

# **Gordon Institute of Business Science**

University of Pretoria

THESIS REPORT

## **The relationship between courage and personal moral philosophy in a morally intense situation**

A research report submitted to the Gordon Institute of Business Science,  
University of Pretoria, in partial fulfilment of the requirements for the degree of  
Master of Business Administration.

Ntathakusa Portia Tshabalala

14444136

Email: [439659@mygibs.co.za](mailto:439659@mygibs.co.za)

Phone: +27 72 0966 906

**Monday, 9 November 2015**

## ABSTRACT

*“To know what is right and not do it is the worst cowardice.” ~ Confucius*

When faced with a morally intense situation, determining what the right thing to do is easy. Instead, ultimately doing the right thing is a major source of ethical dilemmas for business leaders. This is due to the often-conflicting business interest against the individual's personal values. It therefore follows that a person's courage should play a huge role in assisting business leaders to remain true to their convictions. As such, this study set out to investigate the relationship between an individual's levels of courage and their personal moral philosophy when placed in a morally intense situation.

Using a quasi-experimental approach, this study created a morally intense situation by manipulating Jones' (1991) six dimensions of moral intensity. Research participants were requested to experimentally immerse themselves in the case study and to take decisions on various situations posed to them. All participants were then measured on personal levels of courage using Woodard-Pury's (2007) courage scale; and on their personal moral philosophies using Forsyth's (1980) Ethics Positioning Questionnaire (EPQ). The results were statistically analysed to determine if there is a relationship between business leaders' levels of courage and their moral philosophies; and the influence that these have when they were placed in a morally intense situation. The participants of this study were 118 first year Masters of Business Administration (MBA) students who occupy on average middle-manager positions within large international corporates in South Africa.

The study found that when faced with ethical dilemmas in the workplace; as presented through the morally intense case study; those business leaders with a relative moral philosophy take decisions in line with their personal moral philosophies. In addition, the study proved that though there is no relationship between courage and personal moral philosophy in a morally intense situation; for those with a relative ideology; the willingness to act might have a moderation effect when an individual is placed in a morally intense situation. This means that the willingness component of courage accounts for some level of the ultimate decision taken. This is particularly positive for business as it indicates that though business leaders do not need to be courageous to do what they believe is right, they have to be willing to act righteously in order for the probability of taking the right action to increase. The study found this to be true for situations with high levels of moral intensity.

**Keywords:** *Courage, Ethics Positioning Questionnaire (EPQ), Moral Intensity, Ethics*

## DECLARATIONS

I declare that this research project is my own work.

It is submitted in partial fulfilment of the requirements for the degree of Masters of Business Administration at the Gordon Institute of Business Science, University of Pretoria.

It has not been submitted before for any degree or examination in any other University.

I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Name: Ntathakusa Portia Tshabalala

Student Number: 14444136

Signature of Student: \_\_\_\_\_

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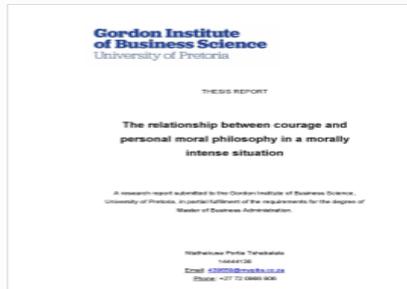


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## DEDICATION

This masterpiece is dedicated to my loving husband Sipho; and our two sons Nakhokonke and Makhosonke....

I love you guys to the moon and back!

## ACKNOWLEDGEMENTS

*When asked on my first MBA class what my road not travelled is, I responded: "It is to write a best-seller." Working on this paper has given me hope that indeed I will soon get there.*

However, I would not have enjoyed this research project if it were not for those that have assisted me in various ways.

I would like to thank my supervisor, **Dr Gavin Price** (Senior Faculty, GIBS) for the leadership and constant guidance he provided me during this journey. His untiring commitment to see me succeed by going the extra mile has resulted in the delivery of this piece today. His passion for business ethics as well as experimental designs has infused in me an academic interest which I am sure will lead to my aforementioned 'best-seller' one day. Thank you very much Sir.

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To all of you I say, indeed - it takes a village...

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# CHAPTER ONE

## Introduction

*“I believe, indeed, that overemphasis on the purely intellectual attitude, often directed solely to the practical and factual, in our education, has led directly to the impairment of ethical values.”*

*~ Albert Einstein*

There are an increasing number of corporate incidents where business leaders have been found to have acted unethically to the detriment of society in an effort to maximise business benefits. The most recent case still hot on the covers is the Volkswagen scandal in which the large auto manufacturer has been found to have cheated on the levels of carbon emissions from their vehicles (Hotten, 2015). A few months earlier, there were similarly international headlines where Joseph Sepp Blatter, President of the *Federation Internationale de Football Association* (FIFA), a world football governing body; was caught up in a huge corruption scandal (McLaughlin, 2015). In addition, the discourse of business ethics would be incomplete without reference to the ever recurrent scandals in the finance industry; the most recent being the Libor (London Interbank Offered Rate) scandal involving large international banks such as HSBC, Lloyds Banking Group and Barclays to name just a few (Wilson, 2015).

Check any of these large corporate financial statements and you will very well discover that these are financially performing companies. It therefore becomes very clear, to Albert Einstein's point; that the issue lies not in the intellectual capabilities of those who lead large corporate firms; but rather in the impairment of their ethical values. This study however further posits to Albert Einstein that not only does ethical values play a role in the ethical decisions taken by business leaders today; but that their personal levels of courage, in the context of the situations that they face, also interplay towards their final actions. This was the core basis of Confucius' great philosophy on Courage, that to know what is right to do and not do it is the worst form of cowardice.

This study thus investigated the relationship between courage (Woodard and Pury, 2007) and personal moral philosophy (Forsyth, 1980) when placed in a morally intense situation (Jones, 1991). These three constructs have been well studied by the aforementioned academics in the field. However, this study is the first to investigate how they interrelate together within a business context.

## 1.1 Background of the Problem

There has been extensive literature aimed at investigating the factors that interplay during an ethical-decision making process. This has led to a number of frameworks each with a sequential addition to the body of knowledge focused at understanding what drives business leaders to make the decisions that they do. This section begins by outlining these models and further identifying the current gap not addressed by them.

Ferrel and Gresham (1985) designed a contingency framework in which they proposed that there are three factors affecting the (un)ethical decision-making process. They postulated that individual factors, significant others within the organisational context and opportunity for action are key elements that determine whether an individual's final decision is ethical or not (Ferrel and Gresham, 1985). Individual factors they proposed were a person's knowledge, values, attitudes, and intentions. The significant others dimension referred to the nature of the business relationship, whether is through a differential association or a role set configuration. They also proposed that the presence or not of professional codes, corporate policies, rewards and punishment would determine the opportunity for the individual to act (un)ethically.

Price (2012) studied the effects of the reward contingency on ethical attitudes. In his study, in which he experimentally tested this construct under conditions of moral ambiguity, concluded that an individual's ethical attitude is determined more by the situational factor of reward, than by their moral philosophy. However, his study still proved that an individual's moral philosophy will influence their decision making process, to some extent even mediating the effect of the presence of reward (Price, 2012). This study is a progressive step in validating Ferrel and Gresham (1985) contingency framework. It also aligns with Forsyth and Berger's (1982) findings of the relationship between ethical ideologies and behavior as discussed above, though investigation into the final behavior is still lacking in literature.

Another fine model in the ethical decision making literature is that of Trevino (1986). She designed a person-situation interactionist model which proposed that an individual's (un)ethical decision making behavior can be predicted by a set of individual and

situational factors interacting during the time at which the decision is being considered (Trevino, 1986). The variables studied by Trevino (1986) were the individual factors of ego strength, field dependence, and locus of control; and situational factors of the immediate job context, organisational culture, and characteristics of the work. Relatively new to literature at the time, Trevino (1986) provided a link between cognition and action through his model, again a relationship that this paper seeks to investigate.

In an attempt to investigate the relationship between cognition and action proposed by Trevino (1986), Quinn (1997) undertook research in small organisational firm settings where the manager tends to be the owner as well. His research investigated the link between the owners' personal ethical ideologies and whether they are aligned to the attitudes, they have towards ethical dilemmas they face in their businesses. Quinn (1997)'s study concluded an extension to Trevino' (1986) model. He proposed that the influence of a personal ethical ideology on an ethical business dilemma occurs in two stages. He posits that the first stage seeks to judge what action should be taken, and the second stage is the ultimate action.

In the second stage, Quinn (1997) draws a link between judgment and behavior. He submits to earlier research that this link is moderated by various factors identified by Ferrel and Gresham (1985) and Trevino (1986) in their ethical decision-making frameworks introduced earlier. Furthermore, Quinn's (1997) two-step process is aligned, perhaps as a subset, to Rest (1999)'s four step decision-making model.

Haidt (2001) introduced a new wave of theory in moral judgment where he, contrary to rationalist models such as those of Rest (1999) proposes that moral judgment is generally the result of quick and automatic evaluations of the situation at hand. In his study in which he proposed the social intuitionist model, Haidt (2001) posits that the cognitive evolution of knowledge over the decades has made irrelevant models proposed in the 1960s and 1970s that required copious processing of information. With the new advent of information and knowledge access in modern time, Haidt (2001) submits that decisions should be made at an intuitive basis.

## **1.2 Statement of the Problem**

It is therefore very clear that there is a significant gap in the knowledge of applied business ethics. This paper acknowledges Ferrel and Gresham's (1985) findings that there are individual factors influencing an individual's decision-making process. This study also acknowledges Trevino's (1986) finding that when faced with an ethical dilemma, the situational factors will play a huge role in determining the ultimate action. Hence, the adoption of Jones' (1991) six dimensions of moral intensity as part of this research design.

However, Quinn (1987) and Haidt (2001) are the closest to what this study aims to resolve. It is clear that despite adequate judgment of the ethical situation at hand; what remains unknown is the nature of the intuition that takes place at the helm of the action. This intuition being compelling enough, or not, to drive an individual to take the action incongruent to what is known and believed to be the right course.

This paper proposes that 'courage' is this unknown intuitive element.

## **1.3 Purpose of the study**

The purpose of this study is therefore to investigate the relationship between courage and personal moral philosophy when placed in a morally intense situation. Tested at various levels of moral intensity, this study will be the first to determine the extent to which courage mediates an individuals' personal moral philosophy when faced with an ethical dilemma. The findings of this paper may provide insight into Haidt's (2001) proposition on the role of intuition during an ethical decision making process. As an internal trait, the individual factor of courage may be an addition to this intuitionist model.

## **1.4 Significance of the study**

Forsyth and Berger (1982) discovered that an individual's moral ideology might not be predictive of actual moral behaviour. Instead, they found that where individuals do engage in actions conflicting with their moral ideologies, they would experience intrapersonal changes such as feelings of guilt, anxiety, and self-devaluation. The

intrapersonal changes identified by Forsyth and Berger (1982) are aligned to Festinger (1957)'s theory of cognitive dissonance. This theory proved that inconsistencies in an individual's cognitions create a psychological discomfort that individuals will find ways to reduce.

According to Woodard (2004), when business stakeholders are in fear and are feeling vulnerable, a productive and courageous response may mean a difference between success and failure for the organization. It therefore follows that very little outcomes will be realized in business stakeholder's actions by only stating organisational values. It is becoming increasingly important for organizations to tap into other individual factors in order to ensure a positive influence on employee attitudes when faced with morally intense situations.

As such, courage is the individual factor proposed by this study, that if assessed as part of Executive recruitment processes, may give insights to the resilience the business leaders already possess and the extent to which this resilience will empower them to stand up for what is right in critical ethical situations.

### **1.5 Primary Research Questions**

This study is set out to respond to the following research questions (RQs).

**RQ1:** What is the relationship between courage and personal moral philosophy in a morally intense situation?

**RQ2:** Does an individual's personal moral philosophy predict intention to act in a morally intense situation?

**RQ3:** Does an individual's level of courage moderate the effect of personal moral philosophy in a morally intense situation?

## **1.6 Research Design**

This research is designed using a quasi-experimental approach. According to (Zikmund, Babin, Carr, & Griffin, 2009), this type of design is a form of experimental design without the element of random allocation of participants to treatment conditions. The absence of a control group additionally makes it a compromise experiment (Zikmund et al, 2009). However, the element of this design that allows it to retain its experimental nature is the presence of two separate measures, the independent variables, whose effects is being studied on one dependent variable.

The independent variables are the constructs of courage, measured by use of the Woodard-Pury Courage Scale (Woodard and Pury, 2007); and the construct of Personal Moral Philosophy, measured by the Ethics Positioning Questionnaire (Forsyth, 1980). The dependent variable of this study is the outcomes of the moral intensity case study, a treatment variable, which has been manipulated for the purposes of experimenting with the various dimensions of moral intensity as defined by Jones (1991).

A total of 118 first year MBA students participated in this study. The administration of the research design was through use of a self-administered participant workbook in an invigilated environment through which participants responded to the three instruments mentioned above. On average, these MBA students occupy middle level manager positions and above; and were therefore determined to fit the profile of a business leader.

## **1.7 Assumptions of the study**

This study is based on an assumption that all participants responded truthfully and honestly to the questions posed to them. In addition, the study assumed that the case study presented for the purposes of experimentally creating a morally intense environment adequately portrayed a familiar setting to all participants, thus making it easier for them to role-play as designed.

## CHAPTER TWO

### Literature Review

This section will explore the academic research in the field of ethics. It will begin by investigating the major ethical decision-making processes studied over the years. This section will then discuss available literature on the three major variables being studied by this paper; namely Personal Moral Philosophy, Moral Intensity and Courage. In concluding, this section will identify the gap in the field of applied business ethics; and revisit how this study will add value to this growing body of knowledge.

#### 2.1 The Ethical Decision-Making Process

One cannot study any aspect of business ethics without first understanding the ethical decision-making process. As taught in business and leadership schools across the world; decision-making has been a key driver of business for centuries. One cannot succeed in a leadership role in business with a phobia to take decisions. It has been said that it is better to take a bad decision than no decision at all. This is the premise upon which it is critical that as business ethics practitioner we seek to understand both components of this statement. Firstly, the 'bad decision' being portrayed as better than taking no action at all. Secondly, the bad decision being subsequently 'taken'. Surely, the goal of a responsible business leader should be to take good decisions. The study of ethical decision-making is to gain insights into exactly this paradox.

It is for this reason that there exist a number of ethical decision-making frameworks in literature. Though they all investigate the same outcome – the ultimate ethical decision, they propose different ways in which this outcome is achieved. There are those scholars who believe that ethical decisions can only be achieved through a rational, cognitive, and perhaps systematic method of thinking. These are called 'rationalist' models. Contrary to this diaspora, there are those scholars who propose that ethical decisions are made simply based on sporadic intuition. The so-called 'Intuitionist' models. The following section will investigate these two polar ends of theory.

##### 2.1.1 Rationalist Models

One such model is that of Rest (1986) who proposed a four-step process of decision-making. Rest (1986) proposed that individuals must first recognize that indeed there exist

an ethical dilemma for which a decision must be taken. Secondly, the individual must be able to judge the different alternatives available to respond to the dilemma. The third step requires that an individual indicate the intention to choose a particular option. The fourth and last step in Rest's (1986) model is the final action. The decision is ultimately taken.

Another model in this category is Trevino's (1986) model, introduced in the previous chapter, the person-situation interactionist model. In this model, Trevino (1986) submits that though the decision-making process is not systematic, contrary to Rest (1986), it is still largely a cognitive and conscious process. Trevino (1986) proposes that individuals possess within them a set of personal characteristics namely knowledge, values, attitudes and intentions. These characteristics, according to Trevino (1986) become a knowledge repository upon which decisions are taken when certain situations present themselves. These situations studied by Trevino (1986) are ego strength, field dependence, locus of control; and a set of reinforcement factors; reward and punishment. Trevino (1986) proposes that when faced with an ethical dilemma; under these situations; the individual characteristics will be activated, resulting in the decision being take. It is on this premise that Trevino (1986) submits that his model is rationalist in it nature.

Jones (1991), also introduced in the previous chapter, presented an issue contingent model in which he posits that ethical decisions are taken rationally, based on the assessment of the various issues surrounding the situation. The model of moral intensity, one of the core variables of this research, presents six dimensions that, according to Jones (1991), the presence or absence of them influence an individual's ultimate decision. This model is discussed at length in later sections.

### 2.1.2 Intuitionist Models

Haidt (2001) is one scholar who proposes that ethical decisions are taken based on subconscious intuitive attitudes. This study is based on this academic gap. Scholars such as Kohlberg (1971) have studied the development of moral principles in individuals from a young age. Forsyth (1980) has studied the disposition of ethical ideologies of individuals and how they influence decision making. This paper therefore supports this intuitionist view that an individual's moral philosophy has great influence in their final decision. It further supports the view that intuition is dominant in morally ambiguous

situations. However, perhaps greatly so, is the very first merge of the two scholarly ends, where this paper suggest that ‘courage’ as an individual characteristic fitting with Trevino’s (1986) rationalist model; is the intuitive activator of ethical decisions in morally intense situations as studied by Jones (1991).

## 2.2 Personal Moral Philosophy (PMP)

There is a clear appreciation of the ambiguity of the true meaning of morals in society; how their developed; and whether they are universal or not. What is key to understand at the onset is that there are three distinctions of moral conduct. The first is, non-moral acts which according to Schulte and Teal (1975) are neither good nor bad. The second and third distinctions are moral and immoral acts; which can be judged based on generally accepted moral principles as good or bad respectively.

However, the long existence of the study of ethics provides a basis for a universal definition that has grown over the years. Schulte and Teal (1975) prescribed that for an act to be considered moral or immoral, the actor must be fully aware of the act in question. Secondly, the actor must understand the effect that the act will have on the lives of others (Schulte & Teal, 1975). Furthermore, the actor must be knowingly exposed to various alternative courses of actions, with cognition of which of the alternatives would lead to a better outcome (Schulte & Teal, 1975).

### 2.2.1 Cognitive Moral Development

Kohlberg (1971) undertook a study in which he investigated the child development stages that lead to the development of personal morals. He found that children pass through six stages of moral development. The six stages are shown on the table below across the three main categories.

*Table 1: Stages of Moral Development*

Development Category	Stages of Moral Development	Description
I. Pre-conventional	1. The punishment and obedience orientation	The physical consequence of action as a determinant

Development Category	Stages of Moral Development	Description
Level		of right and wrong.
	2. The instrumental relativist orientation	What is right depends on how much it satisfies one's own needs.
II. Conventional Level	3. The interpersonal concordance or "good boy - nice girl" orientation	Good behaviour as a means of social approval.
	4. The 'law and order" orientation	The orientation towards doing what is your duty, respecting authority and obeying the law.
III. Post-Conventional, Autonomous, or Principled Level	5. The social-contract legalistic orientation (generally with utilitarian overtones).	Right action is defined by what is universally accepted by society.
	6. The universal ethical-principle orientation	Right action is defined by one's conscience in line with self-chosen ethical principles.

