The Practice of Integrity in Business

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The fall-out from many high profile crises in governance and leadership in recent decades, from banking to healthcare, continues to be felt around the world. Major reports have questioned the values and behaviour, not just of individual organizations but of professionals, industries and political leadership. These reports raise questions about business corporations and also public service institutions. In response this new series aims to explore the broad principles of governance and leadership and how these are embodied in different contexts, opening up the possibility of developing new theories and approaches that are fuelled by interdisciplinary approaches. The purpose of the series is to highlight critical reflection and empirical research which can enable dialogue across sectors, focusing on theory, value and the practice of governance, leadership and responsibility.

Written from a global context, the series is unique in bringing leadership and governance together. The King III report connects these two fields by identifying leadership as one of the three principles of effective governance however most courses in business schools have traditionally treated these as separate subjects. Increasingly, and in particular with the case of executive education, business schools are recognizing the need to develop and produce responsible leaders. The series will therefore encourage critical exploration between these two areas and as such explore sociological and philosophical perspectives.

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This book is dedicated to the memory of my late father-in-law, John Mckinnon. When I am asked to say what integrity looks like, I talk about him. A GP in a Northern mining village, he had a passion for his family and for his profession. He knew what he was talking about, and could give a clear account of his purpose, whose worth he understood. As a diagnostician he was second to none, not just because of high professional competence, but also because he knew the people he cared for. He took responsibility for them, not least in the tough hours of palliative care, and he helped them to take responsibility for themselves.

Preface

Integrity is one of those words that we all want to own because it says something about ourselves and our organization. We are told that it is: an essential aspect of individual employability (noting employer surveys); key to professional identity (noting the self-perception of professional bodies); and key to corporate operation (noting recent governance failures). Most arguments focus on the importance of integrity in establishing and maintaining trust between professions and clients, between corporations and wider society and between leadership and organizations.

Despite its perceived importance, however, the meaning of integrity, and precisely how it relates to trust, is less clear. How do we know we are 'still the good guys'? What does integrity look like? If I asked you now to think of a person you know who 'has' integrity, could you describe the integrity they have? What about your organization: does that 'have' integrity?

What I would like to do in this book is to stimulate your imagination as well as your thinking, on the basis that integrity is more than just thinking about ethics. Hence, I will try, alongside reviews of the philosophical and related debates, to focus on the practice of business, and in particular leadership and governance. This will involve cases which exemplify both the practice of integrity and its absence.

The clue to my argument is in the term practice. I argue that integrity is not something you have but something that you practise, and that the mark of integrity is how we practise responsibility. This tries to bring

together two debates. The first is focused on philosophy, where debates about integrity have focused on aspects of responsibility. I attempt to draw that out in more detail and focus on three modes of responsibility, anchored in identity, and on the creation of moral meaning in relation to different aspects of the self and society. I argue that this demands the practice of dialogue and narrative.

The second debate is about how business relates to the social and physical environment, focused on views of corporate integrity which stress the complexity of the social and physical environment. This extends integrity to something more proactive and creative, not simply standing up for something.

I offer a view of integrity which intentionally does not occupy the moral high ground. First, it argues that moral meaning is brought to life through engaging others in the development of dialogue and narrative. The moral high ground prefers to dominate and impose, in some way, moral meaning. Second, the idea of integrity cannot be owned exclusively by ethicists. As an ethicist I will fight against the exclusion of the ethical dimension. However, ethical meaning (and related virtues) stands alongside the intellect (and related virtues), psychology (and related interpersonal virtues and skills) and practice (informed by purpose and related values). Thus it can be seen as central to health and well-being, and to ongoing learning and development.

I also argue that integrity is not simply a strategic tool, with success predicated on its practice. Integrity is focused on the truthful and reliable re-presentation of the self or organization. As such, it is about who we are. Integrity, then, is hard to mimic.

The first chapter sets out the philosophical debate about the meaning of integrity. Focused on the case of Arthur Andersen, it will review different philosophical views of integrity, including: the integrated self (Frankfurt 1990, Solomon 2007); moral identity (Williams 1973); adhering to bottom-line principles, or walking the talk (Halfon 1989); strength of will and the act of judgement (Calhoun 1995); and as a virtue, including epistemic virtue (Scherkoske 2013). Each of these perspectives has problems, but each contributes something to a broader view which sees integrity as connecting many different virtues and relationships. The discussion then examines and critiques attempts to narrow the view of integrity, from one based on economics and performance, to one which

distinguishes different kinds of integrity. A final one focuses on an Aristotelian view which links to identity, involving the truthful and reliable re-presentation of the self. It is argued that, whilst this is too narrow, it opens up a complex dynamic: for integrity, focused on taking responsibility; for ideas, values, purpose and practice; for framing an account of meaning and practice in the self and the organization; and for the future. These involve three interconnected modes of responsibility: attributability, accountability to and responsibility for.

