

Virtue and virtuousness in organizations: Guidelines for ascribing individual and organizational moral responsibility

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Abstract

This article advances research on moral responsibility in organizations by drawing on both philosophical virtue ethics grounded in the Aristotelian tradition and Positive Organizational Scholarship research concerned with virtuousness. The article discusses the very conditions that make possible the realization of virtues and virtuousness, respectively. These conditions ground notions of moral responsibility and the resulting praise or blame on organizational contexts. Thus, we analyze the way individuals and organizations may be ascribed interconnected degrees of retrospective moral responsibility and blame as depending on the interplay between the individual conditions leading to virtue and the organizational conditions leading to virtuousness. Based on this analysis, we develop a two-level account of moral responsibility in organizations that connects individual and organizational moral responsibility through the concepts of virtue and virtuousness. This is further operationalized into practical guidelines to ascribe degrees of individual and organizational blame, which can be used as a tool by managers, policymakers, or industry regulators.

1 | INTRODUCTION

When complex ethical failure surfaces in organizations, attributing responsibility and blame usually becomes like a ping-pong game: employees point to organizational failure and organizations fault employees. However, in life not everything is black and white, and we are most often faced with interconnected shades of grey. Approaching individual and organizational responsibility as an intertwined relationship might be a useful resource for business ethics to explain (and further prevent) ethical failures in organizations.

There are currently but a few studies that address the interdependence of individual and organizational responsibility (Bovens, 1998; Constantinescu & Kaptein, 2015; Isaacs, 2014; Kaptein & Wempe, 2002; Mathiesen, 2006; Werhane, 1989). Most research focuses instead on individual wrongdoing and blame and what this entails at the organizational level (Wurthmann, 2020). As a result, the connection between the two levels of responsibility remains under-researched (Dempsey, 2013; Isaacs, 2011) despite

evidence that not only individuals determine organizational direction, but organizational conditions also influence individual ethical behavior (Bright et al., 2011; Bruhn, 2009; Crane & Matten, 2016; Meyer, 2018). It is against this background that scholars call for a new ethical framework that encompasses the mutually reinforcing levels of individual, organizational, and socio-economic-political governance and that might explain organizational ethical failure (Arjoon et al., 2018; Fernando & Bandara, 2020).

In this article, we respond to this call and address the relationship between the individual and organizational levels of moral responsibility. We do this by drawing from the frameworks of both philosophical virtue ethics grounded in the Aristotelian development of virtue and Positive Organizational Scholarship (POS) research concerned with virtuousness. Specifically, we explore the way individuals and organizations may be ascribed interconnected degrees of retrospective moral responsibility and resulting blame¹ depending on the interplay between the individual conditions leading to virtue and the organizational conditions leading to virtuousness. Consequently, we

develop a normative, two-level account of moral responsibility that connects individual and organizational moral responsibility through the concepts of virtue and virtuousness. We further operationalize this two-level account in a set of guidelines that may be used for ascribing to individuals and organizations higher or lower degrees of moral responsibility and resulting blame. Hopefully, this will create a new research perspective concerning the role of virtue and virtuousness in ascribing appropriate moral responsibility and blame to various parties within the organizational context. Given that we develop guidelines for ascriptions of moral responsibility, our article has practical implications at the managerial, organizational, and policy-making levels: it suggests specific tools for both reactive and proactive measures concerning unethical behavior within organizations.

Our article contributes to several lines of research on the role of virtues and virtuousness in organizational settings. On the one hand, we contribute to business ethics research that is based on virtue ethics by highlighting how Aristotelian conditions leading to virtue ground notions of moral responsibility in organizations. On the other hand, our article contributes to the growing body of POS research and its main construct of virtuousness (Beadle et al., 2015; Bright et al., 2014; Ferrero & Sison, 2014; Meyer, 2018; Rego et al., 2010; Shahid & Muchiri, 2019; Sison & Ferrero, 2015; Tsachouridi & Nikandrou, 2019). The increasing attention that the role of virtues in organizations is receiving lately (Huhtala et al., 2018) has generated new research directions in the field of Positive Social Science (Beadle et al., 2015) relevant to business ethics (Ferrero & Sison, 2014), such as positive business (Meyer, 2015, 2018) and positive organizational ethics (Bright et al., 2014; Sekerka et al., 2014). Our article contributes to the latter.

Furthermore, our article contributes to research that tries to connect the concepts of virtue and virtuousness. These two concepts are currently facing a divide that some scholars consider impossible to reconcile (Banicki, 2014; Beadle et al., 2015; Nussbaum, 2008). Other scholars are, however, more optimistic about a potential dialogue to bridge the divide (Beadle et al., 2015; Bright et al., 2014; Meyer, 2018). This divide is primarily prompted by the surrounding normative and empirical methodologies of philosophical virtue and POS virtuousness, respectively (Meyer, 2018; Moore, 2015; Potts, 2020; Sison & Ferrero, 2015). Against the background of POS conducting a "scientific study of positive outcomes, attributes, and processes in an organizational context" (Alzola, 2015, p. 290) with a focus on those "situations that foster and enable virtuous behaviors and positive emotions" (Meyer, 2015, p. S175), virtuousness is often used to emphasize "a behavioral understanding of virtue" (Bright et al., 2014, p. 446). However, as scholars argue, virtues are expressed in behavior but are not reducible to it (Alzola, 2015; Bright et al., 2014; Sison & Ferrero, 2015), and virtue can only be grasped by studying the virtuous person and not merely by observing his actions (Alzola, 2015; Potts, 2020). These differences between the virtue ethics and POS perspectives show that virtuousness cannot replace virtue in business ethics research, and vice versa (Sison &

Ferrero, 2015). Our article thus provides a new perspective to Bright et al. (2014, p. 456) suggestion to further explore the dynamic processes by which organizations influence "the presence, degree enactment, and impact of virtue among its members," and by which individual virtues "influence the qualities and characteristics of the organization."

This article is organized as follows. In the first part, we discuss the concepts of virtue and virtuousness in relation to conditions for ascribing moral responsibility within organizations and derive two guidelines for ascribing degrees of moral responsibility. We discuss the role of virtue, in its normative philosophical understanding, to determine the conditions leading to ascriptions of individual moral responsibility. Here, we will be drawing on Aristotle's analysis of virtue from the *Nicomachean Ethics* (1985). We further discuss the role of virtuousness, specific to POS, to explain how the organizational setting influences individual moral responsibility and thus makes organizations responsible for providing optimal conditions. Here, we will be drawing on the Corporate Ethical Virtues Model developed by Kaptein to determine the conditions leading to ascriptions of organizational moral responsibility. In the second part, we discuss the reciprocal influence between the individual and organizational levels of moral responsibility and derive eight guidelines for ascribing various degrees of blame to individuals and organizations.

2 | THE ROLE OF VIRTUE AND VIRTUOUSNESS IN DETERMINING MORAL RESPONSIBILITY

To rightfully ascribe moral responsibility in organizational contexts, we need to morally evaluate both the individuals acting within organizations and the organizational context itself and acknowledge that we cannot simply translate moral judgments about individuals into moral judgments about organizations, or vice versa. We speak of two *distinct* levels of responsibility and resulting blame (Isaacs, 2011, 2014): individual and organizational. Accordingly, we need distinct instruments to acknowledge and correctly evaluate individual moral responsibility and organizational moral responsibility, which lead to ascriptions of individual moral blame and attributions of organizational moral blame, respectively. To this end, we develop a two-level account that connects individual and organizational moral responsibility through the concepts of virtue and virtuousness.

To determine how we should ascribe different degrees of moral responsibility to individuals and to organizations, we first delineate the very conditions for holding them morally responsible retrospectively,² i.e., for something that has happened in the past. Furthermore, we derive one guideline at each level of our account. In doing this, we identify with scholars who consider virtues to be genuinely action guiding (Sison et al., 2012) and generating ethical rules of thumb.³ Our two guidelines are rules of thumb to ascribe degrees of moral responsibility and resulting blame to individuals and organizations.

