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Asian Development Bank

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Moral Courage in Organizations

Abstract

{Excerpt} Moral courage is the strength to use ethical principles to do what one believes is right even though the result may not be to everyone's liking or could occasion personal loss. In organizations, some of the hardest decisions have ethical stakes: it is everyday moral courage that sets an organization and its members apart.

Courage is the ability to confront danger, fear, intimidation, pain, or uncertainty. Physical courage is fortitude in the face of death (and its threat), hardship, or physical pain. Moral courage, the form the attribute nowadays refers to, is put simply the ability to act rightly in the face of discouragement or opposition, possibly and knowingly running the risk of adverse personal consequences. Springing from ethics—notably integrity, responsibility, compassion, and forgiveness—it is the quality of mind or spirit that enables a person to withstand danger, difficulty, or fear; persevere; and venture. Comprehensively—as said by Christopher Rate et al., it is a willful, intentional act, executed after mindful deliberation, involving objective substantial risk to the bearer, and primarily motivated to bring about a noble good or worthy end despite, perhaps, the presence of the emotion of fear.

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Moral Courage in Organizations

By Olivier Serrat

The Same Thought Each Day

What would life be if we had no courage to attempt anything?, Vincent van Gogh queried. The answer is: nothing; life requires courage—if not, how else can we confront and meet the myriad environmental, economic, social, political, and technological challenges the reality of existence throws at us every day?

Courage¹ is the ability to confront danger, fear, intimidation, pain, or uncertainty. Physical courage is fortitude in the face of death (and its threat), hardship, or physical pain. Moral courage, the form the attribute nowadays refers to, is put simply the ability to act rightly in the face of discouragement or opposition, possibly and knowingly running the risk of adverse personal consequences. Springing from ethics²—notably integrity, responsibility, compassion, and forgiveness—it is the quality of mind or spirit that enables a person to withstand danger, difficulty, or fear; persevere; and venture. Comprehensively—as said by Christopher Rate et al.,³ it is a willful, intentional act, executed after mindful deliberation, involving objective substantial risk to the bearer, and primarily motivated to bring about a noble good or worthy end despite, perhaps, the presence of the emotion of fear.⁴

Courage is the first of human qualities because it is the quality which guarantees the others.

—Aristotle



Moral courage is the strength to use ethical principles to do what one believes is right even though the result may not be to everyone's liking or could occasion personal loss. In organizations, some of the hardest decisions have ethical stakes: it is everyday moral courage that sets an organization and its members apart.

Of course, for more than we dare imagine, the solution is unconsciousness; courage is not necessary if one is cocooned, deluded, or enslaved to surroundings.⁵ And so, what might be the spark of moral

¹ The word stems from *cor*, meaning “heart” in Latin. The term “heart” is a widespread metaphor for inner strength.

² Ethics are the principles of conduct individuals or groups rest on to address questions about morality—that is, concepts such as good and evil, right and wrong, virtue and vice, justice, etc. Fundamental principles such as the four mentioned are the same the world over, hence, their espousal by all or most religions. Social neuroscience suggests the universal moral compass these four primary principles and their associated values and beliefs make up is hard-wired in brains as part of Man's approach-avoid response, itself a survival mechanism.

³ Christopher Rate, Jennifer Clarke, Douglas Lindsay, and Robert Sternberg. 2007. Implicit Theories of Courage. *The Journal of Positive Psychology*. 2 (2). pp. 80–98.

⁴ Some propose that moral courage should connote resistance to moral temptations and social pressures in addition to enactment of ethical behavior in pursuit of right over wrong.

