 years old with a standard deviation of 7.70. Age ranges from 18 years old to 59 years old. Races in our study included African Americans (6.0%), Latinx (3.8%), Whites (60.9%), Asians (25%), and Mixed race (4.1%). Of the 316 respondents, approximately 21% (N=65) earned a Humanities undergraduate education with the remaining earning a STEM or business undergraduate concentration (N=251). Approximately 58% of our respondents were male, and the remaining were female. Our structural equation model is displayed in Figure 3 below.

FIGURE 3
Our Structural Equation Model

Value-Guided Behavior

Empathy

H1

Religiosity

H2

MINDFULNESS

H3

H4

Ethical Decision-Making

Controls
Age
Gender
Race

From the Table 2 below, we display a summary of our direct and indirect mediation effect hypotheses.

TABLE 2
Direct & Indirect Mediation Effect Hypothesis

Variable	Direct Effect	Indirect Effect (Empathy)	Total Effect	Mediation Observed
Value-Guided Behavior *(H4a)*	0.201*	0.560* [0.004, 0.117]	0.256	**Partial**
Religiosity *(H4b)*	0.193*	0.021* [0.001, 0.049]	0.215	**Partial**
Mindfulness *(H4c)*	-0.027	-0.005 [-0.019, 0.002]	-0.581	Unsupported

Brackets show 95% confidence intervals
*$p<.05$, **$p<.01$, ***$p<.001$

Table 2 above illuminates our results of our full mediation model. Here, we ran both direct and mediated effect models. We created stepwise fashion models with IVs, then Controls, then incorporated our mediator to determine fit and R-square.

The results from our analysis showed **all direct *(H1 & H2)* and indirect *(H4a & H4b)* hypotheses were supported** with directionality and significance following guidance (Hayes, A.F., & Preacher, K., 2013). Our **direct *(H3)* and indirect *(H4c)* hypotheses, however, were not supported. Confidence** intervals were assessed, and where the values of the intervals do not span zero, this signifies that there is some effect.

While we report the results, Hayes argues that the measurement of degrees of mediation is not useful as the distinction between full and partial are misleading (2015, p. 119-121). In our model, there was support for mediation effects for Value-Guided Behavior and Religiosity *(H4a & H4b)* but not for *H4c* (Mindfulness).

From the Table 3 below, we display a summary of our hypotheses.

TABLE 3
Hypotheses Summary Table

Hypothesis	Beta	P-Value	Confidence Intervals	Result
H1 (Direct): Value-guided behavior is positively associated with ethical decision-making.	0.201	0.004*	[0.079, 0.322]	**Supported**
H2: (Direct): Religiosity is positively associated with ethical decision-making.	0.193	0.004*	[0.077, 0.289]	**Supported**
H3: (Direct): Mindfulness is positively associated with ethical decision-making.	-0.027	0.341	[-0.096, 0.051]	Unsupported
H4a (Mediated): Value-guided behavior positively associates with ethical decision-making through empathy.	0.054	0.000*	[0.004. 0.117]	**Partial Mediation**
H4b (Mediated): Religiosity positively associates with ethical decision-making through empathy.	0.023	0.003	[0.001, 0.049]	**Partial Mediation**
H4c (Mediated): Mindfulness positively associates with ethical decision-making through empathy.	-0.005	0.395	[-0.019, 0.002]**	Unsupported

P-value Significance Levels: $p < 0.05$, $p < 0.01$, $p < 0.001$
**CI values cross zero*
*Preacher, K. J., Rucker, D. D., & Hayes, A. F. (2007)*

From the above table, we observed the positive relationship between Value-Guided Behavior and Ethical Decision-Making so our ***H1* is supported.** Regarding Religiosity *(H2)*, we also found this relationship on Ethical Decision-Making to **be supported**. Mindfulness on Ethical Decision-Making was not supported ($B = 0.193$ with a *p-value* of $B = -0.027$ with a *p-value* of 0.341 respectively) so *H3* was rejected. In terms of our mediation hypotheses, ***H4a* (*p-value* of 0.000)** and ***H4b* (*p-value* of 0.003)** were **supported** but *H4c* was not as it displayed *p-values* of greater than 0.05.

INTEGRATED THEMES

Drawing on qualitative strand and the quantitative strand we were able to incorporate our findings in the integrative phase (an integrative study). Our research demonstrates the tension between various bodies of theory: management development theory, religious and philosophical ethical theory, and value theory. Furthermore, it calls into question the

potential effectiveness of factors which have longed been ideal mitigants to unethical acts

and misbehaviors at the workplace. See Figure 4 below for the theoretical framing of ethical

decision-making.

FIGURE 4
Theoretical Framing of the Subject Area
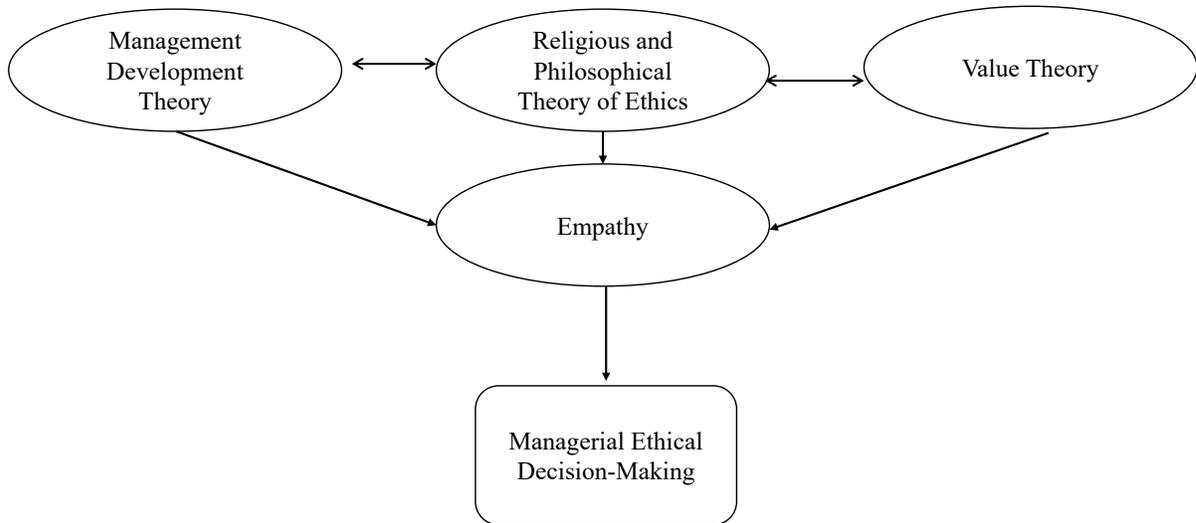
CONTRIBUTION TO THEORY

In thinking about integrated themes, we divided our studies' contributions in two

parts—one that relates to theory and the other that relates to practice. Our findings confirm

and in some cases challenge existing bodies of research relating to the specified constructs:

Management Development & Education theory, Value-Guided Behavior, Religiosity,

Mindfulness, Empathy, and Ethical Decision-Making.

Management Development & Education Theory

The findings from our quantitative study supports the idea that management

education and development theory require a revisioning, restructuring, and refitting. For one

thing, our studies challenge the dominant paradigm of "profit-maximization" (Feddersen,

2020; Laszlo et al. 2020; Pirson, 2017) and the pure optimizing principles that are being taught in these settings. To be clear, optimizing skills are important but so are humanistic ones.

For another, our findings support a current academic movement's effort to transform management and business education (Laszlo, 2021; Pirson, 2017) where these scholars calling for the embedding of humanistic principles (such as compassion, benevolence, kindness, inclusivity, belongingness etc.) in management curriculum. Simultaneously, the findings from our study attempt to debunk the fundamental yet outdated assumptions of human nature that guide 20th century management theory and practice as encapsulated in the economistic paradigm.

Value-Guided Behavior

As referenced earlier, values of individuals, on the other hand, are admittedly broad in nature. They are trans-situational, desirable goals that serve as guiding principles in people's lives. They serve as aspirational goals that motivate peoples' action and serve as guiding principles in their lives. They shape people's preferences and behavior over time and across situations.

Given the under-explored area of personal value-guided behavior in ethical decision-making especially in the workplace, our study attempts to fill this research gap. It provides a fuller account of the potential benefits of value-based leadership in company settings (Sagiv, et al., 2017). From our study, we found that personal values do influence ethical decision-making and therefore should be prioritized in lieu of traditional ethical frameworks (i.e, consequentialist, deontological, etc.) (Archibold 2022; Whitehouse 2022).

Religiosity

Relating to this body of theory, our study is additive because the theme of religion in the workplace has been unpopular and separated reinforcing the artificial construct of "church and state" (McCormick, 2006; Wald 2009). Our study goes against the current academic grain and encourages a bridging instead (Kum-Lung et al., 2010). Our study also reconfirms the significant role of religiosity and how it is inherently intertwined with empathy, which positively shapes ethical decision-making. In this regard, our study corroborates existing studies about religion and the workplace—not to mention religion's influence on empathy (Vittell et al., 2003).

Mindfulness

Admittedly, the field of mindfulness meditation and practice is a budding area of interest in business studies (Laszlo et al., 2021; Gardiner 2012) so additive information is precious. From our study, we found that mindfulness was unfortunately not helpful in shaping ethical decision-making. Being "enlightened" about a particular unethical act or being in the "moment" does not necessarily translate to better ethical decision-making. In this manner, mindfulness does not corroborate existing research (Glomb et al., 2011; Laszlo et al., 2021).

Empathy

From our study, we found that indirect effects existed between empathy and ethical decision-making for some constructs (like value-guided behavior and religiosity) which confirm existing findings in this area (Baker et al, 2017; Batson et al., 2003; Bazerman et al., 2009; Cohen, 2010). Simultaneously, it also challenges the growing work by certain scholars that believe empathy is not an ideal construct and could erode ethical values over time

(Decety 2021). Decety (2021) shows in her work that empathy is unconsciously and modulated by a myriad of social signals and situational factors—making it an unreliable construct. Slovic et al. (2007) observed that empathy is "gives higher priority to friends over strangers." Empathy is parochial, favoring in-group over out-group members—thus binding individuals to inherent biases as much as it blinds them to others (Bruneau et al., 2017).

Ethical Decision-Making

The study of ethical decision-making is evolving, and conflicting study results exists (Dane et al., 2015; Pan et al., 2012). For Dane et al., they show the contradictory results on "experience" relating to ethical decision-making in the workplace (2015), and Pan et al. (2012) note that ethical competencies and capacities are in need of clarity given the vast obfuscation in the field. Surprisingly, research has yielded minimal consensus about the relationship between experiences and the workplace (Lee et al., 2000; O'Fallon et al., 2005). And while some studies have concluded that this relationship is positive (Cole et al., 2001), others found it to be either non-significant or negative (Elm et al., 1993).

In an effort to participate in this discussion and to shed some light on the matter, our findings corroborate current research (Cohen et al., 1993; Detert et al., 2008; Jones et al., 1991; May et al., 2014; Schwartz et al., 2016) supporting the idea that ethical decision-making is a robust construct which is not only measurable but operationalizable.

CONTRIBUTION TO PRACTICE

Our studies not only contribute to theory but also to practice. From a practice perspective, our research may prove helpful to business leaders as they attempt to "lead" and "manage" in a challenging, complex, and competitive environment. Our research provides insights regarding what factors influence ethical decision-making and what factors do not.

First, our research findings are useful to chief talent, chief learning officers, chief ethics officer, chief compliance officers, and other executives who are interested in incorporating religiosity, values, and empathy in the workplace. One example could be reviewing the company's value statement and reinforcing the principles which the company believes in. If there is no value statement, then one should be created to signal to consumers, shareholders, and stakeholders of what the company cares about. Another example could be to include a religious statement if the company is indeed has a religious orientation like Chik-Fil-A or the J.M. Smucker Company.

Second, our research contributes to the body of knowledge relating whether ethics is "teachable" or "learnable" at the workplace. A specific example here involves not only offering courses on ethics but creating simulations and situational exercises where individuals role-play and provide suggestion solutions. Empathetic lessons could be integrated into the situational exercise to enhance the learning process.

Third, our findings entices us to perhaps explore the variable of empathy to be more as a moderator versus a standalone mediator. In this manner, we could complete our assessment regarding empathy's powerful effects.

Fourth, our findings suggest that personal values do inform ethical decision-making. Firms may emphasize personal value development and formation training and learning modules instead. That is to say, once you know what you believe is right, how can you get it done effectively? This observation may indeed be the new learning paradigm and frontier to ethical decision-making.

Fifth, our findings suggest that religiosity does inform ethical decision-making. That is, religion informs ethical decision making directly and indirectly. This is an interesting

finding as it spotlights the topic of should religion be integrated and leveraged at the workplace. It also spotlights the idea that religion should be included in management theory.

Sixth, our research findings reveal that meditative practices and meditational techniques are not helpful in workplace settings. This is an interesting implication given that Google and General Mills are dedicating abundant resources to this area to improve employee performance and satisfaction (Gelles, 2021)

LIMITATIONS OF RESEARCH

Through our studies, we aim to explore potential corrective factors informing ethical decision-making at the workplace. That having said, it is important to realize that our study has some limitations (mostly on the quantitative side) and require some acknowledgement.

First, we were faced with an abbreviated timeline for our research study. We had only 2 months to collect data sample as our IRB approval was received during the Christmas holiday of 2021. Our data collection is also compounded by the fact that we had a hard deadline of writing up our outcomes by no later than April 1st, 2022. Ideally, we would like to have more time to gather more data for representativeness and application to the population .

Second, our sample size (at N=316) is relatively small. We would like to have this number increase to ensure no sample bias and to improve our convergent reliability relating to Empathy.

Third and relating still to our sample population, we suspect our sample population is inadequate given that we wanted to do a comparative analysis between various populations. From our research, we gathered 65 respondents who hold a Humanities undergraduate degree vs those who did not (N=251). We wanted a more balanced population so that we could carry

out comparative assessment. Please note that we intend to continue to collect data after this research study to enlarge our data set would make our research more robust so that we could have more clarity on our research findings.

Fourth, there are other variables which may inform our analysis. Take for example spirituality. We wonder if spirituality should be considered in our conceptual model as spirituality is separate and distinct from religiosity or mindfulness or value guided behavior.

Fifth, our survey questions on the religiosity construct were mostly based on western traditions. We suspect the types of questions posed may not be applicable to our culturally mixed population. We desire to include specific questions about eastern religiosity to truly make our research more robust.

FUTURE RESEARCH

Both of our studies explore potential mitigants of unethical behavior. However, more can be done.

First, one future direction which we may consider consists of a refocusing on value-based leadership instead which is different from ethical based leadership model. It would be interesting to understand how value-guided behavior could be developed and leveraged in the workplace given our finding. Naturally, we now want to know what are key drivers or factors that influence personal values and how are they manifested at the workplace.

Second, a future study could investigate the role of undergraduate education on ethical decision-making. The types of college education and academic concentration and their potential impacts on ethical decision-making may prove valuable as the field of business ethics deepens. Do certain academic concentration have more a neutralizing effect

on unethical behavior? This stand of thinking helps us understand if ethics is "teachable" and "learnable" which is a highly contested topic in its own right.

Third, we can imagine a future study exploring the potential effects of cultural and geographical differences and their impacts on shaping ethics and ethical decision-making. Framed differently, are certain cultures more ethical than others? Are some culture and geographies more consequentialists than other? Confucianism serves as a good example.

Fourth, we can imagine a future study integrating an experimental component. We could also imagine integrating secondary data in a future study to compare our survey findings.

Fifth and final, the findings from our current study could be further enriched by a follow-up longitudinal study design. We can imagine launching a longitudinal study. We can imagine following up with those who responded to the survey at a particular point in time and then inquire about follow-on ethical dilemmas.

Sixth, given the COVID19 global pandemic that we now live in, one implication of our research relates to the ad-hoc and controversial topic of unethical business behavior during a global pandemic. The COVID19 global pandemic has affected globally both individuals and institutions. Stories and journalistic findings point to an increase in business scams in a COVID environment. At the minimum, our study points to how empathy could or could not serve as a potential mitigant to unethical acts at the workplace even in a global pandemic. In a future study, we may investigate the firm behavior during a global pandemic.

CONCLUSIONS

At the minimum, our study is additive to the field of business ethics. For our findings to be robust, we had to adopt a mixed methods approach as to provide a more complete

approach to studying a phenomenon (Creswell et al., 2017; Muller et al., 2017; Tashakkori, et al., 2021).

Through a mixed methods approach, our study provides insights about the making of a moral manager, confirming and disconfirming where appropriate the role of empathy in decision-making in the workplace and beyond. Our research also reveals that while mindfulness and empathy do not necessarily serve as robust predictors of ethical decision-making, value-guided behavior and religiosity do. This is a game changer. Lastly, with empathy, our findings complicate its role and connection with ethical decision-making as its effectiveness has limitations.

REFERENCES

Archibold, E. 2022. *Social ethics.* Cleveland, OH: Case Western Reserve University.

Arce, D., & Gentile, M. 2017. Giving voice to values: A pedagogy for behavioral ethics. *Journal of Management Education*, 41(4): 469-479.

Baker, D. Teaching empathy & ethical decision-making in business schools. 2017. *Journal of Management Education*, 41(4): 575-598.

Bishop, S. Shapiro, M., Carlson, L., Anderson. N., & Carmody, J. 2004. Mindfulness: A proposed operational definition. *Clinical Psychology: Science and Practice,* 11(3): 230-241.

Bisoux, T. 2021. The 'continuous work" of teaching business ethics. AACSB Insights. Accessed internet: https://www.aacsb.edu/insights/articles/2021/02/the-continuous-work-of-teaching-business-ethics

Bollen, K. A. 1987. Outliers & improper solutions: A confirmatory factor analysis example. *Sociological Methods & Research*, 15: 375-384.

Bollen, K. A. 1989. A new incremental fit index for general structural equation models. *Sociological Methods & Research*, 17(3): 303–316.

Borgowski, S., Ugras, Y. 1998. Business students and ethics: A meta-analysis. *Journal of Business Ethics*, 17: 1117-1127.

Bowers, W. 1967. *Students dishonesty and its control in college*. Doctoral dissertation, Columbia University. Retrieved from https://www.proquest.com/docview/302212913.

Brown, T. 2015. *Confirmatory factor analysis for applied research* (2nd ed.). NY: Guilford Press.

Bruhmn, J. 2008. Value dissonance & ethics failure in academia: A causal connection? *Journal of Academic Ethics*, 6(10): 17-32.

Bruneau, E., Cikara, M., & Saxe, R. 2017. Parochial empathy predicts altruism and the endorsement of passive harm. *Social Psychological and Personality Science*, 8(8): 934-942.

Buchanan, R. 2021. *Design Thinking course*. Cleveland, OH: Case Western Reserve University.

Byrne, B. 2004. Testing for multigroup invariance using Amos graphics: A road less traveled. *Structural Equation Modeling*, 1(2): 272-300.

Casali, G., & Perano, M. Forty years of research on factors influencing ethical decision-making: Establishing a future research. *Journal of Business Research*, 132: 614-630.

Chan, D. 2011. Advances in analytical strategies. In S. Zedeck (Ed.), *APA handbook of industrial and organizational psychology*: 85-113. Vol. 3. Maintaining, expanding, and contracting the organization. American Psychological Association

Center on Education and the Workforce. 2022. The economic value of college majors. Accessed on 3/14/22: https://cew.georgetown.edu/cew-reports/valueofcollegemajors/ .

Chen, F., Paxton, P., Curran, P., & Kirby, J. 2001. Improper solutions in structural equation models. *Sociological Methods & Research*, 29(4): 468-508.

Clark, M., Robertson, M., & Young, S. 2018. "I feel your pain": A critical review of organizational research on empathy. *Journal of Organizational Behavior*, 40: 166-192.

Cole, B., & Smith, D. 1996. Perceptions of business ethics: Students vs. business people. *Journal of Business Ethics*, 15: 889-896.

Corbin, J., & Strauss, A. 2008. *Basics of qualitative research*. NY: Sage Publications, Inc.

Costello, A. B., & Osborne, J. W. n.d. Best practices in exploratory factor analysis: Four recommendations for getting the most from your analysis. *Exploratory Factor Analysis*, 10(7): 9.

Cranton, P., Dirkx, J., Mezirow, J. 2006. Musings and reflections on the meaning, context, and process of transformative learning: A dialogue between John M. Kirkx and Jack Mezirow. *Journal of Transformative Education*, 4(2): 123-139.

Dane, E., Sonenshein, S. 2015. On the role of experience in ethical decision making at work: An ethical expertise perspective. *Organizational Psychology Review*, 5(1): 74-96.

Dean, K. L., & Beggs, J. 2006. University professors and teaching ethics: Conceptualizations and expectations. *Journal of Management Education*, 30: 15-44.

Decety, J. 2021. Why empathy is not a reliable source of information in moral decision making. *Current Directions in Psychological Science*, 30(5): 425-430.

Decety, J. & Cowell, J. 2014. The complex relation between morality and empathy. *Trends in Cognitive Sciences*, 18(7): 337-339.

Desai, M. 2017. ***The wisdom of finance: Discovering humanity in the world of risk and return***. NY: Harper Business.

Ethics & Compliance Initiative. 2021. ***Global ethics survey 2021.*** Accessed the internet on 3/22/21: https://www.ethics.org/global-business-ethics-survey/

Eisenberg, N., & Miller, P. 1987. The relation of empathy to prosocial and related behaviors. ***Psychological Bulletin***, 101(1): 91-119.

Elm, D., & Nichols, M. 1993. An investigation of the moral reasoning of managers. ***Journal of Business Ethics***, 40: 817-833.

Frank, B., & Schultz, G. 2000. Does economics make citizens corrupt? ***Journal of Economic Behavior & Organization***, 43:101-113.

