ENTREPRENEURIAL ETHICS

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Introduction

he snow was gusting sideways and the mercury was dipping down into the minus range on a Saturday evening in November of 2003 on the outskirts of Bozeman, Montana. Twenty-year-old Richard Presler sat at his kitchen table grinning to himself. He had gotten some good news and found himself in a partying mood. "A little celebration is in order," he thought. He called some friends about meeting-up and made the ill-fated judgment to use his forged military ID to go out drinking. He should have stayed home that snowy night. I know, I know. Hindsight is always twenty-twenty.

Presler had a couple of beers at home and then jumped into his pickup truck and headed out onto the already slick and snow-covered roads. He stopped first at Stacey's Bar in Gallatin Gateway and had a few more drinks before heading down the road to a newly opened strip joint called The Buffalo Station, the appearance of which the greater Bozeman community was not happy about.

According to a report in the *Bozeman Daily Chronicle*, Presler was dutifully carded at both Stacey's and The Buffalo Station, but his fake military ID was realistic and effective and the

bartenders were fooled by it. ¹ After having a few more drinks (to the point that some patrons described him as now visibly drunk), Presler said goodbye to his friend and left The Buffalo Station in his truck. On his way home, he veered into the oncoming lane at high speed and slammed head-on into Michael Brown's vehicle, killing both Brown and him instantly.



A terrible and unnecessary tragedy, to be sure. But who, exactly, is morally responsible for that tragedy? Was Presler morally responsible for Brown's death? Were the bars? His friend? Is there a difference between his legal and moral responsibility? Should there be?

Brown's family sued and won a three-million-dollar judgment at court. But here is what caught my attention. The jury decided that Presler was 49% liable and The Buffalo Station was 26% liable, while Stacey's Bar was 20% liable, and the friend who had been with Presler that evening was 5% liable. I wondered: Can moral responsibility for a single act be parceled out in percentages to co-moral agents in the same way as monetary liability for a single injury can be parceled out from a legal perspective? Furthermore, upon what, if not *moral* responsibility, could legal responsibility and monetary responsibility for damages possibly rely?

Looking at it from another perspective, this tragic story gives rise to the question of the extent to which we are morally responsible for our actions in any situation; how this is reflected in the law (accountability); and, most fundamentally, the extent to which 'our' actions are truly our own. These important moral concerns are a big part of the questions we will investigate in this chapter, keeping in mind what we learned in the previous chapter from Epictetus: it is crucial for

¹ Bozeman Daily Chronicle. "Strip club closes after losing suit." Bozeman, MT, October 25, 2004, p. A1.

us to determine what is under our control and what is not. We will investigate this question, in part, by focusing on the debate about whether *moral character* or *situational influences* (or a blend of the two) are the effective cause of our actions.

Was Richard Presler simply an irresponsible person whose morally weak character led him astray and who thus should be *fully* responsible for his actions, at least insofar as he is responsible for his moral character? Or, was he mostly (51%) a victim of the various situational factors that were a contextual part of his experience that fateful night, situational influences such as the bars he went to; the effectiveness of his fake I.D.; the bartenders' willingness to serve him even when appearing intoxicated; the influence of his good news; his friend letting him drive home alone; the snowstorm; bystanders doing nothing, etc., as is reflected in the court's sharing of liability verdict? Should his moral character have been able to resist these situational influences, such as the initial decision (made while sober) to use the false ID to go out drinking? Or was he just a victim of circumstances?

This question goes to the heart of morality and ethics, especially in business. It is reflected in the debate between two opposing camps. On the one side, are Business Ethicists like Robert Solomon [See Appendix 5] who support a Virtue Ethics approach to moral value orientation where your moral character and freedom to act are necessary to determine your moral responsibility. On the other side there are empirical philosophers influenced by social science, like Gilbert Harman [See Appendix 5], who believe that character is a false, misleading and counter-productive idea that is not necessary for establishing moral responsibility and does not reflect how influenced we are by situational factors. This question of whether moral character is something real or merely a figment of popular imagination (and what difference this makes), and whether and to what extent our moral 'character' is able to withstand the influence of situational factors (impact of corporate culture, for example), are the main interests of this chapter. Essentially, what I am interested in here is the extent to which situational factors limit our personal moral power and, hence, our personal moral responsibility.

