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Emotional Carry-over in Ethical Decision Making: The Impact of Self-Control and Moral Potentcy

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EMOTIONAL CARRY-OVER IN ETHICAL DECISION MAKING: THE IMPACY OT SELF-CONTROL & MORAL POTENCY

A Dissertation Defense

presented in partial fulfillment of requirements for the

Doctor of Philosophy Degree

School of Business Administration

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by

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Abstract

Recent theories have posited that emotions play a central role in ethical decision making. However, most research has focused on and suggested that consumers follow cognitive, rational processes in decision making. While this is a well-established approach, research regarding the role of emotions in ethical decision making has gained considerable theoretical attention in recent years. Although various factors have been investigated for the influence on ethical judgments, the role of task related, and incidental emotions have received less attention. Theoretical models that examine ethical decision-making conflict at times and are historically divided into either a rational-based approach or a non-rationalist-based (reason or emotive) approaches. More recent models posit an integrated or a dual-process approach to ethical decision-making, focusing more on the inter-related impact of intuition-emotion combined with reason-rationalization aspect of ethical decision-making.

This research serves to examine the relationship of emotions in ethical decision making and behavioral intentions by investigating the effects of positive (happiness) and negative (anger) emotions in both a task related and incidental context. The scenario is presented in a consumer context of ethical judgments using a passive unethical behavior scenario. Research has focused on the effect of specific incidental emotions on ethical decision-making. This research focuses on the differing effects of specific incidental and task emotions in a service-based encounter. Self-control is utilized as a moderator of these emotions in ethical decision-making, and moral potency is further examined for inclusion into marketing literature. Based on a sample of 251 responses to an experimental scenario-based survey, this study found that the interaction between the task and incidental emotions does significantly impact ethical judgments and there is a moderating effect of self-control and moral potency. Consumers do not always behave in an ethical manner and will frequently accept an unethically obtained passive benefit. The results will facilitate an improved consideration of the role of the interaction of emotions on consumer ethics, an improved understanding of how to mitigate those emotions, and provide some understanding of how emotions impact unrelated judgments and decision-making.

ACKNOWLEDGEMENTS

I would like to thank my family and friends for their support during this process. I have moved around a lot during this process, and they have always been supportive and there for me throughout the doctoral process. Encouraging me to stay focused and to keep working towards completion of this degree. My wife, Heather Tillman, relocated with me and changed careers in order to accommodate this journey. We have moved three times since this began and she has been willing to go wherever the journey may take us. My parents, William and Brenda Tillman provided inspiration and encouragement to even begin this pursuit and have maintained an enthusiasm throughout the doctoral program that provided a great deal of motivation. My brother, Tom Tillman, has been someone to stand by me and give me someone to complain to and give reassurance when needed. Particularly over the last couple of years, he has been a great source of encouragement and much needed levity. My friends, old and new, some of who I had lost contact with over the years have all stood by me and assisted me in multiple ways, some in ways they cannot imagine, throughout this process. I thank you all for believing in me and encouraging me to see this through. To the members of my cohort, I thank you for providing a sounding board and at times the only one who could fully understand what we were going through.

My dissertation chair, Dr. Victoria Bush, has been instrumental in guiding me throughout this entire process. From when I first entered the program as her teaching assistant through serving as my committee chair, she has been a great source of guidance. This process is intense

and one that few people are familiar with until you begin, having a guide such as Dr. Bush is extremely helpful and rare. From our meetings as her T.A., discussions in her seminar, course work, advice for beginning to teach my own sections based off her advertising course, to weekly meetings in person and via video chats, she has prepared me to set upon a successful career path. Her patience during this process and preparation for my defense were vital to my success.

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Chap I – Introduction

Research in the field of marketing/consumer ethics has made considerable advances in understanding both the conceptual and theoretical aspects of ethical decision-making processes (Ferrell and Gresham 1985; Trevino 1986; Hunt and Vitell 1986, 1993). Consumer ethics research often utilizes ethical beliefs as a proxy for behavior or behavioral intentions, theorizing that these ethical judgments largely determine the consumer's intention to engage in ethically questionable behavior (Hunt and Vitell, 1986, 1993). However, other factors besides ethical beliefs are beginning to be considered as influences of ethical behavior intentions and subsequent unethical consumer behavior (Vitell et al., 2013). As unethical consumer practices become more prevalent, and the consequences are increasingly felt by business, there is a definite need to study additional circumstances that encourage (or discourage) consumers to take advantage of the seller (Steenhaut and Van Kenhove, 2006).

Although consumer ethics research has greatly enhanced understanding of consumer ethical decision making, a potentially important component of ethical decision making has been overlooked, namely emotions (Escadas et al., 2019; Vitell et al., 2013). Emotions significantly influence how people conduct themselves in their daily lives and interactions with others, especially in ethical decision judgments across a variety of situations (Connelly et al 2004; Steenhaut and Van Kenhove 2006; Cohen et al 2013). Several scholars have called for the inclusion and examination of the emotional component in marketing ethics research (Lurie 2004; Connelly et al. 2004; Tenbrunsel and Smith-

Crowe 2008; Kim et al. 2009; Vitell et al. 2013). Tenbrunsel and Smith-Crowe (2008) even begin to question the belief that ethical decision making in ethical situations is based on reason.

Other research has also stated that decision making can be influenced by an individual's emotional state and that emotions may impact intentions, resulting in behavioral intentions that differ from individual ethical judgments (Gaudine and Thorne, 2001). Kligyte (2008) stated that if an individual is in a state of unregulated anger, this can directly and negatively impact intentions and resulting behavior, therefore causing a person to act in a manner that is different from his/her ethical beliefs. Consumer behavior literature has focused on emotions as a key element in the decision-making process, with various studies focusing on consumer decision making in regards to consumer ethics (Vitell et al., 2013). Ethical decision making by consumers is an essential component of consumer behavior, and can be impacted by emotions, therefore the study of exactly how emotions influence consumer behavior is worthy of further examination.

Consumers' unethical behavior can be examined in regards to the type of questionable behaviors consumers identified by Muncy and Vitell (1992). These behaviors relate to consumers participating in questionable behaviors such as, receiving too much change when paying the bill, shop lifting, returning a product after it has been used, or other behaviors identified in the Consumer Ethics Scale (Muncy and Vitell, 1992). Given the impact these types of behaviors have on the financial performance of business (Fullerton and Punj, 1997) and the method by which consumers choose to engage in these types of behaviors, numerous studies have focused on examining unethical consumer decision making (Vitell et al., 2013).

Despite the attention that has been given to understanding ethical decision making, there are other influencing factors that have received much less attention. Emotions and emotion-related factors, such as emotional commitment require further examination. Hardy (2006) stated that emotions may be the main motivating factor that leads to a moral action. In accordance with the cognitive theory of emotion (Lazarus, 1991), individual's decision-making and subsequent actions are determined by interaction with the environment. This interaction is vital to understanding how emotions originate as a result of experiences in various situations and how these emotions influence decision making (Vitell et al., 2013). In everyday life individuals encounter a multitude of situations that are capable of inducing stress and eliciting an emotional response. These situations can include major life events, such as the death of a loved one or receiving a promotion, as well as simple decisions such as where to have dinner or the selection of a brand of product from the alternatives. Seeing the overall importance of the role of emotions in human behavior, it is highly likely that this role will continue in behaviors related to consumption and the resulting ethical issues related to the consumption experience (Vitell, 2016).

Many various areas of consumer behavior have been examined in terms of emotions, Drolet and Luce (2004) studied consumer coping behaviors, Shiv and Fedorikhin (1999) examined consumer choice, Tice et al. (2001) focused on hedonic consumption, and Escadas (2019) focused on the role of anticipated emotions. While the role of emotion has been previously studied in a variety of situations and contexts, an area that has not received much research regarding emotions is in ethical decision-making (Vitell et al., 2013). It is maintained that since emotions are an important influence on human behavior, and that consumer behavior is a subset of human behavior, the role of emotions clearly extends to all facets of consumer

behavior as well (Singh et al., 2016). Since decision making by consumers in situations

involving ethical issues is an important aspect of consumer behavior, the role of emotions in

furthering the understanding of this aspect of consumer behavior is of great importance and

relevance (Vitell et al., 2013).

Purpose of Study

Vitell et al. (2013) also state that this area of focus is a relatively new branch of research

that has not been extensively explored, and therefore represents a gap in the existing theory.

Thus, the purpose of this research is to address the gaps in the ethical and emotion literature,

specifically exploring the influence and interaction of positive and negative types of emotions on

ethical judgments and behavioral intentions by answering the following research questions:

Table 1.1: Research questions.

Key Research Questions

1. What role do task and incidental emotions play in Ethical Decision Making?
2. How do the specific discrete emotions of happiness and anger carry-over and effect ethical judgments and behavioral intentions?
3. Why are some individuals better at managing their emotions in ethical decision making?

Contribution

Through examining the effects of emotions, self-control, and moral potency on ethical judgments and behavioral intentions, this research makes four contributions. First, it contributes to the recent literature on emotions in marketing which has begun to move away from examining the simple valence perspective (positive or negative) of emotions to study more specific, discrete emotions that are more relevant to the current situation. Therefore, this research assists in developing a nuanced understanding of emotions, specifically in an under-explored, but important component of ethical judgments. Secondly, while most theories attempt to explain or predict ethical decision-making by building from rational decision-making perspective (e.g. Ferrell and Grisham, 1985; Hunt and Vitell, 1986), more recent theories (e.g. Vitell et al, 2013; Schwartz, 2016) focus on the inclusion of emotion as an integral part of the ethical decision-making process. This dissertation contributes to existing ethics literature through incorporating the impact of carry-over and immediate emotions on individual's ethical judgments and behavioral intentions. Next, our research extends the moral potency literature from a management focus to a marketing perspective through examining it's influence on consumers' ethical judgments and behavioral intentions. Lastly, our research provides intriguing practitioner insights in terms of understanding the impact of emotions and developing strategies to prevent consumer misconduct.

Research in ethics has previously examined a multitude of factors that influence ethical judgments and behaviors such as individual differences, cultural, social, moral beliefs, attitudes, religious beliefs, and risk tolerance. While these traits are important to understand and assist in the identification of specific attributes that influence unethical behaviors, these are comparatively stable in individual consumers, with little that can be done to modify traits. Furthermore, there

are various state-based attributes and factors that can influence ethical behaviors and intentions. Circumstantial influences such as task or incidental emotions are important to understand as to how these emotions may alter individual perceptions of ethical behaviors. While task related emotions (e.g., bad service or rude employees) may have an expected and justifiable influence on consumers ethical behaviors, it is less obvious as to the influence of incidental emotions (e.g., bad traffic or an incident at home) on ethical behaviors in an unrelated event or circumstance. As emotions are a part of consumers everyday life and that ethical decision making is an integral component of consumer behavior, understanding how emotions effect ethical behavior is vital. While trait-based attributes are essentially a set component, a better understanding of how these factors interact with the more fluid component of emotions can assist the influence of marketers and reduce the consequent effect of unethical behaviors. The research presented here is an initial step in understanding incidental emotions related to the task and on passive unethical behaviors and has implications for future research that may address mitigation of these effects.

This research focuses on the identification of influential factors in consumer behavior involving ethical decisions, potentially increasing the predictive capacity of existing theories containing an emotional component (refer to Figure 1.1). A better understanding of emotions can increase the effectiveness of marketing efforts, service interactions, transactional encounters targeted at promoting ethical consumer or discourage unethical behaviors, particularly in a passive benefit situation.

Conceptual Model

Figure 1.1:
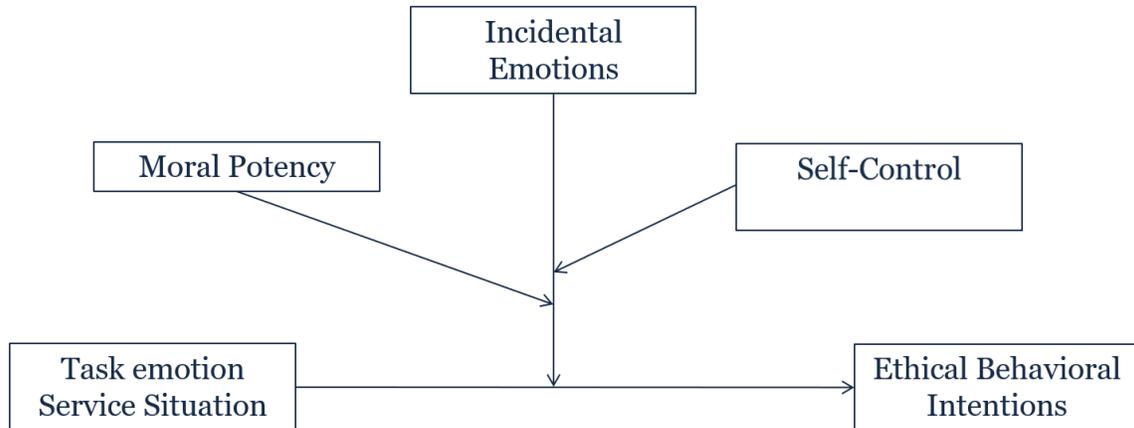
Table 1.2: Construct Definitions

Construct	Definition
Ethical Judgments	The decision maker's belief concerning the ethicalness of a given course of action. Vitell, 1986.
Ethical Idealism & Relativism	Idealism is the extent to which a person believes that the right course of action always yields desirable outcomes. Relativism is the extent to which a person rejects universal rules in favor of subjective or situational approaches. Forsyth, 1980.
Behavioral Intentions	The course of action the decision maker favors in each situation. Provides an indication of the decision maker's willingness and preparedness to perform a specific behavior. Directly impacted by emotional state. Vitell, 1986.
Emotion	The affective state that the decision maker is experiencing at the time of the decision. May vary in intensity and duration. Guadine and Thorne, 2001.
Appraisal Tendency of Emotions	Each emotion is defined by a set of dimensions that are central to a pattern of appraisal for a particular emotion. Smith and Ellsworth, 1985.
Self-Control	The ability of the decision maker to control and regulate impulses, emotions, desires, and other behaviors. Personal ability to adapt to the environment, utilizing a "moral muscle" or intention to act morally. Capacity to act morally by overriding desire to behave badly. Tice et al., 2001.
Moral Potency	A psychological state marked by a sense of moral ownership over the characteristics in an environment, reinforced by efficacy beliefs to act to achieve moral purpose in the domain, and the courage to perform decently in the face of diversity and persevere through challenges. Hannah and Avolio, 2010.

Organization of Dissertation

This dissertation is divided into five chapters. Chapter I has provided an introduction for the dissertation and has explained the contributions of the study. Key research questions are presented in Table 1.1. These are discussed again throughout the dissertation. Chapter I has also outlined the conceptual model which will subsequently be examined. Chapter II reviews the literature and theoretical framework for the dissertation with specific discussion of ethics, decision making, emotions, self-control, and moral potency. The relationships among the variables are described in this chapter and the hypotheses are presented. Chapter III explains the research methodology, which is used to analyze the hypotheses. Chapter IV describes the analysis and the results of the study. Finally, Chapter V discusses the conclusions, implications, and limitations of this study as well as directions for future research.

Chapter II – LITERATURE REVIEW, THEORY, PROPOSED MODEL AND HYPOTHESES

ETHICAL DECISION MAKING

Ethical Decision Making (EDM) has been well established in literature and studies to understand the extent that illegal and unethical behaviors continue to take place. These significant ongoing negative behaviors towards businesses suggest that ethical decision-making should be considered one of the more important processes to understand, not only for academic purposes, but also for practical usage by corporations and society as a whole (Trevino, 1986). There have been important developments and substantial strides in understanding the ethical decision making (EDM) process in recent years, leading to an improved understanding of EDM. These developments have drawn from and built upon a large range of academic disciplines and theories including moral potency, moral philosophy, social economics, organizational behavior, behavioral science, cognitive neuroscience, psychology, and business / consumer ethics (Schwartz 2016). Drawing from these fields have led to researchers proposing numerous descriptive ethical decision-making models to better explain the decision-making process of individuals that leads to ethical vs unethical behavior or actions (Torres 2001).

These theoretical EDM frameworks seek to better understand and explain how cognitive processes or affective processes operate within the individual brain (Roberson et al. 2017, Reynolds 2006) leading to a moral judgement or behavior on the part of the individual. In seeking to better understand these processes, the theoretical models of ethics are typically

presented with EDM constructed as a series of temporal and sequential process stages (Schwartz 2016). The stages begin with an awareness or recognition of an ethical issue leading to a moral judgement, followed by an intention to act in a particular manner, and concluding with behavior (Rest 1986). As part of examining the EDM process most of these models include a set of individual, organizational, or situational-related variable and indicate at which stage of EDM (awareness, judgement, intention, or behavior) these variables will exert a causal effect or moderating influence. Founded in these theoretical EDM models, empirical studies have been conducted to verify and explain exactly which factors or variables may actually influence the decision making of individuals, including whether or not one stage of EDM leads to the next (Ford and Richardson 1994; Craft 2013; Lehnert et al. 2015).

Reviewing the EDM literature finds that EDM generally follow two categories of EDM theoretical models, models that utilize a rationalist-based approach or a non-rationalist-based approach. Rationalist-based approaches specifically assume that the moral reasoning dominates the core aspects of the model, leading to moral judgement. While non-rationalist-based models assume that both intuition and emotions dominate the moral judgement process, with moral reasoning being a secondary explanatory reason or justification for individual moral judgement (Haidt 2001). More recent models however suggest that rather than reason–rationalization and intuition–emotion being mutually exclusive, there is either a 'dual-process' involving two stages or a 'two-systems' process whereby there is concurrent interaction between intuition (impulsive) and reason (reflective) leading to moral judgment (Reynolds 2006a; Strack and Deutsch 2004) or between emotion and reason leading to moral judgment (Greene et al. 2001).

