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Anomie and ethics in organisations

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Introduction

Many researchers identified the discrepancy between the moral behaviour of people in business organisations and their moral behaviours outside of the organisation. Efforts are made to identify the factors that make 'good' people do 'bad' things (Bersoff, 1999), to differentiate judgement and action in their private and organisational/business life. Understanding and exploring anomie at work may improve our understanding of work and behaviour at work. Anomie is the lack of purpose, identity, or values in a person or in a society, and leads to a breakdown of norms that rule the conduct of people and assure the social order (Kuczarski & Kuczarski, 1995, cited in Roshto, 1995).

This paper reports on a research project that explores anomie in the business and general life spheres, organisational ethical climates (Victor & Cullen, 1998) and personal ethical ideologies (Forsyth, 1980). Rose (1966) explains that Durkheim attributed a state of chronic anomie to the business realm but argues the same attribution is applicable to all realms that disable actors to predict the behaviours of others due to lack of knowledge. This research seeks to explore whether a distinction in the levels of anomie between people's perception of the organisational and general life context exists, that is whether people are more likely to feel more hopeless and helpless in their work or non work life, and whether people in different organisations have significantly different levels of anomie. The implications of the findings on persons and organisations are discussed in terms of moral autonomy, responsibility and behaviour.

Moral Behaviour at Work

Moral behaviour may differ between the organisational and non-organisational context because the requirements differ. The difference in requirements is

characteristically explained by David Ewing (1978, p. 168), who explains that “only in America do we make a big production of guaranteeing such civil liberties as free speech, privacy, conscience and due process to all people except from the hours of 9 to 5, Monday through Friday.” More recently the debate about apples and barrels (Trevino & Youngblood, 1990) has been developed in an effort to understand and prescribe ethical behaviour at work. Freeman (1994) calls it the separation thesis, the false idea that the discourse of ethics and business are separate and mutually exclusive. The same sentiments are expressed by Werhane (1999) in discussing the individual in the institution. She explains that not all employees in the private sector enjoy rights to due process, freedom of speech, including protection for whistle blowers, privacy, rights to employment information and job security, whilst the public sector does not guarantee the right to form unions. The personal requirements are described by Jackall (1988) as an abdication of personal responsibility and autonomy to the imperatives of the work place.

Parallel to the attempts to identify why people behave differently in business there is an ongoing debate about the moral status of the organisation. This debate also has implications for how and why people behave in organisations and who is responsible for such behaviour. Organisations are attributed all shades of moral personhood (absent, secondary, limited, full) (see Ewin, 1991; French, 1979, 1995, 1996; Garrett, 1989; Ladd, 1970/1984; Metzger & Dalton, 1996; Nagel, 1979; Sandelands & Stablein, 1987; Weaver, 1998; and Wilmot, 2001). The view that sees organisations lacking moral personhood perceives them as “incapable of exercising moral freedom, that is, acting on the basis of moral considerations” (Nesteruk, 1991, p. 80). This view sees organisations as amoral structures whose bases for action are economic and market considerations (Nesteruk, 1991), a view that is grounded on the separation thesis discussed earlier (Freeman, 1994). Nesteruk comments that beyond the personhood of organisations, they are environments in which human agents play roles, follow rules and exercise morality.

The literature identifies that business organisations, regardless of their moral status which has great implications for moral agency and moral responsibility, are likely to make people feel less responsible for decisions and actions in them. Williams (1997), for example, argues that business organisations shape the individual in them so much that they do not see the ethical dimension of business life, and Jackall

(1988) claims that organisational life makes managers unable to see most issues that confront them as moral even when others present problems in moral terms. This is an outcome of the nature of the employment relationship which grants a certain degree of control to employers over the behaviour of their employees, resulting in the relinquishment of some of their autonomy (Radin & Werhane, 1996). The zone of indifference (Barnard, 1938) explains this phenomenon and characterises it as irresponsible, because people in organisations do not effect their morality in their conduct. Beach (1990) explains that the organisational influence is exercised by dividing tasks among its members, establishing standard practices, transmitting objectives, providing communication channels and training and indoctrinating its members with knowledge, skill and loyalties. These influences “allow them to make the decisions the organization wants made in the way the organization wants them made” (p. 11). As such the organisation provides both the ends and the means, limiting the possibility of moral autonomy. The organisation also affects the locus of choice on decision-making (Vaughan, 1998). The organisation as a social context shapes what a person perceives as rational at any given moment. The specialisation and division of labour that occurs in organisations may make people in organisations unable to see the illegality and immorality of certain actions. Each action is a part of a chain of actions, and even though each individual act may be legitimate and moral, all the actions linked together may constitute an illegal or immoral activity.