Adapted from Kohlberg (1971)

Similar to Schulte and Teal (1975), Kohlberg and Hersh (1977) determined that schooling is the setting in which moral principles are at most developed. This is not to say that schools are moral institutions, but rather that the social organisation of their nature disposes the teaching of life lessons to children from a young age (Kohlberg & Hersh, 1977). This was the basis of Bloom's (1977) study on the two major dimensions of moral reasoning; namely social principledness and social humanism; in which he found Stage Six of Kohlberg's (1971) Moral Development stages to be a multidimensional development of judgment and decision-making reasoning capabilities. Bloom (1977) found these multidimensional to have a potential of conflict when limited to one's own social principles.

It therefore appears that though earlier studies show some insight into the onset of moral

principles from early stages of child development that these studies have not been sufficient to prove that early moral development leads directly to an individual's future moral philosophy. It is to be expected that as one grows through various societal dimensions, so too will moral principles develop. Thus, an individual's personal moral philosophy should be expected to change and develop over time.

Karma-Yoga is the new Indian model of moral development proposed by Mulla and Krishnan (2014). They developed this model on the premise that there are cross-cultural differences in moral reasoning of individuals (Mulla & Krishnan, 2014). They have termed their model 'Karma-Yoga' to mean a "technique for intelligently performing actions' (Mulla & Krishnan, 2014). As such, their model of moral development refers to the ability to act without attachment to opposite views. The Karma-Yoga has three dimensions of moral development, namely, duty orientation, indifference to rewards and the third being equanimity. The similarity of these three stages to Rest's (1986) four stages of moral development of moral sensitivity, moral judgment, moral motivation, and the final moral course of action were empirically investigated.

The results of the study showed the applicability of the Karma-Yoga model on moral situations. However, because the study was only implemented on Indian executives, the results cannot be seen to be applicable on other cultures. In addition, the fact that its core design is based on an Indian religious concept further limits its application. It must however be appreciated that Mulla and Krishnan's (2014) work contributes to the cross-cultural dimension of moral development.

### **2.2.2 Forsyth's Ethical Ideologies**

Forsyth (1980) developed a two-dimensional model proposing that there are four ethical ideologies that influence a person's ethical judgment at a point in time. He proposes that individuals may adopt either a situationism, absolutism, subjectivism or exceptionism approach when making an ethical judgment (Forsyth, 1980). He further proposed that the ideology that an individual fits within these four ideologies is determined by the basis of individual values espoused by the person. This basis can be either idealistic or non-idealistic with the belief that moral rules are either universal or relative (Forsyth, 1980).

According to Forsyth (1980), situationist and subjectivist distrust absolute moral principles, arguing that each situation must be examined on a case-by-case basis. Absolutist, appeal to natural law or rationality to determine ethical judgments (Forsyth, 1980). Thus, absolutist judge acts in comparison to some universal moral rule that is absolute. Exceptionists, on the other hand believe that the morality of an act depends on the consequences produced by it (Forsyth, 1980).

The typology proposed by Forsyth (1980) would not have been useful to academia if it were not for the sequel study by Forsyth and Berger (1982) investigating the effects of ethical ideologies on moral behaviour. The findings from this study that an individual's ethical ideology may predict their ethical judgment of a situation, but not necessarily the ultimate ethical behaviour (Forsyth and Berger, 1982) is the basis of this proposed research. The analysis of courage during an ethical decision-making process, and how it links the individual's ultimate action with their moral philosophy during a morally intense situation would be a valuable addition to ethics research.

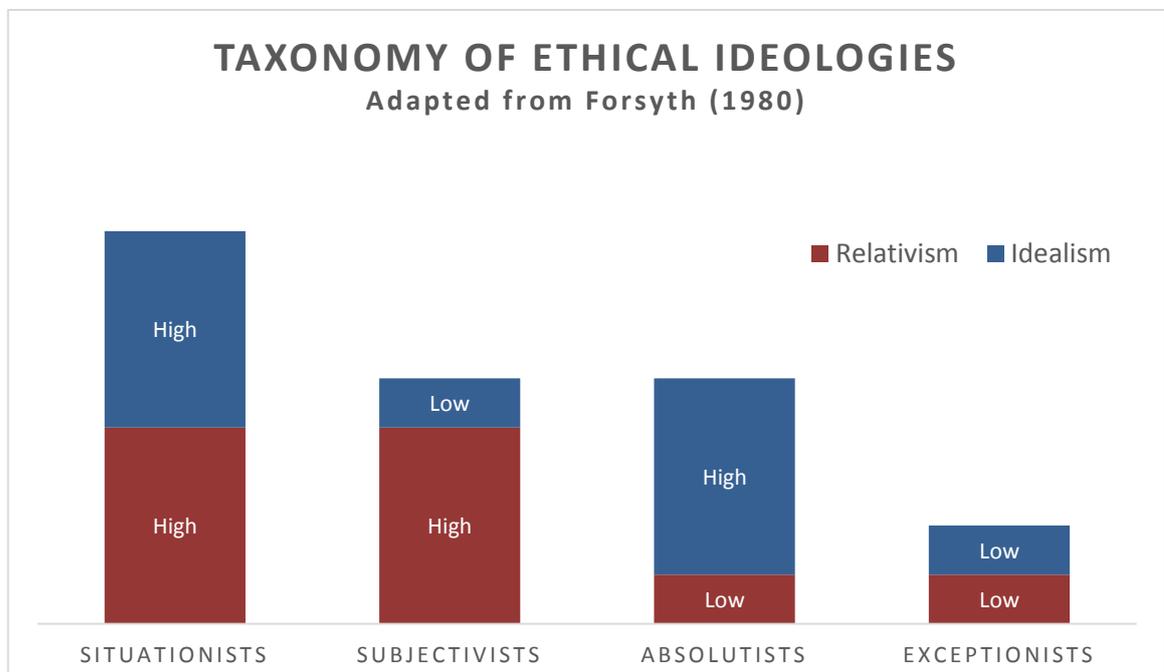
Contrary to the aforementioned ethical ideologies, a recent study conducted by Morales-Sanchez and Cabello-Medina (2013) investigated the role of four universal moral competencies in ethical decision-making. They found prudence, justice, fortitude, and temperance to have an influence on various stages of the ethical decision-making process. In addition to the already existing individual factors of cognition, emotional, psychological and demographical factors that interplay during an ethical decision-making process; Morales-Sanchez and Cabello-Medina (2013) proposed that these four cardinal virtues should be a significant consideration of competence management frameworks in the workplace; particularly where professionals are faced with ethical decision-making.

### **2.2.3 Measuring Personal Moral Philosophy (PMP)**

In his design of the Ethics Positioning Questionnaire (EPQ), Forsyth (1980) proposed an instrument that could be used to measure an individual's ethical ideologies using two scales of idealism and relativism. The Ethics Positioning Questionnaire (EPQ) allows us to infer the moral attitudes and moral judgment of actors in a situation. This instrument has formed the basis of ethical decision-making research since its advent.

The relativism component of the scale measures the extent to which an individual believes that moral actions should be judged based on the situational context surrounding the act in question. These individuals believe that everything is relative to the cultural, social, or historical context. The idealism scale measures the extent to which an individual believes in the principles of ideals and high values despite the reality surrounding the situation or the social circumstances. The chart below depicts these four ethical ideologies and their composition on the relativism and idealism scale as measured on Forsyth's (1980) Ethics Positioning Questionnaire (EPQ).

*Table 2: Taxonomy of Ethical Ideologies*



The chart indicates that Individuals rating highly both on the relativism and idealism scale are classified as 'Situationists'. Those only high on the relativism scale, but low on the idealism scale classify as 'Subjectivists'. 'Absolutists' rate highly on the idealism scale, but low on the relativism. Lastly, 'Exceptionists' rate very low on both the relativism and the idealism scales.

Barnett, Bass and Brown (1994) studied the ethical judgments of individuals on various business issues depending on their ethical ideologies. They found that indeed

differences in ideologies resulted in differences in ethical judgments. They concluded that an individual's ethical ideology is an important variable of the ethical decision making process (Barnett, et al, 1994). The same year Tansey, Brown, Hyman and Dawson, Jr. (1994) investigated the effect of Forsyth's (1980) ethical ideologies on salespeople. They too found that agents with different moral philosophies differed in the manner in which they judged various sales related ethical issues. These findings are consistent with earlier studies where Forsyth (1992) found that situational and cognitive factors mediate the strength of the relationship between personal moral philosophy and moral judgment. The exception was moral behaviour, which was however found to not be influenced by an individual's moral philosophy (Forsyth, 1992).

## **2.3 Moral Intensity (MI)**

### **2.3.1 The six dimensions of Moral Intensity**

Jones (1991) proposed that there are a number of variables that interplay during an ethical dilemma that have significant influence on the individual's ethical decision-making process. This set of six variables, called Moral Intensity, derives of magnitude of consequences, social consensus, probability of effect, temporal immediacy, proximity of effect, and concentration of effect (Jones, 1991). In developing this construct, Jones added to the already understood ethical models, such as that of Rest (1999) introduced earlier. He then proposed an issue-contingent model in which he proposes recognizes, for the first time (at the time), the characteristics of the moral issue itself.

According to Jones (1991), magnitude of consequences refers to the negative or positive impacts that will be experienced by the victims or beneficiaries of the moral act in question. The variable social consensus refers to the extent to which society would agree that the proposed act is evil or good (Jones, 1991). Probability of effect refers to both the likelihood that the moral act in question will in fact take place, as well as the likelihood that the identified negatives or positives will in fact be experienced by the victims or beneficiaries should the act be undertaken (Jones, 1991). Temporal immediacy refers to the length of time between the present moment and the onset of consequences of the act (Jones, 1991). The shorter the length of time, the greater the immediacy. Proximity of effect refers to the closeness the decision maker has with the victims or beneficiaries of the act that he is about to take (Jones, 1991). This closeness could be social, cultural, psychological, and/or physical. Concentration of effect is the inverse function of the number of people to be affected by the act of given magnitude (Jones, 1991).

Since the introduction of the issue-contingent model by Jones (1991), various academics have empirically tested this proposition that the construct of moral intensity plays a significant role in the ethical decision making process. Bhal and Dadhich (2011) studied this construct in the setting of whistle blowing. Their study focused on organizational leadership and how the leaders encouraged whistleblowing; and investigated the leader-member exchange in those situations. Interestingly they also found that the cultural context also plays a role in the determination of the moral intensity of the issue (Bhal and Dadhich, 2011).

Valentine and Bateman (2011) studied moral intensity and the social context in a sales environment. They found that perceived moral intensity is associated with firstly being able to recognize that indeed there is an ethical issue to be dealt with, and secondly to then intend to act ethically in that situation (Valentine and Bateman, 2011). This is in line with Rest (1999)'s four phased ethical decision making process. The following year, Valentine and Hollingworth (2012) studied this construct, alongside issue importance and ethical reasoning in an operations environment. They argued that the operational environment within an organization presents many barriers for effective ethical decision-making and would thus present morally intense situations. One of the findings in their study concluded that individual differences on the importance on an ethical issue might moderate the effect of moral intensity of the situation.

The same year, Arel, Beaudoin and Cianci (2012) studied moral intensity in a financial situation, specifically in an internal audit function, further investigating, similar to Bhal and Dadhich (2011), the influence of the presence of ethical leadership in the decision making process. In their study, they concluded that accountants own perception of the moral intensity of the issue fully mediates the interactive effect of the presence of ethical leadership and the internal audit function on the ultimate decision (Arel et al., 2012).

There have also been some empirical studies conducted on moral intensity, which only investigated a few of the moral intensity variables. Jordan, Diermeier and Galinsky (2012) studied only two dimensions of moral intensity, namely magnitude of consequences and proximity. In situations of organizational crisis, they found that an individual's ethical judgment mediated the effect of proximity to the issue and the magnitude of effect of the situation. Jordan et al., (2012) have not been the only researchers studying only a few of Jones' (1991) six variables of moral intensity. This practice does not reflect as limitations of the original model.

### 2.3.2 Measuring Moral Intensity (MI)

Jones (1991) posits that moral intensity is expected to increase (monotonically) if there is an increase in any one (or more) of its components. Similarly, it is expected to decrease if there is a decrease in any one (or more) of its components, assuming the remaining components remain constant. As a qualitative measure, this of course creates a challenge for its measurement. Prior to a collective assessment of the intensity of a situation, it is important to determine first the direction each dimension must take to increase or decrease the collective intensity. The table below shows this direction.

*Table 3: Moral Intensity Measurement Scale*

<b>Moral Intensity Dimension</b>	<b>Impact on collective intensity of situation</b>
1. Magnitude of Consequence	<ul style="list-style-type: none"> <li>• Higher consequence, higher moral intensity</li> <li>• Lower consequence, lower moral intensity</li> </ul>
2. Social Consensus	<ul style="list-style-type: none"> <li>• Higher social consensus, higher moral intensity</li> <li>• Lower social consensus, lower moral intensity</li> </ul>
3. Probability of Effect	<ul style="list-style-type: none"> <li>• Higher chance of effect taking place, higher moral intensity</li> <li>• Lower chance of effect taking place, lower moral intensity</li> </ul>
4. Temporal Immediacy	<ul style="list-style-type: none"> <li>• Longer the time between action and consequence, lower moral intensity</li> <li>• Shorter the time between action and consequence, higher moral intensity</li> </ul>
5. Proximity of Effect	<ul style="list-style-type: none"> <li>• The closer the relationship, higher moral intensity</li> <li>• The distant the relationship, lower moral intensity</li> </ul>
6. Concentration of Effect	<ul style="list-style-type: none"> <li>• Higher concentration, higher moral intensity</li> <li>• Lower concentration, lower moral intensity</li> </ul>

Adapted from Jones (1991)

As noted in the earlier discussions, it is not necessary for all dimensions to be present in order for a situation to be morally intense. According to Jones (1991), the larger the distinction of the act, the easier it is to measure the intensity. An example would be a threat of the moral actor's family being killed in terms of the proximity of effect dimension; versus him being sabotaged to simply lose his job should he tell on a dishonest boss. It

is easier to identify the extent of the intensity on the former effect, than on the latter.

One of the biases in the measurement of moral intensity is first the consensus that indeed the situation is morally intense. As already determined in earlier discussions of this paper that individuals possess differing ethical ideologies, and therefore judge ethical dilemmas differently; it therefore follows that a situation that may be morally intense to one person, may not be morally intense to another. This was the basis of Marshall and Dewe's (1997) study in which they found that individuals do indeed differ in their assessments of the same situation. In addition, they found the participants to have utilised various broad reasons in their assessments, most of which were either a combination of some of the six dimensions proposed by Jones (1991) or none of the six dimension. However, social consensus was an exception as it was found to be understood the same way by all the participants.

## **2.4 The Construct of Courage**

There currently exist various conversations in academia about what constitutes courage in any particular situation. As a virtue, courage manifest in a variety of fields such as safety and security, medical field, societal issues and also business and organisational settings, to name a few. It mainly culminates in a decision to act towards achieving a particular goal. However, the situational context at which courage is experienced is still widely debated resulting in very broad and diverse definitions of courage.

### **2.4.1 Defining Courage**

A classical definition of courage was presented by McMillan and Rachman (1987) in which they defined courage as the persistence in the face of subjective and bodily sensations of fear. This definition of courage is determinant on the physiological reaction of an individual's physical and emotional state, the absence of which McMillan and Rachman (1987) proposes that it would constitute fearlessness and not courage.

Bangari and Prasad (2012) proposed two dimensions of courage they believe are important attributes to be exhibited by our business leaders today. The first is moral courage, which they defined as a steadfast moral conscientiousness intrinsic to an individual aligned with stringent universal human values (Bangari and Prasad, 2012). The second dimension they proposed was that of physical courage, which they defined

as the courage to stand up for what one, judges to be morally right (Bangari and Prasad, 2012).

Contrary to that, de Bruin (2013) defined what he termed as epistemic courage, in which he posits is the ability to strike the right balance between risking harm and achieving the good. However he also extends his definition to situations where evidence may require us to change our beliefs that we have held for a long time (de Bruin, 2013), a divergent view to the holding on to long term values as proposed by Bangari and Prasad (2012) in the previous year. More simplistic is Duska (2013)'s definition of moral courage. He rather focuses on moral courage as an individual's best interest to have in order to protect one's integrity. According to Duska (2013), being courageous requires that we identify what is right to do, and simply do it. This is a snapshot measure of courage based on whether the right action was eventually done or not.

A much more systematic view of courage is that of Envick (2014) in which he referred to the cognitive quality of courage as one of the factors of entrepreneurial intelligence. He proposes that for an entrepreneur, courage constitutes of three psychological states. These are, taking informed risks, integrity, and resilience (Envick, 2014). This proposition aligns with the varied definitions of courage over the last few decades and shows applicability to the business environment. It therefore appears that how we define courage should be in light of the immediate situational context, as well as the goodness of the outcome of the act.

There is therefore a clear indication that there are many forms of courage that exist in human disposition. It is therefore important that adequate scoping and framing of courage be achieved in order to meet the research objectives of this paper. In this regard, the three main types of courage that will be the focus of this study will be social courage, physical courage; and emotional courage. However, it is the combination of these and how they interact together that will provide the link to the application of courage in a business ethics context.

According to Woodard (2004), social courage refers to the ability to endure social challenges that relate to an individuals' relationship both within their personal networks as well as within professional networks. Physical courage refers to the ability to withstand physical challenges such as a wide range of personal injuries (Woodard, 2004), far

exceeding that individual's limits of sensitivity to pain. Psychological courage refers to the ability to survive mental and emotional hardships often involving issues of self-esteem and a diversity of mental disorders (Woodard, 2004).

#### 2.4.2 Moral Courage in Business

Understanding that courage manifests differently in various situations as discussed in the previous section, it is this paper is imperative to focus on the application of courage in a business setting. Mahoney (1998) began a discourse, which focused on the differentiation between 'business ethics' and 'ethical businesses. In his final editorial piece, Mahoney (1998) put forth an argument that moral courage is the gap between knowing what is wrong and right to do in business, 'business ethics' ; and actually managing your business the right way, 'ethical business'.

A different view of moral courage is based on the premise that as courage is a virtue, it cannot therefore manifest itself in motivation of an unvirtuous act (Miller, 2005). This basis therefore, according to Miller (2005) implies that courage is - in its true sense - moral. Though this view is based on the basic theory of virtues, it lacks the reality of modern business trends which indicate compelling evidence that not all courageous acts have been motivated by good faith. In fact, these very trends have resulted in extensive research investigating the development of moral courage as a competency for business leaders.

On the extreme end of the scale, Harle (2005) has done work on an interesting dichotomy of moral courage. He posits that the dichotomy between theology and business leadership is where moral courage is positioned. He quotes the proverbial business response "I am called to be a manager, not a priest" as a positioning that the lack of integration between these two worlds is the reason why business competency frameworks; and organisational value statements, are unable to develop soft capabilities such as moral courage (Harle, 2005). The underlying conflict of acting in true moral spirits; against the main goal of business; is already known to be the basis for the study of business ethics.