2.1 | Virtues and individual moral responsibility

The roots of virtue ethics go back to Aristotle's *Nicomachean Ethics* (Alzola, 2015; Annas, 2011; Bright et al., 2014; Crisp, 1996; Heugens et al., 2008; Sison & Ferrero, 2015). The way retrospective moral responsibility is presented today in both philosophical virtue ethics and business ethics draws heavily on this Aristotelian tradition. In his writings, Aristotle does not specifically refer to the concept of moral responsibility. However, especially in Book III parts 1 to 5 and Book V parts 8 and 9 of the *Nicomachean Ethics*, Aristotle gives an analysis of the conditions that make virtuous and vicious actions possible, that is, the conditions under which it is adequate to blame or praise someone for his actions (Meyer, 2011). Scholars generally understand this as an analysis of the conditions under which someone may be ascribed moral responsibility for his past actions (Bostock, 2000; Broadie, 1991; Hughes, 2001; Meyer, 2011).

Following Aristotelian virtue ethics, which focuses on moral appraisal, character, human flourishing, and excellence (Alzola, 2012; Annas, 2011; Foot, 2001; Jackson, 2018), we are primarily concerned with an ethics of being or of character and secondarily with an ethics of doing (Alzola, 2012; Appiah, 2008; Moore, 2005). Virtue ethics evaluates an action as good or right depending on whether it is what a virtuous agent would do in the given circumstances as a result of his character (NE, 1106b18-24). Hence, more attention is given to the way virtues determine and are internally expressed in the human character, rather than on how they are expressed in human actions (Jackson, 2018), in a nonreductive approach that preserves the inner aspects of virtue (Alzola, 2015). A virtuous act is thus dependent upon a virtuous person: "There is no such thing as an objectively virtuous action in itself, considered independently of the person who performs it" (Sison & Ferrero, 2015, p. 86). As such, a virtuous person will perform the right actions for the right reasons and in the right circumstances (Hartman, 2013; Sison & Ferrero, 2015; Solomon, 1992). Hence, the simple performance of a good action does not make the person virtuous because the action could have been done for the wrong reason. Virtues are defined in relation to human nature and its final end (Hartman, 2013; Sison & Ferrero, 2015): *eudaimonia*, understood as human flourishing, perfection, or excellence (Hartman, 2013; Sison & Ferrero, 2015), or as achieving one's full potential (Arjoon, 2008). Virtues as excellences of character pertain to lives as a whole (Alzola, 2012, 2015; Hartman, 2013; Sison & Ferrero, 2015) and require *phronesis* (prudence or practical wisdom). This is wisdom to discern rationally the proper course of action in a given situation, because virtuous actions take place relative to specific circumstances (Bright et al., 2014; Jackson, 2018; Sison & Ferrero, 2015).

In the Aristotelian view, we are "neither praised nor blamed for our passions, but rather for our virtues and our vices," where the latter are understood as stable and enduring states of character (Alzola, 2015, p. 293). Human virtue and vice are expressed in actions and through repetition (NE, 1103b), and their moral significance is determined following certain specific conditions. These conditions amount to ascribing moral responsibility to individuals.

An individual who performs either a virtuous or vicious action may be considered either praise- or blameworthy, respectively, provided the action was performed voluntarily and was based on a deliberate decision or *prohairesis* (Bostock, 2000; Broadie, 1991; Irwin, 1999). Virtue demands "an action be the outcome of a conscious decision accompanied by the right reasons" (Sison & Ferrero, 2015, p. 86). If agents do not meet these conditions, they are absolved from the moral responsibility attached to their action; they could not have acted morally correctly or rightly if their action was not the result of virtue or vice (both of which are within the agent's power). These Aristotelian conditions have been more or less faithfully reiterated by research in business ethics oriented towards virtue ethics. Below we briefly describe these Aristotelian conditions.

First, the criterion of voluntary action described by Aristotle is reflected in contemporary business ethics through multiple sub-criteria for moral responsibility. One sub-criterion is the person performs an action that *causes*, at least in part, the outcome (Corlett, 2009; DeGeorge, 1999; Isaacs, 2011; Pettit, 2007). Another sub-criterion is the person acts freely based on their own will or intention, *without compulsion*; that is, without external conditions that would physically or psychologically force them to perform an action against their own will or that they would not reasonably be able to resist (Clarke, 1992; Pettit, 2007). A further sub-criterion is that the action is performed while *knowing* all of its implications, that is, the particular circumstances related to who, when, where, why, or how (Corlett, 2009; DeGeorge, 1999; Zimmerman, 1997); in other words, the individual is not ignorant about any of this information.⁴

Second, the Aristotelian criterion of deliberate decision requires actions to be the result of an individual choice based on prior analysis involving *aforethought*. This criterion generates ascriptions of moral responsibility together with the first criterion of voluntary action. A voluntary action caused by *prohairesis* can be virtuous or vicious, thus praiseworthy or blameworthy. Interestingly, there are two meanings regarding an individual's deliberation: "we do not deliberate about ends, but about what promotes ends" (NE, 1112b, 15). On the one hand, as the ends are already determined, deliberation is about the necessary means to achieve them (Irwin, 1999; Mureşan, 2007). On the other hand, deliberation concerns the rightness of ends in themselves, namely, whether it is appropriate to pursue these means to achieve one end or another (Sison et al., 2012) in the context of living a fulfilled, *eudaimonic* life.⁵ The end of virtue and virtuous action is moral goodness (NE, 1115b, 14; 1120a, 25), and "we deliberate about things that are in our power and can be done" (NE, 1112a). For both meanings of deliberation, practical wisdom is highly relevant, enabling the right choice not only of the ends worth pursuing but also of the best means to achieve such ends according to human good (Ferrero et al., 2020; Morales-Sánchez & Cabello-Medina, 2013). As a result, the condition for deliberation involves the individual being able to evaluate the significance of his own action relative to the purpose being pursued. Deliberation thus requires that the individual possesses an advanced level of moral understanding (Clarke, 1992; Corlett, 2009) and the necessary capacity to evaluate available options (Bovens, 1998). The criterion of

deliberate decision is not fully met, and therefore, moral responsibility is diminished when, for instance, individuals need to decide among a limited number of choices that all have unethical implications, and they end up choosing the least harmful course of action.

To conclude, we identify the following four Aristotelian conditions for ascribing moral responsibility to individuals, as they were advanced in the *Nicomachean Ethics* and reiterated in the business ethics literature. (a) The causation condition: the person (at least partly) causes the action; (b) the freedom condition: the person acts without unbearable coercion; (c) the knowledge condition: the person acts without being ignorant about the implications and contextual circumstances of his action; and (d) the deliberation condition: the person is able to deliberate about the various means to achieve a specific end.

Contextualized within organizations, this means that once individuals meet such conditions when contributing to an organizational outcome, they can be attributed higher or lower degrees of moral responsibility for the resulting collective outcome. Depending on whether their action was vicious or virtuous, individuals may be further blamed or praised. When the organizational outcome is unethical—that is, it results from a lack of virtuous individual action or rests on a vicious activity—we may consider the individuals blameworthy. When such an outcome is ethical—that is, it results from virtuous individual action—we may consider the individuals praiseworthy. We now delineate our first guideline for ascriptions of moral responsibility at the individual level (abbreviated to MR):

MR1: The more the individual members of the organization contribute to generating an organizational outcome by causing it freely, knowingly, and deliberately, the more they are (each) morally responsible for the resulting outcome.

2.2 | Virtuousness and organizational moral responsibility

When individuals act within organizations, all aforementioned four criteria for determining their moral responsibility can be directly influenced by the organizational context. In that case, moral responsibility for outcomes generated in organizations may be traced back not only to the individuals generating it, but also to the context that influences the ethical behavior of employees. Organizational settings give rise to ethical issues that do not arise in other social settings (Crane & Matten, 2016; DeGeorge, 1999; Kaptein & Wempe, 2002), and that sometimes expand or, at other times, restrain individual responsibility (Crawford, 2007). For this reason, organizations should provide the conditions for their members to behave ethically. Therefore, to determine whether and to what extent organizations bear moral responsibility, we evaluate how the organizational context facilitates the four conditions for individual moral responsibility and virtuous behavior. We do this by drawing on the notion of virtuousness advanced by POS research, which

we equate to the organizational context that is conducive to individual virtuous action. In the process, we also highlight the need for a deeper grounding of the POS notion of virtuousness within the Aristotelian tradition to be able to correctly account for the way organizations enable individual virtue and moral responsibility.