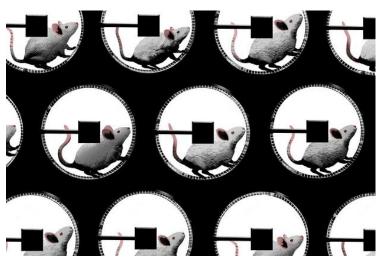
Character and character traits

Besides the nature of personal morality, our whole understanding of human nature is at stake regarding the question of whether our individual moral *character* can withstand the pressures of the workplace, or whether we are basically "victims of circumstances." Where you stand regarding this issue will make a big difference in terms of your overall approach to managing your moral life and achieving personal and professional success. If moral character does not exist and we are merely victims of circumstances, then how can we be held morally responsible for our actions? If character does exist, then why do social psychology experiments like Milgram's Obedience study, Darley and Batson's Good Samaritan study, the Stanford Prison Experiment, what happened at Abu Graib prison in Iraq, and what happened to the workers involved in the Wells Fargo Bank cross-selling scandal seem to show that character, if it exists at all, is generally an insufficient basis for resisting situational pressures to act contrary to your moral value orientation?

Before answering the question about whether your moral character can resist temptation, however, it will be necessary to address the larger question of whether there is such a thing as "character" at all. Character can be understood as *a disposition to act that is an intrinsic, real*,

permanent psychological part of who you are that remains stable across different situations and which thus makes you responsible for the moral decisions and choices or judgments you make, as Solomon believes.

This position must deal with the question of whether character itself is the source of an inner determinism, i.e., that we are determined to act in accord with our character—which would override moral agency from within—an internal determinism, so to speak.



Otherwise, character must *encourage or dispose* you to act a certain way yet, at the same time, leave you *free to choose*, thus avoiding determinism and the lack of moral responsibility. Without the freedom to choose there would be no basis for moral agency, and thus no basis for moral responsibility, according to Solomon. He thinks Harmon's idea of denying the existence of character will undermine moral responsibility. What do you think?

Are we free in the sense that whenever we do something we could always have acted otherwise, which is a common definition of freedom? Or, are we "victims of circumstances" in regard to our behaviors, beliefs, and values, as Gilbert Harman argues? Are we controlled by the many influences of the *situations* that we find ourselves in, helpless victims manipulated by mostly unconscious pressures to go along with the crowd, perhaps unwittingly for the most part, not to make waves at work, for example, even when you feel the situation compromises your moral value orientation?

These kinds of situational pressures certainly exist in all hierarchically structured organizations, as is clear from the recent situation at Wells Fargo Bank where the daily moral pressures created by a toxic culture led to a widespread moral failure among bank employees, resulting in illegal behavior, loss of jobs for many workers including the division chief and the CEO of the bank, and severe reputational and financial losses for the bank from which it has not yet fully recovered. Social pressures to conform at work can be a moral minefield.

So, which is it? To what extent do we remain 'who we are' and free to act across different situations; or to what extent is our identity unconsciously configured by factors in the situations that we find ourselves in? Also, let's consider a third option: to what extent are a combination of freedom, character, *and* situational factors all interacting simultaneously, somewhat unpredictably and ambiguously at the root of all your motivations to act?

When you join an organization, large or small, it is virtually impossible not to get caught up in the <u>ethos</u> or culture of that organization. The term "ethos" is a close cousin of the term "ethics." Cultures communicate moral norms and practices. We all want to please. We all want to get along and cooperate. We want to obey our superiors dutifully; make things work; be a team

player. We try to fit in and be flexible. But to what extent? How 'flexible' are you willing to be? At what point does it happen that the principles upon which your system of making moral judgments rests – your own personal morality – at what point does the bending of your moral values become a moral bust where your values and your dignity are compromised, eased, relaxed, and finally abandoned altogether? The pressures of the workplace to compromise your moral value orientation can be very hard to resist. Just ask those 5300 employees who were fired at Wells Fargo for fraudulent cross-selling activities.