It is important to note that, though 'courage' in its simplest form, refers to the ability to overcome fear; moral courage further requires that the final act be moral. As a business

imperative, therefore, Mahoney (1998) posits that the courage of those who passively participate in unethical conduct, despite their fears cannot be classified as possessing moral courage. They would instead be possessing qualities of psychological courage. This is because moral courage would require that they refuse to participate in unethical conduct completely.

This paper is in agreement with Mahoney (1998) that moral courage is ultimately a decisive action undertaken by a moral agent when faced with an ethical dilemma. It is therefore fitting that this paper investigates the mental journey that leads one to act in a morally courageous manner. Sekerka and Bagozzi (2007) developed a model that explains the decision making process when faced with an ethical dilemma with the presence of moral courage. The model, though very similar to Rest’s (1986) model, differs in that Sekerka and Bagozzi (2007) propose that before a decision to act ethically is taken; the morally courageous actor will consider whether or not the impact of their actions will be positive both to them personally as well as to the organisation at large.

The table below indicates the differences between the aforementioned models.

*Table 4: Moral Courage within an Ethical Decision-Making Process*

Model	Directional flow of decision-making process 					
Rest (1986)	Recognize Moral Issue	Make Moral Judgment	Establish Moral Intent			Engage in Moral Behaviour
Sekerka and Bagozzi (2007)	Ethical challenge	Affective reaction and cognitive information processing	Desire to act	Self-regulation of desire to act	Decision to act	Action

The self-regulation stage indicated on the Sekerka and Bagozzi (2007) model is what they propose depict the presence of moral courage during an ethical decision-making process.

### 2.4.3 Measuring Courage

Over the years, there has been a challenge of measuring the construct of courage. Gibbs, Clark, Joseph, Green, Goodrick and Makowski (1986) conducted a study on child development in which they investigated the relationship between moral judgment, moral courage, and field independence. In order to measure moral courage, they assigned two school teachers as judges of the child's response to a situation. The average of the two judges' scores would constitute the moral courage score of the child. Though this practice can be forgiven given that it was conducted close to three decades ago, in modern times, a need for a validated instrument is necessary in order for accurate findings to be utilised widely in industry.

Schmidt and Koselka (2000) developed the Courage Scale (CS) as a self-reporting measure of courage. The Courage Scale (CS), measures an individuals' reported willingness to act in meaningful situations where a sense of vulnerability is being experienced. Woodard (2004) revised the scale and developed a version that measured courage as the product of the willingness to take action and the fear experienced while taking the action. However, due to the evolution in the study of courage, it was determined that fear may not be a necessary part of a courageous action. In fact, courage has evolved to be defined across varying categories, such as physical courage and emotional courage as discussed in the previous section. This led to the development of the new Woodard Pury Courage Scale-23 (WPCS-23) which suggests that courage may be classified by more complex, context-based situations (Woodard and Pury, 2007). The WPCS-23 measures courage across two dimensions, namely 'Willingness to act' and 'Fear of the fact'. The product of the scores from these two dimensions represents the total level of courage for each individual.

Sekerka, Bagozzi and Charnigo (2009) developed a five dimensional scale for measuring what they termed as Professional Moral Courage (PMC). They proposed that PMC is a managerial competency that requires sound management practice at an organisational level (Sekerka et al, 2009). The five dimensions in their scale are moral agency, multiple values, endurance of threats, going beyond compliance and moral goals (Sekerka et al, 2009). According to Sekerka et al (2009), the ability to describe, measure and track PMC as a competency is a proactive approach to organisational ethics.

Though it is therefore very clear that the construct of courage is an element that is still

under intense investigation by academia, the knowledge gathered to date is sufficient and compelling enough for this paper to build on. The current available measures of courage will be considered for this research paper.

## 2.5 Conclusion of Literature Findings

The study of the literature within the domains of focus for this research has proven to be integrated. The image below depicts this integration, particularly for the key scholars whose models have been investigated. These models, discussed in earlier sections, prove that the theory of personal moral philosophy (Forsyth, 1980) is largely displaced from the comprehensive models of Trevino (1986) and Jones (1991). This research paper aims to add value to this gap through the further investigation of these models.

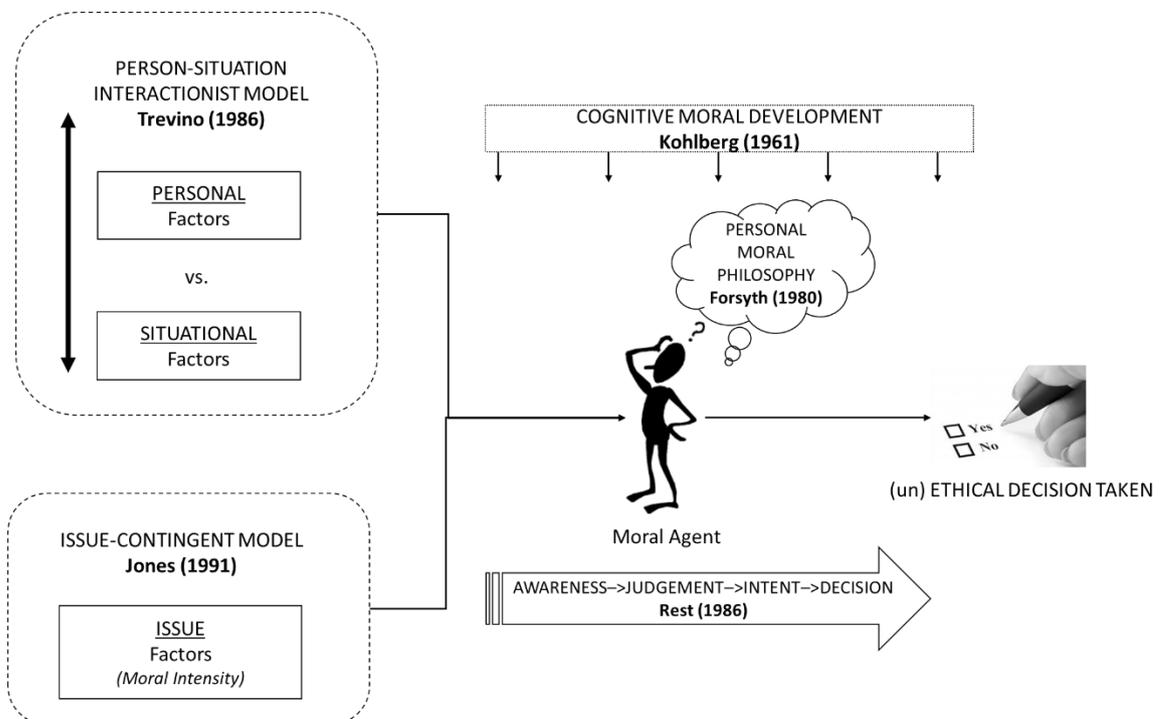


Figure 1: Integrated Ethical Decision-Making Frameworks

The collective assessment of research conducted in applied business ethics to date asserts the need for a study proposed by this paper first, to further empirically test ethical frameworks and instruments already developed discussed in sections above. Secondly, to add to the body of knowledge by identifying an additional variable that have an impact on an ethical decision making process. Courage is this proposed individual factor.

## CHAPTER THREE

### Research Questions

In light of the literature review studied, this paper is designed to respond to the following research questions.

#### 3.1 Research Question 1 (RQ1)

What is the relationship between courage and personal moral philosophy in a morally intense situation?

*H<sub>0</sub>: There is no relationship between courage and personal moral philosophy in a morally intense situation*

*H<sub>1</sub>: There is a relationship between courage and personal moral philosophy in a morally intense situation.*

#### 3.2 Research Question 2 (RQ2)

Does an individual's personal moral philosophy predict intention to act in a morally intense situation?

*H<sub>0</sub>: An individual's personal moral philosophy does not predict intention to act in a morally intense situation.*

*H<sub>1</sub>: An individual's personal moral philosophy is a predictor of intention to act in a morally intense situation.*

#### 3.3 Research Question 3 (RQ3)

Does an individual's level of courage moderate the effect of personal moral philosophy in a morally intense situation?

*H<sub>0</sub>: The effect of an individual's personal moral philosophy will not be moderated by levels of courage in a morally intense situation.*

*H<sub>1</sub>: The effect of an individual's personal moral philosophy will be moderated by levels of courage in a morally intense situation.*

## CHAPTER FOUR

### Research Methodology and Design

This section will discuss the research method employed for this research in detail by covering six areas of design. This section will begin by presenting the research design in terms of key parameters that were determined to be critical for the study. This section will then discuss the process, which led to the development of the research instrument. Following this, the method by which the data was collected using the developed instruments will be reported. Lastly, this section will report on data analysis tools and techniques utilised. The research results will be discussed in the next chapter.

#### 4.1 Introduction

According to Saunders, Lewis and Thornhill (2009), researchers need to consider different aspects of the research approach in order to strengthen the relationship between the knowledge to be uncovered during the research with the process that will be followed to uncover it. In order to efficiently execute this research in line with this view, this research paper employed a quasi-experimental research design. This is a research strategy that seeks to study the effect of one variable, the independent variable, on another variable, the dependent variable; without an element of a control group (Saunders et al, 2009). In order to address the common challenge of experimental designs utilising small samples, a surveys pack, in a form of a 'Participant Workbook' was used to collect data. This made it easier to collect from a large sample of participants. This workbook is attached as an Appendix of this report.

Manza, Cook and Page (2002) define survey experiments as a technique that combines the causal power of randomised experiments, with the representativeness of the general population of a survey. This validates the research design of this study as the two strategies of experiments and surveys were effectively used concurrently. Various academic scholars have also used survey experiments in recent years, such as in the study done by Gaines, Kuklinski and Quirk (2007) in the academic field of political science. They found that by use of technology, researchers could assign respondents randomly to control and treatment conditions by actively manipulating a treatment variable as per the research design. Contrary to this approach, this research however did not employ a technology platform for purposes of collecting data. In order to retain

the element of a physical treatment environment, an invigilated setting was preferred by the researchers.

## 4.2 Research Design

The main objective of this research was to investigate the relationship between an individual's level of **Courage** and their **Personal Moral Philosophy** when placed in a **Morally Intense** situation. According to various accounts of literature, each of these three constructs have been measured using consistent methods and instruments since their identification as key variables for the academic field of applied business ethics. As such, the research design developed for this study was determined to be fitting and appropriate for this nature of research. The following elements collectively constituted the research design.

### 4.2.1 Sampling

The psychological nature of the study of ethics requires the use of large representative samples in order to protect research findings from bias. Due to this paper being focused on the study of business leaders, the population was very wide. In the South African context, for the purposes of this research, all professionals with minimum five years' work experience and at minimum mid-level management experience were determined to be part of the research population.

The Gordon Institute of Business Science (GIBS) is a business school with a substantial intake of business leaders fitting the population specification for this research. As such, permission was requested from programme management to invite the first year cohort of the Masters in Business Administration (MBA) course, class of 2015.16 to participate. With the 358 students enrolled in first year, this was determined to be a solid representation of the research population.

On acceptance of invitation, 118 participants responded to the call and fully participated on the study. The following dashboard represents the method used to manage the participation of respondents, and the relevant statistics.

Table 5: Research Design Participation Dashboard

Respondent No.	No. of workbooks distributed	Date distributed	No. of workbooks Received back	Date Received
251 to 340	90	Wed, 16 Sept	23	Sun, 20 Sept
347 - 350	4	Sat, 19 Sept	4	Sat, 19 Sept
80 - 100	20	Mon, 21 Sept	20	Mon, 21 Sept
341 - 345	5	Tues, 22 Sept	4	Wed, 23 Sept
46 - 50	5	Tues, 22 Sept	5	Wed, 23 Sept
51 - 80	30	Fri, 25 Sept	77	Fri, 25 Sept
36 - 45	10	Fri, 25 Sept		Fri, 25 Sept
151 - 200	50	Fri, 25 Sept		Fri, 25 Sept
1 - 35	35	Sat, 26 Sept	104	Sat, 26 Sept
351 - 400	50	Sat, 26 Sept		Sat, 26 Sept
Blanks from previous distribution	28	Sat, 26 Sept		Sat, 26 Sept
<b>DISTRIBUTION DASHBOARD</b>				
TOTAL WORKBOOKS PRINTED:	400	<b>CURRENT RESPONSE RATE</b>  <b>53,52%</b>		CURRENT ERROR RATE
TOTAL DISTRIBUTED TO DATE:	327			<b>16,57%</b>
TOTAL RECEIVED FOR ANALYSIS TO DATE:	237			
TOTAL VALID WORKBOOKS TO DATE:	118			CURRENT VALID RATE
TOTAL INVALID WORKBOOKS TO DATE:	29			<b>67,43%</b>
TOTAL BLANK FORMS RECEIVED FOR ANALYSIS TO DATE:	62			
MINIMUM STILL REQUIRED FOR 150 VALID DATAPOINTS:	32			
TOTAL STILL AVAILABLE FOR DISTRIBUTION:	135			

Displayed on the participant dashboard is key participation statistics. Concerning sampling; the study enjoyed a 53.52% response rate; a total of 118 respondents. Above this rate, 16.57% responses were discarded due to errors in the responses. However, this represent a high error rate, the researcher believes that it indicates a keen interest from the student body sampled to participate. In essence, it can be reported that 70% of the sampled population participated in the study. However, for the purposes of consistent reporting, particularly for data analysis purposes, a sample size of 118 respondents is reported throughout this paper.

#### 4.2.2 Research Variables

Based on the defined research hypothesis for this study, the following was determined to be the key variables. Due to the multidimensional nature of the study researching three variables, the role of each variable differed in response to each research question. The table below indicates the role that each identified variable occupied for each question.

Table 6: Research Variables Matrix

<b>Research Variable</b>	<b>Research Question 1 (RQ1)</b> <i>Relationship between C and PMP when in MI (2-tailed)</i>	<b>Research Question 2 (RQ2)</b> <i>PMP predicts intention to act in MI</i>	<b>Research Question 3 (RQ3)</b> <i>C moderates PMP in MI</i>
Courage (C)	Dependent Variable (DV)	n/a	Moderator
Personal Moral Philosophy (PMP)	Independent Variable (IV)	Independent Variable (IV)	Independent Variable (IV)
Moral Intensity (MI)		Dependent Variable (DV)	Dependent Variable (DV)

According to Field (2013), an independent variable causes an effect on the dependent variable. As such, the research results are recorded based on the reaction of the dependent variable for the conditions in which the independent variable is applied. In an experimental setting, the dependent variable is manipulated in order to suit research objectives (Field, 2013).

### 4.3 Research Instruments

The preparation of research instruments was very critical for this study. In order to measure an individual's level of courage, the original instrument designed by Woodard and Pury (2006) was used with no changes. Permission to use was secured from the author. Similarly, for the measurement of the individual's Personal Moral Philosophy, the original instrument designed by Forsyth (1980) was utilised. Permission was also secured for use of this instrument. Further, no changes were required. In order to investigate the construct of moral intensity, as per research objectives, a Moral Intensity instrument was developed by the researcher. The following sections define in detail each research instrument.

#### 4.3.1 Ethics Positioning Questionnaire (EPQ)

The Ethics Position Questionnaire (EPQ) is a research instrument with 20 questions developed by Forsyth (1980). It is designed to measure an individual's personal moral

philosophy across two dimensions, namely relativism and idealism (Forsyth, 1980). Across a 9-point Likert scale, respondents must rate the level at which they agree with the 20 statements posed to them by the instrument. Based on the respondent's responses, the instrument is able to determine the respondents fit with one of four ethical ideologies; namely, Situationist or Subjectivists for those rating highly on the Relativism scale; and Absolutist or Exceptionist for those rating highly on the Idealism scale (Forsyth, 1980).

At the time of its design; this instrument presented satisfactory levels of internal consistency during testing; as well as acceptable levels of reliability (Forsyth, 1980). It can be found on the Appendix section of this document. In addition, a Confirmatory Factor Analysis (CFA) was performed on this research instrument. According to Field (2013), a Confirmatory Factor Analysis (CFA) is a statistical test conducted for the purposes of testing the number of factors measured by an instrument; and the resultant grouping of the instrument questions within each of those factors. The results of the CFA were found to be satisfactory. The next chapter will discuss the results in more details.

#### **4.3.2 Courage Scale (WPCS-23)**

The Woodard Pury Courage Scale – 23 is a research instrument with 23 questions developed by Woodard and Pury (2007) as an adaptation of their previous model developed in 2004. It measures levels of courage across a 5-point Likert scale on two dimensions; one being the scale which measures the 'Willingness to Act' score; and the other which measures the 'Fear of the Act'. The product of these two scores provides a Total Score for the participating individual. In essence, these two dimensions renders this instrument a 46 questions scale. During its design, this research instrument was found to have a stable factor structure when tested across two different samples. It was also found to have internal stability (Woodard and Pury, 2007). When tested in preparation for this study, this instrument scored satisfactorily. Results are discussed in detail in the next chapter. This research instrument is found at the Appendix section of this document.

#### **4.3.3 Moral Intensity**

The main objective of this study is to investigate the relationship between courage and

personal moral philosophy when placed in a morally intense situation. The creation of this moral intensity environment was therefore a critical component of this research design. It is also this component of the study that renders it quasi-experimental as discussed earlier. The Moral Intensity instrument created for this study had two components. The first component was the case study designed by the researchers in order to simulate a morally intense environment. The second component of this instrument was the seven questions designed to manipulate the levels of intensity within the case. This instrument was designed in line with Jones (1991) proposition of the situational context of moral intensity, as discussed in earlier chapters of this paper.

#### 4.3.3.1 The Moral Intensity (MI) Case Study

The following excerpt is the case study that was designed within the Moral Intensity (MI) instrument.

***You**<sup>1</sup> are the Regional Sales Director of your organisation. You are about to close off on the **biggest sale of the quarter**<sup>2</sup>. All is well, until **the client mentions that it is important to them that the account is handled by a specific person**<sup>3</sup>. In fact, the client mentions this specific person by name who is one of your Junior Associates who accompanied the Senior Associate to the client's gala dinner one evening.*

*Your company is well known for being the leader in the industry on transformation, inclusion and diversity issues. This is due to the recent aggressive recruitment drive resulting in your company exceeding the required transformation, diversity and inclusion quotas stipulated by government as a competitive strategy. The strategy has worked very well, hence the new oncoming deals from clients who wish to ride on the iconic transformation wave of your organisation.*

***The specific person the client has requested is not equipped to manage this deal alone**<sup>4</sup>. To add a Senior Associate to support and mentor the Junior Associate in this account would cost the company a lot of revenue, basically eating all the margin out of the deal. Thus, **more than one resource in this account is totally out of the question**<sup>5</sup>.*

Figure 2: Moral Intensity Case Study

Apart from the complete story being narrated from the case study above, five key

elements were planted in the case designed to invoke the moral actor. According to Baxter and Jack (2008) a design of a qualitative case study for purposes of research must have certain key elements built within the case. These elements should invoke the simulation of a real environment for the actor (Baxter & Jack, 2008). They further proposed a conceptual model suggesting possible aspects to consider when design a case, namely, a clinical setting; types of decisions, timeframe, internal and external influencing factors (Baxter & Jack, 2008).

