MORALLY CONSTRUCTIVE NON-CONFORMITY WITHIN ORGANISATIONS: A BUSINESS ETHICS PERSPECTIVE

Simone de Colle   &   Patricia H Werhane

IÉSEG
SCHOOL OF MANAGEMENT

UNIVERSITY of VIRGINIA
DARDEN SCHOOL OF BUSINESS

Outline

- ***To Conform or Not To Conform?***
  - Org Studies literature on **Improvisation**
    - The Paradox of "embedded agency" in Inst. Ent. theory
  - Business Ethics literature on **Moral Imagination**
    - Moral Reasoning & Moral Imagination

- **The *Commedia dell'Arte* Theatre approach**
  - *Seven unique elements*

- ***Towards a new construct?***
  - A Grammar for Improvisation
  - "**Moral Improvisation**" - a tentative definition
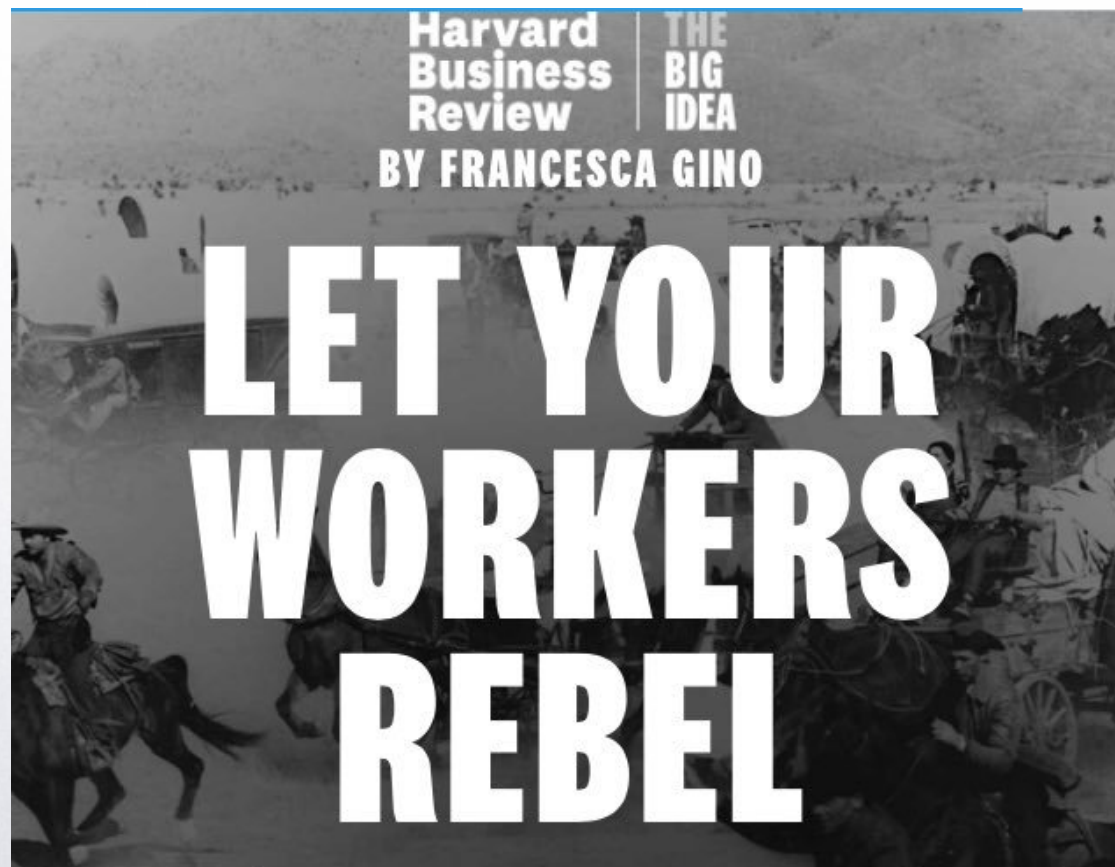 - Conclusion: Open questions/avenues/your thoughts?

- *F. Gino (HBR, 2016, Macmillan 2018): Rebels as **agent** of **positive change***

  => "constructive non-conformity"
     e.g.: Pixar's 'notes day')

Harvard Business Review | THE BIG IDEA
BY FRANCESCA GINO
LET YOUR WORKERS REBEL

REBEL TALENT

Why it Pays to **Break the Rules** in Work and Life

FRANCESCA GINO

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THE PARADOX OF "EMBEDDED AGENCY" IN INSTITUTIONAL ENTREPRENEURSHIP

- **Institutional entrepreneurship** has been defined as 'activities of actors who have an interest in particular institutional arrangements and who leverage resources to create new institutions or to transform existing ones' (Maguire, Hardy and Lawrence, 2004: 657).

