

Business Ethics/Business Ethics: One Field or Two?

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Business ETHICS/BUSINESS ethics: ONE FIELD OR TWO?*

Linda Klebe Trevino and Gary R. Weaver

Abstract: This paper delineates the normative and empirical approaches to business ethics based upon five categories: 1) academic home; 2) language; 3) underlying assumptions; 4) theory purpose and scope; 5) theory grounds and evaluation criteria. The goal of the discussion is to increase understanding of the distinctive contributions of each approach and to encourage further dialogue about the potential for integration of the field.

SCENE: A conference on business ethics where academics from liberal arts philosophy departments (business ETHICS) and business schools (BUSINESS ethics) are gathered to share their past year's work:

Business school faculty member: "These philosophers don't seem to know much about business. Their papers are full of mumbo jumbo that no one else can understand, least of all business managers. What does all of this tell us about management in the real world, anyway? I'd like to be a fly on the wall when they attempt to deliver these incomprehensible abstractions to the local Chamber of Commerce."

Philosopher: "Oh no, a panel discussion by business school faculty on employee theft. Someone will probably talk about the relationship between unauthorized paper clip acquisitions and variations in office lighting, holding moonlight constant, of course. Big deal! That won't improve anyone's character, nor give the genuinely puzzled a guide for moral living. It's no surprise, though; they really haven't studied ethics."

These vignettes overstate the extent of misunderstanding within the allegedly single, inter-disciplinary (DeGeorge, 1987a) business ethics field. However, alternative stances toward business ethics should be obvious to anyone familiar with the recent literature (Kahn, 1990; Tsalikis & Fritzsche, 1989; Stevenson, 1989; DeGeorge, 1987a, 1987b). Academic business ethics is usually divided into normative (i.e., prescriptive) and empirical (i.e., explanatory, descriptive, and/or predictive) approaches. The former is taken as the province of philosophers and theologians, while the latter is considered to be the domain of management consultants and business school professors. Their different foci, styles and methods have suggested that the study of business ethics may incorporate

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not one but two distinct fields (Fleming, 1987; Kahn, 1990). The surface level differences between the two approaches may reflect deeper, entrenched metatheoretical assumptions such as the once commonly accepted fact-value distinction (Hume, 1739; Moore, 1903; Nagel, 1961).

This divided house does not appear to be collapsing, though. Rather, business ethics as a field of study is becoming increasingly well-established and institutionalized (DeGeorge, 1987a). But, unlike other fields where institutionalization means a shared paradigm (Kuhn, 1962), practitioners of “business ethics” from these different domains are guided by different theories, assumptions, and norms (not necessarily problematic), sometimes resulting in misunderstanding or lack of appreciation of each others’ work (presumably problematic).

Despite the differences, recent reviews have called for integration of business ethics into a single unified field (Fleming, 1987; Kahn, 1990). However, we are concerned that integration is being discussed and attempted without full understanding of its meaning and implications. Thus, we (a philosopher and a social scientist) begin by illuminating the distinctive features of normative business ethics and empirical business ethics that we believe contribute to current misunderstanding (see Table 1). Only when key differences are clearly articulated—i.e., when we know wherein we differ—is understanding (and perhaps integration) possible.

We offer one important caveat before proceeding with the discussion. The empirical and normative approaches are admittedly more complex and less unified than our brief discussion suggests. Philosophy’s eclectic nature makes any brief attempt to characterize it (or its components, *viz.*, ethics) risky and unsatisfying. The safest characterizations of philosophy are sometimes the most aphoristic, as in Sellars’ observation that “[t]he aim of philosophy...is to understand how things in the broadest possible sense of the term hang together in the broadest possible sense of the term” (1963:1). The normative approach—in interdisciplinary fashion—draws from philosophy, theology, political and social theory, and other self-consciously critical inquiries. The entire normative task involves not only prescription, but also description and analysis. For example, any critique of a corporate practice presumably assumes an accurate description of the practice. Likewise, the application of moral judgments to a corporate or individual entity assumes a conceptual analysis (often called a metaethical analysis) in order to determine the grounds of the judgment in question and its applicability to the subject at hand. Nevertheless, the dominant feature of the normative approach is its emphasis on formulating prescriptive moral judgments (Fleming, 1987; Kahn, 1990).