Beginning with the case of Alan Greenspan and related credit crisis issues, the next chapter sets out the first mode of responsibility: attributability. This focuses on causation, expressed in effective decision-making and the practice of critical agency and self-governance. Agency is analysed in terms of critical relationship to: ideas (cognitive); values, especially ethical values (affective); practice (somatic, based in time and space); the social and physical environment (interactive and interconnected); worth (not simply self-esteem but a sense of worth focused in the above holistic interaction); and worldview. This stresses responsibility for the holistic dimensions of the self: being true to the self in terms of the complex truth about the self, and commitment to the self.

From responsibility for reflection on the whole person or organization the chapter goes on to look at views of the self in relation to plurality, based on the development of narrative and dialogue. Built on a social constructionist view of identity, personal and organizational, this suggests a view of integrity as dynamic and continuously developing. This view is distinguished from negative responsibility, focused on culpability.

The third chapter sets out the meaning of accountability, arguing that it is central to integrity. Focusing on the case of the Mid Staffs Hospital Trust, it explores mutual accountability for meaning and practice and plural accountability (including to colleagues, profession, client, institution and so on). This contrasts with the narrow, linear practice of accountability shown in Mid Staffs. If the first mode of responsibility is about being true to the self, this second is about being true to others, hence about being responsible for relationships. Breakdown of the practice of this integrity is characterized as analogous to a breakdown of health.

This view of accountability is contrasted with the corporate capture of accountability where one narrative is dominant. Narrow perspectives are

then contrasted with the actual complexity of business relationships to the social environment, inside and outside the organization. The chapter finally focuses on the practice of dialogue in leadership, as the means of engaging complexity and practising accountability, illustrated by an example from Shakespeare, Henry V at Agincourt, and ends noting the interconnection between the first two modes of responsibility.

The fourth chapter explores the third mode of responsibility: responsibility for. The importance of this mode of responsibility is that it moves us specifically into the 'walk', the taking action, of integrity. The Nestlé case introduces positive responsibility, moving beyond accountability, into wider positive responsibility *for* projects, people or place. Some the great post-Holocaust thinkers, such as Arendt, Levinas, Bauman and Ricoeur, argue from this for a sense of universal responsibility. Jonas takes this further, arguing for a sense of ultimate accountability to and responsibility for future generations and the environment. The chapter explores that responsibility in the light of the Nestlé case and how it informs a view of integrity which involves: a sense of plural responsibility, for clients, colleagues, profession, community and so on; the assumption of responsibility in grey areas not assigned to roles, avoiding denial of responsibility; further development of ethical identity through negotiation of responsibility; the development of shared and mutual responsibility, as distinct from shared interest; focus on positive creative action through the increase in possibilities and pathways, further developing identity; and the practice of justice and sustainability through shared responsibility. The focus is on developing creativity, with the individual or corporation always learning and looking to respond, and holding together organizational sustainability and social and environmental sustainability.

All three interactive modes of responsibility focus on different ways of developing and re-presenting identity, anchored, through the practice of deliberation, dialogue and narrative, in different and shared values, institutions and projects.

Chapter 5 then explores the relationship between integrity and the virtues. It argues that integrity is not a virtue in the Aristotelian sense, but involves, rather, a dynamic interactive complex of virtues. The practice of these virtues enables the embodiment of the different modes of responsibility. The chapter looks at the underlying virtues ethical theory, and then

sets out some of the key virtues and how they relate to the three modes of responsibility and from that to integrity, including: courage, patience, temperance, humility, practical wisdom, care/respect, empathy, faithfulness/trust, justice, hope, *eros* and negative capability. This underpins the argument that the practice of responsibility is what holds together the different virtues.

Chapter 6 builds on the practice of accountability within the organization and beyond. It focuses on governance and bringing together a shared view of values. In particular, it explores a key function of governance, determining the level of leaders' remuneration. Recent governance practice has supplied procedures for dealing with remuneration, not least through the remuneration committee of the board and the use of more independent board members. The chapter argues that this is not sufficient for the practice of integrity, because it does not enable a thought-through perspective on justice, and does not enable dialogue with stakeholders to test such an account and develop it. It looks at some of the arguments offered around justice and remuneration, none of which stands rigorous testing, and argues for the development of procedural integrity through setting out a compensation philosophy. The chapter then goes on to examine the ways in which good governance is anchored in a culture of integrity, enabling accountability at every level of the organization.