⁵ This warrants an aside. Anticipating at the international military tribunal in Nuremberg in 1947 the protest of major Nazi war criminals that they were only doing their jobs, the prosecution leveled the charge that “[t]he fact that the defendant acted pursuant to an order of his government or of a superior shall not free him from responsibility.” That article stood as a flat rejection, with applications thereafter through international law in other walks of life albeit to date mainly military, of evasion of responsibility. (The salient feature of Nazi crimes in the Second World War was their bureaucratic nature.)

courage? Bold enough to differ with Aristotle, Stephen Carter⁶ holds that integrity, meaning, steadfast adherence to a strict moral code, comes before anything else. He defines it, operationally, as consisting of three traits: (i) *discerning* what is right or wrong; (ii) *acting on* what one has discerned, even at a personal cost; and (iii) *saying openly* that one is acting on one's understanding of right and wrong.⁷ (After reading him, and considering our imperfections, those of us who thought we were living a life of integrity should not lose heart.)⁸

The Growing Need for Moral Courage

So, what of it? Well, since the age-old practice of organizing⁹ calls for organization(s) and organizations have— notwithstanding (as the case may be) the accomplishment of the joint purpose for which they are established—copiously documented shortcomings,¹⁰ both their members and targets obviously stand to gain, *ceteris paribus*, from moral strength and associated ethical and pro-social behavior¹¹ as both the means and the end of moral agency. Fast-growing interest in corporate governance and corporate reputation bear that out.

At its most basic, moral courage helps cultivate mindful organizational environments that, among others, offset groupthink; mitigate hypocrisy and “nod-and-wink” cultures; educate mechanical conformity and compliance; bridge organizational silos; and check irregularities, misconduct, injustice, and corruption. (Learning organizations put a premium on critical thinking and effective questioning, embrace failure, and generally conduce moral and corporate values¹² to achieve enduring success holding social good.) More profoundly, moral courage consolidates the trust, enshrined in formal contracts, oral contracts, and psychological contracts, that organizations depend on.

However, all other things will not be held constant: globalization and the opportunity and competition it stimulates are already heightening tensions.¹³ Concurrently, some deficiencies of the free market and the economic models it underpins are more and more manifest, as the global financial crisis of 2007–2008 continues to demonstrate.

Few men are willing to brave the disapproval of their fellows, the censure of their colleagues, the wrath of their society. Moral courage is a rarer commodity than bravery in battle or great intelligence. Yet it is the one essential, vital quality of those who seek to change a world which yields most painfully to change.

—John F. Kennedy

⁶ Stephen Carter. 1997. *Integrity*. Harper Perennial.

⁷ The energy in Stephen Carter's definition derives from the active element that fires it: since ethical judgments only weakly correlate with actual ethical behavior, real integrity requires that one should talk the walk and walk the talk.

⁸ Some of these are ethical blindspots, viz., psychological processes, molded by experience and the environment (leadership and context), that distort our behaviors. This said, the conditions upon which integrity depends are usually in our control: where they elude us, the point is not that integrity should be entirely attained but that it should be earnestly sought. Encouragingly, the concept of ethical blindspots suggests that moral courage is not a static trait but, rather, a malleable individual property influenced by situational factors through social learning; therefore, it can be built.

⁹ People organize in groups to realize a desired outcome from their activities and outputs in a particular sector. This can happen deliberately or spontaneously, but always with coordinated, sometimes large-scale, effort. Organization—and the coordination it rests on—is a reaction to competition. (If resources were limited, the need to organize would be lesser, perhaps minimal.) What is more, organization breeds specialization. (Specialization, through ensuing efficiencies in production and delivery, increases the quantity, quality, and eventually variety of goods and services.) Through specialization and the interdependences it creates, organizations and their members become differentiated: they draw and depend on different combinations and intensities of capital, knowledge, labor, legitimacy, raw materials, and revenue, all of which “conspire” to shape them; they also evolve distinct assumptions, corporate values, and artifacts, e.g., activities, verbal expressions, and objects.

¹⁰ Much of the literature on organizational failure (or success) still examines that subject through the prism of self-perpetuation, that being the outcome of continuing growth or existence. (From this perspective, challenges pertain, for example, to managing complexity; dealing with multiple clients, audiences, and partners; promoting unremitting entrepreneurship; sustaining in-house diversity; and provisioning human resources.) From the mid-1990s, notions of success (or failure) have been augmented to encompass corporate social responsibility, in which instance organizations voluntarily integrate (or not) social and environmental concerns in their operations and interactions with stakeholders.