Solomon, the Virtue Ethics philosopher, believes there is surely such a real thing as "character." It is part of your "personality." But your moral character is always character-in-asituation, as Solomon puts it. Your character is able to act freely while nevertheless simultaneously being influenced by situational factors. Character is always a dynamic work-in-progress, in Solomon's view; a fluid movement and not a static state. We are influenced by situational factors, but we are also free to choose the extent that we are willing to be influenced by those factors. The employees at Wells Fargo could have quit rather than forsake their moral values, couldn't they? Yet, realistically, such a moral decision could be very difficult to make.

Harman, the empirical philosopher, thinks that the idea of "character" is pretty much a useless, non-objective, made-up notion based on non-scientific 'folk psychology' which fosters the false belief that what we call "character" is a real, intrinsic part of what makes up the essence of a person and leads inescapably to or pretty much causes that person to make this or that moral judgment or to act in a certain way. People act in accordance with their character. Thus, we attribute the cause of the person's resistance to situational factors or 'temptations' to the real existence of "character." A person who thinks this way might say: "Jane didn't give in to temptation to steal because of her firm moral character." This is the *strong interpretation* of character.

But, according to Harman, what we *call* "character" is really nothing more than the sum of the influences of the situations that a person finds themselves in. To claim that our actions are caused by some mysterious inner force that is not in our immediate and verifiable experience, is to commit the *attribution error*, according to Harmon, a psychological bias which tends to ascribe causality to mysterious inner motives while overlooking obvious external motives. Harman points to psychological experiments like "Milgram's Obedience study," the "Stanford Prison Experiment" and the "Good Samaritan" study to show how our moral value orientation can be undermined by situational influences. But, if we are not the cause of our actions, if *situations* cause our actions, how can we be morally responsible for those actions?

Videos

The general purpose of the following videos is to illustrate how situational factors, which are often unconscious, can influence the way we perceive, evaluate and judge a particular situation and thus influence the way we act. We like to think that we are in complete control of how we decide to act and what we will do; but are we? The social psychology experiments shown in these videos present strong and compelling empirical evidence that we are not as in control of our perceptions, judgments and actions as we might think. Rather, we are always influenced unconsciously by **situational factors**. Watch all the videos. Are you convinced about the influence of situational factors on your moral judgments? I think you should be.



Video (5:05) Milgram's Obedience Study – response to authority figures.

Stanford Prison Experiment video link (15:11)

How social roles and setting influence our moral judgment.



Appearance makes a difference. Good Samaritan social experiment (2:28)



Classic Darley & Batson Good Samaritan Study explained. Hurrying makes a difference. (3:58)



Reactions to differently dressed bike thieves. Appearance makes a big difference. (11:45)

Character, dispositions, and workplace culture

So, having looked at some of the evidence, let's return to this question: Is your moral character a real, objective and constitutive aspect of you, or is it just the 'folksy' way we talk and generalize about our perceptions of people's supposed behavior patterns? What do people mean when they use the term "character"? What do I mean? Does "character" really exist?

What is my experience of character? But I don't experience 'my character' directly the way I experience my hand or an inner state like joy. Character seems to me to be more of a descriptive term rather than a substantive one. Character is not some 'thing'. It doesn't refer to an essence or mysterious power. Rather, the use of the term reflects a perception of a supposed or expected disposition or likelihood to act a certain same way across different situations based on past perceptions of acting. I have seen you act this way often in the past. So, I expect that you are disposed to act a similar way in the future. My expectation of your *disposition to act* could be weak or strong depending on how I interpret your past actions.

What is a disposition? In my experience, a disposition is a readiness to act in some context; a proclivity or leaning toward a certain style of acting, a certain likelihood; an expectancy that can be sometimes overridden by situational factors, if we allow that to happen, and sometimes without our realizing it; a greater likelihood of doing one thing rather than another. Dispositions attach to what are called traits.

