MORAL DECISION MAKING:
SEARCHING FOR THE HIGHEST EXPECTED MORAL VALUE

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ABSTRACT: This article offers a new way to conceptualize decision making in regard to ethical dilemmas and complex social issues. The framework provided here identifies steps essential to achieving the highest expected moral value. This process is complex but practical. The purpose is to help academics, students and practitioners in escaping from a simple black and white logic. The framework proposed here attempts to help analysts objectively assess the positives and the negatives associated with a given course of action in order to achieve the best possible outcome. All dilemmas have multiple solutions but too often we reach simple conclusions without addressing consequences. Clearly good moral intent can produce serious harm. Sometimes one may have to choose between the two; good moral intent versus good moral consequences.

INTRODUCTION

As most researchers and students of social conscience know, moral and ethical decision-making can be a tricky, difficult and imperfect process. The reality of this is revealed everyday as we browse through the popular business press or the local newspaper. Business executives and ordinary citizens, as well as leaders of all types, religious, political and military, struggle with their moral and ethical dilemmas and problems. From Enron to Abu Grahib, from 9-11 to Space Shuttle disasters, from Rwanda to Darfur and from child molestation by clergy to steroids among professional athletes, we see ethical dilemmas driven by errors of commission and omission. The

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dilemmas and problems even reveal themselves to us as we drive on freeways, interstates and turnpikes where rational, civil and courteous behavior often operates at a minimum. Too often it seems that as we take the road more traveled, we become even less aware of our own moral and ethical limitations.

This paper proposes a framework that helps to define the nature of the moral dilemma and the means by which to select a "reasonable" solution. This framework will reflect an intuitive approach bounded by the concept of the highest expected value and as such, moral philosophy becomes interwoven here with some key notions from financial management theory. However, the focus remains on the framework not on all the various streams of research that link to its component parts. In addition, the framework identified here is in part intended to coincide and compliment the bribery article of Aupperle and Camarata (2007) that also appears in the previous issue of IJOTB.

MORAL AWARENESS

Undoubtedly, much of the difficulty in moral reasoning lies with the issue of problem recognition. Much of what we might generally term as faulty moral reasoning is connected to this recognition problem. Becoming aware of what an ethical dilemma might be is critical to behaving in a moral and ethical manner at all levels and modes in society. The recognition and awareness problem is partly connected to the reality of selective perception as well as one's psychological gestalt. Societal culture, family, friends, school, religion, and work environment provide the macro influence. While there has been some work done on the problem of moral and ethical awareness, this remains an underdeveloped area. By itself, moral awareness is but the first step in the process of moral decision making. Unfortunately, little research and theory has emerged to guide decision makers on how to proceed from here. Figure 3 depicted at the end of this article sees awareness as a beginning step in moral decision making.

The process of making socially and morally responsible decisions remains problematic for individuals in all types of organizations – for profit as well as not for profit. It is certainly clear that it is incredibly difficult to educate or train individuals to change undesired behaviors
that produce unethical and even immoral consequences. However, for many individuals, poor choices are made due to a failure to comprehend what is and is not responsible behavior. It is much easier to change amoral behaviors than immoral ones. The amoral individual can be educated so as to recognize the existence of moral dilemmas and unethical citizenship. The issue of awareness can often be resolved through enlightened organizational leadership clearly communicating desired ethical behaviors.

**MORAL FILTERING**

Defining a given moral dilemma is viewed here to be associated with *moral filtering* which in turn is composed of three key elements which are depicted on the left side of the enclosed Figure 3 framework on moral decision making. These elements include moral *philosophy*, the moral *context*, and moral *framing*. How a moral dilemma will be defined is partly linked to the differing philosophies that can be utilized. These are typically identified in the literature to include, in particular, the notions of *utilitarianism*, *rights*, and *justice* and/or some combination of these. While many additional philosophical approaches exist, these three tend to dominate the discussion (Figure 1).

Clearly, all three of these philosophical perspectives can overlap with one another and to a considerable extent, conflict with one another. In addition, it would be rare for only one of the three perspectives to exist in isolation from the other two when making an ethical decision. All three are very fundamental to the U.S. Constitution. While the utilitarian perspective is observed here to be dominant in American society, its close connection to both rights and justice is seen in the diagram on the next page.

In the Western World, *the utilitarian model* is one of the most widely accepted approaches to moral reasoning. Here, the approach is to rely on “the greatest good for the greatest number of people.” Making moral decisions from this perspective is generally very positive in that one individual or perhaps a group of individuals place society or others before self. In other words, this is often a self-sacrificing philosophy. In more practical terms, such an approach will generally require that an organization assess the social costs and social benefits of its various decisions and actions. Because “tradeoffs” are usually involved, a firm relying on the utilitarian
approach may need to make decisions and take actions that benefit some constituents or “stakeholders” more than others. For instance, because the “whole” is greater than any individual part, a firm may decide to build a new manufacturing facility where a greater number of constituents or stakeholders are likely to benefit. From a societal standpoint, American and British soldiers serving in Iraq are engaging in a form of self sacrifice.