Similarly, social science can not be unidimensionally characterized. In fact, recent debates in organizational science have left the field ideologically divided into multiple paradigms (Burrell & Morgan, 1979) supported by a multitude of possible research methods (Morgan & Smircich, 1980). However, the functionalist paradigm has dominated organizational science (Gioia & Pitre, 1990) and the empirical approach to the study of business ethics. It is driven by a natural science model and is characterized by an objectivist view of the world and a managerial orientation toward stability rather than change (Burrell & Morgan,

1979). To simplify the discussion, we present our analysis from the perspective of the dominant paradigm in each area of business ethics—the functionalist paradigm for the empirical approach and the emphasis on formulating prescriptive moral judgments for the normative approach.

Table 1
Normative and Empirical Approaches to Studying Business Ethics

	Normative Approach	Empirical Approach
<i>Categories</i>		
1) Academic Home	Philosophy, Theology Liberal Arts	Management Social Sciences
2) Language Definition of ethical behavior/ action	Evaluative Action that is right, just, fair	Descriptive Ethical choices, decisions (right or wrong)
3) Underlying Assumptions Human Moral Agency	Autonomy, Responsibility	More deterministic Reciprocal causation
4) Theory Purpose, Scope, and Application	Perscription & Proscription Abstract Analysis & Critique	Explanation/Prediction Concrete & Measurable Influence actual behaviors
5) Theory Grounds, Evaluation	Reflection on business practice	Empirical study of business practice
	Rational critique of moral judgments	Ability to explain, predict, solve business problems

Academic Home

The underlying assumptions, research questions, and methodologies that guide academic investigations are deeply rooted in the academic home of the investigator. Academics spend years in Ph.D. programs being shaped and socialized to a dominant paradigm that leads them to make assumptions, to ask certain

types of questions, and to search for answers using accepted methodologies. It is arguable that this socialization and training process has profound implications for academics from philosophical and management backgrounds who study business ethics. As a result of their different backgrounds, members of these groups may be suspicious of each other and may even have difficulty thinking of each other as colleagues and peers. Normative business ethicists may consider their peers to be academics from “pure” liberal arts disciplines (i.e., persons not noted for their charitable attitudes toward business), while the peer group for business faculty most likely includes other business faculty and perhaps business managers. The latter may be particularly suspicious of “ivory tower” philosopher types. The philosophers’ negative image can only be bolstered by their reputation for reveling in well-constructed (or well-destructed) but popularly “pointless” arguments (i.e., the analytical process is valued over any practical outcome). The social scientists’ negative reputation, on the other hand, stems from their insistence on attempting to provide “impoverished” causal explanations for phenomena that, to their philosopher colleagues, are either much more complex affairs or transparently self-explanatory (Brady & Hatch, 1990).

Normative Approach. In terms of its academic home, the normative approach is rooted in philosophy and the liberal arts. Philosophical training in ethics focuses attention on questions of *what ought to be*—how the individual and/or business ought to behave. The normative approach is clearly and unashamedly value driven (Kurtines, Azmitia, & Alvarez, 1990).

Randall and Gibson (1990) argue that the majority of sampled business ethics articles either fail to specify their methodology or use a defective one. This criticism assumes well-defined and widely-held methodological canons. As such, this criticism would be misplaced were it directed at philosophically-based business ethics. Graduate training in philosophy generally includes nothing like the “research methods” of social science. Contrary to textbook claims, formalized philosophical methods are rare. Even formal logic is more a subject than a tool for philosophy. While there is methodological self-consciousness in ethics (see the opening chapters of Rawls (1971), Donagan (1977) and Gewirth (1978)), it tends to be individualized to the task and author at hand. Those few, widely received “methodologies” which philosophy occasionally adopts soon become an embarrassment to many, if not all in the field (as with the logical positivists’ philosophy-as-logic-and-metascience, dominant in the 1930’s, and the philosophy-as-analysis-of-ordinary-language methodology of the 1950’s and 1960’s). One dare not presume to uncontroversially delineate the field or its methods so precisely. More typically one finds philosophical method described by a small number of heuristic guidelines (e.g., Regan, 1984).

Philosophers’ training often focuses on the metatheoretical issues of other disciplines. It is not unusual for a philosophy book or article to range across topics as diverse as formal models of predator-prey relationships in evolutionary biology and production functions in economics (cf. Rosenberg, 1981). This interdisciplinary, metatheoretical focus means that, in selected respects (e.g., the history of a field), philosophers may know as much or more about other fields

as the practitioners of those fields. Combined with a general inclination to function as interpreters and critics, this focus does not discourage scholarly imperialism; philosophy often proceeds by unearthing and critiquing arguments and assumptions in ordinary life *and* in the theories of other scholars (not just other philosophers). Thus, out of the philosophical academic home emerge individuals who stand ready to interpret and prescribe business behavior and critique the work of their social scientist counterparts.