- Therefore, the **agency** of institutional entrepreneurs involves "the capacity to imagine alternative possibilities" (Emirbayer and Mische, 1998: 963) beyond those defined by an institutional dominant logic: an ability to analyze the current stale logics, and also to project organizational behavior beyond habitual practices and norms.

- The challenge described by institutional theorists as "**the paradox** of **embedded agency**" (Holm, 1995; Seo and Creed, 2002; Greenwood and Suddaby, 2006; Battilana, 2006; Battilana and D'Aunno, 2009; Garud et al., 2013) is to initiate disengagement from institutional constraints and the organization's dominant logic.

What a (good) corporate code of ethics is NOT…

Or:
Five simple considerations on
why compliance-based ethics programs
are going to fail

Simone de Colle

In Summary

A code of ethics, designed by focussing on

1. Proactive **ethical principles**
2. **Stakeholder** perspective
3. **Business** specific issues
4. **Implementation** process
5. Individual **responsibility** and **moral and imagination**

…is NOT a set of **constraints** that limit managerial decision-making, but
rather a resource
for better management of the whole organization
(its employees and its stakeholders)

Two streams of literature & practice oriented approaches around IMPROVISATION and MORAL IMAGINATION
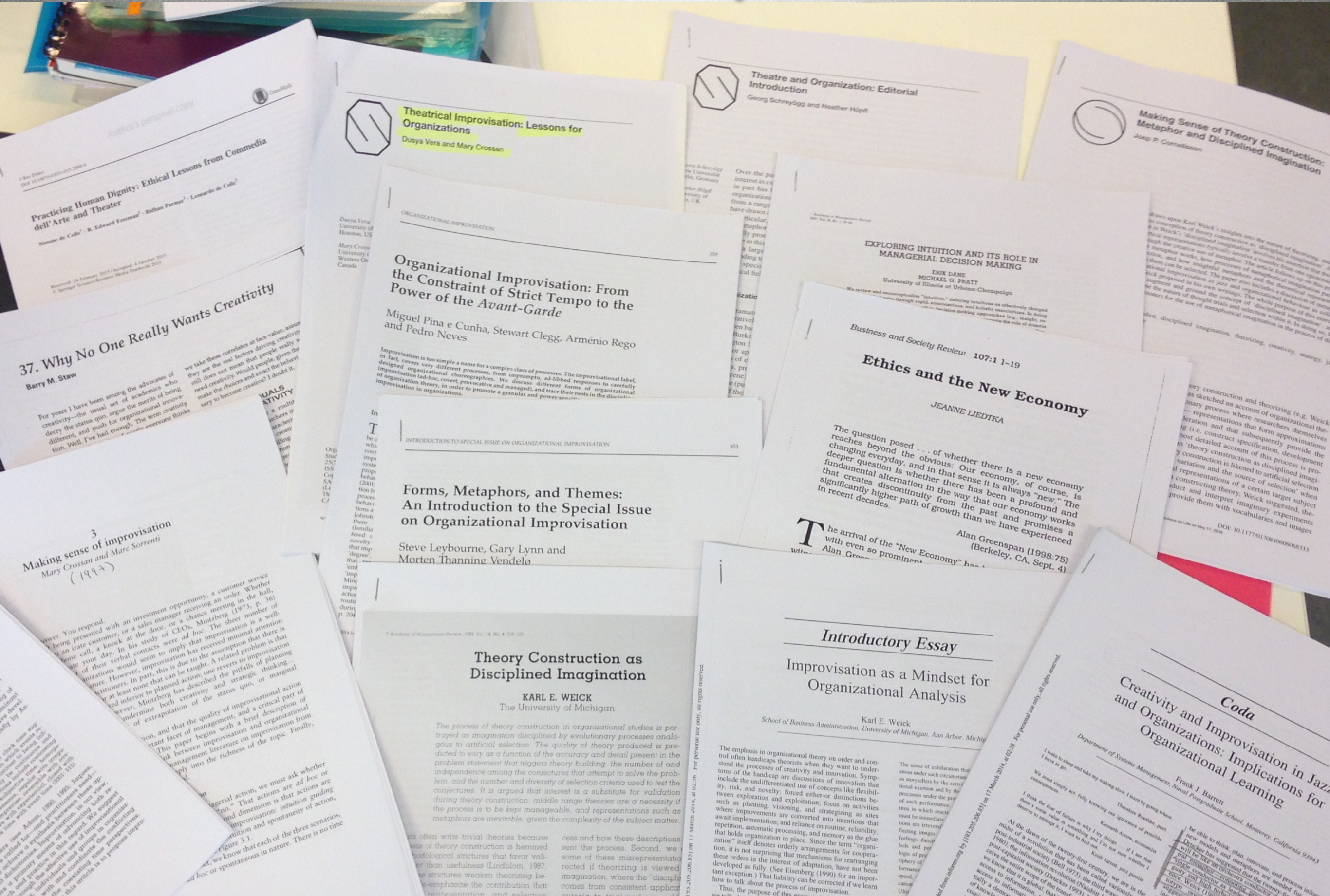
ORGANIZATION STUDIES

