
Conscience and Compromise: The Struggle of Moral Codes in Business

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Abstract

This paper investigates the ethical dilemmas faced by consultants when balancing personal morals with professional obligations, using a real-life case study involving a consultant overhearing illegal price-fixing activities. The case highlights the consultant's internal conflict and the decision to remain silent due to fear of professional repercussions and power dynamics. The analysis discusses violations of the Dutch OOA code of conduct, particularly concerning integrity and professional independence, and explores the ethical frameworks of moral disengagement, consequentialism, and virtue ethics. The paper emphasizes the complexity of moral integrity in consulting and the potential consequences of both action and inaction in ethically challenging situations.

Introduction

Striving for moral integrity is an ongoing effort, especially in today's dynamic and complex world. Particularly for consultants, balancing personal morals with client demands can be challenging. This essay explores these moral dilemmas using a real-life scenario, aiming to highlight the balance between personal values and professional obligations within the corporate world. Through the lens of multiple ethical frameworks and moral codes, we aim to shed light on the nature of these moral dilemmas.

The Case

We will explore this dilemma inspired by a real-life case provided by our interviewee (see Transcript, p. 9). The case the interviewee illustrated, is the following:

Amidst the bustling energy of a Monday morning, you step into the client's building. It's your weekly meeting with the CEO of a major gas company, a moment to sync strategies and discuss progress. Looking through the windows of his office, you spot him engaged in a phone call on speaker. It seems to be a conference meeting, and you quickly debate whether to intrude or schedule another time. Before you can decide, he already welcomes you to enter.

Whilst taking a seat, the conversation continues seamlessly as if you're not there. Initially, you resist the urge to eavesdrop, maintaining professionalism. However, as the discussion unfolds, bits of conversation enter your awareness - mentions of pricing strategies, references to competitors, deals being made: it all hints at illegal activities. Discomfort settles in as you grasp the significance of the unfolding conversation.

The dilemma weighs heavy on your mind. Should you intervene, speak up against what appears to be illegal activities? Or do you remain silent, ignoring the ethical breach for the sake of convenience and adhere to the client's interest? Once the major Dutch gas and oil companies conclude their participation and exit the call, you look at your client, expecting some acknowledgment or discussion regarding the conversation. However, he breaks the silence with a firm statement: "Whatever you heard, never happened." He continues: "So, what did you want to talk to me about?"

After ignoring the attended phone call, the weight of your decision presses upon you. The CEO, a dominant figure with a significant reputation, casts a shadow of intimidation. Moreover, the male-dominated landscape of the industry adds an additional layer of complexity. As a woman navigating this terrain, the fear of not being taken seriously plays an enormous role, amplifying the hesitation to speak out. Ultimately, the simplest choice seems to be to stay silent, to suppress your conscience and collect your paycheck. In a society where power dynamics frequently overshadow principles, opting for the path of least resistance can be tempting. Better to stay silent and accept the paycheck, right?

The OOA Rules of Conduct

The Dutch OOA code of conduct gives consultants in the Netherlands ethical guidelines for conducting their professional activities. The ethical dilemma where the

consultant overheard illegal price-fixing conversations serves as an illustration of various violations of the Dutch OOA code, particularly in relation to key value III: Meticulousness. Reflecting on the related sections of Meticulousness, we can identify where the consultant's actions - or lack thereof - may have fallen short of the OOA's standards.

Firstly, article 5.1 starts with "The Ooa member acts with integrity". By choosing to remain silent about the illegal price-fixing, the consultant may have violated this principle of integrity. It continues with: "The Ooa member can at all times account for his actions and omissions (...)" (article 5.1). Failing to report the unethical practices could be seen as a lack of accountability.

Secondly, article 5.2 states that "The Ooa member will not accept an assignment and will terminate an assignment already in progress if it has become clear to him that the client is pursuing unlawful objectives or using unlawful methods". By not reporting the illegal price-fixing, the consultant did not act against an assignment that clearly conflicted with legal and ethical standards.