Table 2.1:

General Definitions		
Construct	Definition	Citation
Ethical Judgments	The decision maker's belief concerning the ethicalness of a given course of action.	Vitell 1986
Behavioral Intentions	The course of action the decision maker favors in each situation. Provides an indication of the decision maker's willingness and preparedness to perform a specific behavior.	Vitell 1986
Self-control	The ability of the decision maker to control and regulate impulses, emotions, desires, and other behaviors.	Tice et al. 2001
Emotions	The affective state that the decision maker is experiencing at the time of the decision. May vary in intensity and duration.	Gaudine and Thorne 2001
Appraisal tendencies of emotions	Each emotion is defined by a set of dimensions that are central to a pattern of appraisal for a particular emotion	(Smith and Ellsworth, 1985).
Ethical Idealism	The extent to which a person believes that the right course of action always yields desirable outcomes.	Forsyth 1980
Ethical Relativism	The extent to which a person rejects universal moral rules	Forsyth 1980

	in favor of subjective or situational approaches.	
Moral Potency	A psychological state marked by a sense of moral ownership over characteristics in an environment, reinforced by efficacy beliefs to act to achieve moral purpose in the domain, and the courage to perform decently in the face of diversity and persevere through challenges.	Hannah and Avolio, 2010
Incidental Emotions	Originate from incidents or cognitions unrelated to current task or situation.	Vitell et al., 2013
Task Emotions	Originate and inherently associated with current task or situation.	Vitell et al., 2013
Happiness	An extremely pleasant state associated with little effort, high degree of certainty, high attentiveness.	Smith and Ellsworth, 1985
Anger	An extremely unpleasant state, associated with high anticipated effort, high degree of certainty, resulting from negative consequences.	Smith and Ellsworth, 1985

RATIONAL DECISION MAKING

The rationalist-based category of models either explicitly or implicitly assumes that a reason-based process is taking place prior to making a moral judgement. This rationalist approach suggests that upon recognizing an ethical dilemma, the individual will attempt to resolve their conflict through a logical, rational, and deliberate cognitive process by considering and evaluating various moral standards that may be in conflict as a result of the situational factors. The majority of EDM models rely on this theoretical framework as a basis for conducting research and developing approaches.

Ferrell and Gresham (1985) developed a multistage contingency model of EDM, where an ethical dilemma arises from one's social or cultural environment. The Ferrell and Gresham model was the first comprehensive contingency description of how ethical decision making operates in organizations (Ferrell et al., 2013). The model proposes that the influence of significant others is so important that it can take precedence over individual factors in organizational decision-making. An ethical dilemma that calls for an individual member of the organization to make a decision is comprised of three main factors: individual factors, significant others, and opportunity. According to Ferrell and Gresham (1985) individual factors include knowledge, values, attitudes, and intentions. Significant others are comprised of co-workers, supervisors, and executives and the influence these groups have over the individual. Essentially, the behavior and expectations of these significant others map place pressure on the individual to act in a similar manner. This influence of significant others can potentially lead to decisions that conflict with individual values. Opportunity consists of existing corporate policies, codes of ethics, and positive/negative reinforcement. These components tend to set the culture of the organization and therefore alert employees to the desired behaviors (Ferrell et al., 2013). Within

this framework, if an individual knows unethical decisions are tolerated or if policies are rarely enforced, then they may recognize the occasion to make an unethical decision. When taken together these three components will all exert influence over an ethical decision-making process. One of the most significant contributions of the Ferrell and Gresham model is in the recognition of the influence of significant others in the ethical decision-making process.

The influence of significant others in Ethical Decision-making was further demonstrated by Bandura (1986). Bandura showed that supervisors or authority figures act as role models for employees who would then model behavior after these role models through a social learning theory. Ferrell and Gresham also proposed that individuals will look to peers as role models, especially in the absence of management or supervision. Peers as role models can also be observed particularly when individuals work closely together in daily activities. Other research has further confirmed the importance of social learning and the impact of significant others in Ethical Decision-making (Hanna et al., 2013).

The ethical decision-making process was further investigated by Trevino (1986) in which a person-situation interaction model was introduced. The Trevino model suggests that the manner thru which an ethical dilemma is recognized and analyzed by an individual is dependent on the individual's stage of cognitive moral development. Individual's recognition of ethical dilemmas is dependent on the cognition of right and wrong, which is then moderated by individual factors such as strength of conviction, self-regulation skills, external social references, social norms, and the perception of how much perceived control on the events. Situational factors will also moderate behavior in the context of organizational culture, such as punishments and rewards to encourage desirable behavior (Schwartz, 2015) and other external organizational pressures. Organizational culture in the normative structure, significant others, obedience to

authority, consequences, and availability of resources also will moderate ethical behaviors in the Trevino model.

Rest (1986) also developed a rationalist based theoretical model of Ethical Decision-Making. Rest's model theorized four distinct processing components of Ethical Decision-Making. First is awareness of a moral issue or recognition of an ethical problem and the situation that has possible ethical implications. The second stage leads to a moral judgement, or an ethical decision being made. Third, the individual establishes a moral intent, motivation, or determination in regards to the ethical dilemma. The fourth and last stage is then acting on these intentions through behavior or action. The second stage, moral judgement in Rest's model is the major moral reasoning component of the Ethical Decision-making process as outlined by Kohlberg (1973) in the rationalist theory of moral development.

Jones (1991) model contributed the Ethical Decision-making theory though including the nature of the ethical issue itself. The model posits that an ethical issue will arise when individual actions or choice has the potential to benefit or harm others (Schwartz, 2015). The moral intensity of the ethical issue is a construct that captures the extent of issue-related moral imperative in a situation (Jones, 1991). The moral intensity components and characteristics include consequences, social consensus, and proximity. Consequences include the magnitude of consequences, probability of effect, and temporal immediacy. Social consensus of a proposed act being good or evil. And proximity is the feeling of closeness an individual has to the culture, social, psychological, and physical aspects of those being affected. Moral intensity of the issue as proposed by Jones influences each component of Ethical Decision making and has the ability to act as a moderating or independent variable.

Figure 2.1: Jones's Synthesized Model

**Characteristics of
the Moral Issue
(Moral Intensity)**

Jones's
Model

Environment
Social
Cultural
Economic
Organizational

F/G
H/V

**Recognize
Moral
Issue**

**Make
Moral
Judgment**

R
D/L
H/V

**Establish
Moral
Intent**

R
D/L
H/V

**Engage
in
Moral
Behavior**

T
F/G

Explicit
R
H/V
Implicit
T
F/G
Not Specified
D/L

*Cognitive Moral
Development*
R
T
Moral Evaluation
D/L
H/V
Not Specified
F/G

D/L
Significant
Others

F/G

Individual
Moderators

F/G

T

Situational
Moderators

T

Opportunity

F/G

Key:

R   = Rest (1986)
T   = Trevino (1986)
D/L = Dubinsky & Loken (1989)
F/G = Ferrell & Gresham, (1985)
H/V = Hunt & Vitell (1986)

The rationalist approaches have been grouped by Sonenshein (2007) into prominent streams of research. These groupings are comprised of manager as philosopher (e.g., Hunt and Vitell 1986), person-situation (Trevino 1986), and issue contingent (Jones 1991). The common

emphasis of these models is the rational cognitive process used by decision makers to resolve the ethical dilemmas (Schwartz, 2015). Rationalist approaches tend to recognize that intuition or emotion have the potential to play a role in Ethical Decision-making, it would rarely be the determinate of one's moral judgments. These approaches are now beginning to include cognitive biases or bounded ethics that will affect how information is processed (Trevino et al., 2006).

The Hunt and Vitell model (1986) combines deontological and teleological philosophical approaches to ethical decision beliefs found in moral philosophy into a framework that describes ethical decision-making (Ferrell, 2011). According to the Hunt-Vitell model environmental influences such as culture, industry, organizational factors, and personal influences influence how an individual perceives an ethical decision/situation. Utilizing deontological theory, individuals examine whether the actions taken to achieve a specific outcome are ethical and whether the decision respects the rights of others. This deontological process involves comparing the behaviors with a set of predetermined norms, representing personal values or behaviors (Hunt and Vitell, 1986). The individual then evaluates the alternatives utilizing teleological principles in order to examine the outcome of each action to determine which will provide the most benefit to the most stakeholders.

This model describes teleological evaluations as an examination of the probabilities of consequences, desirability of consequences, and importance of stakeholders (Ferrell et al., 2013). If undesirable consequences of a certain decision are improbable or if the desirability of positive consequences is greater than negative consequences, then individuals may choose to pursue the decision and outcome. Teleological stresses the greatest good for the greatest number of people, therefore teleological evaluations should determine which stakeholders will benefit, which stakeholders would be harmed, and whether the overall good outweighs the bad for the greatest

number of stakeholders. According to the Hunt Vitell Theory of ethics (1986), the deontological evaluation consists of a comparison of the various alternatives within a set of established norms which represent the individual's personal values. These norms include a set of general beliefs, situational specific beliefs, and others such as religious beliefs. During a teleological evaluation the individuals main focus is an assessment of how much good versus bad will result from a particular decision. This decision or behavior is considered to be the most ethical if the consequences bring a greater good over bad. Individual intuition also plays a part of determining the individual's actual behavior. Similar to Ferrell and Gresham's model, the Hunt-Vitell model considers situational constraints such as opportunity. If the individual does not have the opportunity to engage in in a particular behavior, then the individual will be unable to do so despite any ethical or unethical intentions. The individual behavior will result in the actual consequences, which will then become a component of experience and potentially relied upon in future ethical dilemmas.

Hunt and Vitell (2005) emphasized that the model is descriptive in order to increase the understanding of the normative factors in the ethical decision-making process. The model is not predictive, yet it assists marketing practitioners in understanding the cognitive processes related to individual ethical perspectives, and it illustrates both the teleological and deontological aspects of moral decision making in the context of ethical decision making. The models of Ferrell and Gresham and Hunt and Vitell as descriptive frameworks have been utilized for parallel frameworks in management, such as Trevino's (1986) person-situation interactionalist model and Jones' (1991) issue contingent model. The models of Trevino and Jones can be applied to organizational ethical decision-making in general, the models of Ferrell and Gresham

(1985) and Hunt and Vitell (1986) were initially conceived as descriptive marketing ethics frameworks.

NON-RATIONAL DECISION MAKING

Non-rationalist approaches to Ethical Decision-making argue that the process includes intuition and emotion or sentiments as a central component the moral judgement process (Saltzstein and Kasachkoff, 2004). And more recent research in moral psychology shows that ethical decisions are regularly influenced by individual feelings and intuitions (Ruedy et al., 2013). This non-rationalist approach states that this intuition and emotional processes have a tendency to initially generate and influence moral judgement (Haidt, 2001). Haidt (2001) asserts that the central claim of the social intuitionist model is that moral judgement is initiated by quick moral intuitions and is followed by a slower retroactive moral reasoning. Intuitionism in philosophy refers to the viewpoint that there are moral truths and when individuals grasp these truths, it is done not via a process or rationalization, but rather by a process similar to perception. Perception thru which an individual recognizes the truths and realizes that they are absolute. Intuitionist approaches in moral psychology state that moral intuitions, including moral emotions, come first and directly cause moral judgments. Moral intuition is a type of cognition, but it is not a type of reasoning (Haidt, 2001). Moral reasoning is again retroactive and seeking to rationalize previous judgments and not to arrive at those judgments (Saltzstein and Kasachkoff, 2004).

Emotions or sentiment has become more explicitly incorporated into ethical decision-making research. Evidence from research supports the assumption that that EDM is based not only on intuition but also on emotion-based mechanisms, and that emotions constitute a key component of moral decision making (Salvador and Folger, 2009). The importance of emotions

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in EDM is further bolstered by Tangney's (2007) assertion that moral emotions may be critically important in understanding individual adherence, or lack thereof, to moral standards. Emotions that have been suggested as being directly related to EDM are categorized as pro-social, self-blame, and other blame. Pro-social emotions generally promote morally good behavior such as empathy, sympathy, concern, or compassion. Self-blame emotions focus individuals inward and include feelings such as guilt and shame. Other-blame emotions focus outwards from the individual and include contempt, anger, and disgust (Prinz and Nichols, 2010). Research has attempted to explain how emotions impact EDM. Haidt (2001) directly links emotions to intuition with little emphasis placed on reasoning. Other research has established three main perspectives on the relationship between emotion and cognition through the view that; emotion interferes with cognition, that emotions serve cognition, and that emotion and cognition are intertwined.

Others link emotions directly to the cognitive process and state that emotional responses generated by the moral-personal dilemmas have an influence on and are not merely incidental to moral judgement (Greene et al., 2001). Emotions are not in conflict with reason but provides critical support to the reasoning process by acting as a regulator of behaviors (Damasio, 1994). A similar manner to explain the relationship between emotion and reason is by regarding emotions as a charged "go" system which can undermine efforts towards self-control. In contrast is the "Know" system is cognitive, contemplative, and emotionally neutral. This system can potentially control the emotionally charged "go" system through an emotional willpower (Metcalfe and Mischel, 1999).

Building on these EDM models and in an attempt to address to divergence between rationalist and non-rationalist approaches to EDM, Schwartz (2015) proposes an Integrated Ethical Decision-Making model.

Figure 2.2: Schwartz Integrated EDM model
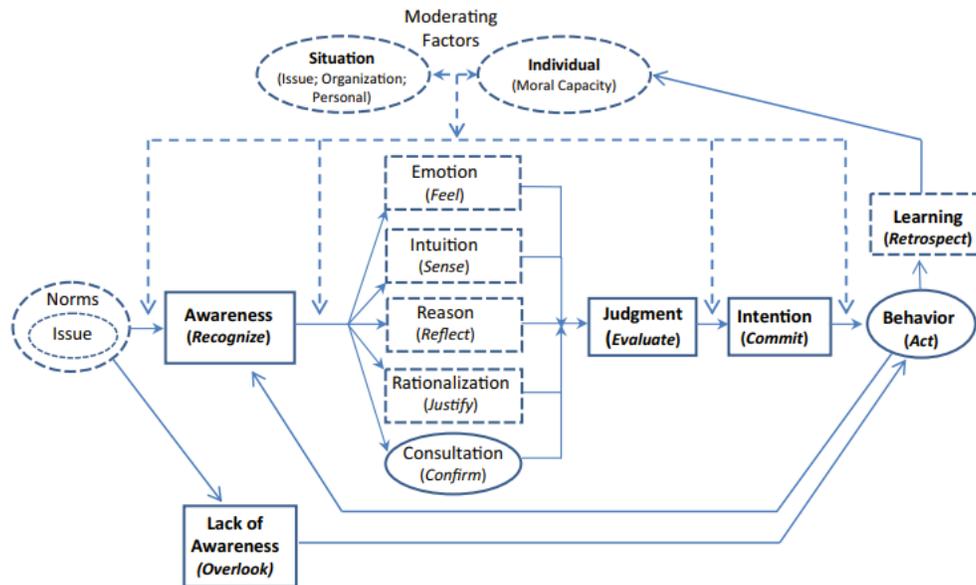
This model contains two major components: the EDM process and the factors that influence the EDM process. The EDM process is comprised of four stages; awareness, judgement, intention, and action/behavior. In this aspect the model continues the basic process framework proposed by Rest (1984). The antecedents to the EDM process include the environmental norms, with the subsequent stages of the process are comprised of the potential feedback loops. The EDM factors of influence are comprised of individual and situational influences. According to the model proposed by Schwartz (2015), ethical behavior is assumed to be more likely to take place when there is a strong individual moral capacity, a strong ethical infrastructure, and a high level of moral intensity. Unethical behavior will be more likely to occur in situations where these characteristics are weak in nature with a lack of personal constraints.

The field of business and marketing ethics has made substantial conceptual and theoretical gains in understanding the ethical decision-making process (e.g., Ferrell and Gresham 1985; Trevino 1986; Hunt and Vitell 1986,1993), these theories have overlooked a potentially important component of ethical decision-making, that of emotions. Tenbrunsel and Smith-Crowe (2008) have even called for the suspension of the assumption that decision making in ethical decisions is the sole result of a reason-based process. Indeed, some literature indicates that one's affect in the form of an emotional states and/or task-related emotions may directly impact one's intentions, resulting in them differing from one's ethical judgments (e.g., Gaudine and Thorne 2001). An argument is made that emotion is not antithetical to a rational ethical decision process and should not be ignored. For example, if one is in a state of unregulated anger, this may have a direct negative impact on intentions and subsequent behavior (Kligyte, 2008).

EMOTIONS IN ETHICAL DECISION MAKING

Much of the previous research in the field of consumer ethics has been predominantly focused on examining the role of rational thought in consumer decision making with several studies having considered the role of emotions in questionable consumer behaviors (Vitell et al, 2013). These studies have examined the role of moral beliefs and emotions related to shoplifting intentions (Babin and Babin, 1996), the influence of specific emotional states and disposition on judgments (Lerner and Keltner, 2001), and positive or negative affect (Gaudine and Thorne, 2001). Emotions are defined as the affective state that the decision maker is experiencing at the time of the decision. This state can vary in duration and intensity (Guadine and Thorne, 2001). These emotions are often intense feelings directed at someone or something and are thought to be present in virtually all situations and contexts (Frijda, 1993). Emotions will vary with either a positive or negative valence and also between active or passive intensity (Barrett and Russell,

1998). Previous research has shown that emotions impact rational thought processes and warn

decision makers about the perils of making decisions when one is emotionally aroused

(Krishnakumar and Rymph, 2012). This research also suggests that ethical decision making goes

beyond strictly reason processing and is a result of intuition, automatic, and emotional

evaluations (Escadas et al., 2020). These intuitional evaluations and processes, are by their very

nature, not consciously controlled by individuals (McManus, 2021). Thus, the associated impact

on moral intuition and moral reasoning are exceedingly difficult for decision makers to

collectively recognize (McManus, 2021). In this perspective emotions can be understood as a

key element of Ethical Decision Making (Robertson et al., 2017) and as source of essential

information that can influence identification of ethical dilemmas and resulting decisions. These

advances in Ethical research have been focused primarily on firms, management, and employees

in rational processing, this leaves a lack of understanding of consumer processing in an

emotional state.