- *Organizational Improvisation (Crossan-Cunha-Vera-Cunha AMR 2005)*

- *Organization as Theatre metaphor (+ criticism by Cornelissen 2004)*

- *(Jazz) Improvisation as a Mindset (Weick 1998; Barrett 1998)*

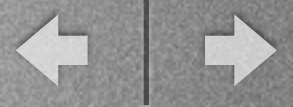- *Theatrical Improvisation (Vera-Crossan 2004; Crossan-Sorrenti 1997)*

BUSINESS ETHICS

- *Moral Imagination for managerial decision making (Werhane 1999)*

- *Ethics & the arts (Dunham & Freeman 2000; Freeman et al. 2014; de Colle et al. 2015)*

- *Ethics, Theatre & Leadership (Darden MBA course)*

RESEARCH QUESTION: *What can we learn form the CdA's improvisation mindset to support/activate morally constructive non-conformity within organizations?*

Practicing Human Dignity: Ethical Lessons from Commedia dell'Arte and Theater

Theatrical Improvisation: Lessons for Organizations

Dusya Vera and Mary Crossan

Theatre and Organization: Editorial Introduction

Georg Schreyögg and Heather Höpfl

Making Sense of Theory Construction: Metaphor and Disciplined Imagination

Josep P. Cornelissen

37. Why No One Really Wants Creativity

Barry M. Staw

Organizational Improvisation: From the Constraint of Strict Tempo to the Power of the *Avant-Garde*

Miguel Pina e Cunha, Stewart Clegg, Arménio Rego and Pedro Neves

EXPLORING INTUITION AND ITS ROLE IN MANAGERIAL DECISION MAKING

ERIK DANE
MICHAEL G. PRATT
University of Illinois at Urbana-Champaign

Business and Society Review 107:1 1–19

Ethics and the New Economy

JEANNE LIEDTKA

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Making sense of improvisation

Mary Crossan and Marc Sorrenti
(1997)

INTRODUCTION TO SPECIAL ISSUE ON ORGANIZATIONAL IMPROVISATION

Forms, Metaphors, and Themes:
An Introduction to the Special Issue on Organizational Improvisation

Steve Leybourne, Gary Lynn and Morten Thanning Vendelø

Theory Construction as Disciplined Imagination

KARL E. WEICK
The University of Michigan

Introductory Essay

Improvisation as a Mindset for Organizational Analysis

Karl E. Weick

School of Business Administration, University of Michigan, Ann Arbor, Michigan

Coda

Creativity and Improvisation in Jazz and Organizations: Implications for Organizational Learning

Frank J. Barrett
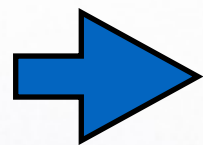
WHAT IS ORGANIZATIONAL IMPROVISATION?

- *just-in-time* strategy (Weick 1998)

- simultaneous *composition* (planning) and *execution* (Moorman & Miner 1998)

- **intuition** guiding action in a **spontaneous** way (Crossan & Sorrenti 1997)

- the conception of action *as it unfolds*….drawing on available cognitive, material, affective and social resources (Cunha, Cunha & Kamoche 1999)

- **acting** *enabling* **imaginative thinking** (Vera & Crossan 2004)

- acting *before* thinking (Vera & Crossan 2004)

- **act** *in order to* **think** (Weick 1998)

IN WHICH WAYS CAN IMPROVISATION BE BENEFICIAL?

IMPROVISATION in ORG STUDIES is seen as:

- a way to improve organizational **success** and **performance** (Vera-Crossan 2004)

- a model for enhancing organizational **flexibility** (Schreyögg & Höpfl, 2004)

- a device for encouraging **innovative behavior**

- a measure to **discourage over-compliance** (*Verfremdungseffeckt*, a-la-Brecht)

- enabling managers to continuously and creatively **adjust to change** (Brown & Eisenhard, 1998)

THE IMPROVISATION CONTINUUM

ROUTINES
(dependency on initial models of action)

EXPERIENCE & MORAL DISPOSITIONS
(dependency on past experience and emotions)