¹¹ Moral courage usually connotes the taking of a stand. Pro-social behavior refers to sundry positive acts, beyond specified role requirements, that promote organizational and peer well-being through respect, helpfulness, and cooperation.

¹² Corporate values are operating philosophies or principles, to be acted upon, that guide an organization's internal conduct and its relationships with clients, audiences, and partners. To note, since morality and ethics are central to the issue of meaning in corporate values, the latter commonly incorporate related statements.

¹³ For a daunting agenda of the 21st century, see ADB. 2010. *Sparking Social Innovations*. Manila. Available: www.adb.org/documents/information/knowledge-solutions/sparking-social-innovations.pdf

There is growing evidence also that organizations, institutions too for that matter,¹⁴ find it hard to respond effectively to the rapidly changing, uncertain environment. (The organizations the world needs in a chaos of change are not those of yesterday, when a tall hierarchy was the organizational model of choice: they are fluid and networked to compete on the edge with distributed leadership, anticipation, and reactivity.)¹⁵ In their understandable bewilderment, they are becoming ever more morally complex environments that impose significant ethical demands and challenges on actors within and outside them.¹⁶ They must renounce ethical mediocrity and transit through minimum ethics to display honesty and authenticity in everyday life, for example, vis-à-vis defensive routines—aka undiscussables—in the workplace.¹⁷ Needless to say, most are not there yet. So, where are they?

Of Malevolent Bureaucracies, Machines, and Psychic Prisons

An almost universal feature of organizations, both in the private and public sectors, is bureaucracy.¹⁸ The purpose of a bureaucracy is to execute the actions of an organization toward its purpose and mission with the greatest possible efficiency and at the least cost of resources. Defying the edict that organizing is perpetual change, the key characteristics of its "ideal" form remain unchanged since Max Weber outlined them more than a hundred years ago; they are (i) hierarchy, (ii) division of labor, and (iii) departmentalization. Nowadays, however, especially in the public sector, this rational method of organization connotes to many a system of administration marked by officialism, proliferation, and red tape. Worse, the terms "bureaucrat," "bureaucratic," and "bureaucracy" are sometimes used as invectives.

In a hard-hitting work, now on its fifth edition, Ralph Hummel¹⁹ takes the position that bureaucracy is malevolent. Fragmentation of knowledge and dilution of individual responsibility are its key features, especially in large organizations including governments, business corporations, professional groups, etc. (In modern society most work is done by organizations.) Paraphrasing at length, this is so because bureaucratic structures force people into behaviors that alter the psyche's processes by which knowledge is acquired and emotions are felt. As a result, individuals no longer retain the right to judge what is right or wrong and are no longer accorded the ability to judge when work is done well or poorly. Above all, bureaucracy determines who or what people are. The individual disappears: his or her personality evanesces to be replaced by a bundle of functions—a role. Ralph Hummel sees that bureaucracy runs roughshod over belief, deliberation, emotion, experience, faith,

*You will never understand
bureaucracies until you understand
that for bureaucrats procedure is
everything and outcomes are nothing.*

—Thomas Sowell

feeling, judgment, meaning, purpose, and resistance. "Yet, human beings have great difficulty working without a sense of what they are doing (reality), without a sense that what they do affects others for good or for ill (morality), without an inner sense of who they are (personality), and without feelings for the things they belabor or the people they work with or the work itself (intentionality). Imprisoned in reality structures that can enforce such working conditions from

¹⁴ Many use the terms "organization" and "institution" interchangeably but they are not the same. To sociologists, and by definition, institutions are enduring forms of social life, e.g., customs, norms, positions, roles, and values, including art and culture, education and research, the family and marriage, government, language, medicine, religion, law and legal systems, the military, the police, etc. Unlike organizations, they are instilled with a permanent social purpose aiming to govern cooperative human behavior, thereby transcending individual lives and intentions.