It is important to note that there can be a dangerous downside to using a utilitarian approach. Utilitarian logic pursued in the extreme (and to the exclusion of other philosophical approaches such as rights and justice), could lead to a severe exploitation of minorities by majorities. As a result, this approach can produce consequences such as the Jewish holocaust in the 1930s and 1940s, and even the incarceration of American Japanese in the U.S. in 1942. However, it is also true that utilitarian logic subscribes to the notion of majority rule, which is generally a positive factor central to the notion of democratic governments.

**FIGURE 1**
Moral Philosophies Intersecting

![Venn Diagram]

*The moral rights approach* to moral reasoning recognizes the fundamental freedoms that all members of society possess. For instance, here it is accepted that everyone has both written (constitutional) and unwritten rights in regard to such things as personal (individual) freedoms, life and safety, privacy, free speech, and freedom of thought and freedom from arrest without due process. Consequently, the moral rights approach believes that organizational constituents (stakeholders) such as employees, consumers and citizens at large, should not have their rights sacrificed in order for the firm to simply become more profitable. The
The idea behind a moral reasoning approach that relies on justice is that benefits, rewards and hardships are allocated in a fair, equitable, and impartial manner. For instance, if a manager allocates financial rewards (bonuses, pay raises) in a manner that suggests favoritism and/or organizational politics, then justice is not served. Such practices would not only suggest the prospect of immoral behavior but from the vantage point of employee motivation, would reflect both mismanagement and a poor use of equity theory. A related question also emerges as to when poor management practices in and of themselves are unethical.

While some researchers and political writers might view the word fair to mean equal, generally the assumption is that fair means applying a standard in a manner that is reasonably consistent and valid such as receiving some kind of compensation or return that is equal to one’s contribution. This philosophic perspective actually relates to equity theory which is one of our current motivational perspectives regarding human behavior. Justice would then be served when employee A is judged and then rewarded in a manner consistent with and relative to B and C who do similar work in an organizational context that is roughly approximate.

Again, it is important to recognize the relationship all three moral perspectives share with one another as is depicted in the above diagram. In Figure 3, all three factors are depicted to play a filtering role in helping to define the underlying philosophy that helps to shape the ethical and moral decision making process.

MORAL CONTEXT

The next element in the area of moral and social filtering pertains to moral context. Here the nature of a moral dilemma is considered from the relevant operating level ranging from one vantage point that is very individualistic to another that is broad and global. For instance, a given moral problem can be examined along an operational spectrum ranging from the individual level at one extreme to the international at the other. In some instances all levels might be involved with a given problem or concern. The context in Figure 3 reflects the notion that dilemmas and problems can be considered
from at least four different perspectives. It is conceivable that some dilemmas and problems will engage all the perspectives.

In other words, a given dilemma or issue could require a response by a single decision maker while in a different context, an international resolution, such as that of NATO’s involvement in Yugoslavia, could be required. However, as the context becomes broader, the decision making process becomes exponentially more complex. The current situation in Iraq suggests that the US will need to find workable solutions by relying on a broader contextual resolution. In other words, it might be necessary that the violence and unrest in Iraq be addressed through a regional forum that is sanctioned by the United Nations.

**MORAL FRAMING**

Another factor to consider in the social and moral filtering process pertains to moral framing. Moral framing plays a defining role because it is possible to look at a dilemma from the vantage point of one’s moral principles, the intent behind the principles, and the ability to maintain consistency within the spectrum of one’s values and behaviors (Figure 2). It is reasonable to believe that one’s values, beliefs and moral principles can shape their decision-making. The absence of certain values and principles can seemingly make it easier to proceed down a dark path that focuses on economic efficiency in the extreme such as with the ‘CEO for hire’ known not so affectionately as ‘chainsaw’ Dunlap. In the relatively recent political environment we have also seen the reality of ethnic cleansing in the Balkans spearheaded by Serbia’s Milosevic. Within the area of moral framing, principles are perceived as the most critical factor.

**FIGURE 2**
Moral Framing Intersecting Components
However, both moral consistency and moral intent are important factors to also consider. Again, it is not unusual to find all three elements linked together as is revealed in the Figure 2 diagram below. In a micro-like way, all three relate to parallel concepts found in early corporate social performance (CSP) frameworks delineated by Carroll (1979), Wartick and Cochran (1985), and Wood (1991) and more recent efforts by Swanson (1999).

*Moral consistency* pertains to a pattern of behavior exhibited by an individual, an organization, or a society. Moral consistency resists the idea of expediency and situational ethics. Not only does consistency relate to behaviors that are congruent with each other, but ensures that principles that are *embraced* actually match behaviors that are *displayed*.