What is a trait? Traits are usually thought to be qualities of the person, a fuzzy notion since it is hard to pin down empirically exactly what a trait or a quality actually is. Perhaps a moral value trait, or character trait, is merely a perceived likelihood of an agent acting one way or another across situations. For example, a person whom I observe acting courageously in past situations is more likely, I presume, based on my past experience of that person, to act courageously in a different situation in the future. Certainly, I feel that the person is more likely to act courageously than someone I have observed acting cowardly in the past.

And, thus, perhaps "character" is merely a perception of someone's supposedly being disposed to act a certain way across situations. This is very different from the idea that character is an essentially real and functionally permanent psychological dimension or mechanism of a person or 'personality'—a straw man misrepresentation that is easy to refute, as do the videos above. Expectations of future events are built up from observations of past regularities in a person's way of acting. Seems like a fairly normal thing to do, and it doesn't necessarily commit the attribution error or need to involve confirmation bias since only observations of regularity or irregularity are being asserted.

I observe my friend John being helpful on several occasions and so I say: "John is a helpful guy." The empirical psychologist says that I have committed the fundamental "attribution error" because I am apparently attributing the cause of John's observed helpful behavior to his supposedly 'helpful character'. But I don't think that I am doing that, even though I use similarly sounding words to what the empiricist construes as folksy attributions of character determinism.

What I think I am doing is generalizing from past observations about what I suspect is likely to happen in the future, an intuited inductive reference to what I believe is a fairly well-fixed disposition or likelihood that John will act helpfully in *any* given situation in the future—although he may not. Likelihoods are just that, whether it is with people or race horses. John may tend to be helpful unless he is in a hurry or otherwise influenced to not be helpful, as we learn from the social scientists (e.g., Good Samaritan study), in which case he may be less likely to help on occasion, but, in general, my perception is that he will tend to find opportunities to be helpful. Ascriptions of character do not necessarily attempt to say something about the essential nature of the other, the dreaded attribution error. Rather, they articulate an intuited perception of likelihood for someone to act morally one way or another in future situations based on past actions. Empiricists like Harman should have no problem with that.

John may not act helpfully all the time because his character does not override his freedom and force him to act helpfully; he still gets to *choose* to act helpfully or not each time an opportunity arises, and he is still susceptible to situational influences even though he mostly feels an inclination to help all the time, because, well, that's just the kind of guy John is (attribution error, sorry). Character traits—that is, likelihoods to act a certain way across situations—can be strong or weak, that is, greater or lesser felt likelihoods on the part of the perceiver.

So, when I say that John is a helpful guy or has a helping-oriented character, I don't see that I am saying anything more than that I have observed John being helpful often in the past and so I expect, to some degree, that he is likely to be helpful in the future. What's all the fuss about?

I can see that it makes a difference how we think about character. If I get a low grade on a test and think that it means I am an unintelligent person, I am attributing the cause of the grade to some supposed permanent, fixed aspect of myself, my 'intelligence' that is not under my control and so there is not much I can do about it. And then I will feel helplessly miserable and stuck because, committing the fundamental attribution error in regard to myself, like getting Epictetus' distinction wrong between what is under your control, will lead to negative consequences and lack of success. Not good.

But if I consider the situation more closely and see that my low grade on an exam reflects the fact that I didn't listen or take notes in class, didn't read the material, didn't manage my time well, and didn't prepare for the test ... these things are all potentially under my control, so I can do something about *them*. And a good Stoic teacher would suggest that you *should*.

Insofar as character is merely a way of referencing what you perceive to be somewhat predictable behavior in yourself or others based on past records of behavior, depending on the situation you are in and realizing you are being influenced by it, it does not seem to me to be as problematic as the psychologists make it out to be; especially if we do not attribute dispositions and proclivities to essential and permanent features of the other. Kids do things we think are 'dumb', but there are no dumb kids. So we should make an effort not to talk that way.

What difference does it make?