Emotions significantly influence the way people live their daily lives, especially in a wide

variety of ethical decision makings situations (Connelly, 2004). Guadine and Thorne (2001)

further show that emotions play a significant role in context of consumers' ethical decision

making. Moral emotions provide the motivational force and subsequent energy to do good and

to avoid doing bad (Tangney, 2004). Moral emotions can thus be thought of as helping to

maintaining order and the functioning of society.   These moral emotions serve as a guideline for

assisting behavior according to acceptable societal norms (Cohen et al, 2013). Positive or

negative emotions assist in reminding individuals of the outcomes that result as a consequence of

particular actions (Arli et al, 2016). Considering the negative outcomes of unethical behaviors

can activate negative anticipated emotions, which will decrease the desire to perform the

unethical act (Steenhaut and Van Kehove, 2006). Escadas (2020; 2019) has examined the consumer ethical decision-making process in both pre- and post-decision emotions to ascertain the effects of both positive and negative emotions and found a virtuous ethical cycle that reinforces consumer decisions throughout the entire ethical decision-making process.

When emotions are considered in previous research, the focus has primarily been on singular emotional states, with the majority being focused on positive rather than negative emotions (Escadas et al., 2020). Emotions are comprised of two components: the level of arousal and the affect that results from the situation (Russell, 1978). Arousal is viewed as the level of intensity of the affective state and ranges from quiet to aroused (Watson and Tellegen, 1985). The affective state of emotion is described as either positive or negative affect (Fillenbaum and Rapoport, 1970). Negative affect encompasses emotions such as anger and fear, while positive affect includes emotions such as happiness and joy (Gaudine and Thorne, 2001). Gaudine and Thorne (2001) suggest that positive emotions will increase the likelihood that individuals will recognize ethical dilemmas, possess ethical intentions congruent with moral development, and act consistent with intentions if emotional arousal is present. Previous research suggests that positive affect also increases access to congruent memories, Bower (1981) observed that positive emotions allows access to a greater amount of information with positive emotional associations.   Thus, positive affect provides the ability to identify ethical dilemmas more correctly due to the increased amount of information available for retrieval (Gaudine and Thorne, 2001).

The Gaudine and Thorne model also acknowledges the impact of negative emotions in that negative emotions are likely to have different effects in an ethical decision-making process (Connelly et al, 2004). Different negative emotions can focus an individual's attention outward

when in an angered state and gives an individual a sense of certainty and control regarding the situation and that another person is responsible for the event, whereas fear can focus attention inward and is characterized by a lack of certainty and control (Singh et al., 2018; Guadine and Thorne, 2001). These distinctions in emotions allow for angry individuals to be more confident, optimistic, and risk seeking in judgments and decisions (Garg et al., 2005). Fearful individuals are less certain, less confident, and avoid risk seeking in judgments and decisions. The differences between these emotions stresses a need for a better understanding of not just emotions and Ethical Decision making, but an understanding of these discreet emotions both from positive and negative perspectives.

Other research has continued to study the role of positive and negative emotions in ethical decision-making processes. Connelly et al. (2004) focused on the role of positive and negative trait emotions in ethical decision making and observed a stronger relationship between active emotions, whether positive or negative, and ethical decision making compared to the relationship of passive emotions and ethical decision making. The authors also showed that trait emotions had a stronger relationship with ethical decisions that are interpersonally related compared to decisions related to an organization. The stronger relationship can be explained by the additional difficulty in defining interpersonal ethical issues and subsequently determining the best course of action. This finding is consistent with previous research that has shown positive emotions facilitate decision making under conditions of uncertainty (Kahn and Isen, 1993). Within a consumer context this would mean that consumers would be more likely to exhibit strong emotions or no emotions at all towards a large retail firm but may feel emotions towards a smaller family-owned retailer (Vitell et al, 2013). Connelly et al. (2004) stress the importance of

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moving research beyond general, global affect and increasing focus on discrete situation specific

emotions.

Table 2.2:

Emotion Literature Table				
Author	Key Research	Theoretical Foundation	Method	Findings
Escadas, M. et al. (2020)	Post-Decision Emotions and Future Ethical Behavioral Intentions	Ethical Decision Making. Rationalist vs Emotional Processing	SEM. Scenario Based questionnaire. Convenience sample. Post decision emotions	Virtuous ethical cycle positive ethical decisions lead to more ethical consumer decisions and behaviors. Happiness has key role in consumer ethical decisions.
Escadas, M. et al. (2019)	measures the influence of positive and negative anticipated emotions. stage of the consumer ethical decision-making process; describing the specific emotions that most affect	Ethical Decision Making. Emotions Anticipated Emotions	Scenario Based Questionnaire	Anticipating a positive emotion from a positive behavior confirmed. Anticipating a negative emotion from a negative behavior. Post decision positive emotions increase future intentions.
Connelly et al. (2004)	Explores relationships of various trait emotions to ethical decisions	Influences on EDM and links between emotions and cognition	Laboratory administered questionnaire. Assumed managerial role in exercise of selecting sales managers	Discrete positive and negative emotions classified as active are more strongly related to interpersonal ethical choices.
Garg, N., and Lerner J. (2013)	Incidental emotions influence	Negative Incidental Emotions	2x2 Between subjects. Experimental.	Sadness elevates self-reports of helplessness,

	situations and influence behavior in unrelated tasks – Risk Taking, Information processing, Financial transactions	Consumption Effects	Two stage induction of emotion- List 3 or 4 things that make them sad and describe in detail. Other person and Control typical.	helplessness mediates the sadness-consumption effect, and introducing a sense of control attenuates sadness effect.
Guadine, A. and Thorne, L., (2001)	Emotional influence on EDM process.	Integrating findings that consider two dimensions of emotion, Arousal and Feeling.	Model development illustrating emotional impact on components of EDM process	Certain emotional states influence individual propensity to identify ethical dilemma, form judgments, and EDM choices.
McManus, J. (2021)	Emotions play pivotal role in promoting EDM	Specific emotional regulation. Amoral decision-making in organizations.	Review and development of process theory. Type 1 (automatic) & Type 2 (rational).	Excessive emotional regulation norms present problems for certain classes of decisions.
Robertson, D. et al., (2017).	Normative and Empirical Business Ethics, Ethical Decision Making. Neuroscience in brain activity during Emotions	Understanding Oneself and others in Ethical Behavior	Methodology Review and Description.	Decision processes in the brain are implicit that may never reach levels of consciousness. Ascribe Intent
Schaefers, T., et al. (2016)	Deliberately disobeying codes of conduct based on Prior Usage in Access-Based Services	Consumer Misbehavior and Social Norms. Interpersonal Behavior	Between subject's experiment. Online questionnaire. PROCESS	Previous Misbehavior increases misbehavior intentions. Previous also increases expectations for misbehavior.
Schwartz, M. (2016)	Review of EDM models – Rational and Non-Rational	Ethical Decision-Making Models	Review of EDM models	Proposed model for Integrated Ethical Decision Making

	(incorporates Intuition and Emotions)			
Singh, J., et al. (2018)	Ethical Judgments, Incidental emotion – Anger vs Fear, Intensity of Moral ethical action	Consumer Ethics Incidental Emotions – Anger and Fear.	Mediation 2-way ANOVA	Higher levels of Intensity in fear lead to higher ethical judgments. Support relationship between emotion and EDM moderated by moral intensity.
Zollo, L., et al. (2017)	Propose an integrated theoretical framework for EDM to account for intuitive processes blending with rational approaches	Rationalist approach to Ethical Decision Making – Rest's 4 component model. Decision making stages: the person-situation interactional framework (Treviño 1986), the social and environmental contingency models (Ferrell and Gresham 1985; Hunt and Vitell 1986), and the moral intensity factor (Jones 1993).	Review to propose new model.	Posits new Model of Integrated Ethical Decision Making highlighting the role of Synderesis (innate natural habit cognitive habit that allows decision makers to seek moral behavior and judgments and reject evil intentions.

DISCRETE EMOTIONS

The majority of research in emotions and Ethical Judgments has focused on a valence-based approach looking at positive or negative traits (Singh et al., 2020), however more modern research has started to focus on the more discreet emotions contained within each valence. These studies have focused on anger, fear, sadness, disgust (Singh et al., 2020, Schafers 2016, Garg et al. 2005.), and have started to increase awareness in literature. The results of this research have shown that emotions with the same valence can have a profoundly different influence on decision making and the resulting anticipated reactions. The differences between these discreet emotions can influence perceptions of control over a situation, level of fault, certainties of outcomes, and the level of the ethics invoked. The emotional influence can drive individuals to (in the case of anger) to retaliate against others in an attempt to "win" the outcome by fighting, harm, or conquering. In other negative discreet emotions (fear, guilt) individuals will see less control and therefore more accepting of the results, however these individuals will be more observant and more likely to perceive an ethical problem with fear and behave more ethically. More recent research is investigating these appraisals and the carry over effects into a new situation or unrelated task.

SPECIFIC EMOTIONS AND ETHICAL JUDGMENTS

Most research on emotions has previously focused on a valence-based approach; however, research focusing on specific, discreet emotions has started to gain popularity (Singh et al, 2016). Many researchers have begun to focus on specific emotions such as anger, fear, sadness, and guilt, among others, rather than to continue the categorizing all emotions based on the valence approach (Escadas et al. 2020; Lerner and Keltner 2000; Garg et al. 2005; DeSteno et al. 2000; Tiedens and Linton 2001;). This research has shown that emotions of the same valence

can have different influences on decision making (Lerner and Keltner 2000, 2001). DeSteno et al (2000) showed that emotions such as anger and sadness, have different influences on the subjects' estimates of the likelihood of sad and angry events. Lerner et al (2003) proposed that the distinct emotions of anger and fear have differential influence on perceptions of risk and policy preferences. Tiedens and Linton (2001) found that distinct emotions have differential influence on subject information processing.

The cognitive appraisal of emotion framework developed by Smith and Ellsworth (1985) furthers the understanding beyond the valence of emotions and predicts differences across different emotions of the same valence. The framework identifies six dimensions encompassing the cognitive appraisals underlying different emotions: attentional activity, certainty, control, pleasantness, anticipated effort, and responsibility. Attentional activity refers to appraising the relevance or importance of the stimulus to determine the level of attention to be paid to the stimulus. The certainty dimension refers to the level of predictability or unpredictability in a situation. Control refers to the perception of whether the current situation or activity is under the control of the individual, another person, or an impersonal source. Pleasantness is a measure of the intrinsic pleasantness or other enjoyment of the situation or stimulus. Responsibility refers to the extent to which the individual, another person, or other impersonal source is responsible for causing the situation that causes the emotion. Lastly, anticipated effort indicates the level of effort required to deal with the situation.

Figures (2.3, 2.4, 2.5) demonstrate the ways in which the appraisals of emotions differ for various emotions. Of interest in this study are the ways in which anger and happiness compare. Smith and Ellsworth (1984) describe happiness as a pleasant emotion and anger is unpleasant, and anger is described as high effort with happiness being particularly low effort (figure 2.5). A

strong sense of other responsibility is associated with anger, whereas happiness is more of a self-responsibility emotion. Both emotions are linked to stronger feelings of human agency rather than situational control (figure 2.4). Anger and happiness are also emotions that both result in feelings of certainty of the situation and warrant higher levels of attention (figure 2.3).