¹⁵ To get there, according to Lowell Bryan and Claudia Joyce, they (i) streamline and simplify vertical and line-management structures by discarding failed matrix and ad hoc approaches and narrowing the scope of the line manager's role to the creation of current earnings; (ii) deploy off-line teams to discover new wealth-creating opportunities while using a dynamic-management process to resolve short- and long-term trade-offs; (iii) develop knowledge marketplaces, talent marketplaces, and formal networks to stimulate the creation and exchange of intangibles; and (iv) rely on measurements of performance rather than supervision to get the most from self-directed professionals. See Lowell Bryan and Claudia Joyce. 2005. The 21st Century Organization. *McKinsey Quarterly*. No. 3.

¹⁶ The current debate about sustainability, which involves trade-offs between near-term costs and possibly very long-term benefits, is a poignant illustration of how the external environment can throw new challenges to organizations.

¹⁷ Since the list is almost endless, only two other mundane but pervasive issues that call for moral courage need be mentioned. They are (i) decisions should be based on facts, objectively considered; and (ii) people should be engaged, remunerated, and promoted in line with performance, not nationality, seniority, education, personality, or else.

¹⁸ *Bureau* is the French word for "desk," although it also translates as "office."

¹⁹ Ralph Hummel. 2007. *The Bureaucratic Experience: The Post-Modern Challenge*. M. E. Sharpe.

without, people in bureaucracy make up their own reality from within. Fantasy comes to dominate.” In sum, and all for the sake of efficiency, bureaucrats are asked to become people without conscience, to abandon any sense of mastery, and to leave their emotions at home.

In like fashion, David Luban, Alan Strudler, and David Wasserman²⁰ charge that the collectivization of the workplace has wrought a transformation in traditional moral values, replacing individual responsibility and internal norms with group identification and external norms. Bureaucracy makes four knowledge conditions difficult to satisfy, whereby a decision maker (i) recognizes that he or she has come to a fork in the road; (ii) knows that he or she must make the choice in a fairly short, distinct period; (iii) confronts a small number of well-defined options; and (iv) possesses the information needed to make the decision. Given this predicament, they put forward five obligations arising from the risk that an individual will do or contribute to harm without knowing it. They are obligations of (i) investigation, (ii) communication, (iii) protection, (iv) prevention, and (v) precaution.²¹

Gareth Morgan²² suggests we should use metaphors to understand and change organizations, with implications for moral courage as we shall see. Specifically, the new ways of thinking metaphors instill facilitate perception from distinct viewpoints to generate both competing and complementary insights and suggest actions that may not have been possible before; they can help improve the design and management of organizations, for instance, to analyze and diagnose problems.

He makes out eight types of organizations in the public and private sectors: (i) organizations as machines, (ii) organizations as organisms, (iii) organizations as brains, (iv) organizations as cultures, (v) organizations as political systems, (vi) organizations as psychic prisons, (vii) organization as flux and transformation, and (viii) organizations as instruments of domination. (The machine, organism, culture, and psychic prison metaphors

Excessive caution, reliance on precedents, and following the beaten path have to give way to innovation and inventiveness and to trying out new methods ... I do believe that the core of the civil services is sound and rooted in values of integrity and fair play ... It is a pity that instances of individual waywardness, of lack of moral courage, and of surrender to pressures and temptations tarnish the image of the civil services and lead to immense criticism and dissatisfaction.

—Manmohan Singh

It is ... horrible to think that the world could one day be filled with nothing but those little cogs, little men clinging to little jobs and striving toward bigger ones ... This passion for bureaucracy ... is enough to drive one to despair. It is as if ... we were deliberately to become men who need “order” and nothing but order, who become nervous and cowardly if for one moment this order wavers, and helpless if they are torn away from their total incorporation in it. ... [T]he great question is therefore not how we can promote and hasten it, but what can we oppose to this machinery in order to keep a portion of mankind free from this parceling-out of the soul, from this supreme mastery of the bureaucratic way of life.