If organizations are to facilitate individual virtuous action and moral responsibility, they need to enable their members to live a fulfilled life, thus facilitating human flourishing or *eudaimonia*. This requires an understanding of organizations similar to the Aristotelian *polis*: as being oriented towards the common good. While we acknowledge that business ethics orientated towards virtue ethics has previously advanced several accounts that relate human flourishing to organizational (and societal) conditions,⁶ we focus here on recent POS research that advances such an understanding of business organizations. Positive business, that is, POS applied to business (Meyer, 2015), discusses organizations that strive to do what is good and to perform well at the same time (Spreitzer & Cameron, 2012). This focus on the human and social aspects, viewed as intrinsically desirable, differentiates positive business from mainstream organizational approaches (Meyer, 2015) and is a relevant contribution to business ethics concerned with the role of virtues in organizations.⁷ Of all the POS constructs that address positive business, “virtuousness is key to developing positive organizations” (Meyer et al., 2019, p. 392) because it allows us to better understand the organizational struggle for a common good that facilitates human flourishing (Arjoon et al., 2018).

Therefore, to discuss the organizational level of moral responsibility, we employ the construct of virtuousness that we equate to an organizational context that further enables and generates conditions for individual virtuous actions. In the absence of a common definition (Arjoon et al., 2018; Meyer et al., 2019), we understand the notion of virtuousness to be related to organizational structures, processes, and cultures (Sison & Ferrero, 2015) to the extent that these sustain organizational excellence and individual flourishing (Bright et al., 2006; Morse, 1999). Thus, virtuousness “designates a context, situation or condition in organizations that is conducive to the virtues; it does not refer to the virtues themselves” (Sison & Ferrero, 2015, p. 89). Virtuousness is associated with “the process and practices that support and manifest the display of virtuous behavior and the pursuit of highest aspirations in the human condition” (Arjoon et al., 2018, p. 146). Virtuousness supports certain behaviors because they are “the right thing to do” (Bright et al., 2006, p. 252), and it is similar to virtues, because it is often understood as a good or as “an end in itself” (Bright et al., 2014, p. 449). Unlike ethical virtues, virtuousness lends itself to empirical investigation (Bright et al., 2006) and quantification (Shanahan & Hyman, 2003). These features show that POS virtuousness is “a combination of research findings from multiple scientific areas and POS own interpretation of Aristotle’s notion of virtue” (Meyer, 2018, p. 247).

Primarily applied to collective actions within organizations (Cameron et al., 2004), virtuousness is considered to create the necessary conditions for organizational contexts to strive for human excellence (Bright et al., 2006; Cameron et al., 2004; Sison

& Ferrero, 2015). For instance, virtuousness positively affects the entire organization by amplifying commitment towards organizational citizenship behaviors or by buffering dysfunctions (Bright et al., 2006; Shahid & Muchiri, 2019; Sison & Ferrero, 2015). Amplification consists in a self-reinforcing upward spiral in which both individual and organizational virtuous behavior reciprocate and support each other, leading to contagious repetition of virtuous behavior (Cameron, 2003; Cameron & Winn, 2012; Shahid & Muchiri, 2019; Tsachouridi & Nikandrou, 2019). The amplifying or synergistic effect of organizations on individual virtues results in an overall virtuousness that is greater than the sum of individual virtues—what Bright et al. (2014) refer to as the *synergy hypothesis*. In this view, the organization “is not merely a passive container that holds the virtues of its members, but rather it provides a more generative (or perhaps deleterious) context in which organizational members interact in ways that prompt, enable and/or enhance (or perhaps diminish or inhibit) virtue” (Bright et al., 2014, p. 456).

To delineate a possible set of organizational conditions for individual virtuous action, we refer to the Corporate Ethical Virtues (CEV) Model developed by Kaptein (1998, 2008, 2011, 2017).⁸ The model provides generic organizational virtues that play a direct role in ascribing moral responsibility to organizations. We choose this conceptual model because primarily it has both theoretical and empirical advantages due to its normativity and multidimensionality and because it is “one of the few scales that can assess and measure virtues at the organizational level” (Huhtala et al., 2018, p. 238). Conceptually, the model is closer to the virtue ethics framework because it follows Solomon's virtue ethics approach to business (Solomon, 2004), and it employs an Aristotelian understanding of virtue as the mean between two extremes (Kaptein, 2017)⁹ and admitting of degrees (i.e., virtues can be improved, and this can be done through continuous practice [Kaptein, 2011]). Empirically, the CEV model is closer to the POS approach to virtue because the former has been developed based on an empirical analysis of 150 ethical failures of organizations (Kaptein, 1998), and it has already been successfully tested (DeBode et al., 2013; Kangas et al., 2014; Kaptein, 2011) and applied (Huhtala et al., 2014, 2018; Kangas et al., 2017). This gives the CEV model an advantage compared to other conceptual accounts of virtue ethics that are exclusively philosophically grounded and generally lack empirical testing (see, e.g., Moore, 2015).

As a result, the CEV model may be used to evaluate the virtuousness of an organization based on the level at which organizational virtues are embedded in the organizational context and influence individual ethical action. The extent to which organizations integrate such virtues indicates their level of organizational virtuousness and represents the extent to which we can consider the organizations ethical (Kaptein, 2011). This means that the model addresses primarily virtuousness *through* organizations, which makes it better suited for evaluating moral responsibility at the organizational level. As POS research highlights, virtuousness is displayed “in and through organizations” (Cameron, 2003, p. 48), which refers, respectively, to individual behavior in the organizational setting and to organizational

enablers or conditions that support the perpetuation of virtuousness (Bright et al., 2006; Meyer, 2018; Moore et al., 2014). While the former is receiving growing scholarly attention, the latter is still under-researched today, almost two decades after Cameron's call for further research (Cameron, 2003). In this section, we respond to this call with the help the CEV model: by focusing on the organizational level of virtuousness and the way it might help explain organizational moral responsibility.

Kaptein (1998, 2008, 2011) developed the CEV model based on the following seven virtues he identified using an Aristotelian method that combines inductive and deductive reasoning: clarity, congruency, achievability, supportability, visibility, discussability, and sanctionability. These virtues represent organizational conditions for the ethical behavior of employees, and they reflect the organizational capacity to stimulate ethical behavior. Given the actual and potential influence that the organizational context exerts on individual behavior, “the organization contributes to the behavior of employees or fails to do so where it is required” (Kaptein, 2017, p. 3). Where explicit organizational guidance related to ethical behavior is lacking, individuals are more likely to deal with ethical issues spontaneously, using an undefined and quite broad scale of right and wrong (Bruhn, 2009). Hence, the organizational virtues function as characteristics of the organizational context; and when optimally embedded, they support individual ethical behavior and flourishing and, as such, encompass moral value.

To ascribe organizational moral responsibility, we refer to the extent to which the organizational practices (i.e., culture and structure as active elements of the organizational context (Kaptein & Wempe, 2002)) embed the virtues of the CEV model to achieve virtuousness that exerts a synergistic effect over individual virtues and enables organizational members to meet the four conditions for individual moral responsibility.¹⁰ Although “it is not the situation which predetermines human behavior” but rather “the (conscious) choice one makes that directs actions” (Meyer, 2018, p. 259), the fact remains that organizational contexts influence individual behavior, and vice versa (Bright et al., 2011). Organizational practices may enable or hinder individual virtuous action and the possibility to meet the Aristotelian conditions for moral responsibility. Thus, only if organizations display within their practices the seven virtues can they be judged as morally praiseworthy for a collectively generated outcome. However, if the organizational practices display such virtues excessively or deficiently, then these practices become vicious and therefore blameworthy. This is because such practices increase the likelihood that individual members behave unethically (Kaptein, 2017) or viciously, thus generating unethical outcomes. The degree of organizational moral responsibility is therefore directly proportional to the degree the virtues are optimally embedded in organizational practices. This leads to our second main guideline:

MR2: The more the organizational practices contribute to generating an organizational outcome by (not) optimally embedding the seven ethical virtues of the CEV model conducive to virtuousness, the more the

organization is morally responsible for the resulting outcome.

3 | DEGREES OF MORAL RESPONSIBILITY: CONNECTING VIRTUE AND VIRTUOUSNESS

After discussing the way individuals and organizations may be assigned moral responsibility relative to virtue and virtuousness, we now discuss how to ascribe higher or lower degrees of responsibility by looking at the way individual and organizational levels of responsibility influence each other.