Figure 2.3: Appraisal of Emotions – Certainty / Attention


```
                              UnCertain
                                  |
                                  |          * Surprise
                                  | * Fear
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |          * Hope
              * Sadness           |            * Frustration
                                  |
Low Attention         * Shame     |                      High Attention
----------------------------------|------------------------------------
                                  |
                                  |
                                  |              * Interest
      * Disgust           * Contempt
              * Guilt     | * Anger
                                  |
                                  |
 * Boredom                        |            * Challenge
                                  |          * Happiness
                                  |            * Pride
                                  |
                                  |
                                  |
                                  |
                                  |
                               Certain
```
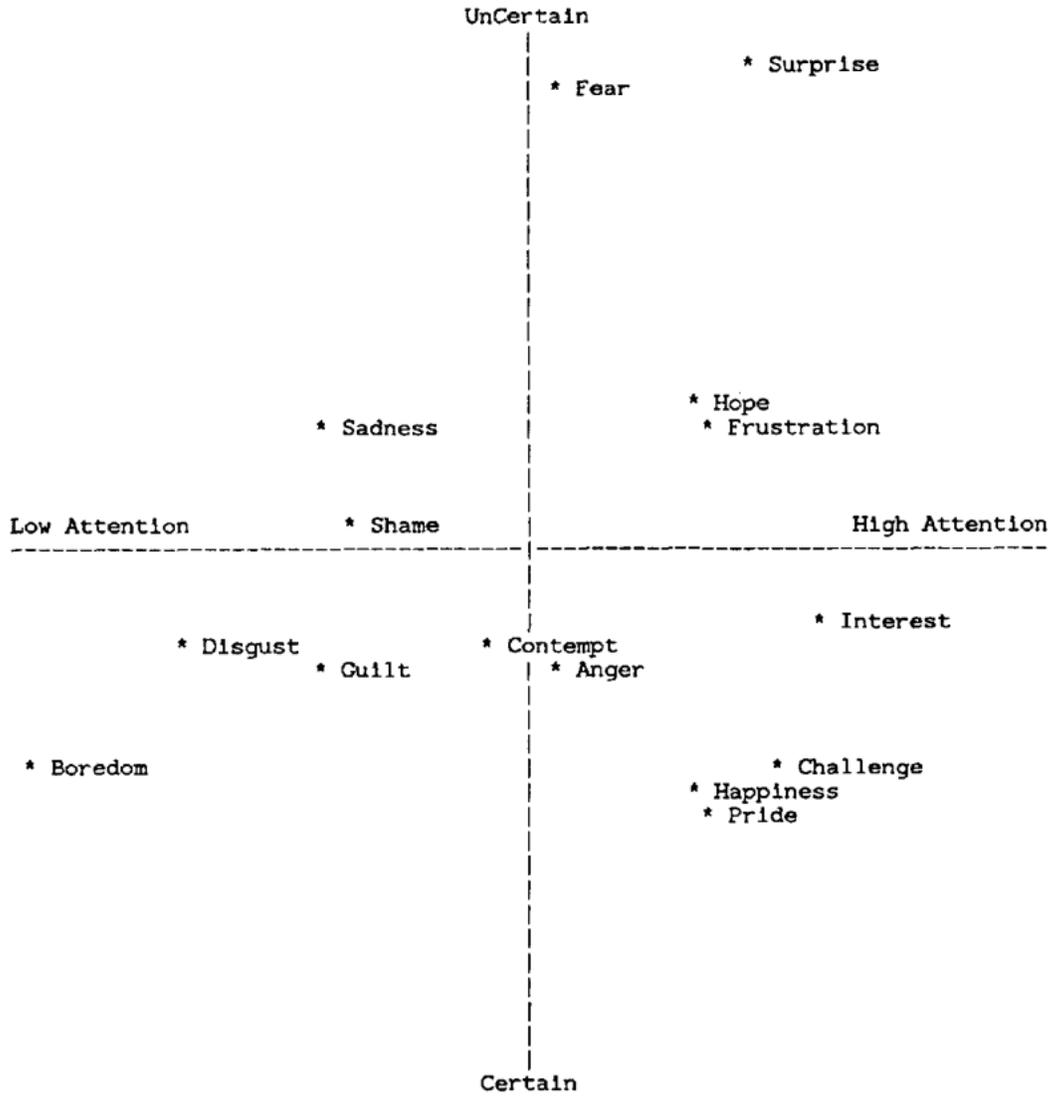
Figure 2.4: Appraisal of Emotions – Responsibility / Control

```
                          Situational Control
                                  |
                                  |
                                  |
              * Sadness           |
                                  |
                                  |
                    * Fear        |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |       * Hope
                  Boredom *       |   * Interest
                                  |
Other-Resp/Con            * Frustration                Self-Resp/Con
-----------------------------------|------------------------------------
                                  |       * Challenge
                                  |     * Happiness
                                  |
            * Surprise            |
              * Contempt          |              * Guilt
            * Disgust             |              * Shame
                                  |
          * Anger                 |            * Pride
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                                  |
                           Human Control
```
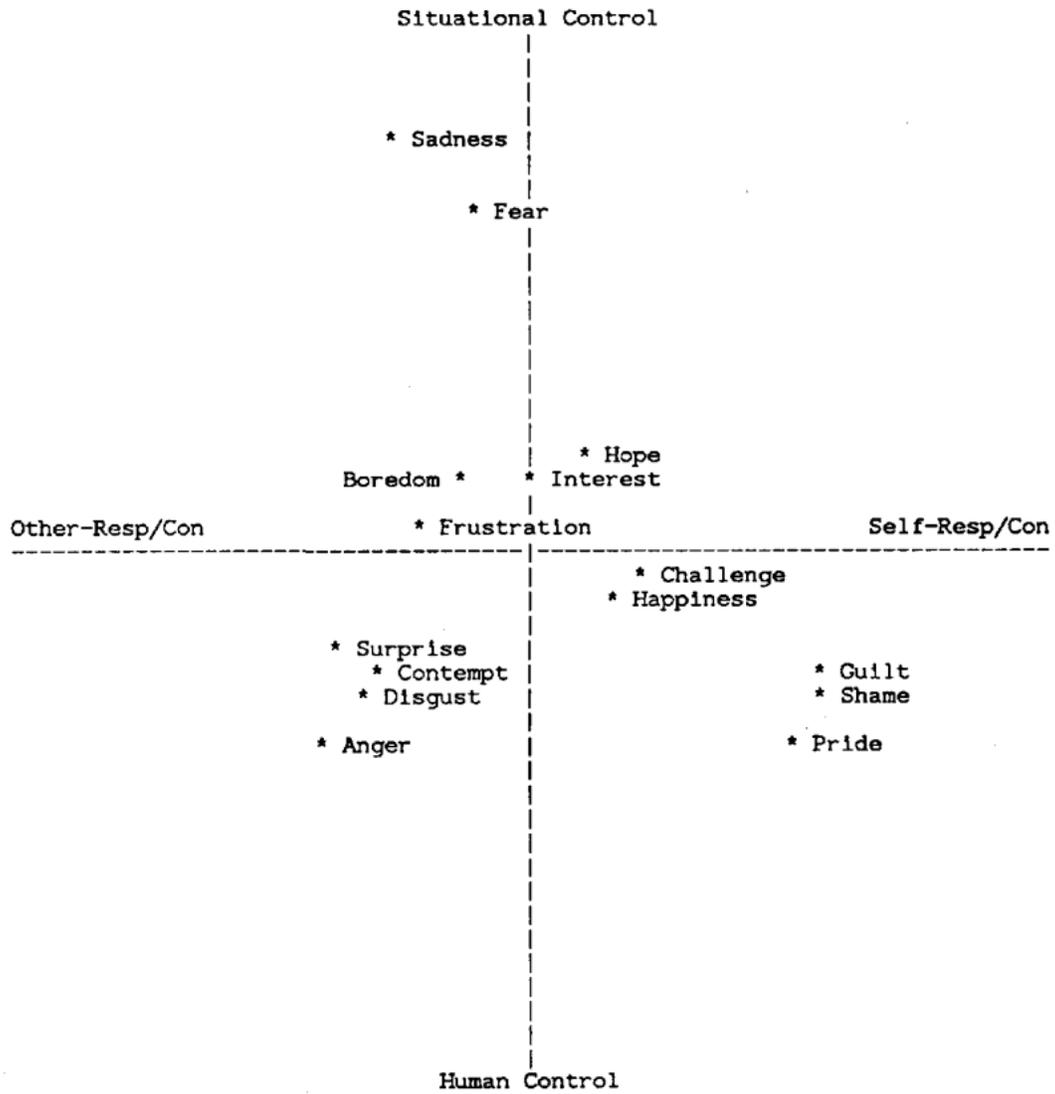
Figure 2.5: Appraisal of Emotions - Effort / Pleasant

```
                          High Effort
                               |
                               |
                               |
                               |
                               |
             * Challenge       |                 * Frustration
                               |     Shame
                               |     *      * Fear
                               |                    * Anger
                               |
                               |                  * Sadness
                               |     * Guilt
                               |                * Contempt
                               |
                               |
                               |        * Disgust
 Pleasant                      |                    Unpleasant
 ------------------------------|-------------------------------
                               |
                    * Hope     |
                               |
        * Interest             |
                               |
                               |
                               |
                               |
                               |            * Boredom
                               |
                               |
     * Pride                   |
        * Surprise             |
  * Happiness                  |
                          Low Effort
```
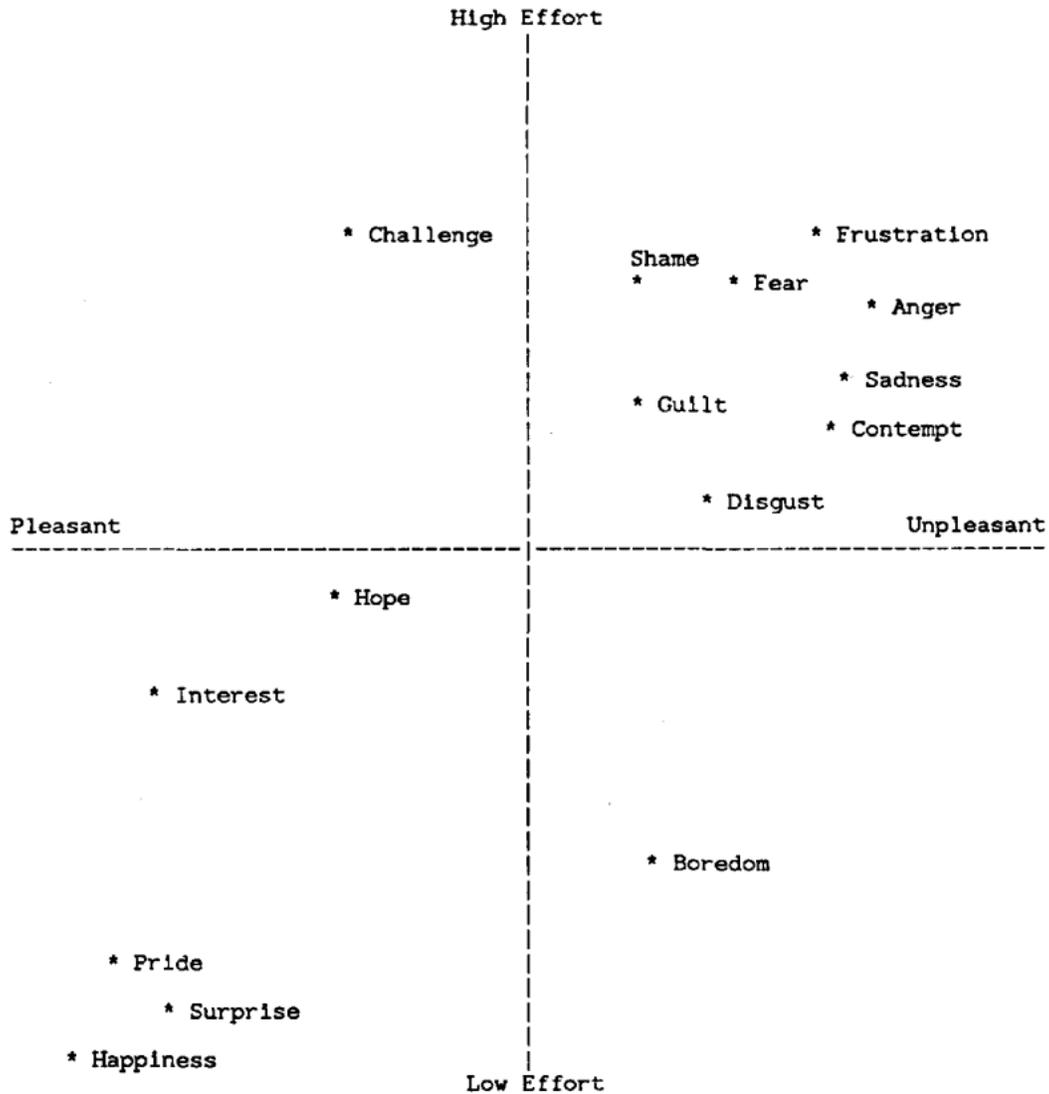
Figures 2.3 - 2.5 present the three dimensions that best discriminate among the emotions when each is considered separately and illustrates the importance in discriminating between the states themselves (Smith and Ellsworth, 1984). Depending on the states being considered the dimension can vary in importance, when all the emotions are considered simultaneously the pleasantness dimension becomes the most important for distinguishing between the emotions

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(Smith and Ellsworth, 1984). When situations are basically positive, the dimension that best differentiates what is actually felt becomes the sense of control an individual feels in initiating and maintaining the situation. In negative situations, the dimension that becomes most relevant is the power of impersonal circumstances in determining the emotion felt. The considerations of human versus circumstantial agency are vital in differentiating among negative states, and much less important in positive emotions.

The theory of appraisal tendencies of emotions states that each emotion is defined by a set of dimensions that are central to a particular emotion (Smith and Ellsworth, 1985). Anger is characterized by an individual's appraisals of increased certainty about what has happened, individual control and other responsibility for negative events, whereas fear is characterized by appraisals of low certainty, lack of individual control, and high anticipated effort (Vitell et al. 2013). According to the appraisal tendency theory, anger and fear are different on the basis of the several dimensions and hence will lead to different influences on information processing, decision making, and choice. Anger is described as an extremely unpleasant state that is associated with a high amount of anticipated effort typically resulting from an individual engaging in an activity that has negative consequences for the subject (Smith and Ellsworth 1985). While similar negative emotions, such as contempt, have been shown to involve interpersonal relationships, anger is associated with a broad range of experiences, including damage to personal property, poor service, or having food spilled on oneself in a restaurant (Smith and Ellsworth 1985). Happiness is described as an extremely pleasant emotional state that involves very little effort, a high level of certainty about the situation, and a strong desire to pay attention. Smith and Ellsworth (1985) also noted that happiness and pride are similar along most dimensions, and both are associated with attributions of human control, specifically with a

sense of responsibility and control, but that these attributions are considerably stronger for pride. Subjects experiencing pride were more focused on individual achievements and subjects experiencing happiness focused on time spent with other individuals such as family, friends, or other pleasant interactions. Because of these differences, incidental emotions of fear and anger will have different influences on ethical judgments and intentions, and similarly positive emotions such as happiness and hope are likely to have differing impacts on ethical judgments and intentions (Vitell et al 2013).

TASK-RELATED AND INCIDENTAL EMOTIONS

Two sources of emotions have been identified and studied in consumer behavior literature: task-related and incidental (Vitell et al., 2013). Task-related emotions are inherently associated with the situation currently being faced or performed. This inherent relationship influences decisions being faced in the moment and contain the potential to greatly influence the actions and/or behaviors based on positive or negative experiences. Incidental emotions are unrelated to the current situation and originate from incidents or cognitions that are irrelevant to the current task. Incidental emotions tend to remain and influence the way in which individuals deal with subsequent stressful situations and decision making (Vitell et al., 2013). The influence of incidental emotions and task-related emotions has been deeply studied in consumer behavior literature (Garg et al., 2005), the influence of incidental and task-related emotions in ethical decision making has been limited thus far (Vitell et al., 2013). Most research in emotion has adopted a valence-based approach. In the last two decades however, research focusing on specific, discrete emotions such as anger, fear, sadness, and disgust, has started to gain momentum (e.g., DeSteno et al. 2000; Garg et al. 2005; Lerner and Keltner 2000; Tiedens and Linton 2001).

Previous research by Schwarz and Clore (1983, 1996) and Lerner and Keltner (2000) has

shown that incidental emotions influence judgments and choices for subsequent events that are

totally unrelated to the situation from which the incidental emotion originated. Since emotions

have been shown to influence decision making in other areas, it is possible that this can extend

into areas with ethical content, specifically incidental emotions may influence decision making

in situations that require an ethical judgement. If a person is in a significant incidental emotional

state when encountering an ethical situation, the decision-making process may be influenced by

that emotion (Vitell et al., 2013). Attempts to consider emotion and its influence will in no way

undermine the cognitive theories already in place but will enhance the overall understanding of

the underlying mechanisms experienced in an emotional state. A limited number of studies that

have focused on the role of emotion in ethical decision-making processes have examined

emotions directly related to the task/activity/scenario itself (Task-Related Emotions). Incidental,

or ambient emotions which are unrelated to the task and should not influence judgment and

decision making, have been found to have systematic influence on consumers (Singh, J., et al,

2016). Given that such emotions are experienced on a daily basis, research has made a concerted

effort to understand their effect on various aspects of consumer behavior. Other research has

found that emotions play an important role in assisting in making more beneficial decision, yet at

the same time, incidental emotions may interact with task-related emotions and moderate the

manner in which current emotions influence perceptions and choices (Vitell et al., 2013).

Prior research establishes that incidental affect tends to linger and systematically

influence judgment and decisions for subsequent events that are unrelated to the situation

producing the original, incidental emotion (Singh, J., et al, 2018; Garg and Lerner 2013).

Several studies suggest that different types of emotions are more likely to influence ethical

decision making more than others (Garg et al., 2005). Incidental and Task-related emotions will have differing amounts of influence in regards to ethical decision making. It has been shown that incidental emotions tend to have little impact on ethical decision making, but task-related emotions have a much stronger influence (Vitell et al., 2013). Task-related emotions tend to be more intense and specific to the immediate environment or situation, therefore the intensity of the situation may have a greater impact on ethical decision making and intentions.

Other research has found that incidental emotions can also impact ethical judgments and behavioral intentions, just that these types of emotions are less likely to do so (Valdero and DeSteno, 2006). This area of research finds that even emotions with the same valence can have a markedly different influence on decision making (Lerner and Keltner, 2000). Utilizing the dimensions of emotions established by Smith and Ellsworth (1985), Lerner and Keltner, (2000) suggest that emotions can be defined by key dimensions that are key to a particular emotion and understand its influence on subsequent judgement and decisions. Emotions with high certainty are characterized by heuristic information processing, while those with low certainty follow a more systematic approach (Singh et al., 2016). DeSteno et al. (2000) found that two distinct negative emotions, sadness, and anger, have different influences on predictions made by subjects about the likelihood of sad and angry events. Individuals in a state of anger attributes human agency as being responsible for the situation, therefore high in control (Lerner and Keltner, 2001). Recent research (Singh et al., 2016, Escadas, 2020) has shown a greater influence of incidental emotions on the unrelated task or situation. Particularly, angry individuals facing an unrelated, unethical situation feel more certain and in control, tend to blame others and act in a retaliatory manner. Given that anger tends to increase certainty and other blame of what is occurring in the situation, these appraisals motivate the angry individual to retaliate against

others through "fighting, harming, or conquering" (Lerner and Tiedens, 2006). This research proposes that the appraisals of emotions will carry over to the unrelated task and influence the individual's response to the current situation.

SPECIFIC EMOTIONS AND BEHAVIORAL INTENTIONS

Gaudine and Thorne (2001) propose that emotions have a direct impact on behavioral intentions, and that the intensity of the emotion determines the extent to which an individual will search for decision alternatives in an ethical dilemma. In a heightened state of arousal or intense emotion an individual may search for alternatives to minimize harm to the parties involved in an ethical dilemma. In the absence of this intense arousal, the search for alternatives may be less likely to occur or even not occur. The authors also state that this emotional arousal impacts the ability to retrieve information from memory and assist in resolving an ethical dilemma. It has also been argued that one's intention to comply or not comply with one's ethical judgments depends upon a willingness to place ethical values ahead of non-ethical values and vice versa (Gaudine and Thorne, 2001). This willingness can be influenced by individual's emotion state. The authors continue to state that an individual in a positive emotion might be more likely to do the intended ethical behavior as defined by their ethical judgments. The intensity of these emotions may also lead an individual to act upon intentions. An individual's emotional state at the time of the decision can influence behavioral intentions in a manner contradictory to ethical judgments, such as a consumer who chooses not to correct a financial error due to frustration with the provided service (Vitell 2013).

Behavioral intention has been defined as the degree to which a person has formulated conscious plans to perform or not perform a specified future behavior (Warshaw and Davis 1985), and as an indication of the decision maker's willingness and preparedness to perform a

specific behavior (Hunt and Vitell, 1986). The intention to perform a behavior is a proximal

cause of such a behavior (Shim et al., 2001). Fishbein and Ajzen (1975) identified behavioral

intentions as an indicator of actual behavior in marketing studies, and previous research has

utilized behavioral intention as an outcome influenced by emotions (Jang and Namkung 2009).

Based on the theoretical foundations discussed, these relationships of emotions and judgement

the following hypotheses are presented:

> H1: Service experience (Task emotion) will impact Ethical Judgments such that good
>
> service will result in more ethical judgments and behavioral intentions than will bad
>
> service.
>
> H2: Incidental emotions will affect ethical judgments and behavioral intentions such that
>
> happiness will result in more ethical judgments and behavioral intentions than will anger.
>
> H3: Incidental emotions will moderate the effect of the service encounter on ethical
>
> judgments and behavioral intentions. Such that:
>
>> H3a: When the consumer is happy, judgments will be more ethical following a
>> positive encounter than after following a negative encounter.
>>
>> H3b: When the consumer is angry, judgments will be less ethical following a
>> negative service encounter than after following a positive service encounter.