LOW ——————————————————————————→ HIGH

ORIGINAL SONG / CLASSIC THEATRE (Shakespeare play)   INTERPRE-TATION   EMBELLISH-MENT   VARIATION   IMPROVISATION (Commedia dell'Arte)
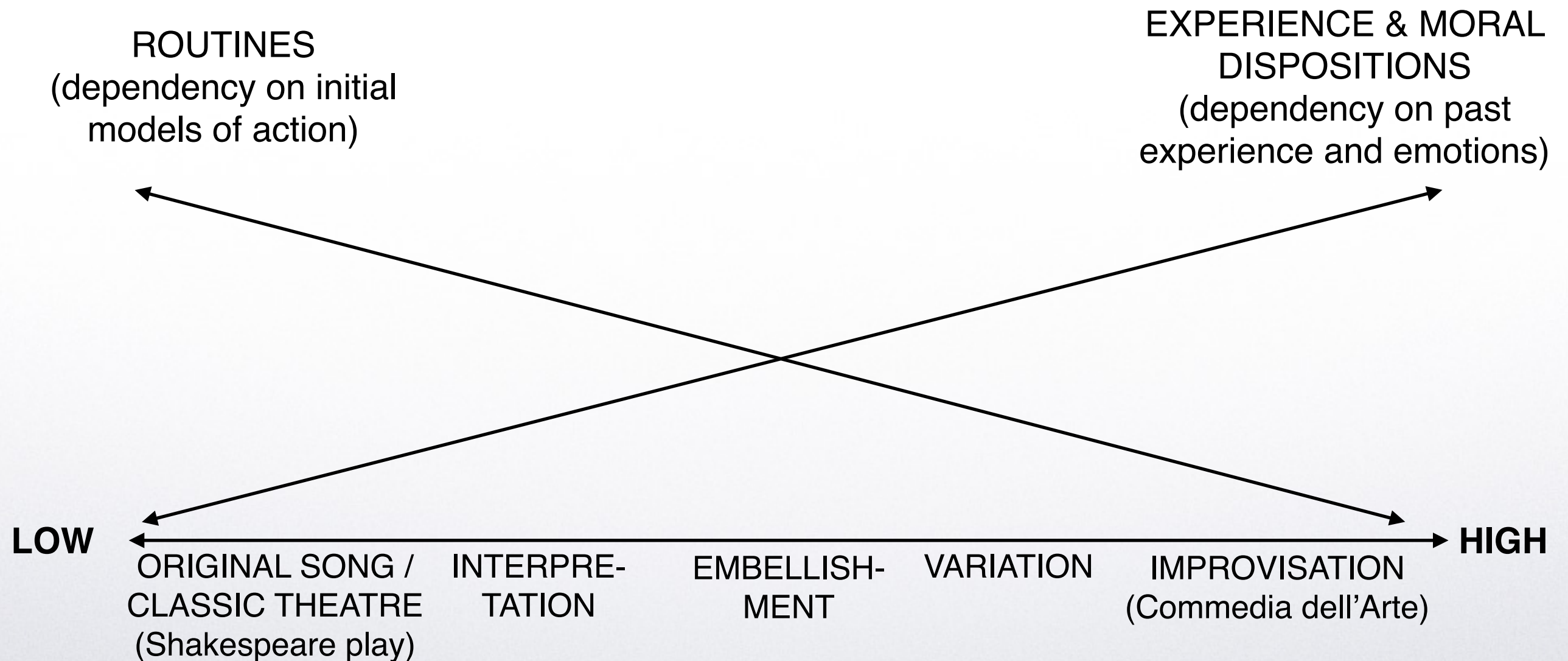
Source: de Colle's elaboration based on Weick (1999) and Vera-Crossan (2004)

MORAL IMAGINATION in Business Ethics literature

"Refers to the ability to perceive that a <u>web of competing **economic** relationships</u> is, at the same time, <u>a web of **moral** relationships</u>" (Carroll, 1987: 13)

"By '**moral Imagination**' I include the **awareness** of various dimensions of a particular context as well as its operative framework and narratives.

Moral Imagination entails the ability to understand that context or set of activities from a number of **different perspectives**, the **actualizing of new possibilities** that are not context-dependent, and the instigation of the process of **evaluating** these possibilities **from a moral point of view**".
(Werhane, 1999: 5)