Insofar as I think that character locks a person or myself into rigid and unchangeable perceptions, behaviors, beliefs or response patterns that are impervious to or not influenced by situations, *that* strong idea of character is problematic and could hinder your moral growth and development causing you to miss the goal of success. This is reflected in the fact that we really don't think that we are as affected by situations as much as we really are, a dimension of the bias blind spot lurking in all of us. That is what we learn from the social psychologists.

So, how does this stack up with corporate culture? Well, once we see that character is a way of referencing a likelihood of acting, rather than being some fixed personality essence, it is not hard to see how that likelihood or disposition can be influenced by the situation we are in. Likelihoods are just that: not sure things.

The evidence from Social Psychology research like the Good Samaritan study, the Milgram Obedience study and the Stanford Prison experiment seem to show clearly how situational factors influence and sometimes control your experience, perceptions, responses and behavior, mostly without you realizing it, thus limiting your freedom and undercutting your belief about having a fixed and stable moral identity, as Sam Sommers makes clear in his book *Situations Matter*.

What this all seems to suggest is that situations, like the culture of a corporation, must bear some of the moral responsibility for workers' behavior in that situation. The whole of the responsibility for the moral failure of the individual worker often must be shared. From this

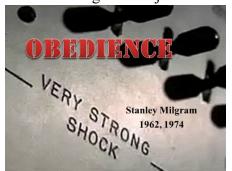
perspective, the toxic, high-pressure, quota-driven cross-selling culture at Wells Fargo is to some extent morally responsible for the immoral actions of its workers, the workers who were fired. "Eight is great" was CEO John Stumpf's idea, and it was that idea distorted into "all bank customers must now be sold eight products ... or else!" that created a toxic culture for lower level employees and thus undermined their moral agency.



Should we hold a company culture morally responsible for its conditioning influence upon

lower level employees? If so, does this mitigate the moral responsibility of company employees to some degree? You're entitled to your own opinion, of course, but I would say yes to both questions. Just as various situational factors contributed to and enabled the outcome of Robert Presler's horrible head-on collision on that snowy night, thus mitigating his legal and moral responsibility, so, too, company cultures must be held morally accountable.

From the perspective of character outlined here, the workers at Wells Fargo who engaged in immoral and illegal acts should not be thought of as "bad apples." Certainly, individuals vary in their dispositional levels of moral restraint but the idea of the "bad apple" puts all the responsibility on the solitary individual and ignores situational influences. Rather, most workers at Wells Fargo were just normal folks who were "victims of (bad) circumstances" which



influenced and weakened their already more-or-less weak moral resolve without them fully realizing it, much like that poor fellow balking at shocking another human being in the popular video report of Milgram's Obedience Study above. You can see he is having trouble with shocking the 'student', but he goes ahead and shocks him anyway after being instructed by the man in the white lab coat to "Please continue, teacher." That is all it took to influence the subject; a white coat and a few authoritarian commands.

"Okay," the teacher/subject says resignedly, as he fidgets uncomfortably with his moral values. He squirms, hesitates. "You're responsible for this," he finally mumbles sheepishly to the white lab coat, as he flips the switch on Milgram's "shock generator" and delivers 330 deadly volts to the now unresponsive "learner" in the other room.

To what extent do you think that you are influenced by situational factors? Would you have stopped and helped a man in dirty clothes crumpled on the sidewalk? Would you have refused to become a sadistic prison guard? Would you have said No when instructed to shock the 'learner' in Milgram's obedience



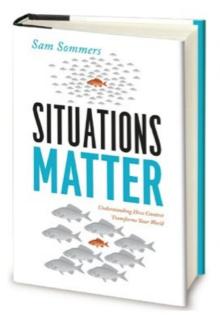
study? Although we may feel strongly that we would act morally in these situations, research consistently suggests that most people will go along with the crowd or do what an authority figure

tells them, etc. This knowledge should at least motivate you to look closely at the extent to which you believe you are influenced in your perception and judgments by unconscious situational factors. If you think you are not, look again. What is under your control and what is not can be an elusive line to determine.