3.1 | The relationship between organizational and individual conditions for moral responsibility

In this section, we connect the conditions for organizational responsibility based on the virtues of the CEV model with the conditions for individual responsibility based on the Aristotelian criteria. For each organizational virtue of the CEV model, we first restate its meaning—Kaptein (2008, 2011, 2017) presents the extended content of these virtues—and then establish its possible connection with Aristotelian conditions for individual virtue. See Table 1 for a summary. While we ascribe moral responsibility and resulting blame or praise when individuals and organizations display vice or virtue, we acknowledge that the conditions that establish individual moral responsibility are different from those that establish moral responsibility of organizations.

First, the organizational virtue *clarity* refers to the accurate, concrete, and comprehensive moral expectations established by the organization about employees. Clarity may therefore be linked to the Aristotelian criteria of knowledge and deliberation as conditions for moral responsibility. When optimally present, clarity allows individuals to act without being ignorant about what is expected of them as members of the organization, which further allows them to deliberate on proper courses of action when, for instance, policies are neither too complex nor too numerous for them to grasp.

Second, *congruency* refers to consistent role modelling of managers and supervisors in line with espoused organizational ethical norms.¹¹ Congruency is thus linked to the Aristotelian criterion of knowledge because it permits individuals to act in full knowledge

of their working environment, without receiving contradictory messages regarding acceptable behavior and written norms.

Third, *achievability* (feasibility) refers to the way organizations provide individuals with sufficient capabilities such as information, time, budget, equipment, or authority to fulfil their ethical responsibilities. Achievability is therefore connected to the Aristotelian criteria of knowledge, freedom, and causation because it enables individuals to act on their own with sufficient contextual information and without any constraint, for instance, being able to meet a sales target without being coerced to cut corners when sufficient time is lacking.

Fourth, *supportability* refers to the organizational conditions that foster or hinder its members' commitment to behave ethically. Supportability is related to the Aristotelian conditions of causation and freedom because it provides employees with the necessary tools for ethical behavior, thus enabling them to act without being coerced into acting immorally, such as being egoistic or Machiavellian.

Fifth, *visibility* (transparency) concerns the way unethical behavior and its consequences are made evident to those who can take a stance against it within the organization. Visibility is linked to the Aristotelian criteria of causation, deliberation, and knowledge: it provides both the necessary and sufficient contextual information for individuals to take balanced decisions and act without being ignorant, enabling a track record of action (causation).

Sixth, *discussability* refers to the opportunities the organization creates for employees to raise and discuss ethical dilemmas. Discussability is linked to the Aristotelian conditions of freedom and deliberation because this virtue makes comprehensible to employees various ambiguous situations surrounding ethical decision-making, without any coercion or fear in discussing problematic issues.

Seventh and last, *sanctionability* concerns the formal and informal organizational mechanisms that reward ethical behavior and punish unethical ones as stimuli and means for repetition and future avoidance, respectively. This shows organizational intrinsic commitments to reinforce virtuous actions and, when optimally embedded, it has an educational role: people observe and replicate exemplary behavior. Sanctionability is related to all four Aristotelian criteria—causation, knowledge, coercion, and deliberation for virtuous or vicious individual action—because it provides employees with clear information concerning the consequences of their action, which further gives them the possibility to act uncoerced based on deliberation on alternative choices.

TABLE 1 Relationship between organizational and individual conditions for moral responsibility

Individual conditions for virtue	Organizational conditions for virtuousness						
	Clarity	Congruency	Achievability	Supportability	Visibility	Discussability	Sanctionability
Causation			×	×	×		×
Knowledge	×	×	×		×		×
Freedom			×	×		×	×
Deliberation	×				×	×	×

These seven ethical virtues are constitutive of organizational moral responsibility in several ways. First, without being necessarily causally determinate, they can influence individual ethical behavior. Relatedly, as the CEV model is not recursive, these virtues do not exhaust the possible set of organizational conditions influencing individual ethical behavior. Second, the way they are embedded in organizational practices strongly affects the way individuals may act while meeting Aristotelian conditions for moral responsibility. Third, these seven virtues set the moral expectations for employees, and these expectations need to be themselves virtuous, which means that they need to be aligned with overall virtuousness. When optimally embedded in organizational practices, the role of these ethical virtues is to empower individual virtuous action without restraining individual moral responsibility. Individuals can only act virtuously—that is, do the right thing, for the right reasons, in the right circumstances—as long as they act voluntarily and based on a deliberate decision.

As the connections in Table 1 show, whether individuals and organizations satisfy some or all conditions for ascriptions of moral responsibility influences whether we ascribe blame or praise to them. The presence of organizational virtues has an impact on attributions of individual blame or praise because organizational virtues contribute to the way individuals can meet the Aristotelian criteria for moral responsibility. As a result, individual action is either empowered or restrained by the organizational context in which it takes place, relative to whether the organizational virtues are embedded in higher or lower degrees and whether they contribute to the overall organizational virtuousness. Virtues embedded by the organizational culture influence the virtues of organizational members, which makes the organization blameworthy for failing to embed such virtues (Jackson, 2018).

Furthermore, Kaptein (2017) highlights that all seven virtues need to be optimally embedded in organizations. This can be achieved by applying the Aristotelian notion of the mean because both excess and deficiency leads to vice. For instance, sanctioning perpetrators of unethical behavior sends a message of organizational support for ethical behavior (Ruiz-Palomino et al., 2019). However, when individuals are ignorant or afraid of the possible sanctions for their unethical behavior, it suggests that organizational practices display deficient or excessive levels of sanctionability; thus, it is vicious. As research shows, too much surveillance and sanctions have detrimental effects on organizational culture (Stöber et al., 2019), while being permissive of unethical behavior in the workplace has pernicious effects, too (Ruiz-Palomino et al., 2019). Too much organizational control limits virtuous action (Morrell & Brammer, 2016).

However, organizational virtues do not just occur in the workplace; they are the results of human interactions taking place in time and generating the organizational context or practices, especially the culture. Informal workplace relationships represent a substantial influence on ethical behavior (Ruiz-Palomino, 2019) and on the actual compliance with formal rules (Stöber et al., 2019). Moreover, human relationships exhibit reciprocity that can lead to vicious and contagious circles that make up the organizational culture (Ruiz-Palomino,

2019; Stöber et al., 2019). For instance, when employees perceive their peers or managers to be routinely behaving unethically and ignoring formal rules, employees will tend to disregard official policies as well (Constantinescu & Kaptein, 2015; Stöber et al., 2019). Through their own specific action, repeated and perpetuated over time, individuals end up establishing a pattern of ethical and unethical behavior. This pattern of behavior is finally institutionalized at the organizational level and becomes the (informal) norm (Ashforth & Anand, 2003). For instance, when individuals start to demand that the organization provides them with the necessary means to realize specific projects, then the virtue of achievability starts to become embedded in the organizational culture. When individuals become silent about ethical issues and refrain from talking about various ethical dilemmas, the virtue of discussability weakens in the organizational culture. As Solomon (1992, p. 338) puts it, “the integrity of those people determines the integrity of the organization as well as vice versa.” Sison and Fontrodona (2012) also endorse this point. Thus, when individuals meet the Aristotelian conditions for moral responsibility, they can then realize the organizational ethical virtues.

When individuals behave virtuously and when organizations encourage virtuous behaviors, virtuousness becomes self-reinforcing (Cameron, 2003). It is by looking at the relationship between organizational and individual conditions for moral responsibility based on virtue and virtuousness that we may clarify how assigning some degree of organizational blame influences ascriptions of individual blame, and vice versa. We now turn to delineating guidelines for ascribing such blame.

3.2 | Guidelines for ascribing degrees of moral blame

Once moral responsibility is ascribed to individuals, they will either receive moral praise or blame (Zimmerman, 1997) depending on the circumstances of their actions. These contextual circumstances make the individuals more or less praise- or blameworthy.¹² To discuss various degrees of individual and organizational moral blame or praise, together with their interconnections depending on contextual circumstances, we need to operationalize the two guidelines for ascribing moral responsibility (MR1 and MR2) into guidelines for ascribing moral blame. The latter delineate more accurately how attributions of blame or praise resulting from individual moral responsibility influence attributions of blame and praise resulting from organizational moral responsibility, and vice versa.