Figure 2.7:

Model 1
Incidental Emotions Moderate
Service Situation & Ethical Judgements

```
                        ┌─────────────────┐
                        │   Incidental    │
                        │   Emotions      │
                        │     -,+         │
                        └─────────────────┘
                                │
                                │
                                ▼
┌─────────────────────┐                    ┌─────────────────┐
│  Service Situation  │───────────────────▶│    Ethical      │
│  (Task emotion)     │                    │   Judgements    │
└─────────────────────┘                    └─────────────────┘
```
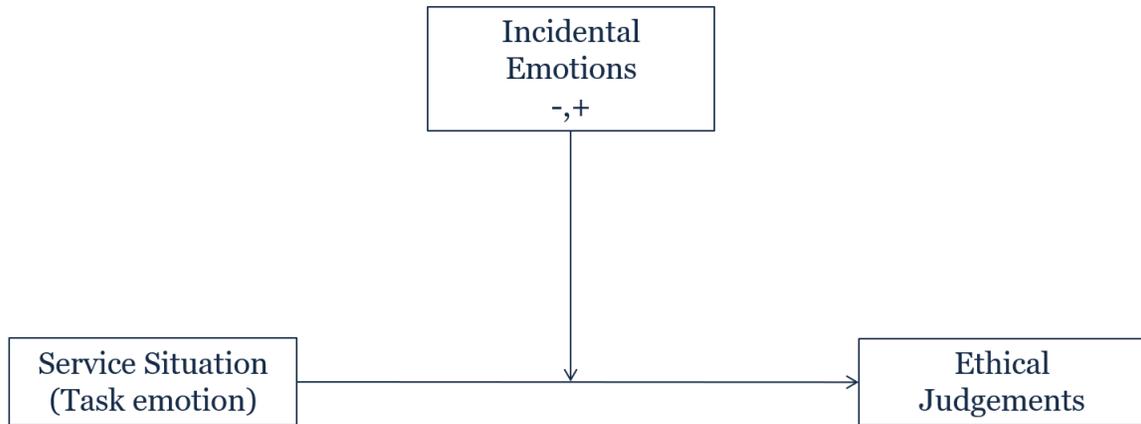
SELF-CONTROL

Self-control refers to an individual's attempt to control or alter his or her responses in response to goals or standards (Vohs and Baumeister, 2004). Previous work has shown that individuals with high self-control are more likely to identify and set goals, to monitor progress towards those goals, and to adjust behaviors accordingly (Carver and Scheier, 2001). Self-control allows individuals to continue striving for a target goal, even when doing so is difficult due to the level of effort required, situational conflicts, or other interpersonal conflicts. Therefore, individuals with greater self-control are more likely to be able to achieve established goals. Additionally, higher levels of self-control lead to higher intentions to intend to act morally, and actually act morally (Baumeister and Exline, 1999). Individuals lower in self-control tend to have a more positive view of unethical behaviors and will attempt to rationalize these behaviors. Geyer and Baumeister (2005) state that self-control is critical for virtuous behavior and is needed in order to overcome the desire to behave badly. When emotions, especially negative, may cause a desire to behave unethically or intend to behave unethically, the individual level of self-control can moderate the temptation to intend or act in an unethical manner. A goal of the current research is to further examine the moderating influence of self-control on ethical judgments and behavioral intentions.

The ability to control and regulate impulses, emotions, desires, performance, and other behaviors is one of the key components of the self (Tice et al, 2001). Consumers' decisions occur within a set of goals to be met, needs to be satisfied, and situations that influence thoughts (Pham and Higgins, 2005). Self-control is the ability of people to overcome their self-oriented wishes and impulses in order to what is best according to the interests and standards of the culture (Baumeister and Exline, 1999). Some researchers make subtle distinctions between self-

control and self-regulation, whereas self-regulation broadly refers to goal-oriented behavior, self-control is associated with conscious impulse control or conscious self-regulation (Vohs and Baumeister, 2004). Baumeister and Exline (1999) recognized self-control for its ability to serve as a "moral muscle" or the extent to which an individual has the ability to intend to act morally. Self-control is best defined as one's ability to adapt in order to best provide a fit between oneself and one's environment and is the ability to refrain from acting upon undesirable and morally questionable behavioral tendencies (Vitell et al, 2009; Vitell et al., 2013).

Gaudine and Thorne (2001) state that individual's intention to comply or not comply with an ethical judgment partially depends on the willingness to place ethical values in front of non-ethical values and vice-versa. An individual in a positive emotional state may be more likely to engage in ethical behaviors as defined by the individual's personal judgments. Conversely, an individual in a negative emotional state may be more likely to engage in unethical behaviors defined by personal judgments. High levels of self-control have also been shown to lead to improved psychological adjustment and lower levels of depression, anger, anxiety, and hostility (Tangney et al., 2004). Tangney et al. (2004) also found that these individuals with higher self-control also tended to have improved interpersonal relationships and higher self-esteem than individuals with lower levels of self-control. Therefore, at least some evidence exists that shows that self-control will potentially moderate the relationships between emotions and ethical judgments, behavioral intentions, and possibly actions (Vitell et al., 2013).

When an individual possesses a high degree of self-control the more likely this individual will be to intend to act morally and continue to act morally (Baumeister and Exline, 1999). Conversely, individuals with a low level of self-control are more likely to act upon unethical or undesirable urges. When an individual is low in self-control, unethical behaviors are viewed in a

more positive manner, perhaps even favorably (Vitell, King, and Singh, 2013). In rationalizing

unethical behaviors, individuals are attempting to justify the unacceptable behavior as personally

and socially acceptable by satisfying a useful norm (Bandura, 1996). Geyer and Baumeister

(2005), state that self-control is the capacity of an individual to act morally by overruling the

tendencies one must engage in undesirable behavior. Self-control is viewed as being required for

individuals to behave in a virtuous manner, the authors state that self-control is crucial for

virtuous behavior (Geyer and Baumeister, 2005). An individual's emotional state, especially

when experiencing a negative emotion, might cause one to behave unethically or the intention to

behave unethically, in these situations the level of self-control may tend to moderate the

temptation to behave unethically (Vitell et al., 2013). Thus, the following hypothesis is proposed.
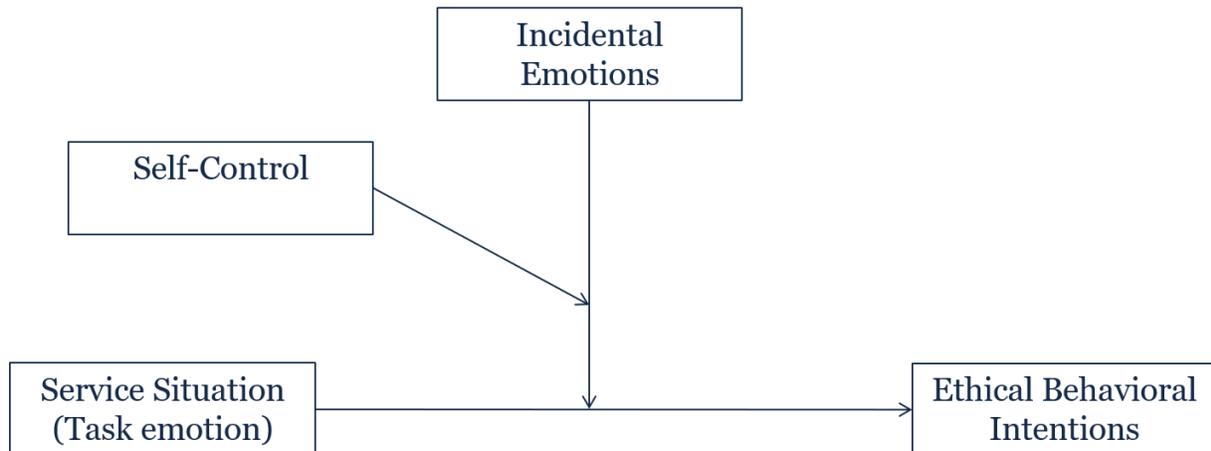
> H4: Self-Control moderates the relationship between incidental emotions and the service experience such that
>
> H4a. when individuals are angry, self-control moderates the effect of incidental emotions on ethical judgments, but
>
> H4b. not when individuals are happy, self-control has no effect.

Figure 2.8:

Model 2
Self-Control Moderates Incidental Emotions

MORAL POTENCY

In order to explore the gap between believing what is right (intentions) and doing what is right (behaviors), it is useful to consider the theoretical concept of moral potency (moral ownership, moral efficacy and moral courage). Moral potency was initially proposed in organizational management literature to explain leadership behavior and integrity. Introduced by Hannah and Avolio (2010), Moral Potency is defined as a psychological state, marked by an experienced sense of ownership over the moral aspects of one's environment, supported by efficacy beliefs in the ability to act in a way to achieve moral purpose within a particular domain, and the courage to perform ethically in the face of adversity and persevere through challenges. Moral potency is regarded as a psychological state that can be affected by environmental considerations, and therefore more open to change than personality traits (Hannah and Avolio,

2010). Essentially this is the ability to recognize dilemmas and possessing the courage to follow

through and make the right decisions, act in the most appropriate manner, or remain aligned to

the course of action (Bazeem, Mortimer, and Neal, 2016). Moral potency is increased by the

efficacy beliefs in one's capabilities to act to achieve purpose, and the courage to perform

ethically in the face of diversity. Moral Potency is comprised of three components: moral

ownership, moral efficacy, and moral courage (Hannah et al., 2011; Hannah and Avolio, 2010).

These three components provide insights into the transference of beliefs into actions (Hannah et

al., 2011).

Kohlberg and Candee (1984) stated that a sense of responsibility is required before an

individual will initiate moral judgments and initiate an action. Hannah and Avolio (2010)

proposed that the psychological process which underpins these judgments of responsibility stems

from a sense of ownership over the ethical conduct of oneself. In a consumer context, a

consumer passively benefitting from a mistake will need to accept that responsibility, in that the

decision to accept the benefit may conflict with their beliefs and values, and that any negative

outcomes will become their responsibility. Moral ownership is the psychological responsibility

an individual feels over their own actions (Hannah et al., 2011). Ownership is crucial in that

even though an individual may be unwilling to personally commit an unethical act, if low in

moral ownership the individual may be willing to allow unethical acts to occur without

correction. Moral Ownership is specifically defined as the extent to which individuals feel a

sense of psychological responsibility over the ethical nature of their actions, the actions of others

around them, including organizations, groups, or society (Hannah and Avolio, 2010).

Moral efficacy is a critical component of moral potency in that an individual can make a

sound judgement and feel ownership in order to address a moral incident, yet still remain

inactive because of a lack of confidence, thus lowering moral potency (Hannah et al., 2011). Moral efficacy is defined as an individual's belief in their capabilities to organize and mobilize the motivation, cognitive resources, means, and courses of action needed to attain moral performance, within a moral domain, while persisting in the face of moral adversity (Hannah et al., 2011). Consumers may abstain from certain behaviors due to norms and values, however in situations involving a lack of consequences or high levels of peer pressure, they may lack moral efficacy and take part in those behaviors. An ethical consumer with high moral efficacy will be confident in their ability to stay strong despite opportunity and peer pressure (Mortimer et al., 2020). In contrast, those with low moral efficacy will lack self-confidence, self-control, succumb to the benefit and behave differently than intended.

Moral Courage is defined as a commitment to moral principles, an awareness of the risk involved in support of those principles, and a willingness to endure that risk (Kidder, 2003). Hannah and Avolio (2010) propose that although moral ownership and efficacy are important motivators, they are not an adequate basis for an individual to act. A consumer tempted by friends to take advantage of a passive benefit may feel that they possess the strength and ethical conviction not to accept the benefit (ownership) and believe that they have the capability (efficacy) to decline the benefit may still accept due to a lack of moral courage. Moral courage enables an individual to be virtuous, regardless of external factors that might affect their beliefs, such as being shunned by social groups or colleagues (Hannah and Avolio, 2010; Sekerka and Bagozzi, 2007). Moral potency provides an individual with the psychological resources that bridge intentions and behavior (Hannah et al., 2011). Thus, it can be argued that morally courageous consumers are more compliant with their ethical principles than those who are not morally courageous consumers (Mortimer et al, 2020).

Research has been limited to explain why consumers may deviate from entrenched moral potency norms in a consumption setting or to identify the psychological mechanism that might motivate this deviance (Baazeem et al., 2016; Hannah et al., 2011). This research employs the theoretical concept of moral potency to examine the influence of emotions on the impact of moral potency on behavior intentions. It is argued that moral potency will play a significant role in the relationship between emotions and ethical judgments. Even though a consumer may define themselves as an ethical person, they may deviate from norms and beliefs if they lack the moral potency to uphold those beliefs (Hannah and Avolio, 2010). For example, consumers have been shown to deviate from religious beliefs in certain consumption situations (Mortimer et al., 2020). The concept of moral potency has been utilized to explain the behavior of managers and military officers when face with difficult choices, few studies have utilized this construct in the context of consumer behavior (Mortimer et al., 2020; Bazeem et al., 2016). Although few studies have examined moral potency's role in ethical judgments and ethical behaviors, moral potency is proposed to be a significant psychological determinant regarding levels of moral motivation and actions (Hannah et al, 2011).

Therefore, the aim of this research is to examine the relationship with emotions to show that while emotions can provide an indication of one's intentions to behave in a particular manner, moral potency provides the individual with the strength to maintain ethical behaviors or to resist the urge to act unethically. This study is one of the first to employ the theoretical concept of moral potency to explain how personal responsibility, confidence, and courage with impact the relationship between consumer's emotions and behavioral intentions. It is proposed that a high level of moral potency negates the impact of negative emotions on an individual's temptation to behave in an unethical manner. Based on these relationships between emotions,

moral potency, and behavioral intentions the following hypotheses are proposed, Higher levels of

Moral Potency will influence emotions such that:

> H5: Moral Potency moderates the relationship between incidental emotions and the service experience such that:

> H5a. when individuals are angry, moral potency moderates the effect of incidental emotions on ethical judgments, but

> H5b. not when individuals are happy, moral potency has no effect.

Figure 2.9:

Model 3
Moral Potency Moderates Incidental Emotions
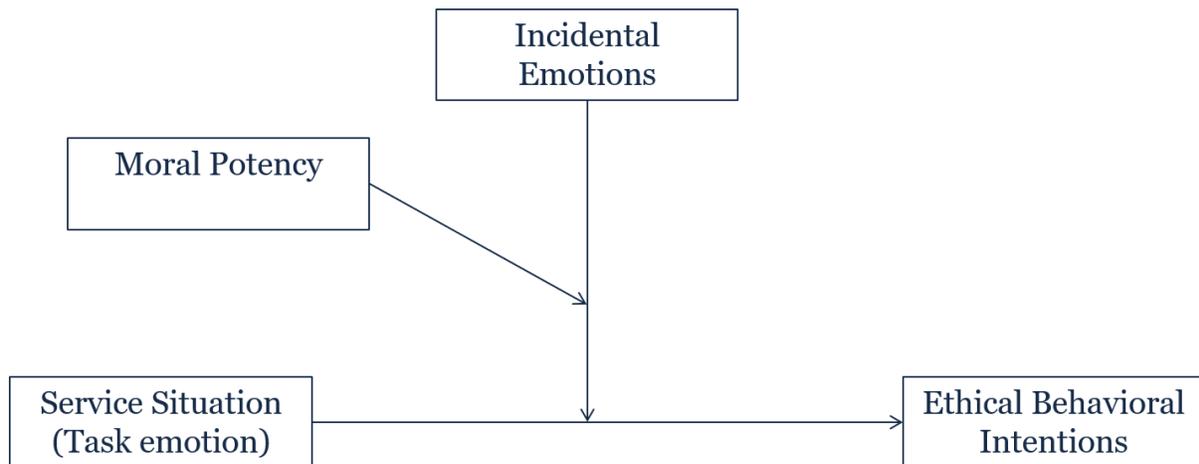
Chapter III – Methodology

Research Design

Participants in the study were given the survey *via MTURK.* and compensated for their

participation. Surveys were administered to adult (18+) respondents in the U.S. with the

qualifications of being a Turk Master with a HIT approval of 95% or higher. To represent the

desired emotional conditions a 2x2 model (Table 3.2) was specified in order to manipulate the

emotional states. Participants were randomly assigned to one condition of a 2 (incidental

emotion: positive v. negative) by 2 (task emotion: positive v. negative) between-subjects design,

shown in table 3.1.

Table 3.1: Emotional Manipulations

Emotional Manipulations	Incidental Positive	Incidental Negative
Task Positive	1, 1 / ++	2, 1 / +,-
Task Negative	1, 2 / + -	2, 2 / -,-

Measurement Instrument & Data Collection

The survey was structured for forced answers and time goals to be met in order to ensure

the participants completed it within a timeframe where the emotional manipulation would still be

resonant and limit exposure to the emotional influence of outside sources. Emotions were

manipulated in a manner similar to the methodology successfully utilized in previous research

(Singh et al., 2016; Garg et al., 2005; Lerner and Keltner, 2001). The participants were

randomly assigned to either the control group, to the positive, or the negative emotional

manipulation groups. In order to induce the desired emotional condition, participants were asked to recall several life events during which they experienced a great deal of happiness (anger), with the control group describing a typical daily routine. Specifically, the participants were instructed to think about their past life events and identify a specific event that made them feel happy (angry) at the time and continues to make them feel happy (angry) even when they think about it in the present day. Participants were then instructed to imagine the event and to try to relive it in their mind's eye before describing the experience as vividly as they can. In order to manipulate the incidental emotion, participants read the following for the happy (angry) condition:

> **Incidental Emotion-** Please think about several experiences you've had that made you happy (angry). Please write about 3-4 of these experiences and describe the details about each situation that made you feel that way. Of these situations, please pick the single situation that made you the happiest (angriest) and describe the emotions or feelings that you felt during that moment.

To induce the desired task emotion the participants were then instructed to place themselves in the following good (bad) service situation:

> **Service Situation** - On a typical Saturday afternoon you are dining in a restaurant following a morning of shopping during which you encountered an old friend who you have not seen in a long time, and you decide to have lunch together.   During the meal the server is very attentive (inattentive) and (un)pleasant. Your food arrives quickly (slow) and tastes very good (bad).   After paying your bill you notice the server has made a mistake and given you more change than you should have received.