Chapter 7 builds on positive responsibility and explores proactive integrity in more detail. In particular, it explores further the underpinning thinking around the idea, including Fort's view of Total Integrity Management, and the key idea of the moral imagination, from Werhane to Lederach. Lederach extends the moral imagination to focus on managing conflict, connecting to the ongoing work on leadership and complexity and the integration of strategy, enterprise and integrity. In one sense these ideas open up further the complexity of this area, exemplified by the Niger Delta case. Hence, the chapter aims to show how the future, with all its associated complexity, can be managed despite this: how proactive integrity can be practised successfully. It illustrates this with examples from business and peace-building, the development of responsibility in the supply chain and the issue of human rights and business, focused on modern slavery. The last of these involves critical questions about regulation and governance which are ongoing.

The final chapter aims to summarize the view of integrity sketched out in the book by focusing on key themes that have surfaced throughout. It explores in more detail how integrity relates to trust, a connection most writers on integrity take to be obvious. It argues that the connection is built around the development of mature trust which connects to the different modes of responsibility. It then draws together different elements of the dark side of integrity which have surfaced throughout the book—corruption, counterfeit and confusion—noting their relationship. The chapter concludes with a view of the nature of business, arguing that, whatever the good consequences of integrity in the practice of business, it cannot be viewed primarily as either altruistic or instrumental.

An epilogue poses questions about the practice of integrity in business schools, in teaching, research and management. It examines criticisms of the practice of business schools and their relationship to business. It then explores the purpose and values of business schools as part of higher education, how this relates to the different stakeholders and in turn how it relates to the practice of integrity in the curriculum.

I am conscious that I have not spent a lot of space on the meaning and practice of sustainability, or details of reporting. To tease those out would require two further books. What I attempt to set out in this book is the connections between theory, value and practice, and the importance of taking responsibility for these. There may be little evidence that the practice of integrity leads to success in business, but there is a great deal of evidence that failure to practise integrity in business can lead to disasters for business and wider society. Hence, part of the message of this book is that integrity is not about asserting an ethical position, as if this were something separate from business practice. Integrity is holistic, involving criticality and logical coherence (in developing authentic meaning through dialogue), consciousness (of the self and others), connectivity (an understanding of the significance of social relations), commitment (to purpose, project and people), communication (in giving an authentic account) and creativity (in embodying values in practice). As such, integrity contributes directly to strategy, enterprise, marketing and all aspects of business often thought to be value-free. In turn this links directly to the ongoing debates about leadership, governance and organizational theory, and engagement with complexity.

Contents

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Philosophy and Integrity

Abstract This chapter sets out the philosophical debate about the meaning of integrity. First, focusing on the case of Arthur Andersen, it examines different philosophical views of integrity, including the integrated self; moral identity; adhering to bottom-line principles, strength of will, the act of judgment; and as a connecting or epistemic virtue. From this will emerge a view of integrity as connective and complex. Alternative, narrower, views of integrity are then critically examined. Focusing on the re-presentation of identity, the chapter concludes by arguing for the importance of responsibility in holding together the different aspects of integrity.

There is a consensus amongst academics and practitioners about the importance of integrity. A survey by the Council for Industry and Higher Education (Archer and Davidson 2008), for instance, suggests that the third most important quality employers want from graduate employees, behind teamwork and communication skills, is integrity. This theme is taken up by the Institute of Chartered Accountancy in England and Wales (ICAEW) in *Reporting with Integrity* (2009), which aims to

establish the utility of integrity. Integrity, it is argued, provides the basis for establishing trust, both in leadership and in the wider profession. This is so at individual and institutional level (cf. Solomon 2007) and is embodied in corporation and individual practice and in the commitment of the wider profession. Hence the engineering professions (Armstrong et al. 1999), for instance, can write of the need to maintain the integrity of the profession. By extension, it is argued for the accounting profession in particular, that integrity leads to reliability of information and judgement, upon which the future of markets, financial systems and even financial policies depend. The absence of integrity was, of course, exemplified in the credit crisis (Lanchester 2010).