We discuss below the excusing and amplifying situations that increase or diminish the degree of moral blame or praise to be ascribed. We look at the four Aristotelian criteria for individual virtuous action (as discussed in Section 2.1) and their implications for organizational virtues and overall virtuousness. Aristotelian virtue ethics posits that moral responsibility and resulting blame or praise may be diminished or even avoided if the individual is in (at least) one of the following situations (Bovens, 1998; Corlett, 2009; DeGeorge, 1999; Zimmerman, 1997) that correspond to the four conditions discussed

in Section 2.1: (a) the individual did not cause or had a limited contribution in causing the outcome; (b) the individual did not know the full range of implications of their actions, therefore acted (partly) in ignorance; (c) the individual acted under coercion, either physically or psychologically, and therefore acted differently than they would have done under normal circumstances; (d) the individual was somewhat impeded from actually deliberating on the means to achieve a specific end. Each of these four situations is correlated with the appropriate organizational virtues of the CEV model drawn from Table 1. This results in eight guidelines for ascribing individual and organizational moral blame.

First, an individual who did not causally contribute to the outcome cannot be held responsible for that specific outcome. This holds even if it is a collective, organizational outcome. However, if the individual did contribute to supporting a general pattern of unethical organizational practices, be it only through a verbal or non-verbal positive appreciation of a corrupt colleague, that individual may be assigned (a degree of) moral responsibility. This is because such endorsement may potentially prompt a similar unethical behavior among other colleagues, leading to, for instance, a generalized Machiavellian behavior (Ruiz-Palomino et al., 2019). Individuals are responsible for the wrongdoing of others given their participation in a shared-value culture (Dempsey, 2015). Organizational processes emerge as a result of multiple connections between various individual actors (Steen et al., 2006). If individuals fail to denounce others who are behaving unethically, then they facilitate the perpetuation of the unethical action by letting others follow the unethical example (Den Nieuwenboer & Kaptein, 2008), thus generating amplifying effects of multiplied unethical behavior throughout the organization.¹³ This lack of reaction finally contributes to organizational unethical practices and thus individuals become increasingly responsible over time (Constantinescu & Kaptein, 2015). Consequently, individuals who tolerate unethical practices—instead of fighting or signalling them—are to be assigned different degrees of responsibility and blame: the more passive (relative to their capacity to fight or signal wrongdoing) they are, the more responsible and blameworthy. Similarly, when organizational practices facilitate, promote, or accept unethical individual behavior instead of preventing or stopping it, organizational virtues (i.e., achievability, supportability, visibility, and sanctionability) that influence the causal condition are turned into vice and thus fail to contribute to the overall virtuousness of the organization. For instance, organizational practices that do not support whistle-blowers amplify organizational moral responsibility because organizational factors, such as the perceived effectiveness of reporting (Miceli et al., 2008), influence employees' willingness to report (Hess et al., 2019). We may delineate the following guidelines for ascribing moral blame (abbreviated to MB):

MB1: The more individuals act so as to deter, fight, or signal organizational unethical (vicious) practices, the less they are blameworthy for unethical (vicious) organizational outcomes.

MB2: The more the organizational practices respond to unethical (vicious) individual behavior by optimally embedding the virtues of achievability, supportability, visibility, and sanctionability, the less the organization is blameworthy for unethical (vicious) outcomes.

Second, moral responsibility may only be diminished or avoided when the action is due to excusable ignorance. Work roles or functions that are too narrowly defined tend to limit access to information and generate lower levels of felt responsibility (Ashforth & Anand, 2003). The functions that individuals occupy at a given moment within organizations spell out their future responsibilities in that specific context. This time-framed relationship takes place because backward-looking responsibility is directly related to forward-looking responsibility, with the former depending on the latter (Bovens, 1998). Failure to meet current, reasonably attainable responsibilities within an organization makes individuals blameworthy at a future time for something they did or omitted to do in the past (Dempsey, 2013). For instance, managers cannot easily hide behind the excuse that they were ignorant of the high risks involved in not implementing prevention mechanisms. They do not have to wait until there is an incident to take actions, because preventive measures and risk management fall within their responsibility. Insufficient prevention of unethical practices is a reckless attitude and thus, unethical. At the collective, organizational level, such attitude contributes to generating weak practices that do not prevent, identify, or stop unethical behavior; thus, the organization fails to optimally embed organizational ethical virtues and becomes blameworthy. Through the actions of their individual members, organizations are expected to assume prospective responsibility for designing organizational practices that embed mechanisms that are able to identify, control, and change unethical behavior (Donaldson, 1982), for instance by embedding ethical virtues. The organization's failure to carry out this responsibility in the present makes it blameworthy in the future. The omission of preventive measures is blameworthy even when no unethical individual behavior has yet taken place. According to the CEV model, organizations can be morally blamed for lacking virtues even when there is as yet no instance of individual unethical behavior. This is because the lack of organizational virtues indicates that the organization is not taking enough preventive measures for something that is "reasonably foreseeable" (Kaptein, 2019, p. 104). In the same vein, an organization may be praised for the good level of virtues embedded in its practices even when there is as yet no instance of individual ethical behavior resulting from them. We now delineate the following specific guidelines:

MB3: The more the individuals take steps to prevent potential unethical practices when they have the knowledge to do so, the less they are blameworthy for unethical (vicious) organizational outcomes.

MB4: The more an organization takes preventive measures against potential individual unethical (vicious) behavior by optimally embedding the virtues of clarity,

congruency, achievability, visibility, and sanctionability, the less the organization is blameworthy for future unethical (vicious) outcomes.

The third instance when moral responsibility may be diminished or avoided concerns the coercion condition. Organizational practices may become ossified within the organization and thus more resistant to change. In this case, individuals may in time become less capable of changing unethical practices. Individual unethical behavior is first culturally embedded, then routinized, and finally, rationalized and becomes part of the organizational practices: it turns into an organizational modelling input for the behavior of new individual members (Bruhn, 2009). The new members are introduced to the unethical culture as if it were acceptable and even normal, i.e., the way "things are done here" (Ashforth, 2001); for example, everybody ignoring official double-check procedures in the manufacturing process to speed things up. People in organizational contexts end up behaving in the way the organizational practices prompt them to behave. Because making the correct ethical evaluation about their own or other's behavior becomes increasingly difficult, individuals end up conforming to the general pattern. Nevertheless, unless organizational unethical practices are too deeply embedded for individuals to be able to fight them, individuals are expected to overcome, resist, or reject immoral organizational practices (DeGeorge, 1999). Individual responsibility is not completely avoided when organizational practices are ossified (MacIntyre, 1999); individual behavior is still primarily rooted in virtuous or vicious character traits (Alzola, 2012). Individuals may only be excused, or their moral responsibility diminished, if the coercion exerted on them is indeed irresistible or overwhelming (Treviño et al., 2014). For instance, when the time or psychological pressure to conform to the organizational unethical practices is overwhelmingly high that the individual is left with no other choice but to act unethically, then we may speak of coercion in the Aristotelian virtue ethics sense. Alternative options for action or inaction need to be available to be able to speak of moral responsibility (Bovens, 1998). The following guidelines may be delineated:

MB5: The less ossified the organizational practices, the more the individuals are blameworthy for unethical (vicious) organizational outcomes

MB6: The less the individuals can resist highly coercive organizational practices that fail to embed the virtues of achievability, supportability, discussability, and sanctionability, the more the organization is blameworthy for unethical (vicious) outcomes.

Fourth, individuals may bear diminished or even no responsibility at all if the organizational practices prevent them from deliberating on the means for achieving a specific goal. Their hierarchical position, job tenure, proximity, or support function might enable or prevent them from deliberating on a specific course of action. For example, given their level of decision-making, individuals occupying higher hierarchical positions are expected to potentially have more power and

influence to create and maintain organizational ethical virtues (Kaptein & Wempe, 2002). Such individuals are expected "not only to behave from virtue, but also to create opportunities for the development and the expression of the virtues" (Alzola, 2012, p. 394). Virtuous individuals help foster organizational virtuousness (Bright et al., 2006). Furthermore, the longer individuals stay within an organization, the more their actions or omissions contribute to (not) embedding organizational virtues. Thus, an employee with longer job tenure bears more responsibility than one who is recently employed. Likewise, the capacity of individuals to influence ethical behavior depends on their distance from the source of action: the closer they are to the emergence of unethical practices, the more responsible they are for those practices. Moreover, depending on the support function they occupy within specific departments, teams, or working groups, individuals may bear higher degrees of responsibility for realizing and reinforcing specific organizational virtues. For example, individuals from the human resources department are more responsible for the virtue of supportability, while those within the compliance department are more responsible for clarity, and those within the control or audit department, for visibility. In turn, organizations are responsible for providing employees with the necessary mechanisms that make ethical deliberation possible. Compared to the everyday moral context, the organizational moral context may put individuals in additional difficulty when they evaluate the unethical implications of a particular practice that has become the standard behavior (Isaacs, 2014). Moral knowledge may be obscured, and thus, individuals may then be unaware of the wrongness of what has now become standard behavior. The following specific guidelines may be delineated:

MB7: The less willing the individuals are to contribute to organizational virtues (given the hierarchical position, job tenure, proximity, and support of their function), the more they are blameworthy for vice embedded in organizational practices.