In order to assess a successful emotional manipulation, the description of responses to the emotion recall were reviewed to eliminate nonsensical responses (such as random characters, repeated word, and unrelated text. Qualified responses were assessed for accuracy and relevance to the emotional state described in the opening vignette. Happy responses included such examples as: "The event that made me the happiest was becoming a mother. That was a

complete shift in my life and is my true reason for existing. The joy and love of having a child is different than anything else" and "I bought my own house. It made me feel happy because I accomplished all the financial goals and made it through the loan process. I felt like I had achieved a milestone in adulthood". Responses for the angry condition included statements such as: "The thing that has made me the angriest lately is the rich jerk in California that embezzled money from my employer, causing the company to go under and 1000's of people to lose their jobs" and "I was passed over for a promotion at work a couple of years ago. I was angry because I very much deserved the promotion".

Immediately following this emotional recall, the participants in the happy (angry) emotion group read a scenario which described a good (bad) service experience – dining at a restaurant. At the conclusion of the dining experience the participants were then presented with the ethical dilemma of receiving too much change when paying the bill. This scenario was adopted from the Consumer Ethics Scale used by Muncy and Vitell (1992) and was utilized because the unethical reaction of not correcting the mistake and keeping the excess change has been found to be widespread among consumers as a whole (Fukukawa 2002). Other researchers have also utilized keeping the excess change as one of the numerous unethical behaviors shown by consumers (Singh et al 2016). The scenarios presented to the participants provide an acceptable means of conducting consumer ethics research when the observation of real-life behaviors is impractical (Singh et al 2016). After reading the assigned good (bad) service scenario, participants were then asked to complete a series of scale items to measure the constructs relevant to the study, beginning with the Ethical Judgement Scale.

The ethical judgement scale utilized in this study was adapted from previous research (Vitell et al., 2001). The scale evaluates the ethical action taken during the scenario through the

first and third person point of views on a five-point ethical judgement scale, where 1= strongly

disagree and 5= strongly agree. Additional items were implemented to further consider the

evaluations of an unknown third party compared to a known party, such as a friend or spouse.

This resulted in an increase of items from the original four to an eight-item scale. Examples of

these items include, "An average person would consider it acceptable (wrong) to keep the

change," "my best friend would consider it acceptable (wrong) to keep the change," "my

significant other would consider it acceptable (wrong) to keep the change."

Behavioral Intentions are included within the ethical Judgement scale and are phrased to

be indicative of the subjects own self-reported intentions. The original scale is comprised of two

items asking the individual to rate their level of agreement with whether "I would be likely to

keep the change" or "I would be likely to return the change". Consistent with the ethical

judgement scale two items were added to consider the evaluations of an unknown third party.

The statements of "Most people would be likely to keep the change" and "Most people would be

likely to return the change" were the resulting additions. The development of these additional

items consisted of determining individuals that would provide a comparison against the self, with

the theory that the individuals would be likely to socialize and involved with like-minded

individuals of similar ethical values. After initial consideration, the items were discussed with

several experts in the field of ethics and scale development to evaluate the phrasing and

comparative value. After consulting with these individuals, the scale items were refined in

compliance with the suggested corrections and deployed within the study, the full modified scale

is presented in the appendix. Factor analysis and reliability scores are presented in Table 3.3.1.

The Self-control scale utilized in this study is comprised of thirteen items. This scale is

derivative of the full self-control scale developed by Tangney, Baumeister, and Boone (2004).

The scale was developed to assess individual differences in self-control, specifically the operational aspects by which the self performs behaviors to alter itself (Tangney, Baumeister, and Boone, 2004). The developers of the scale state that the regulation of the stream of thought, altering moods or emotions, restraining undesirable impulses, and achieving optimal performance (through persistence) all constitute important instances of the self being able to override initial responses and alter the state or behaviors. In a general sense, breaking habits, resisting temptation, and maintaining a high level of self-discipline reflect the ability to maintain self-control and the scale was developed around these abilities. The full Self-Control Scale consists of thirty-six items, with the brief self-control scale consisting of thirteen. Examples of the items include "I do certain things that are bad for me, if they are fun," "I am able to work effectively toward long-term goals," and "sometimes I can't stop myself from doing something, even if I know it is wrong." The scale was administered utilizing a five-point Likert scale indicating how much each of the statements reflects how the participant typically views themselves ranging from 1 = Not at all to 5 = Very much and includes eight reverse coded items.

The Moral Potency scale was developed by Hannah and Avolio (2010) and is twelve item scale. The scale is composed of twelve items broken into three categories, reflecting the components of moral potency. Items one through four represent moral courage and consist of "I will" statements. Such as, "I will confront my peers if they commit an unethical act". Items five, six, and seven represent moral ownership and also utilize the "I will" format. An example of these statements is "I will take charge to address ethical issues when I know someone has done something wrong". The remaining items (eight through twelve) are phrased as I am confident statements. For example, "I am confident that I can determine what needs to be done when I face a moral or ethical dilemma". The scale was administered using a five-point Likert scale with

respondents indicating their level of agreement where 1 = strongly disagree and 5 = strongly

agree. Although the scale consists of twelve items, Hannah and Avolio restrict permissions to

reproduce the scale to a maximum of five items. For the purposes of this research the items

selected focused on individual statements rather than group focused statements. For instance, "I

will confront a leader if he/she commits an unethical act" was selected rather than "I will not

accept anyone in my group behaving unethically". The items selected are items number one,

two, seven, eleven and twelve. The full scale of items and permission approval is identified in

the appendix.

Chapter IV - Results and discussion

Results

The survey generated 251 qualified responses remaining after filtering for completeness, emotional content (realism of emotional events), and other survey errors (speeding, attention checks). The participants are expected to be an approximate representative sample of the general population with the average age of participants being 40.26, with approximately 58 percent of respondents indicating they are female and 42 percent male. Demographic variables such as gender, education, income, and relationship status were collected from the participants. Since this research was designed to capture a general consumer and not a specialized sample, participants were expected and targeted as an approximate representative sample of the general population in regards to demographic variables such as income, age, education. Demographic characteristics are presented in Table 4.1.

Table 4.1: Demographics

Demographic	Items	N	Percent
Gender	M	107	42.6
	F	144	57.4
Education	NHS	10	4.0
	H.S.	10	4.0
	S.C.	60	23.9
	2yr Degree	77	30.7
	4yr Degree	33	13.1
	Pro Degree	55	21.9
	Doctorate	6	2.4
Income	30k	21	8.4

Demographic	Items	N	Percent
	40k	40	15.9
	50k	35	13.9
	60k	115	45.8
	70k	33	13.1
	80k+	7	2.8
Marital Stat	Married	129	51.4
	Widow(ed)	7	2.8
	Divorced	28	11.2
	Separated	5	2.0
	Single	82	32.7
Restaurant or Retail Employment	1-No	95	37.8
	2-Yes	156	62.2

Next, a confirmatory factor analysis and tests of reliability were performed. This was performed especially due to the modifications to the ethical judgement and behavioral intentions scale utilized in this study and adopted from previous research (Vitell et al., 2001). Although self-control has been widely utilized in previous research, the introduction of the moral potency and comparative value of these scales necessitated confirmatory factor analysis and reliability for these scales. The results of these analyses are presented in Tables 4.2.1 – 4.2.3.

Table 4.2.1: Ethical Judgments & Behavioral Intentions

Construct Full Data	Item label	CFA factor loading	CFA α	CFA variance extracted	CR	KMO
Ethical Judgments	EJ1	.448	.882	.431	.839	.712
	EJ2	.731				
	EJ3	.738				
	EJ4	.878				
	EJ5	.727				
	EJ6	.638				
	EJ7	.700				
	EJ8	.617				
Behavioral Intentions			.589*	.508	.674	.500 (1R&2R)
	BI1	.664				
	BI2	.527				
	BI3	.674				
	BI4	.499				

Table 4.2.2: Self-Control

Construct Self-Control	Item label	CFA factor loading	CFA α	CFA variance extracted	CR	KMO
Self-Control *Reverse coded	SC1	.735	.908	.340	.849	.908
	SC2*	.560				
	SC3*	.560				
	SC4*	.495				
	SC5*	.605				
	SC6	.597				
	SC7*	.490				
	SC8	.706				
	SC9*	.579				
	SC10*	.526				
	SC11	.359				
	SC12*	.629				
	SC13*	.568				

Table 4.2.3: Moral Potency

Construct All Data	Item label	CFA factor loading	CFA α	CFA variance extracted	CR	KMO
Moral Potency	MP1	.720	.925	.436*	.901	.920
	MP2	.736				
	MP3	.583				
	MP4	.449				
	MP5	.674		*See MP permission & Lam, L. W. (2012)		
	MP6	.555				
	MP7	.695				
	MP8	.612				
	MP9	.639				
	MP10	.681				
	MP11	.713				
	MP12	.798				

A two-way ANOVA was performed with ethical judgement as the dependent variable with task and the incidental emotions of happiness and anger as the independent variables. Neither of the main effects for Service Situation (Task emotion) (F (1, 247[1]) = .71, p =.40) and Emotional (Incidental) State (F (1, 247) = .47, p =.49) were significant. However, the interaction between Emotional State and the service situation was significant (F (1, 247) = 6.57, p = .011). When happy (incidental) individuals received good service (happy task) their ethical judgments are higher than those who receive negative service (M++ = 3.41 vs M+- = 3.12, F = 5.48, p = .02). Interestingly, when the incidental mood is negative, the task emotion has no

---

[1] When initial data collected, N=626. Overall, the control group behaved exactly the same as the negative aspect group. In the interest of parsimony, the control group was removed. Initially the model considered was 3X3.

effect as individuals who are receive bad service (task negative) responded ethically equal to those who receive good service (M-- = 3.42 vs M-+ = 3.25, F = 1.57, p = .211).

Figure 4.1:
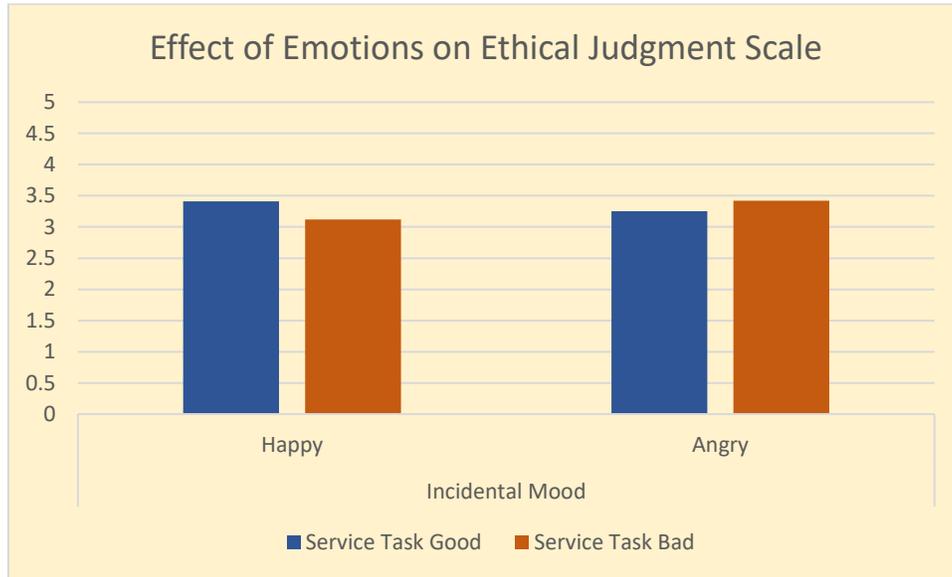
To test Behavioral intentions, a two-way ANOVA was utilized in a manner similar to Ethical Judgments. Behavioral Intentions served as the dependent variable with Service Situation (Task) and Emotional State (Incidental) as the independent variables. Neither of the main effects for Service Situation (Task emotion) $(F (1, 247) = 1.94, p =.165)$ or the (Incidental) Emotional State $(F (1, 247) = .216, p =.64)$ were significant. The interaction between Emotional State and the service situation was not significant $(F (1, 247) = 1.85, p = .175)$. Although this interaction did not reach statistical significance, planned comparisons were conducted to determine whether behavioral intentions aligned with ethical judgments. When the incidental emotional state is negative (angry), their intentions are unaffected by the task emotion (M-+ = 3.127 vs M-- = 3.129, $F = .001, p = .981$). When the incidental emotion is positive (happy) individuals who receive

good service (happy task) their intentions (M_{++} = 3.078 vs M_{+-} = 3.23, F = 3.579, p = .06), are

marginally statistically unaffected compared to those who receive bad service (angry task).

Figure 4.2:

Effect of Emotions on Behavioral Intentions
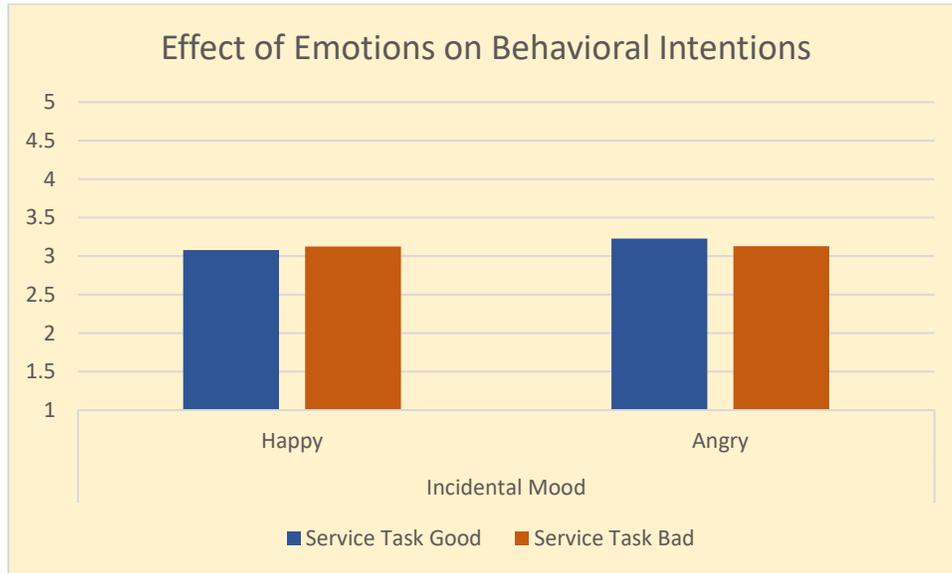
Having examined the effects of incidental and task emotions, the focus shifts to testing

hypothesis 4 and focusing on the moderating effects of self-control on emotions and ethical

judgments. The moderating effect of self-control should be present in individuals who possess

this trait. Hayes's (2013) PROCESS macro (Model 3) is utilized for testing the varying levels of

self-control. The results of the interaction are not significant (F (1, 243) = 1.135, p = .287).

However, probing the interaction does reveal areas of significance. Individuals in a happy

incidental mood with average or low self-control are significant 95% confidence interval (-.8552

- -.1475) p = .006, and (-.5230 - -.0188) p = .035. The interaction also shows a moderating effect

of self-control for emotions to ethical judgments that is significant for individuals who are

experiencing negative incidental emotions (Angry) and possess a high degree of self-control, as

indicated by the absence of zero in the 95% confidence interval (.2318 - .9203) and p = .001.

Thus, H4 is supported by the data and reinforces the mechanism of self-control being a "moral

muscle" activated when the individual is experiencing a negative emotion and the temptation to

act in an unethical manner.

Figure 4.3:
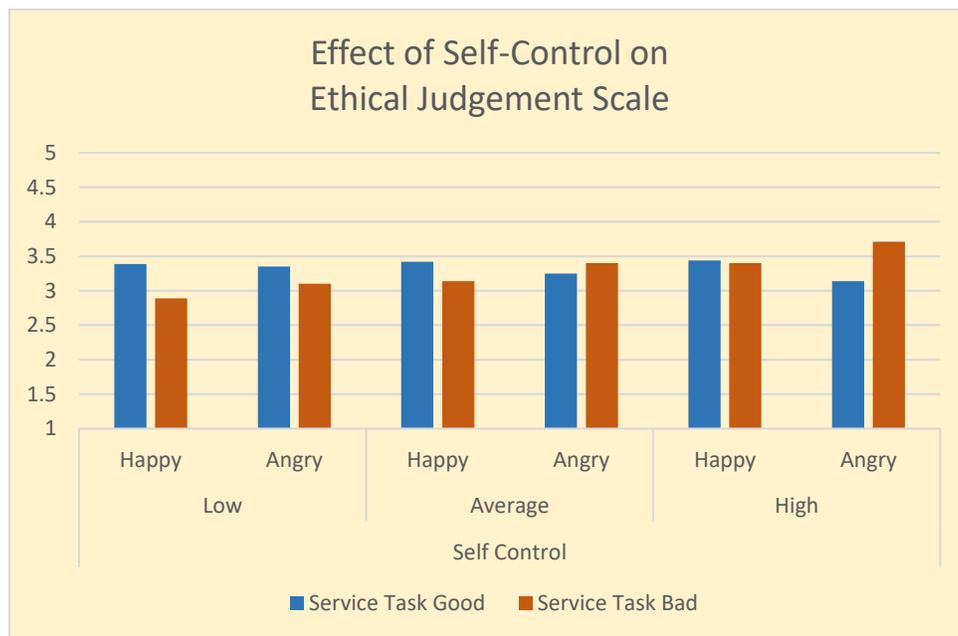
The final aspect (H5) to be tested is examining the moderating effect of Moral Potency in

regards to emotions and ethical judgments. Hypothesis 5 focuses on the moderating effects of

moral potency on emotions and ethical judgments. The moderating effect of moral potency

should be present in individuals who tend to higher degree of this characteristic. Similar to self-

control, Hayes's (2013) PROCESS macro (Model 3) is utilized for testing the varying levels of

moral potency. This reveals that the interaction is not significant ($F_{(1, 243)} = 1.45$, p = .229).