Very often, according to psychologists like Sam Sommers, author of *Situations Matter*, we are influenced in our moral judgments by situational factors or biases that we are not aware of. This seems to be amply verified by social science experiments like the one Sommers reports in the following excerpt from *Situations Matter* where he argues for what he calls "the flexible self:"

The Flexible Self

Sam Sommers – from Situations Matter





Often, it's not accurate knowledge about the self that allows peace of mind; it's the bit of self-deception that helps us bounce back from setback and trudge on through failure.

Are you looking to be a happier, more productive, more successful person? Are you in the market for selfhelp? Then stop worrying about how to see yourself for who you really, truly

are. Forget about this "authentic" self business. Instead, learn to embrace the notion of the self as flexible.

Yes, your processes of self-perception are context-dependent. And introspection yields different information at different times. Your sense of self varies depending on who you're with. Identity is malleable and personal preferences are constructed on the spot. But none of this is bad or distressing news.

So you're not the person you thought you were, at least not all the time? Big deal. Let that conclusion empower not alarm you.

It's refreshing to realize that you're not a finished product—that who you are in the here and now may not be the same person you'll be in the then and there. In fact, It's that opposite view of the self as a fixed entity that causes problems. When you assume that there's a true core self waiting to be discovered, that's when your potential seems limited and the world around you is full of threats to be rationalized away.

Consider one study of college freshmen in Hong Kong. Researchers presented them with a series of statements regarding the stability of intelligence, including "you have a certain amount of intelligence and you really can't do much to change it" and "you can learn new things, but you can't really change your basic intelligence." Based on students' agreement or disagreement with these ideas, the researchers created two groups: those who saw their own intelligence as a predetermined, stable entity and those who thought of their own intellect in more malleable terms.

The freshmen were then asked whether they intended to enroll in a remedial English course in the years to come. Not surprisingly, those who had aced their high school English certification exam were less likely to plan on taking such a course than students who had scored in the C range or worse. But even among low-performing students, those who viewed intelligence level as etched in stone saw no need for remedial work. They were already as good as they were going to get at English, they figured. So why bother? Only the low performers with a less fixed view of their own intellect were willing to sign up for the additional English work that they really needed.

In other words, seeing the self as a static and stable entity is what puts us on the defensive and mandates chronic self-deception. Think of a characteristic like intelligence in terms of fixed capacity and the poor exam grade or subpar performance review becomes intolerably threatening. Instead, you should train yourself to view intellect—and any other aspect of your personal skill set—as a muscle that grows with effort and atrophies with neglect. When you accept that the answer to "Who am I?" should be written in pencil and not pen, threats become opportunities and failures transform into life lessons. Even if this isn't how you usually see things, it's not too late to start now....

Bad grade on your paper? Lousy earnings projections for the quarter? First one voted off the celebrity dancing show? Now that you recognize how self-perception really works, you know the dangers of chalking up setbacks to a hopeless lack of ability. But you also know better than to automatically shrug it off as bad luck or someone else's fault. Instead, force yourself to ponder or even make a list of the changeable factors—internal and external—that can bring about better outcomes the next time around.

Because whether you're a Hong Kong student struggling with English or a pen pal at Stanford, good things happen when you embrace the self as malleable. Regardless of what you read in the self-help aisle, you don't have to lose sleep hunting for your core identity or reconnecting with your inner you. Chicken soup and numbered lists are overrated.

Instead, its time to start appreciating that you're a different person in different settings.

To recognize that who you are today need not dictate who you'll be tomorrow.

And to accept that the "authentic" self isn't some sort of Holy Grail, unless by the analogy you mean that you aren't sure whether or not it even exists in the first place.²

Seems like Sommers wants to have his cake and eat it too. And why not? He argues that "the self" is something real and stable, but he also argues that it is something that changes from situation to situation. Then, he wants to 'resolve' this ambiguity. He seems to lean in the direction of the "malleable self" but not to the point of saying "the self" does not exist at all, as Harman does about character. But Sommers would like to eliminate the ambiguity of the self by apparently claiming that the self is entirely the result of situational factors, arguing that "you're a different person in different settings." Well, yes and no. I think we need to start from this ambiguity rather than start by trying to eliminate it.