Empirical Approach. The empiricist who studies business ethics is an applied social scientist with training most likely rooted in management and/or the social sciences (psychology, sociology, anthropology). Mainstream social scientists, trained in the functionalist paradigm, are generally concerned with questions of what is rather than what ought to be. They assume that the organizational world is “a basically objective one that is ‘out there’ awaiting impartial exploration and discovery” (Gioia & Pitre, 1990: 586). Organizational policies, procedures, and reward systems are seen as capable of influencing the behavior of organizational members. Further, organizational scientists are taught that, as scientists, they should be objective—that science should be value free despite recent challenges to the latter assumption (Kurtines, Alvarez, & Azmitia, 1990; Frederick, 1986; Miner, 1990).

Empiricists answer questions about *what is* by attempting to describe, explain, and/or predict phenomena in the empirical world utilizing the consensually agreed upon methodologies of their social scientific training: historical analysis, observation, interviews, surveys, and experiments. Research is guided by design criteria that, if judiciously followed, are thought capable of testing hypotheses and providing valid answers to specific research questions (Kerlinger, 1986). Data are most frequently analyzed utilizing quantitative statistical methods. Unlike philosophers, social scientists from the functionalist paradigm are uncomfortable ranging into the unknown territory occupied by philosophy and philosophers. They are more likely to let philosophers analyze and criticize each other.

Language

Imagine traveling to a distant planet where the inhabitants’ language is comprised of familiar English words. As a visitor, you are delighted at the prospect of being able to communicate with these English-speaking strangers. But, to your dismay, you soon discover that many of their words carry very different definitions. Your well-intended statements about “ethical behavior” are regularly misunderstood leading to frequent faux-pas, conflict and miscommunication. You realize that learning the strangers’ language will be even more difficult than learning a totally new language with a different alphabet or a different grammar because you will have to learn new definitions and uses for words you use every day. Even more troublesome is the fact that their word meanings are deeply rooted in cultural assumptions very different from your own.

This scenario is similar to the dilemma facing philosophers and social scientists who study business ethics. Each has independently developed a vocabulary

for talking about the phenomenon they study and how they study it. The philosophers' lexicon is quite precise, having developed based upon centuries of philosophical study. Relatively speaking, the social scientist has just begun to develop a vocabulary for asking and answering questions of interest. Because the social scientific study of business ethics is at a relatively early stage of development, its terminology is not necessarily clear. For example, the word "ethical" is often used as an adjective attached to other words such as behavior and theory. Consider the following sentence. "Ethical behavior in organizations is a complex phenomenon influenced by individual differences and external influences." For the social scientist, the definition of "ethical behavior" in this sentence does not necessarily mean right, just, or fair behavior. Ethical behavior can represent any behavior of individuals facing ethical decisions. This behavior is complexly determined by a number of influential factors and can be right or wrong, just or unjust, fair or unfair. For example, if an external cause (i.e., the organization's reward system) supports attention to only the bottom line, unethical behavior is more likely to result. Thus, the social scientist may use the term "ethical behavior" in a descriptive sense (Freeman & Gilbert, 1988) to mean either ethical or unethical behavior depending upon the context. By contrast, note the evaluative meaning of the term "ethical behavior" in the following argument: "Is it correct to say that ethical behavior is 'complex?' We think not. Complexity of human behavior implies difficulty to understand or to recognize. But when a person performs an ethical act, we feel simplicity rather than complexity" (Brady & Hatch, 1990: 17). Brady and Hatch use the term "ethical behavior" (as a philosopher would) to mean right action. While philosophers use the term "ethics" to denote the study of proper *and* improper behavior, "ethical behavior" is assumed to mean morally proper behavior. Given this definition of "ethical behavior," and certain assumptions about human agency (discussed next), it is not surprising that they then understand "ethical behavior" to be a simple phenomenon. However, the social scientist's definition of "ethical behavior," when linked with totally different assumptions about human agency, suggests an understanding of ethical behavior (meaning ethical *or* unethical action) as complex.