Organisations are subjected to increased pressure for more responsible behaviour. They are now seeking to improve the ethicality of their decisions and actions, including their behaviour towards employees. As a result of this scrutiny organisations and individuals may benefit from understanding and exploring anomie in the work environment.

Anomie

Anomie and anomia is a measure of relatedness to society. It was developed primarily in sociology, but it is also a concept that is used in philosophy to explain moral lawlessness, a state where there is no freedom, but only a lack of orientation (Benn, 1988) and the least preferable state of being after moral autonomy and moral heteronomy. Anomie is a state in which there is ‘no legitimate end to one’s desires, no goal, no conclusion’ (Lindholm, 1997, p. 754). Durkheim (1947) and later Merton

(1968) developed anomie. For Durkheim who resurrected the concept of anomie, it refers to deregulation and normlessness, whilst for Merton anomy is the result of relative deprivation (Box, 1981).

Merton (1968) distinguished between social and individual anomie. Individual anomie, or anomia (Rose, 1966), refers to a state of mind expressed by individuals who live under anomic conditions (Stole, 1956, cited in Deflem, 1989). Durkheim's and Merton's anomie refers to a state of society, while anomia refers to an individual's state of mind (Deflem, 1989). As a psychological state, anomia refers to a state of amoral existence where there are no values to which one can refer and adopt and use in deciding and living. As a result people feel detached from society.

Hampden-Turner (1970) describes anomous individuals as those who fail to conceive themselves as choosers, makers and testers of norms. He defines anomie as meaninglessness and normlessness (p. 69) because the ability to choose between norms, combine norms and invest norms into the human environment enable people to discover human meaning. "The anomic person does not see and does not want to know. It is all too big and too complicated and besides what can he do?" (Hampden-Turner, 1970, p. 74) thus leading into a common experience by anomic people of becoming "a thing" (p. 75). The anomic man, he comments, is often deluded, helpless, obedient, hostile, conforming and cruel (p. 97). Similarly, Fromm (1955) sees people in the market society as 'dehumanised', considering themselves successfully employed elements instead of agents who possess human powers.

The detachment from society and the subsequent formlessness is blamed on a number of factors, including the industrial revolution (Emler & Hogan, 1992; Shepard, Shepard, Wimbush, & Stephens, 1995), the rise of emotivism (Lindholm, 1997; MacIntyre, 1993), the replacement of virtues with values (Himmelfarb, 1995), scientific rationalism, neoclassical economics (Fromm, 1942; McKenna & Tsahuridu, 2001), and capitalist economies (Lindholm, 1997). Emler and Hogan (1992) discuss the loss of community that resulted from the industrial revolution in the eighteenth century, and the loss of moral authority and supervision that occurred. The outcome of this change in society and business is the assumption accepted by psychology and Durkheim and his contemporaries that: "people will be inclined to transgress when their actions are anonymous" (p. 203). This provides an explanation for the

regression in morality people exhibit in business organisations. The anomic manager is described as parallel to a sociopathic manager (Miceli, 1996) where the anomic manager's pursuit for profit excludes all moral considerations from decision making. The goal pursuing nature of corporations and certain formal and informal aspects, such as end focused leadership without concern for the means, limited participation and autonomy by members, strict compartmentalisation of people's activities at work, reward systems and socialisation, are likely to increase the presence of anomie at work (Cohen, 1993).

The recent interest of ethics in business, and the attempts to remoralise it (Tsahuridu, 2002), can benefit from a clearer understanding of anomia at work. Anomia is related to the ethical climate the organisation provides (Cohen, 1993) and to ethical decisions and ethical behaviour. Anomia by definition appears to exclude moral consideration and it appears to be closely associated with the amoral, or lack of moral judgement of individuals. Anomia precludes meaningful and free human action because it does not allow for the autonomy of self government by the values of a conscious person (Toddington, 1993). Anomia may provide an explanation as to why the assumption of ethical decision making models (Trevino, 1986) in organisations, that people recognise and think about an ethical dilemma when they are confronted with one, is questionable (Gioia, 1992).

Generally, anomie and anomia are developed in sociology and despite the disagreement as to their exact definition and cause, there is a consensus that they are undesirable as they impede personal well being. Anomie dehumanizes people and makes them hopeless and helpless things.

Methodology and Measurement Instruments

The research was undertaken in three Australian organisations which differ in form and approximate Ouchi's (1980) distinction of bureaucracy, clan and market. Ouchi's organisational types are used because they affect the development of the ethical climate and also differ in ethical climate dimensions. The organisations were guaranteed anonymity and are referred as Alpha, Beta and Gamma. Organisation Alpha is a public organisation and is considered a bureaucracy and the most

authoritarian of the three examined. The ethical climate of a bureaucracy is predominantly Law and Code, and Rules in terms of Victor and Cullen's (1987, 1988) ethical climate types. Organisation Beta is a private service provision organisation and is considered a clan and the most democratic of the organisations examined. Caring and Independence are its expected climate dimensions. Organisation Gamma is a tertiary educational institution and is considered a market organisation. It is expected to have a predominantly instrumental climate.