Gardiner, B. 2012. April 3. Business skills & Buddhist mindfulness. ***The Wall Street Journal***.
https://www.wsj.com/articles/SB10001424052702303816504577305820565167202

Gelles, D. 2022. How to be more mindful at work. ***The New York Times***.
https://www.nytimes.com/guides/well/be-more-mindful-at-work

Glaser, B., & Strauss, A. 1977. ***The discovery of grounded theory: Strategies for qualitative research***. NY: Aldine.

Glomb, T., Duffy, M., Bono, J., & Yang, T. 2011. Mindfulness at work. ***Research in Personnel and Human Resources Management***, 30: 115-157.

Gordon, R., & Howell, J. 1959. ***Higher education for business***. NY: Columbia University Press.

Halpern, J. 2003. What is clinical empathy? ***Journal of General Internal Medicine***, 18: 670-674.

Herzog, P., Beadle, T. 2018. Emerging adult religiosity and spirituality: Linking beliefs, values, and ethical decision-making. ***Religions***, 9(84): 1-18.

Hinkin, 1998. Brief tutorial on the development of measures for use in survey questions. ***Organizational Research Methods***, 104-121.

Hoffman, M. 2000. ***Empathy and moral development: Implications for caring and justice***. Cambridge, MA: Cambridge University Press.

Hoever, I., van Knippenberg, D., van Ginkel, W., & Barkema, H. 2012. Fostering team creativity: Perspective taking as key to unlocking diversity's potential. *Journal of Applied Psychology*, 97: 982-996.

Huhn, M. 2014. You reap what you sow: How MBA programs undermine ethics. *Journal of Business Ethics*, 121: 527-541.

Izquiedrdo, I., Olean J., & Abad, F. 2014. Exploratory Factor Analysis in Validation Studies: Uses & Recommendations: *Psichothema.* 25(3): 395-400.

Jackson, T., & Artola, C., 1997. Ethical beliefs and management behaviour: A cross-cultural comparison *Journal of Business Ethics*, 16(1): 1163-1173.

Johnson, P. O., & Neyman, J. (1936). Tests of certain linear hypotheses and their application to some educational problems. *Statistical Research Memoirs*, 1: 57-93.

Joreskog, K. 1999. How large can standardized coefficient be? *SSI Central.* Unpublished Paper.

Kaiser, H. F. 1974. An index of factorial simplicity. *Psychometrika*, 39(1): 31–36.

Karelaia, N., & Reb, J. 2015. Improving decision-making through mindfulness. In Reb, J. & Atkins, P. W. B. (Eds.), *Mindfulness in organizations*: 163-189. UK: Cambridge University Press.

Kluckhohn, C. 1951. *Toward a general theory of action*. Parson, T. & Shils, E. (Eds.), Cambridge, MA: Harvard University Press.

Kohlberg, L. 1981. *The philosophy of moral development: Moral stages and the idea of justice*. NY: Harper & Row.

Kum-Lung, C, & Teck-Chai, L. 2010. Attitude towards business ethics: Examining the influence of religiosity, gender, and education levels. *International Journal of Marketing Studies*, 2(1): 225-232.

Laszlo, C. 2021. *Flourishing enterprises*. Cleveland, OH: Case Western Reserve University.

Laszlo, C., Waddock, S., Maheshwari, N., & Storberg-Walker, J. 2021. Quantum worldviews: How science and spirituality are converging to transform consciousness for meaningful solutions to wicked problems. *Humanistic Management Journal*, 6: 293-311.

Lee, T. Ferrell, L. & Mansfield, P. 2000. A review of empirical studies assessing ethical decision-making in business. *Journal of Business Ethics*, 25: 185-204.

Lincoln, Y., & Guba, E. 1985. *Naturalistic inquiry*. CA: Sage Publications.

Liu, S., Liu, Y., & Ni, Y. 2018. A review of mindfulness improves decision making and future prospects. *Journal of Psychology*, 9: 229-248.

Long, E., Christian, M. 2015. Mindfulness buffers retaliatory responses to injustice: A regulatory approach. *Journal of Applied Psychology*, 100(5): 1409.

Lyytinen, K. 2021. *Integration of qualitative and quantitative studies*. Cleveland, OH: Case Western Reserve University.

Maxwell, J. 2005. *Qualitative research design: An Interactive Approach*. CA: Sage Publications.

May, D., Cuifang, L., Mencl, J., & Huang, C. 2014. The ethics of meaningful work: Types and magnitude of job-related harm and the ethical decision-making process. *Journal of Business Ethics*, 121: 651-669.

McCabe, D., & Trevino, L. 1995. Cheating among business students: A challenge for business leaders and educators. *Journal of Management Education*, 19(2): 205-218.

McCormick, D. 2006. Indoctrination, diversity, and teaching about spirituality and religion in the workplace. *Journal of Organization Management*, 3(2): 77-91.

Miller, D. 1999. The norm of self-interest. *American Psychologist*, 54: 1053-1060.

Nonet, G., Kassel, K., & Meijs. 2016. Understanding responsible management: Emerging themes and variations from European business school programs. *Journal of Business Ethics*, 139: 717-736.

Nguyen, T. 2022. *The making of the "moral" manager: A mediating analysis*. Quantitative DM Paper. Cleveland, OH: Case Western Reserve University.

Nguyen, T. 2021. *From Plato to Peter Drucker: Liberalizing management education*. Qualitative DM Paper. Cleveland, OH: Case Western Reserve University.

Nguyen, T., & Ngo, L. 2019. When do-good meets empathy and mindfulness. *Journal of Retailing and Consumer Services*, 50:22-29.

O'Fallon,M., & Butterfield, K. 2005. A review of the empirical ethical decision-making literature, 1996-2003. *Journal of Business Ethics*, 59:375-413.

Patient, D. & Skarlicki, D. 2010. Increasing interpersonal and information justice when communicating negative news: The role of the manager's empathic concern and moral development. *Journal of Management*, 36: 555-578.

Pan, Y., & Sparks, J. 2012. Predictors, consequence, and measurement of ethical judgments: Review and meta-analysis. *Journal of Business Research,* 65(1): 84-91.

Pett, M. A., Lackey, N. R., & Sullivan, J. J. 2003. *Making sense of factor analysis: The use of factor analysis for instrument development in health care research*. Thousand Oaks, CA: Sage.

Pirson, P. 2017. *Humanistic management: Protecting dignity and promoting well-being*. UK: Cambridge University Press.

Pohling, R., Bzdok, D. Eigenstetter, M. Stumpf, S., & Strobel, A. 2016. What is ethical competence? The role of empathy, personal values, and the five-factor model of personality in ethical decision-making. *Journal of Business Ethics*, 137: 449-474.

Rest, J. R. 1986. *Moral development: Advances in research and theory*. NY: Praeger.

Reynolds, S. J. 2006. Moral awareness and ethical predispositions: Investigating the role of individual differences in the recognition of moral issues. *Journal of Applied Psychology*, 91: 233-243.

Roxas, M., & Stonebeck, J. 2004. The Importance of gender across cultures in ethical decision-making. *Journal of Business Ethics*, 50: 149-165.

Ruedy, N., & Schweitzer, M. 2010. In the moment: The effect of mindfulness on ethical decision-making. *Journal of Business Ethics*, 95:73-87.

Ruegger, D., & King, E. 1992. A study of the effect of age and gender upon student business ethics. *Journal of Business Ethics*, 11: 179-186.

Sagiv,L., Roccas, S., Cieciuch, J., & Schwartz, S. 2017. Personal Values In Human Life. *Nature Human Behaviour*. 1: 630-639.

Saunders, C., Marcolin, B., & Cherneski, J. 2022. The role of students' personal values and ethical ideologies in increasing the importance of perceptions of social responsibility for business students: A PRME directive. *Journal of Management Education*, 1-31.

Schwartz, S.H. 1999. A theory of cultural values and some implications for work. *Applied Psychology*, 48: 23-47.

Schoemaker, P. 2008. The future challenges of business: rethinking management education. *California Management Review*, 49:107-125.

Settoon, M., Kazzer, P., Bajbouj, M., & Prehn, K. 2012. Effects of empathic paraphrasing— Extrinsic emotion regulation in social conflict. *Frontiers in Psychology*, 3: 482.

Shariff, A. 2015. Does religion increase moral behavior. *ScienceDirect*, 6: 108-113.

Spiller, S. A., Fitzsimons, G. J., Lynch Jr, J. G., & McClelland, G. H. (2013). Spotlights, floodlights, and the magic number zero: Simple effects tests in moderated regression. *Journal of Marketing Research*, 50(2): 277-288.

Slovic, P. 2007. "If i look at the mass I will never act": Psychic numbing and genocide. *Judgment and Decision-Making*. 2(2): 79-95.

Swan, J., Bowers, M. & Richardson, L. 1999. Customer trust in the salesperson: An integrative review and meta-analysis of the empirical literature. *Journal of Business Research*, *44*(2): 93-107.

Steenkamp, J. E. M., De Jong, M. G., & Baumgartner, H. 2010. Socially desirable response tendencies in survey research. *Journal of Marketing Research*, XLVII: 199-214.

Tenbrunsel, A., Smith-Crowe, k. 2008. Ethical decision-making: Where we've been and where we're going. *The Academy of Management Annals*, 2: 545-607.

Thomas, H., & Stefano, H. 2013. Towards a liberal management education. *Journal of Management Development*, 32(5): 508-524.

Vitell, S. J. & Paolillo, G. P. 2003. Consumer ethics: The role of religiosity. *Journal of Business Ethics*, 46: 151-162.

Wald, K. 2009. *Religion and the workplace: A social science perspective*. HeinOnline. 30: 471-484.

Whitehouse, P. 2022. *Social Ethics course*. Cleveland, OH: Case Western Reserve University.

Williams, R. M. 1970. *American society: A sociological interpretation*. NY: Knopf.

Wolff, S., Perscosolido, A., & Druskat, V. 2002. Emotional intelligence as the basis of leadership emergence in self-managing teams. *The Leadership Quarterly*, 13: 505-522.

Zimbardo, P. G., & Ruch, F. 1979. *Psychology and life* (10th ed.). Glenview, IL: Scott, Foresman & Company.

FROM PLATO TO PETER DRUCKER:
LIBERALIZING MANAGEMENT EDUCATION

By

Tim Nguyen

Submitted in Partial Fulfillment of the Requirements for the Qualitative Research Report
in the Doctor of Management Program
at the Weatherhead School of Management

Advisors:
Chris Laszlo, Ph.D. (Content Advisor)
Stephan Liozu, Ph.D. (Methodology Advisor)

CASE WESTERN RESERVE UNIVERSITY

April 2021

FROM PLATO TO PETER DRUCKER:
LIBERALIZING MANAGEMENT EDUCATION

ABSTRACT

Given the frequency and significant damage of corporate misconduct, interest remains high in educational interventions to promote ethical behavior. Few empirical studies have explored where a liberal arts education can be tied to sound ethical decision-making in a managerial context. Therefore, in order to address this phenomenological gap, we propose a qualitative inquiry involving semi-structured interviews with business professionals who have earned a liberal arts undergraduate degree and those who have graduated with a non-liberal arts degree. By probing into the "lived worlds" of these business professionals, we find that quintessential liberal arts values such as, empathy, compassion, and personhood, are important for moral awareness and ethical decision-making, but they may not be sufficient mitigants in dealing and confronting with business and ethical conflicts.

Key words: management education; liberal arts; leadership; ethics; organizational behaviors; sense-making; ethical decision making

INTRODUCTION

Business has had a history of focusing on profit maximization at the expense of stakeholders (Laszlo, 2020; Cooperrider, 2020; Pirson; 2017). Management education, specifically at US business schools, continue to prioritize and reinforce optimization principles and techniques over topics of ethics, justice, and fairness in curriculum. Given management education influences the way business leaders conduct business (Lopez et al., 2005), the approach to studying business is in need of a reimagining (Buchanan & Whitehouse, 2021).

The need to broaden the focus of business education (both at the undergraduate and graduate level) today is particularly pressing as corporate misconduct continues to abound, beginning with Enron to the irresponsible subprime lending practices with recent ones including Wells Fargo and Theranos Inc. These events leave us wondering whether ethics in business leadership should be greater emphasized (Muolo & Padilla, 2010; Paletta & Enrich, 2008).

Despite general consensus regarding the importance of possessing ethical training and education (Gundersen et al., 2008), current ethical decision-making approaches are inadequate for understanding how business leaders respond to ethical dilemmas and public officials continue to question firm decision-making behavior (Pulliam et al., 2010; Securities and Exchange Commission, 2010; Thiel et al., 2012). Possessing ethical awareness (or being aware of ethical situations) as an academic topic continues to be misunderstood and under-simplified (Sonenshein, 2007). Several meta-analyses exist relating to business ethics thus effectively guiding this academic inquiry. One meta-analysis (Borgowski et al., 1998) found that female students were more ethically aware than male; and this holds as well for older

versus younger students. The relationship surrounding undergraduate majors having potential causal effects of ethical or unethical behavior remains inconclusive (Borgowski et al., 1998), and another reveals current ethics instructional programs have a minimal impact (Loe et al., 2000; Waples, et al., 2008; Winston, 2007).

Moral awareness is integral to the detection and appreciation of the ethical aspects of a decision that one must make. Moral awareness is the first step to acting ethically. The process of discerning what is ethical or not involves moral reasoning (Drumwright et al., 2015). Moral reasoning situated in a business context reveal that more understanding is needed (Corcoran, 2018). Therefore, it is vital to address the disregard for responsible decision-making in a society replete with global economic and social crises (Van Hoorn, 2015).

Management education, liberal arts education, and business ethical decision-making models have received critical scrutiny from practitioners and management scholars (Astin 1999; Morrissey, 2013; Seifert et al., 2007; Steyaert et al., 2017; Wankel et al., 2011; Wren et al., 2009). The Association to Advance Collegiate Schools in Business (AACB) established a task force to investigate on the current status of ethics education in business schools (Waples, Antes, Murphy, Connely, & Mumford, 2009). The published report was resolute in its recommendation for it strongly encouraged business schools to ramp up their ethics education to better prepare students for the wide range of ethical dilemmas found in day to day business decision making (Waples et al., 2009). The forward movement in business ethics education has a number of obstacles to clear before the subject would be fully integrated into the business curriculum. One obstacle relates to the ongoing mounting pressure facing business school administration and leadership (Painter-Moreland, 2016).

Another relates to lacking knowledge about whether and to what extent ethical issues are being integrated into traditional business disciplines like marketing, finance, and accounting (Christensen et al., 2007). Still, another obstacle relates to the limited desire to engage in cross disciplinary examinations (Raschge et al., 2013).

There is limited scholarship surrounding the idea of blending liberal arts principles with management education to date. Furthermore, limited studies exist relating to the role liberal arts education have on leadership and overall company performance (Colby, 2011; Czarniawska-Joerges et al., 2005; Harney et al., 2020). Scholars suggest that leaders could benefit from the values of a liberal arts education, specifically, the potential and positive influences of the "humanities"—a quintessential component of a liberal arts education (Laszlo, 2020; Pirson, 2017; Tsao et al., 2011). An analogy exists in the medical field with scholars from the field of medicine contending that a liberal arts education can significantly and positively influence medical care delivery and retool leaders in a healthcare setting (Aron, 2020; Lea, 2020; Sadowsky, 2019).

In order to address this phenomenological gap, we propose a qualitative inquiry involving semi-structured interviews with business professionals who have earned a liberal arts undergraduate degree and those who have graduated with a non-liberal arts degree. By probing into the "lived worlds" of these managers, we hope to understand the behaviors and practices that contribute to or hinder their ethical business decision-making. As such, this study is guided by the following research question: *What are the factors of a liberal arts education that influence business ethical decision-making?*

LITERATURE REVIEW

We begin the literature review through consideration of business ethical foundations to the lived experience of human beings in management practice and scholarship. Management education is inherently interdisciplinary, and management scholars are beneficiaries of literature from a variety of fields including learning, management, philosophy, psychology, social psychology, religion, and sociology.

This interdisciplinary predisposition provides a natural terrain for the infusion of fundamental liberal arts principles. The notion of embedding liberal arts education and/or principles in management education is ideal as liberal arts education has long upheld a tradition of training individuals for leadership in public, civic, and political organizations (Blaich, Bost, Chan & Lynch, 2004; Durdan 2003; Stull, 1962). Therefore, the values surrounding a liberal arts education serve as decision pathways and cultivate sense-making. Liberal arts principles reinforce moral awareness and strengthen ethical discernment.

Finally, theories of sense-making are explored as they are integral to the process of discernment. They cultivate moral emotions. That is, they help with reinforcing values of equity, kindness, sympathy, empathy, and inclusion (Giacalone & Calvano, 2012) which are immensely valuable in the workplace and beyond.

As lived experience is considered, the issue of "duality of structure" (Giddens, 1984)—theory and practice—is relevant to this research as it informs action and behavior in organizations *writ large*.

Business Ethical Theory

Two international accreditation bodies for higher education business schools, and they are the Association to Advance Collegiate Schools of Business (AACSB) and the

Accreditation Council for Business Schools and Programs (ACBSP). Both require business schools to incorporate ethics into their curricula (Franks et al., 2013). To be considered ethical leaders, the AACSB states that executives must be both "moral persons" and "moral managers." Executives become moral persons by expanding their awareness to include multiple stakeholder interests and by developing and applying their own ethical decision-making skills to organizational decisions in ways that are transparent to the followers. Simultaneously, executive become moral managers by recognizing and accepting their responsibility for acting as ethical role models (AACSB, 2013). While management schools have adopted these standards, in practice we see the obverse.

As Ames (2016) point out, the ethical and moral reasoning field is well established, and the management field draws on ethics and morality often. Brady et al. (2007) argue that ethical theories provide advice about how people ought to be and how they ought to behave. This body of theory articulate the conditions under which an action is "right" or "moral" (Moore, 2007). Words like "ethics" and "morality" often used interchangeably (Deigh, 1995). Mayer, Aquino, Greenbaum, and Kuenzi (2012) coined the term "moral identity" which refers to self-schema individuals including business leaders. Implicitly, the concept is organized around a set of moral traits. Bright et al. (2006) delineates the two concepts, noting that ethics as duties and obligations of individuals and organizations to avoid harm. This is fundamentally different from a higher standard of pursuing the good, which he terms the "virtuousness standard." The virtuousness standard has many transcendent qualities which includes "moral muscle," will power, and stamina in the face of challenge (Bright et al. 2006). The precedent of delineating between an ethical and moral standard may prove useful in understanding decision-making under high pressure situations in a business setting.

In an attempt to bridge ethics and education (also commonly referred to as ethics education and moral education), scholars from various disciplines believe that ethics education can be taught (Feddersen, 2014; Rest, 1982; Velasquez, 1987). In addition to the scholars referenced herein, there are other scholars (Christensen et al., 2007; Giacalone, et al. 2013) who contend that people do change through ethics education recognizing that a single business ethics course is insufficient. A comprehensive moral development at the business collegiate level is needed (Drumwright et al., 2015; Jewe, 2008).

Through his research, Rest (1982) identified four key psychological components that need to be developed in order for a person to become morally and ethically mature. The four required components are moral sensitivity, moral judgment, moral motivation, and moral character. Rest explored questions relating to an individual's interpretation of a particular situation, the individual's determination of the morally ideal course of action, the individual's decision-making process, and the individual's implementation of the decision (Rest, 1982). How a person responds to these fundamental questions reflects his/her ethical and or unethical response and stance to the situation. Rest concluded that should the ethical process break down within any of these components, then the subject is considered to have committed an unethical behavior (Rest, 1982).

In the end, Rest argued that moral education should be involved in each of these components. Rest championed collaboration and partnership between psychologists and philosophical ethics in order to help students improve understanding and proficiency in these four areas. Standing to benefit the most would be areas of moral sensitivity and critical thinking. An improvement in awareness and critical thinking would lead to an improvement in ethical behavior. Rest adamantly believed that ethics education programs can have an

43

influencing effect on critical thinking and judgment. He believed that through a formalized curriculum, moral excellence could be enhanced (Velasquaez, 1987). Scholars Drumwright et al. (2015) reinforce the tenet that decision science could contribute in a meaningful way to ethics education thus informing ethical action. As moral excellence could be cultivated, the question places at the center management development theory.

Management Development Theory

About management education theory. In an article relating to management education, Livingston (1971) noted formal management education programs emphasize the development of problem-solving and decision-making but deemphasizes the development of skills required to search the problems that truly need to be solved and to attain the desired results. Management education should have a broader perspective, including the skills of problem search and framing, deliberating and discerning, and strategizing and implementing change. Above all, it should not be characterized by narrow, functional specialization. As Schoemaker (2008) notes, management practice is surrounded by paradox and ambiguity and hence requires holistic and important skills of synthesis such as abstract thinking as well as critical thinking (Schoemaker, 2008; Thomas et al. 2013).

About the liberal arts education. As such, this prompted Peter Drucker, famed management thinker and Father of Modern Management, to note that "Management is what tradition used to call a liberal art: 'Liberal' because it deals with the fundamentals of knowledge, self-knowledge, wisdom, and leadership; 'art' because it deals with practice and application. Managers draw upon all of the knowledge and insights of the humanities and social sciences on psychology and philosophy, on economics and history, on the physical sciences and ethics. But they have to focus this knowledge on effectiveness and results"

(Cohen, 2019). An article in the New York Times in 2017 maintains that liberal arts colleges "are the most appropriate institutions for training future business leaders," and the claim is reinforced by others who believe that liberal arts principles should be embedded in management education (Anders 2019; Aubry, 2017; Stross, 2018). Peter Drucker is amongst the many who believe that management education could benefit from basic principles of liberal arts education for there is much to learn from Plato (Baker, 2014; Cohen, 2020). Some motivating ideas behind the utility of a liberal arts education consist of communicating effectively, reading fluently social and emotional cues, arguing persuasively, adapting to fluid environments, discerning what issues of equity, equality, and morality, and interpreting new forms of information.