The popularity of the term is also reflected in that it remains the most frequently used value referred to in company value or mission statements (Audi and Murphy 2006). And when governance crises occur in different spheres, it is precisely the lack of integrity which is stressed. A good example was the reaction to the scandal of the UK MPs' misuse of expenses, which had a strong sense that the breakdown of integrity involved a betrayal of the public.[1]

It is, however, less clear exactly what the term means in practice. In thirty years' experience of teaching business ethics to practitioners and conventional students, whenever I ask those with integrity to put their hands up, there are always a handful who claim this prize with alacrity. The majority keep their hands down and look uncertain. Those who keep their hands down reveal interesting reflections, such as 'integrity is something about me as a person, and I am not sure I know myself that well', and 'I can't judge if I have integrity, it needs someone else to judge that'. When quizzed further, most respondees suggest that integrity matters and that it matters because it involves something about authenticity. Authenticity, of course, is a term ripe for debate. But it would seem to involve something about not just 'playing the game', not just 'wearing a mask'. Hence, integrity is often contrasted with hypocrisy, whose meaning is rooted in acting or playing.

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[1] http://www.standard.co.uk/news/politics/parliament-has-failed-to-restore-trust-after-mps-expenses-scandal-10161775.html. Accessed 20/11/2015.

Some suggest integrity involves openness or transparency. Such terms, however, did not resonate with the focus on feelings found in the student responses. Deciding on whether a person has integrity involves making a judgement about that very person. And judgements about the person involve for most people fear of the negative. No one wants to be thought of as lacking integrity. This would involve, in some sense, corruption, a fragmentation (Cottingham 2010). And no person or organization wants to be seen as 'corrupt'. This suggests that integrity is as much about psychology and relationships as it is about philosophy and morality—as much about (perceived) worth as it is about evident values and principles. This mixture is powerfully brought to the surface in Cormac McCarthy's book *The Road*. In an apocalyptic era a man is taking his son across war-scorched America to the coast, which he believes to be free from the bleak, incessant conflict between the survivors. His primary focus is on saving his son from the gangs who roam the streets, and who might rape, kill or even eat his son. He has a gun with precious few bullets left, and with which he threatens even the elderly infirm who come too close. Noting his father's reaction to people in need, the son poses the simple question 'are we still the good guys?' (McCarthy 2007, 65). This is a question about identity and character and demands reflection on his father's actions and how he views them, indeed on how he judges them. His father defends his attitude and actions, founded in his role as protector of his son. This is what he stands up for, what differentiates him from the lawless gangs they meet. Ultimately it is to do with what his father calls the 'fire', which they carry, a metaphor for humanity. But the son's question raises the challenge about knowing when we have crossed the line from a strong simple defence of people and principles to an action that might in consequence harm others. That is not just about ethics but about how we see the world.

Intriguing as these reflections might be, philosophers such as Audi and Murphy (2006) and Curzer (2014) want more precision about this term integrity. They fear that it is now doing service for all aspects of ethics, a general value term. For most people that is what the term tends to mean, 'doing the right thing', but how is that idea actually going to inform practice. Who, after all decides what the right thing is? And how can we be sure what the right thing is?

Defining Integrity

As Cottingham notes (2010), it is perhaps surprising that a systematic focus on integrity does not appear in either Greek thought or the Judeo-Christian tradition. Aristotle focuses on the virtues and argues that these are interconnected, and that a person who practises one will have them all (cf. Cottingham 2010). Prior to Aristotle, Plato focused on the unity of one virtue, with different aspects (Wolf 2009). This sense of unity suggests something of the core meaning of *integer* or *integras* as soundness, purity or wholeness (Bosman 2012), with the corresponding meaning of corruption as breaking down, spoiling or decay (ibid.). Related indicators of integrity are honesty, transparency, consistency and so on (Cottingham 2010).

The Judeo-Christian tradition has some references to integrity, such as in Psalm 26. This begins, in the King James translation, 'Judge me O Lord for I have walked in mine integrity'. The Hebrew root of that translation (*tum*) is wholeness or completeness. The act of sinning takes something away from that, suggesting integrity as a form of innocence (Cottingham 2010). The verses that follow, however, suggest a general idea of leading an upright or righteous life, rather than providing any specific account of the virtue of integrity, or any idea of unity of ethical perspective. Psalm 86 offers a prayer for psychological or ethical unity, 'Give me, O Lord, an undivided heart'.

The Christian gospels refer to the importance of finding one's *true self*. Even gaining the whole world is not enough to compensate for the loss of oneself (*heautos*) (Luke 9:25). Later in Luke (15:17) comes the parable of the prodigal son. Of course, he regrets his prodigality, returns from exile and 'comes to himself' (*eis heauton elthôn*; Luke 15:17). There is something in this about a rediscovery of the person's true self. This is already beginning to take the ideas associated with integrity into identity, and thus to a relational definition of integrity. The prodigal son rediscovered his identity *in relation to* his father, and doubtless at some point to his brother. Another New Testament source is the Epistle of James. In James 4:8 the author calls for purity of heart, which is the opposite of being 'double-minded' (*dipsychos*). The idea of purity of heart has its analogue in Islam with the concept of *ikhlas* (cf. Michel 2014) or sincerity.