Underlying Assumptions—Human Agency

The normative and empirical domains invoke radically different explanatory models that rest upon distinct and generally unstated underlying assumptions. Assumptions about human agency are particularly relevant to the resultant confusion and misunderstandings. The philosopher believes that ethically significant action is normally autonomous while the social scientist invokes a more deterministic multiple influences perspective.

Normative Approach. The normative approach typically assumes that morally significant actions are performed with autonomy and responsibility. For some (metaphysical libertarians), this assumption entails a fundamental denial that the action can be placed in a causal nexus—"ethical behavior is not a function of anything other than an individual's free choice" (Brady & Hatch, 1990: 15). Although this view may allow for influences on actions, these influences are not

determinative of the action (Chisholm, 1976, 1982; Reid, 1788; Thorp, 1980; c.f. Weaver, 1989).

For others (so-called “soft” determinists), the assumption of autonomy and responsibility suggests that not all causal factors are on equal footing. Autonomous and responsible action results from a particular type of cause (typically one involving the agent’s choices, *even if* those choices are themselves determined) (Ayer, 1982; Hume, 1748; Moore, 1912). “For it is not when my action has any cause at all, but only when it has a special sort of cause, that it is reckoned not to be free” (Ayer, 1982: 21). Thus, autonomy and responsibility are rendered compatible with causal determinism by distinguishing among types of causal factors; some causal factors rule out autonomy, but others do not. However, there is no guarantee that the causes discovered by the social scientist will be of the type (e.g., choices) the soft determinist requires in order to preserve autonomy and responsibility. Empirical business ethics is not necessarily committed to explaining responsible and autonomous action in terms of the agent’s choices as opposed to other potential factors.

Apart from concerns about autonomy and responsibility, the actual search for causal conditions of ethical action may appear misplaced in the normative approach. Moral action may seem self-explanatory or self-interpreting in character, needing no additional explanation in causal or nomological terms. Thus, the normative approach may find the explanation of ethical action to lie in the justificatory relationship between the dictates of morality and a person’s action, rather than in a causal or nomological relationship between the action and its antecedents. The situation is analogous to that of the alleged self-explanatory character of rational action (Dray, 1957; Hollis, 1977). Causal explanation is thought to be appropriate only for ethical deviance. “We might say that causal models lead us to discover (or make!) *excuses* for ethical failure, but shed very little light upon ethical success” (Brady & Hatch, 1990: 17). “Ethical success” approaches self-explanatory status.

Empirical Approach. Social scientists find it difficult to reconcile free will with the social scientist’s general assumption that human behavior is lawful and can be predicted and explained (Sappington, 1990). Social scientists range from hard determinists (i.e., Skinner, 1953) who believe that human behavior is completely determined by external factors—to libertarians (i.e., Rogers, 1959) who believe that people make choices (i.e., beliefs and goals) and that these choices, although constrained at times by ability or external barriers, are determined by the individual. However, most social scientists would likely categorize themselves with Bandura (1986) who developed a theory of reciprocal causation in which the individual and the environment mutually influence each other. Thus, although most empirically-based ethics theories do not eliminate notions of responsibility and autonomy, these social scientific theories emphasize the role of multiple determinants, both internal (i.e., locus of control, cognitive moral development) and external to the individual (i.e., peers, authority relationships, reward systems). To management researchers, the external determinants (e.g., reward systems, codes of conduct) often seem more interesting and useful be-

cause they are the factors over which the manager can exercise control. For example, managers can manipulate reward systems and design codes of conduct and training programs to influence subordinate behavior. In sum, in the empirical approach, both “ethical success” and “ethical failure” are viewed as complex phenomena that can be explained by a combination of causal factors. Even whistle-blowing, often presumed to be an example of “ethical success,” is understood by social scientists to be influenced by multiple internal and external causal factors (Near & Miceli, 1987). The relative influence of these causal factors is left to be determined through empirical study.

Theory Purpose, Scope, and Application

A key difference between the purpose of theory in the philosophical and empirical approaches to business ethics resides in the difference between prescription and description/prediction. Thus, the social scientist may devalue the philosopher’s moral judgments because they can not be understood in empirical terms. They can not be verified by empirical test or be used to predict or explain behavior. On the other hand, the social scientist’s statements about morality are seen to be of little value to the philosopher because they do not address the essential questions of right and wrong. Second, the scope of the normative approach is abstract and general, often more detached from the particulars of actual circumstances than the empirical approach. Finally, normative ethical theory, applied to business ethics, provides tools for analysis and critique, while social science theory, applied to business ethics, provides a basis for understanding and managing human behavior in a complex social world.