The origins of the liberal arts can be found in the trivium, or "three-part curriculum" developed in antiquity. Those three parts consisted of grammar, logic, and rhetoric. Each subject had somewhat broader scope than its title might imply. According to Richard Hooker, "Grammar was the study of not only the proper use of language, but how authors used language to make meanings." Logic, also known as "dialectic" was "the science of disputation, proof, and propositions." Rhetoric was the art of persuasion. Admittedly, the aforementioned related to effective communication, they also demanded the ability to reason and to think critically. Taken together, the elements of this curriculum had a larger purpose. These disciplines were called the *artes liberal* and were considered the education proper for a free man. Richard Eckman notes that these subjects "were valued largely because they were seen as practical and useful." Framed differently, a liberal education is one that prepares individuals for life as a free man [I assert here to mean male and female] and to use that education for purposes for the betterment of society (Wren et al., 2009).

It was in the Renaissance that the liberal arts gained enhanced stature and took on new attributes. Chief among these were the reinvigoration of the concept of humanism. In classical terms, Protagoras had uniquely said that "Man is the measure of all things." In the Renaissance, this humanist movement was "an educational and cultural program based on the study of ancient Greek and Latin literature. By studying the humanities—history, literature, rhetoric, moral and political philosophy—humanists aimed to revive the worldly spirit of the ancient Greeks and Romans" (Wren et al., 2009). The *studia humanitas* would become an important avenue to achieve individual fulfillment.

The humanities can largely be described as the study of how people process and document the human experience. Since humans have been able, they have used philosophy, literature, religion, art, music, history and language to understand and record the world. These modes of expression help hone and refine our understanding of the world around us. A humanistic approach to leadership development includes the search for meaning and purpose in human experience, a focus on knowledge as the basis for action, and action grounded in moral action (Wren et al., 2009) presumably fundamental skills for ethical management.

In the classical sense, the humanists have always been the ultimate behavioralists—students of human behavior. While the social scientist attempts to devise models that can explain and predict human behavior, the humanist through a more qualitative method explores the meaning and purpose of human action. The experience associated with being human is essentially an artistic inquiry, as opposed to scientific (Janaro, 1979). However, both humanists and social scientists are essentially after the same thing—which is the interpreting the significance of being human.

When we apply the above insight into leadership education, it becomes clear that this notion that the study of leadership resides in the social sciences realm is only partially accurate. The humanities have much to contribute to our understanding of human motivations, which are central to our own interpretation of leadership as a social phenomenon. The leader-followers relationship is fraught with the qualities associated with being human—compassion, kindness, empathy, sympathy, personhood, and truth, just to name a few. A humanistic approach in a business education curriculum, therefore can help us develop an understanding of the leadership dynamics through these artistic, thoughtful, mindful, and spiritual lens (Boyatzis, 2019; Grint, 2000; Laszlo, 2019; Pirson, 2017; Tsao et al., 2019). Developing these humanistic qualities and intuition could begin with an undergraduates liberal arts education.

RESEARCH DESIGN

Methodology

Qualitative empirical work in the field of liberal management education remains limited. As such, for the qualitative study, we performed semi-structured interviews to develop grounded theory (Corbin & Strauss, 2008). We were interested to learn about how a liberal arts education help shape ethical decision-making in managers. Grounded theory is an explorative, iterative, and cumulative way of building theory (Glaser & Strauss, 1977). The main features of this approach involve theoretical sampling and the constant comparison of data. Frequent comparison is a rigorous method of analysis that involves constant interactions with the data (Maxwell, 2005: 42) to compare and contrast emerging with already emergent ideas and themes. Simultaneous collection and processing of data (Lincoln & Guba, 1985: 335) leads to the generation of theory firmly grounded in it.

Theoretical sampling refers to ongoing decisions about who to interview next and how. As the constant comparison of data yields insights about the phenomena of interest, the sample and the interview protocol were refined allowing for sub-themes to surface.

A qualitative approach using grounded theory is appropriate for the proposed research as prior empirical studies on ethical decision-making from an organizational perspective are rare, highly fragmented and mostly quantitative in nature.

Given that our research is interested in business ethical decision-making, a qualitative approach is preferred. Intimate and sensitive information are provided about ethical and troubling situations at the workplace. Narratives provided from the interview are mined for deep meaning. Sensitivity is indeed required.

To gain new and uncontaminated insights from our interviews, we intend to respect the standard principles of grounded theory research. Our interview process was not influenced by the reviewed literature and theories nor biased by preconceived notions or opinions gathered through preliminary interviews or our practitioner experience. We used open-ended questions to elicit rich narratives of respondents' experiences (Maxwell, 2005: 22), interpretations and understanding of management education and ethical decision making.

Sample

Therefore, in this study, 50 percent (n=15) of the interviewed business professionals earned a non-liberal arts undergrad education (ranging from engineering to business studies) while the remaining earned a typical liberal arts undergraduate education (ranging from theater to economics). Based on the interviews procured, the lived experiences of various business professionals (n=30) are rich with business ethical encounters during their

professional life. Background questions as well as a variety of business ethic vignettes

involving American Apparel, Mozilla, and Snapchat were posed to the participants.

Participants were selected based on the primary researcher's professional network. To

date, our sample consists of business individuals, composing of analysts, associates, middle-

managers, and C-level individuals from a variety of sectors with 21 being males and the

remaining 9 being females. The ages in the sample ranged from 26 years old to 57 years old.

They come from a variety of industries and profession. Table 1 provides profiles of

participants to date.

TABLE 1
Current Participant Profiles

Interviewer Identifier	Earn an Undergraduate Liberal Arts Education	Gender	Industry
Interview 1	No	Male	Grocery
Interview 2	Yes	Male	Law
Interview 3	Yes	Male	Finance
Interview 4	No	Male	Defense
Interview 5	No	Male	Finance
Interview 6	Yes	Male	Finance
Interview 7	No	Male	Finance
Interview 8	No	Male	Sports
Interview 9	No	Male	Medicine
Interview 10	Yes	Male	Technology
Interview 11	No	Male	Real Estate
Interview 12	No	Male	Finance
Interview 13	Yes	Male	Finance
Interview 14	No	Male	Government
Interview 15	No	Male	Technology
Interview 16	Yes	Male	Technology
Interview 17	Yes	Male	Technology
Interview 18	No	Female	Education
Interview 19	Yes	Female	Finance
Interview 20	Yes	Female	Government
Interview 21	No	Female	Technology
Interview 22	Yes	Female	Human Resource
Interview 23	Yes	Female	Finance
Interview 24	Yes	Female	Nonprofit
Interview 25	No	Female	Government
Interview 26	No	Male	Technology
Interview 27	Yes	Male	Finance
Interview 28	No	Male	Consulting
Interview 29	Yes	Male	Insurance
Interview 30	Yes	Male	Finance

Data Collection

Data were collected between July and December 2020. The principle research method was semi-structured interviews of approximately 60-minute in duration. All interviews were conducted through zoom given the COVID19 pandemic. All participants chose a place of work for the interview. It was a comfortable, convenient, and private setting. All were recorded through zoom videoconferencing. Participants were informed that the data collected was confidential and that the interview may be stopped by them at any time. Respondents were asked to sign an agreement confirming their understanding of the research, and how the interview was going to be conducted. Upon completion of each interview, the audio-recording were downloaded and were provided a file name and marked secured. A reputable commercial transcription company transcribed the interviews. Researchers combed through the transcriptions for coherence. We also took notes during the interview to capture key ideas and non-verbal feedback. The interview focused on managers' experience relating to an ethical situation which occurred at the workplace. The questions were open-ended to elicit rich and specific narratives. The researcher used probes to clarify and amplify responses. Following a basic introduction about the research project, we asked for open ended questions. First informants were invited to talk about themselves their backgrounds and of their work. Second, we asked them to describe their specific experience with the most recent ethical encounter which took place at the firm. Third, we asked the informants to focus on the most significant ethical decision made in their current or past firm over the past 12 to 24 months and to describe that experience in great details. For both questions, probes focused on the ethical decision-making process, the types of information being used, the interaction

between relevant decision-makers, etc. Fourth, we asked interviewees to analyze two case studies about ethics. We sought individual's feedback relating to the case studies written by Ann Skeet (2018). Finally, we asked the respondents to define what ethics meant to them. The overall goal was to gather experience-based practitioner perspectives relating to ethical issues at the workplace.

Data Analysis

Congruent with grounded theory methodology, data analysis simultaneously commenced with data collection. The audio recordings of each interview were reviewed several times, and the transcripts of each interview read at least two times. There were three stages of detailed coding. First, all of the transcripts were "open-coded," a process that requires the researcher to identify every fragment of data with potential interest (commonly called "codable moments"). These were captured, roughly labeled and compared to and categorized with similar fragments from other interviews. In the next phase of coding ("axial coding"), these categories were redefined as ideas and themes begin to emerge from the data. And in the final phase ("selective coding"), we focused on key categories and themes that illuminated our findings. The analysis involved both manual coding and the use of qualitative data analysis techniques**.**

Throughout this process, the researcher composed interpretative memos (Maxwell, 2005: 13) and notes reflecting "the mental dialog between the data and the researcher" (Corbin & Strauss, 2008: 169). Also, during this process, the researcher referred back to the literature to inform budding ideas and themes.

Following a transcript analysis, we built a matrix using Microsoft Word of textual fragments, excerpts from each transcript, generating more than 200 textual fragments across

25 interviews. For this study and in an aggregated format, we created one diagram compiling

responses. We then categorized the fragments into more than 69 codes through open coding,

37 codes through a second round of open coding in which codes of interest stated and 12

codes through axial coding where we deleted and combined categories with the hopes of

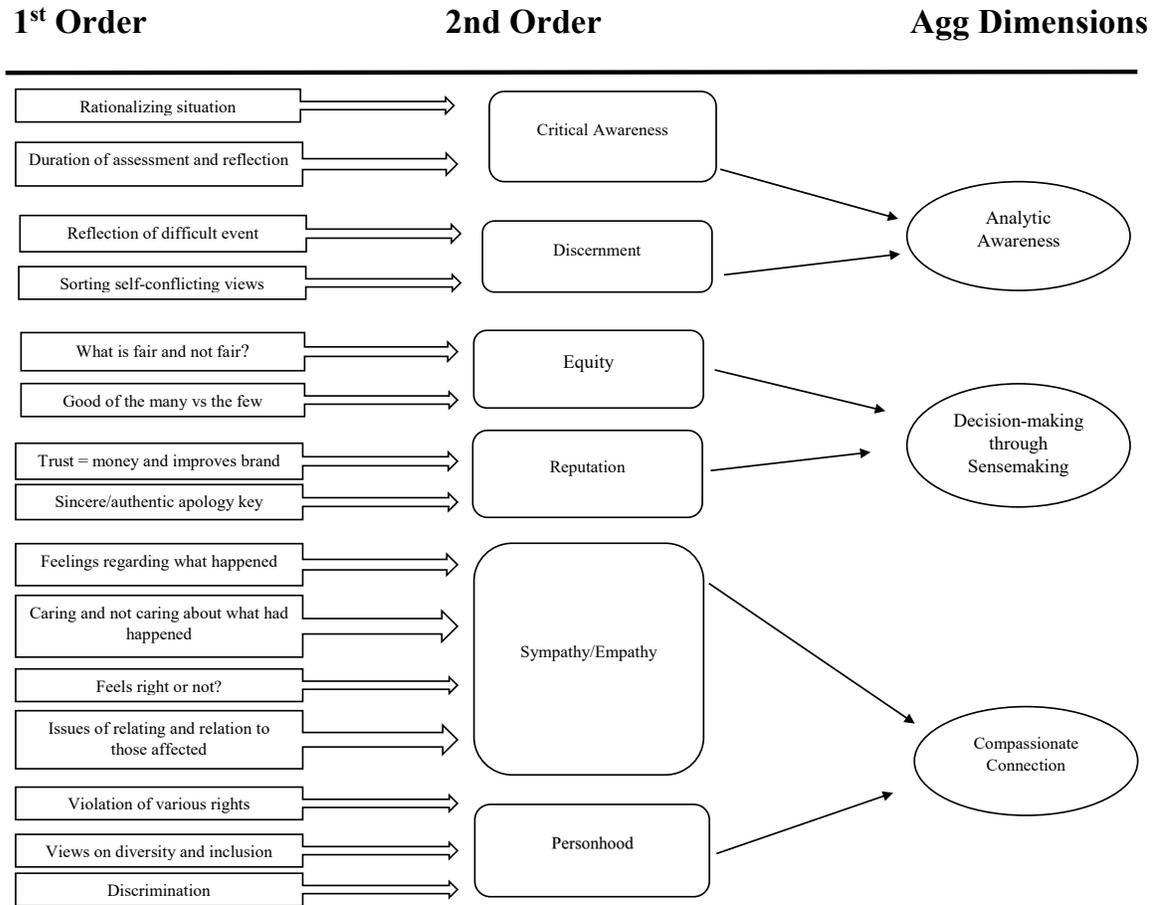ascertaining emergent themes. See Figure 1 below.

FIGURE 1
Coding Summary

1st Codes (69 codes)	2nd Codes (37 codes)	3rd Codes (12 codes)
1) Set of principles	1) Set of principles	1) Trust
2) Commitment	2) Commitment	2) Awareness
3) Being accountable	3) Being accountable	3) Personal beliefs
4) Trust	4) Trust	4) Company value
5) Self	5) Respect	5) Morals, morally right, moral systems
6) Self-Respect	6) Awareness	6) Values of the person
7) COVID19	7) Think on it	7) Corporate pressure
8) Awareness	8) Deliberation, decide	8) Sense and rationale
9) Layoffs and pay cuts	9) Unsure to whistle-blow	9) Care and compassion
10) Difficult situations	10) Personal beliefs	10) Feels right or wrong
11) Tough spot	11) Others' beliefs	11) Training from young
12) Think on it	12) Feels right or wrong	
13) Deliberation, decide	13) Company value	
14) Mistreating subordinates	14) Leadership have same views as company	
15) Unsure to whistle-blow	15) Opportunity, opportunistic	
16) Group cohesion	16) Values of the person	
17) Disagreements	17) Accomplishment	
18) Personal beliefs	18) Corporate pressure	
19) Others' beliefs	19) Sense and rationale	
20) Feels right or wrong	20) I mean	
21) Background	21) Greed	
22) Education	22) Money	
23) Pedigree	23) Self-preservation	
24) Training from young	24) Lost of respect	
25) Alignment of company	25) Illegal behavior	
26) Company value	26) Dredged up from their past	
27) Mission statement	27) Apology not convincing	
28) Leadership have same views as company	28) Honesty, honorable, honor	
29) Openness	29) Setting tone	
30) Opportunity, opportunistic	30) Training from young	
31) Misogynistic behavior	31) Arrogant behavior	
32) Not informed	32) Code of conduct	
33) Reaching ears	33) Care	
34) Values of the person	34) Compassion	
35) Creative thinking	35) Morals, morally right, moral systems	
36) Ask others to do work	36) Personal beliefs	
37) Notified	37) What you think is right	
38) Kept lots of records		
39) Impression		
40) Imbalance of power		
41) Greed		
42) Money		
43) Self-preservation		
44) Lost of respect		
45) Commitment and accomplishment		
46) Lazy		
47) Inappropriate comments		
48) Gossip		
49) Corporate pressure		
50) Sense and rationale		
51) I mean		
52) Illegal behavior		
53) Dredged up from their past		
54) Representation		
55) End justifies the means		
56) Weird feelings		
57) Apology not convincing		
58) Honesty, honorable, honor		
59) Setting tone		
60) Arrogant behavior		
61) Code of conduct		
62) Care		
63) Compassion		
64) Betterment and contentment		
65) Happiness		
66) Positive standard of living		
67) Morals, morally right, moral systems		
68) Personal beliefs		
69) What you think is right		

FINDINGS

Figure 2 below provides the theoretical construct which help inform and ultimately generate our aggregate dimensions.

FIGURE 2
Factors Influencing Ethical Decision-Making

1st Order	2nd Order	Agg Dimensions

Rationalizing situation →
Duration of assessment and reflection → **Critical Awareness**

Reflection of difficult event →
Sorting self-conflicting views → **Discernment** → **Analytic Awareness**

What is fair and not fair? →
Good of the many vs the few → **Equity**

Trust = money and improves brand →
Sincere/authentic apology key → **Reputation** → **Decision-making through Sensemaking**

Feelings regarding what happened →
Caring and not caring about what had happened →
Feels right or not? →
Issues of relating and relation to those affected → **Sympathy/Empathy**

Violation of various rights →
Views on diversity and inclusion →
Discrimination → **Personhood** → **Compassionate Connection**

Through our findings and at a broad level, we first noticed that all 30 participants wrestled with defining what "ethics" are and for sure with the ethical vignettes. Of the thirty participants, only ten (who also experienced a liberal arts education) were able to define what ethics are. Their definitions or interpretations were most similar to selected dictionary definitions. The *Cambridge Dictionary* defines ethics to be "the study of what

is morally right and wrong, or a set of beliefs about what is morally right and wrong," and the *Webster dictionary* defines ethics to be "The science of human duty; the body of rules of duty drawn from this science; a particular system of principles and rules concerting duty; whether true or false; rules of practice in respect to a single class of actions."

Participants gave the following definitions which display their sense-making of what ethics are and naturally their responses to all of our questions. A few examples are provided. Interview 25 defines ethics to mean a set of principles *"...I think of ethics as the set of principles that you're following that are basically being used to guide your decision-making, and that can vary from person to person"* while Interview 6 reveals that it is moral based and assumes some level of arbitrariness given it is simultaneously a state of mind, *"Ethics is just morals or what you think is, yeah, morally right. I don't know how else to describe it better than that."* Interview 11 spotlights ethics could have not only a state of mind but also have psychological dimensions *"...you have to be committed, be accountable and be different. I use those three terms with them multiple times a year, and also constantly look for ways to explain the different scenarios in which we're going to do those things."*

Another interesting finding relates to the implicit or explicit invocation of topics such as personhood, empathy, and compassion, in general. The situation becomes more complicated as they are situated in the workplace. Acts of wrong doing either gets sanitized or rationalized away by those who bear witness. Participants here often report of the weighing of human costs vs transaction costs of reporting or confronting ethical violations. This was noticeable with those who experienced a liberal arts education but not necessarily the case with those who did not earn a liberal arts education.

Ethical violations either went unnoticed or ignored. Of those who recognized that ethical violations occurred, some participants reasoned that such ethical violations are one-off events. Reporting ethical violations incur high transaction costs as reporting implicates others. Still, some participants even sided with ethical violators and defended the senior member carrying out the ethical violation. After all, egregious ethical acts were also interpreted as a "cost" of working at the organization. They are part and parcel of the overall corporate experience.

Another interesting finding from our study relates to the participants' moral awareness or lack thereof when making sense of the ethical vignettes. Moral awareness informs ethical actions. Processing and sense-making of the ethical vignettes generated mix result across the two populations with many attempting to rationalize ethical violations as "getting business done" (my emphasis) or ethical violation took place in the past and the individual is now allegedly more mature. Related, all of our participants acknowledged that the culture set by the CEO (as set forth in our vignettes) served as modeling behaviors. As such, this justified subordinate actions and behaviors and allowed for exceptions in their own ethical actions and behavior.

A couple of participants referenced that a company's brand serve as potential deterrent to ethical violations. The peculiar logic here is that company executives would not commit ethical violations because they are company brand protective. Lastly, the topic of religion and spirituality serving as a potential source of ethical guidance came up only once (by an individual who did not earn a liberal arts education).

Relating to the interview where participants are sharing their personal ethical challenges or encounters, we observe that the individuals, regardless of their undergraduate

training, were eager to share their narrative and personal experiences relating to ethical encounters over their lifetime. Personal ethical dilemmas ran the gamut, ranging from "fabricating meetings" to satisfy quota for an impending promotion (Interview 22) to "sexual gestures and harassment" (Interview 21) and from "concealing COVID19 crisis" and its potential large-scale impact to company profitability (Interview 4) to "manipulating financial figures" to show positive return on investment on large scale projects (Interview 15). Personal narratives of grievances towards self and others and of personal emancipation abound. From these rich testimonies, several themes emerge which are notable.

Findings 1: One theme that emerged relates to the interplay between awareness and rational justification of the ethical violations. Examples of this particular theme could be found below:

> I think an ethical challenge that I've personally faced recently is when we're onboarding a new client and let's say that they returned paperwork back and they forget a date or they forget to check a box and they're asking you to check that box or date for them. It makes their life easier. It makes your life easier because you don't have to go back and forth, but ethically you can't do that. So you have to tell them that from a legal standpoint, from a compliance standpoint, that they actually are the ones that have to sign and date those documents and go back to them accordingly. (Interview 2)

> And so we, as a group, the majority decided to move forward with not communicating that much detail. We let them know that we had additional cases, and here are some of the things that we're doing to clean and sanitize, and hope you have a great day. So, it was a challenge for me. That was not my decision, but the majority ruled. So I lost that fight, if you may. (Interview 4)

> I was trying to work with the CEO to enhance her presentation, make it simpler to understand. I mean, well, first of all, I felt like board members, I was just surprised at the lack of questions they were asking and just made me wonder if they even understood what they were voting on. (Interview 19)

The quotes above are profound as it highlights the manner in which rational decision-making interferes and complicates sound ethical decision-making. That is, challenging the

rational mental model and introducing behavioral dimensions to ethical decision-making, Bazerman (2015) advances a phenomenon which impacts human recognition of ethical issues and dilemma. Drawing upon Nobel Laureate and political economist Herbert Simon's concept of bounded rationality (1947, 1955, 1957), he illuminates the effects of "blind noticing" which occur in humans. Cognitive blind spots are real, and this phenomenon involves the idea of how humans identify salient details they are programmed to miss and then take steps to ensure it will not happen again. His research uniquely centers on breaking bad habits and spotting the hidden details that will change decision-making and leadership skills for the better. Complementing his theory of blind spots, his research spans to include the power of noticing which concerns what leaders see or want to see (2015). Ethical violations, organizational crises, and even societal disasters occur due to a failure to notice events leading to sub-optimal decisions and ultimately disastrous outcomes. Even the best fail to notice things, and this includes critical and readily available information in the environment. Interestingly, due to human tendency to wear blinders, the focus narrows based on a limited set of information.