The five key elements for this case, as referenced on the case excerpt above, were the following:

*Table 7: Five Key Elements of the MI Case Study*

Key Element	Design Considerations
1. You	This is the very first word of the case. It serves three objectives for this research design: <ul style="list-style-type: none"> <li>• It personally addresses the moral actor of the design.</li> <li>• It calls on the actor to participate in the study by invoking a sense of self.</li> <li>• It simulates a sense of reality within the false environment by assigning the actor the role of ‘Sales Director’.</li> </ul>
2. Biggest sale of the quarter	This is the first point of impact. It serves the following purpose: <ul style="list-style-type: none"> <li>• It creates a sense of achievement for the moral actor. An opportunity to be responsible for the ‘biggest’ sale.</li> <li>• It speaks to the competitive nature of sales within organisation.</li> <li>• It refers to a phenomenon consistent with the research environment.</li> <li>• It represents a real and common business climate.</li> </ul>
3. The client mentions that it is important to them that the account is handled by a specific person	This is the first point of dilemma. It serves the following purposes: <ul style="list-style-type: none"> <li>• In business, particularly in Sales, the client is ‘king’. This invokes a sense of responsibility on the moral agent to honour the client’s request.</li> <li>• The second important element of this statement is the specific mention of the preferred Account Lead. This</li> </ul>
4. The specific person the client has requested is not equipped to manage this	

Key Element	Design Considerations
deal alone	creates a dilemma for the moral actor, as if honoured, may negatively influence the service to the customer; but renders the organisation in a good financial position, as it would secure the deal. The dilemma is therefore the choice between a quality client services versus organisational profits.
5. More than one resource in this account is totally out of the question	This is the first introduction of case boundaries. This statement serves the purpose of framing the case within a specific contextual scope. This further intensifies the simulated situation.

#### 4.3.3.2 The Ethical Dilemma

The body of the case that refers to diversity, inclusion, and the transformation aspect of the business; as well as the current industry climate; was designed to purposefully create ambiguity to the case study. What makes this part of the case ambiguous is the fact that it is not said why it is relevant to the moral actor. In addition, it draws no links to the five key elements as discussed on the table above. The literature discussed in earlier chapters emphasized that ethical dilemmas exist in ambiguous environment where there is a lack of a unified understanding of both the situation, as well as the right action.

The ethical decision-making models proposed by Rest (1986) and others submit that the element of judgment is key in dealing with ethical dilemmas. As a moral actor, faced with the pressure of taking a decision, the ambiguity makes it a dilemma. It was therefore the researcher's design that; over and above the prescribed dilemma created in elements three and four (referenced on the case excerpt); the moral actors of this research judge for themselves how the reference to diversity, inclusion and transformational aspects of the business further contribute to the case dilemma. It will be discussed in the next section if this body of the case was indeed interpreted as intended.

#### 4.3.3.3 The Seven Questions of Moral Intensity (MI)

The second portion of design of the Moral Intensity instrument was the design of the measurement scale. According to Jones (1991), the intensity of a situation increases



Measurement Variable	Literature Definition (Jones, 1991)	Survey Questions	Designed Level of Intensity
	cause the harm (or benefit predicted).	that the client would understand; would you staff the specific person? a) Absolutely Not b) No, with some consideration c) I would do the acceptable despite my true convictions d) Yes, with great doubt e) Absolutely Yes	
Temporal Immediacy (TI)	The length of time between the present and the onset of consequences of the moral act in question (shorter length of time implies greater immediacy).	5. This is the last quarter of the financial year end. The Financial Director has already reflected this deal on Provisional Financial Statements. Failing to log this deal will require you to alert the FD immediately in order for the statements to be appropriately adjusted. The adjustment will result in 8.5% less in projected bottom line profits for the year. The client has indicated they will not sign the contract unless the person responsible for their account is representative of the company's transformation, inclusion and/or diversity accolades. Would you carry on with staffing the specific person? a) No, I would not staff the person b) No, with some consideration c) I would do the acceptable despite my true convictions d) Yes, with great doubt e) Yes, I would staff the person	High
Proximity of Effect (PX)	The feeling of nearness (social, cultural, psychological, or physical) that the moral agent has for victims (beneficiaries) of the	6. You yourself were once a Junior Associate of large corporate firm. You joined this company 3 years ago under the Accelerated Leadership Program which has since been disbanded due to high	High

Measurement Variable	Literature Definition (Jones, 1991)	Survey Questions	Designed Level of Intensity
	evil (beneficial) act in question.	<p>cost of mentorship. There has been a lot of media buzz about the lack of mentoring and coaching of Junior Associates, putting at risk the future sustainability of the organisation. You fear that not staffing the specific person will lose favour of your chances to make Vice President: Global Sales in the next promotion cycle, a position known to be a rite of passage for consideration to be Managing Director of large organisations within your industry. There just is no capacity for two individuals to be placed on this account. Not now. Would you still staff the specific person?</p> <ul style="list-style-type: none"> <li>a) No, I would still not staff the person</li> <li>b) No, with some consideration</li> <li>c) I would do the acceptable despite my true convictions</li> <li>d) Yes, with great doubt</li> <li>e) Yes, I would still staff the person</li> </ul>	
Concentration of Effect (CE)	An inverse function of the number of people affected by an act of a given magnitude	<p>7. If the client did not mention the specific person by name; and simply enquired if it was possible that the account be handled by a specific person. An admission on your part that you did not have resources would not affect concluding the deal. Would you have staffed the specific person?</p> <ul style="list-style-type: none"> <li>a) No, I would not have staffed the person</li> <li>b) No, with some consideration</li> <li>c) I would have done the acceptable despite my true convictions</li> <li>d) Yes, with great doubt</li> </ul>	Low

Measurement Variable	Literature Definition (Jones, 1991)	Survey Questions	Designed Level of Intensity
		e) Yes, I would have staffed the person	

With reference to the Moral Intensity Measurement scale discussed in Chapter 2 of this paper; as well as Jones' (1991) design of the Moral Intensity construct; the seven questions were designed to manipulate the moral intensity of the case study posed to the participant in varying degrees. In order to maintain the simplicity of the instrument, only High and Low, measures were designed. This is due to the limitation of Moral Intensity; as a concept; to be quantitatively measured.

The manipulation of the moral intensity levels of the case was designed sequentially from one question to the next as follows:

- **Question 1:** The first question was designed to present low moral intensity. This is because though the case presents high levels of financial harm or benefit to the organisation; the case does not present evidence of personal victims or beneficiaries in light of the financial context. As such, this question renders a low morally intense situation.
- **Question 2:** The second question was designed to pose a high level of moral intensity. Corporate staffing practices in general are a matter of public opinion. In addition, corporate cultures in private organisation are also generally prescriptive of how projects should and should not be staffed. As a result, this question was posed with the knowledge that regardless of which direction the moral actor sways, there will be a degree of agreement or disagreement to support the actors' position. The need for business leaders to do what is socially acceptable, particularly in light of stringent labour laws across the globe, always creates highly intense environments.
- **Question 3:** Question 3 was designed to validate the direction taken when the judgment in question two was made. It is therefore of insignificant status in terms of Jones (1991) social consensus dimension. It was also placed as a control mechanism to test consistency with the judgment of the situation as determined in question one. Question 3 therefore presents a low moral intense situation.

- **Question 4:** Question 4 increases the scales, presenting a high moral intensity situation. The introduction of new information forces the moral agent to calibrate the current position taken so far. Training of business leaders in general propel business leaders to take decisions in line with facts presented. Often the facts presented are incongruent with the disposition of those who have to take the decision. As in this question, it is by research design that, by the time question four is reached, the moral agent would have settled in a comfortable ethical position of his own under the defence of ambiguity. The introduction of new facts, by research design, is a disturbance to this comfort. Hence, this question, by no doubt, presents a high morally intense situation.
- **Question 5:** Similar to question four, question five introduces new facts, which increases the urgency of the decision to be taken. This in effect renders the situation highly intense. Further information is provided concerning the clients' position on the deal. In this question, the intensity lies in the need to take a quick decision in light of increasingly overwhelming evidence. Question 5 therefore presents a high morally intense situation.
- **Question 6:** Question six for the first time calls on the personal impact of the case to the moral agent. The use of the words 'you' and 'yourself' no longer creates a typical business environment. At this level, the information presented renders the situation personally unique, in that no longer is it a quality versus profit decision; it is now a quality versus 'me' decision. This renders this question highly morally intense.
- **Question 7:** The last question of the instrument is designed to diffuse the situation. In this question, all the intensity created in previous questions is eliminated. Additional facts are provided that dispel the myths caused by ambiguity in the case. This question presents a low morally intense situation.

The Moral Intensity instrument was measured on a five-point Likert scale. It presented satisfactory validity and reliability results. When tested on a factor analysis, it presented a factor of one, in line with the theory that moral intensity, though it comprises of six dimensions; it remains one variable, regardless of how many of the six dimensions are present in a situation. The detailed results of this instrument will be discussed in the next chapter.

## **4.4 Data Collection**

### **4.4.1 Medium of Collection: Participant Workbook**

The medium of collection was a self-administering 'Participant Workbook' comprising of the cover letter, the Moral Intensity (MI) questionnaire, the Ethics Positioning Questionnaire (EPQ), the Woodard-Pury Courage Scale (WPCS-23), and the demographics questions; in that order. This was an all-inclusive ten-page workbook, each coded with a unique respondent number in order to control for anonymity. The workbook was tested to take approximately 20 minutes to complete.

### **4.4.2 Collection Environment**

In order to preserve the element of experimental design, the workbook was administered in an invigilated environment, similar to exam conditions. The Gordon Institute of Business Science (GIBS) provided access to the classrooms used by the participating students during class attendance. The collection schedule was synchronized with each cohort's course schedule to allow for ease of participation. Class breaks slots, scheduled in advance with the Programme Managers and the Class Representatives were used to administer the workbook.

During completion, participants were allowed to flag the researcher for questions and to seek further clarity. Choice of tool to complete the questionnaire was not restricted. Participants could complete using pencils and pens of varying colours as preferred. The mode of response was also not restricted. Participants were allowed to cross, circle, tick, or write scale numbers, whichever they felt comfortable with when completing the workbook. This flexibility greatly improved the efficiency of the data collection process.

### **4.4.3 Limitations**

The participating student body comprised of first year Masters of Business Administration (MBA) students belonging to one of four cohorts. The Blue, Green, Yellow, or Red cohort. These cohorts have exactly the same academic programme, the difference lies in the nature of the schedule. This created a difference in the state of mind of the participants

as other cohorts were examined at later slots, post an intense academic programme, while it may have been a different case for others. This lack of perfect consistency greatly showed in the response rate between groups.

Another limitation was the length of the collection medium. Though the participants found the study interesting and were well engaged during the collection process, indeed at ten pages, the instrument was much longer than normal collection instruments. The instrument was originally planned to have a fourth measure, the Attitudes Towards Business Ethics Questionnaire (ATBEQ); a critical construct for business ethics research. However, in foresight, the researcher determined this would have greatly decreased the response rate.

Lastly, as indicated on the Research Design Participation Dashboard on Figure 2, the study had an error rate of 16.57%. This is relatively high and could be attributed to various reasons; one such being the limitation of schedule intensity as discussed. However, upon data capturing of the responses, the researcher found another factor that attributed to this error rate. The three instruments in the workbook were formatted in tables. The rows of these tables were not 'banded', meaning not every second row was displayed in a different colour in order to ease reading. As such, some participants missed other rows not realising that these were not completed. This was the case for over 90% of the workbooks that were found to be in error.

In order to maintain the integrity of the research data collection process, all workbook responses, both complete and incomplete, were captured. Those incomplete or with other errors were marked as invalid for purposes of being easily excluded during the data analysis process.

#### **4.5 Data Analysis**

Due to the uniqueness of this study, the researcher enlisted services of a Chartered Statistician to assist with the data analysis. The services of this professional were scoped to include the analysis of data using statistical tools such as IBM SPSS tool; as well as the knowledge and expertise possessed by this individual. The agreed output was the

delivery of the raw statistical results, and a post briefing session in which the results were discussed. This arrangement greatly contributed to the success of the project.

The basic test conducted on the data was descriptive analysis, instrument validity and reliability tests, and relevant test to respond to the research results. Results will be discussed in detail in the next section.

## **4.6 Ethical Considerations**

The researcher secured Ethical Clearance to proceed with the study prior to data collection. However, further to this, the following to considerations were addressed.

### **4.6.1 Anonymity Controls**

It is important to note that this research required participants to respond in their true self. The results obtained from each respondent indicate the individual's true score of courage, moral philosophy, and how they would respond to various morally intense situations. As such, anonymity was the most important consideration of this research. Though every workbook was uniquely coded with a respondent number in advance, workbooks were randomly distributed. In addition, no names or contact details can be linked to any workbook.

### **4.6.2 Use of Collected Data**

It is also critical to note that consent to participate was only for the data to be used for purposes of responding to the research questions posed by this research. Under no circumstances should this data be binding on any other conditions, except for an academic extension of a similar or related study. Good faith in this regard must be harshly guarded. In addition, permission must be sought from the researcher or the supervisor should this need arise.

## CHAPTER FIVE

### Research Results

#### 5.1 Introduction

The purpose of this chapter is to share the raw statistical results of the data analysis and to interpret them as findings of the study. The discussion of these findings and what they mean in the greater discourse of Applied Business Ethics, both in academia and in business will be discussed in the next chapter of this paper. This chapter will begin by briefly detailing the method in which the data was prepared for statistical analysis; followed by the results of each of the statistical test in line with the research objectives. Due to the complexity of the data collected, a Chartered Statistician was employed for the purposes of conducting the required statistical tests. The IBM SPSS Statistical Tool was the main method of data analysis; with Microsoft excel being the complementary tool.

#### 5.2 Preparing the Data for Analysis

As a prerequisite, the Statistician had requested raw data captured on an excel spreadsheet in raw format. As discussed in the previous section, the medium of collection was an offline and self-administered workbook. Owing to this, the researcher personally undertook the exercise of capturing the responses on a coded excel worksheet. Though this exercise is considered mundane and could have been outsourced, the researcher opted to personally conduct data capturing for various reasons. Firstly, to experience first-hand how the data behaved on treatment. The limitations that resulted in the high error rate discussed in the previous chapter were uncovered during this process. Secondly, to be able to address data analysis issues as they emerged timeously. Lastly, to minimise the risk of erroneous data capturing due to misunderstood core principles and objectives of the study.

As displayed on the screenshots on the table below, there were commonalities in how the data for each instrument was captured. Firstly, each data entry was numbered for purposes of tracking the sample size on the first column of the worksheet. In addition, each data entry was coded with a unique respondent number as displayed on the participant workbook. This was done for the purposes of maintaining the quality of data by having the ability to check against the specific hard copy workbook if indeed the data

captured is correct for that participant. Lastly, the responses were captured in coded numbers as per each instruments' Likert Scale. This means that if the scale were Strongly Agree at a rank of 5; and Strongly Disagree at a rank of 1; the data captured would be the corresponding number 5 or 1 as chosen by the participant. This method greatly improved the efficiency of the data capturing method, and subsequently the quality of the data for statistical analysis purposes.

Unique data preparation key points are discussed for each instrument on the table below.

Table 9: Raw Data Worksheets

Instrument	Raw Data Excel Sheet				Data Preparation Method		
Moral Intensity (MI)	SUBSCALE 1	Magnitude of Consequence (MC)		Social Consensus (SC)		<ul style="list-style-type: none"> <li>The instrument had to be subdivided to two subscales in line with literature.</li> <li>The first scale (Subscale 1) depicts the six dimensions of Moral Intensity (MI), linking each question with the applicable dimension as per research design.</li> <li>The second scale (Subscale 2) depicts the Low and High Moral Intensity variables and the link with the applicable questions in this regard.</li> <li>The two subscales thus introduced new sub-variables that were used for statistical analysis.</li> </ul>	
	SUMMATION TOTALS OF SUBSCALE 1:		MC = 1		SC = 2		
	SUBSCALE 2	Low MI		High MI			
	SUMMATION TOTALS OF SUBSCALE 2:		Low MI = 3		High MI = 4		
	Suggested Question CODES		MI1_MC		MI2_SC		
	Sample Size (N)	RESPONDENT NUMBER	1. Do you think staffing the specific person would lead to the organisation experiencing: 1 = Great harm 2 = Some form of harm 3 = Unsure 4 = Some form of benefit 5 = Great benefit	2. Do you think it would be socially accepted for you to staff the specific person for the role in order to secure the deal – knowing that they will not be supported during the: 1 = Not accepted 2 = May not be accepted 3 = Unsure 4 = May be accepted 5 = Accepted	3. Do you think the person would be a good person to work with: 1 = Good 2 = Some 3 = Unsure 4 = Some 5 = Evil		
	1	0350	4	4			
	2	0278	4	3			
	3	0333	3	1			
	4	0314	2	1			
5	0266	2	1				
Ethics Positioning Questionnaire (EPQ)	SUBSCALE 1	IDEALISM (Equals mean of items 1 to 10)				<ul style="list-style-type: none"> <li>The instrument had to be subdivided to two subscales in line with literature.</li> <li>The first scale (Subscale 1) depicts the two main constructs of Personal Moral Philosophy (PMP), Relativism, and Idealism, as designed by the author of this instrument.</li> <li>The second scale (Subscale 2) depicts the four ethical ideologies proposed as per literature, as the outcomes of this instrument. A number of statistical computations were required to apply this scale. These will be shared in later</li> </ul>	
	SUMMATION TOTALS OF SUBSCALE 1:		Relativism = 10 Idealism = 10				
	SUBSCALE 2	1. Situationists = High Relativism; High Idealism 2. Subjectivists = High Relativism; Low Idealism			3. Absolutists = 4. Exceptionists		
	SUMMATION TOTALS OF SUBSCALE 2:		*NB: Will depend on score for subscale 1				
	Suggested Question CODES		EPQ1	EPQ2	EPQ3		EPQ4
	Sample Size (N)	RESPONDENT NUMBER	1. People should make certain that their actions never intentionally harm another even to a small extent. 1 = Completely disagree 2 = Largely disagree 3 = Slightly disagree 4 = Neither agree nor disagree 5 = Slightly agree 6 = Largely agree 7 = Completely agree	2. Risks to another should never be tolerated, irrespective of how small the risks might be. 1 = Completely disagree 2 = Largely disagree 3 = Slightly disagree 4 = Neither agree nor disagree 5 = Slightly agree 6 = Largely agree 7 = Completely agree	3. The existence of potential harm to others is always wrong, irrespective of the harm. 1 = Completely disagree 2 = Largely disagree 3 = Slightly disagree 4 = Neither agree nor disagree 5 = Slightly agree 6 = Largely agree 7 = Completely agree		4. One should never psychologically or physically harm another person. 1 = Completely disagree 2 = Largely disagree 3 = Slightly disagree 4 = Neither agree nor disagree 5 = Slightly agree 6 = Largely agree 7 = Completely agree
	1	0350	7	5	3		
	2	0278	6	6	6		
	3	0333	7	7	7		
	4	0314	6	3	6		
5	0266	6	7	5			