Probing of this interaction also reveals areas of significance. Individuals in a happy incidental

mood with average or low moral potency are significant within a 95% confidence interval (-.7660 - -.0886) p = .0136, and (-.5112 - -.0009) p = .0492. The moderating effect of moral potency for emotions to ethical judgments is also present for individuals who are experiencing negative incidental emotions (Angry) and possess a high degree of moral potency, as indicated by the 95% confidence interval (.1698 - .8789) and p = .004. Thus, H5 is supported by the data and introduces Moral Potency as being a characteristic that assists ethical judgments when the individual is experiencing a negative emotion and the temptation to act in an unethical manner.
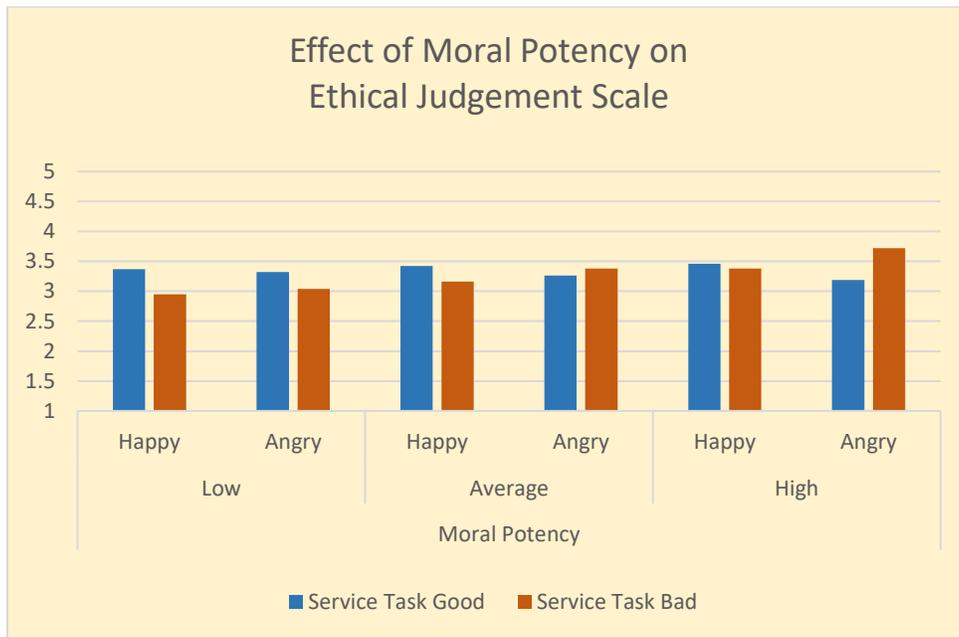
Figure 4.4:

Table 4.5: Hypotheses

Hypothesis	P value	Supported
H1: Service experience (Task emotion) will impact Ethical Judgments such that good service will result in more ethical judgments and behavioral intentions than will bad service.	EJ = .40 BI = .17	No No
H2: Incidental emotions will affect ethical judgments and behavioral intentions such that happiness will result in more ethical judgments and behavioral intentions than will anger.	EJ = .50 BI = .64	No No
H3: Incidental emotions will moderate the effect of the service encounter on ethical judgments and behavioral intentions. Such that:	EJ = .011 BI = .175	Yes No
H3a: When the consumer is happy, judgments will be more ethical following a positive encounter than after following a negative encounter. H3b: When the consumer is angry, judgments will be less ethical following a negative service encounter than after following a positive service encounter.	.02 .211	Yes No
H4: Self-Control moderates the relationship between incidental emotions and the service experience such that a. when individuals are angry, self-control moderates the effect incidental emotions on ethical judgments, but b. not when individuals are happy, self-control has no effect.	.288 .001 .065	No Yes Yes
H5: Moral Potency moderates the relationship between incidental emotions and the service experience such that a. when individuals are angry, moral potency moderates the effect incidental emotions on ethical judgments, but b. not when individuals are happy, moral potency has no effect.	.230 .006 .158	No Yes Yes

Discussion

Research in consumer ethics has recently begun to examine the role of emotions in ethical decision making. The research presented in this paper continues this trend to fill gaps in the literature and answers the call for future research that has been previously suggested (Vitell et al., 2013). The objective of this research is to further examine how emotions can influence consumer's ethical judgement and behavioral intentions with the moderating effect of self-control. This also considers the impact of emotions as an important antecedent of self-control and will impact the individual levels of self-control available. The extent that decision makers faced with situations involving ethical issues can be influenced by their emotions and the individual emotional states, and that a model that includes emotional constructs is appropriate.

This paper presents a study aimed at understanding the effects of incidental and task emotions along with the effects of self-control, and further introducing moral potency to the marketing literature. Overall, the results show that when incidental emotions are positive, combined with positive task emotions, consumers will have the higher levels of ethical judgments. When negative, incidental emotion effects on ethical judgments override any effect of the task emotions. In behavioral intentions, an interesting result is that when happy (incidental) individuals receive good service (happy task) their intentions ($M_{++} = 3.078$ vs $M_{+-} = 3.23$, $F = 3.579$, $p = .06$), are lower in ethical judgments than when receiving bad service. The findings on the effect of incidental and task emotions on ethical judgments and intentions show that a simple, valence-based approach to emotions regarding ethical judgments will be insufficient for predictive purposes.

As predicted the moderating effects of self-control are increasingly prevalent when an individual possesses more of this trait than when less. The result of the analysis shows that at

moderate and higher levels, self-control moderates the emotional effect on ethical judgments when an individual is a state of anger and faced with a negative task situation or temptation to act in an unethical manner. This is consistent with the belief that when in a positive mood, self-control does not moderate emotions to the same extent. Focusing on moral potency, the results present a similar trend. Comparable to self-control, individuals who possess moderate to high levels of moral potency report higher ethical judgments when experiencing negative emotional situations and a situation that provides the opportunity or justification to act in an unethical manner. When in a happy mood, moral potency is not needed to moderate a temptation to act in an unethical manner. Due to the relative novelty of moral potency in marketing literature these findings support the inclusion of the framework into studies involving morality and ethical decision making.

Chapter V - Implications and Future research

This research contributes to the ethical decision-making literature through including emotions as an influencing factor on ethical judgments, specifically in the context of a passive benefit scenario. Whereas the majority of previous research has focused on the rational aspects of ethical decision-making, the inclusion of emotion advances the "dual-process" theory of EDM. Additionally, contributions are made to recent emotional literature through the inclusion of specific discrete emotions and the effect of these emotions, rather than a simple valence-based approach. By investigating the role of task and incidental emotions in the decision-making process, the influence of emotions on judgments is advanced, further supporting the appraisal theory of emotions. Several studies provide evidence that different emotions are more likely to affect ethical decision-making than others (e.g., Garg et al., 2005). Specifically in question are the disparate impacts on ethical decision making of task and incidental emotions (Vitell et al., 2013), as incidental emotions have been thought to have little to no impact. This study provides further evidence (Singh et al., 2016) that incidental emotions do have a carry-over effect and will influence ethical decision making.

The findings in behavioral intentions, while marginally statistically insignificant, will be interesting to see if this pattern continues with a larger sample size, and would reach statistical significance. This research was limited to a rather small sample size (N=251) after removing non-qualifying responses, and therefore resulted in a loss of power, possibly resulting in insignificant findings across multiple effects. This study should be replicated with a larger

sample size to determine if this pattern holds and to provide additional support for the moderating effects. Having a broader representation of the general population could also reveal different effects across age groups, education levels, or other demographic information.

A potentially interesting aspect of emotions in ethical decisions would be the influence of culture. Future studies can explore different cultures or nationalities to observe any differences to improve the generalizability of the results. Additionally, this study did not consider the differences between distinct religions or denominations and may also include individuals who view themselves as having no religion. Each religion or denomination may have different teachings and beliefs in regards to ethical decision making, therefore future studies should investigate differences between various religions and also investigate differences between individuals who claim to have religion versus those who do not claim to have a religion (McManus et al., 2020; Baazeem et al., 2016). Religiosity as a component of Religion is focused on intrinsic and extrinsic motivational dimensions, and future research should also investigate the potential impact of individual ethical orientation (deontological vs teleological) to determine which constructs have a greater influence and impact on consumer's ethical judgement and behaviors.

Because the role of emotions in ethical decision making is a growing and relatively new area of research, it deserves further investigation. Greene et al. (2001) states that an individual is faced with an ethical dilemma, an emotional center in the brain is activated. This suggests that emotions can originate as a result of exposure to a specific ethical situation and that these emotions can potentially interact with the specific type of discrete emotion.

Since this study focuses on the emotions of anger and happiness, other research should investigate the effects of other discreet emotions. For instance, an individual experiencing a

feeling of guilt may be more concerned with the impact of their actions when also experiencing anger, the feelings of guilt may be strong enough to overcome the anger of the situation. Anger may also originate for reasons related to the task and potentially lead to unethical behavior due to a sense of justice and act in order to right a wrong or because the other party "deserves it" (Singh et al., 2016). Consequently, an area of research that could be of interest is to explore these discreet emotions across various positive and negative valences.

An emotion of great interest is the feeling of Nostalgia. Although considered to be a positive emotion in modern theory, depending on the valence and occasion nostalgia can also be considered as a negative emotion with feelings of discontent and dissatisfaction triggered by discontinuity between past and present (Tilburg et al., 2019; Sedikides et al., 2015). Analysis of general conceptions about nostalgia indicate that this emotion involves fondness, self-focused, and social recollections characterized by positive (happy) appraisals, and to a lessor extent by negative (sadness) appraisals (Tilburg et al., 2019). Nostalgic narratives typically depict momentous events from one's life, such as the individual overcoming a challenge (Wildschut et al., 2006). Nostalgia is also an emotion that is experienced cross-culturally (Hepper et al., 2014) and across the life span (Hepper et al., 2017). Of particular relevance to this research is Tilburg et al's (2019) finding of nostalgia's unique appraisal profile, characterized by pleasant, temporally distant, and unique from other emotions. In addition to examining discreet emotions of same valences, another area of interest will be to study various additional contrasting emotions in order to determine how these specific emotional states influence ethical decision making in relation to each other.

An interesting variable to be fully explored is the participants previous work experience in service or retail industry related positions. It is expected that participants with previous work

experience in a "dealing with the public" industry will be more likely to be more sympathetic to

the business or employee presented in the scenario than would participants without work

experience in this industry. Particularly in the passive benefit scenario, the amount of change

received as a mistake in conjunction with previous experience may present interesting tendencies

among service industry personnel. Stemming from the "no harm, no foul" context of the Muncy-

Vitell Ethical Judgement scale (1992), these individuals may be able to identify the harm aspect

more closely and therefore make different ethical judgments. Table 5.1 represents a quick

collection of data from the survey utilized in this research and given the predominance of service

industry experience this element deserves further investigation. A sympathetic view towards the

employee would be likely to influence the individual's intentions to return or keep the change

based on factors other than moral potency, self-control, or emotional state.

Table 5.1: Total Sample Industry Experience

Restaurant or Retail Employment	N=	%
1-No	208	32
2-Yes	416	64.1

From a practical perspective, marketers and managers are increasingly focusing on

sensory cues to determine and influence consumer's emotions and experience (Sagha et al.,

2022). Communicating with consumers through sensory cues not only influences the experience

but also emotions (Zha et al., 2022). Additionally, the environment has been shown to have an

impact on a wide variety of consumer emotions and attitudes: the effect of crowding on shopper

satisfaction (Machleit et al., 1994), the mediating effect of the environment on the affective

reactions of department store shoppers (Sherman et al., 1997), the influence of color on furniture

store displays (Babin et al., 2003). With these studies showing a positive effect of these sensory cues on consumer emotions, focusing on emotions relative to ethical behaviors can provide a basis for practitioners to influence consumers in order to mitigate unethical behaviors. Providing a pleasing atmosphere in regards to décor, color, layout, auditory and visual cues can attempt to influence consumer mood to a more positive state to increase ethical judgments.

Since only a single type of ethical dilemma was examined in this study, it would be of interest to investigate a wide variety of unethical behaviors in practice and those interactions with emotions. Research has shown evidence that the influence of emotions does evolve as stakes are raised with a passive-benefit context (Singh et at., 2016). This research should be applied to a higher stake's interaction with an active unethical component to determine if the same emotional evolvement is applicable. Additional research should also move beyond the specific passive benefit context to include more active aspects of unethical behaviors. While the passive benefit situation of too much change is useful and reduces social desirability bias, other studies should investigate other no-harm, no-foul benefits. Muncy and Vitell's (1992) Consumer Ethics Scale includes various items and situations that can be utilized in constructing detailed scenarios. These scenarios will facilitate the manipulation of various ethical decisions and behaviors of consumers, and further examine aspects of Moral Potency. Future research should further investigate these concepts utilizing field experiments, simulations, or the use of qualitative methods. As studies establish the effects of various specific emotions on ethical decision making, research could examine which type of strategies may work best for inducing the desired behavior in various contexts.

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Appendix

Appendix A:

Vignettes / Service situation

Emotional State (Incidental Emotion)

Control- Please describe your average daily routine.

Positive Emotion (Happy)- Please think about several experiences you've had that made you happy. Please write about 3-4 of these experiences and describe the details about each situation that made you feel that way. Of these situations, please pick the single situation that made you the happiest and describe the emotions or feelings that you felt during that moment.

Negative Emotion (Anger) - Please think about several experiences you've had that made you angry. Please write about 3-4 of these experiences and describe the details about each situation that made you feel that way. Of these situations, please pick the single situation that made you the angriest and describe the emotions or feelings that you felt during that moment.

Restaurant Service Situation (Task Emotion)

Control - On a typical Saturday afternoon you are dining in a restaurant following a morning of shopping during which you encountered an old friend who you have not seen in a long time, and you decide to have lunch together. During the meal the server is efficient, and the food received is good but nothing special. Upon paying your bill you notice the server has made a mistake and given you more change than you should have received.

Positive Service Situation - On a typical Saturday afternoon you are dining in a restaurant following a morning of shopping during which you encountered an old friend who you have not seen in a long time, and you decide to have lunch together. During the meal the server is very attentive and pleasant. Your food arrives quickly and tastes very good. After paying your bill you notice the server has made a mistake and given you more change than you should have received.

Negative Service Situation - On a typical Saturday afternoon you are dining in a restaurant following a morning of shopping during which you encountered an old friend who you have not seen in a long time, and you decide to have lunch together. During the meal the server is inattentive, and the service remains slow for the rest of the meal. Your food arrives cold and does not taste good. After paying your bill you notice the server has made a mistake and given you more change than you should have received.
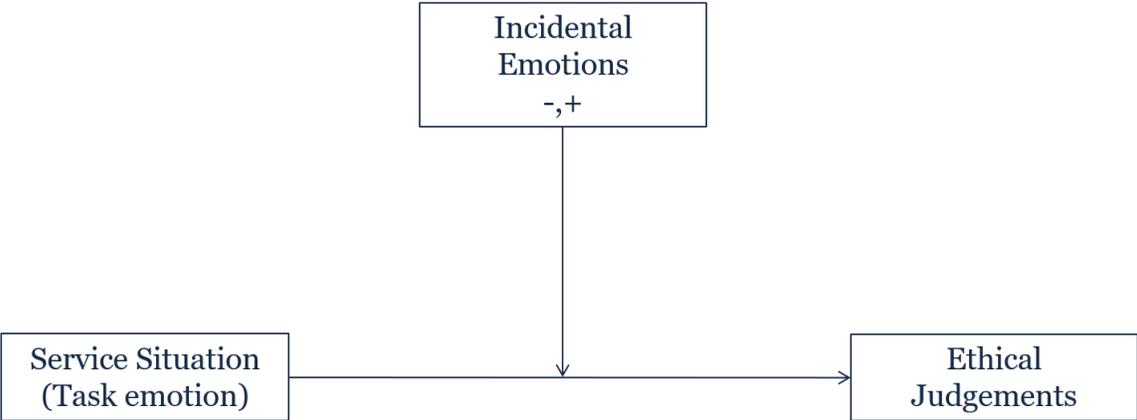
Appendix B:

Scale Items

Construct	Source	Items
Ethical Judgments & Behavioral Intentions Scale **Items EJ 1-7, BI 8-12**	Adapted from **Ethical Judgments Scale (Includes Behavioral Intentions*) – Vitell et al., 2001** #3-6 added after consultative qualitative interviews. (1 = strongly disagree and 5 = strongly agree) * Indicates reversed items	1. An average person would consider it wrong to keep the change in this situation. 2. An average person would consider it acceptable to keep the change in this situation. * 3. My best friend would consider it wrong to keep the change in this situation. 4. My best friend would consider it acceptable to keep the change in this situation. * 5. My significant other would consider it wrong to keep the change in this situation. 6. My significant other would consider it acceptable to keep the change in this situation. * 7. I would consider it wrong to keep the change in this situation. 8. I would consider it acceptable to keep the change in this situation. * 9. I would be likely to keep the change in this situation. * 10. Most people would be likely to keep the change in this situation. * 11. I would be likely to return the change in this situation. 12. Most people would be likely to return the change in this situation.
Brief Self-Control Measure **Items SC 1-9**	Adapted from **Brief Self-Control Measure– Tangney, Baumeister, and Boone (2004)** . (1 = strongly disagree and 5 = strongly agree) * Indicates reversed items	1. I am good at resisting temptation. 2. I have a hard time breaking bad habit. * 3. I am lazy. * 4. I say inappropriate things. * 5. I do certain things that are bad for me, if they are fun. * 6. I refuse things that are bad for me. 7. I wish I had more self-discipline. * 8. People would say that I have iron self-discipline. 9. Pleasure and fun sometimes keep me from getting work done. * 10. I have trouble concentrating. * 11. I am able to work effectively toward long-term goals. 12. Sometimes I can't stop myself from doing something, even if I know it is wrong. * 13. I often act without thinking through all of the alternatives. *

Construct	Source	Items
Moral Potency – Hannah & Avolio, 2010 **Items MP 1-12**	**Adapted from Hannah & Avolio (2010).** (1 = strongly disagree and 5 = strongly agree)	I will… 1. Confront my peers if they commit an unethical act 2. Confront a leader if he/she commits an unethical act 3. Take charge to address ethical issues when I know someone has done something wrong I am confident that I can… 4. Confront others who behave unethically to resolve the issue 5. Readily see the moral/ethical implications in the challenges I face
Manipulation Checks **Items** **MC 1-7**	**Adapted from Singh et al (2016) & Garg et al (2007)** (1 = very little and 5 = very strongly) (1 = very unlikely and 5 = very likely)	Please describe the extent to which you felt the following emotions during completion of the survey. 1. Negative Emotions: 2. Angry 3. Mad 4. Furious 5. Irritated 6. Enraged 7. Positive Emotions: 8. Joy 9. Delight 10. Pleasure 11. Happy 12. Pleased 13. Neutral / No Emotion: 14. Indifferent 15. Calm 16. Unemotional 17. Neutral **Realism of scenario** 18. It is likely that an average person will encounter this situation 19. It is likely that my friends will encounter this situation. 20. It is likely that my spouse will encounter this situation. 21. It is likely that I will encounter this situation. .

