

Chapter 2

Sustainability, Integrity and Judgment

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Sustainability is the focus of an enormous amount of discussion, and there is widespread agreement about its importance. There is no clear, precise definition of ‘sustainability’ that goes with the acceptance that sustainability is important (see e.g. Adams 2006, p. 2; Kates et al. 2005, p. 11) but many examples will be widely agreed. At present, prominent issues include climate change, sustainable agriculture, sustainable building practices, and many others. Examples from the past might include asbestos: for a long time long looked on as a wonder material for its fire-retardant properties, now reviled for its adverse health impact. Or we might think of the history of DDT, or the use of chlorofluorocarbons (CFCs) in refrigeration. Each of these has a claim to being a matter of sustainability: whether the production and use of these substances was a sustainable practice. One key thing about the cases is that each to some extent or other involves realization of bad effects based on study or understanding of a specific product or process. For us, they provide examples of sustainability issues that raise the specific question to be considered in this paper: To what extent do decisions about sustainable practices raise questions of individual moral integrity?

In particular, the paper focusses on decisions about sustainability made by individuals in large organisations. To that extent, it links the discussion to issues of corporate social responsibility. There has been extensive discussion and debate about DuPont’s role in CFC production, and the company’s response to emerging evidence about CFC effects on the Earth’s ozone layer (see e.g., Maxwell and Briscoe 1997; Mullin 2002). Corporate producers and users of DDT were prominent in hearings about its continued use in the United States (U.S. EPA 1975). There has been widespread discussion of the role played by asbestos producers in asbestos-related disease (Edley and Weiler 1993; Dawson 2004). In each of these cases there has been some debate about what appropriate courses of action were, and whether corporations did in fact behave responsibly, but what is clear is that the issues cannot be divorced from matters of corporate social responsibility. Often, in discussions

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about sustainability, focus on individuals relates to their roles as consumers, or as citizens (see e.g., Dower 2011; Kent 2011). Kent contends that “there is an inherent emphasis in developed societies on locating responsibility for climate change, both in terms of its causes and effects, with individual actors” (2011, p. 67). In fact, corporations and other organizations are key players in sustainability. Corporations directly produce a great deal of the world’s pollution, and derivatively produce a great deal more, in the goods and services that they offer to consumers. Investments by corporations determine how jobs and production are distributed, and what form they take. In agriculture, in manufacturing, in provision of power, water and transport, and through innumerable other activities, the behavior of corporations is a key to sustainable future. Here, then, we focus especially on decisions made by individuals in those many organisations that have some responsibilities for sustainable practices.

It may be question to what extent focus on individual judgment and decision can improve organizational judgment and decision, in ways that allow corporations to discharge their social responsibilities. In this context, I want to make two suggestions. One is that the idea of integrity may be a useful one in considering how individuals’ decisions contribute to sustainable activity by corporations, and the other is that individuals’ choices will have to emerge from well-developed reflective judgment. If we want corporations to act in ways that are morally, socially and ecologically sustainable, we need them to contain individuals who act with integrity on the basis of well-developed reflective judgment. The next section reminds us of the moral complexities and conflicts that are faced by individuals in large organizations that have corporate social responsibilities. Later sections suggest that such problems are exacerbated by sustainability requirements. We may attempt to reconcile the conflicting moral demands on us through decisions that fit into a coherent personal story, but to do so is especially difficult in matters of sustainability that require us to deal with new, complex and possibly unwelcome information. Then, it is a requirement of integrity for us to revise our beliefs when necessary, and behave accordingly.

Sustainability, Corporations and Individuals

In matters of sustainability, there is often contestation about factual issues. The facts about the effects of CFCs on the ozone layer or the effects of DDT on the environment required sophisticated scientific investigation. There is still debate about the extent to which corporations like DuPont were honest in the way they responded to claims that were made about their products. Mullin has carefully set out the history, and has pointed out ways in which decisions by DuPont executives were reasonable, and suggests that, despite some shortcomings, “DuPont’s reaction to the CFC crisis appears overall to be an example of doing things right” (2002, pp. 216–217). Here, we do not need to determine where responsibility lies in that or any particular example, but Mullin’s account certainly identifies points about the pressures on

corporations like DuPont. The key point for us is that the corporation had a moral responsibility to take seriously the claims that were being made and to assess the evidence in an objective way. The fact that assessment of such claims is complex and demanding has to be set against the magnitude of the harm that may occur if they are dismissed. During the period when the effects of atmospheric CFCs were being considered, one of the problems was the possibility that conclusive evidence might become available only after they had done irreversible damage (Mullin 2002, p. 210).

