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## IMPROVING SOCIAL CORPORATE RESPONSIBILITY: THE CASE OF BULLYING BEHAVIOR

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Abstract

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This article highlights moral harassment at the workplace as a form of corruption in organizations. This form of corruption has cost organizations billions of dollars each year. A theoretical model is presented in this paper, which explains the main factors that affect bullying processes impact on organizations. Suggestions are provided in this paper, as tools to eliminate bullying within the workplace.

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Keywords: moral harassment, corruption, decision-making, ethics, bullying, mobbing.

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## INTRODUCTION

Unethical behavior in organizations has been viewed as contributing to decreasing work productivity and profitability (Brass, Butterfield, and Skaggs, 1998). For example, “bullying,” also known as mobbing, is a type of moral harassment at work (Bassman, 1992; Leymann, 1984, 1990). It has negative physical, psychological, economic, and social consequences (American Management Association, 1994; Aquino, Grover, Bradfield, and Allen, 1999; Chen and Spector, 1992; Keenan and Newton, 1984; Zapf, Knorz, and Kulla, 1996). In the United Kingdom, between 19 million and 40 million working days are lost annually because of bullying, with an estimated cost of approximately \$22 billion (House of Commons, 2003). In Germany, the cost has been estimated at \$1.58 billion per year (International Labour Organization, 2000). Aquino and Bradfield (2000, p. 526) acclaimed “We define victimization as the individual’s self-perception of having been exposed, either momentarily or repeated, to aggressive acts emanating from one or more persons.”

To our knowledge, the issue of “bullying” has not been related to a theoretical decision-making model, in order to examine the antecedent variables that may be responsible for producing or eliminating such behavior. We assume that ethics depicted as “bullying” is at the heart of decision making. That is, decision making involves choices; and choices are influenced by values that have varying weights. Often these values are considered and implicit in a decision. This paper suggests a decision-making model that can provide guidance towards reducing “bullying” unproductive costs to organizations. This model is called the

*Throughput Model* (Rodgers 1997), and has been applied to sexual harassment and other types of management issues (Culbertson and Rodgers 1997; Rodgers, 1992). Throughput modeling proposes four major concepts of perception, information, judgment, and decision choice in a two-stage modeling process (Figure 1).

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Insert Figure 1 about here  
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The first stage includes perceptual framing and information sources, whereby the second stage deals with the analysis processes (judgment stage) of first stage inputs. The *perceptual* concept relates to individuals' framing of a problem. It involves one's experiences, training, and education in dealing with day-to-day decision-making tasks. This concept also includes biases that may interfere with the normal reasoning processes. This perceptual stage can directly influence both judgment and decision choice. In this paper, perceptual biases relates to a high inclination to harass or "bully" someone. The *information* concept relates to the available information sources that individuals can implement in their analysis (judgment) stage of processing. In the context of this research paper, information that is reliable and relevant relates to the positive and supportive information pertaining to an employee. Therefore, positive relevant and reliable information can only be used for constructive formal and informal evaluative purposes regarding an individual. It follows that negative relevant and reliable information relates to unconstructive formal and informal evaluative purposes regarding an individual. Finally, a decision can be made directly from perception to decision choice and/or judgment to decision choice.

### **First Concept: Perception**

The concept of perception involves the categorization and classification (or framing) of the decision environment. This implies that individuals shape their understanding of a situation based on their experiences, training, and education received during their lifetime. For example, the double-ended arrow in Figure 1 highlights the interaction between perception and information. This interaction is useful in understanding heuristics (e.g., rule of thumb or shortcuts to a decision) or biases used to influence subsequent stages of judgment and choices. Individuals may use heuristics due to information-processing limitations, complexity, and lack of discernment affecting their perceptual processes. Information-processing limitations may occur due to individuals being confronted with information overload. Next, complexity may result due to how the problem and the nature of the task are presented. Finally, a lack of discernment is caused by individuals not motivated to learn or understand incoming data or information (Rodgers, 1997).

### **Second Concept: Information**

Information presented to an individual for processing is based on its context, structure, and form. Information for organizational purposes relates to financial and non-financial sources. Financial information pertains to the liquidity, profitability, and risk features of an operation or company. Non-financial information can be grouped as economic and managerial information. Economic information relates to events outside the control of management. These events generally include changes in government policies, purchasing habits of

customers, union contracts, emerging technologies, etc. Management information deals with how management and their assistants are fulfilling the company's overall objectives and goals. For example, performance rewards cover appropriate objectives to monitor both organizational and employee performance, and how to put systems in place to provide the information to monitor these objectives. Without reliable and relevant information, however, decision making or problem solving may be problematic. Relevant and reliable information needs to be in place in order to determine whether the objectives of problem solving have, or have not, been met.