Normative Approach. The normative approach includes evaluative, descriptive, and analytical elements. The purpose of normative business ethics is to critique the real by reference to the ideal. Having understood the actual world, the task is to evaluate its propriety and, if appropriate, prescribe a morally better alternative. Thus, the task includes interpretive description along the lines of history and literary criticism (Kekes, 1980:119). This need not require systematic data collection, but rather the search for particularly illuminating cases.

Normative ethical theories create standards by which the propriety of moral beliefs and practices in the business world can be evaluated. Thus, normative ethical theories—e.g., Kantianism—play a potential role for which there is no analog in empirical business ethics. What matters to the normative ethicist is not so much the causal antecedents of an action as the instantiation of a moral principle.

Normative business ethics may also engage in a significant amount of conceptual analysis as a prolegomena to the actual formulation of a prescriptive moral judgment. This metaethical task is exemplified in debates over the ontological status of corporations in relation to attempted attributions of moral responsibility or blameworthiness (e.g., “Is a corporation a moral agent?”) (Goodpaster, 1984). Similar conceptual issues may arise in evaluating attributions of responsibility to organizational officials. Recall, for example, Richard Nixon’s attempt to conceptually distinguish Nixon the man from Nixon the president, such that

while the former was admittedly subject to certain legal requirements, the latter was not (cf. Fales, 1977).

In terms of scope, modern normative ethical theory concerns morality as such, i.e., a standard of moral reasoning or action which holds for persons qua persons. "It thus moves at a level of abstraction and generality which detaches its concerns and its formulations from all social particularity" (MacIntyre, 1984:498). For example, Rawls derives his principles of justice by asking what would be chosen by actors ignorant of the particularities of their social conditions and individual psyches (Rawls, 1971).

While opinions may differ as to exactly how the principles of morality may be applied to business ethics, it is generally understood that normative ethical theory provides the tools necessary for analysis and informed discussion of ethical issues (Derry & Green, 1989). The dominant conception of "applied ethics" (MacIntyre, 1984) contains two elements: context-neutral (i.e., putatively universal) ethical theory, and context-sensitive discussions of particular ethical issues. But, Derry and Green (1989) distinguish nine approaches to the use of ethical theory in business ethics texts while Toulmin (1981) and Klein (1985) suggest that moral judgments in specific cases are largely reached independently of ethical theory. Theory may only provide after-the-fact legitimacy for contextualized judgments reached in informal (though not thereby non-rational) fashion (Klein, 1985). However, one can at least describe the dominant conception as positing some place for ethical theory in business ethics, even if only a heuristic role. Most textbooks at least mention, if not use, philosophical ethical theories (Derry & Green, 1989). Similarly, DeGeorge's (1987b) report on a business college's efforts to improve its business ethics program indicates that ethical theory is thought to play a crucial role. Thus, the dominant conception of business ethics includes normative ethical theory and contextualized studies of business-ethics problems, and at least the assumption of a connection between the two.

Empirical Approach. Social science theory serves a sensemaking purpose in its attempt to make sense of the observable world (Dubin, 1976). It provides a conceptual basis for examining regularities and relationships that can lead to generalizations about organizational behavior—to describe, explain and or predict specific outcomes of interest to the researcher (Gioia & Pitre, 1990; Kerlinger, 1986). In contrast to the normative approach, the empirical approach focuses on identifying definable and measurable factors within individual psyches and particular social contexts that influence individual and organizational ethical behavior. One might also argue that an essential purpose of theory in the empirical approach to business ethics is to provide a sound theoretical basis for managing the ethical behavior of individuals and organizations—to provide practical and useful managerial guidance.

While normative business ethics is quite abstract, empirical business ethics is, by definition, concrete. Abstract constructs are expected to be operationally defined so that they can be concretely measured (Kerlinger, 1986). Most empirical business ethics researchers study behavior at the individual or organizational level of analysis (Fleming, 1987). When applied to business ethics at the indi-