In such cases, individuals have to make decisions about advice and recommendations in situations where they are subject to multiple competing demands and pressures. Solomon sets out the general difficulty of saying what implications there are for individuals from the responsibilities of the corporations they work in:

Consider a disastrous decision or mishap of moderate proportions. A middle manager insists that he was 'just doing what he was told,' and his supervisor claims that she was 'just following orders.' Her boss in turn was only doing what he thought the top executives wanted done and the executives themselves, even the chief executive of the company, insist that they had no such intention and place the blame squarely on those to whom they had delegated such responsibilities. The board of directors, who are supposedly the overseers of the entire operation, claim to have had no knowledge of what was going on. And the stockholders, who in theory 'own' the company, find themselves out of the loop where such decisions are made. Where is the responsibility to be laid? (1997, p. 219)

Solomon uses this to extend the argument put forward earlier by others, most notably by French 1979, that responsibility must eventually be assigned to the corporation itself. He gives the Exxon *Valdez* case as a vivid example where responsibility seems to be diffused unclearly amongst a variety of individuals.

However, even if we accept Solomon's argument that the diffusion of responsibility confirms the need to attribute responsibility to organizations, that does not mean that we can push aside the question how to attribute responsibility to individuals. If it is unclear how to attribute responsibility to individuals when things go wrong, it can be equally unclear how individuals' obligations and duties figure in ensuring that things go right. Nevertheless, individuals in large organizations need to determine their duties and responsibilities. How may they do so? The problem emerges partly from individuals' responses to the expectations they perceive others to have of them: the supervisor claims that she was 'just following orders', her boss was only doing what he thought the top executives wanted done, and so on. A finite set of instructions can only very seldom define fully what an individual in a corporation is to do (and jobs where this is most possible are gradually being replaced by computer technology). In determining their duties and responsibilities, it is quite right for individuals to take account of others' legitimate expectations, but inevitably their understanding of others' expectations is a matter of inference and interpretation. Those inferences and interpretations will be based on many factors, including the individuals' own personal characteristics, feedback they have received in the past, present cues from others, and stated organizational policies and values.

Organizations are complex networks of roles and social relationships. Individual managers within business organizations have multiple calls on them, all of them

quite legitimate. Typically, a manager's organizational duties go beyond responsibility for a single issue like product safety. They may include other policy matters like occupational safety and health, but also supervising other employees. Usually, they involve providing reports on past actions, as well as deciding on future actions. Sometimes, they involve direct contact with clients, suppliers, government officials or members of the public, as well as with other members of the organization. The fact that the corporation has certain social responsibilities does create obligations for individuals in the corporation, but they have other obligations as well. These also include other obligations to people outside the corporation, who have nothing especially to do with the corporation: most obviously, for example, obligations to their families, or other close associates, but also general obligations of honesty, fairness and benevolence to others. Individuals have ethical obligations to help their organizations meet responsibilities for sustainable products and processes, but their obligations to one another, to friends and family, the obligations they have in other social roles, all these and others also place moral demands on them, no different in their fundamental moral character than the demands on them to help the corporation fulfil its social responsibilities. All of these obligations are associated with a need for understanding of the relevant issues. This is true in general, and in particular it is true in cases where decisions have to be made about harmful products or processes.

Of course, it is not only as members of corporations that we face conflicts amongst different moral demands. We may do so in many other situations, whether as small businesspeople, family members, churchgoers or in any of our many other activities. Demands of honesty, to report things truly, may conflict with demands of fairness, to give someone the benefit of the doubt, or a promise I made to one person may conflict with the need to help another. And so on. Often, we can hope that our moral development allows us to deal simply and easily with situations where different factors pull us in contrary directions, but sometimes we face real dilemmas. That we have to make choices in such situations is an important aspect of human life generally. Nevertheless, it is especially salient within large organizations, because their complexity tends to proliferate demands on us, and increase the possibility of conflict.