MB8: The less the organizational practices embed virtues of clarity, visibility, discussability, and sanctionability that enable individual moral evaluation, the more the organization is blameworthy for unethical (vicious) outcomes.

4 | DISCUSSION

The aim of this article is to advance research on moral responsibility in organizations by drawing on recent developments in the application of Aristotelian virtues to organizations from both philosophical virtue ethics and POS research related to virtuousness. Our two-level account of moral responsibility highlights that individuals and organizations may be ascribed interconnected degrees of retrospective moral responsibility and resulting praise or blame depending on the interplay between virtue and virtuousness. In this way, our

account contributes to a broader understanding of the concepts of moral responsibility, virtue, and virtuousness in business ethics research.

Two further issues concerning our model for ascribing degrees of moral responsibility and blame in organizations need to be specified. First, the ten guidelines and the connections between conditions for moral responsibility are applicable in any kind of organization where highly complex outcomes involving both individual and organizational levels of moral responsibility need to be evaluated, and where it is difficult to distinguish between individual and organizational blame. Second, additional potential relationships between the guidelines for ascribing degrees of blame may be highlighted. For instance, if we take MB1 and MB6, we may ask who is more blameworthy for an unethical outcome: individuals who do not fight the wrongdoing or the organization with coercive, ossified practices?¹⁴ Such questions need detailed contextualization relative to each case under evaluation to see whether, for instance, the coercive practices are indeed unbearable and individuals have no other option but to remain silent or be fired, or whether the individual has voluntarily contributed to such practices. This demonstrates that ascribing moral responsibility following the guidelines necessitates considering each guideline, their interconnections, and any possible hindering conditions. To this end, Table 2 is a useful tool that summarizes all ten guidelines as rules of thumb to be used in practice. Table 1 provides further guidance for analyzing in each situation the extent

to which both individual conditions for moral responsibility are met and organizational practices embed the seven ethical virtues.

The poor embedding of ethical virtues at the organizational level impacts individual conditions for moral responsibility, and vice versa. Individual and organizational conditions for moral responsibility are interrelated. When individuals are restrained from acting while meeting the Aristotelian conditions for individual moral responsibility, this gives us a clue regarding the faulty embedding of the virtues of the CEV model. For instance, when individuals are provided with too little or too much organizational resources (such as time, budget, equipment), we can suspect that the virtue of achievability is viciously embedded, either excessively or deficiently, within the organizational practices. The interrelatedness of individual and organizational conditions further results in the fact that practical guidelines for ascriptions of moral responsibility (MR1 and MR2) and for moral blame (MB1-MB8) are mutually reinforcing.

To exemplify the use of Tables 1 and 2 in practice, we look at the Deepwater Horizon case. This was the largest marine oil spill in history caused by the explosion of the BP oil rig in the Gulf of Mexico in April 2010. Due to the high pressure of the natural gas, the concrete core recently installed to seal the well beneath the rig collapsed, causing the gas to ignite on the outer platform. This resulted not only in the death of eleven workers and the injury of another seventeen, but also in a massive ecological disaster because the oil started to discharge into the gulf (Pallardy, 2010/2019).

TABLE 2 Guidelines for ascribing degrees of organizational and individual moral responsibility and blame

	Individual level	Organizational level
Guidelines for moral responsibility	MR1: The more the individual members of the organization contribute to generating an organizational outcome by causing it freely, knowingly, and deliberately, the more they are (each) morally responsible for the resulting outcome	MR2: The more the organizational practices contribute to generating an organizational outcome by (not) optimally embedding the seven ethical virtues of the CEV model conducive to virtuousness, the more the organization is morally responsible for the resulting outcome
Guidelines for moral blame	MB1: The more the individuals act so as to deter, fight or signal organizational unethical (vicious) practices, the less they are blameworthy for unethical (vicious) organizational outcomes	MB2: The more the organizational practices respond to unethical (vicious) individual behavior by optimally embedding the virtues of achievability, supportability, visibility and sanctionability, the less the organization is blameworthy for unethical (vicious) outcomes
	MB3: The more the individuals take steps to prevent potential unethical practices when they have the knowledge to do so, the less they are blameworthy for unethical (vicious) organizational outcomes	MB4: The more an organization takes preventive measures against potential individual unethical (vicious) behavior, by optimally embedding the virtues of clarity, congruency, achievability, visibility, and sanctionability, the less the organization is blameworthy for future unethical (vicious) outcomes
	MB5: The less ossified the organizational practices, the more the individuals are blameworthy for unethical (vicious) organizational outcomes	MB6: The less the individuals can resist highly coercive organizational practices that fail to embed the virtues of achievability, supportability, discussability, and sanctionability, the more the organization is blameworthy for unethical (vicious) outcomes
	MB7: The less the individuals are willing to contribute to organizational virtues (given the hierarchical position, job tenure, proximity and support of their function), the more they are blameworthy for vice embedded in organizational practices	MB8: The less the organizational practices embed virtues of clarity, visibility, discussability, and sanctionability that enable individual moral evaluation, the more the organization is blameworthy for unethical (vicious) outcomes

As several reports revealed, the oil spill “was an avoidable disaster caused in part by a series of cost-cutting decisions made by BP and its partners” (Goldenberg, 2011). The explosion was the result of multiple factors, including the manufacture and installation of a defective concrete cap and the disregard for known risks, such as ignorance of early indications of potential problems (Pallardy, 2010/2019).¹⁵

Our MR1 suggests, for instance, that individuals working remotely or on the oil rig itself may bear a higher degree of moral responsibility for the explosion and resulting consequences if they were not coerced to act in disregard of known risks, they knew the implications of their activity, and they were able to deliberate on their choices. Moreover, Table 1 suggests that the degree to which BP had clear and optimal (instead of weak or overwhelming) sanctioning policies reflected in day-to-day operations affects the degree to which individuals would be able to act knowingly, freely, and deliberately. For example, if BP had weak sanctioning practices, this would mean a poor embedding of one organizational virtue that impacts all four conditions that influence individual capacity to act in a morally responsible way and makes BP more blameworthy than its individual members for the explosion and its consequences. An illustration of MB1 and MB2 based on the Deepwater Horizon case would further suggest that individuals who took steps to signal cutting-corner practices related to the operation of the oil rig, such as ignorance of potential issues with the installation of the concrete core, should be less blameworthy for the resulting explosion. In turn, if BP took steps to prevent individuals from cutting corners, for instance, through an optimal embedding of achievability and supportability that prevents the perpetuation of vicious individual behavior, then the company would be less blameworthy for the explosion.

This article thus responds to the call for an interdisciplinary approach to virtue and virtuousness in organizational and business ethics research (Bright et al., 2014). This interdisciplinary approach retains the strengths of both philosophical virtues and positive virtuousness to “diminish their particular weaknesses and boost complementarity and synergies” (Sison & Ferrero, 2015, p. 94). Virtues and virtuousness have often been juxtaposed, leading to some confusion among scholars, as pointed out in the literature (Sison & Ferrero, 2015). Recent research tries to highlight and avoid this confusion (Alzola, 2015; Bright et al., 2011, 2014; Sison & Ferrero, 2015). Moreover, using the CEV model in relation to organizational virtuousness as a basis for organizational moral responsibility answers the call to clarify “which virtues are to be included in the concept of organizational virtuousness, or which virtues are the ones that an organization should not lack in order to be considered virtuous” (Meyer, 2018, p. 262).