The sample consisted of managers (N = 93) from the three organisations. The individuals were from the same hierarchical level (middle management) or, if that was not feasible, from consecutive levels. Sections or departments of the organisations with similar characteristics were used to recruit the subjects, thus limiting intra-organisational variance. The individuals were required to have at least one year's experience in the organisation, and be in a middle or lower management position with project or personnel supervisory experience, similarly to the criteria used by Elm and Nichols-Lippitt (1993). Thirty-two valid questionnaires were collected from organisation Alpha (a response rate of 64%), thirty-one from organisation Beta (a response rate of 77.5%), and thirty from organisation Gamma (a response rate of 69.8%).

The questionnaire contained four sections. Victor and Cullen's (1998) Ethical Climate Questionnaire (ECQ) was presented first and contained the Organisational Anomie Scale. Organisational and personal ethical dilemmas were presented next, but their analysis is outside the scope of this paper. Forsyth's (1980) Ethics Position Questionnaire (EPQ) that contained the Personal Anomie Scale was presented next, followed by demographic questions. All instruments in this research involve ethical overtones and choices, but the personal value instrument is the most intimate and thus presented last to minimise social desirability responses. The ECQ, EPQ and Organisational and General Anomie Scales required responses on a 7 point Likert scale (1 = Completely Disagree to 7 = Completely Agree).

The anomie scale (Table 1) developed by Bachman, Kahn, Davidson, and Velasquez (1967 cited in Zahra, 1989) and used by Zahra (1989), referred to general estrangement and it was used in this research with the EPQ.

Table 1. Anomie Scale – General

1. I feel no one really cares much about what happens to me.
2. The life of the average person is getting worse, not better.
3. These days I don't know whom I can depend on.
4. These days I get the feeling that I'm just not a part of things.
5. I get the feeling that life is not very useful.
6. No one cares what happens, when you get right down to it.
7. People don't really care what happens to the next person.
8. It is hardly fair to bring a child into the world the way things look now.

Source: Bachman et al. (1967, cited in Zahra, 1989, p. 27)

The scale was also converted for the purposes of this research (Table 2), to reflect organisational estrangement, by translating the questions to reflect organisational life hopelessness. These statements were tested for clarity and face validity.

Table 2. Anomie Scale – Organisational

1. These days I get the feeling that in business, individuals are just not a part of things.
2. The life of the average person in business is getting worse, not better.
3. These days in business, I don't really know whom one can depend on.
4. I feel no one in business really cares much about what happens to individuals.
5. I get the feeling that life at work is not very useful.
6. I find it hard to be hopeful for the future of the world the way things look now.
7. In this organisation no one cares what happens, when you get right down to it
8. People in business don't really care what happens to the next person.

It must be stressed that the general and organisational anomie scales were presented with the EPQ and the ECQ respectively. As mentioned earlier the objective was to explore if people were more likely to report different levels of anomie between the different organisations or the different contexts.

The reliability of the ECQ was confirmed by Elm and Nichols-Lippitt (1993) and Victor and Cullen (1987). The reliability of the EPQ has been confirmed by Forsyth (1980) and Van Kenhove, Vermeir, and Verniers' (2001). The reliability of the general anomie scale developed by Bachman et al. (1967, cited in Zahra, 1989) was confirmed ($\alpha=0.76$).

The reliability of the constructs in this research answers Nunnally's (1967, 1978) acceptability standards (see Appendix A). The reliability of the general anomie scale was $\alpha=0.86$ and the organisational scale was $\alpha=0.85$.

Analysis and Discussion

In the ethical climate dimensions, differences were found in Caring, Law & Code, and the Rules dimensions between the organisations (see Table 3).

Table 3. Differences in ethical climate by organisation* (ANOVA)

	Total	Alpha	Beta	Gamma	ANOVA (Scheffe)
Caring	3.79	3.80	4.19	3.35	$\beta > \gamma$
Law & Code	4.87	5.58	4.86	4.12	$\alpha > \beta > \gamma$
Rules	4.34	4.76	4.30	3.93	$\alpha > \gamma$
Instrumental	3.93	4.08	3.81	3.89	N.S.
Independence	3.79	3.63	3.70	4.06	N.S.

*Mean score on a seven point scale with 1= completely disagree, 7= completely agree.