As a result, large organizations often aim to assist their members with codes that set out the moral demands they recognize that may loom largest. However, such codes cannot be expected to serve as rules or checklists that can resolve dilemmas in a routinized way. In general, checklists and codes identify types of obligations, and suggest ways to approach them. As guidelines, they are useful. It is not a corporate code, but the Rotary Four-Way Test (Rotary International 2012) provides a clear, simple example:

Of the things we think, say or do

1. Is it the TRUTH?
2. Is it FAIR to all concerned?
3. Will it build GOODWILL and BETTER FRIENDSHIPS?
4. Will it be BENEFICIAL to all concerned?

In the sort of case we are envisaging, like DuPont's production of CFCs, questions like "Is it the truth?" and "Will it be beneficial to all concerned?" are very much

to the point. The trouble is, such questions are not at all easy to answer in the sorts of cases we are envisaging. So far as beneficial effects are concerned, products like CFCs, asbestos and DDT certainly do have some benefits. CFCs were introduced to replace ammonia as a refrigerant, just because of ammonia's potentially harmful effects (Mullin 2002, p. 208). Asbestos was widely used because of its benefits in fireproofing, and DDT was used to combat the mosquitos that spread malaria. The question in each case is not whether the product is beneficial but whether its benefits outweigh its harmful effects. More than that, though, the issue is about potential benefit versus risks of harm, and then the question "Is it the truth?" becomes prominent. In the sorts of cases we are considering, that is not clear-cut.

Heuristics like the Four-Way Test are useful, but that is what they are: heuristics, which often but not always point out the right path to follow. Many codes of conduct for organizations and professions have a similar structure, outlining several principles or values to which the organization or profession is committed: respect for others, perhaps, or honesty, justice, kindness, accountability and others. But they will not replace situation-specific judgment. This may well be recognized in the code itself. BHP Billiton's *Code of Business Conduct* says, quite reasonably, "The Code does not remove the need for all of us to exercise good judgment—it just makes it easier for every one of us to do so" (BHP Billiton 2012, p. 8). The contents of a code, like the Rotary Four-Way Test, can assist, but not provide some unreflective step-by-step routine. Whatever principles and values may be identified, there is room for an individual to face conflict amongst them in certain situations, and only individuals' judgment can resolve it.

This is especially so in matters of sustainability, where factual issues are sometimes very difficult (see e.g., Holling 2001). As a result, individuals have new calls on their judgment. Immediately after the statement quoted above from the BHP Billiton code, it goes on "We all have a responsibility to work with integrity and good judgement". In what follows I shall make some suggestions about the way that this is especially important in connection with sustainability. Corporations' social responsibilities include sustainable choices, but corporations' choices will only be sustainable if the individuals within them show integrity in their judgments as well as their decisions.

Decisions, Integrity and Belief

Concern about sustainability has grown enormously over the past few years, at least in part because of our increasing awareness that common practices that have been taken for granted for years may have effects that are both unanticipated and unwelcome. These range from global issues like effects of CFCs on the ozone layer to local issues like the effect of discharging pollutants into a creek. Because sustainability so often involves emergence of new and unwelcome information, it raises special issues of individual judgment and integrity.

We might aim to classify sustainability problems using Jennifer Jackson's distinction: she says that "There are two kinds of difficulties in ethics: difficulties in identification—of what is your duty in a particular situation, for example; and difficulties of compliance—of doing your duty once you know what it is" (1996, p. 8). She notes that "perhaps the public's perception of business ethics reflects its awareness of the latter (compliance) problem—how to prevent skulduggery, mischief and negligence" (1996, p. 8). Compliance problems, cases where individuals fail to heed a fairly clear obligation, where they act in ways that are clearly wrong, have been and continue to be the focus of a good deal of writing in business ethics (see e.g., Bazerman and Tenbrunsel 2011; Messick and Tenbrunsel 1996). However, even if members of the general public believe that ethical failures in business are largely failures to do what is clearly right, it is unsurprising that people in business are nevertheless aware of 'identification problems': not problems of doing what ought to be done, when that is known, but problems of working out what ought to be done in the first place (Jackson 1996, p. 8).

