MORAL SENSITIZATION AND THE DECISION TO APOLOGIZE

Rommel Salvador, Mihaylo College of Business and Economics, California State University Fullerton, 800 N. State College Blvd., Fullerton, CA, 657-278-3073, rsalvador@fullerton.edu

ABSTRACT

One of the challenging decisions faced by managers involves the question of apologizing in the aftermath of an organizational failure. On the one hand, there are managers who believe that apologies following an organizational mistake weaken a company's legal position, in the event of a lawsuit [1]. In contrast, empirical evidence from scholarly research [2] suggests that apologizing, admitting wrongdoing, and attempting to fix damage resulting from a company's failure or transgression leads to a better company image and performance.

What shapes a manager's decision to communicate an apology or a defense of the company following a company failure? Previous research has shown that contextual antecedents and conditions, such as the severity of the crisis and the likelihood of a lawsuit, influence apology or defense behavior [3]. However, at their core, decisions to apologize after a failure have a moral dimension [4]. Thus, making ethics or morality salient to these organizational representatives is likely to shape their decision to apologize after an organizational failure.

In this study, the influence of moral sensitization, or exposure to explicitly moral stimuli, on these apology decisions is examined. Previous research has demonstrated that even relatively brief interventions or exposure to explicitly moral stimuli, such as ethical dilemma discussions and even movies, can sensitize individuals to make judgments and act in more ethical and socially responsible ways [5]. Moral cues, when made salient, influence individuals to consider social dilemmas in terms of dimensions such as harm/care and fairness. Thus, individuals who have experienced moral sensitization develop a *greater* inclination towards "other-regarding" behavior (or decisions), such as accommodative and apologetic responses following an organizational failure. Formally, this study tests two hypotheses:

H1: Individuals who have participated in a moral sensitization intervention are more inclined to apologize for an organizational failure than individuals who have not, and:

H2: Individuals who have participated in a moral sensitization intervention are less inclined to downplay damage resulting from their organization's failure than individuals who have not.

Participants in this study were 75 undergraduate students in two sections of a Principles of Management class taught by the same instructor. One section was randomly assigned to the experimental condition, and the other to the control condition. In the experimental condition, students individually completed the Trolley problem [6], discussed their responses in small groups, listened to a short 10-minute lecture on some concepts in business ethics (e.g., values, stakeholders), and then completed a vignette exercise that contained the dependent measure. Students in the control condition completed the vignette exercise with the dependent measure first, then listened to the 10-minute introductory lecture on business ethics as the treatment group, and finally completed the Trolley problem exercise.

The vignette consisted of a situation about a firm's product failure that resulted in injuries for customers. Participants were instructed to put themselves in the position of company spokesperson and indicate the extent to which they were inclined to include particular elements in their statement to the public, in

response to the product failure. Specifically, they were asked to indicate, on a 7-point response format (1 = to a small extent, 7 = to a large extent) the extent to which they are inclined to use each of the following statements in their message: "We are sorry if anyone sustained injuries associated with the use of the Lift-Chair," "In the bigger scheme of things, reports of injuries associated with the use of the Lift-Chair have been a bit exaggerated," and "The number of injuries associated with the Lift-Chair is very small, roughly 0.2%, compared to the number of satisfied users of the product." The average of a participant's responses to the two statements constituted the dependent measure Inclination to apologize (used to test H1) and the responses to the second pair of statements constituted the dependent measure Inclination to Downplay Damage used to test H2).

A Multivariate Analysis of Variance (MANOVA) indicated that experimental condition was a statistically significant factor (Wilkes' $\Lambda = 0.91$, $F_{2,72} = 3.62$, p < .05). Univariate Analyses of Variance (ANOVAs) indicated that participants in the experimental condition were more inclined to apologize, $F_{1,73} = 6.28$, p > .05, supporting H1. However, there was no significant difference between participants in the two conditions with respect to inclination to downplay damage, $F_{1,73} = 0.97$, p > .10. These findings suggest that moral sensitization, through a short ethics instruction module, increased the inclination of individuals to apologize, but not their intent to downplay damage, following an organizational failure.

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