The overall interorganisational difference in the Caring, Law & Code, and Rules dimensions is significant (at the 0.01 level). As expected organisation Beta had the highest score in Caring, and Organisation Alpha the highest in the Law and Code, and Rules dimensions. Organisation Beta was also expected to have the highest Independence score but that was not confirmed in this study. Organisation Gamma scored higher in Independence, a fact that can be explained by the nature of work and greater autonomy in tertiary educational institutions, while organisation Beta is greatly affected by government and funding department regulations, as well as professional body codes. Organisation Alpha scored higher in the Instrumental dimension but the difference was not significant.

The Scheffe test performed on the inter-group differences (Table 3), confirmed their statistical significance ($p < 0.05$) in the Caring climate between organisations Beta and Gamma. It also confirmed the difference in the Law & Code climate between organisation Alpha, and Beta and Gamma, and Rules between organisation Alpha and Gamma.

In the ethical ideologies measured by the EPQ, organisation Beta had the lowest mean score in relativism and the highest in idealism. Organisation Alpha had the

lowest score in idealism, and organisation Gamma the highest score in relativism. To test the significance of these differences, an ANOVA was performed but there were no significant differences in the idealism and relativism scores between the three organisations (See Appendix B). This finding indicates that the people that are attracted and retained in the different types of organisations are not significantly different in terms of their ideologies.

Table 4. Differences in Organisational and General Anomie by Organisation (ANOVA)

Organisation	n	Organisational anomie M (SD)	General anomie M (SD)
Alpha	32	4.27 (1.15)	3.18 (1.20)
Beta	31	3.67 (1.27)	2.32 (0.92)
Gamma	30	4.18 (1.05)	2.81 (1.08)
F		2.4	5.1*

* $p < .01$

Analysing anomie, there is no significant difference in the organisational type (see Table 4) between the three organisations, but organisation Beta which was the more democratic has the lowest mean. There is a significant difference in general anomie. Organisation Beta has again the lower level of anomie, while organisation Alpha which was the most bureaucratic organisation has the highest level of anomie.

An interesting finding presented in Table 4 is that in all organisations, the anomie score in the general construct is lower than in the organisational construct. In order to test whether that difference is significant a Paired Differences Test was performed (see Table 5). It is revealed that overall general anomie is significantly lower than organisational anomie, in the total sample.

Table 5. Organisational & General Anomie

	N	M (SD)
Organisational anomie	93	4.04 (1.18)
Individual anomie	93	2.77 (1.12)
Paired differences		1.27 (0.97)
t		12.55*

*p<.01

This finding indicates that people in this research were more likely to feel helpless and hopeless when they were thinking about work and business in comparison to life in general. These findings give some support to the claim that the business realm is in a state of anomie (Rose, 1966).

Overall, there was no significant difference in the anomie scores between organisations in the organisational anomie scale, even though organisation Beta, which had a caring climate, has the lowest mean. Further research in different organisations and larger samples is needed. There was a significant difference however in the general anomie scale. This finding need to be explored further to understand what makes people perceive general and organisational anomie differently.

Conclusion

Anomie may provide an additional factor that affects people in the business context and the way they make decisions and behave in moral terms. Individuals may in fact become immersed in the formlessness of the modern organisation and engage in unethical conduct (Clinard, 1980). Anomie lies at the centre of this formlessness.

The emphasis on costs, profits, returns to shareholders, market share etc. may provide the form that leads to anomie.

The implications of these findings are that the work sphere in general may contain a fundamental ingredient that increases the feeling of hopelessness and helplessness. Efforts to identify this element will help organisations increase their contribution to a sustainable future, where sustainability is defined as “flourishing in time immemorial” and make life good and meaningful (Ehrenfeld 2000, cited in Wheeler, Colbert, & Freeman, 2003, p. 17). They may also help people to be morally autonomous and not helpless and hopeless ‘things’.

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APPENDIX A

Reliability of Scales

	Construct	Number of items	Cronbach's α	Mean	Standard deviation
CLIMATE	Caring	7	.73	3.79	0.96
	Law & Code	4	.76	4.87	1.17
	Rules	4	.62	4.34	1.01
	Instrumental	7	.68	3.93	1.02
	Independence	4	.59	3.79	1.07
IDEOLOGY	Idealism	10	.78	4.69	0.92
	Relativism	10	.76	4.10	0.99
ANOMIE	General	8	.86	2.77	1.12
	Organisational	8	.85	4.04	1.18

* For items in all constructs: 1 = Completely disagree and 7 = Completely agree

APPENDIX B

Differences in Ethical Ideologies by Organisation (ANOVA)

Organisation	n	Individual idealism M (SD)	Individual relativism M (SD)
Alpha	32	4.49 (1.05)	4.25 (0.94)
Beta	31	4.95 (0.76)	3.80 (0.87)
Gamma	30	4.64 (0.90)	4.26 (1.12)
F		2.1	2.2