Certainly, in some cases, issues of sustainability seem to raise straightforward compliance problems. Consider the case of asbestos production. Concerns about asbestos did not emerge all at once. Alleman and Mossman note that although such concerns came to a head in the 1970s, "problems stemming from the inhalation of exceedingly high levels of asbestos in milling and manufacturing plants had actually been observed since the turn of the century" (1997, p. 74). There is some evidence that executives of manufacturing plants understood but suppressed such concerns: "From the point of view of the plaintiffs' bar, the true disgrace of the asbestos story is their belief that senior executives of some of the country's leading producers—particularly Johns-Manville—were not only aware of these risks, but took active steps to suppress knowledge of the danger in order to protect the sales of their product" (Edley and Weiler 1993, p. 388). To the extent that they did so, the ethical issue is not a problem of identification, in Jackson's terms, but a problem of compliance.

However, there are many other cases where things are less straightforward. Modern research is greatly increasing our understanding of human judgment and decision processes (see e.g., Kahneman 2011; Lehrer 2009), and advances in our understanding of judgment and decision are making us aware that 'compliance problems' start to overlap with 'identification problems', as individuals fail to see ethical implications of their own actions, even though these seem to be clear to observers (e.g., Bazerman and Tenbrunsel 2011, pp. 4–9). Further, individuals may be confronted not just with failure to see implications, but difficulties working out how to deal with contrary moral demands. They may see the different demands more or less clearly, but not be clear how to resolve the tension. Recently, Reynolds and colleagues have noted such situations, in their discussion of 'moral stress': "a psychological state (both cognitive and emotional) marked by anxiety and unrest due to an individual's uncertainty about his or her ability to fulfil relevant moral obligations" (2012, p. 492). They note in particular that the conflict is not well characterized as an individual having to choose between right and wrong. They cite Waters and Bird's acknowledgment that "moral stress may also result from the conflict of

equally morally legitimate obligations”(Reynolds et al. 2012, p. 493, referring to Waters and Bird 1987). Reynolds and colleagues place the idea of moral stress in the context of psychological research on stress more generally. For example, they note that unlike ‘challenge stressors’ such as deadlines and workloads, which may be dealt with through increased effort, conflicts of obligations seem to be debilitating ‘hindrance stressors’, which cannot.

We noted some such problems in the previous section, where corporate managers may be caught in the midst of conflicting obligations. Sometimes, they have to choose between two or more alternatives that would fulfil different and conflicting obligations, and the individuals have to ‘identify’ which course is appropriate. On other occasions, however, they have to work out what to do without being quite clear what obligations they have: their problem is not so much one of conflict amongst clearly perceived obligations, but of perceiving only dimly what obligations they have. These kinds of problems are all too likely to arise when sustainability is an issue, and they make a special sort of call on individuals’ integrity.

Recent work on the notion of integrity has focused on integrity as consistency between an individual’s words and actions, sometimes referred to as ‘behavioral integrity’ (e.g., Kannan-Narasimhan and Lawrence 2012; Palanski and Yammarino 2007; Simons 2002), but the cases that arise in the sort of context we are considering call for integrity that goes beyond words and actions: it revolves around consistency of words and actions with an individual’s beliefs. We are all familiar with situations where we harbor misgivings about a course of action, but we persist with it in the face of our misgivings, for one reason or another. We are uncertain about the competence of a prospective student, but bow to pressure to fill a quota, regretting it later as we have to use extra resources to support him. Or a bicycle manufacturer wonders if the junction of parts made with two new alloys may be weakened by reaction between them, only for the issue to be pushed aside by other demands, until eventually a rider is injured when the joint fails. And so on. In corporations, managers are confronted with various kinds of influences that push aside their doubts. Sometimes, they may be dimly aware of concerns, but subject to great pressures to proceed. For individuals, the pressures are often social pressures to conform to group norms (Provis 2011, Chap. 5), sometimes conceived as requirements of ‘team play’ (Jackall 1988, pp. 54–56). Often, this may lead to inconsistency between individuals’ private beliefs, on the one hand, and their words and actions, on the other.