My "self" does seem to change from situation to situation, yet, ambiguously, it also stays somewhat the same across situations and is somewhat predictable. It is this sameness-in-difference ambiguous structure that makes it difficult to pin down "the moral self" empirically and objectively. It results in a certain, perhaps unavoidable, vagueness or 'messiness' about the dynamic, existential, everyday self that reminds me of Sartre's ambiguous statement that we human beings are who we are not and are not who we are. That seems to me to be 'just how it is'. What do you think?

Although Sommers seems to want to avoid the unavoidable ambiguity at the heart of the self by de-emphasizing our ability to control, manage, cultivate and develop the self, nevertheless his analogy of the self with a "a muscle that grows with effort and atrophies with neglect" connects directly with the idea of moral self-development through *practice* underlying this Business Ethics textbook. Sometimes that muscle is tired and sometimes readier to act, but the muscle remains fairly stable across all situations. Like any muscle, the moral self develops from repetitive practice, as Virtue Ethics and Stoicism claim. Yet not even the Stoic sage will have achieved complete freedom from the influence of situations, as the social psychologists claim. Thus, to a certain extent, both claims may very well be correct.

A Brief Overview of Chapter 7

This chapter investigated the question of whether your moral character—if there is such a thing—is capable of resisting social pressures that influence us to act contrary to our moral value orientation. Can your moral character resist the influence of corporate culture, or are we "victims of circumstance" as is suggested by numerous Social Psychology experiments?

Character is generally thought to be a fairly stable disposition to act consistently across situations. Character is structured by traits, which can be developed through practice. This is a central idea of Virtue Ethics.

A strong version of character asserts that we *must* act in accordance with our character. This would be a kind of character determinism. Not much acceptance of this view.

² Sommers, Sam. Situations Matter pp. 142-145

A weaker version of character says that we are generally disposed to act in ways consistent with our character's moral values, but we are also always influenced by factors of the situations that we are in and therefore might not always act consistently with our character's moral values. This idea that character is understood to be character-in-a-situation is Virtue Ethics professor **Robert Solomon**'s view. He thinks we are pressured by situational factors but can still resist the influence of those factors if our character is sufficiently well-developed.

Gilbert Harman, an empirical philosopher, believes that we are very influenced by situational factors, citing evidence from experiments like Milgram's Obedience study and the Stanford prison experiment. Sam Sommers—introduced in this chapter—would agree. He thinks that pointing to internal causal sources of actions (like character) is an attribution error, i.e., attributing to the internal (and unseen) idea of character what is actually caused by external situational factors. Sommers argues for a "flexible" idea of the self. What does he mean by this?

Honestly, I am not certain how far apart the two positions are in this debate (Solomon and Harman). I think that the key takeaway from this chapter is that we should work to become more conscious of how we are influenced by situational factors because we certainly are so influenced. We can mitigate this influence, however, by becoming more conscious of it, and we can use that knowledge positively to work with situational factors constructively in our lives to create positive outcomes.

PRACTICE

TERMS TO KNOW

- Character
- Character traits
- Robert Solomon
- Gilbert Harman
- Milgram obedience experiment
- Stanford prison experiment
- Darley and Batson Good Samaritan experiment
- Folk psychology
- Attribution error
- Confirmation bias
- Sam Sommers
- Situational factors

TEST YOUR UNDERSTANDING

1. How does the story of Richard Presler at the beginning of this chapter relate to the basic question about character that is focused on throughout the chapter?

- 2. What is character and what is a character trait? Describe some examples of traits.
- 3. What is the ambiguity at the heart of the idea of character?
- 4. What is Sam Somers' opinion of character and how does he support his opinion with evidence?
- 5. What is Robert Solomon's opinion of character and why is this important for Virtue Ethics?
- 6. What is "folk psychology" and how does Gilbert Harman use this idea to argue against the idea of character altogether?
- 7. A phenomenological theory of character as "a likelihood of acting" was presented in this chapter. Summarize that perspective.
- 8. Describe the theory of character that can be used to support the argument that a company's culture is responsible to some degree for the moral behavior of employees. Do you agree with this?