The ability in particular circumstances to discover and evaluate possibilities **not merely determined by** that circumstance, or limited by its operative **mental models**, or merely framed by a set of rules or rule-governed concerns" (Werhane, 1999: 93).
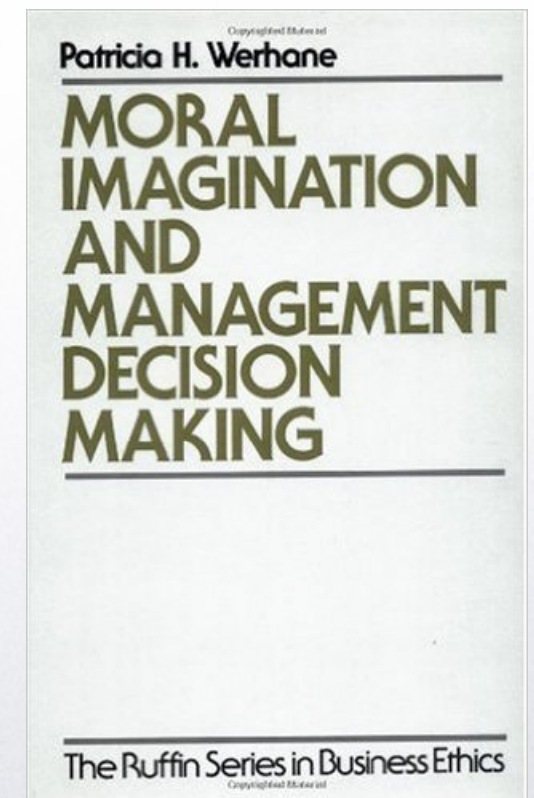
Patricia H. Werhane

MORAL IMAGINATION AND MANAGEMENT DECISION MAKING

The Ruffin Series in Business Ethics

MORAL REASONING and MORAL IMAGINATION

Ethical decision-making process

MORAL IMAGINATION	→	MORAL REASONING	→	ETHICAL DECISION

ETHICAL FAILURE

What Can I do?

(creative thinking; imagining new possibilities)

What should I do?

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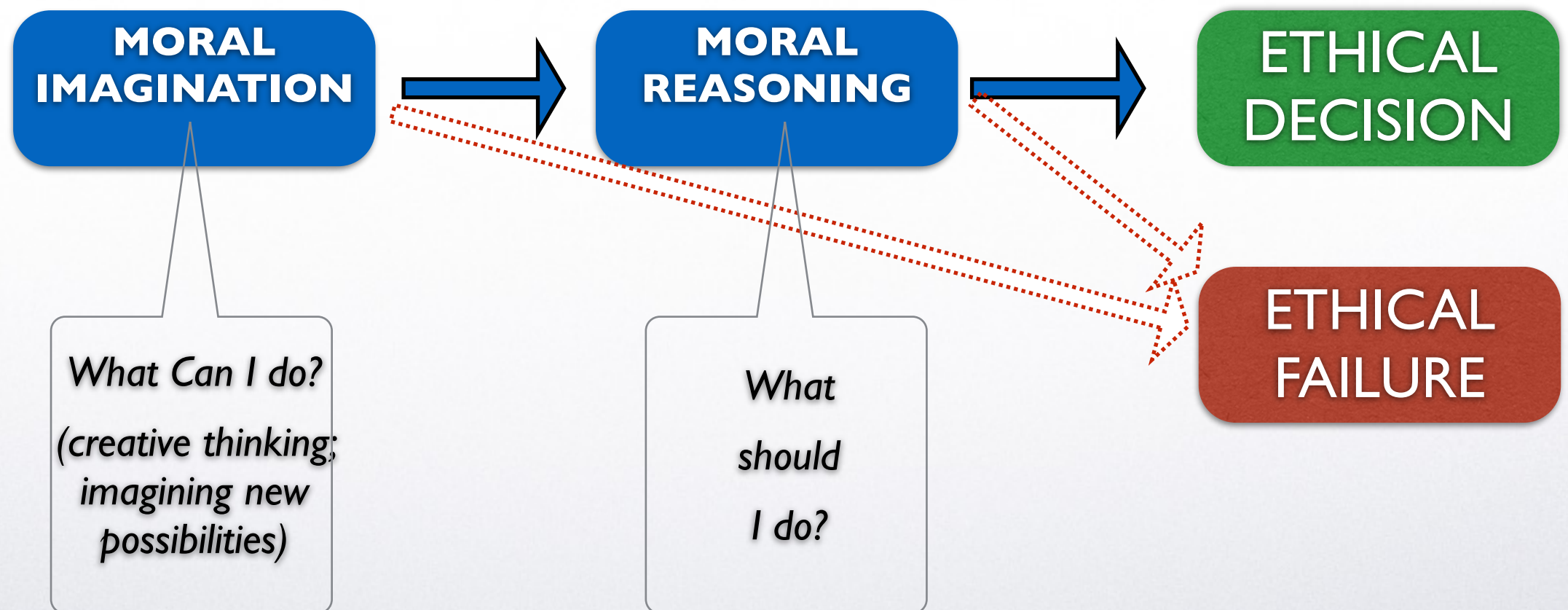
Masks by Renzo Antonello, artisan.