So far as consistency amongst words and actions is concerned, there need be no problem. The shortcoming of emphasis on ‘behavioral integrity’ is that words and actions may be consistent with one another, but not accurately reflect underlying doubts or beliefs. Consistency of words and actions can become second nature, as individuals manage their self-presentation so that it becomes a matter of course for their behavior to conform to others’ expectations. Jackall comments that:

Managers at Alchemy Inc., for instance, simply shrug at many of the widely trumpeted hazards of toxic waste; here, one person’s hysteria and cause for moral outrage is another’s familiar and somewhat dull routine. (Jackall 1988, p. 194)

He discusses concerns over the exposure of workers to cotton dust, for example, and the health risks it posed, and in another company rather similar concerns about the effects of noise on workers' hearing. 'White', a manager who raised concerns about the noise, found those concerns pushed aside by his peers and superiors (Jackall 1988, pp. 101–105). If those individuals lacked integrity, it was not necessarily because of inconsistency between their words and actions: it was because they did not face up to the doubts raised by White, and accept the facts he put before them.

As Jackall describes the case, failure by senior managers to heed White's concerns was caused largely by the potential costs of remediation and of compensation payments to affected workers. To that extent, the issue was essentially a compliance problem, where ethical concerns were set aside in favor of self-interested fears about company profits and personal position. The case may resemble early concerns about asbestos, noted above. In such cases, managers can be strongly tempted, since in many cases definite conclusions about costs and benefits will only be available after many years. Going back to the case of asbestos, for example, Edley and Weiler note that "asbestos-produced disease has a lengthy latency period—anywhere from ten to forty years" (1993, pp. 387–388), and as Jackall says, "managers think in the short run because they are evaluated by both their superiors and peers on their short-term results" (1988, p. 84). However, the pressures on them are exacerbated by the changes and developments in scientific understanding about the effects of products and processes. Jackall quotes vividly from the account given by one middle-level manager he interviewed:

Well, from 1957 through 1962, I was intimately involved with the manufacture of DDT. During that time, we doubled production and sold almost all of it to Africa and India. And I knew and went home *knowing* that I was saving more lives than any major hospital was capable of doing. I *knew* that I was saving thousands of lives by doing this.

Then Rachel Carson's *Silent Spring* came out and not only did I become a murderer of falcons and robins, but also one of the mass murderers of the world. I was now doing evil things to the world. (Jackall 1988, p. 155, italics in Jackall)

The manager goes on to recount similar occurrences with regard to the production of CFCs and soda ash. Such experiences are likely to be regular occurrences in matters of sustainability, as information accumulates about the effects of products and processes. One of the pre-eminent aspects of sustainability-related research findings is how they identify previously unrealized connections (see e.g., Kates et al. 2001). This may be a matter of scientific study, or of other research. For example, we may suddenly face suggestions that our organization is part of a supply chain that relies on exploited labour in other countries or uses materials with a large carbon footprint.

Then, the temptations to suppress information deliberately will be compounded by the difficulties of changing one's views about the merits of what one is doing. The manager interviewed by Jackall had been heartened by the good he was doing; suddenly, he had to deal with claims that it was not good but harm. The difficulty is not just a temptation to conceal evidence for the sake of company profits and personal position: it is a matter of weighing factual evidence about effects, adding

evaluative issues about the relative magnitude of harms versus benefits, and resolving the question without being unduly influenced by regard for one's self-image as someone whose work is good and worthwhile. Then, we have to assess evidence knowing that we have obligations on either hand: obligations to shareholders and customers, on the one hand, and obligations to exploited workers or future generations, on the other. What do we do?