Combining efforts, Bazerman and Tenbrunsel (2012) observe that when confronted with an ethical dilemma, most individuals like to think that they would stand up for their principles; however, in reality, they are not as ethical as they think they are. Their research examines the ways humans overestimate their ability to do what is right and how we act unethically without meaning to. From the self-destruction of Enron and corruption in the tobacco industry, to sales of the defective Ford Pinto, the downfall of Bernard Madoff, and the Challenger space shuttle tragedy, the scholars investigate the nature of ethical failures in the business world and beyond, and illustrate how individuals can become more ethical,

bridging the gap between who they are and who they want to be. Reasoning why traditional approaches to ethics fail, their research considers how blind spots like ethical fading—the removal of ethics from the decision-making process—have led to tragedies and scandals such as the Challenger space shuttle disaster, steroid use in Major League Baseball, the crash in the financial markets, and the climate change crisis. The scholars argue how ethical standards shift—that is, how people neglect to notice and act on the unethical behavior of others and how compliance initiatives can actually promote unethical behavior. For them, scandals will continue to emerge unless such approaches consider the psychological dimensions of ethical dilemmas. Both illuminate that ethical sinkholes that create questionable actions require distinguishing the "should self" (the person who knows what is correct) from the "want self" (the person who ends up making decisions). In sum, the findings here are relevant to our research question for a liberal arts education cultivates the limitations and boundaries of what is right and wrong. It is important to this perspective as one enters the corporate world where what is right and wrong is more often than not blurred.

Finding 2: A second theme that emerged relates to calculated strategic moves at the expense of human affairs. Going back to the days of Adam Smith's *Wealth of Nations*, the founding text of classical economics, is the notion that individual acts of economic self-interest combine, through the "invisible hand" of market forces, to further the best interests of society at large. Participants in our study indicated or hinted that they had to carry out a cost-benefit assessment of the ethical violation at hand because other personal priorities (e.g., supporting an existing family) and values (e.g., making money) are at stake. Put differently, driven by self-interest, participants feel compelled to view ethical situations through an "industrial efficiency" perspective with the hopes of accumulating more profit.

59

Examples of this particular theme could be found below:

> …my manager texted me on WhatsApp to say like, "Please be kind, you know, in putting together your note rather than being really, really negative and suggesting a worse or a more negative outcome than was being proposed by the lead analyst." And, I sort of viewed it as, you know, kind of, somewhat of an ethical violation that someone would ask me to... try to influence my decision on how I would, you know, put together my note or my view during this committee. And, ultimately, I did put together an alternative recommendation. It was what I thought was valid or what I thought I could justify, but the process made me a little uneasy. (Interview 6)

> It first went to the planners, the planners just got very, very nervous, because they didn't want to do it. They're being so uncomfortable with it, they came back to me, and they presented the problem. I had to go back and talk to the guys at the insurance department and tell them that we were not going to do that. And I'd say that I understood that it would translate into less days claim, but it is what it is, and we should be claiming with the real impact, not profiting from that ending in additional claim. (Interview 15)

> …even though I absolutely did not agree with this promotion decision, one of my team directs was given a promotion in six months of his tenure there. Which, performance wasn't necessarily there, and just looking at company standards, it was historically the fastest associate to manager promotion. And again, with no performance basis. And I think a lot of it ... Not I think. I know a lot of it was based on additional budget. (Interview 22)

The findings here reaffirm the value and the weighing of complex human related issues in the business world. Human affairs is not an abstract concept nor is it divorced from the real world. It is highly intertwined with the world we live in. The corporate workplace serves as an extension of the real world with a variety of economic constraints.

Finding 3: A third theme that emerged relates to how personhood is affected.

Examples of this particular theme could be found below:

> … another lesson I had to learn, because sometimes other people will see the whole picture, sometimes they won't, and you just have to know how to respond accordingly to further whatever objectives you have. (Interview 1)

> And in order to do that, which is ultimately the path I took, I did that while simultaneously trying to gain as much information from those that had made the decision as possible. So, I was kind of already in a problem-solving mode

where, "All right, this decision was made. I need to respond to it. But in responding to it, I also want to adapt with it." So, it was a matter of kind of putting one face forward with some of the students in faculty and staff that I was engaging with and understanding that there were some negative emotions around it. But at the same point, trying to kind of take a step back and connect with those who had made the decision to try to best understand it. (Interview 11)

"Hey, maybe I would have to put myself in that shoes because I've never lived that life or that situation," and I think that's very critical for us to always remember. (Interview 18)

Relating to the ethical case studies or vignettes posed during the interview, we observed the following responses:

Finding 4: Visualizing the ethical situation and naming culprits prove challenging for some. Personal narratives are provided below to support claim:

So I see them [for-profit organizations vs nonprofit organizations] different, and I think this is a nonprofit organization. So though I don't think they're as responsible to shareholders of a publicly traded company I still think that it's incredibly important to make sure that the person political view, especially if there's something that is open that people in the community know about, that needs to be aligned with what the organization is about for alignment. (Interview 4)

 "I can mix my personal and my professional life together and allow people to be who they are, allow people to believe in things that I don't necessarily believe in without that affecting." (Interview 5)

So Mozilla as a non-natural person doesn't inherently have a position on DOMA, or LGBTQ plus community issues, and I see no reason for Eich's personal views to cause influence over his management of Mozilla. (Interview 11)

Finding 5: Temporality and recency of ethical event matters. Past deeds and actions were often deemphasized. Focus was more on the present. Personal narratives are provided below to support claim:

I think that if any of those things were continuing to come up now, as a leader of a successful organization, or any organization's success or not, I think we need to be judged based on the things that we're doing right now. (Interview 4)

So the ethical question, I guess, becomes of okay, we can't unring that bell. We cannot change the past. Does that behavior reflect who this person is now? If so, what should be done about it? Also, if not, what should be done about it? (Interview 16)

The issues here are, you have a chief executive of Snap who conducted himself in a way that is deplorable, and not the way that most, if not all brands would like to be identified and potentially compromising the credibility of himself and the company in the process. And then I think the parallel that I'm drawing between the mission statement and this recount of Evan Spiegel and what was uncovered from his fraternity days as he calls it, is that deletion could be beneficial of self-serving because it helps protects the type of behavior that Evan Spiegel was exemplifying in his college days with those emails. I have mixed feelings about his past actions impacting his leadership today. (Interview 17)

Finding 6: Another theme relates to reputation and brand of company. Participants

expressed view that apologies for ethical violations had to be authentic or there will be a

crisis of confidence. Some examples include:

It's based on the premise that you should always treat people correctly. And yes, just because something's gone, it may not exist in a physical standpoint, but it still could have left an impression on someone else. So I think, overall, reading the case study, it's really about, he does admit at some point that he apologized for the idiotic emails and the stuff that happened in the past. But to me, there should be some more recognition of what was done. (Interview 5)

Then he also doesn't show that he has gone through any important growth process of going through rehabilitation, or reaching and apologizing to people that he has hurt, or recognizing that what he did was very destructive and criminal. To me, I am actually very surprised that he was allowed to stay on in this role because honestly, I don't see how he could be effective with this public information being released, and how people could look at him as a credible, and thoughtful, and ethical leader. (Interview 9)

Plenty of people saw Tesla's share drop when Elon Musk decided to smoke a joint on the Joe Rogan podcast. So, clearly we've seen countless times an example of the personal behavior decision-making of the chief executive of a publicly traded company impact within a matter of minutes, if not hours, if not minutes, I should say, the stock price of that company. Furthermore, as I said in relation to the last minute yet. Now more than ever, a CEO has the opportunity to represent, be the face of communicate and communicate with the individuals that are associated with the company, whether it be board, shareholders, simply users. I think it's very impactful the role that the CEO can

play, and I think what they do in their personal lives and what they do outside of the 9:00 to 5:00 is directly associated with what they do within the 9:00 to 5:00, you're essentially a politician when you're the leader of a large publicly traded company. (Interview 17)

Finding 7: Another theme relates to the potential role of religion and spirituality on ethical decision-making. Only interviewee referenced this topic. Some examples include:

And both investors, employers, and the public at large withdrew from the company, here at an even more ethical level if you say one thing about what you believe and try and sort of promote another, your real feelings sort of come through as it were…karma bites… (Interview 3)

The aforementioned testimonies serve as examples to buttress the emerging themes from our research. The above quotations are provided to provide texture to our findings.

Overall, our research generated surprising findings, raising more questions and possible future research. First, not everyone who benefited from a liberal arts education could define "ethics." This was also the case with those who did not earn a liberal arts education. Second, being aware of an ethical conflict remains a challenge for those who did not earn a liberal arts education. Third, modeling executive leadership behavior helps justify participant actions whether such actions are right or wrong. Fourth, incorporating a flexible moral system is important in order to have job security. Fifth, and final, the role of religion was referenced only once which proved as an effective mitigant to ethical conflict (as expressed by the interviewee).

DISCUSSIONS

For this study, we examine the manner in which business ethics and management education could be reconceptualized to include a liberal arts dimensions and their potential effectiveness in mitigating unethical acts (Jewe, 2008). Using a phenomenological grounded theory approach and through our research, we could indeed confirm that the themes

uncovered in our research help answer our research question. Themes of awareness, discernment, trust, fairness, inclusion, sympathy, empathy, and personhood are valuable subthemes. These sub-themes illuminate the priority and betterment of society (Giacalone & Calvano, 2012; Wren et al., 2009). The listed sub-themes simultaneously serve as central values espoused by liberal arts education (Baker, 2014; Cohen, 2020).

The discernment process was examined as our research question centered on the factors of a liberal arts education and its influence on ethical decision-making. Implicit in this research and in our research question involves the process of sense-making. Scholars (Christensen et al., argue that people can learn and develop ethical behavior. Broadly stated, sense-making is about meaning making. The fundamental idea in sense-making theory is that making sense is an ongoing process that examines how individuals take notice of events. It desires to learn what those events mean, and how socially and consensually created meanings for those events influence present and future behaviors (Miles, 2012). More specifically, people take notice of an unusual or different set of circumstances. It is then that the event registers in the imaginary for them. Once people notice an event, then they typically want to know what that event means for them. People want to know when they experience significant events: "What's the story here?" Creating meaning for events influence current and future actions and thus can help people stay in touch with their continuing flow of experience. Weick (1979) summarizes the theme of sense-making with the question, "How can I know what I think until I see what I say?"

As Thiel et al. (2012) note, ethical dilemmas are weakly defined problems that have "high stake consequences." Inherently, they require recognizing a multitude of information in order for intuitive judgement. A sense-making perspective superbly represents how

individuals recognize and respond to ethical events in organizations versus a rational based model (Thiel et al., 2012). Management scholars contend that rational based models do not sufficiently account for the issue construction process that are endemic in ethical decision-making. Rational based models of decision making heavily emphasize moral reasoning (Detert et al., 2008, Guadine et al., 2001; Haidt, 2001, Henik, 2008; Mumfort et al., 2008; Reynolds, 2006; Woiceshyn, 2011). This is an important observation and integral to our research question because a liberal arts education attempts to address this rational thinking approach. A liberal arts education invokes counter values, like equity, equality, fairness, justice, care, love, personhood, sympathy, empathy, which may counteract and potentially subdue this self-interest.

Away from the sense-making finding and investigation, other notable themes emerged which are suitable for follow-ups in either a quantitative or qualitative study. They include the role religion plays in shaping ethical decision-making at the workplace. Another involves spirituality influencing as ethical awareness and ultimately managerial decision-making.

For now, what is notable is that the profit-maximization principle is not a top priority as initially thought but instead ethics is. Ethics and ethical behavior could influence profit-maximization principles at various organizations. We identify three dominant themes emerged from our study, and we labeled them as *analytic awareness; decision-making through sense-making; and compassionate connection*. *Analytic awareness* highlights the lived experiences of those who displayed awareness of the ethical issues at hand but who simultaneously attempt to rationalize whether the ethical issue is even present. *Decision-making through sense-making* illuminates the lived experiences of those who displayed

65

intentional deliberation surrounding issues of equity and justice. And finally, the compassionate connection spotlights the lived experiences of those who displayed sympathy and empathy to those who were involved in an ethical situation and to themselves. These individuals often imagine themselves in the role of others and provide rhetoric of care and personhood. The three dominant themes reinforce scholars' urgent desire to reimagine business ethics education (Muolo & Padilla, 2010; Paletta & Enrich, 2008) to one which infuses a liberal arts dimension (Colby, 2011; Czarniawska-Joerges et al., 2005; Harney et al., 2020).

Overall, our research contributes to the manner and perhaps urgency of reimagining the undergraduate business education curriculum and for sure the field of management development theory *writ large* and its effect on corporate citizenry, corporate conduct, and ethical decision-making. Our qualitative assessment reveals a range of interpretations which we believe will be critical in shaping future business leaders.

LIMITATIONS

There are several limitations to this study that impact its generalizability. First, we are mindful that our sample size of 30 and could be larger. In a follow-up study, we intend to interview another 10 (evenly distributed by liberal arts concentrators and non-concentrators) or more with the hopes of determining saturation. Related, a second limitation involves the role of gender. We wonder whether gender does play a role in business ethical decision-making as referenced in our study by other scholars. To date, we interviewed 9 female business professionals with the remaining 21 being male. A third limitation relates to the age of interviewees. Age range of our interviewees consist of 26 years old to 56 years old. We

are mindful that those who have worked longer have had a chance to reflect and sense-make troubling and ethical dilemmas than those who have shorter work experiences.

IMPLICATIONS FOR PRACTITIONER AND ACADEMIC

Through this research, we advance the idea that management education has much to benefit from the liberal arts, and simultaneously, business leaders may significantly benefit from the vast wisdom of liberal arts education given the humanistic values (e.g., compassion, trust, kindness, personhood, ethics, sympathy, etc.) that this education prioritizes. As business historian Spierling notes, even stakeholder capitalism is in a precarious position. In other words, stakeholder capitalism (e.g., corporate social responsibility) is not enough. Business management is in need of a "rewiring" (Spierling, 2021). Another contemporary university scholar Newfield (2018) notes, "The liberal arts curriculum contains a wealth of nonpecuniary value to offer students and society alike." Our findings support the idea that a liberal management education has never been more pressing. Such a blend or fusion of the two fields (management and the liberal arts) would enrich students, society, and the marketplace by challenging and in turn strengthening both educational realms. Unquestionably, we believe that thought and reflection must be carried out regarding how to develop this more holistic and balanced model of management education with its higher purpose to cultivate social responsibility and to enhance students and leaders' moral and ethical compass in a rapidly changing and uncertain world.

FUTURE RESEARCH

In our research, we desire to understand if the values of a liberal arts education make a positive difference when performing ethical decision-making at the workplace. We endeavor to entertain how current management and business education curriculum could

stand to benefit from minor or major curriculum overhauls given the rise in corporate misconduct. Other themes organically surfaced which could be investigated at a later date. Examples of ancillary themes include: compassion and connectivity to those who were involved in the ethical conflict or sustaining personal moral flexibility.

However, we do believe that one possible research direction relating to our study may involve investigating the role gender influences moral development and business ethical decision making. Another potential research direction may involve following the participants overtime and perform follow-up data gathering to determine if and how their notion of ethical decision-making has transformed over time.

CONCLUSION

Through our study, we endeavor to spotlight the ethic of care at the workplace. We argue that cultivating an ethic of care at the workplace is critical as it could mitigate corporate scandals, improve workplace culture, and improve corporate productivity. The findings from our study help reinforce the idea that values such as compassion, empathy, and personhood have never been more important in the current business climate (even during a COVID19 pandemic). The current business climate continues to be rife with corporate misconduct and scams. McKinsey & Company, the elite management consultant company, for instance, settled in early 2021 and agreed to pay nearly $600 million given its role in helping "turbocharging" opioid sales on behalf of its clients (Forsythe et al., 2021).

Our intervention is unique for few empirical studies have explored where a liberal arts education can be tied to sound ethical decision-making in a managerial context. In order to address this phenomenological gap, we carried out a qualitative inquiry involving semi-structured interviews with business professionals who have earned a liberal arts

undergraduate degree and those who have graduated with a non-liberal arts degree. By probing into the "lived worlds" of these business professionals, we found that quintessential liberal arts values such as, empathy, compassion, and personhood, are important for moral awareness and ethical decision-making, but they may not be sufficient mitigants in dealing and confronting with business and ethical conflicts.

As littered throughout our research, the Father of modern management Peter Drucker not only believes that business is a liberal arts discipline but also is believes that management education could benefit from basic principles of liberal arts education for there is much to learn from Plato and from canonical literatures of the past. Communicating effectively, reading fluently social and emotional cues, arguing persuasively, adapting to fluid environments, discerning issues of equity, equality, and morality, and interpreting new forms of information propel the idea that management education has much to learn from the liberal arts.

APPENDIX:
Interview Protocol and Questions

Step 1: Introduction and Explanation

Introduction (Interviewer): *"Hi (name). I just want to thank you for taking the time to meet with me today. I appreciate the time and attention. Before getting started, there are a couple of things I would like to cover up front about why we are doing this interview."*

Purpose and Format for the Interview (Interviewer): *"As you know from the letter you have received from me, broadly, I am interested in managerial decision-making. To make sure we are on the same page, I am not interested in the technical aspect of what you do at your office or any proprietary information about your company or the markets you operate in. These are confidential information that we do no need to discuss. I am more interested in what influences your day-to-day decision-making. That is really the focus on what we are going to talk about today"*.

Confidentiality (Interviewer): *"Everything you share in this interview will be kept in strictest confidence, and your comments will be transcribed anonymously – omitting your name, anyone else you refer to in this interview, as well as the name of your facility. Your interview responses will be included with all the other interviews I conduct."*

Audio Taping (Interviewer): *"To help me capture your responses accurately and without being overly distracting by taking notes, I would like to record our conversation with your permission. Again, your response will be kept confidential. If at any time, you are uncomfortable with this interview, please let me know and I will turn the recorder off."*

"Any questions before we begin?"

Step 2: Opening Icebreaker Question

Interviewer: *"(Name) tell me about yourself and your role here (company name)."*

Probing questions to ask only if respondent does not provide responses to:

Interviewer:
- *"Where are you from?"*
- *"How long have you been with this company?"*
- *"How long have you been in this role?"*
- *"How did you get to this position?"*
- *"Where did you earn your undergraduate degree?*
- *"Should you have advanced degrees, where are they and where did you earn them?*

Step 3: Experiential Questions on Ethical Decision-Making

Introduction: *"I am going to ask you a few questions regarding your experience with decision-making at (company name). Please be as specific as you can and provide me with as much detail as you can remember. If I have a clarifying question, I will ask you."*

Interviewer: *"First, let us focus on the <u>most recent</u> ethical challenge that was made in your company" Please tell me about that decision and the process that led to it."*

Clarifying questions that will be asked if needed to engage specifics from the respondent, or to add detail to their story:

Interviewer: - *"What was the decision?"*
               - *"How was the process?"*
               - *"How did the process start? What happened next?"*
               - *"Who was involved?"*
               - *"What was your role in that process?"*
               - *"What made the process successful?"*
               - *"Can you give me specific details?"*
               - *"How common is it for you to encounter such ethical challenges at the work place?"*
               - *"Did you have an opportunity to think over time the situation at hand?"*
               - *"How long thereafter?"*

Interviewer:

FOR TOP
MANAGEMENT: *"Thank you for that. I would now like to ask you to think back 12 to 24 months. I am sure you have encountered many ethical challenges. Please think of one that was <u>most significant</u> to you"*

FOR OTHER
MANAGERS: *"Thank you for that. I would now like to ask you to think back 12 to 24 months. I am sure you have encountered many ethical challenges. Please think of one that was <u>most significant</u> to you"*

Interviewer: *"Thank you for that. I would now like to ask you to think back 12 to 24 months. I am sure you have encountered many ethical challenges. Please think of one that was <u>most significant</u> to you. I am interested in the "nitty gritty details."*

Clarifying questions that will be asked if needed to engage specifics from the respondent, or to add detail to their story:

Interviewer: - *"What was the decision about? Why was it significant?"*

71

- *"How did the decision process start? What happened next?"*
- *"How did the process work? How often did the decision makers meet?"*
- *"Who was involved in the decision? What functions?"*
- *"Please tell me more about the role of each participant!"*
- *"Was the group working well together? How so?"*
- *"What was your role in that process?"*
- *"What types of information were used?"*
- *"Where did the information come from?"*
- *"How was information put together to support the decision?"*
- *"Who made the final decision? How did that work?"*
- *"Was the decision successful?"*
- *"What made it successful?"*
- *"Can you give me specific details?"*
- *"Tell me more about this!"*

Step 4: Ethical Case Study Presented

Introduction: *"Thank you very much for sharing so many details with me. Now I would like to switch gear and move on to the next question".*

Interviewer: *"How do you understand the case study presented?"*

Clarifying questions that will be asked if needed to engage specifics from the respondent, or to add detail to their responses:

Interviewer: - *"Are there ethical issues involved in all of these cases? Which ones and why?"*
- *"How important to a company's investors and shareholders is the personal behavior of the CEO?"*
- *Do people have to like him/her for the company to be successful?"*
- *"Does mission matter when assessing gaps between a leader's values and the organization s/he is running?"*
- *"What should boards consider risky personal behavior in hiring executives?"*
- *"Has your firm experienced a similar ordeal?"*
- *"Tell me about it!"*
- *"How do you understand value in your company?"*

Step 5: Closing
Interviewer: *"That concludes our interview. Do you have any additional comment you would like to make regarding ethical decision-making at (company name)."*

"Thanks very much for your time and for sharing your experiences with me. In the event that I have a need to clarify some of your responses,

would it be ok for me to give you a short follow up phone call? Thank you again."