### **Third Concept: Judgment**

The judgment concept involves the analysis of information and one's framing of the problem. This stage includes how these sources are analyzed and weighted in order to compare criteria across alternatives. Individuals typically use explorative and exploitative precepts to assess the cause of a problem. Deductive and inductive reasoning are implemented for assessment. Further, individuals can retrieve, from their knowledge structures, ideas and suggestions; and examine concepts and essential information, while using their capability and creativity. Hence, the evaluation of alternatives may be based upon a single principle, methodology, or an aggregation of objective criteria or methodologies such as compensatory or non-compensatory weighting schemes (Rodgers, 1997).

### **Fourth Concept: Decision Choice**

The final concept includes the selection of the best alternative solution or course of action. During the processing stage, individuals implement their

abilities to ensure that a decision follows their intended plans. Yates (1990) argued that there are three types of decisions: choices, evaluations, and constructions. First, a choice setting occurs when an individual is confronted with a well-defined set of alternatives, and the typical task is to select among them. For instance, based on the performance record of several employees, a manager may decide which employee is assigned the next project. Second, evaluations indicate value of an individual's alternatives. For example, a supervisor may value and rank employees' performance as excellent, average, or poor based on a set of criteria. Third, constructions are choices whereby an individual tries to put together the most satisfactory alternative possible. An organization may promote employees to manager status based on their records of working well with other employees.

### **Relationship of Information and Perception**

It is interesting to note that, in the first stage; perception and information are interdependent ( $P \leftarrow \rightarrow I$ ), which implies that an individual's perceptual frame is searching for coherence with the available information under consideration. The higher the correlation between perception and information implies a strong degree of understandability or coherence for "bullying" behavior, whereas the opposite result occurs with a low correlation (Table 1).

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Insert Table 1 about here  
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We contend in this paper that an over reliance of the perceptual concept may trigger certain behavior such as "bullying" given a corporate atmosphere where such behavior has been known to exist. Further, the coherence between an

individual's perception and information may provide insight into the checks and balances of "bullying behavior." For example, the International Labour Organization (2000) advocated that, "The borderline of what constitutes acceptable behaviour is often vague and cultural attitudes to what amounts to violence are so diverse that it is a very complex matter to define violence at work."

The next section provides an overview pertaining to the relevant literature on "bullying behavior." This is followed by propositions and examples, concluded with the paper implications and summary.

### **CONCEPTUAL ISSUES PERTAINING TO BULLYING**

Moral harassment at work, also known as bullying and mobbing, is an important organizational, ethical, and social issue (Bassman, 1992; Leymann, 1984, 1990). It has important negative physical, psychological, economic, and social consequences (American Management Association, 1994; Chen and Spector, 1992; Keenan and Newton, 1984; Zapf et al., 1996).

Moral harassment is depicted by a continuous harassment exerted by a group of individuals over other individuals at the workplace (Davenport, Distler, and Pursel, 2000; Einarsen, 2000; Leymann, 1984, 1990; Namie and Namie, 2000; Schuster, 1996). This group objective came from its interdependence as well as providing a high degree of goal congruence and discipline. Their purposes are linked to obtain organizational advantages. Thus corruption is normalized in the organization and learnt by newcomers (Ashford and Anand, 2003).

The group uses moral harassment as a mechanism to punish individuals' behaviors that are against their shared values and beliefs. Moral harassment is also implemented to motivate individuals to act properly (Baron and Neuman, 1996). In addition, the group moral harassment increases by exerting control over knowledge (Townley, 1993); thereby translating their common values and beliefs into practices, techniques, and procedures (Greenberg and Barling, 1999). These practices are not a bureaucratic mechanism, since rules are not stable, and permanent files do not record decisions (Weber, 1947).

Moral harassment is usually, but not exclusively, led by an individual that is hierarchically over other group members (Shah, 1998). However, there are other types of moral harassment, such as from subordinates to their managers or among colleagues (Leymann, 1984, 1990). The legitimate authority is not necessarily accompanied by an upper position in the organizational hierarchy (Ouchi, 1978; Dow, 2002). The group can also provide legitimate authority (Ouchi, 1979, 1980). A leader's dispositional characteristics, behaviors, performance, identification, and induced trust are possible reasons for followers in the group (Antonakis and Atwater, 2002; Bass, 1998; Gulati, 1995). There is a dynamic in moral hazard. Positions move from victims to the group with admissions and expulsions, while leaders can be removed (Figure 2).