Our article contributes to a potential dialogue by discussing how the philosophical notion of virtue and the positive notion of virtuousness can work together to advance our understanding of the interplay between individual and organizational moral responsibility and resulting blame. The concept of virtuousness could

conceptually bring POS closer to virtue ethics, provided POS understands virtuousness as the organizational struggle for the common good. When organizations focus on the common good, it affects not only organizational virtuousness but also individual virtue (Arjoon et al., 2018). In contextualizing the Aristotelian concept of virtue to organizational settings, we consider both the virtue ethics tradition and the POS approach to virtuousness valuable for interdisciplinary research in business ethics. Neither one should be favored at the expense of the other. Apart from acknowledging “the gains and losses realized in the migration from neo-Aristotelian virtue to positive organizational virtuousness” (Sison & Ferrero, 2015, p. 79), we consider it important to work on projects that preserve both approaches and their advantages in providing more explanatory power to virtue in organizations. In this regard, this article also contributes to research on emerging fields such as Positive Organizational Ethics (POE) with further theoretical grounding for ethical excellence in both individuals and organizations (Bright et al., 2014). We hope to have thus opened a new line of research concerning the role of virtues and virtuousness in ascribing moral responsibility for organizational outcomes.

Our article further develops the concept of corporate practices (Kaptein & Wempe, 2002) in business ethics research concerning both organizational structure and culture. Our article draws attention to the fact that the way organizational practices embed organizational ethical virtues influences not only attributions of moral responsibility to the organization but also to individual members. This emphasizes the point that individual ethical behavior influences organizational virtues, and vice versa, such that the ascription of responsibility to one is largely dependent on the responsibility of the other. The degree of responsibility adjusts according to the extent individuals contribute to improving organizational practices, and vice versa. Relatedly, this article also contributes to research on the way corporate practices and individual behavior may interact to mutually enhance individual and organizational moral responsibility (Constantinescu & Kaptein, 2015). It does this by highlighting the mutual reinforcement between individual and organizational guidelines for moral responsibility (MR1 and MR2) and blame (MB1-MB8) and the interdependence between conditions for individual virtue and for organizational virtuousness.

Moreover, the article extends the use of Aristotelian criteria for ascriptions of moral responsibility in business ethics by developing an evaluation method for attributing responsibility in practical organizational situations. This contributes to current research on implications of virtue ethics for organizational life (Kangas et al., 2014; Kaptein, 1998, 2008; Moore & Beadle, 2006; Shanahan & Hyman, 2003; Solomon, 1992, 2004). Furthermore, the practical use of the evaluation method opens the way for even more applications of Aristotelian ethics in organizational settings, thus acknowledging that the way we assign moral blame or praise gives us a clue about how people should behave and how organizations should be designed.

4.1 | Implications

The guidelines developed in this article have direct implications for business ethics research on ascriptions of moral responsibility within organizational contexts. On the one hand, our claims imply that the responsibility of individuals and organizations may be reduced, i.e., when it can be shown that the influence of one over the other results in the diminished responsibility of the other. On the other hand, our claims also imply that the responsibility of individuals and organizations may be enlarged, i.e., when it can be shown that the one is responsible for the improvement or the deterioration of the other. Thus, we emphasize that individuals are responsible not only for their own behavior or for generating ethical or unethical organizational practices but also for contributing strongly to embedding organizational ethical virtues.

Although we developed our article primarily for retrospective ascriptions of moral responsibility, it also has implications for the way individuals and organizations perceive their own prospective responsibility. Organizations and individuals alike have forward-looking responsibility, i.e., they have the responsibility to take the necessary measures to prevent wrongdoing. In Aristotelian terms, if agents fail to take such measures, they act in culpable ignorance and are therefore blameworthy for the consequences of their ignorance. Organizations and individuals do not only have the responsibility to correct unethical practices; they also have the responsibility to improve the way organizational practices embed ethical virtues.¹⁶ As a consequence, both organizations and individuals have to examine from a forward-looking perspective what the guidelines presented in this article require them (not) to do to avoid being blameworthy for their action or inaction.

Our account also has implications for the individualist-collectivist debate on the moral status of organizations.¹⁷ In particular, our article supports the view advanced by Kaptein and Wempe (2002): based on the way the organizational context plays an active role in influencing the ethical behavior of employees, organizations may be considered moral subjects and thus may be ascribed moral responsibility at a distinct level from their constitutive members. Our approach thus offers a counterargument to the proponents of individualism (Hasnas, 2012; Narveson, 2002; Velasquez, 2003) who consider collectivist accounts as untenable because of the latter's supposed confusion in the way they make practical ascriptions of responsibility to organizations. We suggest that one can correctly ascribe moral responsibility to organizations without automatically generating unnecessary burdens for the innocent members of that organization. At the same time, we acknowledge that viewing organizations as moral subjects does not free individuals from responsibility; we can hold both the organizations and their employees morally responsible.

Likewise, our claims have implications for positive research on organizational behavior. Our claims suggest that in assessing the positive notion of virtuousness related to organizational excellence and individual flourishing, appeal to philosophical concepts of virtue and vice is needed. Moreover, our claims are intended as an answer

to the suggestion of some scholars that POS needs to “clarify the role of non-human elements with regard to organizational virtuousness” wherein “feedback mechanism between the virtuousness of individuals and that of non-human factors is definitely worth considering and testing” (Meyer, 2018, p. 262).

At a practical level, the claims of our article have implications for organizations and managers, and for policy makers. For instance, the interdependence of individual behavior and organizational conditions for ethical behavior has practical implications for the development of codes of ethics. This interdependence provides a possibility for extending the current norm in codes of ethics that urges people to report unethical behavior to include the requirement to report when virtues are deficiently or excessively embedded and when they result in vicious practices. Failure to report on this matter makes people responsible for the resulting unethical behavior. At the same time, our guidelines for ascribing degrees of individual and organizational responsibility could be used in practice as a tool (see Table 2) not only to fine-tune organizations internally at various levels (e.g., individual, team, department), but also to generate soft proactive regulation in various industries. Our suggestion is that such a tool can work as a suitable solution against “the inability of regulatory codes to predict every possible ethical dilemma in initiating and managing stakeholder action” (Fernando & Bandara, 2020, p. 202). Our guidelines for individual and organizational responsibility may thus be used in practice to deal proactively with conflicting stakeholder goals and expectations, enabling managers and policy makers to cope with fast changing and diverse situational dynamics.

4.2 | Limitations and suggestions for future research

The limitations of our article also provide some suggestions for future research. First, the guidelines we developed emphasized behavioral aspects related to virtue, virtuousness, and moral responsibility. To integrate inner aspects of virtue, such as character and reasons for action, theoretical and empirical research could take into account, for instance, issues related to individual motivations for ethical behavior in the workplace and see how these fit with the Aristotelian virtue ethics tradition. Furthermore, the role of *phronesis* in the individual and organizational conditions for moral responsibility needs to be investigated, given its central role in the virtue ethics tradition and its growing relevance for leadership decision-making in business and organization studies (Akrivou & Scalzo, 2020; Ames et al., 2020; Bachmann et al., 2017; Ferrero & Sison, 2014; Ferrero et al., 2020; Díez Gómez & Rodríguez Córdoba, 2019). A robust account that connects the concepts of virtue and virtuousness with each other needs to integrate each of their characteristics without dismissing or losing their important features (Sison & Ferrero, 2015). We support the call for a more philosophical grounding of POS virtuousness (Meyer, 2018).

Second, this article is limited to discussing responsibility for outcomes of organizational contexts only with reference to individual and organizational practices. Future research could look into external

factors that may also bear responsibility—for instance, industry, national, cultural, political, or social actors (Arjoon et al., 2018; Gonin et al., 2012)—and into the shifting role of organizations in the international arena (Scherer et al., 2016). To address contextual factors relevant for organizational misbehavior but also for the development of organizational virtuousness, the methodology in this article might be complemented by approaches such as Contextually Based Human Resource Theory (Fernando & Bandara, 2020). This might contribute to efforts aimed at integrating the three levels that seem to account for organizational failure: the individual, the organizational and the external environment levels, what has been labelled as bad apples, bad barrels, and bad ladders (Fernando & Bandara, 2020; Gonin et al., 2012).