1. The *Mask*

Actors express their own talent, skills and personality by acting behind a Mask

2. The ***Canovaccio***

("Plot on canvas")

Actors are free to interpret their character and develop the story on the basis of a shared 'plot' creating shared meaning

(Source: de Colle, S, Freeman, R.E., de Colle, L., Parmar, B., 2015)

3. The *CdA Company*

Actors share both the commercial and the artistic purpose of their activity

(Source: de Colle, S, Freeman, R.E., de Colle, L., Parmar, B., 2015)

Pantalone, Leonardo de Colle © Teatro di Messina

4. The ***Capo Comico***

("Chief Comedian")

Actors play without a formal Director but enabling coordination by a leader among peers

(Source: de Colle, S, Freeman, R.E., de Colle, L., Parmar, B., 2015)

Arlecchino Servitore di Due Padroni © Piccolo Teatro di Milano

5. The *Lazzi*

("I**mprovised jokes**")

Actors embrace improvisation as a regular practice

(Source: de Colle, S, Freeman, R.E., de Colle, L., Parmar, B., 2015)

6. *Engagement with the audience*

The actors must be able to:
a) make the audience 'live' the story and
b) listen to the audience to be able to adapt/react

(Source: Authors' elaboration based on de Colle, S, Freeman, R.E., de Colle, L., Parmar, B., 2015)
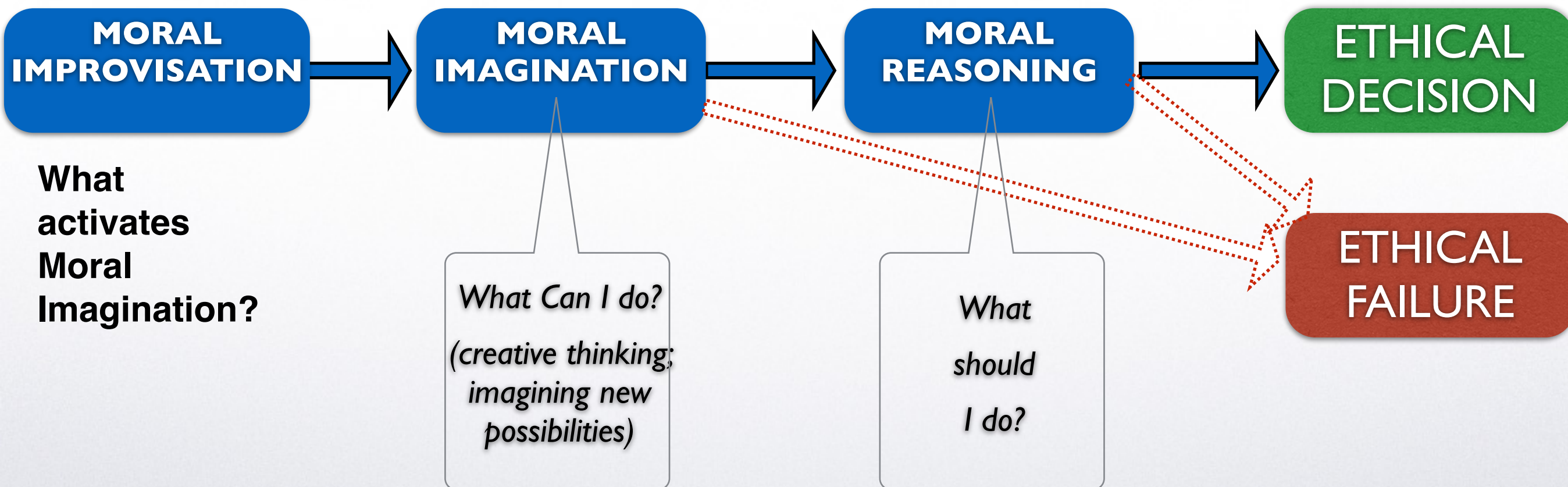
7. *Embodiment*

The personal character of the actor (**physicality** + **emotions**) is important to "make the Mask alive" - it is more about *enacting* emotions rather than '*faking it*'

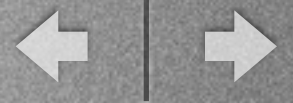*Arlecchino* - Ferruccio Soleri © Piccolo Teatro di Milano

(Source: Authors' elaboration based on de Colle, S, Freeman, R.E., de Colle, L., Parmar, B., 2015)