—Max Weber

resonate most with people. Of course, combinations of the eight types are possible.) Fans claim the eight perspectives can help us control our destinies and avoid our allotted fate. Humbly, Gareth Morgan advises that, however useful, images must still be used guardedly: by their very nature, they create partial insights that can mislead if relied upon too heavily. Granted that all eight types refer to organizations, the repercussions of which on individual and collective responsibility were discussed earlier, an investigation of what light each metaphor throws on the enabling environment for moral courage would seem warranted. In public sector bureaucracies, from among the four readily recognized

²⁰ David Luban, Alan Strudler, and David Wasserman. 1992. Moral Responsibility in the Age of Bureaucracy. *Michigan Law Review*. 90 (8). pp. 2348–2392.

²¹ What David Luban, Alan Strudler, and David Wasserman suggest amounts to a reconfiguration of the dimensions of individual responsibility and a rework of the structure and culture of bureaucracies. The order may be too tall: so far, elements of the preemptive obligations they advocate are being propounded by means of ombudsmen. (An ombudsman is an official appointed to hear, investigate, report on, and help settle the complaints that individuals may have against maladministration, abuses, or capricious acts, especially that of public authorities. To note, the primary tools that ombudsmen use to resolve disputes are recommendations—binding or not—and mediation.)

²² Gareth Morgan. 1986. *Images of Organizations*. Sage Publications.

images, the machine and psychic prison metaphors can explain psychologies of mindless obedience with possible impact on ethical and pro-social behavior. A machine is designed to perform work of a repetitive nature and the machine metaphor promotes the belief that organizations can be engineered. However, even though persons in positions of formal authority may well like to treat their colleagues as though they were cogs in a well-oiled machine, the four primary principles of integrity, responsibility, compassion, and forgiveness require more nuance. Next, to control their impulses and live in harmony with others, individuals go through unconscious psychological mechanisms of denial, displacement, projection, rationalization, regression, and sublimation. Organizations have similar neurotic tendencies leading to debilitating conflict or dysfunctional behavior. But when the collective manifestation of negative psychological states associated with domination press an individual's consciousness, organizations can become psychic prisons. Much as the image of organizations as machines, the dehumanization and exploitation described by that metaphor does not bode well for moral courage.

From Ethical Challenge to Action

People will keep organizing with or without organizations: their survival depends on it. Emergent phenomena, such as civil and nongovernment organizations, and practices, such as outsourcing, are infiltrating or hollowing out once-watertight organizational boundaries. The art and craft of jazz, which distributes leadership, fuel interest in other organizing processes and forms of organization. Notwithstanding, until such new ways of organizing and coordinating develop a critical mass—be that through returning to what worked in the past or pressing into new territory, the bulk of organizing will likely continue to be performed by the routine of bureaucracy, at least in the foreseeable future. And, with that, the need for moral courage will grow unabated.

A ship in harbor is safe, but that is not what ships are built for.

—John Shedd

Where then might we go from here? Sadly, there is no shortcut. To begin, individuals and organizations should grasp that the development of a desire to act with moral courage is influenced by personal factors in the form of automatic and conscious self-regulation. Personal factors, in turn, are swayed by situational and contextual factors, e.g., organizational directives, rewards, and punishments; social norms; and social pressure. Of equal importance is the notion that moral courage is not automatic behavior per se; it is a practice to which one becomes habituated. Ralph Waldo Emerson thought, rightly, that a great part of courage is the courage of having done the thing before. Marrying cognitive, technical, and emotional intelligence,²³ only by repeatedly going through a process of analysis, interpretation, debate, and judgment enlightened by ethics can people sharpen their skills in moral reasoning and in this manner develop moral intelligence. Beyond statements of corporate values, human resource divisions might also need to recruit for values and help spread the message that reinforcing these starts at the top.

Further Reading

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²³ Emotional intelligence is values-free. Without a moral anchor, the skills of emotional intelligence will not necessarily be directed toward doing good.

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Asian Development Bank

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