vidual level of analysis, social science theory is used to explain and/or predict behaviors such as lying, cheating, stealing, and whistleblowing. Hypothesized causal factors are derived from the social scientific roots of the investigator. For example, those with roots in psychology have identified individual differences such as values, locus of control and cognitive moral development that are proposed to influence individual managers' reasoning and choices (Trevino & Youngblood, 1990; Weber, 1990). Moral psychology (Kohlberg, 1969) has provided hypotheses and measurement approaches (Trevino, 1992). Sociology has provided theories of differential association (Sutherland & Cressey, 1970), hypothesizing that peers and referent others influence unethical behavior (Ferrell & Gresham, 1985; Zey-Ferrell & Ferrell, 1982). At the organizational level of analysis, researchers have studied ethical climates (Victor & Cullen, 1988), culture (Kram, Yeager & Reed, 1989; Pastin, 1986), and corporate codes of conduct (Mathews, 1987). In addition, variables such as size and resource environments have been studied as correlates of corporate crime (Cochran & Nigh, 1987; Staw & Sz wajkowski, 1975), and corporate reputation (social responsibility) has been associated with firm financial performance (McGuire, Sundgren, & Schneeweis, 1988). To the empirical business ethics researcher, the ultimate application of social science theory might be in field experiments that attempt to develop theory-based interventions that can influence actual behavior such as employee theft (Greenberg, 1990). The desired result of such research would be guidance for the development of practical and useful managerial interventions.

Theory Grounds and Evaluation

The normative and empirical approaches may be most alike when it comes to the grounds for normative and social science theory, but most different in their guidelines for theory evaluation. One might safely presume that morally significant business practices and their potential conflicts and ambiguities generate much of the theoretical problem set for both approaches to business ethics. Thus, in some sense, both normative and social science theory have an empirical base. However, the normative approach evaluates moral theory based upon rational critique while empirical business ethics evaluates social science theory primarily on the basis of its ability to explain and/or predict organizational behavior.

Normative Approach. Perhaps contrary to the perceptions of social scientists, normative business ethics has an empirical basis (among others) as a source of research questions and in the justification of answers. For the normative business ethicist, business ethics problems are "discovered" through reflection on business practice (perhaps in the light of moral theory). Moreover, actual moral practice functions among the criteria for evaluating moral theories (Regan, 1984). For example, were a moral theory to prescribe gratuitous punishment, we would have *prima facie* grounds for rejecting the theory.

The "method" of ethical theory commonly involves achieving what Rawls (1971:46-53) calls a reflective equilibrium between theoretical constructions and our considered moral judgments. Everything from "logic and mathematics" to "our knowledge of matters of fact obtained in both common sense and more

formal experimental science” to our “reflective, acquired sentiments of moral approval and disapproval” is potential relevant (Stevenson, 1989:103).

Regan (1984) offers the following guidelines for constructing the “ideal moral judgment”: seek conceptual clarity and complete information, be rational (i.e., avoid logical flaws), be impartial, “be ‘cool’” (i.e., emotionally calm), and reason on the basis of valid moral principles. Of such principles we are told little save that, minimally, a valid principle will not conflict with significant numbers of our considered moral beliefs. Regan (1984) also tells his readers how *not* to do business ethics (e.g., avoid confusing moral judgments with personal preferences, feelings, popular sentiments or authoritarian edicts). Beauchamp offers similar directives, emphasizing the analysis and critique of arguments and positions (Beauchamp & Bowie, 1988:13-16). However, not all texts offer even heuristic guidelines (cf. Iannone, 1989). Moreover, the mere fact of moral disagreement—either within or among cultures—is not in itself held as grounds for doubting the possibility of judging some moral positions more correct or well-founded than others.

Empirical Approach. For social scientists, new knowledge is obtained through systematic investigation of relationships and regularities that exist in a concrete social world. This approach has a strong empirical base in the ethical problems and practices of business organizations (i.e., employee theft, corporate crime). Theory is built incrementally and deductively, beginning with logic, existing literature and theories about organizational behavior (Whetten, 1989). Hypotheses are developed and theory tests are designed to extend existing theory, fill a knowledge gap, or set up tests of competing explanations of the same organizational phenomenon (Gioia & Pitre, 1990).

During the initial stages of theory development, logic and reasonableness may be used as a basis for theory evaluation. However, ultimately, for a social science theory to be considered good, it is expected to contribute to the two stated goals of science, prediction and explanation (Dubin, 1978). Thus, theory justification is accomplished via the natural science model of empirical confirmation and disconfirmation (Bacharach, 1989; Behling, 1980) and through the theory’s ability to explain behavior and/or solve problems (Bacharach, 1989; Thomas & Tymon, 1982). Some have argued that, in reality, persuasion is also used to gain theory acceptance (Astley, 1985) and that true scientific progress relies upon the scientist’s commitment to and advocacy of the new theory (Mitroff, 1972). However, advocacy of one’s own theory can be dangerous for the scientist. The academic community is likely to label the scientist as a biased and over-emotional crank.