REFERENCES

AACSB. 2004. *Ethics education in business schools: Report of the ethics education task force to AACSB International's board of directors*. https://www.aacsb.edu/-/media/publications/research-reports/ethics-education.pdf?la=en

Ames, J. 2016. *High pressure strategic decision making in private equity portfolio companies: The role of trust, respect, and credibility in reconciling threats to moral identity*. Doctoral Qualitative Research Report, Case Western Reserve University.

Anders, G. 2019. *You can do anything: The surprising power of a "useless" liberal arts education*. NY: Little, Brown & Company.

Aron, D., 2020. Understanding, designing, and managing complex systems. Coursework at Case Western Reserve University.

Astin, A. 1999. How the liberal arts college affects students. *Daedalus*, 28 (1): 77-100.

Aubry, T. 2017. Don't panic, liberal arts majors. The tech world wants you. *The New York Times*, August 21. https://www.nytimes.com/2017/08/21/books/review/you-can-do-anything-george-anders-liberal-arts-education.html

Baker, H. 2014. The most interesting (business) man in the world. *The Imaginative Conservative*. Accessed 11/29/20: https://theimaginativeconservative.org/2014/09/most-interesting-business-man-world.html

Bazerman, M. 2015. *The power of noticing: What the best leaders see*. NY: Simon & Schuster.

Bazerman, M., & Tenbrunsel, A.E. 2012. *Blind spots: Why we fail to do what's right and what to do about it*. NJ: Princeton University Press.

Biasucci, C. 2020. *Behavioral ethics in practice* (1st ed.). NY: Routledge.

Blaich, C., Bost, A., Chan, E., & Lynch, R. 2004. *Executive summary: Defining liberal arts education*. Retrieved from https://www.wabash.edu/news/displaystory.cfm?news_ID=1400

Borgowski, S. & Ugras, Y. 1998. Business students and ethics: A meta-analysis. *Journal of Business Ethics*, 17: 1117-1127.

Boyatzis, R. 2019. Leading change. Coursework at Case Western Reserve University.

Brady, F. N., & Hart, D. 2007. An exploration into the developmental psychology of ethical theory with implications for business practice and pedagogy. *Journal of Business Ethics*, 76: 397-412.

Bright, D., Cameron, K., & Caza, A. 2006. The amplifying and buffering effects of virtuousness in downsized organizations. *Journal of Business Ethics*, 64: 249-269.

Buchanan, R. 2021. Technology & Social Systems. Coursework at Case Western Reserve University.

Christensen L. J., Hartman, P.E., Hoffman, W.M., & Carrier, J. 2007. Ethics, CSR, and sustainability in the Financial Times top 50 global business schools. *Journal of Business Ethics*, 73: 347-368.

Cohen, W. 2020. *Why knowledge of liberal arts is essential for success*. Retrieved from https://www.processexcellencenetwork.com/lessons_from_peter_drucker/articles/why-knowledge-of-liberal-arts-is-essential-for-success

Cohen. W. 2019. Drucker: Management more important than data. *HR Exchange Network*. Retrieved from https://www.hrexchangenetwork.com/shared-services/columns/drucker-management-more-important-than-data

Colby, A, Ehrlich, T., Sullivan, W., & Dolle, J. (Eds) 2011. *Rethinking undergraduate business education: Liberal learning for the profession*. CA: The Carnegie Foundation for the Advancement of Teaching.

Cooperrider, D. 2020. Appreciative Inquiry Workshop. Case Western Reserve University.

Corbin, J., & Strauss, A., 2008. *Basics of qualitative research*. NY: CA: Sage Publications, Inc.

Corcoran, R., O'Flaherty, J., Xie, C., & Cheung, A. 2019. Conceptualizing and measuring social and emotional learning: A systematic review and meta-analysis of moral reasoning and academic ability, religiosity, political orientation, personality. *Educational Research Review*, 1-76.

Craft, J. 2013. A review of the empirical ethical decision-making literature: 2004-2011. *Journal of Business Ethics*, 117 (2): 221-259.

Czarniawska-Joerges, B., & de Monthoux, P. G. 2005. *Good novels, better management: Reading organizational realities in fiction*. Switzerland: Taylor & Francis.

Deigh, J. 1995. Empathy & universalizability. *Ethics*, 105(4): 743-763.

Detert, J. R., Trevino, L., & Sweitzer, V. 2008. Moral disengagement in ethical decision making: A study of antecedents and outcomes. *Journal of Applied Psychology*, 93(2): 374-391.

Drumwright, M., Prentice, R., & Biasucci, C. 2015. Behavioral ethics and teaching ethical decision-making. *Decision Sciences Journal of Innovative Education*, 13(1): 431-458.

Durdan, P. 2001. *The essential Drucker*. New York: Harper Business.

Feddersen, T. 2014. Ethics & The Executive. Coursework at The Kellogg School of
Management, Northwestern University.

Forsythe, M., & Bogdanich, W. 2021. McKinsey Settles for Nearly $600 Million Over Role
in Opioid Crisis. *New York Times.*

Franks, R., & Spalding, Jr., A. 2013. Business Ethics as an Accreditation Requirement: A
Knowledge Mapping Approach. *Business Education & Accreditation*. 5(1): 17-30.

Gagliardi, P., & Czarniawska, B. (Eds.) 2006. *Management education and humanities*. MA:
Edward Elgar.

Gaudine, A., & Thorne, L. 2001. Emotion and ethical decision-making in organizations.
Journal of Business Ethics, 31: 175-187.

Giacalone, R. A., and Calvano, L. 2012. An aspirational reframing of business ethics
Education. *Journal of Business Ethics Education*, 9: 377-394.

Giacolone, R. A., and Promislo, M. 2013. Broken when entering: The stigmatization of
goodness and business ethics education. *Academy of Management Learning &
Education*, 12(1): 86-101.

Glaser, B., & Strauss, A. 1977. *The discovery of grounded theory: Strategies for qualitative
research*, NY: Aldine.

Grint, K. 2000. *The art of leadership*. Oxford, UK: Oxford University Press.

Gundersen, D. E., Capozzoli, E. A., & Rajamma, R. K. 2008. Learned ethical behavior: An
academic perspective. *Journal of Education for Business*, 83(6): 315-324.

Haidt, J. 2003. The emotional dog does learn new tricks: A reply to Pizzaro and Bloom.
Psychological Review, 110, 197-198.

Harney, S., & Thomas, H. 2020. *The liberal arts and management education: A global
agenda for change*. UK: Cambridge University.

Henik, E. 2008. Mad as hell or scared stiff? The effects of value conflict and emotions on
potential whistle-blowers. *Journal of Business Ethics*, 80: 111-119.

Hooker, R. 1996. Humanism. In World civilizations. Pullman, WA: Washington State
University

Janaro, R. 1979. *The art of being human: Humanities as a technique for living*. New York:
Harper & Row.

Jewe, R. D. 2008. Do business ethics courses work? The effectiveness of business ethics education: an empirical study. *Journal of Global Business*, 2(1): 1-6.

Kohlberg, L. *The philosophy of moral development: Moral stages and the idea of justice: Essays on moral development* (1st ed.). New York: Harper & Row

Laszlo, C. 2020. Flourishing Enterprises. DM Course. Case Western Reserve University.

Laszlo, C. 2020. Quantum management: The practices & sciences of flourishing enterprise. *Journal of Management, Spirituality & Religion*, 17(4): 301-315.

Lea, Randall. 2019. Interview with chief medical officer of Alice Peck Day Hospital.

Lincoln, Y., & Guba, E. 1985. *Naturalistic inquiry*. CA: Sage Publications.

Livingston, S. 1971. The myth of the well-educated manager. *Harvard Business Review*, 49 (1): 79-89.

Loe, T., Ferrell, L., & Mansfield, P. 2000. A review of empirical studies assessing ethical decision making in business. *Journal of Business Ethics*, 25 (3): 185-204.

Lopez, Y.P., Rechner, P., & Olson-Buchanan, J. B. 2005. Shaping ethical perceptions: An empirical assessment of the influence of business education, culture, and demographic factors. *Journal of Business Ethics*, 60: 341-358.

Maxwell, J. 2005. *Qualitative research design: An interactive approach*, Vol. 42. CA: Sage Publications.

Mayer, D. M., Aquino, K., Greenbaum, R. L., & Kuenzi, M. 2012. Who displays ethical leadership, and why does it matter? An examination of antecedents and consequences of ethical leadership. *Academy of Management Journal*, 55(1): 151-171.

Miles, J. 2012. *Management and organization theory*. San Francisco, CA: Jossey-Bass Business Management Series.

Moore, A. 2007. Ethical theory, completeness and consistency. *Ethical Theory and Moral Practice*, 10: 297-308.

Morrissey, S. The value of a liberal arts education. *Philosophy, Politics, and Economics Undergraduate Journal*, 8: 129-153

Munsey, B. 1980. *Moral development, moral education, and Kohlberg*. Birmingham, AL: Religious Education Press.

Muolo, P., & Padilla, M. 2010. *Chain of blame: How Wall Street caused the mortgage and credit crisis*. Hoboken, NJ: Wiley.

Mumford, M., Connelly, S., Brown, R., Murphy, S., Hill, J., Antes, A., Waples, & Devenport, L. 2008. A sensemaking approach to ethics for scientists: Preliminary evidence of training effectiveness. *Ethics & Behavior*, 18(4): 315-339.

Newfield, C., & Meranze, M. 2018. *Remaking the university*. Retrieved from http://utotherescue.blogspot.com/2018/09/rewriting-humanities-story-piece-of.html

Paletta, D., & Enrich, D. 2008. Crisis deepens and big bank fails. *The Wall Street Journal*, Retrieved from http://online.wsj.com/article/SB121581435073947103.html.

Painter-Morland, M., Sabet, E, Mothan-Hill, P., Goworek, H., & Leeuw, S. 2016. Beyond the curriculum: Integrating sustainability into business schools. *Journal of Business Ethics.* 139: 737-754.

Piaget, J. 1997. *Moral development of the child*. New York: Simon & Schuster.

Pulliam, S., Scannell, K., Lucchetti, A., & Ng, S. 2010. Wall Street probe widens. *The Wall Street Journal*. Retrieved from http://online.wsj.com/article/SB100 01424052748704247904575240783937399958.html

Pirson, P. 2017. *Humanistic management: Protecting dignity and promoting well-being*. UK: Cambridge University Press.

Rest, J. 1982. A psychologist looks at the teaching of ethics. *Hastings Center Report*. 12(1): 29-36.

Reynolds, S. J. 2006. Moral awareness and ethical predispositions: Investigating the role of individual differences in the recognition of moral issues. *Journal of Applied Psychology*. 91(1): 233-243.

Sadowsky, J. 2019. History of Medicine. Coursework at Case Western Reserve University.

Securities and Exchange Commission. 2010. Goldman Sachs to pay record $550 million settle SEC charges related to subprime mortgage CDO. *SEC Press Release*, Retrieved from https://www.sec.gov/news/press/2010/2010-123.htm

Seifert, T., Goodman, K., Lindsay, N., Joergensen, J., Wolniak, G., Pascarella, E., & Blaich, C. 2007. The effects of liberal arts experiences of liberal arts outcomes. *Research Higher Education*, 49: 107-125.

Schoemaker, P. 2008. The future challenges of business: Rethinking management education. *California Management Review*, 7 (2): 121-134.

Simon, H. A. 1947. *Administrative behavior: A study of decision-making processes in administrative organization* (1st ed.). New York: Macmillan.

Simon, H. A. 1955. A behavioral model of rational choice. *Quarterly Journal of Economics*, 69(1): 99–118.

Simon, H. A. 1955. On a Class of skew distribution functions. *Biometrika*, 42(3–4): 425–440.

Simon, H. A. 1957. *Administrative behavior: A study of decision-making processes in administrative organization* (2nd ed.). New York: Macmillan.

Simon, H. A. 1957. *Models of man*. New York: John Wiley.

Skeet, A. 2018. Case on executive integrity. Markkula Center for Applied Ethics at Santa Clara University, accessed internet on April 5, 2020: https://www.scu.edu/ethics/focus-areas/business-ethics/resources/case-on-executive-integrity/

Sonenshein, S. 2007. The role of construction, intuition, and justification in responding to ethical issues at work: The Sensemaking-Intuition Model. *Academy of Management Review*, 32(4): 1022-1040.

Spierling, K. 2021. Why we need the liberal arts to achieve stakeholder capitalism. *Chief Executive Network*. April 1. https://chiefexecutive.net/why-we-need-the-liberal-arts-to-achieve-stakeholder-capitalism/

Steyaert, C, Beyes, T, & Parker, M. (Eds.) 2016. *The Routledge companion to reinventing management education*. UK: Routledge.

Stross, R. 2018. *Practical education: Why liberal arts majors make great employees*. CA: Redwood Press.

Stull, R. A. 1962. Liberal arts, our guardian: The pursuit of the good life. *The Journal of Higher Education*, 33(1): 38-43.

Thiel, C., Bagdasarov., Z., Harkrider, L., Johnson, J., & Mumford, M. 2012. Leader ethical decision-making in organizations: Strategies for sense-making. *Journal of Business Ethics*, 107: 49-64.

Thomas, H., Stefano, H. 2013. Towards a liberal management education. *Journal of Management Development*, 32(5): 508-524.

Tsao. F. & Laszlo, C. 2019. *Quantum leadership: New consciousness in business*. Stanford, CA: Stanford Business Books

Velasquez, M., & Andre, C. 1987. Can ethics be taught? *Issues in Ethics*. Retrieved from https://www.scu.edu/mcae/publications/iie/v1n1/taught.html

Van Hoorn, A. 2015. The global financial crisis and the values of professionals in finance: An empirical analysis. *Journal of Business Ethics*, 130(2): 253-269.

Wankel, C., & Stachowicz-Stanusch, A. (Eds.) 2011. *Management education for integrity: Ethically educating tomorrow's business leaders*. UK: Howard House.

Waples, E., Antes, A., Murphy, S., Connelly, S., & Mumford, M. 2008. A meta-analytic investigation of business ethics instruction. *Journal of Business Ethics*, 87: 133-151.

Weick, K. E. 1979. *The social psychology of organizing* (2nd ed.). NY: Addison-Wesley.

Whitehouse, P. 2021. Social Ethics. Case Western Reserve University.

Winston, M. 2007. Ethical leadership and ethical decision-making: A meta-analysis of research related to ethics education. *Library & Information Science Research*, 29: 230-251.

Woiceshyn, J. 2011. A model for ethical decision-making in business: Reasoning, intuition, and rational moral principles. *Journal of Business Ethics*, 104, 311-323.

Wren, T., Riggio R., & Genovese, M. (Eds.) 2009. *Leadership and the liberal arts: Achieving the promise of a liberal education*, UK: Palgrave.

THE MAKING OF THE "MORAL" MANAGER: A MEDIATING ANALYSIS

By

Tim Nguyen

Submitted in Partial Fulfillment of the Requirements for the Quantitative Research Report
in the Doctor of Management Program
at the Weatherhead School of Management

Advisors:
James Gaskin, Ph.D., Brigham Young University
Peter Whitehouse, MD, Ph.D., Case Western Reserve University

CASE WESTERN RESERVE UNIVERSITY

April 2022

THE MAKING OF THE "MORAL" MANAGER: A MEDIATED ANALYSIS

ABSTRACT

With corporate misconduct (e.g., Theranos, Google, Facebook, just to name a few) continuing to abound, the topic of business ethics and ethical decision-making has never been more pressing. Scandals negatively affect company brand and ultimately impact firm profitability. In this research, we examined factors, like empathy, religiosity, mindfulness, and value-guided behavior, that could potentially influence ethical decision-making. Three hundred and sixteen respondents participated in our survey, and we conducted a mediation analysis of personal value-guided behavior, religiosity, and mindfulness on ethical decision-making through empathy. Our results indicate that personal value-guided behavior and religiosity have a positive impact on ethical decision-making through empathy. However, we did not find similar support for mindfulness. We did not find support for empathy having a positive effect on ethical decision-making. This research provides insights about potential factors which influence ethical decision-making in business settings. Business schools and executive training programs too could benefit from our findings as they rethink the benefits of integrating business ethics into the academic curriculum and corporate compliance programs to mitigate unethical conduct at the workplace.

Key words: management education; leadership; ethics; organizational behavior; sense-making; empathy; ethical decision making; mindfulness; religiosity; personal values

INTRODUCTION

Business has had a history of focusing on profit maximization at the expense of non-shareholder stakeholders. Post-Sarbanes Oxley, corporate scandals and misconduct (which includes employee abuse, discrimination, theft, and fraud) continue to inch upwards (Ethics & Compliance Initiative, 2021). According to the report, employee pressure has reached the highest level since 2000. US respondents in this survey noted sharp increase in employee pressure to violate their organization's ethics standards than in previous years (Ethics & Compliance Initiative 2021). To compound the problem, employee perceptions of retaliation after reporting misconduct mushroomed to a record high. In the US, for instance, rates of retaliation have more than tripled since 2013, and they have more than doubled globally since 2019 (Ethics & Compliance Initiative, 2021).

While not all business schools offer business ethics or integrate ethics into their overall academic program, management education offered at business school serves as one corrective measure to unethical acts at the workplace. Yet, a growing body of research suggests that current management education needs an overhaul (Cooperrider, 2020; Laszlo, 2020; Pirson; 2017). Management education, specifically at US business schools, continue to prioritize and reinforce optimization principles and techniques popularized during the 20th century over topics of greater concern in the 21st century, such as ethics, justice, and fairness in curriculum. Given that management education influences the way future business leaders conduct business (Lopez et al., 2005), the traditional academic approach to studying business calls for drastic reimagining (Buchanan, 2021; Whitehouse, 2021).

A need to broaden the focus of business education (both at the undergraduate and graduate level) today is particularly pressing as corporate misconduct continues to abound,

such as with Enron, irresponsible subprime lending practices, and more recent scandals involving Wells Fargo (creating fake accounts to meet internal quotas and earnings) and Theranos Inc (corporate fraud and investor deception). These events indicate ethics and other sources of ethical competencies (which include religion, mindfulness, and personal values) in business leadership should be greater emphasized (Muolo & Padilla 2010; Paletta & Enrich, 2008; Pan et al., 2012; Pohling, et al., 2016).

Despite consensus regarding the importance of possessing ethical training and education (Gundersen et al., 2008), current ethical decision-making approaches are inadequate for understanding how business leaders respond to ethical dilemmas (Pulliam et al., 2010; Securities and Exchange Commission, 2010; Thiel et al., 2012). Possessing ethical awareness (or being aware of ethical situations) as an academic topic continues to be "misunderstood and under-simplified" (Sonenshein, 2007).

The field of ethical decision-making is still evolving. Meta-analysis and systematic reviews relating to this field are inconclusive as conclusions surrounding ethical decision-making are conflicting and need clarity (Pan et al., 2012). Ethical competencies and ethical capacities (Pohling et al., 2016) for instance are underexplored. Business ethics scholars call for studies to identify the capacities and potential sources for ethical decision-making (Hannah et al., 2011; Pohling et al., 2016). As such, our research study attempts to study such ethical competencies and capacities to fill this gap. The present study contributes to this aim by exploring variables, like personal values, religiosity, and mindfulness, which are often neglected in business education, and by examining the influence of empathy.

By carrying out our research study, we hope to expand our understanding about potential corrective measures to unethical acts in a business setting. Our study is guided by

the following research question: *Do personal values, religiosity, mindfulness, influence ethical decision-making, and what role does empathy have in this relationship?* As outlined and nestled in our literature review, our constructs were selected from our qualitative study as these emerged as important themes inviting us to explore. Furthermore, gaps exist in the literature review, specifically whether personal value and experiences influence ethical decision-making or whether religiosity informs ethical decision-making through empathy, or even mindfulness is effective in navigating ethical situations, so we wanted to test them in our model.

LITERATURE REVIEW

The decision-making is complex process and many factors shape the process influencing choices, alternatives and options (Rilling et al., 2011). The process of decision-making is characterized by competition and intuition. Business performance relies greatly on the decision-making performance of management teams. Corporate behavior and business ethics in modern enterprises are tightly linked to leadership decision-making (Eisenbeiss et al., 2015). Therefore, our literature review reflects theories that inform the ethical decision-making process by drawing on alternative sources of ethical competencies.

Business Ethical Theory

Two international accreditation bodies for higher education business schools exist, and they are the Association to Advance Collegiate Schools of Business (AACSB) and the Accreditation Council for Business Schools and Programs (ACBSP). Both require business schools to incorporate ethics into their curricula (Franks et al., 2013). To be considered ethical leaders, the AACSB states that executives must be both "moral persons" and "moral

managers." Standalone courses, as well as the demonstration of ethics, to be integrated into the overall curriculum are important to these accrediting organizations.

Executives become moral persons by expanding their awareness to include multiple stakeholder interests and by developing and applying their own ethical decision-making skills to organizational decisions in ways that are transparent to the followers. Simultaneously, executive become moral managers by recognizing and accepting their responsibility for acting as ethical role models (AACSB, 2013). While management schools have adopted these standards, in practice we see the opposite—that is a de-emphasizing of ethics in the business school curriculum (not to be confused with corporate social responsibility).