In contrast, *moral intent* is associated with the actual implementation process of turning principles into behavior. However, there is the possibility here of relying on a contingency aspect in regard to moral reasoning. For instance, a given behavior that would normally be deemed as unethical could under *certain* conditions be viewed as ethical as in the classic Victor Hugo tale where a man, Jean Val jean, steals a loaf of bread for his sister’s starving child. If the theft is to save a child’s life, then the intent is honorable and justified. If the theft is only to serve oneself and the child’s life is but a false excuse, then the behavior is dishonorable and inexcusable. The *true* intent of one’s action is the determining factor in this situation. Here, intent separates greed from self-sacrifice.

**IDENTIFYING SOLUTIONS TO MORAL DILEMMAS**

The Highest Expected Moral Value

Once the moral dilemma or problem is defined and assessed through philosophical, contextual and framing considerations, it becomes possible to identify a solution or a variety of solutions. However, it is important to observe that the decision making process is influenced by the social and moral filtering reality depicted in Figure 3. The goal of the decision making process shown in the figure depicted at the end of this article is to reveal a process where a number of possible solutions (derived from information gathering) can be identified. In addition, each of these solutions can be seen to facilitate positive and negative consequences in varying degrees. As
a result, this framework reveals an analytical process that seeks to identify (and choose) the highest expected moral value by qualitatively assessing the value of each solution alternative to a moral dilemma.

The goal here is to enable one to match respectively the expected moral values found with the various decision options (solutions) to their expected economic values. Each option is likely to have some positive outcomes (morally and economically) and some negative outcomes (morally and economically). Ultimately, the goal is to pursue a course of action that produces the best overall moral outcome when all the positives and negatives are addressed for each potential course of action. However, it is also possible that a given organization might be open to the notion of suboptimizing morality in order to produce good economic returns. It is likewise possible for another organization to suboptimize economically given the possibility of finding a solution that still provides a fairly high economic return while also providing a high moral return. For instance, in Figure 3, options A may provide the highest economic return and D the highest moral return while option B or C offers the best combination overall.

The most fundamental concern of Figure 3 is to reveal that all options to a given moral dilemma possess positive and negative consequences. When making a moral decision, it is likely that there is no single option that is perfectly moral. The dropping of atom bombs on Hiroshima and Nagasaki in 1945 reveals a decision that has both positive and negative consequences. The degree to which they are viewed positively and negatively links back to the nature of one’s philosophical vantage point and moral framing as well as to the moral context employed. Today, East Asian societies view these horrific nuclear bombings in different moral terms than do Western societies and in particular, American society.

When considering the example of the solicitation of a bribe noted in the exhibit, it is possible to identify a number of potential responses by the agent being pressed to provide a payoff to secure a business contract. One response is to break the law and pay the bribe. Clearly there is a moral downside that is connected to illegal behavior. However, there is also a moral upside that might be associated with the economic needs of employees and the local community. In fact, each of Carroll’s (1979) four CSR components
FIGURE 3
Framework for Moral Decision Making

Moral Philosophy:
- Rights
- Justice
- UTILITARIAN*
- MORAL PRINCIPLES*

Moral Context:
- INDIVIDUAL
- ORGANIZATIONAL
- SOCIETAL
- INTERNATIONAL

Moral Framing:
- Moral Intent
- Moral Consistency

Courses of Action (e.g., regarding a bribe):
A. Pay
B. Assessing Moral Upside & Downside Of Each Alternative
C. Don't Pay
D. Choosing the Highest Expected Moral Value (HEMV) **

[Information Gathering] [Analysis]

*Note: The Utilitarian philosophy is viewed here as the dominant philosophical perspective. Likewise, Moral Principles is argued to be the dominant element in Moral Framing.

** Note: This process also makes it possible to select a course of action that provides the greatest holistic or overall value for business and society by matching the expected moral value of each alternative to its expected economic value.
(economic, legal, ethical and philanthropic) could find themselves conflicting with one another in regard to **whether it is better to pay or not pay the bribe.** This would also be true regarding all the other solution options, including a decision not to pay the bribe. In this latter instance, the law would be honored but considerable human suffering would result from large scale, mandatory layoffs.

It is important to note that Figure 3 does not portray all aspects of the complete decision making process. Instead, only the core elements are displayed graphically and sequentially. The complete process can be seen below in a more basic format.

\[
\text{Moral Recognition} \rightarrow \text{Moral Filtering} \rightarrow \text{Info Gathering} \rightarrow \text{Analysis} \rightarrow \text{Choice (HEMV)} \rightarrow \text{Implementation}
\]

Because unethical as well as amoral decisions may actually link more to the lack of a moral decision making model than to a fundamental flaw in character, the framework in Figure 3 may prove useful. The intent of the enclosed framework is to provide a *reasonably rational* way to proceed by examining all the identifiable options and assessing the *positive and negative* consequences of each. Too often when selecting a course of action we fail to assess its moral consequences. Even behaviors that may initially be viewed as moral, such as the American invasion of Saddam Hussein’s Iraq in March 2003, can result in producing unintended, but nevertheless, very immoral outcomes. The enclosed framework is designed to grapple with and hopefully resolve such moral dilemmas.

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**REFERENCES**