How, then, do these ideas to look in practice? I will begin to explore this through a case study.

Arthur Andersen

We do not now associate the US accountancy firm of Arthur Andersen with integrity of any sort. On the contrary, after their connection to Enron (Toffler 2003) and the subsequent collapse of both corporations, the firm of Arthur Andersen is seen as a byword for corruption. It was, however, very different at the beginning of a firm which built its reputation around ethical character and a clear sense of integrity. This was best illustrated by the ethical dilemma faced by the founder, Arthur Anderson, in the early part of his career. The executive of a major railway company asked him to change the figures in a financial report. Despite the risk of losing significant business, Anderson reputedly gave the clear response, 'There's not enough money in the city of Chicago to induce me to change that report' (ibid.). As feared, the railway company business was lost. Within a year, however, the client firm had gone bankrupt, and Andersen's stance had established the reputation of a firm that could be trusted. It embodied the core purpose and values of the Andersen business, summed up in the adage 'think straight, talk straight', something Andersen learned in his childhood. He developed and maintained the firm's focus on the core value of integrity, involving independent judgement and action, prudence and a clear understanding of the meaning and purpose of the profession of accountancy. This was maintained in the firm's practice after Andersen's death in 1947. Key to it was a lengthy induction for new staff, which began with Andersen's story and focused on: loyalty to the founder, professional identity fixed in the narrative of the firm, and core values of the firm which informed how the firm would be sustained.

In the 1990s, however, the firm began to diversify, increasingly focusing on consultancy (Trevino and K. Nelson 2008). This led to several changes. First, the narrative and core values became less prominent in induction sessions, and in many cases they were lost altogether. This was partly because the growth in consultancy put pressure on time, and partly

because it was assumed that a rigorous selection process precluded the need for induction into an ethical culture.

Second, with the diminution of the ethical narrative the firm's focus moved away from core values such as honesty and transparency to what MacIntyre (1981) has characterized as institutional values, to do with developing and sustaining the corporation. Third, the attitude towards, and perception of, clients began to change radically. Andersen's narrative had suggested that the profession owed the client an honest judgement on the finances. At one level this involved the best interest of the client, who could not make effective business decisions based on calculations that were untrue. The client, however, may not take this view of best interest, as the original story showed, in which case the task of the auditor was to challenge the client in the light of values that transcended the interests both of the professional and of the client. Either way, this involved respecting the client and remaining true to the relationship with them, something defined partly by context and partly by the perceived identity of the firm. With the focus on consultancy work, the relationship with the client began to involve deception. The client was viewed no longer in terms of relationship and context but rather as means to the end of achieving profit, not as a stakeholder to whom the firm owed an account of values and practice, still less respect. Hence, practices such as inflating fees and extending contracts became commonplace. This in turn led to an unrealistic inflation in estimates of what the firm could achieve.

None of this suggests that consultancy *per se* leads to an erosion of values; rather, it suggests that, with a change in function, the reflection on values was lost. This led to practice that did not balance the institutional values (principally how to ensure company survival) with the values of the community of practice, i.e. the profession. Hence, there was a breakdown in meaning at the heart of the organization. The original values were still codified in the firm, but the practice was now opposite to those values, something that the firm was blind to. In particular, the firm did not practise independence. The resulting conflict of interest was summed up in the case of Enron. In this the Anderson firm continued to act as auditors, whilst also acting as consultants, in effect auditing their own practices (Senate Committee 2004).

Fourth, a closed and defensive culture began to develop, based on unquestioning loyalty to the partners, covering up practices that might be questionable. Close to the end of the Enron crisis there were even internal emails that asked senior colleagues to be sure that no emails included a 'smoking gun': i.e. imputation of guilt.[2] This was a curious phenomenon. It seemed to accept that there was guilt that might have been evidenced by a 'smoking gun'. At the same time it was explicitly encouraging deception, but in the context of emails, which the writers must have known are easily recoverable in any investigation. It was as if the email writers thought they could not be seen.

The story of Arthur Andersen sets out neatly the kinds of things most of us think are involved in an understanding of integrity, and also corresponding ideas of corruption. Philosophers have highlighted several different perspectives, including integrity as self-integration, moral identity, moral purpose and commitment.