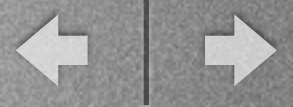# MORAL REASONING, MORAL IMAGINATION and MORAL IMPROVISATION
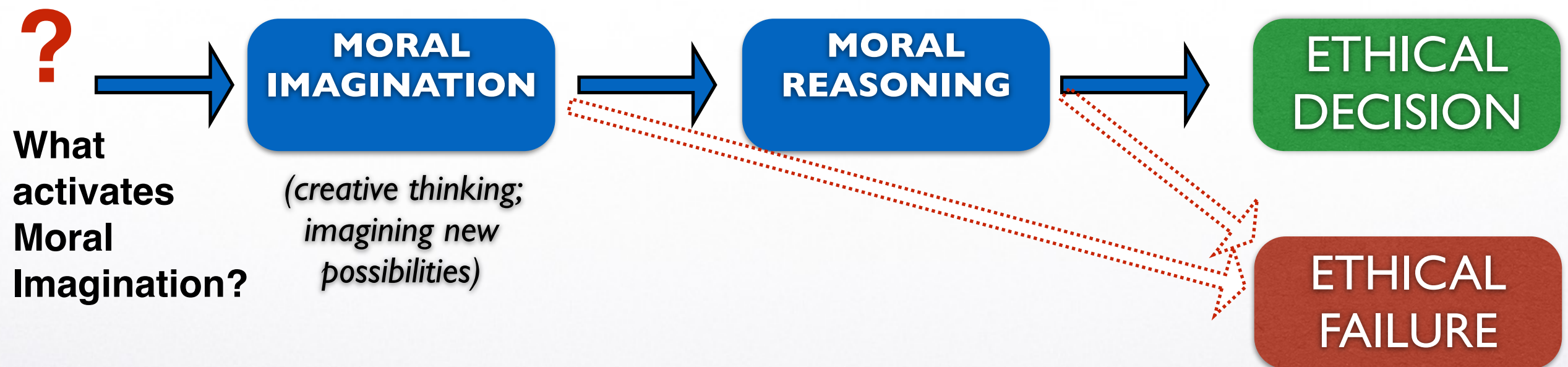
Ethical decision-making process

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MORAL              MORAL              MORAL              ETHICAL
IMPROVISATION  →   IMAGINATION    →   REASONING      →   DECISION
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What activates Moral Imagination?

MORAL IMAGINATION:
What Can I do?

(creative thinking; imagining new possibilities)

MORAL REASONING:
What should I do?

ETHICAL FAILURE

THE GRAMMAR FOR IMPROVISATION

	description	prior knowledge/ needed skills
Jazz Improvisation	improvisation among musicians while performing a song	• music notes; • music conventions
Theatrical Improvisation	improvisation among actors while enacting a play	• language conventions • theatrical skills
Moral Improvisation	improvisation among decision-makers while making sense of their organized actions	• organizational values • moral conventions

MORAL REASONING and MORAL IMAGINATION

Ethical decision-making process

?

What activates Moral Imagination?

MORAL IMAGINATION

(creative thinking; imagining new possibilities)

**MORAL REASONING**

ETHICAL DECISION

ETHICAL FAILURE

MORAL IMPROVISATION - A TENTATIVE DEFINITION

By *"moral improvisation"* we refer to the exploration of **unscripted**, **divergent** and **morally constructive actions**, i.e. actions that break with the organizational dominant logic, without following a pre-determined script, and are coherent with organizational values.

Therefore, moral improvisation is a form of **morally constructive non-conformity.** (de Colle & Werhane, working paper, EGOS 2018)
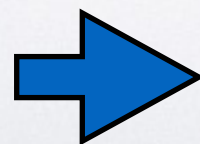
MORAL IMPROVISATION can help managers to

- **activate their moral imagination**

- **avoid routine-based action that can result in unethical decision-making**

- **embrace new patterns of sense making that deviate from a prior stipulation**

- **create new possibilities for their stakeholders**

When I obey a rule, I do not choose. I obey the rule blindly.

— Ludwig Wittgenstein —

Drop Your Tools: An Allegory for Organizational Studies

Karl E. Weick
University of Michigan

The failure of 27 wildland firefighters to follow orders to drop their heavy tools so they could move faster and outrun an exploding fire led to their death within sight of safe areas. Possible explanations for this puzzling behavior are developed using guidelines proposed by James D. Thompson, the first editor of the *Administrative Science Quarterly.* These explanations are then used to show that scholars of organizations are in analogous threatened positions, and they too seem to be keeping their heavy tools and falling behind. *ASQ*'s 40th anniversary provides a pretext to reexamine this potentially dysfunctional tendency and to modify it by reaffirming an updated version of Thompson's original guidelines.[•]