Mackenzie and House (1978) proposed an ideal theory evaluation system, a “recipe for serious scholars” that involves a long term commitment to theory building. This commitment involves a program of empirical research based upon Platt’s (1964) concepts of crucial experiments where the scientist attempts to produce counter examples. Failure to disconfirm theory is not considered confirmation. Rather, the theory is considered not yet invalidated. Behling (1980) examined five major objections to the use of ideal natural science criteria for

theory evaluation and concluded that, despite the objections, it is the best approach currently available for evaluating social science theory.

An alternative view was expressed by Thomas and Tymon (1982). They suggested that conventional notions of methodological and scientific rigor are deficient as the only guidance mechanisms for theory evaluation because they direct energy away from the relevance or usefulness of research while encouraging research of questionable practical utility. They emphasized the need for theory and research that is relevant to solving real problems.

Business ethics theory and research in the empirical tradition have been evaluated along both the confirmation/disconfirmation and explanation/problem solving dimensions. Fleming (1987) offered examples of criticism from scholars in the business ethics field. Although he calls them "self-criticism" (Fleming, 1987:19), most of the remarks seem more like empiricists' criticisms of the normative approach... "Business ethics research is a strange phenomenon; there is little empirical research; it is mostly writing and reflection..." "Most of the scholarly work is useless...The problem is that businessmen need to know that they are doing ethics in their activities" (Fleming, 1987:19). However, the normative side (criticizing the empiricists) was represented by the following critical remark, "Business researchers are primarily census takers who produce fluff."

In sum, the normative and empirical approaches are in potential conflict regarding theory evaluation insofar as empirical study of ethical behavior reveals a diversity of causal influences on moral beliefs and practices. Theory is evaluated in terms of the extent to which behavior is explained or predicted and management problems are solved. Alternatively, the normative approach evaluates theory on the basis that some moral positions are more "correct" or well-founded than others.

One Field Or Two?

Our discussion of the normative and empirical approaches points to a common interest in morally significant business practice (e.g., stealing, whistleblowing, corporate crime). However, we have also identified numerous sources of confusion and collision, suggesting that beyond their common starting point, the two approaches diverge. For example, confusion arises out of differences in language such as the meaning and usage of the term "ethical behavior." The potential for collision exists in different underlying assumptions about human agency, and the different purposes for theory and criteria for theory evaluation. A focus on these differences suggests that integration attempts may be problematic.

In light of the foregoing analysis, what are we to make of the relationship between empirical and normative business ethics? In particular, how are we to understand the frequent calls for integration? Fleming (1987) reported concern among business ethics scholars that the lack of integration between "the normative and descriptive research methodologies...will be dysfunctional for the growth and development of the field" (Fleming, 1987:19). Kahn (1990) represented the normative and contextual approaches as two non-overlapping circles of a Venn diagram and argued that the uncharted *intersection* of the two circles,

described as research connecting with business practice, is currently missing. However, Kahn's map for charting this connective territory remains vague. Further, our earlier analysis suggested that the business ethics field (both normative and empirical) is already grounded in business practice, the primary interest area shared by the two approaches. Thus, these calls for integration fail to provide real guidance regarding the ultimate shape any new form of integration might take or what the process would be for creating it. In sum, we believe that the categories delineated in this paper provide a basis for understanding the important differences between the two approaches to business ethics and the reasons why calls for integration may go unanswered.

In a follow-up article in this issue (Weaver & Trevino), we explore three levels at which normative and empirical business ethics may relate. First, the normative and empirical approaches may operate in *parallel*, sharing only their concern with certain types of business behavior, but self-consciously avoiding any connection between the two approaches to studying them. Second, integration could take the form of a practical *symbiotic* relationship in which the normative and empirical approaches choose to associate in some way for their mutual benefit. The association is a kind of "marriage of convenience" but each approach remains separate and intact—firmly grounded in its own view of the world. Finally, a deeper level of *theoretical hybridization* is a form of integration that would merge the normative and empirical approaches at the substantive theoretical level in a manner that would actually create a new breed of theory. In our in-depth treatment of these three levels, we discuss the problems and prospects of each and of business ethics integration as a whole.

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