Self-Integration

This account of integrity suggests that it is about the integration of different aspects of the person. One proponent of this, Frankfurt (1971), views this in terms of higher-order or lower-order volitions. Higher-order volitions involve long-term desires, and lower-order volitions immediate desires. The higher-order volition of the drug addict, for instance, may be to be a drug-free person and the lower-order volition to take drugs. Integrity, and with that free will, argues Frankfurt, is achieved when the lower-order volitions cohere with the higher-order volitions, bringing together volition and action. In this argument integrity is achieved through making decisions which consciously bring together the different elements.

In this,

> …the person no longer holds himself at all apart from the desire to which he has committed himself. It is no longer unsettled or uncertain whether the object of that desire—that is, what he wants—is what he really wants:

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[2] Noted by Michael Anderson, federal investigator into Enron, in a presentation at the Centre for Applied and Professional Ethics Conference, June 2007, University of Kingston.

> The decision determines what the person really wants by making the desires upon which he decides fully his own. To this extent the person, in making a decision by which he identifies with a desire, *constitutes himself*. (Frankfurt 1987, 38, my italics)

For Frankfurt this leads then to consistency and what he calls 'wholeheartedness'. This integration of the different elements of the self is not confined to desire but includes principles and values, and Frankfurt suggests that all of these things tend to be in a state of flux. Hence, the individual has to take responsibility for bringing them together. Andersen precisely shows this kind of wholeheartedness bringing together core principles of his profession and his response.

Identity

A second view of integrity focuses on consistency with the person's identity. Williams (1973) argues for this as part of his argument against a utilitarian approach to ethics: that is, making an ethical decision based largely on a calculation of consequences. One example that he offers is of a dignitary who is the guest of a foreign nation. He is taken to a town square where twenty people are about to be killed as reprisals for recent armed protests. As a significant guest the visitor is offered the opportunity to kill one of the twenty, thus allowing the other nineteen to live. A utilitarian response might support this, based on the saving of nineteen lives. In arguing against this Williams argues that such a calculation is inadequate because it involves going against the core moral beliefs and commitments that make up the identity of the person. Williams argues that such commitments are central to the any self-understanding of identity; indeed, they are,

> the condition of my existence, in the sense that unless I am propelled forward by the conatus of desire, project and interest, it is unclear why I should go on at all. (Williams 1981, 12)

A consequence of this is that integrity in this view can't be seen as a virtue. Virtues are disposition which enable the person to act, or which

motivate action. For Williams integrity is simply about acting in a way that accurately reflects the sense of who the person is. This also reflects something of the Arthur Andersen narrative. Andersen's response is based not just in core principles but also on his belief about himself, his identity. That identity was focused on his view of his profession, but also on his personal identity. It is this sense of identity which provides consistency and which also enables him to take responsibility for a difficult response.

Critique

Both of these views seem to makes some sense, but neither self-integration nor identity can be sufficient for a view of integrity. First, both suffer from the assumption of an acceptable moral base, which neither the focus of integration or identity provides. An SS guard would have shown self-integration, with strong sense of identity based in life commitments fuelled by a quasi-religious belief system (cf. Burleigh 2011, Cottingham 2010). In a film such as *In Bruges* (2008, Universal) the criminal head, Harry, is an ambiguous character precisely because he reveals a strong version of these kinds of integrity. In one sense he is admirable, focused on the belief that it is wrong to kill children. This is a commitment which fuels his identity and which he applies to himself. However, the context of this commitment, his 'business', involves murder.

Second, along the same lines (cf. McFall 1987, Calhoun 1995), there are no criteria in either theory for what might limit the kinds of desires which constitute the self. On Williams' account it is hard to deny Harry's integrity. Any idea of integrity demands some link to a wider view of ethical meaning.

Third, any view of integrity as based in identity inevitably takes the argument into the field of moral psychology, and the account of identity given by Williams does not take account of psychological reality. In Williams' view the focus on moral identity precludes the experience of genuine temptation. You simply respond to an ethical challenge from who you are. Experiencing, and overcoming, temptation would count against genuine integrity on such a view. Psychological reality, however,

suggests that identity is not fixed but includes experiencing genuine temptation and thus handling struggle (Halfon 1989, Cottingham 2010, Pianalto 2012).

In terms of the identity theory of integrity, psychology also suggests that any view or act of self-identification may be flawed (Cottingham 2010). This may involve an unrealistic view of the self, based on convictions which are less about ethical meaning than about underlying psychological dynamics. Such dynamics, built around previous relationships, may affect perception and views of value and principle. This suggests that any account of integrity would have to include the capacity to critically question what the basis of one's identity, and related ethical values, might be. This presumes knowledge of the self which is always developing, and awareness of the possibility of self-deception.