Integrity and Judgment

Situations like this can be referred to as 'right-versus-right' conflicts. Kidder (1995) and Badaracco (1997) both identify the problem of 'right versus right', and each makes suggestions about how such conflicts may be dealt with. Kidder identifies a need for integrity, and associates it with organizational culture. He says:

The creation of a stronger sense of individual integrity, the development of a finer sense of character in our top leaders—while these are laudable, they won't do the trick... [W]hat's needed is not a moral makeover at the top but an ethical climate change throughout the organization. What's needed, in other words, is a wholesale effort to create cultures of integrity. (1995, p. 227)

However, that takes us no closer to how integrity bears on specific cases where individuals are confronted with new and disconcerting information, which forces them to re-evaluate their actions and strategies. To promote an organizational culture that supports integrity in the relevant way, we need an idea of how integrity sustains good decisions in those sorts of cases. What is at issue is integrity of judgment, as well as integrity of speech and action. 'Integrity' was mentioned in the BHP Billiton statement that "we all have a responsibility to work with integrity and good judgement". But how is integrity related to judgment? In particular, how is it related to matters of judgment about sustainable corporate processes and practices?

Suggestions that integrity can be reduced to consistency of words and actions is plausible, related to integrity's undoubted sense of wholeness and unity, but in the context of sustainability it is often crucial that we show integrity also in our beliefs and judgments. The outstanding feature of issues like climate change and environmental degradation is the extent to which they present new, uncomfortable information that requires effortful revision of our past, well-established beliefs, and of the ingrained, habitual ways of life that are based on those beliefs. Integrity cannot only involve people's words and actions, however much that might appeal to students of observable behavior. Integrity also involves consistency of one's words and actions with one's beliefs. If we are to act with moral integrity then we must be consistent between what we do and what we believe we ought to do. To act with integrity is at least in part to resist temptation, setting aside my own interests and inclinations in favor of my obligations. I must do so if I am to retain the wholeness and unity that integrity connotes. Failure to do so injects some fragmentation between my ideal self and my actual self.

What that can mean is shown in Badaracco's account, which revolves around the idea that such choices often constitute 'defining moments': moments that reveal and develop one's character and commitments. On his view, moments where managers have to deal with conflicts of right-versus-right are moments where individuals' choices play a crucial part in the development of their lives. The choices made by individuals reflect their past and shape their future. Similarly, the choices made by senior managers in organizations reflect the organizations' commitments and values, and shape the organizations' futures.

Badaracco's account is consistent with an emerging view that our decisions may be based on considering how different possible choices might fit into the story of my life. MacIntyre earlier made the point that this bears on one's obligations and responsibilities:

To be the subject of a narrative that runs from one's birth to one's death is ... to be accountable for the actions and experiences which compose a narratable life. It is, that is, to be open to being asked to give a certain kind of account of what one did or what happened to one or what one witnessed at any earlier point in one's life than the time at which the question is posed. (1985, pp. 217–218)

On this account, dealing with conflicts of obligations, or decisions about right-versus-right, is a matter of narrative coherence: discerning which choice best fits into the story of my life. Rather than considering whether a decision might conform to one or another rule or principle, and rather than considering whether it might have better or worse consequences than other options, I have to reflect on how things will seem subsequently, if I fulfil one obligation rather than the other, and compare my vision of how they will seem if I keep the other, rather than the first. Which obligation I fulfil, and which I renounce, adds to the story of my life, and as Kahneman has said recently, "we all care intensely for the narrative of our own life and very much want it to be a good story, with a decent hero" (2011, p. 387).

Kahneman's phrasing is suggestive, conjuring up an idea of us mentally looking at different possible movie scripts, with ourselves as the leading character in each, choosing the scenario that makes for the best story, choosing the action that allows us to figure in the movie in the way we would wish to see ourselves as observers. This is a metaphorical account, but perhaps a suggestive and useful one. In particular, this account of ethical decision-making implies an account of integrity: to choose and act with integrity is to make choices and perform actions that fit into a coherent, integrated narrative. Reflecting on such a possible narrative may be construed as the exercise of 'moral imagination', but moral imagination in which evaluation of the possible narrative relies on its intelligibility and coherence (Johnson 1993, Chap. 8).

However, the coherence of a narrative is not only a matter of our words and actions, but also of our beliefs and desires. Stanovich notes that it is unique to humans that we have "metarepresentational abilities to enable a cognitive critique of our beliefs and our desires" (2011, p. 82). In their uniqueness, these abilities create a unique problem: how to be honest with ourselves. Nowadays, we can start to articulate this idea in a way that makes it clearer than it may have been in the past. Stanovich argues convincingly for a model of human mental functioning that gives

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