Instrument	Raw Data Excel Sheet	Data Preparation Method																																																																								
		<p>sections of this chapter.</p> <ul style="list-style-type: none"> <li>The two subscales thus introduced new sub-variables that were used for statistical analysis.</li> </ul>																																																																								
Woodard-Pury Courage Scale (WPCS-23)	<table border="1"> <tr> <td colspan="2">SUBSCALE 1</td> <td colspan="3">1. WILLINGNESS TO ACT = All (a) responses</td> <td colspan="2">2. FEAR OF ACT = All (b) responses</td> </tr> <tr> <td colspan="2">SUMMATION TOTALS OF SUBSCALE 1:</td> <td colspan="2">Willingness To Act = 23</td> <td colspan="2">Fear of Act = 23</td> </tr> <tr> <td colspan="2">SUBSCALE 2</td> <td colspan="2">SOCIAL COURAGE (S)</td> <td colspan="2">PHYSICAL COURAGE (P)</td> </tr> <tr> <td colspan="2">SUMMATION TOTALS OF SUBSCALE 2:</td> <td colspan="2">Social Courage (S) = 8</td> <td colspan="2">Physical Courage (P) = 8</td> </tr> <tr> <td colspan="2">Suggested Question CODES</td> <td>C1a</td> <td>C1a</td> <td colspan="2">C2a</td> </tr> <tr> <td rowspan="2">Sample Size (N)</td> <td rowspan="2">RESPONDENT NUMBER</td> <td colspan="2">1. I would accept an important project at my place of employment even though it would bring intense public criticism and publicity.</td> <td colspan="2">2. If it looked like someone would intervene directly, I would intervene directly.</td> </tr> <tr> <td>(a) DISAGREE/ AGREE 1 = Strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly agree</td> <td>(b) HOW MUCH FEAR? 1 = Little fear 2 = Mild fear 3 = Moderate fear 4 = Strong fear 5 = Very high fear</td> <td>(a) DISAGREE/ AGREE 1 = Strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly agree</td> <td colspan="2"></td> </tr> <tr> <td>1</td> <td>0350</td> <td>4</td> <td></td> <td>2</td> <td>4</td> </tr> <tr> <td>2</td> <td>0278</td> <td>4</td> <td></td> <td>3</td> <td>4</td> </tr> <tr> <td>3</td> <td>0333</td> <td>1</td> <td></td> <td>2</td> <td>5</td> </tr> <tr> <td>4</td> <td>0314</td> <td>4</td> <td></td> <td>4</td> <td>4</td> </tr> <tr> <td>5</td> <td>0266</td> <td>4</td> <td></td> <td>3</td> <td>3</td> </tr> </table>	SUBSCALE 1		1. WILLINGNESS TO ACT = All (a) responses			2. FEAR OF ACT = All (b) responses		SUMMATION TOTALS OF SUBSCALE 1:		Willingness To Act = 23		Fear of Act = 23		SUBSCALE 2		SOCIAL COURAGE (S)		PHYSICAL COURAGE (P)		SUMMATION TOTALS OF SUBSCALE 2:		Social Courage (S) = 8		Physical Courage (P) = 8		Suggested Question CODES		C1a	C1a	C2a		Sample Size (N)	RESPONDENT NUMBER	1. I would accept an important project at my place of employment even though it would bring intense public criticism and publicity.		2. If it looked like someone would intervene directly, I would intervene directly.		(a) DISAGREE/ AGREE 1 = Strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly agree	(b) HOW MUCH FEAR? 1 = Little fear 2 = Mild fear 3 = Moderate fear 4 = Strong fear 5 = Very high fear	(a) DISAGREE/ AGREE 1 = Strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly agree			1	0350	4		2	4	2	0278	4		3	4	3	0333	1		2	5	4	0314	4		4	4	5	0266	4		3	3	<ul style="list-style-type: none"> <li>The instrument had to be subdivided to two subscales in line with literature.</li> <li>The first scale (Subscale 1) depicts the two main constructs of Courage as designed by the authors of this instrument, 'Willingness to Act' and 'Fear of the Act'.</li> <li>The second scale (Subscale 2) depicts the three types of courage that were built in to this instrument as critical measures of courage, Social, Physical and Emotional courage.</li> <li>The two subscales thus introduced new sub-variables that were used for statistical analysis.</li> </ul>
	SUBSCALE 1		1. WILLINGNESS TO ACT = All (a) responses			2. FEAR OF ACT = All (b) responses																																																																				
	SUMMATION TOTALS OF SUBSCALE 1:		Willingness To Act = 23		Fear of Act = 23																																																																					
	SUBSCALE 2		SOCIAL COURAGE (S)		PHYSICAL COURAGE (P)																																																																					
	SUMMATION TOTALS OF SUBSCALE 2:		Social Courage (S) = 8		Physical Courage (P) = 8																																																																					
	Suggested Question CODES		C1a	C1a	C2a																																																																					
	Sample Size (N)	RESPONDENT NUMBER	1. I would accept an important project at my place of employment even though it would bring intense public criticism and publicity.		2. If it looked like someone would intervene directly, I would intervene directly.																																																																					
			(a) DISAGREE/ AGREE 1 = Strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly agree	(b) HOW MUCH FEAR? 1 = Little fear 2 = Mild fear 3 = Moderate fear 4 = Strong fear 5 = Very high fear	(a) DISAGREE/ AGREE 1 = Strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly agree																																																																					
	1	0350	4		2	4																																																																				
	2	0278	4		3	4																																																																				
3	0333	1		2	5																																																																					
4	0314	4		4	4																																																																					
5	0266	4		3	3																																																																					

The excel worksheet prepared as discussed above was then handed over to the Statistician for statistical analysis. The results of the study are discussed in the next sections of this chapter.

### 5.3 Descriptive Results

The study attracted 118 participants who correctly completed the workbook and whose data was considered appropriate to use for data analysis. The demographics of the participants were found to be split as follows:

Table 10: Descriptive Statistics

Demographic Factor	Categories	Frequency	Percentage	Cumulative Percentage
Gender	N/A	2	1,7%	1,7%
	Male	77	65,3%	66,9%
	Female	39	33,1%	100,0%
	<b>TOTAL</b>	<b>118</b>	<b>100%</b>	

Demographic Factor	Categories	Frequency	Percentage	Cumulative Percentage
Race	Black	47	39,8%	39,8%
	Indian	21	17,8%	57,6%
	Coloured	5	4,2%	61,9%
	White	40	33,9%	95,8%
	Other	2	1,7%	97,5%
	N/A	3	2,5%	100,0%
	<b>TOTAL</b>		<b>118</b>	<b>100%</b>

The 'N/A' category was an option provided to the participants who did not want to share their demographical status. Checks with the Gordon Institute of Business Science (GIBS) Programme Management have proved that this demographical distribution is in line with the demographical split on student enrolment records.

#### 5.4 The Analysis of the Ethics Positioning Questionnaire (EPQ)

The instrument used to measure Personal Moral Philosophy (PMP) in this study was the Ethics Positioning Questionnaire (EPQ) designed by Forsyth (1980). This instrument has been used consistently by academics in the field of business ethics and has proven to be a valid instrument of measurement each time.

##### 5.4.1 Confirmatory Factor Analysis (CFA)

However, what has been of key interest to academics regarding this instrument has not been its validity, but rather the determination of whether the two major constructs built into this model; Relativism and Idealism; are still the two major dimensions of this instrument. As discussed in the previous chapter, a Confirmatory Factor Analysis (CFA) test was conducted on this instrument.

A Confirmatory Factor Analysis (CFA) conducted using a statistical tool AMOS confirmed a perfect split of the two major dimensions, Relativism and Idealism, as proposed by Forsyth (1980). This is contrary to previous studies by Price (2012) who, similar to Davis, Andersen and Curtis (2001) found a third dimension they termed

'Veracity' on two of their studies. A depiction of this study's Ethics Positioning Questionnaire (EPQ) Confirmatory Factor Analysis (CFA) model is displayed below.

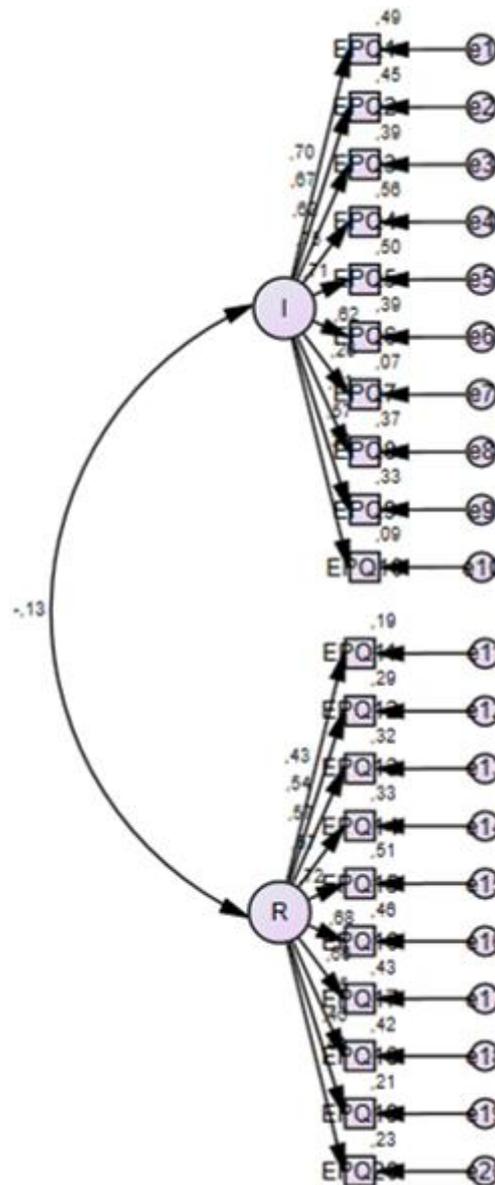


Figure 3: Confirmatory Factor Analysis Model for the Ethics Positioning Questionnaire (EPQ)

The first test conducted for the purposes of the Confirmatory Factor Analysis (CFA) was the Test of Absolute Fit on the following hypothesis.

$H_0$ : The model fits the data

$H_A$ : The model does not fit the data

These hypotheses were tested on an alpha of 0.05. The AMOS results showing that

the minimum standards were achieved are displayed on the table below:

*Table 11: AMOS Default Model Statistical Results*

Default model	
Chi-square	334,600
Degrees of freedom	169
Probability level	0.000

The default model above indicates that the p value of 0.000 is less than the alpha of 0.05. This means that we cannot accept  $H_0$ . It is clear from these results that there is insufficient evidence that the model fits the data acceptably well in the population from which the researcher drew the sample. Despite this finding, it was necessary for the researcher to conduct a further Test of Relative Fit.

In this regard, some various descriptive fit statistics were utilised to assess the overall fit of the model to the data. Various rules of thumb for each of these fit statistics have been defined in the statistics field of study. The following tests on AMOS were done to ascertain the relative fit of the data to the model. Firstly, the Root Mean Squared Error of Approximation (RMSEA) test was conducted. For a close fit, the alpha score must be approximately 0.05 or less to indicate a close fit of the model to the data. The results were as follows:

*Table 12: Root Mean Squared Error of Approximation (RMSEA) Statistical Results*

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	,092	,077	,106	,000
Independence model	,184	,172	,196	,000

From the table above it can be seen that the RMSEA of 0.092 is greater than the required alpha of 0.05. This therefore means that there is not a close fit of the model to the data.

Another measure of fit is the Baseline Comparison, which uses various type of fit indexes to measure the baseline comparison of the research data to the model. The researcher proceeded to conduct this statistical test on AMOS. In this case, the NFI (Normed Fit Index) value should be at least close to 0.95 and the RFI (Relative Fit Index), IFI (Incremental Fit Index), TLI (Tucker-Lewis Index), and CFI (Comparative Fit Index) values should be close to 1 to indicate a very good fit.

The output of the results was as follows:

*Table 13: CFA Baseline Comparison Statistical Results*

Model	NFI	RFI	IFI	TLI	CFI
	Delta1	rho1	Delta2	rho2	
Default model	,643	,599	,784	,751	,778
Saturated model	1,000		1,000		1,000
Independence model	,000	,000	,000	,000	,000

It can be seen from the table above that the NFI value of 0.643 is slightly close to 0.95. In addition, RFI measured 0.599, IFI measure 0.784, TLI measured 0.751 and CFI measured 0.778. The researcher considers these scores to be quite close to 1. This thus indicates a relatively good fit of the model to the data. The fact that the baseline comparison produced positive results, the researcher proceeded with the interpretation of the parameter estimates. A Significance Test of Individual Parameters conducted these.

The AMOS output in the table below shows the unstandardized regression coefficients. Each unstandardized regression coefficient represents the amount of change in the dependent variable for each unit change in the variable predicting it. The table below also shows the unstandardized estimate, its standard error (S.E.) and the estimate divided by the standard error (Critical Ratio – C.R). When the critical ratio is > 1.96 for a regression weight, that path is significant at the 0.05 level of significance. In addition, under the p-value column, three asterisks (\*\*\*) indicate that an item is significant at  $p < 0.001$ .

Table 14: Significance Test of Individual Parameters - Regression Weights Statistical Results

			Estimate	S.E.	C.R.	P	Label
EPQ1	<---	I	1,000				
EPQ2	<---	I	1,164	,177	6,571	***	
EPQ3	<---	I	1,059	,173	6,111	***	
EPQ4	<---	I	1,039	,144	7,221	***	
EPQ5	<---	I	,856	,124	6,895	***	
EPQ6	<---	I	,898	,147	6,106	***	
EPQ7	<---	I	,460	,177	2,590	,010	
EPQ8	<---	I	,770	,130	5,947	***	
EPQ9	<---	I	1,092	,194	5,620	***	
EPQ10	<---	I	,495	,164	3,012	,003	
EPQ11	<---	R	1,000				
EPQ12	<---	R	1,405	,374	3,760	***	
EPQ13	<---	R	1,397	,362	3,861	***	
EPQ14	<---	R	1,311	,339	3,872	***	
EPQ15	<---	R	1,884	,444	4,240	***	
EPQ16	<---	R	1,732	,417	4,155	***	
EPQ17	<---	R	1,549	,377	4,113	***	
EPQ18	<---	R	1,428	,350	4,082	***	
EPQ19	<---	R	1,257	,364	3,455	***	
EPQ20	<---	R	1,284	,364	3,529	***	

It is evident from the above table that all the paths; with the exception of EPQ7 and EPQ10, are significant since their critical ratios are all greater than 1.96 and the p-value column has three asterisks (\*\*\*) indicating that all items are significant at  $p < 0.001$ .

It is therefore certain from the Confirmatory Factor Analysis that though the Ethics Positioning Questionnaire (EPQ) was found to not have been a good fit for the data collected in this research, its validity for measuring the construct of Personal Moral Philosophy passed the test of significance for 18 of the 20 instrument parameters.

#### 5.4.2 The Four Ethical Ideologies

In order to determine the four ethical ideologies using the Relativism and the Idealism scores computed from the Ethics Positioning Questionnaire (EPQ), a test of normality

had to be conducted on the data. This is due to the guidelines provided by Forsyth (1980) on his design of this instrument that the ranking of each respondent on the Idealism and Relativism scale, will determine one of the four ethical ideologies the individual possess. This has been discussed extensively in the literature of this paper.

However, for purposes of testing Personal Moral Philosophy, it was critical for the research to compute the applicable ethical ideology for each respondent using Forsyth (1980) guidelines. To recap, Forsyth (1980) prescribed that those who rank High on Idealism and High on Relativism be classified as Situationists. Those who rank Low on Idealism and High on Relativism be classified as Subjectivists. Those who rank High on Idealism and Low on Relativism be classified as Absolutists. Lastly, those who rank Low on Idealism and Low on Relativism be classified as Exceptionists.

Designed for this study, the researcher determined that a Test of Normality be conducted on the data to determine the nature of the distribution of the scores. The midpoint of the distribution was determined to be the point of difference for the classification of High and Low ratings on the scale. The distribution was found to be Normal for both the Idealism scale and the Relativism scale, with mean scores of 52.94 and 39.73 respectively. As a result, for each scale, all scores below the Mean were classified as Low for that dimension; and all those ranking equal to or above the Mean were classified as High for that dimension.

By use of the prescribed combinations of High and Low Rankings, each participant was then categorise as one of the four ethical ideologies. The spread of participants across the four categories was as follows:

*Table 15: Frequency Distribution for Ethical Ideologies*

<b>Category Statistical Code</b>	<b>Category</b>	<b>Frequency</b>	<b>Percentage</b>	<b>Cumulative Percentage</b>
1	Situationist	33	27,97%	27,97%

Category Statistical Code	Category	Frequency	Percentage	Cumulative Percentage
2	Subjectivists	28	23,73%	51,69%
3	Absolutists	37	31,36%	83,05%
4	Exceptionist	20	16,95%	100,00%
<b>TOTAL</b>		<b>118</b>	<b>100,00%</b>	

In order to proceed with the data analysis, each category was coded with a unique number for statistical purposes. This number is shown on the table above. It is important to note that though this unique identifier is numerical, the data is still categorical. As such, a reference to these categories will be of whole number of one, two, three, or four, referring to each of the categories. This category of data was entered as a categorical variable 'EPQ Category' on statistical tests that required its participation.

### 5.5 Reliability of Instruments

According to Revelle and Zinbarg (2009) the reliability of an instrument refers to the extent to which it is internally consistent in how it measures a construct. A statistical test measuring a Cronbach alpha is the best measure of an instrument's reliability. Revelle and Zinbarg (2009) in their study of reliability of instruments proposed various estimates that can be used as benchmark for all instrument measures. They proposed the following scores for reliability:

*Table 16: Reliability of Instruments Scoring Benchmarks*

Cronbach Alpha Score	Benchmark Description
≥ 0.9	Excellent
≥ 0.8	Good
≥ 0.7	Acceptable
≥ 0.6	Questionable
≥ 0.5	Poor

Cronbach Alpha Score	Benchmark Description
< 0.5	Unacceptable

Adapted from Revelle and Zinbarg (2009)

Consistent with the table above, a Cronbach Alpha score of 0.7 is generally considered good for most instruments. This score was applied as the benchmark for the analysis of this study's three measurement instruments.

### 5.5.1 Moral Intensity (MI)

The Moral Intensity (MI) had seven questions. Scoring a Cronbach Alpha of 0.577, it was determined to have a poor level of internal consistency. This is ofcourse can be attributed to the fact that this instrument was designed by the researcher based on a manipulation of sub-variables for purposes of experimentally creating a morally intense environment. The researcher determined pre-validation to not be necessary in this regard.