Finally, the idea of wholeheartedness and identity conferring commitment tends to avoid the complexities of psychological life, and to assume that integration in the sense of coherence of different aspects fitting neatly together is obviously good. However, as Davion (1991) suggests, a person may change radically and yet maintain integrity. The context of any ethical decision is a complex and multifaceted social environment involving different relationships that make up any sense of identity. Handling that complexity may demand an openness to different and conflicting narratives which cannot be neatly resolved. Hence, a view of integrity focused on solution and integration runs the risk of confusing integrity with neatness.

The Andersen narrative is important in the light of these critiques. His own moral identity was admirable and became the basis of the identity of the firm, contributing directly to its success. However, as the firm grew, the personal and professional narrative of Andersen was insufficient to handle the complexity presented by the move to consultancy. The recitation of his narrative was not sufficient to maintain the identity of the firm, partly because there was no critical questioning of that identity. Hence, when the firm was presented with opportunities to develop, diversifying and increasing profits, this was not accompanied by any reflection on the identity of the firm. The result was a bifurcation, or splitting, of narratives. The old moral identity of the firm was assumed, without question, and thus became a 'zombie' narrative: still walking,

i.e. referred to, but with no life behind the eyes. The alternative narratives around consultancy, and related aims, thus emerged without any critical examination, leading to practice which went directly against what was perceived as the core identity. This suggests that integrity without critical questioning, far from being morally good, can lead in different ways to morally bad ends.

This focus on moral psychology then begins to link integrity to self-knowledge and perception (cf. Nussbaum 1990), opening several avenues that I will pursue in the next chapter. It also has led to developments in philosophical perspectives on integrity.

Standing for Something

Calhoun (1995) argues for a sense of commitment which is about 'standing for something'. She suggests that this involves more than simply standing for an individual moral purpose, but rather, standing for a purpose recognized by some community, which affords the basis for integrity. Integrity here is associated explicitly with something worth striving for, and it assumes a degree of agency, courage and perseverance that will enable the person or group to stand up against internal and societal pressures that impose obstacles to the purpose.

This moves away from an exclusively individual view of integrity to a more social perspective, in which

> Persons of integrity treat their own endorsements as ones that matter, or ought to matter, to fellow deliberators…….. lying about one's views, concealing them, recanting them under pressure, selling them out for rewards or to avoid penalties, and pandering to what one regards as the bad views of others, all indicate a failure to regard one's own judgment as one that should matter to others. (Calhoun 1995, 258)

At the heart of this are both the consistent exercise of judgement by the person and respect for the judgement of others. Calhoun argues that this is what distinguishes the person of integrity from the fanatic. The fanatic lacks any proper respect for the moral deliberations of others. Underlying this is the view that moral deliberation has a social nature. This then

begins to move the idea of integrity from simple integration or identity to the way we think and make judgements, and the practice of proper deliberation. What Calhoun does not do is to give a full account of what the social nature is, beyond the idea of proper respect for it.

Scherkoske (2011) provides more detail around deliberation to begin to show how this might look. He argues that integrity is a virtue (something which I will return in more detail to in Chap. 5). The nature of this virtue, he suggests, is epistemic, 'that is, it is a stable disposition that reliably places its possessor in good epistemic position and leads to cognitive success' (Scherkoske 2013, 196). In short, it is about knowing what one is doing in deliberation, knowing how one is doing it and taking responsibility for how core values are embodied in practice. This involves in particular three things: a disposition to take responsibility for one's convictions, such that one understands the basis of these; an awareness of the quality of deliberation in relation to convictions, distinguishing such activity from knee-jerk reaction based on conviction; and a disposition to work convictions through into action.

These seem important things for some sense of integrity. However, there are still problems. First, it is perfectly possible that our ubiquitous SS guard might have gone through some such deliberative process and be aware of how that has been framed. It is not that he does not show proper respect for the deliberation of others but rather that what finally determines his thinking and practice is a worldview, not the quality of the deliberation. This suggests there is something more than recognizing the quality of deliberation. Does the worldview we hold make sense? Has it been examined? Connected to this, the stress in Calhoun and Scherkoske is on the cognitive aspect of integrity. The affective aspect of integrity (Solomon 2007), and how this relates to deliberation, is equally important to judgement. The paradigm suggested by Calhoun and Scherkoske is Western, stressing rationality. Other cultural views of integrity have a very different perception, not least Buddhist (Beebe and Rosen 2005, Fawkes 2014). These focus more on integrity perceived as how we respond to internal conflict, and how one honestly deals with this dynamic through the development of mindfulness and other states. Integrity in this is very much about health and healing as much as morality.