Third, our article is primarily normatively oriented and has but a few suggestions concerning the practical implications of the guidelines. Future research could operationalize and provide empirical testing for the guidelines we have developed here, and further look into the role of potentially mitigating conditions or mediating factors of the organizational context. Relatedly, future research could discuss the less explored interplay between values and virtues, how they inform each other and how this might influence ascriptions of moral responsibility in organizational context, bearing practical implications in particular business organizations, such as family business (Parada et al., 2020).

Fourth, the guidelines for ascribing degrees of moral responsibility in organizations put forward in this article are grounded in Aristotelian virtue ethics and POS, and thus are limited to this specific understanding of individual virtue and organizational virtuousness. Future research could compare, contrast, and integrate other virtue ethics traditions, such as Neo-Aristotelianism or MacIntyreianism.

4.3 | Conclusion

Individuals acting within organizational contexts have to constantly make decisions within grey areas, i.e., at “the border between two or more things that are undefined, hard to define, impossible to define, or where the border changes” (Bruhn, 2009, p. 206). When individual and organizational levels of responsibility interact, it becomes even more difficult to discern among various patterns of action. Organizations can convert good people into bad people, and corrupt individuals may infect the organizational practices over time. While it is impossible to eliminate all uncertainties surrounding moral decision-making in organizations (Lockhart, 2000), our article nevertheless sought to shed light into the responsibility that such moral decisions bring along, thus answering recent calls to develop our understanding of ethical decision-making in organizations (Procópio, 2019). In this regard, we have contributed to a potential dialogue between the philosophical notion of virtue and the positive notion of virtuousness by exploring how they can work together to advance our understanding of the interplay between individual and organizational moral responsibility. The guidelines developed here are not meant as mathematical formulas that determine the precise

amount or level of moral responsibility of those involved in bringing about a specific (un)ethical outcome in organizations. Nonetheless, these guidelines can steer more accurately our judgments and ascriptions of retrospective moral responsibility and make clearer the prospective moral responsibility of individuals and organizations. Thus, we become more aware of our responsibility to avoid generating a certain pattern of unethical behavior for which we will eventually be held responsible.

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CONFLICT OF INTEREST

Mihaela Constantinescu declares that she has no conflict of interest. Muel Kaptein declares that he has no conflict of interest.

PEER REVIEW

The peer review history for this article is available at <https://publons.com/publon/10.1111/beer.12373>.

DATA AVAILABILITY STATEMENT

Data sharing is not applicable to this article because no datasets were generated or analyzed during the current study.

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ENDNOTES

- ¹ Throughout the article we use “blame” as a shortened term for “moral blame”, which is the type of blame ascribed for causal responsibility that has moral implications and is related to moral agents. Cheng-Guajardo (2019, p. 303), for instance, argues that organizations may only be attributed a form of *aretaic* blame, which is ascribed when “the object of the blame is appropriate as a target because that for which it is being blamed is properly attributable to a fault in its functioning”.
- ² The notion of moral responsibility and associated concepts of moral blame and praise have been already discussed in philosophical and business ethics literature. See, e.g., Bovens (1998), Constantinescu and Kaptein (2015), Isaacs (2011), Velasquez (2003), Zimmerman (1997).
- ³ Such rules of thumb do not entail a claim on virtue ethics universalism, as they require context adequacy (see our discussion on practical wisdom in Section 2.1). This point is in line with the view that Aristotelian ethics is compatible with a form of moral particularism (Dancy, 1993; Nica, 2013).

- ⁴ An important note related to this last sub-criterion concerns the Aristotelian distinction between an action made in culpable ignorance (1110b, 25) and one made out of excusable ignorance (1111a, 20). The former encompasses blameworthy outcomes resulting from the individual's own negligence that led to ignorance. The latter (excusable ignorance) refers to blameworthy outcomes that the individual could not reasonably foresee despite taking all preventive measures and for which she is absolved of moral responsibility.
- ⁵ We would like to thank one anonymous reviewer for highlighting this point.
- ⁶ For instance, the relation between practices and individuals is discussed in the context of a virtuous organization, with a focus on internal goods (as opposed to external goods, e.g., profit, reputation) and pursuit of excellence (MacIntyre, 1984; Moore, 2005), where work is "a vocation in attaining *eudaimonia*" (Arjoon et al., 2018, p. 8). Likewise, organizational conditions, such as culture, have been discussed in relation to individual virtuous behavior (Grant, 2011; Moore, 2005; Moore et al., 2014; Sison et al., 2012; Solomon, 2004), facilitating human flourishing (Grant & McGhee, 2014; Sison & Fontrodona, 2012; Younkins, 2001) and promoting the common good (Arjoon et al., 2018; Melé, 2009). We thank one anonymous reviewer for drawing our attention on this matter.
- ⁷ From a virtue ethics perspective, business is built around ethical choices and actions, with the outcome that such decisions potentially result in additional economic advantages (Sison, 2003). From a POS perspective, positive business equally embeds "doing good" and follows an upward trajectory of "doing well" (Meyer, 2015).
- ⁸ At the organizational level, various virtues such as optimism, trust, integrity, gratitude, compassion or forgiveness, are advanced as constitutive of organizational virtuousness (Bright et al., 2006; Cameron et al., 2004) without there being a definite set to be embedded in organizations (Cameron, 2003; Meyer, 2018).
- ⁹ The model thus avoids two main drawbacks of other POS accounts of business virtues signaled in the literature, such as positioning virtues as neutral or reducing virtues to behaviour (Alzola, 2015; Bright et al., 2014; Sison & Ferrero, 2015).
- ¹⁰ This should not be considered as a claim for the completeness of the CEV model, that it comprises all possible organizational conditions for individual moral responsibility. However, the CEV model is, to the best of our knowledge, currently the only the model that provides such explanation. We are indebted to one anonymous reviewer for highlighting this point.
- ¹¹ This virtue may be split in two: congruency of supervisors and congruency of senior management, resulting in an eight-virtue model (Kaptein, 2011).
- ¹² As Aristotle explains in his *Nicomachean Ethics* (1110a, 10–30) when discussing the case of mixed actions, an agent may be pitied or forgiven, thus absolved of blame, even though she meets to a certain extent the criteria for voluntary and deliberate action, thus making her morally responsible. Such situations are those in which external conditions coerce the agent to perform an action against their will but the agent chooses to perform the action to avoid a greater harm, for example, when someone does a reprehensible act under the threat of his family being killed. To establish blame in such cases, the agent's regret for the act is essential (for a detailed discussion, see Bostock, 2000; Constantinescu, 2013; Mureşan, 2007).
- ¹³ Fighting or signaling unethical behaviour implies that individuals do not do this improperly, e.g., to deflect attention from other wrongdoings. The entire discussion surrounding the guidelines for moral blame is meant to contribute positively to overall organizational virtuousness through individual virtuous action, which requires that individuals perform the right actions for the right reasons and in the right

circumstances (see discussion in Section 2.1 of this article). We thank one anonymous reviewer for highlighting this point.

- ¹⁴ We would like to thank the audience of the Oxford–Bucharest Work in Progress Workshop (September 11, 2019, Oxford Martin School, organized by the The Oxford Uehiro Centre for Practical Ethics and CCEA, University of Bucharest), especially Ben Davies for raising this issue.
- ¹⁵ Civil and penal trials found BP to be grossly negligent and 67% culpable for the spill, while Transocean (the company that owned and operated the rig leased by BP) and Halliburton (the contractor for sealing the oil well under the platform) were both found negligent and held 30% and 3% liable, respectively. Individuals charged with manslaughter and obstruction of justice received no prison sentences. (Wade, 2014). Further details on the Deepwater Horizon case may be found in Boder (2010), Goldenberg (2011), and Pallardy (2010/2019).
- ¹⁶ There is a philosophical discussion concerning the normative power of doing and allowing, which has implications for the strength of our guidelines. If doing and allowing bear different normative constraints, this means that our MB1–MB8 should generate different levels of individual and organizational blame. This is beyond the scope of our article, but it provides a direction for future research. We would like to thank the audience of the Oxford–Bucharest Work in Progress Workshop (September 11, 2019, Oxford Martin School, organized by the The Oxford Uehiro Centre for Practical Ethics and CCEA, University of Bucharest), especially Emilian Mihailov for this suggestion.
- ¹⁷ See Hasnas (2012), Kaptein and Constantinescu (2017), Kaptein and Wempe (2002) and Phillips (1995) for an overview.

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