As Ames (2016) point out, the ethical and moral reasoning field is well established, and the management field draws on ethics and morality often. Brady et al. (2007) argue that ethical theories provide advice about how people ought to be and how they ought to behave. This body of theory articulate the conditions under which an action is "right" or "moral" (Moore, 2007). Words like "ethics" and "morality" often used interchangeably (Deigh, 1995). Mayer, Aquino, Greenbaum, and Kuenzi (2012) coined the term "moral identity" which refers to self-schema individuals including business leaders. Implicitly, the concept is organized around a set of moral traits. Cameron (2006) delineates the two concepts, noting that ethics as duties and obligations of individuals and organizations to avoid harm. This fundamentally differs from a higher standard of pursuing the good, which he terms the "virtuousness standard." The virtuousness standard has many transcendent qualities which includes "moral muscle," will power, and stamina in the face of challenge (Cameron, 2006).

The precedent of delineating between an ethical and moral standard may prove useful in understanding decision-making under high pressure situations in a business setting.

Scholars from several disciplines posit that ethics education can be taught (Feddersen, 2014; Rest, 1982; Velasquez, 1987). In addition to the scholars referenced herein, other scholars (Christensen et al., 2007; Giacalone et al. 2013) contend that people do change through ethics education recognizing that a single business ethics course is insufficient. A comprehensive moral development at the business collegiate level is needed (Drumwright et al, 2015; Jewe, 2008).

Rest's (1982) seminal work identified four key psychological components that need to be developed for a person to become morally and ethically mature. The four required components are moral sensitivity, moral judgment, moral motivation, and moral character. Rest explored questions relating to an individual's interpretation of a particular situation, the individual's determination of the morally ideal course of action, the individual's decision-making process, and the individual's implementation of the decision (Rest, 1982). How a person responds to these fundamental questions reflects higher ethical and or unethical response and stance to the situation. Rest concluded that should the ethical process break down within any of these components, then the subject is considered to have committed an unethical behavior (Rest, 1982).

In the end, Rest argued that moral education should be involved in each of these components. Rest championed collaboration and partnership between psychologists and philosophical ethics in order to help students improve understanding and proficiency in these four areas. Standing to benefit the most would be areas of moral sensitivity and critical thinking. An improvement in awareness and critical thinking would lead to an improvement

in ethical behavior, and his argument was substantiated empirically. Rest adamantly believed that ethics education programs can positively influence critical thinking and judgment. He believed that through a formalized curriculum, moral excellence could be enhanced (Velasquaez, 1987). Scholars Drumwright et al (2015) reinforce the tenet that decision science could contribute in a meaningful way to ethics education thus informing ethical action. As moral excellence could be cultivated, the question places at the center management development theory.

Given the historical emphasis has been more on education as a potential corrective to unethical acts, our study attempts to explore other ethical competencies, which business and management schools may underemphasize, in the ethical decision-making process.

Management Development & Education Theory

Management development theory is indeed a broad field. In an article relating to management education, Livingston (1971) noted formal management education programs emphasize the development of problem-solving and decision-making but deemphasizes the development of skills required to search the problems that truly need to be solved and to attain the desired results. Management education should have a broader perspective, including the skills of problem search and framing, deliberating and discerning, and strategizing and implementing change. Above all, it should not be characterized by narrow, functional specialization. As Schoemaker (2008) notes, management practice is surrounded by paradox and ambiguity and hence requires holistic and important skills of synthesis such as abstract thinking as well as critical thinking (Schoemaker 2008; Thomas et al. 2013). From our perspective, the historical deemphasis in understanding and cultivating skills required to solve complex decision-making is not only problematic but is incomplete.

To develop skills required to solve for problem-solving and decision-making, our study builds on our previous qualitative research (Nguyen, 2021)—*From Plato to Peter Drucker: Liberalizing Management Education.* In that research, we found that religion, empathy, personal values, and mindfulness influenced individuals' ethical decision-making at the workplace proved helpful to those whom we interviewed in navigating ethical dilemmas. Individuals "leaned on" and "leaned in" their ethical sources and capacities to navigate complex ethical situations at the workplace. Therefore, our quantitative study is propelled by these new findings and adopts these constructs for exploration.

Value-Guided Behavior

Broadly, values signify what is good and worthy (Williams, 1970). Values describe both individuals and social collectives. Examples of social collectives include nations, business organizations, and groups. Values of social collectives could be conceptualized as cultural values (Sagiv et al., 2017). Members of the social collective then aspire to pursue them. Values could be utilized to justify actions taken by collective members and leaders in pursuit of these goals (Schwartz, 1999).

Values of individuals, on the other hand, (often described as personal values) are also admittedly broad in nature. Personal values are defined as trans-situational, desirable goals that serve as guiding principles in people's lives (Sagiv et al., 2017). They are aspirational goals that motivate peoples' action and serve as guiding principles in their lives (Kluckhohn, 1951). They shape people's preferences and behavior over time and across situations.

Given the under-explored area of personal value-guided behavior in ethical decision-making especially in the workplace, our study attempts to "fill in the gap" and provide a

fuller understanding of the potential role of value formation (Sagiv et al., 2017). We naturally would like to know how significant personal values play in ethical decision-making.

Religiosity

Religion, on the other hand, is also considered for it influences people's goals, decisions, motivations, purpose, and satisfaction (Zimbardo et al., 1979). Religiosity extols acts of unconditional love (displaying and embodying acts of love to other humans and the environment). Religion cultivates prosocial behavior consisting of sympathy and compassion. Thus, recognizing that different religious beliefs emphasize different aspects of a moral life. Other scholars (Kum-Lung et al., 2010) note that one who is religious is less inclined to behave in an unethical way since punishment is not only perceived as temporal, but also eternal.

Furthermore, it has long been argued that religious values shape decision-making. Vitell et al. (2003) for example note that faith, rather than reasoning or knowledge, is the keystone to a moral life. Religion develops an individual's internal and cognitive world. Religion is a strong determinant of values. Given religiosity refers to the proclivity to be religious, current studies emphasize religiosity's positive influence on ethical decision making.

However, a theme that is underdeveloped in this area is a lack of understanding regarding how religiosity could potentially be intertwined with empathy which shapes ethical decision-making. As such, our study attempts to explore this relationship.

Mindfulness

Mindfulness is a concept that involves awareness and observation of the present moment. One's ability to be mindful could influence decision-making as others have

discovered (Glomb et al., 2011; Karelaia et al., 2015). The more mindful I am, the more self-discipline I have. Through self-discipline, I can self-regulate and respond in a measured way to undesirable responses and situations like the workplace (Long et al., 2015; Nguyen 2019). Other scholars support the importance and role of quality of attention (Bishop et al., 2004; Hayes et al., 2004; Laszlo et al., 2021) and its prosocial behaviors in workplace settings.

Overall, the field of mindfulness meditation and practice is a budding area of interest in business studies (Laszlo et al., 2021). As such our study attempts to weigh in and provide additional insights to this area. We want to know, if it is truly the case that mindfulness improves ethical decision-making (Ruedy et al., 2010; Shapiro et al., 2012) and desire to learn of any possible connection to empathy.

Empathy

Empathy is a multidimensional concept. It encapsulates how human beings understand the lived experiences of others. It helps individuals relate to one another. Empathy has been closely studied by many and from across disciplines. Relating to organizational and management studies, empathy has been examined in relation to a range of organizational and managerial phenomena, including managerial and corporate citizenry (Settoon & Mossholder, 2002), leadership emergence (Wolff, Pescosolido, & Druskat, 2002), and interpersonal justice (Patient & Skarlicki, 2010).

Empathy has both a cognitive and affective dimension. It solicits "perspective taking" and allows individuals to display "concern." Through perspective-taking, individuals develop tendencies to spontaneously adopt the psychological point of view of others (Davis, 1983). Empathetic concern, on the other hand, documents the feelings of concern or sympathy that a

person has toward another. The empathetic concern is more intellectual than the former which is more emotional (Halpern, 2003).

The concern for others propels a prosocial behavioral response (Batson et al., 2003; Bazerman et al., 2009; Cohen, 2010). Hoffman (2003) observed that empathy provides the internal motivation for acting in accord with a principle. In a game-theoretic study, higher levels of empathetic concern tend to disapprove of unethical negotiations and behavior more likely Hoffman (2003).

As Baker (2017) notes in her study, empathy could be nurtured and taught, and there are a variety of ways of doing this. This is an important observation because empathy stabilizes in early adulthood (Eisenberg et al., 2005). However, it should be noted that not all scholars subscribe to the effectiveness of empathy as a potential predictor of ethical decision-making. Scholars Decety et al. (2014) questions the robustness of empathy and its influence on ethical decision-making. For her, this concept is imperfect and is in need of further investigation. Drawing from her research at the University of Chicago, she challenges empathy as a reliable source of information in moral decision-making (Decety, 2021). For her, empathy is "unconsciously and rapidly modulated by various social signals and situational factor." At times, empathy could even erode ethical values" (Decety, 2021). This observation is interesting and piques our interest; hence, we would like to explore this claim.

Ethical Decision-Making

Ethical decision-making encompasses a broad range of perspectives, and normative ethics provides a way of thinking about how people *ought* to act and which decisions are more optimal than others (Hoover & Pepper, 2015). In a review of ethical decision-making theory, Schwartz (2016) offered an integrated decision-making model that recognizes a

comprehensive understanding of ethical choice. First, ethical decision-making is a process of moral reasoning which is a rationalist perspective. The second one is intuitive or based on emotion (i.e., a non-rationalist perspective). Schwartz (2016) argued that the moral capacity of individuals, in addition to the context at hand, shapes the moral reasoning process.

The study of ethical decision-making is evolving and steeped with conflicting study results (Pan et al., 2012). As such, we would like to investigate this construct and fill in the gap where we can. We have adopted the Reidenbach and Robbin (1998, 1990) multidimensional ethics scale to determine the effectiveness and reliability of the scale given its popularity.

RESEARCH DESIGN & METHODS

Theoretical Development

For our research design, we wanted to develop and incorporate a mediated hypothesis to support a modeled relationship. We used the dataset as privately gathered through a survey instrument) to analyze our model. Drawing on the model in Figure 1, we desired to focus on empathy as a mediator for the relationships between our predictors and ethical decision making (EDM).

FIGURE 1
Hypothesized Model
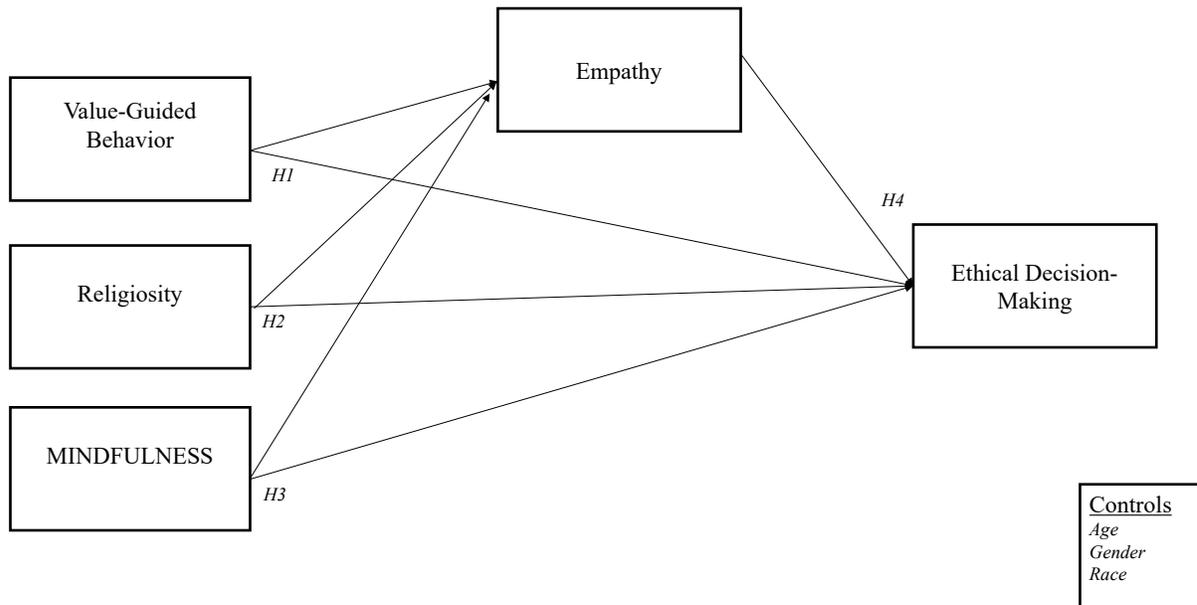
About Value-Guided Behavior (Direct)

From an abductive reasoning perspective, we can say that if her behavior is guided by personal values (through family, education, and socialization), then she is more inclined to carry out just acts and display ethical behavior as these are values that are deemed appropriate by society.

As referenced in the literature review section, personal values are learned beliefs about preferred ways of acting or being which serve as "guiding principles in the life of a person or other social entity (Oliver, 2003). Personal values are developed and honed at home, by family and in school settings (Oliver, 2003). As people go through life, they developed their own moral value which serves as a moral compass, helping them navigate complex situations, the workplace, public spaces, and even hostile environments. This moral compass gives them principles to rely on during ambiguous and difficult decision making.

They can rely on these principles to help see through the fog of ethical dilemmas. As such, we hypothesize that:

>*Hypothesis 1 (Direct). Value-guided behavior is positively associated with ethical decision-making.*

About Religiosity (Direct)

From an abductive reasoning perspective, if she is religious, then she is inclined to behave more ethically and morally because she is guided by divine commandments as espoused in major religious texts. Unethical acts are kept at bay for fear of eternal punishment. Some examples of divine commandments include "Thou shall not steal"; "Thou shalt not deceive"; "Though shalt not kill"; "Love thy neighbor," just to name a few. As such, we hypothesize:

>*Hypothesis 2 (Direct). Religiosity is positively associated with ethical decision-making.*

About Mindfulness (Direct)

Mindfulness is the state and process of being attentive and (hyper) conscious. From an abductive reasoning perspective, when she is fully aware, she is "in the moment." She is highly aware of his physical body, of her sensations, of her interaction with those who are around her as well as her surroundings. The individual becomes less 'I-centric" and becomes more "Other-centric." In this manner, she becomes more empathetic to those around her. Unethical acts are kept at bay because of her heightened state of awareness and self-regulation. As such, we hypothesize:

>*Hypothesis 3 (Direct). Mindfulness is positively associated with ethical decision-making.*

Empathy as a Mediator Concept

The more people feel and identify with those who have been wronged, the more likely people will not engage in untoward behavior. That is, empathy has a mirroring quality. Empathy encapsulates how human beings understand others and is relational.

From an abductive reasoning perspective, as she imagines *"walking in other people's shoes" so* goes the empathy adage, the more she relies on her own personal values which are developed and accrued over time, she becomes more compassionate, caring, and understanding of those who have been affected by the unethical act. This could also be said of religiosity. As she imagines *"walking in other people's shoes,"* the more she "leans on" her faith and the *mysterium tremendum* (the supernatural) to make sense of the untoward, unkind, unethical act. Her faith propels her empathy. And lastly, this could also be said about mindfulness. As she imagines *"walking in other people's shoes,"* the more she "leans in" to the unethical situation and becomes fully "present" to her environment. Mindfulness enables her to become enlighten to a particular situation (good or bad). Her intense understanding of the pregnant moment allows her to empathize with those who have been wronged and affected by the unethical act.

Empathy therefore embodies a cognitive and affective dimension. It solicits "perspective taking" and allows individuals to display "concern" (Yang et al., 2018). Through perspective-taking, individuals develop tendencies to spontaneously adopt the psychological point of view of other, and through empathetic concern, individuals demonstrate feelings of concern or sympathy that a person has toward another. The concern for other propels a prosocial behavior reaction. Empathy spurs moral action When people

empathize, they are carrying out an internal calculation about others' predicament. Empathy therefore generates a positive effect on individuals' attitudes and behaviors toward others.

In addition to studies demonstrating empathy's positive effects on ethical decision-making (Eisenberg et al., 1987), some scholars have argued that value-guided behavior and mindfulness do influence empathy (Pohling et al., 2016). There are others who contend that religiosity too shapes empathetic qualities in moral identities due to virtues espoused by major religions like compassion, benevolence, kindness, and trustworthiness (Rabelo et al., 2021). As such, we would like to test these relationships. We hypothesize that:

> *Hypothesis 4a. Value-guided behavior positively associates with ethical decision-making through empathy.*
>
> *Hypothesis 4b. Religiosity positively associates with ethical decision-making through empathy.*
>
> *Hypothesis 4c. Mindfulness positively associates with ethical decision-making through empathy.*

Controls

Our study is currently not interested in testing gender, race, or age as this would simply replicate prior works (Casali, 2021; Roxas, 2004). As depicted in our hypothesized model, we controlled for Age, Gender, and Race as we anticipated these variables (or covariates) will affect out outcome variable (Degrassi et al. 2012; Keller, et al., 2007).

Other studies support this approach as well. Regarding age, either lacking exposure or experience in life affects moral awareness and moral intensity surrounding the unethical act. Developing a perspective over a lifetime is important in decision-making (Gilligan, 1982; Kohlberg, 1981; Ruegger et al., 1992).

Regarding gender, women may be predisposed to be more empathetic than men in discerning unethical acts and deliberating unethical situations (Gilligan, 1982; Roxas et al., 2004).

Regarding race, past studies have attempted to show the complicated relationship between race, ethnicities, and ethics (Hadjicharalambous et al., 2012; Jackson et al., 1997). Race and ethnicities affect the development of empathy and ethical decision-making given the uneven distribution of hardships that certain populations face. We received 316 responses on our Qualtrics survey. Most of the measures in our survey used a Likert scale, where 1 is *Strongly Disagree,* and 5 is *Strongly Agree*.

We assembled a dataset of 316 respondents' feedback and evaluations regarding two ethical vignettes along with other important demographic and moral positionalities. The mean age of our respondents is 24 years old with a standard deviation of 7.70. Age ranges from 18 years old to 59 years old. Races in our study included African Americans (6.0%), Latinx (3.8%), Whites (60.9%), Asians (25%), and Mixed race (4.1%). Approximately 58% of our respondents were male, and the remaining were female.

RESEARCH DESIGN

We followed up with a survey design to test our hypotheses, and the following scale choices were selected. See below.

TABLE 1
Research Constructs

Research Constructs

Construct	Definitions	Item	Source
Humanities	"The study of how people process and document the human experience. Since humans have been able, we used philosophy, literature, art, music, history and language to understand and record our world." (119) Must be one of the following: • Religious Studies • Classics • Literature (i.e., Cultural Studies) • Language • Philosophy • Visual, Literary, and Theater Arts • History • Music	Binary (dummy variables)	Busoi, S. 2017. The Importance of Humanities in Business Education. *Euromentor Journal*, 8(4): 117-194.
Religiosity	"The extent to which an individual is committed to the religion he or she professes and its teachings" (226)	**Likert Scale** 7-items adapted	Kum-Lung, C. et al. 2010. Attitude Towards Business Ethics: Examining the Influence of Religiosity, Gender, and Education Levels. *International Journal of Marketing Studies*, 2(1): 225-232.
Empathy	"Is an individual difference that describes the degree to which an individual notices and is concerned about the needs or concerns of others" (376)	**Likert Scale** Will adapt the International Personality Item Pool 5-items adapted	Detert, J. R., Treviño, L. K., & Sweitzer, V. L. (2008). Moral disengagement in ethical decision making: A study of antecedents and outcomes. *Journal of Applied Psychology*, 93, 374–391.

Mindfulness	"Manifests as a contemplative state of mind that is aware, watchful, non-reactive, describing, and non-judging as opposed to distracted, inattentive, reactive, and critical." (105), Small et al.)	**Likert Scale** Will adapt the Five Facet of Mindfulness 7-items adapted	Small, C. et al. 2021. Mindfulness, Moral Reasoning and Responsibility: Towards Virtue in Ethical Decision-Making. ***Journal of Business Ethics***, 169: 103-117.
Ethical Decision-Making	"Encompasses a broad range of perspectives, and normative ethics provides a way of thinking about how people should act and which decisions are better than others (103, Small et al., 2021; Hoover and Pepper, 2015). "Is composed of two broad categories. The first category includes variables associated with individual decision-maker. The second category consists of variables which form and define the situation in which the individual makes decisions." (205-206, Ford). "Measures individual differences in moral thought prompted	**Likert Scale** Will adapt the Ethics Position Questionnaire 12-items adapted	Cohen, J., Pant, L., & Sharp, D. 1993. A Validation and Extension of a Multidimensional Ethic Scale. ***Journal of Business Ethics***, 12: 13-26.
Controls	Age: Sliding scale from 24 – 80 years old Gender: 4 identifiers Race: 7 identifiers		

Our survey was circulated through our own social and professional network**.** Think alouds were conducted following the guidelines as put forth by Trenor et al. (2011) which tested for structural, cognitive, and potential errors or problems with the survey instrument.

This helped to establish the cognitive validity of survey items. Social Desirability, as a method bias instrument was incorporated and ultimately discarded. Following Q-sorting guidelines as advanced by Nahm et al. (2002), we rank ordered a test of survey questions into categories to assess reliability and construct validity of items. We leveraged a Q-tool to organize items and adopted Cohen's Kappa metric to analyze results, preferring values greater than 0.70. We pre-tested this survey with random executives.

With respect to our sample, respondents were recruited randomly from LinkedIn and Facebook. Given our time constraint, we ended up with 316 respondents.

Data Screening

Missing data. Through SPSS, we inspected for missing data, and we found instances where 9 respondents answered less than 4 questions from the 64 survey questions. We suspect that language barrier was an issue. As such, we discarded those records with the final sample size being 316.