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Insert Figure 2 about here  
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## UNDERSTANDING MORAL HARASSMENT AT WORK

Moral harassment is a group action, which implies a lack of ethics (Jones, 1991). Matters such as coercion and lack of consent have relevance as it relates to abuse individuals (Uddin and Hopper, 2001). The group may make judgments regarding appropriate behaviors based upon two unethical pathways: ethical egoism and relativism. Ethical egoism will be dealt with first, follow by a discussion on the relativism position.

Moral harassment relates to an individual's ethical egoism position, in that this position emphasizes pursuit of self-interest (Regis, 1980). Moral harassment from an ethical egoism position neither requires a management action to be exclusive in reaching out for other team members nor does it require an end-of-action plan. This type of harassment can also dismiss other group members' positive actions even though they are morally obligatory.

Obtaining advantages in the form of promotions, merits, etc., typically motivates individuals. The economic benefits are associated with corruption (Becker and Stigler, 1974; Krueger, 1974; Leff, 1964). Self-interest is a result of ethical egoism (Pojman, 2002).

*Proposition 1: Ethical egoism induces individuals to be active in moral harassment.*

Moral harassment also implies an ethical relativism. Values and beliefs generate rules that are arbitrary and without consistent standards (Rodgers and Gago, 2001). These fluctuating standards are the basis for judging the adequacy of decision making, as well as to evaluate and monitor individuals' behavior.

Unfortunately, these fluctuating standards or rules do not represent a deontological code, in that there is very little or of a non-existence nature for freedom of conscience, consent, privacy, speech, or due process for individuals (Cavanaugh, Moberg and Velasquez, 1981). That is, the group uses rules in a relativistic way. The rules change when individuals achieve a certain standard level. That is to say, rules are not valid by themselves. As Machiavelli (1513) argued, that the end justifies the means.

*Proposition 2: Relativism is assumed as the group's ethical viewpoint when influencing victims.*

Moral harassment is associated with a negative exercise of power by a group. For example, Weber (1947) advocated that power is the chance of an individual, or a certain number of individuals, to realize their own will in communal action, even against the resistance of others. The group shows agreement on what constitutes a proper behavior (Ouchi and Johnson, 1978). The group determines when individuals must be subject to moral harassment. Furthermore, individuals are socially isolated and placed in a position of despair by the group (Leyman, 1984). As a result of this type of treatment, they are prevented in participating in any meaningful decision making activities.

*Proposition 3: Individuals are harassed when the group exerts power by isolating victims from contributing equally to the group.*

Moral harassment is also characterized by an absence of information. That is, individuals are not provided with information. In addition, individuals are not

evaluated using reliable and relevant information. Control through moral harassment is more on behaviors than on outputs (Ouchi, 1978). Individuals are deliberate objects of repeated intimidations, critics, and discrediting. Leymann (1990) establishes that the techniques used in the group involve the manipulation of: (1) victims' reputation, (2) their possibilities for performing tasks, (3) their communication with co-workers, (4) their social circumstances, and (5) their health (psychological and including physical).

Following Chenhall (2003), a management control system comprises not only as the systematic use of a collection of practices, such as budgeting or product costing in order to achieve some goals (conventional view), but also other forms of controls such as personal or group controls (sociological orientation). Moral harassment reins quite highly in the second group. Informal group controls may also be present in organizations along with varying tools in order to manipulate individuals' behavior (Labianca, Brass, and Gray, 1998).

*Proposition 4: Information is used in a relativistic way in decision making based on how useful it is to the group over the victim's rights.*

## **IMPLICATIONS AND SUMMARY**

Moral harassment implies that management has a very weak ethical foundation. Further, a group of individuals guided by their ethical egoism can ascribe to immoral principles based upon on common beliefs and values that can be harmful to others. They can also generate changing rules that comply with these principles, which follow a relativistic ethical viewpoint. This type of

behavior may eliminate from the affected person any freedom of conscience, consent, privacy, speech, and due process in decision making. A group of individuals can control other individuals by discouraging them from any initiative or influence on decision-making. The group may exert its power by imposing upon affected individuals a despotic and tyrannical managerial style. The group may also judge victims' behaviors as wrong and subject to corrective actions. Moral harassment ignores information that may shed positive light on the situation. Any information regarding performance, expenses, and revenues is irrelevant, as moral harassment implicates a previous negative judgment about the victims and their circumstances. Hence, there is no available new positive information (helpful to the victim) for judging their decision making.