### 5.5.2 Personal Moral Philosophy (PMP)

The Ethics Positioning Questionnaire (EPQ) was expected to score high levels of internal consistency due to its strong background of use in this field of study. Due to the fact that it measures two major dimensions of Idealism and Relativism, for purposes of measuring internal consistency, this instrument was split into two instruments of ten questions each. Forsyth (1980) designed the instrument such that questions 1 to questions 10 measure Idealism and questions 11 to questions 20 measure Relativism.

Both sub-instruments scored very well for internal consistency. The Relativism instrument measured a Cronbach alpha of 0.824; and the Idealism instrument measured a Cronbach alpha of 0.831. This means the two instruments can be trusted to effectively measure these two dimension, as per design.

### 5.5.3 Courage (C)

The measure of courage used for this study is the most complex. It covers a range of two-dimensional 23 questions measuring an individual's level of courage. Firstly, it measures courage on two major variables 'Willingness' and 'Fear'. According to Woodard and Pury (2004), the product of these two is the ultimate courage score. This study has marked this score as 'Total Courage'. Secondly, it measures the courage by asking situational questions across three categories of courage, Social, Physical and Emotional courage.

The eight questions measuring **Social Courage** from the Woodard-Pury Courage Scale–23 (WPCS-23) are the following:

- Q1:** I would accept an important project at my place of employment even though it would bring intense public criticism and publicity.
- Q4:** I would risk rejection by important others for a chance at achieving my life goals.
- Q6:** I am able to participate in intense conflict in a work environment for the right cause.
- Q7:** I would talk to my supervisor about a raise if I really needed one.
- Q10:** Intense social pressure would not stop me from doing the right thing.
- Q16:** I would go where I wanted to go and do what I wanted to do, even though I might be bullied as an ethnic minority.
- Q17:** I would open myself to professional criticism by publishing my work.
- Q18:** I could move to a foreign country to have the perfect job.

The twelve questions measuring **Physical Courage** from the Woodard-Pury Courage Scale–23 (WPCS-23) are the following:

- Q2:** If it looked like someone would get badly hurt, I would intervene directly in a dangerous domestic dispute.
- Q5:** If called upon during times of national emergency, I would give my life for my country.
- Q8:** I would go to the dentist and have painful surgery if it meant saving a tooth.
- Q9:** I would risk my life if it meant lasting world peace.
- Q11:** I would refuse the order of a commanding officer if it meant hurting someone needlessly.
- Q12:** I could do without the Absolute necessities of life if there were others in greater

need.

**Q13:** I would confront a parent abusing his or her child in public.

**Q14:** I would walk across a dangerously high bridge to continue on an important journey.

**Q15:** I would endure physical pain for my religious or moral beliefs.

**Q20:** I would undergo physical pain and torture rather than tell political secrets

**Q22:** I would return into a burning building to save a family pet I loved dearly.

**Q23:** I would have hidden Jewish friends during the time of the Holocaust.

The three questions measuring **Emotional Courage** from the Woodard-Pury Courage Scale–23 (WPCS-23) are the following:

**Q3:** I could approach someone whose family members had just been killed, knowing they were feeling overwhelming grief.

**Q19:** I could keep my wits about me if I were lost in the woods at night.

**Q21:** I could work under the stress of an emergency room if needed.

The Cronbach alpha for each of these sub-measures is shown on the table below.

*Table 17: Reliability Scores of the Courage Construct*

<b>Courage Dimension</b>	<b>Computation Notes</b>	<b>Cronbach Alpha</b>	<b>Benchmark</b>
Total Courage	Computed by multiplying each participants Willingness '(a)' responses with Fear '(b)' responses. I.e. Willingness x Fear	0.864	Good
Willingness	Only the (a) question responses.	0.760	Acceptable
Fear	Only the (b) question responses.	0.905	Excellent
Social	Only the 'Total Courage', i.e. Willingness x Fear; scores of all Social Courage category questions considered.	0.715	Acceptable
Physical	Only the 'Total Courage', i.e. Willingness x Fear; scores of all Physical Courage category questions considered.	0.778	Acceptable
Emotional	Only the 'Total Courage', i.e. Willingness	0.482	Unacceptable

Courage Dimension	Computation Notes	Cronbach Alpha	Benchmark
	x Fear; scores of all Emotional Courage category questions considered.		

As can be seen on the table above, the courage scale measured very well across the board, proving to be a credible measure of courage. Two areas to note are the polarised scores of the Fear scale; and the Emotional scale; each scoring on the extremes with a Cronbach alpha of 0.905 and 0.482 respectively. Not much can be deciphered at this stage why these two sub-variables behaved in this manner. However, for Emotional Courage, it is clear that three questions were not enough to adequately test for it.

## 5.6 Research Questions

### 5.6.1 The relationship between Courage and Personal Moral Philosophy

In order to measure the relationship between the variable Courage (C) and the variable Personal Moral Philosophy (PMP), under conditions of Moral Intensity (MI), a correlation analysis using a statistical tool and an appropriate test had to be conducted. Hair, Sarstedt, Hopkins and Kuppelwieser (2014) suggest that a correlation analysis is the measure of the extent of the relationship between two or more variables. The IBM SPSS statistical analysis tool provides a Pearson's correlation test for this purpose. Similar to benchmarks scores studied by academics in the reliability of instruments field, Cohen (1988) proposed that the relationship between variables, using Pearson's r-score, could be interpreted as follows:

*Table 18: Pearson's Correlation Thresholds*

Pearson's Correlation r-Score Ranges	Interpretation
(+/-) 0.10 to 0.29	Low correlation
(+/-) 0.30 to 0.49	Moderate correlation
(+/-) 0.50 to 1.0	Strong correlation

Adapted from Cohen (1988)

A positive correlation relationship can be interpreted to mean that as scores of one variable increase, the scores of the other variable will increase too. A negative relationship is the inverse of this, in which when scores of one variable increase, the scores of another variable decrease. Generally, the smaller the p value, the higher the R-value. This is the ideal outcome. It is also critical to note that correlation does not mean that there is an impact between the two variables. In its nature, correlation is not causal.

Though this study took note of those relationships that were significant at a p-value of 0.01 where there was necessary warrant to do so, it generally adopted a norm of a p-value of 0.05.

The following hypothesis was presented for this test:

**H<sub>0</sub>:** There is no relationship between courage and personal moral philosophy in a morally intense situation

**H<sub>1</sub>:** There is a relationship between courage and personal moral philosophy in a morally intense situation.

The objective was to reject the null hypothesis at p-values lower than 0.05.

Prior to sharing the statistical results of the Pearson's correlation, it is important to indicate how each of the three variables was represented.

*Table 19: Research Question 1 Variables*

Hypothesis Variable	Participating Variables
Courage (C)	<ul style="list-style-type: none"> <li>• Total Courage</li> <li>• Willingness</li> <li>• Fear</li> <li>• Social Courage</li> <li>• Physical Courage</li> <li>• Emotional Courage</li> </ul>

Hypothesis Variable	Participating Variables
Personal Moral Philosophy (PMP)	<ul style="list-style-type: none"> <li>• Relativism</li> <li>• Idealism</li> <li>• EPQ Categories               <ul style="list-style-type: none"> <li>- 1 - Situationists</li> <li>- 2 - Subjectivists</li> <li>- 3 - Absolutists</li> <li>- 4 - Exceptionists</li> </ul> </li> </ul>
Moral Intensity (MI)	<ul style="list-style-type: none"> <li>• High Moral Intensity</li> <li>• Low Moral Intensity</li> </ul>

The method of correlation used was to firstly correlate the Courage (C) subscales with the two levels of Moral Intensity (MI). Then to correlate the total courage and subscales with the four Ethics Positioning Questionnaire (EPQ) categories. It is depicted from the table that the total permutation of relationships that were tested is over 50 due to the multidimensional nature of this study. For purposes of sharing the research findings, only key results are discussed. The table below shows the interesting results of the correlation that were discovered from the data analysis:

*Table 20: Research Question 1 Correlation Results*

Hypothesis variable	Relationship tested	R scores
Personal Moral Philosophy (PMP)	Relativism and High MI	0.256**
Courage (C)	Willingness and High MI	-0.326**
	Fear and Willingness	-0.202*
	Total Courage and Willingness	0.271**
	Total Courage and Fear	0.866**
	Total Courage and Emotional Courage	0.798**
	Total Courage and Social Courage	0.838**
	Total Courage and Physical Courage	0.926**
	Social Courage and Relativism	-0.190*
	Social Courage and Fear	0.815**
	Emotional Courage and Willingness	0.222*
	Emotional Courage and Fear	0.667**

Hypothesis variable	Relationship tested	R scores
	Emotional Courage and Physical Courage	0.644**
	Emotional Courage and Social Courage	0.651**
	Physical Courage and Willingness	0.358**
	Physical Courage and Fear	0.753**
	Physical Courage and Social Courage	0.594**

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

As can be seen from the table above, very few relationships showed at significant relationship at the p-value of 0.05. The only three relationship, which all scored in the low correlation range at this acceptable significant level, was the relationship between Fear and Willingness; the relationship between Social Courage and Relativism; and the relationship between Emotional Courage and Willingness. These relationship each scored R-values of -0.202, -0.190 and 0.222, respectively, at a 5% significant level. These are quite interesting results and will be discussed fully in the next chapter.

Furthermore, the researcher discovered that that were a lot more relationships that were highly strong, scoring R values greater than 0.5 at p-values of 0.01. Though the researcher undertook to reject the null at a p-value of 0.05, these results will also be discussed, particularly with a key interest to revisit literature and conduct a comparative review of their outcome.

In response then to the Hypothesis tested for Research Question 1, and in commitment to the measure at a significance level of 0.05; the results of this test compel the researcher to accept the null hypothesis that there is no relationship between courage and personal moral philosophy in a morally intense situation.

### **5.6.2 Personal Moral Philosophy predicts action in a Morally Intense situation**

This research question set out to investigate if an individual's Personal Moral Philosophy (PMP) is a predictor of an intention to act in a particular way, when placed in a Morally Intense situation. In order to effectively respond to this research question, various

statistical test had to be conducted. Firstly, a number of linear regression tests using Spearman's Correlations were conducted. Beta coefficients for each of the regression output were used as acceptance criteria. Secondly, Analysis of Variance (ANOVA) tests were conducted as a subsequent analysis to determine if there is a significant difference among the tested variables.

The following hypotheses were submitted for this research question:

**H<sub>0</sub>:** An individual's personal moral philosophy does not predict intention to act in a morally intense situation.

**H<sub>1</sub>:** An individual's personal moral philosophy is a predictor of intention to act in a morally intense situation.

The variables for this test were the same as those used for the analysis of Research Question 1. Similarly, the null hypothesis will be rejected at p-values lower than 0.05

The method of analysis was to test, by regression, if the Personal Moral Philosophy (PMP) variables Idealism and Relativism can predict different forms of Moral Intensity (MI). Secondly, a correlation test was conducted between High Moral Intensity (MI); Low Moral Intensity (MI); and the four different Ethical Ideologies presented through the variable 'EPQ Categorisation'. Lastly, a One-way ANOVA test was conducted between the four EPQ categories and Moral Intensity (MI).

#### **5.6.2.1 Linear Regression Analysis**

The table below shows the linear regressions for the outputs that are key to discuss in this paper.

Table 21: Research Question 2 Linear Regression Results

Hypothesis variable	Relationship tested	Spearman's rho, Correlation Coefficient
Personal Moral Philosophy (PMP)	EPQ Category and High MI	-0.201*
	EPQ Category and Social Courage	0.195*
Courage (C)	Willingness and Total Courage	0.220*
	Willingness and Physical Courage	0.313**
	Willingness and Emotional Courage	0.199*
	Fear and Physical Courage	0.754*
	Fear and Social Courage	0.803**
	Fear and Emotional Courage	0.637**
	Fear and Total Courage	0.874**
	Physical Courage and Total Courage	0.907**
	Social Courage and EPQ Category	0.195*
	Social Courage and Total Courage	0.806**
	Social Courage and Physical Courage	0.554**
	Emotional Courage and Total Courage	0.757**
	Emotional Courage and Social Courage	0.582**

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

The interpretation scores for the Spearman's correlation are similar as those used for the Pearson correlation for Research Question 1. As can be seen from the table above, there were a number of significant correlations between the tested variables at a p-value of 0.05. It is important to remember that the computation of the EPQ categories designed them to be categorical data, ranked from 1 to 4. This therefore means that as the ranking of EPQ categories increase from Category 1 to Category 4, levels of High Moral Intensity (MI) decreased significantly. However, a Beta coefficient of 0.201 means that this correlation is low.

Notice that the rest of the results shared reflect the introduction of Courage and it test of whether it can predict action in a Morally Intense (MI) situation, given an individual's Personal Moral Philosophy (PMP). This is due to the fact that in the absence of a

significance prediction of PMP, the researcher undertook to additionally investigate the possibility of Courage having this role. Interesting to note from these additional results is low correlation score of 0.195 at a p-value of 0.05 that indicates the positive relationship between Social Courage and the EPQ Categories. This means that as one from the lower rank 1 of EPQ Categories to the higher rank of 4, there is level of increase on the Social Courage scores of those individuals as well. Though these results are not contributing to this research question, it is the researchers' assertion that they may be useful in the sequel of similar or related studies within this academic field of research.

Based on the Linear Regression test, the researcher accepts the null hypothesis that Personal Moral Philosophy (PMP) is not a predictor of an intention to act when placed in a Morally Intense situation.

### 5.6.2.2 One-Way ANOVA Analysis

There was a concern about the sole use of Linear Regression in order to test Research Question 2's hypothesis. As an alternative, a one-way ANOVA test, with Post-Hoc assessment has the capability of testing for prediction as well. The Post-Hoc test compares the different EPQ Categories amongst each other more closely. Due to the fact that an ANOVA test can only test one direction at a time, the Independent Variables (IV) and Dependent Variables (DV) were setup as displayed on the table below for each run of the one-way ANOVA test.

*Table 22: Research Question 2 One-Way ANOVA Variables Entered*

<b>One-Way ANOVA Test series</b>	<b>Independent Variable (IV)</b>	<b>Dependent Variable (DV)</b>
1	EPQ category	Total MI
2	EPQ category	Low MI
3	EPQ category	High MI

The descriptive results of the one-way ANOVA showed a very close reaction between

the Subjectivist and the Absolutist when they were tested against the variable High Moral Intensity; where the Subjectivists were found to have scored higher means on conditions of High Moral Intensity (MI) than Absolutist has. When a multiple comparison test using Tukey HSD was conducted, a p-value of 0.29 was determined for the Subjectivist and Absolutist when they were placed under conditions of High Moral Intensity (MI). This is highly significant at a p-value of 0.05. However, it must be added that this significance did not display on the T-Test results. In addition, the ANOVA results are displayed on the table below.

*Table 23: Research Question 2 One-Way ANOVA Results*

<b>Variables Entered</b>	<b>ANOVA p-value</b>
EPQ Categories on conditions of Total MI	0.025*
EPQ Categories on conditions of High MI	0.025*
EPQ Categories on conditions of Low MI	0.090

\*. Significant at the 0.05 level

It is evident from the results that each of the four EPQ Categories had a significant reaction to the Moral Intensity (MI) case study designed by the study; and consistently when the Moral Intensity (MI) conditions were High; both circumstances scoring a sig value of 0.025. It is very fitting that when the EPQ Categories did not have significant results when placed under conditions of Low Moral Intensity (MI), scoring an insignificant sig score of 0.090. This will be discussed in detail in the next chapter.

Similarly as the Linear Regression, the researcher requested the introduction of Courage as part of this analysis. Interestingly, Social Courage had a significant difference between Situationist and Absolutist, scoring a p-value of 0.43. This was significant at a p-value of 0.05 when tested on the Multiple Comparisons – Tukey HSD statistical test.

Contrary to the Linear Regression; on the basis of the one-way ANOVA, the researcher rejects the null hypothesis that an individual's Personal Moral Philosophy (PMP) does not predict an intention to act when placed in a Morally Intense (MI) situation.

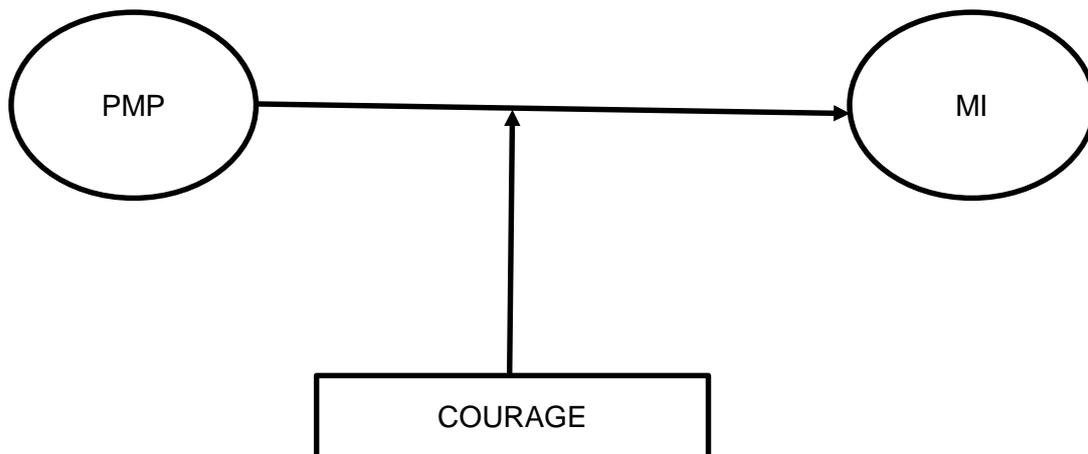
### 5.6.3 Courage moderates the effect of Personal Moral Philosophy

The third research question of this paper seeks to investigate if the construct of Courage moderates the effect of Personal Moral Philosophy (PMP) in a Morally Intense (MI) situation. The following hypotheses have been presented for this research question.

**H<sub>0</sub>:** The effect of an individual's personal moral philosophy will not be moderated by levels of courage in a morally intense situation.

**H<sub>1</sub>:** The effect of an individual's personal moral philosophy will be moderated by levels of courage in a morally intense situation.

According to Frazier, Tix and Barron (2004), a test of moderation measures the interaction effect between variables. The moderation directional flow tested by this paper is displayed on the diagram below:



*Figure 4: Research Question 3 Moderation Model*

In order to conduct an effective Moderation analysis, a series of tests need to be sequentially passed by the tested variables. The following five key steps represent this series of the test of moderation effect.