REFLECTION EXERCISE

Begin to notice the way in which you are influenced by situational factors and think about how you can use this new consciousness to advantage. When you find yourself in a bad mood or feeling especially exuberant, for example, look for factors in the situation that you are in for their contribution to how you feel, your mood, etc. Everyone is influenced by situational factors. The more you are able to see these, the more you will be able to use them to your advantage. Sometimes the easiest way to deal with a problem is simply to change the situation. Try this out in your life.

SCENARIO EXERCISE

Employee reduction: What should Elizabeth do?

Directions: Get a feel for the existential moral conflict that Elizabeth is experiencing because of the choice she must make. Analyze the situation from a duty ethics and utilitarian ethics perspective. What would you do if you were Elizabeth and how would you justify your decision morally? What moral principles or perspectives would guide your thinking?



Elizabeth is the vice president of the marketing division of a midsized publishing company. The publicly traded company was beginning to gain market share over some of the industry's leading companies. Though the company was not experiencing financial losses and did not expect to experience any in the future, Elizabeth and the other company executives were called into the CEO's office to discuss budget cuts.

Two years ago, the company had a couple of highly publicized contracts fall through. Since those problems, the company had been performing much better, but the CEO, Jack, was eager to quickly regain the stockholders' confidence. In the meeting, Jack complimented the executives on

performance over the past year. Jack expressed confidence that investors would view the company's upcoming second quarter earnings release as favorable.

However, Jack followed up that praise with some negative news. "I'm impressed with the measures we have implemented lately, but I just think we need to do more. We are a great company, and for this next quarter, I want to just knock it out of the park. I've done a little analyzing and have found that our employees, on average, have been performing far better than they were two years ago. The average employee in the sales department, for instance, has increased their sales 35% in just two years. To me, this shows that we have strong commitment from our employees to make this a truly remarkable company."

He continued, "But I think that everyone could use a bigger push. That's why I've determined that every department will eliminate one job, effective next week. This is great for us in two ways. First, we will obviously save money on that person's salary. Second, it will push the remaining employees to work even harder. Plus, I really think that our investors will applaud the fact that we are buckling down and starting to really cut our costs."

Jack, after seeing the look of dismay on many of the attendees' faces, began to reassure them, "I know this may seem like a hard decision. I'm standing firm on this one, so it's a decision you'll just have to make. It would be best for your budget if you looked at your employees and determined which one is relatively the least productive and the highest paid. I'll be out of town for the next two weeks — I actually have to leave in a minute to catch my flight — but on Friday you need to dismiss one employee and then send me a voice mail letting me know who it was."

No one had the chance to say anything before Jack left the room. Elizabeth left the room and tried to catch Jack to discuss this decision, but he had already left for his flight. Jack was a stubborn man; Elizabeth knew he would not change his mind once he made a decision. So, she went back to her office to contemplate which employee to let go.

The marketing department had about forty employees. Most of those employees were young, because the department had traditionally been used as a stepping stone into management positions. Elizabeth knew she would not save a lot on the salary of any of these individuals. Plus, she could not think of one person in the group who was not a productive employee.

Next Elizabeth looked to her management staff. While her managers were highly paid, she thought every one of them were worth it. Finally, Elizabeth's thoughts turned to one employee: George. George was unique in the department because he was the oldest employee yet he was not a manager. He earned a large salary due to his years with the company. Elizabeth had noticed over the past couple of years that George was not very innovative in his marketing presentations. When George was assigned a task, he needed a great deal of supervision to perform it correctly. Clearly, George was the employee that Elizabeth should lay off.

However, in recent conversations with George, Elizabeth had discovered that he was six months away from retirement. George's wife was ill, and Elizabeth knew that George would be

counting on his retirement benefits and the health insurance the company offered to retired employees. If George had to leave the company before his retirement, he would not be eligible for any of these benefits. It would be very difficult for George to find another job. Given that knowledge and George's performance, what should Elizabeth do?

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