Moral harassment is the tool used by the group to conduct and control decision-making. That group might be considered a bureaucracy, as defined by Weber (1947). For example, assume that the organization has well-defined tasks, whereby the tasks are straightforward. However, the leader in the group establishes competences over duties. The leader changes those competences at any time. The group follows hierarchical principles. Orders are sometimes contradictory. Victims do not have any right of appeal. Abstract rules govern decisions and actions. Rules are unstable, non-exhaustive, and cannot be learned. There is not a clear specification of competences on decision-making areas.

We suggest that organizations can be better armed in dealing with the problems associated with bullying behavior if they utilize a throughput modeling approach. For example, a better understanding of the relationship between

perception and information may alleviate some of the tensions that may occur between a supervisor and a subordinate (see Table 2). That is, bullying behavior can be depicted as intentional or non-intentional based on whether the information is positive or negative as well as reliable and relevant. This framework suggests that a possible early warning system may be employed to ferret out such behavior that can be counter-productive to an organization.

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Insert Table 2 about here  
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In summary several comments can be made in regards to the throughput model and ethical considerations. First, by referring to the throughput model, organizations have a benchmark in determining the select pathways as well as the different combinations of perception and information that a group implement to involve other members. Second, organizations can use the modeling perspective in monitoring decision-making activities of individuals. Third, ethical values can be related to specific pathways in the model in order for organizations to be alerted to, as well as take actions against, unproductive behavior that may cause harm to individuals.

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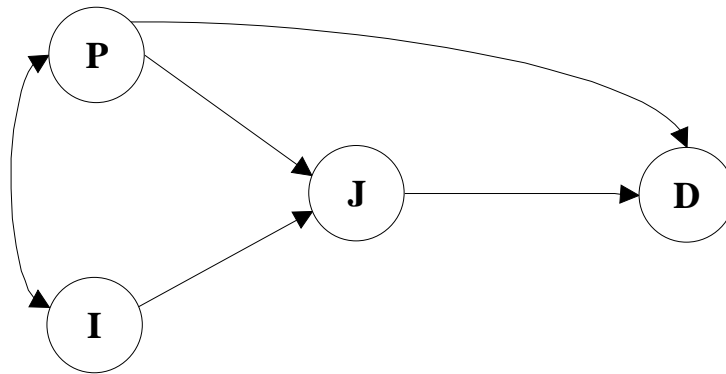
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Zapf, D., Knorz, C., and Kulla, M. 1996. Moral harassment factors, the social work environment and health outcomes. *European Journal of Work and Organizational Psychology*, 5: 215-238.

**FIGURE 1**

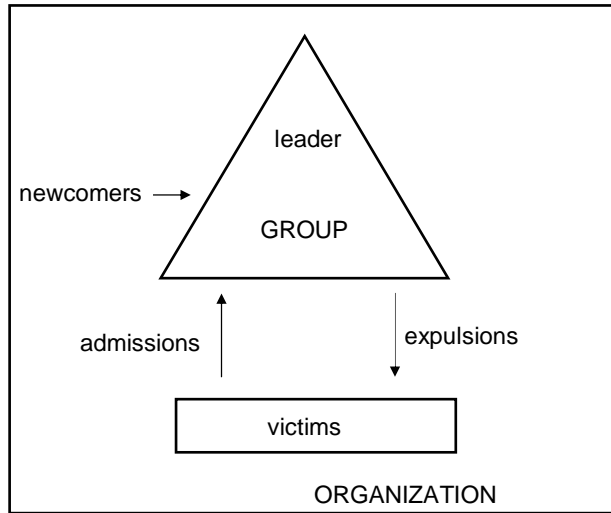
**Throughput Modeling of Individuals' Decision Processes Diagram**

*Where P= perception, I= information, J= judgment, and D= decision choice.*

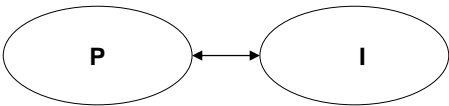
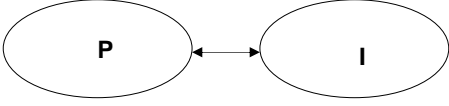


**FIGURE 2**

Dynamics in moral harassment



**TABLE 1**  
Identifying sources of bullying

PERCEPTUAL BIASES / INFORMATION	COHERENCE	SUPPORT FOR BULLYING
	HIGH	SUPPORT FOR BULLYING
	LOW	NO SUPPORT FOR BULLYING

**TABLE 2**  
Processing of perceptual biases and information

		Relevant and reliable information	
		POSITIVE	NEGATIVE
Perceptual bias to harm	NO	Non-present bullying behavior	Unintentional bullying behavior
	YES	Intentional bullying behavior	Present bullying behavior