Normality (skewness & kurtosis). We screened for outliers as they can influence our results, pulling the mean away from the median. Also, no univariate outliers were found.

Exploratory Factor Analysis

As Hair et al. (2009 & 2010) noted, a factor analysis is helpful and appropriate when assessing the dimensionality of constructs. Several extraction (i.e., Maximum Likelihood) and rotation (i.e., Orthogonal and Direct Oblimin) techniques were initially applied in an exploratory fashion. This allowed us to have a sense of the strength and distinctness of our factors. Furthermore, the extracted factor structure shown in Table 2 demonstrates sufficient convergent validity with all factor loadings above 0.5 (Hair, 2010). Items are suppressed below 0.40, and all cross-loading and non-loading items were removed. Where appropriate

(like EMP3 and EMP5), reverse coding was considered. In the end, reverse coding negatively impacted our Cronbach Alpha for Empathy even more. As such, we did not reverse code the 2 items and ultimately dropped them from our model. We removed V2_5, V2_7, V2_8, V2_10, V2_11, EMP3 EMP4 EMP5.

TABLE 2
EFA Pattern Matrix

Factor	EDM	REL	VGB	MIND	EMP
Cronbach Alpha	0.762	0.947	0.7496	0.659	0.670
V2_4	0.848				
V2_3	0.826				
V2_2	0.822				
V2_12	0.794				
V2_1	0.786				
V2_14	0.756				
V2_9	0.720				
V2_13	0.646				
V2_6	0.501				
REL5		0.956			
REL4		0.931			
REL6		0.908			
REL3		0.905			
REL2		0.793			
REL1		0.714			
EMP7			0.946		
EMP6			0.732		
EMP8			0.621		
EMP9			0.442		
M4				0.864	
M5				0.787	
M3				0.476	
M6				0.591	
M2				0.583	
M1				0.423	
EMP1					0.699
EMP2					0.683

Reliability

With respect to reliability, three (ethical decision-making, religiosity, and value-guided behavior) out of the five factors of primary interest have a Cronbach's Alpha of > 0.7

with 2 other factors (mindfulness and empathy) having a Cronbach alpha of less than 0.7 but greater than 0.6 which is reasonable (Nunnally & Bernstein, 1978; Taber, 2017). See Appendix A for additional findings relating to our EFA.

Confirmatory Factor Analysis

A confirmatory factor analysis was carried out by Mplus version 8.5 using the previously constructed measurement model from the exploratory factor analysis. The resulting model retained all 20 items and had adequate model fit across a variety of measures as shown below in Table 3.

The goodness of fit was evaluated with absolute fit indices that determine how well our *a priori* model fits the sample data and demonstrates which proposed model has the most superior fit by using the comparative fit index (CFI), and root mean square error of approximation (RMSEA). Sufficient model fit was defined by examining the following criteria: RMSEA (≤ 0.06, 90% CI ≤ 0.06, *ns*) SRMR (≤ 0.08), CFI (≥ 0.95), and LTI (≥ 0.95) (Brown, 2015). Multiple indices were used because they provided different information about model fit; used together, these indices provided a more conservative and reliable evaluation of the solution. The overall goodness-of-fit indices suggested that the 5-factor model fit the data was adequate as follows: *Chi-Square* is 188.011; *comparative fit index* is 0.964 and *Tucker-Lewis index* to 0.957. Our *P-Close* is greater than 0.06 at 0.662, and our SRMR to be less than 0.08 at 0.061 (Hu & Bentler, 1999).

TABLE 3
Model Fit Measures

Measure	Estimates	Threshold	Results	Reference
CMIN	188.011	--	--	N/A
df	142	--	--	N/A
CMIN/DF	1.32	Between 1 and 5	Excellent	(Wheaton, Muthén, Alwin, & Summers, 1977)
CFI	0.964	> 0.95	Good	(Hu & Bentler, 1999)
TLI	0.957	> 0.95	Moderate	(Hu & Bentler, 1999)
SRMR	0.061	< 0.08	Excellent	(Hu & Bentler, 1999)
RMSEA	0.045	< 0.06	Excellent	(Hu & Bentler, 1999)
PCLOSE	0.662	> 0.05	Excellent	(Hu & Bentler, 1999)

As a check for problematic multicollinearity, the construct correlations show in our factor correlation below were reviewed and showed one factor with a concerning correlations of > 0.7 (Hair, 2010). As shown below in Table 4, factor correlations from our CFA are 0.928 or less. Recognizing the correlation value is high, we did anticipate this given the potential connection between empathy and personal value. Also, we noticed negative correlations for ethical decision-making and religiosity in relation to empathy.

Factor validity and reliability measures are also shown in Table 4 as well. All factors do have average item loadings > 0.7 and composite reliability > 0.7—with the exception of Empathy where the CR and AVE values are 0.683, and 0.519 respectively. Remaining factors support discriminant validity with each factor's average variance explained (AVE) being greater than the maximum shared variance (MSV) of the factor demonstrating that each constructs variance is better explained by its items than by any relationship with another construct. Finally, all factors have an AVE > 0.5 which indicates sufficient construct validity (Hair, 2010).

TABLE 4
CFA Factor Correlations (Standardized)

	CR	AVE	EMP	VGB	EDM	REL	MIND
EMPATHY	0.683	0.519	1.000				
VALUE	0.804	0.673	0.527*	1.000			
EDM	0.849	0.655	-0.289*	-0.13*	1.000		
REL	0.961	0.861	-0.049	0.097	0.186*	1.000	
MIND	0.877	0.793	0.226*	0.213*	0.050	-0.067	1.000

*significant < 0.05, **significant < 0.005, ***significant > 0.001*

To hedge, since the AVE criteria is considered stricter than the CR criteria, we rely on the AVE even though it is slightly above the threshold. Hair et al. (2010) also notes that reliability measures such as Cronbach's Alpha can be evaluated with lower thresholds if there are fewer items in that set of measures.

Common Methods Bias

We tested the CFA model by adding and subtracting to determine best fit, and the CFA model proposed is the best version. The CFA model above was submitted for Common Methods Bias testing using a common latent factor (Podsakoff, Mackenzie, Podsakoff, 2012). It was tested via 3 nested models. The Chi-Square fit was compared to determine which model embodied the best fit and if bias was present. See Appendix B which displays outputs. A test was run for common method variance (CMV) focusing on a common latent factor. An unconstrained test was run, and its outputs were compared against a test constrained to zero. When the CMV unconstrained was compared against a test constrained to zero, we learn that bias was detected and models are different as our *p-value* = 0.000. When the CMV unconstrained was compared against a test constrained to equal, a bias was also detected as our *p-value* = 0.000. Given sometimes the CLF breaks models when there

are only a few or less than 25 items, we also looked for correlations and VIFs which to substantiate this claim. No bias was detected. See Appendix B.

Structural Equation Model

Our analysis reveals that we do not have multicollinearity issues as James et al. (2017) notes that the variance inflation factor should not exceed 5 (max VIF = 3.77). In our descriptive statistics (See Table 5 below), we did not observe a significant kurtotic effect with respect to our interested variables. Mindfulness yielded the most negative value of 1.165, and various variables were within an acceptable range. As an additional step, we ran data in SPSS to have a sense of the histogram and to assess what is causing this kurtotic effect. After reviewing outputs in SPSS, we were comfortable with including them recognizing the number of sample size of 316 data points.

TABLE 5
Descriptive Statistics (Mean, Standard Deviation, Skewness, and Kurtosis)

Variable	Mean	STD	Skewness	Kurtosis
EMP	3.861	0.903	-0.959	1.170
EDM	2.486	1.183	0.430	-0.762
VALUE	4.025	0.962	-1.046	0.926
REL	4.044	1.072	-1.147	1.149
MIND	4.171	0.852	-1.165	0.726
Controls				
AGE	24.36	1.782	1.174	0.246
GENDER	1.440	7.700	2.515	7.254
RACE	2.25	0.528	0.684	0.051

We then turned to the model fit indices portion of our study. See Table 6 below. Exploratory in nature, we tested a variety of iterations just to determine good model fit. In the end, we settled on the version where our *Chi-Square* is 111.289; *Comparative Fit index* is

0.978 and *Tucker-Lewis index* to 0.969. Our *P-Close* is greater than 0.06 at 0.216, and our

SRMR to be less than 0.08 at 0.034.

TABLE 6
Model Fit Indices

Measure	Estimates	Threshold	Results	Reference
CMIN	111.289	--	--	N/A
df	55	--	--	N/A
CMIN/DF	2.023	Between 1 and 5	Good	(Wheaton, Muthén, Alwin, & Summers, 1977)
CFI	0.978	> 0.95	Excellent	(Hu & Bentler, 1999)
TLI	0.969	> 0.95	Excellent	Hu & Bentler, 1999)
SRMR	0.034	< 0.08	Excellent	(Hu & Bentler, 1999)
RMSEA	0.057	< 0.06	Excellent	(Hu & Bentler, 1999)
PCLOSE	0.216	> 0.05	Excellent	(Hu & Bentler, 1999)

With respect to our mediator, we observed a non-significant relationship for Value-Guided Behavior, Mindfulness and Religiosity with *p-values* being 0.116, 0.395 and 0.135 respectively.

The R-squared value is estimated for all predictors of an endogenous variable. So, at the R-Squared level, we observed that Ethical Decision-Making had the highest estimate of 0.831 (with both having a *p-value = 0.000)*. Values relating to our controls were not significant.

Given the nature of our model, we examined the mediating relationship of Empathy as demonstrated in Table 8 below. We used Hayes's (2015) method with bootstrapping using 5000 estimates and 95% confidence intervals to empirically estimate the sampling of the distribution of the indirect effect.

MODEL RESULTS & FINDINGS

With respect to understanding the relationship amongst the variables in our model, beta weights were assessed. Table 7 below documents the beta weights and their respective standard errors with particular confidence intervals at a 95% level in our model.

TABLE 7:
MODEL RESULTS (STANDARDIZED)

Model Path	Beta	Standard Error	*P-Value*	CI @95%
EDM				
VALUE	0.201	0.070	0.004*	[0.079, 0.322]
MIND	-0.027	0.058	0.648	[-0.096, 0.051] **
REL	0.193	0.070	0.004*	[0.077, 0.289]
EMPATHY				
VALUE	0.054	1.572	0.000*	[0.004, 0.117]
MIND	-0.007	0.008	0.395	[-0.019, 0.002]
REL	0.023	0.015	0.003*	[0.001, 0.049]
R-SQUARED				
EMPATHY	0.699	0.062	0.000	
ETHICAL DECISION-MAKING	0.831	0.057	0.000	
AGE1	0.122	0.041	0.331	
GENDER	-0.016	0.033	0.835	
RACE	0.070	0.027	0.126	

*P-Value Significance Level: $p < 0.05$, $p < 0.01$, $p < 0.01$
**CI values cross zero

Table 8 below illuminates our results of our full mediation model. Here, we ran both direct and mediated effect models. We created stepwise fashion models with IVs, then Controls, then incorporated our mediator to determine fit and R-square. Our full mediation model results are displayed below.

The results from our analysis showed all direct *(H1 & H2)* and indirect *(H4a & H4b)* hypotheses were supported with directionality and significance following guidance (Hayes & Preacher 2013). Our direct *(H3)* and indirect *(H4c)* hypotheses, however, were not supported.

Confidence intervals were assessed, and where the values of the intervals do not span zero, this signifies that there is some effect.

While we report the results, Hayes argues that the measurement of degrees of mediation is not useful as the distinction between full and partial are misleading (2015, p. 119-121). In our model, there was support for mediation effects for Value-Guided Behavior and Religiosity *(H4a & H4b)* but not for *H4c* (Mindfulness). See Table 8 below regarding our outputs.

TABLE 8
Direct & Indirect Mediation Effect Hypothesis

Variable	Direct Effect	Indirect Effect (Empathy)	Total Effect	Mediation Observed
Value-Guided Behavior *(H4a)*	0.201*	0.560* [0.004, 0.117]	0.256	**Partial**
Religiosity *(H4b)*	0.193*	0.021* [0.001, 0.049]	0.215	**Partial**
Mindfulness *(H4c)*	-0.027	-0.005 [-0.019, 0.002]	-0.581	Unsupported

Brackets show 95% confidence intervals
*p<.05, **p<.01, ***p<.001

We also summarized the results of our analysis in Table 9 below in a more scannable format. Most notably, the following proposed hypotheses were not supported: *H3 and H4c.* However, *H1, H2,* and *H4a* and *H4b* were supported.

TABLE 9
Hypotheses Summary Table

Hypothesis	Beta	P-Value	Confidence Intervals	Result
H1 (Direct): Value-guided behavior positively associated with ethical decision-making.	0.201	0.004*	[0.079, 0.322]	**Supported**
H2: (Direct): Religiosity is positively associated with ethical decision-making.	0.193	0.004*	[0.077, 0.289]	**Supported**
H3: (Direct): Mindfulness is positively associated with ethical decision-making.	-0.027	0.341	[-0.096, 0.051]	Unsupported
H4a (Mediated): Value-guided behavior positively associates with ethical decision-making through empathy.	0.054	0.000*	[0.004. 0.117]	**Partial Mediation**
H4b (Mediated): Religiosity positively associates with ethical decision-making through empathy.	0.023	0.003	[0.001, 0.049]	**Partial Mediation**
H4c (Mediated): Mindfulness positively associates with ethical decision-making through empathy.	-0.005	0.395	[-0.019, 0.002]**	Unsupported

P-value Significance Levels: p < 0.05, p< 0.01, p < 0.001
***CI values cross zero*
Preacher, K. J., Rucker, D. D., & Hayes, A. F. (2007)

From the above table, we observed the positive relationship between Value-Guided Behavior and Ethical Decision-Making so our *H1* is supported. Regarding Religiosity *(H2)*, we also found this relationship on Ethical Decision-Making to be supported. Mindfulness on Ethical Decision-Making was not supported (*B* = 0.193 with a *p-value* of *B* = -0.027 with a *p-value* of 0.341 respectively) so *H3* was rejected. In terms of our mediation hypotheses, *H4a* (*p-value* of 0.000) and *H4b* (*p-value* of 0.003) were supported but *H4c* was not as it displayed *p-values* of greater than 0.05.

DISCUSSION

In our study, we desired to understand the factors that influence ethical decision-making which would ultimately make the manager more moral. We were hoping to

determine factors which would help explain the constitution of a moral manager from a high-level perspective. However, our study displayed lack-luster results.

First, the direct effect of Value-Guided Behavior on Ethical Decision-Making is consistent with current and past research (Pohling, 2016; Schwartz, 1999; Williams, 1970). It yielded a positive estimate. Our findings have significant import for relying solely on personal value-guided behavior is perhaps a more effective way of engaging the ethical decision-making process. Also, our findings did support our initial thinking regarding the role empathy would play in mediating personal values and ethical decision making which is consistent with past research (Clark et al., 2018).

Second, our findings relating to mindfulness and its impact on empathy is interesting. We found that mindfulness does not influence empathy indirectly nor does it directly influence ethical decision-making. Our result does not corroborate with other scholars' findings (Glomb et al., 2011; Karelaia et al., 2015; Laszlo 2021). For these scholars, more contemplative and mindfulness activities, in fact, should be integrated in executive training programs and management education curriculum *writ large* to help mitigate unethical decision-making. Initially thought, scholars argue that being in the "present" or the "moment" subsumes a state of consciousness that is hyper-aware. Being aware of individuals and the surroundings generates cognitive attachment which informs the moral emotion of empathy and care. Unfortunately, this relationship could not be substantiated based on our study.

Third, we learned that religiosity does influence directly ethical decision-making. Our findings do corroborate findings as advanced by scholars (Kum-Lung et al., 2010; Vitell et al. 2003; Zimbardo et al., 1979;). For these scholars, their academic works did find a

significant relationship between religiosity and ethical decision-making. Based on our findings, our study suggests that religiosity does have significant bearing on ethical decision-making. Related, our study did find that religiosity does influence indirectly empathy which is consistent with our understanding for religious values continue to sustain and shape empathy.

Fourth, we learned that even empathy, as a moral emotion, is not sufficient in determining ethical-decision-making. This may also be due to the factor's low convergent reliability as flagged in our study earlier. Nevertheless, our research outcome is not consistent with current scholarship (Setton et al., 2002; Wolff et al., 2002; Patient et al., 2010). For these authors, empathy is fundamental to corporate citizenry and decision-making. Upon reflection, one can admittedly imagine situations where individuals involved in a particular ethical dilemma do care about the un/ethical act but still cannot select optimal solutions which would maximize one's own ethical well-being (Bazerman et al., 2011). Our finding is however consistent with works produced by Decety et al. (2021, 2014) who found empathy to be a non-reliable source. For her, empathy is "unconsciously and rapidly modulated by various social signals and situational factors. At times, empathy could even erode ethical values" (Decety 2021).

RESEARCH LIMITATIONS

Our study is not without its criticisms. First, we are indeed aware of the reliability of our factor relating to empathy. It did not achieve the desired quantitative threshold as needed which could potentially affect our model. Furthermore, this could affect our correlations in our model as well. Nevertheless, we pressed forward with this variable because it is central to our research.

Second and related, our sample size (at N=316) is relatively small. We would like to have this number increase to mitigate bias and to improve convergent reliability scoring for empathy as referenced above.

Third, we were faced with an abbreviated timeline for our research study. We had only 2 months to collect data sample as our IRB approval was received during the Christmas holiday of 2021. Our data collection is also compounded by the fact that we had a hard deadline of writing up our outcomes by no later than April 1st, 2022. Ideally, we would like to have more time to gather more data and information.

Fourth, our survey questions on the religiosity construct were mostly based on western traditions. We suspect the types of questions posed may not be applicable to our culturally mixed population. We desire to include specific questions about eastern religiosity to truly make our research more robust.

Fifth, there are other variables which may inform our analysis which we did not take into account. Take for example spirituality. We wonder if spirituality should be considered in our conceptual model as spirituality is separate and distinct from religiosity, mindfulness, and value guided behavior.

FUTURE RESEARCH

Our study explores potential mitigants of unethical behavior. Unethical acts at the workplace are costly. We endeavor to "think through" potential solutions to the topic of unethical decision-making which indeed has material impact on firm profitability, company brand, and shareholder value.

One future direction which we may consider consists of a refocusing on value-based leadership instead which is different from ethical based leadership model. It would be

interesting to understand how value-guided behavior could be developed and leveraged in the workplace given our finding. Naturally, we now want to know what are key drivers or factors that influence personal values and how are they manifested at the workplace.

Second, we initially wanted to do a comparative analysis between various populations (specifically between those who earned a Humanities undergraduate training versus those who did not) to determine if there were any potential effects. However, we did not follow through. From our research, we gathered only 65 respondents who hold a Humanities undergraduate degree vs those who did not (N=251). We held off this assessment for now as we wanted a more balanced population so that we could carry out comparative assessment. Please note that we intend to continue to collect data after this research study to enlarge our data set so that we could answer this research question. This kind of thinking helps us understand if ethics is also "teachable" and "learnable" which is a highly contested topic in its own right (Eisenberg et al., 1987).

Third, our study provides a template which allows us to study soon the potential effects of cultural and geographical differences and their impacts on shaping ethics and ethical decision-making. Framed differently, are certain cultures more ethical than others? Are some culture and geographies more consequentialists than other?

Fourth, our study could truly benefit from being more experimental in nature. It could also benefit from having secondary data be integrated to compare and contrast our survey findings.

Fifth, the findings from our current study could be further enriched by a follow-up longitudinal study design. One can imagine following up with those who responded to the

survey at a particular point in time and then inquire about follow-on ethical dilemmas and circumstances.

Sixth and final, given the COVID19 global pandemic that we now live in, one implication of our research relates to the ad-hoc and controversial topic of the rise of unethical business practice and behavior during the global pandemic (The US Department of Health and Human Services, 2022). The COVID19 global pandemic has affected globally both individuals and institutions. Stories and journalistic findings point to an increase in business scams in a COVID environment.

CONCLUSION

At the minimum, our study is additive to the field of business ethics. Our study provides significant implications about the making of a moral manager, confirming and disconfirming where appropriate the role of empathy in decision-making in the workplace and beyond. Our research also reveals that religiosity, mindfulness, and empathy do not necessarily serve as robust predictors of ethical decision-making. With empathy, it does complicate how its role and connection with ethical decision-making. However, our research does show that personal values do have a positive relationship with empathy and on ethical decision making.

APPENDIX A
EFA Details

An exploratory factor analysis in SPSS using principal axis factor ("PAF") extraction with Promax rotation was used to examine the factor structure (Kelloway, 2015) in our dataset. We utilized the PAF extraction method because it does not have distributional assumptions. Scholars Winter et al. (2011) note that PAF is preferred when there are few indicators. Promax oblique rotation was chosen because the factors were expected to be correlated. In such cases, oblique rotation is expected to yield more reproduceable results than orthogonal rotation (Costello & Osborne, n.d.).

Adequacy

The resulting KMO was 0.860 (Kaiser, 1974), and our Bartlett's Test of Sphericity was $\chi^2 =$ 5104.094 $df = 351$, $p < 0.000$. This indicates adequacy and sufficient correlation among items (Hair, 2010). The pattern matrix factor loadings were examined, and several extraction criteria were tested including eigenvalues > 1 and by specifying the expected number of factors, as well as more and fewer factors than expected. While five factors had an explicit eigenvalue of greater than 1.0 and 55.86%, we included an additional factor given is relative numerical and conceptual closeness which provides a total variance explained of 57.60%.

Number of Factors to Retain

Several EFA iterations were also ran taking into consideration an informal +/-2 rule. It is important to note that relying exclusively on the default method used by many statistical software programs (the eigenvalue 1 rule) is imprecise (Fabrigar, et al., 2012; Izquierdo et al. 2014). No method has been identified to be correct in all situations (Fabrigar et al., 1999; Gorush, 1983; Pett et al., 2003). Therefore, under a six-factor model, we were missing too many items which could prove useful in our model and experienced cross-loadings. Under a 4-factor model, we encountered three Heywood cases and comparatively more cross loadings. A five-factor model was most preferred as it gave us the best results.