Furthermore, the consultant failed to take into account "the wishes, expectations, rights and interests of all involved" (article 5.3). The consultant did not fully consider these, especially those of the consumers and society at large. Moreover, another violation takes place from article 5.4 which states that a consultant "is aware of the (side) effects of his activities within an organization, and of possible undesirable social or other effects". The consultant's inaction neglected the potential societal and economic consequences as it did not only affect her, but also the society at large that needs gas (p.c. interviewee, p. 15).

Moreover, there has been a violation of key value IV: Professional Independence. As a result of over reliance on the client - driven by potential job loss and career damage - the consultant violates article 9.1: "The Ooa member stands - in the capacity of contractor - substantively, relationally and (im)materially independent of his assignment."

Ethical Voices Beyond the Silence

Moral Disengagement

The mechanisms of moral disengagement might be used to explain why the consultant did not speak up about the illegal activities. These mechanisms may help an individual to disengage from the harmful activities they are involved with by, for instance, displacing and diffusing responsibility (White et al., 2009). According to White et al. (2009, p. 42), this can be used "so that perpetrators do not hold themselves accountable for the harm they cause." In the case, the consultant seems to displace her responsibility by stating that she had no choice and therefore is absolving herself of fault suggesting that it wasn't her duty to intervene. As a woman in a male-dominated sector, she explains that "If I would have said something about it, they would just say: 'Well you're wrong, that's not true at all'" (p.c. interviewee, p. 14).

The Consequentialist View

We can argue whether the action - or inaction - of the consult can be ethically justified by looking solely at its consequences (Sinnott-Armstrong, 2019). The

consultant herself, mostly justified her actions by saying she did it for her own sake and her family's well being: "And I also needed my job, I needed to earn a living" (p.c. interviewee, p. 15). Perhaps one can argue that this perfectly illustrates Poulfelt's view of consultants (1997, p. 67) who may be "too focused on revenues at the expense of the professional effort needed". Additionally, utilitarians would categorize this case as unethical, as it resulted in negative consequences for the greater good, namely, society at large (p.c. interviewee, p. 14; Sandel, 2013).

Balancing Moral Considerations

Despite the case being supported by various moral codes and ethical theories, individuals can always interpret or utilize ethics in different ways (Msoroka & Amundsen, 2017). This makes that consultant's (in)action can be seen as morally right. For instance, when the consultant had spoken up and would have reported the issue, one could argue it would be against the client's desire for confidentiality - "What you just heard should be forgotten very quickly" (p.c. interviewee, p. 14) - an important issue in consulting and many other professions as noted by Moore (1970).

Additionally, it could be argued that the consultant's actions were aligned with her personal ethical beliefs, which were highly influenced by the organization's toxic culture (Racelis, 2010). The lack of openness to feedback within the organizational culture is highlighted by the description of the client as someone who "was always very convincing, so people were also afraid of him" (p.c. interviewee, p. 16).

Furthermore, the overheard phone call was not within the scope of the consultant's assignment. Those who adhere to virtue ethics, which state that "Management consultants should fulfil their obligations in full and must act for the good of their clients" (Shaw, 2020, p. 34), could argue that the consultant fulfilled her obligations and thus acted rightfully.

Actions vs Words

We can conclude that there will always be a moral code that is potentially violated, even when adhering to a code of conduct. This can be illustrated by the Dutch Ooa code of conduct: despite offering guidelines on ethical actions, it may still fail to adequately address ethical considerations related to inaction. Furthermore, while most codes emphasize that "the client's interest comes first" (Acme, 1990; Comer, 1989; Poulfelt, 1997, p. 68), this notion is challenged by various management studies (e.g. Crossick, 1995; Payne & Lumsdon, 1987).

The consultant doubts the effectiveness of words: "From time to time I sometimes think the more often they use that word integrity, the more there is wrong" (p.c. interviewee, p. 13). In fact, it is her inactions that have led to these specific outcomes. Perhaps, even inactions can speak louder than words after all.

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