Moral Purpose

Rawls (1972) and Halfon (1989) argue that integrity must include an acceptable moral purpose at the base. For Rawls this would involve some clear conception of justice, defined in terms of fairness. Rawls has a broad view of fairness which accepts relative inequality. Halfon is more circumspect, arguing that integrity involves setting out an ethical purpose that is conceptually clear, logically consistent, apprised of relevant empirical evidence and careful about acknowledging as well as weighing relevant moral considerations. In effect, Halfon argues that the person of integrity will give a clear account of their moral purpose as part of following a rigorous moral decision making process. People who have integrity

> … embrace a moral point of view that urges them to be conceptually clear, logically consistent, apprised of relevant empirical evidence, and careful about acknowledging as well as weighing relevant moral considerations. Persons of integrity impose these restrictions on themselves since they are concerned, not simply with taking any moral position, but with pursuing a commitment to do what is best. (Halfon 1989, 37)

Halfon, then, differs from Calhoun in focusing more narrowly on a moral integrity and thus the importance of moral purpose. However, he suggests that the moral purpose comes from the person's moral point of view, which does not get us much further forward. What is a moral point of view? The problem for Halfon is that his presentation of the moral point of view fails to provide any ground between an individualist and a totalitarian moral point of view. Hence, he concedes that a Nazi might still be able to hold this form of integrity. I will argue in Chaps. 2 and 4 that the moral domain between those two extremes is actually much more complex and includes many different narratives of moral significance, embodied in distinct communities, not least the different professions who in different ways relate to the business world. This takes integrity back the messy detail of dealing with different narratives.

None of these approaches is sufficient in itself to characterize integrity. The ICAEW report (2009) suggests that these partial approaches contain

elements that can come together in a more coherent description of integrity, with five core aspects:

- moral values. This demands clear thinking about what they are.
- motives. This demands awareness of motives and the capacity to test them in the self and others.
- commitments. This involves sustaining commitment to others and to values over a long period.
- qualities. This involves the virtues necessary to maintain integrity, and will be considered in Chap. 5.
- achievements. The need to integrate moral purpose with practice, walking the walk.

In turn, they argue that these elements lead to key 'behavioural characteristics' of integrity. From moral values emerge the behaviours of being *honest* and *truthful*. From motives emerge the behaviours of *fairness* and *compliance* with the law. Commitment involves the promoting of community interests. Qualities include being *open* and *adaptable*, and the capacity to take corrective action. From achievements emerge the behaviour of *consistency*. This can lead to a much fuller description of integrity as:

Integration of the different parts of the person: emotional, psychological and intellectual. This leads to holistic thinking, and an awareness of the self, alongside awareness and appreciation of external data.

Consistency between: the self, values and practice; past present and future; and different relationships, situations and contexts. Integrity is tested most of all in the relationship with stakeholders, who may have very different claims and perceived needs. This demands a consistency of approach, with a clarity about core values, and capacity to develop dialogue. The response may not be exactly the same in every context but will remain consistent to the identity and purpose of the person of the organization. Central to this is the idea of being true to purpose and identity, requiring the practice of *phronesis* or practical wisdom (more on which in Chap. 5).

Honesty and transparency, involving an openness to the self and others. This raises many questions about the basis of this openness.

Independence. This is a key element of integrity. It ensures distance, such that the professional can stand apart from competing interests, and focus more effectively on the core purpose, enabling professional autonomy.

Learning process. Given the limitations of human beings, it is impossible to have complete integrity in any static sense. Hence, integrity is best viewed in terms of a continual learning process, with the person discovering more about the different aspects of the self and others and about how these connect. Central to this is the capacity to reflect, to evaluate practice, to be able to cope with criticism and to maintain, develop or alter practice appropriately. Hence, integrity is focused on relationships, not purely individualistic.

Commitment to purpose, project and people over time, and to the common good. The narrow view of integrity within a closed system has to be tested against fundamental principles such a justice.

Such characteristics begin to form the basis of the view that integrity is a complex collection of interconnected virtues (Solomon 2007, Wolf 2009), partly expressed in Aristotle's idea of the unity of the virtues. This will be examined in more detail in Chap. 5. More immediately, emerging from each of the philosophical perspectives on integrity is a different stress on taking responsibility. However, before developing this idea and this more complex view of integrity, I want to contrast such approaches with those of writers who argue for narrow or more simplistic approaches, some of which seek to exclude the moral aspect.

Different Perspectives on Integrity

There are, at least, three alternative ways of viewing integrity:

- an economist's view, which characterizes integrity as performative
- a view which distinguishes different kinds of integrity
- a narrow moral view: based on Aristotle's virtue of truthfulness, this argues against a complex and connective view of integrity.