

ROSS SCHOOL OF BUSINESS

Does the Moral Case Work at Work?

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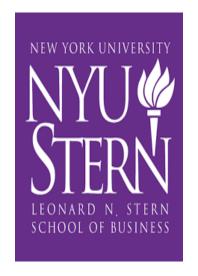
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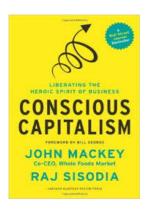
Thought Experiment

• If you want to persuade someone at your organization to do something "good" would you use a **moral** and/or **business** case?





THE WALL STREET JOURNAL.







When is it Appropriate to Talk About Morality?













When is it Appropriate to Talk About Morality?







What about at Work?







Moral Muteness

- Managers do not tend to talk about morality when trying to influence employees
 - ~ Bird &Waters, 1989
- Employees do not tend to talk about morality when trying to influence management
 - ~ Sonenshein, 2006

Research Puzzle

Conventional wisdom suggests...



• But perhaps we have underestimated the role of...



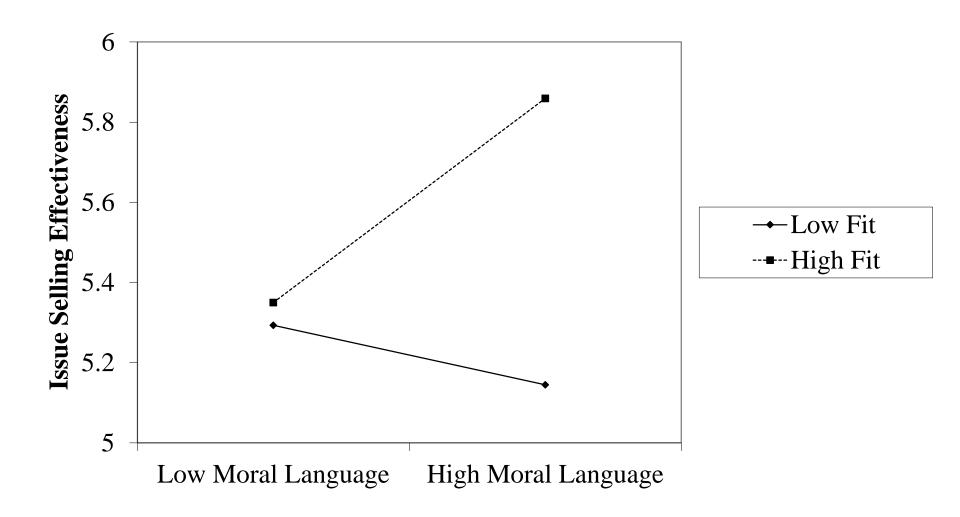
Paper 1

The Business or Moral Case for Social "Good" in Organizations

Background

- Employees selling a social issue to management
 - Sustainability, poverty reduction, employee rights
- Asked employees about arguments used
- Asked managers about the effectiveness of the appeal
- Results from 5 studies
 - ~ No effect for business case
 - ~ Sometimes moral case has positive relationship
 - Moral case with fit with organization's mission/values is most persuasive

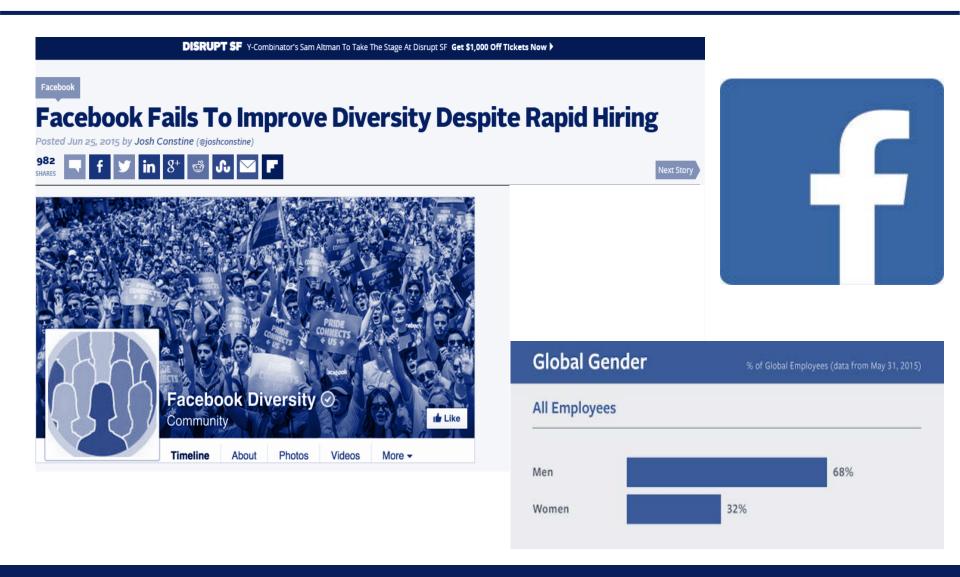
Findings



Paper 2

The Business or Moral Case for Diversity

Diversity in the News



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Why Do Organizations Value Diversity?

Two main reasons

- Business



- A diverse workforce helps improve the companies' bottom line
 - » Getting top talent, increased creativity/innovation, entry into different markets, reputation, etc.

Moral



- A diverse workforce is simply the morally right thing to do
 - » Inclusion is an important principle, addressing prior and current societal discrimination, etc.

Business Case Example

Marc Benioff, CEO of Salesforce, after cancelling all events in Indiana to support corporate boycotts of the "Religious Freedom Restoration" Act

- "I deliberately sought to make a business case -
- not a moral case. I'm a CEO. I'm not a pastor or politician or a civil-rights leader."



Moral Case Example

Starbucks CEO Howard Schultz, 2013, responding to concerns over a decline in earnings when religious groups boycotted the company for supporting gay marriage:

"It is <u>not</u> an economic decision to me. The lens in which we are making that decision is through the lens of our people."



Background

- Influence of company's diversity statement (why the company values diversity) on manager's hiring decisions
- Measured or manipulated moral and business case
- Asked managers about hiring strategy
- Results from 3 studies
 - ~ No direct effect for business case
 - Sometimes moral case has positive relationship
 - ~ Business case works better with white males
 - Moral case works better with women and/or minorities

Findings



Practical Takeaways

- The business case is not as unequivocally persuasive as employees assume
- Do not be afraid to use a more authentic (moral) language—just be a little strategic
- Stripping moral language from work has serious downsides—look for opportunities to encourage moral talk

THANK YOU

FOR YOUR 7 MINUTES!

Questions?

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