THE PROBLEM WITH OBEDIENCE

1963: S. Milgram's experiment

Nearly 66% of subjects delivered the maximum shocks

In summary…

Arlecchino servitore di due padroni, 2009
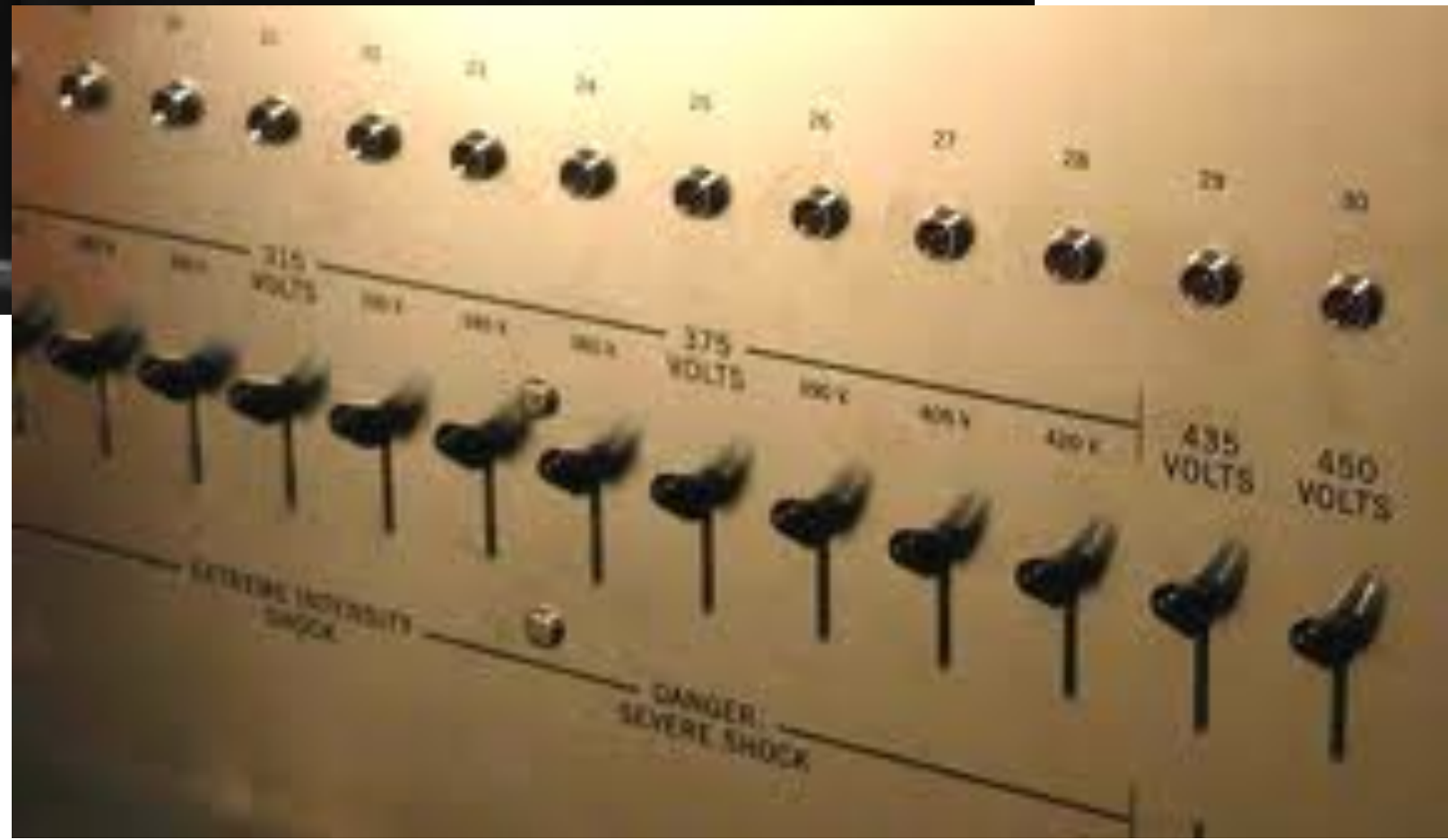
© Piccolo Teatro di Milano

- To make good, ethical decisions managers need to use their **moral imagination**

- An organizational culture and managerial mindset embracing **moral improvisation** can become a useful skill for better decision-making (and value creation) and avoid the limitations of the compliance-based approach

- We can learn from the Arts - in particular from *Commedia dell'Arte* - how to support *Moral Improvisation and Moral magination* within organizations

OPEN QUESTIONS / AVENUES FOR RESEARCH

- *What are the principles underpinning Moral Improvisation?*
  ➡ (from CdA: leading among peers; mutual listening; trust…etc.)

- *What are the skills/practices that can enable more effective Moral Improvisation?*
  ➡ (from CdA: "lazzi"; embodiment; accept failure…etc.)

- *How can we create an organizational culture that is not ostile to Moral Improvisation?*
  ➡ (from CdA: focus on the process, not outcome; focus on meaning, not on compliance…etc.)

T h a n k
Y o u !

Simone **de Colle**

s.decolle@ieseg.fr