Table 24: Moderation Analysis Five Key Steps

Step	Key Steps	Decision
1	Does PMP predict Total MI?	<ul style="list-style-type: none"> <li>• If yes, continue to Step 2.</li> <li>• If no, Moderation cannot be tested for further.</li> </ul>
2	Does Courage predict Total MI?	<ul style="list-style-type: none"> <li>• If yes, continue to Step 3.</li> <li>• If no, Moderation cannot be tested for further.</li> </ul>
3	Is there an interaction between PMP and Courage?	<ul style="list-style-type: none"> <li>• If yes, continue to Step 4.</li> <li>• If no, Moderation cannot be tested for further.</li> </ul>
4	Does the relationship between PMP and MI change based on levels of courage?	<ul style="list-style-type: none"> <li>• If yes, continue to Step 5.</li> <li>• If no, Moderation cannot be tested for further.</li> </ul>
5	Do we also have to consider Courage when looking at the relationship between PMP and MI, i.e. Are the results in Step 4 highly significant?	<ul style="list-style-type: none"> <li>• If yes, then Courage has a moderating effect on the relationship between PMP and MI.</li> </ul>

In order to execute the Moderation analysis as per the above series of steps, Linear Regression tests we conducted for each question. The results were as follows:

Table 25: Research Question 3 Moderation Test Results

LINEAR REGRESSIONS					
Step	Key Question	Variables Entered	Test Results	Interpretation	Further Consideration & Decision
1	Does PMP predict Total MI?	<u>PMP Variables</u> <ul style="list-style-type: none"> <li>• Relativism</li> <li>• Idealism</li> </ul>	P = 0.249*	One or more PMP variable was significant at predicting Total MI	<u>Beta Coefficients</u> <ul style="list-style-type: none"> <li>• Relativism = 0.018*</li> <li>• Proceed to step 2</li> </ul>
		<u>MI Variables</u> <ul style="list-style-type: none"> <li>• Total MI</li> </ul>			<u>Beta Coefficient</u> <ul style="list-style-type: none"> <li>• Relativism = 0.010*</li> <li>• Proceed to step 2</li> </ul>
		<u>PMP Variables</u> <ul style="list-style-type: none"> <li>• Relativism</li> <li>• Idealism</li> </ul>	P = 0.08*	One or more PMP variables was significant at predicting High MI	<u>Beta Coefficient</u> <ul style="list-style-type: none"> <li>• Relativism = 0.010*</li> <li>• Proceed to step 2</li> </ul>
		<u>MI Variables</u> <ul style="list-style-type: none"> <li>• High MI</li> </ul>			<u>Beta Coefficient</u> <ul style="list-style-type: none"> <li>• Willingness =</li> </ul>
2	Does Courage	<u>PMP Variables</u> <ul style="list-style-type: none"> <li>• Relativism</li> </ul>	P = 0.03*	One or more Courage variables	<u>Beta Coefficient</u> <ul style="list-style-type: none"> <li>• Willingness =</li> </ul>

LINEAR REGRESSIONS					
Step	Key Question	Variables Entered	Test Results	Interpretation	Further Consideration & Decision
	predict Total MI?	<ul style="list-style-type: none"> <li>Idealism</li> </ul> <u>MI Variables</u> <ul style="list-style-type: none"> <li>Total MI</li> </ul> <u>Courage Variables</u> <ul style="list-style-type: none"> <li>Willingness</li> <li>Fear</li> </ul>		was significant at predicting Total MI, in the presence of PMP variables	0.006* <ul style="list-style-type: none"> <li>Relativism = 0.027*</li> <li>Proceed to step 3</li> </ul>
		<u>PMP Variables</u> <ul style="list-style-type: none"> <li>Relativism</li> <li>Idealism</li> </ul> <u>MI Variables</u> <ul style="list-style-type: none"> <li>High MI</li> </ul> <u>Courage Variables</u> <ul style="list-style-type: none"> <li>Willingness</li> <li>Fear</li> </ul>	P = 0.000*	One or more Courage variables was significant at predicting High MI, in the presence of PMP variables	<u>Beta Coefficient</u> <ul style="list-style-type: none"> <li>Willingness = 0.001*</li> <li>Relativism = 0.016*</li> <li>Proceed to step 3</li> </ul>
		<u>PMP Variables</u> <ul style="list-style-type: none"> <li>Relativism</li> <li>Idealism</li> </ul> <u>MI Variables</u> <ul style="list-style-type: none"> <li>High MI</li> </ul> <u>Courage Variables</u> <ul style="list-style-type: none"> <li>Physical</li> <li>Social</li> <li>Emotional</li> </ul>	P = 0.046*	One or more Courage variables was significant at predicting High MI, in the presence of PMP variables	<u>Beta Coefficient</u> <ul style="list-style-type: none"> <li>Relativism = 0.012*</li> <li>Proceed to step 3</li> </ul>
3	Is there an interaction between PMP and Courage?	Tested as part of Step 2	Step 2 Results	Though the PMP variable Relativism showed an interaction with the Courage variable Willingness, the study objectives are centred on Total Courage (i.e. Willingness x Fear) scores	DO NOT PROCEED.
4	Does the relationship between PMP and MI change based on levels of courage?			Not Tested	
5	Do we also have to consider Courage when			Not Tested	

LINEAR REGRESSIONS					
Step	Key Question	Variables Entered	Test Results	Interpretation	Further Consideration & Decision
	looking at the relationship between PMP and MI?				

\*. Significant at the 0.05 level

Based on the statistical results displayed on the table above, the researcher accepts the null hypothesis at a significant level of 0.5 that the effects of an individual's Personal Moral Philosophy will not be moderated by levels of Courage in a Morally Intense Situation.

### 5.7 Summary of Research Results

The results of the data analysis have been very satisfactory to the researcher. The multi-dimensional nature of the three research variables greatly contributed to the complexity of the data analysis. In addition, it is evident from the results that in principle, what the research set out to investigate; the relationship between Courage and Personal Moral Philosophy in a Morally Intense situation; does actually exist. However, the scoping of the research questions contributed greatly to the acceptance of the null hypothesis for most of the research hypothesis. It is very apparent that the sub-variables in each of the three main constructs had a much stronger and significant output across most of the statistical test conducted.

The technical skills of the Statistician also greatly contributed to the very comprehensive analysis of the data in response to the research questions. In addition, the high volume of data received; and the nature in which it was prepared and treated had an effective positive impact on the quality of the statistical tests and the subsequent outputs.

The next chapter will revisit the statistical results and seek to integrate these to the academic discourse of business ethics. The next chapter will discuss these findings deeper, interpreting more qualitatively, what they mean to business leaders and the value that they will add on the current body of knowledge within this field of study.

## CHAPTER SIX

### Discussion of Results

#### 6.1 Introduction

It is the researcher's assertions that this research was executed effectively to meet the research objectives. The study of literature was comprehensive, employing a dimensional matrix approach with focus on various aspects of the academic field. Chronologically, the literature review surveyed the theory of business ethics and how it has evolved over the years. Horizontally on this matrix, the literature studied specific areas of business ethics pertinent to the research questions of this research. Overarching this analysis, the researcher ventured to the field of experimental research, purposefully crafting the comprehensive research design deployed for this study. In addition, during the journey of literature analysis, the researcher discovered that the field of business ethics spans across Psychology, Social, and Leadership fields of study too. The combination of this preparatory work should give confidence to the reader that the findings of this study were ascertained in clinical and military fashion. This speaks to the quality and precision by which the research was conducted.

However, the synopsis above provides insight to the preparation of the researcher. This of course may not yield an effective research programme if the data, the research conditions; and more importantly the treatment and analysis of the data is not of clinical and military standards too. Chapter 4 and Chapter 5, to the readers comfort, provide a detailed account of how this critical process of the study was managed. The use of professional statistical services further insured that there was adherence to all the necessary protocols of data analysis. The quality of the research results speaks to these facts, which indicate that the data was not contaminated both during collection and during analysis.

It is on this basis that the research results can be interrogated against the comprehensive literature and against the research objectives of this paper. Furthermore, at this stage of this report, there is credible readiness to interpret these results in a manner that will render them useful to business as well as to the academic field of Applied Business Ethics. This is the main objective of this chapter.

## 6.2 Analysis and Interpretation of Results

### 6.2.1 The relationship between Courage and Personal Moral Philosophy (RQ1)

The purpose of this research question was to determine if there is a relationship between the variable Courage (C) and the variable Personal Moral Philosophy (PMP) when placed in a Morally Intense (MI) situation. The results obtained accepted the null hypothesis disproving the possibility of this relationship being in place. However recall from Chapter 5 that these three variables were tested at the levels of their sub-variables, effectively changing the scope of this question. The literature review, though accepting the proposition of these three variables being singular, did not assert the need to be specific in quantitative studies of their multi-composition.

The variable Courage (C), for instance, was divided into two dimensions each with sub-variables altogether resulting in six different sub-variables for Courage, one of which was Total Courage, the variable intended for this research. The other five variables were Fear, Willingness, Emotional, Social and Physical Courage. In order to accommodate the formation of this construct, the researcher was apt to decide to include the other five sub-variables on analysis. This resulted in unexpected findings. Even though Total Courage, the intended variable, failed the test, some of the other five variables did not.

Recall from Table 20, the Research Question 1 Correlation Results table, that at a significance level of 0.05; Social Courage tested positive for having a relationship with Relativism, scoring an alpha of -0.190. Though this level of correlation is deemed low by Cohen (1988), it is still worth investigating. In addition, this relationship was discovered to be negative. This means that those individuals who possess high levels of Social Courage, are less likely to be Relativist in their Personal Moral Philosophies.

Recall from Chapter 2 that Relativist are those individuals who believe that moral actions should be judged based on the prevailing situation (Forsyth, 1980). The situations in question according to Forsyth (1980) can be on various context such as cultural, social and any other context in which an ethical dilemma can manifest. Social Courage was determined by Woodard (2004) to be possessed by individuals who have an ability to

endure social challenges, such as issues with personal relationships or even challenges associated with professional networks.

These two definitions definitely provide evidence of the negative relationship between Relativism and Social Courage. That when an individual apt at withstanding social challenges is faced with an ethical dilemma in a social context; that individual is less likely to respond to that situation with the view that ‘it depends on the context’ – a Relativist view. This is because this is an individual who does not fear social challenges. This individual will contentedly decide against the prevailing conditions of the context.

Simplistically, think of an Investment Banker who has developed a social courage to deal with a toxic work environment focused on financial results. This Investment Banker will not likely respond to a social uprising calling for Investment Bankers to be more ethical in their practice just because the situation has intensified. He is most likely to rather endure the social pressure. This is not Relativist. An Investment Banker with a high disposition of Relativism is mostly likely to retreat under such conditions as he would believe that his professional practise depends on the context it operates in.

There could be a slight truth that the weakness of the correlation between Social Courage and Relativism may have been due to the fact that the study was not designed to investigate this relationship. It would be proper for academics in the field to note this for future research. Additionally, these findings also have value for business leaders who have interest in this manifestation.

### **6.2.2 Personal Moral Philosophy predicts action in a Morally Intense situation (RQ2)**

This research question was designed to investigate if an individual’s Personal Moral Philosophy (PMP) can predict an intention to act in line with that individual’s morals when confronted with a Morally Intense situation. The results for this question were very interesting due to the fact that the two different analysis techniques used rendered conflicting results. The Linear Regression results dispute this prediction capability of Personal Moral Philosophy (PMP). Contrary, the One-Way ANOVA results rejected this

null hypothesis, finding that there is indeed a prediction capability of Personal Moral Philosophy (PMP).

A deeper look into the Linear Regression Results displayed on Table 21 indicates that there were significant regressions at a 0.05 significance level for some of the variables entered. Similar to the Courage (C) variable, recall that Personal Moral Philosophy (PMP) was also composed of two dimensions, resulting into a total of six sub-variables, namely, Relativism, Idealism, and the four EPQ Categories; Situationists, Subjectivists, Absolutists and Exceptionists. The Moral Intensity (MI) variable was also in line with literature, decomposed to three sub-variables, namely Total Moral Intensity referring to the variable intended for this study comprising of all six dimensions of Moral Intensity as designed by Jones (1991). The remaining two variables for Moral Intensity (MI) were High MI and Low MI, which was each, composed of the subset of the six dimensions based on the design of the case study. Revisit Chapter 4 for a recall of the construction of these two levels of intensity.

Returning to Table 21, we can see a significant correlation between the variable EPQ Category and High MI. Similar to the previous research question; this is a low correlation of -0.201, which is also negative. This result means that as the categories of ethical ideologies increase from one rank to another, they are less likely to predict an intention to act when in a highly morally intense situation. A relook at Table 15 reminds us that the EPQ Categories were ranked from 1 being Situationists; 2 being Subjectivists; 3 being Absolutists and 4 being Exceptionists.

The results are therefore very much in line with what we know of Exceptionists. Recall from Forsyth (1980) that Exceptionist are neither Relativist nor Idealistic; ranking lowly on both those scales. By definition, Exceptionists believe that the morality of an act depends on the consequences produced by it (Forsyth, 1980). It is therefore very much true that one cannot begin to predict how they will act in a morally intense situation, especially where consequences are either non-existent or not well defined. Clearly, the case study presented did not provide them enough information of the consequences for them to take a significant decision. This in fact is true, by research design. Take a look at Table 8, presenting the Seven Questions of Moral Intensity (MI), notice that the Magnitude of Consequence (MC) question was by design meant to be of Low intensity.

This of course renders the negative regression coefficient of EPQ Category and High MI acceptably true and consistent with literature.

The variable EPQ Category also showed a weak significant relationship with Social Courage. The researcher has explained earlier in the report the reasons for including the variable Courage (C) in the analysis. From the regression results, we can see a positive, though poor, correlation of 0.195 between EPQ Category and Social Courage at a significance level of 0.05. This result indicates that as the ranking of EPQ Category increases from rank 1 to rank 4, the levels of Social Courage also increases. This is consistent with what we have just discovered is the relationship between Social Courage and Relativism in the previous test.

Of course, an Exceptionist Investment Banker will withstand the social uproar calling for a change in his unethical practise, exhibiting Social Courage (Woodard, 2007), if there are, by Forsyth's (1980) definition, no consequences to him. This slight prediction capability is therefore consistent with literature. Perhaps then had the scoping of this research question been more specific, the researcher would have been able to reject the null hypothesis.

### **6.2.3 Courage moderates the effect of Personal Moral Philosophy (RQ3)**

The last research question of this paper was aimed at investigating if the variable Courage (C) has a moderating effect on the variable Personal Moral Philosophy (PMP) when confronted with a Morally Intense (MI) situation. The null hypothesis was accepted for this research question. The results disproved the possibility of this moderation effect.

After studying carefully the results of the two previous research questions, we have determined that the scope of this research was too broad. The multi-dimensional nature of each of the three variables consistently is the reason for the fail of each of the statistical test. However, the accommodating of these sub-variables has given an opportunity to discover more information about each of the three headlining variables of Courage (C), Personal Moral Philosophy (PMP) and Moral Intensity (MI) on how their subcomponents interact with each other.

Similar to the previous research question result, the Moderation analysis also showed peripheral variables, not intended for this test, exhibiting moderation capabilities on Personal Moral Philosophy (PMP). The Willingness To Act variable of Courage, consistently showed a reaction with the Relativism variable of Personal Moral Philosophy (PMP). From what we know about Relativist already, recapped in research question 1, it is rather obvious that if their willing to act in a particular direction, it would be easy to predict their action. A strong beta co-efficient of 0.006 for Willingness, exhibited on Table 25 – Research Question 3 Moderation Test Results, at a significant level of 0.05 is there to support this finding. Though rather obvious, it is a huge benefit to academic literature to have statistical findings supporting this fact.

### **6.3 Discussion**

#### **6.3.1 Personal Moral Philosophy (PMP)**

It appears that Schulte and Teal (1975) were close to the truth when they asserted that morality lies not on who we are as individuals, but rather on the morality of the actions that we take. Kohlberg's (1971) on Cognitive Moral Development is still therefore under questioning. His propositions that an individual passes through stages of moral development from childbirth, not only does not seem to manifest in studies such as this one, but also it appears that it will forever be a challenge to empirically test his views. It is consistently evident that judgement of a situation and analysis of the various alternatives are common factors of morality. So far, there appears no evidence that an individual's moral philosophy alone will determine action. Issues of consequences, pressing tensions in the situations, and various forms of courage seem to play out sporadically on each occurrence of an ethical dilemma. Hence, Bloom (1977) found that Kohlberg's (1977) dimensions of Cognitive Moral Development to have a potential conflict when limited to an individual's own social principles. Of course, this study too found no results associated with Kohlberg's (1971) work.

On the other hand, one must commend Forsyth (1980) for unlocking a construct decades ago, that consistently proves true for most empirical studies within business ethics. His work was of course alongside two other academics, central to the main objectives of this research. The discussions in the interpretation of results section of this chapter have proven that his views of Personal Moral Philosophy (PMP) are still applicable in

contemporary times. His measurement instrument also performed well during data analysis.

### **6.3.2 Moral Intensity (MI)**

Jones' (1991) work on moral intensity was also a major component of this study. The six dimensions of moral intensity tested very well in this research, particularly when the scale was subdivided to reflect high and low levels of moral intensity. A revisit to the statistical test on the previous chapter will show these two variables consistently reflected on significant interactions with other variables.

Take for instance the negative correlation at a significance level of 0.01 between the Willingness to Act variable of courage and the High MI variable of moral intensity, scoring an R-value of -0.326. Consistent with theory, this results indicates that when levels of moral intensity are high, the willingness to act decreases.

Concerning the performance of the Moral Intensity (MI) instrument specially designed for this study, there is a clear indication that it was well constructed. However, it would be of benefit to literature for academic researchers in this field to further use it for similar studies. It is the researcher's assertion that only in time and consistent application will it improve in its effectiveness

### **6.3.3 The Construct of Courage**

The Woodard-Pury Courage Scale 23 (WPCS-23) has not been used as widely in literature as Forsyth' (1980) Ethics Positioning Questionnaire. With less than ten years in academia, the instrument performed exceptionally scoring high reliability scores on five out of the six of its variables. However, a significant find in this research is a phenomenon that Woodard and Pury (2007) identified in their sequel of this instrument, which is that the true measure of courage lies only in the willingness to act, and not the fear of the act. The results of each statistical test conducted prove this theory consistently.

Firstly, nowhere did Total Courage, a variable meant to be the measure of an individual's courage, computed by a multiplication of Willingness and Fear scores, exhibit any significant relationship with any other sub-variables of Personal Moral Philosophy (PMP) or Moral Intensity (MI). The exception being when it interacted with sub-variables of its own scale, the WPCS-23. This is true for the dimensions of Fear of the same scale. However, as we have already determined in the interpretation of results in earlier sections of this chapter. The Willingness to Act dimension consistently featured in significant tests conducted throughout this study. One cannot help but see the link that it actually behaved as a proxy of an individual's level of courage each time it was entered for analysis.

It is unclear why Woodard and Pury (2007) continued to consider courage being the product of willingness and fear, as it is evident that they were correct in their finding that fear does not play a role. Though the researcher identified this flaw early during the literature stage, it was determined appropriate to apply the instrument as designed by its authors.

## CHAPTER SEVEN

### Conclusion

The main objective of this study was to investigate the relationship between courage and personal moral philosophy when placed in a morally intense situation. The first variable of the study, courage emanated from Woodard and Pury's (2007) definition of courage that it is composed of the level of willingness to act in a challenging situation; and the extent to which an individual would fear performing that particular act. Woodard and Pury (2007) further developed a measurement instrument, called the Woodard-Pury Courage Scale (WPCS-23) measuring courage using these two aforementioned dimensions across three types of courage situation. These were physical courage, emotional courage and social courage. It is on this design that the variable of courage was used.