Additionally, it is important to note that an EFA assessment is exploratory. It is not an optimizing exercise. Flexibility and judiciousness are equally important (Fabrigrar 2012, Gorush 1983, Hair 2010, Henson, et al. 2006; Izquierdo et al. 2014). In the end, we settled on 6 factors with 41 items as shown in Table 1 below. The final analysis accounts for 55.86% of the variance in the included observed data (See Appendix 1). Five of the six factors had eigenvalues > 1, and the remaining one factor was retained because of its contribution to the explanatory power. It should be noted that the scree plot is a useful subjective adjunct (Velicer et al., 2000).
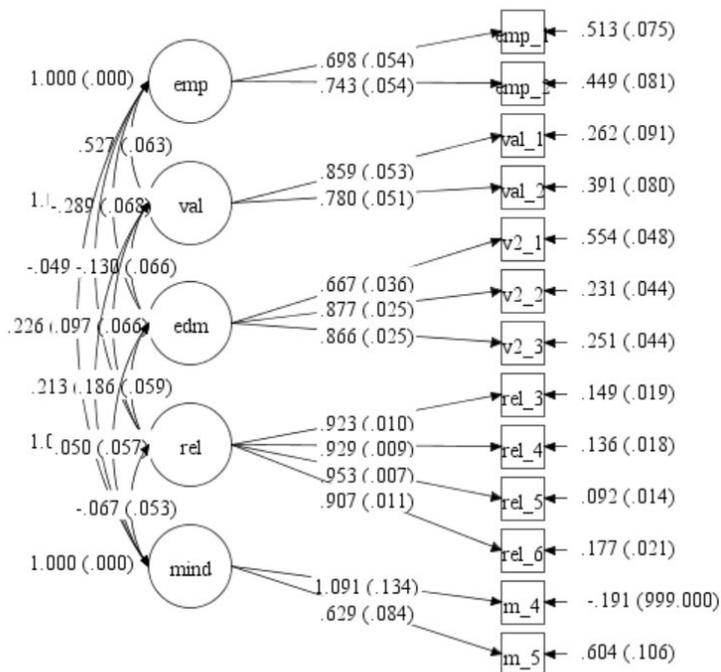
With respect to our communalities assessment, item communalities range between 0.214 (relating to M3) to 0.919 (REL5). While Item communalities above 0.40 indicate sufficient common variance between items (Costello & Osborne, n.d), for now and given the exploratory nature, we would like to keep this low loading because they are important in defining the associated latent factor.

Validity

The reproduced correlations table reported 6% nonredundant residuals with the absolute value greater than 0.05 (Izquierdo et al, 2014). We managed to have low residuals as evidenced in our Reproduced Correlation Matrix with a value of 0.00 which denotes the model fits the data well.

#	Item

1	**CFA ANALYSIS**
	MODEL FIT INFORMATION
	
	Number of Free Parameters 49
	
	Loglikelihood
	
	        H0 Value -4952.179
	        H1 Value -4896.534
	
	Information Criteria
	
	        Akaike (AIC) 10002.357
	        Bayesian (BIC) 10186.389
	        Sample-Size Adjusted BIC 10030.973
	          (n* = (n + 2) / 24)
	
	Chi-Square Test of Model Fit
	
	        Value 111.289
	        Degrees of Freedom 55
	        P-Value 0.0000
	
	RMSEA (Root Mean Square Error Of Approximation)
	
	        Estimate 0.057
	        90 Percent C.I. 0.042 0.072
	        Probability RMSEA <= .05 0.216
	
	CFI/TLI
	
	        CFI 0.978
	        TLI 0.969
	
	Chi-Square Test of Model Fit for the Baseline Model
	
	        Value 2621.180
	        Degrees of Freedom 78
	        P-Value 0.0000
	
	SRMR (Standardized Root Mean Square Residual)
	
	        Value 0.034

2	**CFA Diagram (standardized)**

3	**Common Method Bias** Title: CFA3_CMV; Data: FILE IS C:\Users\thanhn\Desktop\Mplus\Paper\Clean.dat; VARIABLE: NAMES ARE EDU1_1 EDU1_2 EDU1_3 EDU1_4 EDU1_5 EDU1_6 EDU1_7 EDU1_8 EDU2_1 EDU2_2 EDU2_3 EDU2_4 EDU2_5 EDU2_6 EDU2_7 EDU2_8 EDU3_1 EDU3_2 EDU3_3 EDU3_4 EDU3_5 EDU3_6 EDU3_7 EDU3_8 EDU4_1 EDU4_2 EDU4_3 EDU4_4 EDU4_5 EDU4_6 EDU4_7 EDU4_8 EMP1 EMP2 EMP3 EMP4 EMP5 EMP6 EMP7 EMP8 EMP9 EMP10 SDRB1 SDRB2 SDRB3 SDRB4 SDRB5 REL1 REL2 REL3 REL4 REL5 REL6 M1 M2 M3 M4 M5 M6 M7 V1_1 V1_2 V1_3 V1_4 V1_5 V1_6 V1_7 V1_8 V1_9 V1_10 V1_11 V1_12 V1_13 V1_14 V2_1 V2_2 V2_3 V2_4 V2_5 V2_6 V2_7 V2_8 V2_9 V2_10 V2_11 V2_12 V2_13 V2_14 AGE GEN RACE EDU_HUM EDU_HUMD VAR4 VAR5 VAR6 VAR7 VAR8 VAR0; USEVARIABLES ARE EMP1 EMP2 EMP4 EMP6 EMP10 V2_1 V2_2 V2_3 V2_5 V2_6 REL2 REL3 REL4 REL5 REL6

```
M1 M2 M3 M5 M6 M7;

MODEL:
EMPATHY BY EMP1* EMP2 EMP4;
VALUE BY EMP6* EMP10;
EDM BY V2_1* V2_2 V2_3 V2_5 V2_6;
REL BY REL2* REL3 REL4 REL5 REL6;
MIND BY M1* M2 M3 M5 M6 M7;
EMPATHY-MIND@1;

CMV_CLF@1;
CMV_CLF WITH EMPATHY-MIND@0; ! SET COVARIANCE WITH CMV_CLF TO 0
!CMV_CLF BY EMP1* EMP2-M7; !Unconstrained loadings
!CMV_CLF BY EMP1-M7@0; !Constrain loadings to be zero
!CMV_CLF BY EMP1*EMP2-M7(FL1); ! Constrain loadings to be equal


OUTPUT: STDYX MODINDICES;
```

Method Bias

CMV-U

	Chi-Square	df	p-value	
Unconstrained	252.538	179		
Constrained to 0	282.18	177		Note: Groups
Number of groups				are different at the model
Difference	29.642	2	0.000 No	level. We will check path differences.

CMV-Equal

	Chi-Square	df	p-value
Unconstrained	252.538	179	
Constrained to 0	268.004	178	
Number of groups			
Difference	15.466	1	0.000 No

Note: Groups are different at the model level. We will check path differences.

REFERENCES

AACSB. 2004. *Ethics Education in Business Schools: Report of the Ethics Education Task Force to AACSB International's Board of Directors.* https://www.aacsb.edu/-/media/publications/research-reports/ethics-education.pdf?la=en

Ames, J. 2016. *High pressure strategic decision making in private equity portfolio companies: The role of trust, respect, and credibility in reconciling threats to moral identity*. Doctoral Qualitative Research Report, Case Western Reserve University.

Baker, D. Teaching empathy & ethical decision-making in business schools. 2017. *Journal of Management Education*, 41(4): 575-598.

Bazerman, M., & Tenbrunsel, A. 2011. *Blindspots*. NJ: Princeton University Press

Bishop, S. Shapiro, M., Carlson, L., Anderson. N., & Carmody, J. 2004. Mindfulness: A proposed operational definition. *Clinical Psychology: Science and Practice,* 11(3): 230-241.

Brown, T. 2015. *Confirmatory factor analysis for applied research* (2nd ed.). NY: Guilford Press.

Buchanan, R. 2021. Designing Social Systems. Case Western Reserve University.

Busoi, S. 2017. The importance of humanities in business education. *Euromentor Journal*, 8(4): 117-194.

Byrne, B. 2004. Testing for multigroup invariance using Amos graphics: A road less traveled. *Structural Equation Modeling*, 1(2): 272-300.

Casali, G., & Perano, M. Forty years of research on factors influencing ethical decision-making: Establishing a future research. *Journal of Business Research*, 132: 614-630.

Clark, M., Robertson, M., & Young, S. 2018. "I feel your pain": A critical review of organizational research on empathy. *Journal of Organizational Behavior*, 40: 166-192.

Cohen, W. 2020. *Why knowledge of liberal arts is essential for success*. Retrieved from https://www.processexcellencenetwork.com/lessons_from_peter_drucker/articles/why-knowledge-of-liberal-arts-is-essential-for-success

Cooperrider, D. 2020. Appreciative Inquiry. Case Western Reserve University.

Costello, A. B., & Osborne, J. W. n.d. Best practices in exploratory factor analysis: Four recommendations for getting the most from your analysis. *Exploratory Factor Analysis*, 10(7): 9.

Decety, J. 2021. Why empathy is not a reliable source of information in moral decision making. *Current Directions in Psychological Science*, 30(5): 425-430.

Decety, J. & Cowell, J. 2014. The complex relation between morality and empathy. *Trends in Cognitive Sciences*, 18(7): 337-339.

DeGrassi, S., Morgan, W., Walker, S., & Wang, I. 2012. Ethical decision-making: Group diversity holds the key. *Journal of Leadership, Accountability, and Ethics*, 9(6): 51-65.

Deigh, J. 1995. Empathy & universalizability. *Ethics*, 105(4): 743-763.

Desai, M. 2017. *The wisdom of finance: Discovering humanity in the world of risk and return*. NY: Harper Business.

Detert, J. R., Treviño, L. K., & Sweitzer, V. L. (2008). Moral disengagement in ethical decision making: A study of antecedents and outcomes. *Journal of Applied Psychology,* 93: 374-391.

Drumwright, M., Prentice, R., & Biasucci, C. 2015. Behavioral ethics and teaching ethical decision-making. *Decision Sciences Journal of Innovative Education*, 13(1): 431-458.

Eisenbeiss, S., Knippenberg, D., & Fahrbach, C. 2015. Doing well by doing good? Analyzing the relationship between CEO ethical leadership and firm performance. *Journal of Business Ethics*, 128: 635-651.

Eisenberg, N., & Miller, P. 1987. The relation of empathy to prosocial and related behaviors. *Psychological Bulletin*, 101(1): 91-119.

Ethics & Compliance Initiative. 2021. *Global ethics survey 2021*. Retrieved from https://www.ethics.org/global-business-ethics-survey/

Feddersen, T. 2014. Ethics & The Executive. Coursework at The Kellogg School of Management, Northwestern University.

Franks, R., & Spalding, Jr., A. 2013. Business ethics as an accreditation requirement: A knowledge mapping approach. *Business Education & Accreditation*, 5(1): 17-30.

Gaskin, J. , Witten, D., Hastie, T., & Tibshirani, R. 2017. *An introduction to statistical learning: With applications in R* (1st ed.). NY: Springer.

Gilligan, C. 1982. *In a different voice*. Cambridge, MA: Harvard University Press.

Glomb, T., Duffy, M., Bono, J., & Yang, T. 2011. Mindfulness at work. *Research in Personnel and Human Resources Management*, 30: 115-157.

Gundersen, D. E., Capozzoli, E.A., & Rajamma, R.K. 2008. Learned ethical behavior: An academic perspective, *Journal of Education for Business*, 83(6): 315-324.

Hadjicharalambous, C., & Walsh, L. 2012 Ethnicity/race, and gender effects on ethical sensitivity in four-sub-cultures. *Journal of Legal, Ethical, and Regulatory Issues*, 15(1): 119-130.

Hair, Jr. J. F., Babin, B., Black, W., & Anderson. R. 2019. *Multivariate data analysis* (8th ed.). Upper Saddle River, NJ: Prentice Hall.

Hair, Jr. J. F., Black, W., Babin, B., & Anderson, R. 2010. *Multivariate data analysis* (7th ed). Upper Saddle River, NJ: Prentice Hall.

Hayes, A. 2015. *Introduction to mediation, moderation, and conditional process analysis*. (2nd ed.). NY: The Guilford Press.

Hannah, S., Avolio, B., & May, D. 2011. Moral maturation and moral conation: A capacity approach to explaining moral thought and action. *The Academy of Management Review*, 36(4): 663-685.

Hayes, A. F., & Rockwood, N. J. (2017). Regression-based statistical mediation and moderation analysis in clinical research: Observations, recommendations, and implementation. *Behaviour Research and Therapy*, 98: 39-57.

Hoffman, M. 2000. *Empathy and moral development: Implications for caring and justice*. Cambridge, MA: Cambridge University Press.

Jackson, T., & Artola, C., 1997. Ethical beliefs and management behaviour: A cross-cultural comparison. *Journal of Business Ethics.* 16(1): 1163-1173.

James, G., Witten, D., Hastie, T., & Tibshirani, R. 2017. *A introduction to statistical learning: With applications in R* (1st ed.) NY: Springer.

Jewe, R. D. 2008. Do business ethics courses work? The effectiveness of business ethics education: an empirical study. *Journal of Global Business*, 2(1): 1-6.

Kaiser, H. F. 1974. An index of factorial simplicity. *Psychometrika*, 39(1): 31–36.

Karelaia, N., & Reb, J. 2015. Improving decision-making through mindfulness. In Reb, J. & Atkins, P. W. B. (Eds.), *Mindfulness in organizations*: 163-189. UK: Cambridge University Press.

Keller, C., Smith, K., & Smith, M. 2007. Do gender, educational level, religiosity, and work experience affect ethical decision-making of US accountants? *Critical Perspective on Accounting*, 18(3): 299-314.

Kluckhohn, C. 1951. *Toward a general theory of action*. Parson, T. & Shils, E. (Eds.). Cambridge, MA: Harvard University Press.

Kohlberg, L. 1981. *The philosophy of moral development: Moral stages and the idea of justice*. NY: Harper & Row.

Kum-Lung, C, & Teck-Chai, L. 2010. Attitude towards business ethics: Examining the influence of religiosity, gender, and education levels. *International Journal of Marketing Studies*, 2(1): 225-232.

Laszlo, C. 2021. Flourishing Enterprises. Case Western Reserve University.

Laszlo, C., Waddock, S., Maheshwari, N., & Storberg-Walker, J. 2021. Quantum worldviews: How science and spirituality are converging to transform consciousness for meaningful solutions to wicked problems. *Humanistic Management Journal*, 6: 293-311.

Livingston, S. 1971. The myth of the well-educated manager. *Harvard Business Review*, 49(1): 79-89.

Long, E., Christian, M. 2015. Mindfulness buffers retaliatory responses to injustice: A regulatory approach. *Journal of Applied Psychology*, 100(5): 1409.

Nahm, A. Y., Rao, S. S., Berg, B., Lin, A., & Upperman, J. 2014. A mixed-methods pilot study of disaster preparedness and resiliency among faith-based organizations. *Pre-Hospital Disaster Medicine*, 29(2): 127-133.

Nguyen, T. 2021. *From Plato to Peter Drucker: Liberalizing management education*. Qualitative DM Paper. Case Western Reserve University.

Nguyen, T., & Ngo, L. 2019. When do-good meets empathy and mindfulness. *Journal of Retailing and Consumer Services*, 50: 22-29.

Nunnally, J. C., & Bernstein, I. H. 1978. *Psychometric theory*. New York: McGraw-Hill.

Patient, D. & Skarlicki, D. 2010. Increasing interpersonal and information justice when communicating negative news: The role of the manager's empathic concern and moral development. *Journal of Management*, 36: 555-578.

Pan, Y., & Sparks, J. 2012. Predictors, consequence, and measurement of ethical judgments: Review and Meta-Analysis. *Journal of Business Research*, 65(1): 84-91.

Pett, M. A., Lackey, N. R., & Sullivan, J. J. 2003. *Making sense of factor analysis: The use of factor analysis for instrument development in health care research*. Thousand Oaks, CA: Sage.

Pirson, P. 2017. ***Humanistic management: Protecting dignity and promoting well-being***, UK: Cambridge University Press.

Podsakoff, P. M., MacKenzie, S. B., & Podsakoff, N. 2012. Sources of method bias in social science research and recommendations on how to control it. ***Annual Review Psychology***, 63: 539-69.

Pohling, R., Bzdok, D., Eigenstetter, M., Stumpf, S., & Stroel, A. 2016. What is ethical competence? The Role of empathy, personal values, and the five-factor model of personality in ethical decision-making. ***Journal of Business Ethics***, 137: 449-474.

Pulliam, S., Scannell, K., Lucchetti, A., & Ng, S. 2010. Wall Street probe widens. ***The Wall Street Journal.*** http://online.wsj.com/article/SB100 01424052748704247904575240783937399958.html

Rabelo, A., & Pilati, R. 2021. Are religious and non-religious people different in terms of moral judgement and empathy? ***Psychology of Religion and Spirituality***, 13(1): 101-110.

Reidenbach, R., & Robin, D. 1988. Some initial steps toward improving the measurement of ethical valuation of marketing activities. ***Journal of Business Ethics***, 7: 871-879.

Rest, J. 1982. A psychologist looks at the teaching of ethics. ***Hastings Center Report***, 12 (1): 29-36.

Rilling J., & Sanfey, A. 2011. The neuroscience of social decision-making. ***Annual Review of Psychology***, 62:23-48.

Roxas, M., & Stonebeck, J. 2004. The importance of gender across cultures in ethical decision-making. ***Journal of Business Ethics***, 50: 149-165.

Ruedy, N., & Schweitzer, M. 2010. In the moment: The effect of mindfulness on ethical decision making. ***Journal of Business Ethics***, 95: 73-87.

Ruegger, D., & King, E. 1992. A study of the effect of age and gender upon student business ethics. ***Journal of Business Ethics***, 11: 179-186.

Sagiv,L., Roccas, S., Cieciuch, J., & Schwartz, S. 2017. Personal values in human life. ***Nature Human Behaviour***, 1: 630-639.

Schwartz, S. H. 1999. A theory of cultural values and some implications for work. ***Applied Psychology***, 48: 23-47.

Schoemaker, P. 2008. The future challenges of business: rethinking management education. ***California Management Review***, 7 (2): 121-134.

Securities and Exchange Commission. 2010. Goldman Sachs to pay record $550 million settle SEC charges related to subprime mortgage CDO. *SEC Press Release*, Retrieved from https://www.sec.gov/news/press/2010/2010-123.htm

Shapiro, S., Jazaieri, H., & Goldin, P. 2012. Mindfulness-based stress reduction effects on moral reasoning and decision making. *Journal of Positive Psychology*, 7(6): 504-515

Setton, R. P., & Mossholder, K. 2002. Relationship quality and relationship context as antecedents of person and task-focused interpersonal citizenship behavior. *Journal of Applied Psychology*, 87: 255-267.

Sharma, S. Durvasula, S., & Ployhart, R. 2012. The Analysis of Mean Differences Using Mean and Covariance Structure Analysis: Effect Size Estimation and Error Rates. *Organizational Research Methods.* 15(1): 75-101.

Small, C., & Lew, C. 2021. Mindfulness, Moral reasoning and responsibility: Towards virtue in ethical decision-making. *Journal of Business Ethics*, 169: 103-117.

Taber, K. 2017. The use of cronbach's alpha when developing and reporting research instruments in science education. *Research in Science Education*, 48: 1273-1296.

The US Department of Health and Human Services. 2022. Fraud Alert: COVID-19 Scams. Retrieved from https://oig.hhs.gov/fraud/consumer-alerts/fraud-alert-covid-19-scams/

Thiel, C., Bagdasarov., Z., Harkrider, L., Johnson, J., & Mumford, M. 2012. Leader ethical decision-making in organizations: Strategies for sense-making. *Journal of Business Ethics*, 107: 49-64.

Thomas, H., & Stefano, H. 2013. Towards a liberal management education. *Journal of Management Development*, 32 (5): 508-524.

Trenor, J. M. & Miller, M., K., & Gipson, K. 2011. Utilization of a think-aloud protocol to cognitively validate a survey instrument identifying social capital resources of engineering undergraduates. *ASEE Annual Conference & Exposition*, 22-1656.

Velasquez, M., & Andre, C. 1987. Can ethics be taught? *Issues in Ethics*. Retrieved from https://www.scu.edu/mcae/publications/iie/v1n1/taught.html

Vitell, S. J. & Paolillo, G. P. 2003. Consumer ethics: The role of religiosity. *Journal of Business Ethics*, 46: 151-162.

Whitehouse, P. 2021. Social Ethics. Case Western Reserve University.

Williams, R. M. 1970. *American society: A sociological interpretation*. NY: Knopf.

Winter, J.C.F., & Dodou, D. 2011. Factor recovery by principal axis factoring and maximum likelihood factor analysis as a function of factor pattern and sample size. *Journal of Applied Statistics*, 39(4): 695-710.

Wolff, S., Perscosolido, A., & Druskat, V. 2002. Emotional intelligence as the basis of leadership emergence in self-managing teams. *The Leadership Quarterly,* 13: 505-522.

Yang, H., & Yen, G. 2017. Consumer responses to corporate cause related marketing: A serial multiple mediator model of self-construal, empathy, and moral identity. *European Journal of Marketing,* 52(9): 2105-2127.

Zimbardo, P. G., & Ruch, F. 1979. *Psychology and life* (10th ed.). Glenview, IL: Scott, Foresman & Company.