The second variable of the study, personal moral philosophy is based on Forsyth's (1980) study on the taxonomy of ethical ideologies. Forsyth (1980) proposed that an individual's moral philosophy falls within a range of relativist and idealistic views. Based on how the individual rates on each of these dimensions, they belong to one of four categories of ethical ideologies. The ethical ideologies submitted by Forsyth (1980) are situationist, absolutist, exceptionist, and subjectivist. This positioning of personal moral philosophy by Forsyth (1980) was adopted for this study. The Ethics Positioning Questionnaire (EPQ) designed by Forsyth (1980) to measure this construct was used for this research.

The last variable central to this study is the concept of a morally intense situation as defined by Jones (1991). In his study of the issue-contingent model, Jones (1991) proposed that the moral intensity of a situation depends on the interaction of six possible dimensions whose presence determines the level of the intensity. These six dimensions are magnitude of consequence, proximity of effect, social consensus, probability of effect, concentration of effect and temporal immediacy (Jones, 1991). This variable has not been quantitatively tested in literature in all its dimensions. Being the first to apply it, a Moral Intensity (MI) instrument was designed using a case study method, upon which each of the six dimensions were manipulated to increase or decrease the levels of moral intensity.

## 7.1 Principal Findings

Finding One: There is no relationship between courage and personal moral philosophy when placed in a morally intense situation.

Finding Two: An individual's personal moral philosophy does not predict an intention to act when placed in a morally intense situation.

Finding Three: An individual's level of courage does not have a moderation effect on personal morally philosophy when placed in a morally intense situation.

## 7.2 Managerial Implications

This study offers business leaders a unique perspective of the factors that interplay during an ethical decision-making process. Though the research results accepted the null hypothesis for each of the three research questions, a lot of insights and additional findings were determined to be of value to business as well as academia. It is suggested that closer attention be paid to those individuals who rate highly on the relativism scale as they were found to be statistically reactive to the other two variables of this study in various degrees. In addition, business leaders must take care to note that in the absence of the willingness to act righteously in a tough situation, the propensity to take the right course of action would be minimal.

## 7.3 Limitations of the research

A major limitation of this study was the broad scope of the research objectives. The interaction of three variables as an objective of all three research questions threatened the risk of analysis. The decision to include sub-scales and the corresponding sub-variables provided sound context and complete data analysis of the three constructs. The use of a professional, academic, and admitted Chartered Statistician elevated the data analysis of this research, successfully

overcoming the multi-dimensional complexity of the variables that were part of this study.

#### **7.4 Future Research Recommendation**

Firstly, the results of this study have proven that empirical research into any of the three variables of Courage, Personal Moral Philosophy, and Moral Intensity must be specific to a particular sub-variable within a specific sub-scale of each of the variables. The interaction between Relativism and Willingness to Act would be apt as these two variables displayed the most reaction during the statistical tests.

The second recommendation for future research is on the Woodard-Pury Courage Scale (WPCS - 23). A future study could seek to investigate fully the role of fear and willingness when faced with an opportunity to perform a courageous act.

The last recommendation for future research is for the quantitative study of Moral Intensity using the case study instrument designed for this research. It would be of value to know how it performs in other studies of similar research design.

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## APPENDICES

### 9.1 Ethical Clearance Letter



Dear Mrs Ntathakusa Tshabalala

Protocol Number: **Temp2015-01221**

**Title: The relationship between courage and personal moral philosophy in a morally intense situation**

Please be advised that your application for Ethical Clearance has been APPROVED.

You are therefore allowed to continue collecting your data.

We wish you everything of the best for the rest of the project.

Kind Regards,

GIBS Ethics Administrator

## 9.2 Permission to use Instruments

### 9.2.1 Ethics Positioning Questionnaire (EPQ)

Request for Permission to use EPQ Survey Instrument Inbox ☆

**P** Portia Tshabalala  
Dear Professor Donelson R. Forsyth I am currently completing a Masters of Bus... 5 May

**Forsyth, Don**  
to me  
5 May [View details](#)

Hi Portia,

Thank you for your interest in using the EPQ scale. It is a research scale, and not a commercial one, and so by all means, feel free to use the Ethics Position Questionnaire in your research. The items were published in a journal owned by the American Psychological Association (APA), but as I understand it, anyone is free to use the items for research purposes—and other nonprofit purposes as well—without getting special permission. The only time you would need to get APA's permission is if you were going to use the items for some for-profit activity, such as a fee-based website or a book.

I hope that the two variables, idealism and relativism, prove useful in explaining at least a part of the phenomena you are investigating. I'll note, though, that the EPQ is very specific in content—it deals with individual differences in sensitivity to the harm done by an action and the use of transpersonal moral principles. It therefore explains more of the variation in people's judgments and actions in situations where the consequences of actions are explicit (people know how much harm is done) and when an action is consistent or inconsistent with some sort of more rule.

I've posted information about the instrument at this site, should you have questions:

<http://donforsyth.wordpress.com/ethics/ethics-position-questionnaire/>

Good luck with your project.

Don

Don Forsyth  
University of Richmond  
[dforsyth@richmond.edu](mailto:dforsyth@richmond.edu)  
<http://facultystaff.richmond.edu/~dforsyth/>

## 9.2.2 The Woodard Pury Courage Scale – 23 (WPCS-23)

Request for Permission to use WPCS-23 Survey Instrument Inbox ☆

**P** Portia Tshabalala 5 May  
Dear Professor Cooper R. Woodward I am currently completing a Masters of Busi...

**N** neillwood1@cox.net to me  
[Hide details](#)

From: [neillwood1@cox.net](mailto:neillwood1@cox.net)  
To: Portia Tshabalala [439659@mygibs.co.za](mailto:439659@mygibs.co.za)  
Date: 12:57, 5 May 2015

Hello Portia,

You have my permission to use the scale. Good luck with your research and training. I would like to hear the results if possible.

Cooper Woodard

[▶ Show quoted text](#)

**P** Portia Tshabalala to neillwood1, Gavin 5 May  
[View details](#)

Goodday Prof. Woodward

Thank you for the swift response.

I will definately share the results with you.

Regards  
Portia

[▶ Show quoted text](#)

Reply Reply all Forward

19:24

## 9.3 Participant Workbook

Respondent Number:

**0000**

# **Gordon Institute of Business Science**

University of Pretoria

## PARTICIPANT WORKBOOK

# **The relationship between courage and personal moral philosophy in a morally intense situation**

A research proposal submitted to the Gordon Institute of Business Science,  
University of Pretoria, in partial fulfilment of the requirements for the degree of  
Master of Business Administration.

### **Main Researcher**

Ntathakusa Portia Tshabalala

Email: [439659@mygibs.co.za](mailto:439659@mygibs.co.za)

Phone: +27 72 0966 906

### **Supervisor**

Dr. Gavin Price

Email: [priceg@gibs.co.za](mailto:priceg@gibs.co.za)

Phone: +27 11 771 4223

September, 2015

Johannesburg, South Africa

## REQUEST FOR PARTICIPATION

Dear MBA 2015.16 Student

I am conducting empirical research investigating the relationship between an individual's personal moral philosophy and their level of courage in a morally intense situation. In order to meet this purpose, your participation in this survey would be highly appreciated. The study will anonymously test your personal moral philosophy; your personal level of courage and how you react to morally intense situations that will be presented to you during your participation.

As part of your MBA studies, you will have to participate on the Leadership and Corporate Accountability core module with Dr. Gavin Price. This course will amongst other things create an awareness of the complexities that exist in today's business environment and how these complexities can create often conflicting ethical, social and economic responsibilities for business leaders today. As such, business leaders find it difficult to make decisions as they grapple between right versus right alternatives, - the so called 'Ethical Dilemma'. It is therefore becoming increasingly critical that as business leaders we gain insights into ourselves in order to understand the core moral values that guide us and how these interplay in our daily roles as decision makers.

This study seeks to investigate these factors and will therefore offer valuable insights to your studies when interacting with academic literature during your Leadership and Corporate Accountability training course. I will personally present to your cohort the findings of this study which I have no doubt will add a lot of value both to us as business leaders; but also to the academic fields of Business Ethics and Strategic Leadership.

The survey will take approximately 20 to 30 minutes to complete.

Please note that your participation is voluntary. I will therefore be very grateful of your consent to participate. The survey is entirely anonymous, however, should you wish to receive a summary of your personal moral philosophy and courage scores, please retain your respondent number so that your feedback may be given via your Programme Manager to ensure anonymity.

Thank you in anticipation.

Kind Regards,

Ntathakusa Portia Tshabalala (Primary Researcher)

Dr Gavin Price (Supervisor)

## MORALLY INTENSE SITUATION

Developed by Dr. Gavin Price and Ntathakusa Portia Tshabalala, 2015

### Instructions

Read the following case study thoroughly and experimentally immerse yourself in the portrayed situation. Respond to the questions posed to you by selecting a response most applicable to you rated on a scale provided for each answer.

SCENARIO / CASE STUDY					
<p>You are the Regional Sales Director of your organisation. You are about to close off on the biggest sale of the quarter. All is well, until <b>the client</b> mentions that it is important to them that the account is handled by a specific person. In fact, the client mentions this specific person by name who is one of your Junior Associates who accompanied the Senior Associate to the client's gala dinner one evening.</p> <p>Your company is well known for being the leader in the industry on transformation, inclusion and diversity issues. This is due to the recent aggressive recruitment drive resulting in your company exceeding the required transformation, diversity and inclusion quotas stipulated by government as a competitive strategy. The strategy has worked very well, hence the new oncoming deals from clients who wish to ride on the iconic transformation wave of your organisation.</p> <p>The specific person the client has requested is not equipped to manage this deal alone. To add a Senior Associate to support and mentor the Junior Associate in this account would cost the company a lot of revenue, basically eating all the margin out of the deal. Thus, more than one resource in this account is totally out of the question.</p>					
ADAPTED SITUATION AND QUESTION	ANSWER				
	1	2	3	4	5
1. Do you think staffing the specific person would lead to the organisation experiencing:	Great harm	Some form of harm	Unsure	Some form of benefit	Great benefit
2. Do you think it would be socially accepted for you to staff the specific person for the role in order to secure the deal – knowing that they will not be supported during the maintenance of the contract?	Not accepted	May not be accepted	Unsure	May be accepted	Accepted
3. Do you think staffing the specific person would be seen as an evil act or good act?	Good	Some what good	Unsure	Some what evil	Evil
4. If the probability of the specific person failing to adequately maintain the contract was very high with a high risk of losing the client permanently, but a slight chance that the client would understand; would you staff the specific person?	Absolutely Not	No, with some consideration	Unsure	Yes, with some doubt	Absolutely Yes

ADAPTED SITUATION AND QUESTION	ANSWER				
	1	2	3	4	5
<p>5. This is the last quarter of the financial year end. The Financial Director has already reflected this deal on Provisional Financial Statements. Failing to log this deal will require you to alert the FD immediately in order for the statements to be appropriately adjusted.</p> <p>The adjustment will result in 8.5% less in projected bottom line profits for the year. The client has indicated they will not sign the contract unless the person responsible for their account is representative of the company's transformation, inclusion and/or diversity accolades.</p> <p>Would you carry on with staffing the specific person?</p>	No, I would not staff the person	No, with some consideration	Unsure	Yes, with some doubt	Yes, I would staff the person
<p>6. You yourself were once a Junior Associate of large corporate firm. You joined this company 3 years ago under the Accelerated Leadership Program which has since been disbanded due to high cost of mentorship. There has been a lot of media buzz about the lack of mentoring and coaching of Junior Associates, putting at risk the future sustainability of the organisation.</p> <p>You fear that not staffing the specific person will lose favour of your chances to make Vice President: Global Sales in the next promotion cycle, a position known to be a rite of passage for consideration to be Managing Director of large organisations within your industry.</p> <p>There just is no capacity for two individuals to be placed on this account. Not now.</p> <p>Would you still staff the specific person?</p>	No, I would still not staff the person	No, with some consideration	Unsure	Yes, with some doubt	Yes, I would still staff the person
<p>7. If the client did not mention the specific person by name; and simply enquired if it was possible that the account be handled by a specific person. An admission on your part that you did not have resources would not affect concluding the deal.</p> <p>Would you have staffed the specific person?</p>	No, I would not have staffed the person	No, with some consideration	Unsure	Yes, with some doubt	Yes, I would have staffed the person

## Ethics Positioning Questionnaire (EPQ)

Developed by Donelson R. Forsyth, 1980

Please indicate if you agree or disagree with the following items. Each represents a commonly held opinion and there are no right or wrong answers. We are interested in your reaction to such matters of opinion. Rate your reaction to each statement by writing a number to the left of each statement where:

Statement	Disagree/Agree						
	Completely disagree	Largely disagree	Slightly disagree	Neither agree nor disagree	Slightly agree	Largely agree	Completely agree
1. People should make certain that their actions never intentionally harm another even to a small degree.	1	2	3	4	5	6	7
2. Risks to another should never be tolerated, irrespective of how small the risks might be.	1	2	3	4	5	6	7
3. The existence of potential harm to others is always wrong, irrespective of the benefits to be gained.	1	2	3	4	5	6	7
4. One should never psychologically or physically harm another person.	1	2	3	4	5	6	7
5. One should not perform an action which might in any way threaten the dignity and welfare of another individual.	1	2	3	4	5	6	7
6. If an action could harm an innocent other, then it should not be done.	1	2	3	4	5	6	7
7. Deciding whether or not to perform an act by balancing the positive consequences of the act against the negative consequences of the act is immoral.	1	2	3	4	5	6	7
8. The dignity and welfare of the people should be the most important concern in any society.	1	2	3	4	5	6	7
9. It is never necessary to sacrifice the welfare of others.	1	2	3	4	5	6	7

Statement	Disagree/Agree						
	Completely disagree	Largely disagree	Slightly disagree	Neither agree nor disagree	Slightly agree	Largely agree	Completely agree
10. Moral behaviors are actions that closely match ideals of the most “perfect” action.	1	2	3	4	5	6	7
11. There are no ethical principles that are so important that they should be a part of any code of ethics.	1	2	3	4	5	6	7
12. What is ethical varies from one situation and society to another.	1	2	3	4	5	6	7
13. Moral standards should be seen as being individualistic; what one person considers to be moral may be judged to be immoral by another person.	1	2	3	4	5	6	7
14. Different types of morality cannot be compared as to “rightness.”	1	2	3	4	5	6	7
15. Questions of what is ethical for everyone can never be resolved since what is moral or immoral is up to the individual.	1	2	3	4	5	6	7
16. Moral standards are simply personal rules that indicate how a person should behave, and are not to be applied in making judgments of others.	1	2	3	4	5	6	7
17. Ethical considerations in interpersonal relations are so complex that individuals should be allowed to formulate their own individual codes.	1	2	3	4	5	6	7
18. Rigidly codifying an ethical position that prevents certain types of actions could stand in the way of better human relations and adjustment.	1	2	3	4	5	6	7
19. No rule concerning lying can be formulated; whether a lie is permissible or not permissible totally depends upon the situation.	1	2	3	4	5	6	7
20. Whether a lie is judged to be moral or immoral depends upon the circumstances surrounding the action.	1	2	3	4	5	6	7

## The Woodard Pury Courage Scale – 23 (WPCS-23)

Developed by C. Woodard, PhD, and C. Pury, PhD (2007)

### Instructions

Listed below are some situations for you to consider. Once you have read an item, please circle a number to indicate your level of agreement with that item (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree). Next, circle the number to indicate the level of fear you would feel in that situation (1 = Little Fear, 2 = Mild Fear, 3 = Moderate Fear, 4 = Strong Fear, 5 = Very High Fear).

Statement	Disagree/Agree					How much fear?				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Little Fear	Mild Fear	Moderate Fear	Strong Fear	Very High Fear
1. I would accept an important project at my place of employment even though it would bring intense public criticism and publicity.	1	2	3	4	5	1	2	3	4	5
2. If it looked like someone would get badly hurt, I would intervene directly in a dangerous domestic dispute.	1	2	3	4	5	1	2	3	4	5
3. I could approach someone whose family members had just been killed, knowing they were feeling overwhelming grief.	1	2	3	4	5	1	2	3	4	5
4. I would risk rejection by important others for a chance at achieving my life goals.	1	2	3	4	5	1	2	3	4	5

Statement	Disagree/Agree					How much fear?				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Little Fear	Mild Fear	Moderate Fear	Strong Fear	Very High Fear
5. If called upon during times of national emergency, I would give my life for my country.	1	2	3	4	5	1	2	3	4	5
6. I am able to participate in intense conflict in a work environment for the right cause.	1	2	3	4	5	1	2	3	4	5
7. I would talk to my supervisor about a raise if I really needed one.	1	2	3	4	5	1	2	3	4	5
8. I would go to the dentist and have painful surgery if it meant saving a tooth.	1	2	3	4	5	1	2	3	4	5
9. I would risk my life if it meant lasting world peace.	1	2	3	4	5	1	2	3	4	5
10. Intense social pressure would not stop me from doing the right thing.	1	2	3	4	5	1	2	3	4	5
11. I would refuse the order of a commanding officer if it meant hurting someone needlessly.	1	2	3	4	5	1	2	3	4	5
12. I could do without the Absolute necessities of life if there were others in greater need.	1	2	3	4	5	1	2	3	4	5
13. I would confront a parent abusing his or her child in public.	1	2	3	4	5	1	2	3	4	5
14. I would walk across a dangerously high bridge to continue on an important journey.	1	2	3	4	5	1	2	3	4	5

Statement	Disagree/Agree					How much fear?				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Little Fear	Mild Fear	Moderate Fear	Strong Fear	Very High Fear
15. I would endure physical pain for my religious or moral beliefs.	1	2	3	4	5	1	2	3	4	5
16. I would go where I wanted to go and do what I wanted to do, even though I might be bullied as an ethnic minority.	1	2	3	4	5	1	2	3	4	5
17. I would open myself to professional criticism by publishing my work.	1	2	3	4	5	1	2	3	4	5
18. I could move to a foreign country to have the perfect job.	1	2	3	4	5	1	2	3	4	5
19. I could keep my wits about me if I were lost in the woods at night.	1	2	3	4	5	1	2	3	4	5
20. I would undergo physical pain and torture rather than tell political secrets.	1	2	3	4	5	1	2	3	4	5
21. I could work under the stress of an emergency room if needed.	1	2	3	4	5	1	2	3	4	5
22. I would return into a burning building to save a family pet I loved dearly.	1	2	3	4	5	1	2	3	4	5
23. I would have hidden Jewish friends during the time of the Holocaust.	1	2	3	4	5	1	2	3	4	5

## DEMOGRAPHICS

Please tick applicable box.

### GENDER

- Male
- Female

### RACE

- White
- Other
- Black
- Indian
- Coloured

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**END OF WORKBOOK**

Thank you for your participation