Appendix C:

Models

<div align="center">

Model   1
Incidental Emotions Moderate
Service Situation & Ethical Judgements

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```
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                        │   Incidental    │
                        │    Emotions     │
                        │      -,+        │
                        └────────┬────────┘
                                 │
                                 ▼
┌──────────────────┐                          ┌──────────────────┐
│ Service Situation │────────────────────────▶│    Ethical       │
│  (Task emotion)   │                          │   Judgements     │
└──────────────────┘                          └──────────────────┘
```

Model   2
Incidental Emotions Moderate
Service Situation & Behavioral Intentions

```
                    ┌─────────────────┐
                    │   Incidental    │
                    │    Emotions     │
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│ Service Situation│─────────────────────▶│   Behavioral    │
│  (Task emotion) │                        │   Intentions    │
└─────────────────┘                        └─────────────────┘
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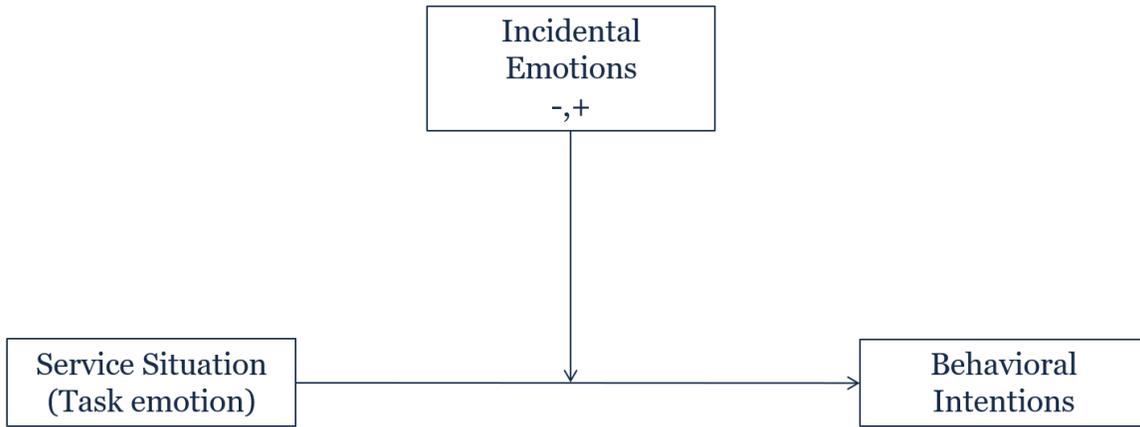
Model 3
Self-Control Moderates Incidental Emotions

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                         ┌─────────────────┐
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                         │    Emotions     │
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      │  Self-Control   │         │
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                      ▼           ▼
┌─────────────────┐          ┌─────────────────┐
│ Service Situation│────────▶│Ethical Behavioral│
│  (Task emotion) │          │    Intentions    │
└─────────────────┘          └─────────────────┘
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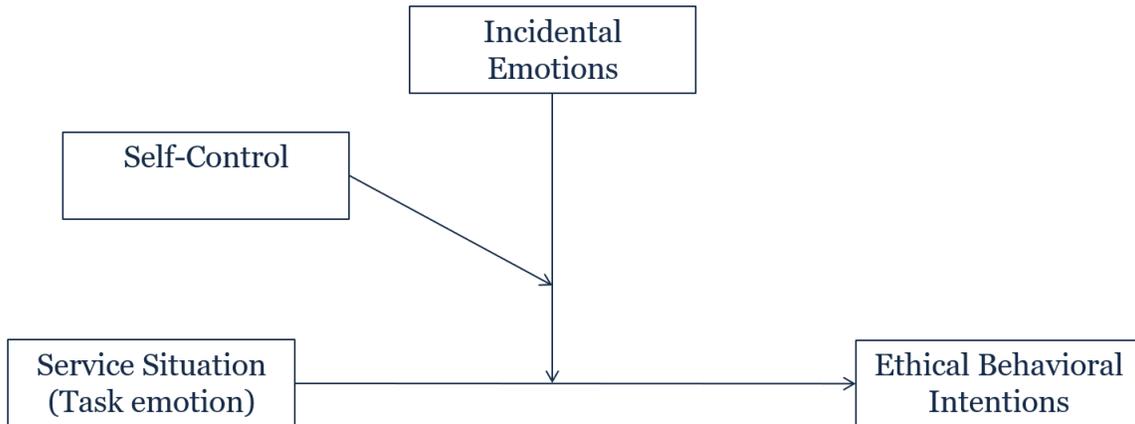
Model 4
Moral Potency Moderates Incidental Emotions

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                        ┌─────────────────┐
                        │   Incidental    │
                        │    Emotions     │
                        └────────┬────────┘
                                 │
    ┌─────────────────┐          │
    │  Moral Potency  │          │
    └─────────────────┘          │
                  ╲              │
                   ╲             ↓
  ┌──────────────────┐      ┌──────────────────┐
  │ Service Situation│─────→│ Ethical Behavioral│
  │  (Task emotion)  │      │    Intentions    │
  └──────────────────┘      └──────────────────┘
```
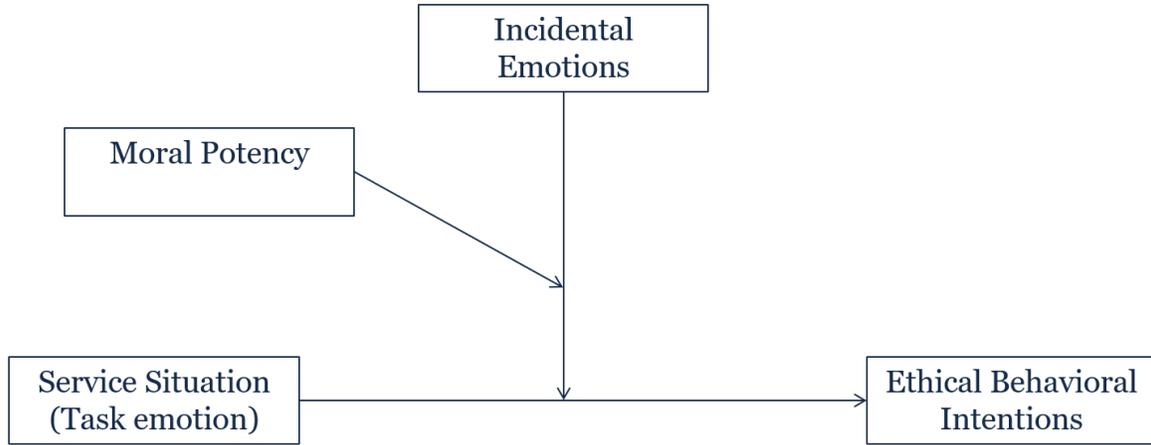
Overall Conceptual Model

```
                    ┌─────────────────┐
                    │   Incidental    │
                    │    Emotions     │
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  ┌─────────────────┐        │        ┌─────────────────┐
  │  Moral Potency  │        │        │  Self-Control   │
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  │ Service Situation│──────────────→│ Ethical Behavioral│
  │  (Task emotion)  │               │    Intentions    │
  └──────────────────┘               └──────────────────┘
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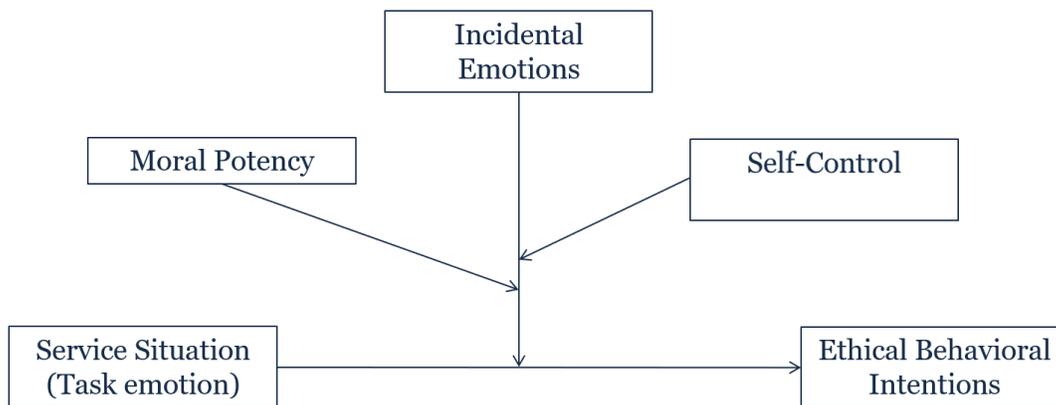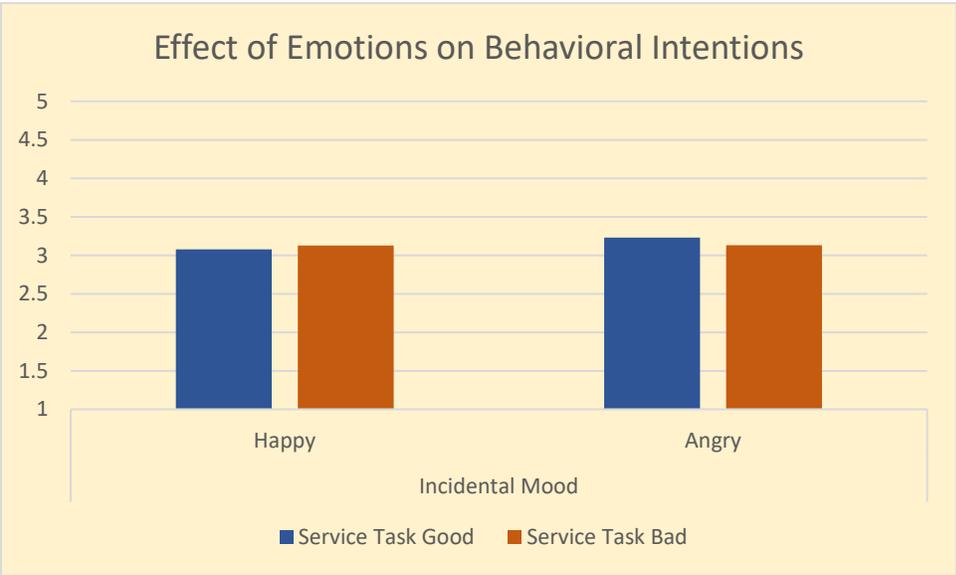
Appendix D:

Demographic	Items	N	Percent
Gender	M	107	42.6
	F	144	57.4
Education	NHS	10	4.0
	H.S.	10	4.0
	S.C.	60	23.9
	2yr Degree	77	30.7
	4yr Degree	33	13.1
	Pro Degree	55	21.9
	Doctorate	6	2.4
Income	30k	21	8.4
	40k	40	15.9
	50k	35	13.9
	60k	115	45.8
	70k	33	13.1
	80k+	7	2.8
Marital Stat	Married	129	51.4
	Widow(ed)	7	2.8
	Divorced	28	11.2
	Separated	5	2.0
	Single	82	32.7
Restaurant or Retail Employment	1-No	95	37.8
	2-Yes	156	62.2

Appendix E:

Hypothesis	P value	Supported?
H1: Service experience (Task emotion) will impact Ethical Judgments such that good service will result in more ethical judgments and behavioral intentions than will bad service.	.40 .49	No No
H2: Incidental emotions will affect ethical judgments and behavioral intentions such that happiness will result in more ethical judgments and behavioral intentions than will anger.	.165 .175	No No
H3: Incidental emotions will moderate the effect of the service encounter on ethical judgments and behavioral intentions. Such that:		
H3a: When the consumer is happy, judgments will be more ethical following a positive encounter than after following a negative encounter.	.011	Yes
H3b: When the consumer is angry, judgments will be less effected by the service encounter than when the consumer is happy regardless of the task valence.	.211	No
H4: Self-Control moderates the relationship between incidental emotions and the service experience such that	.288	No
a. when individuals are angry, self-control moderates the effect incidental emotions on ethical judgments, but	.001	Yes
b. not when individuals are happy, self-control has no effect.	.065	Yes
H5: Moral Potency moderates the relationship between incidental emotions and the service experience such that	.230	No
a. when individuals are angry, moral potency moderates the effect incidental emotions on ethical judgments, but	.006	Yes
b. not when individuals are happy, moral potency has no effect.	.158	No

Appendix F: Output Charts

Effect of Emotions on Ethical Judgment Scale

Effect of Emotions on Behavioral Intentions

Effect of Self-Control on Ethical Judgement Scale

Effect of Moral Potency on Ethical Judgement Scale
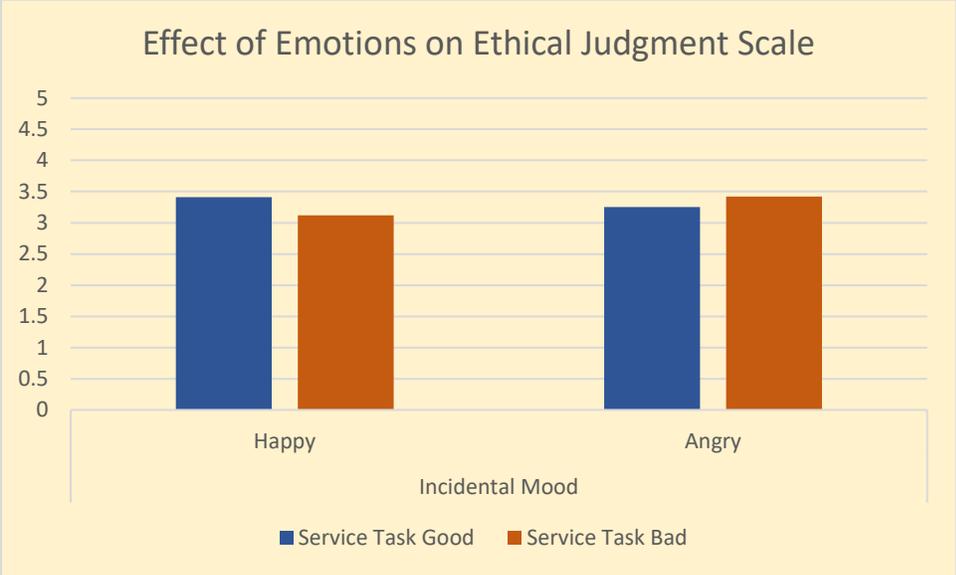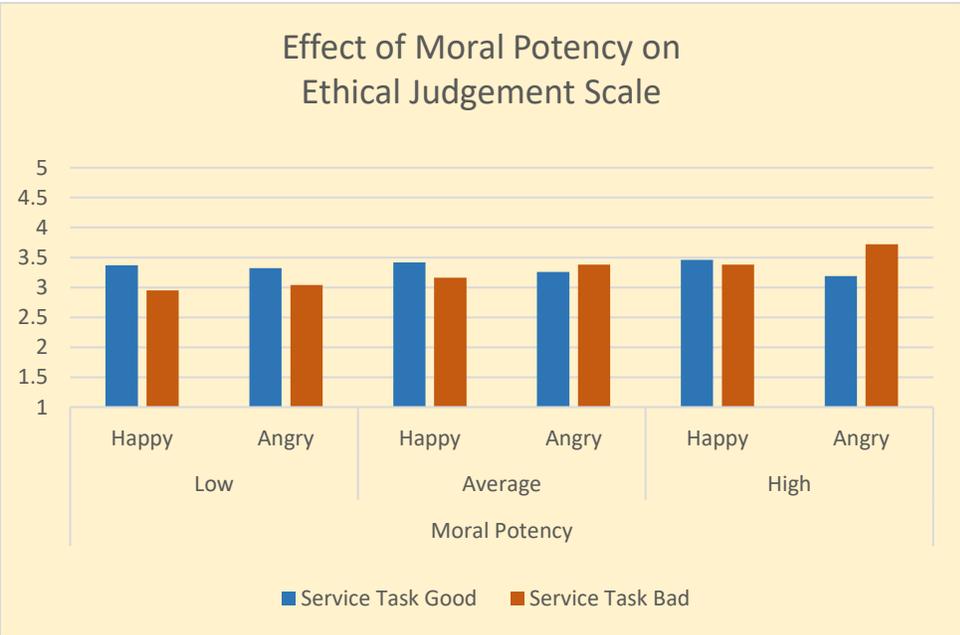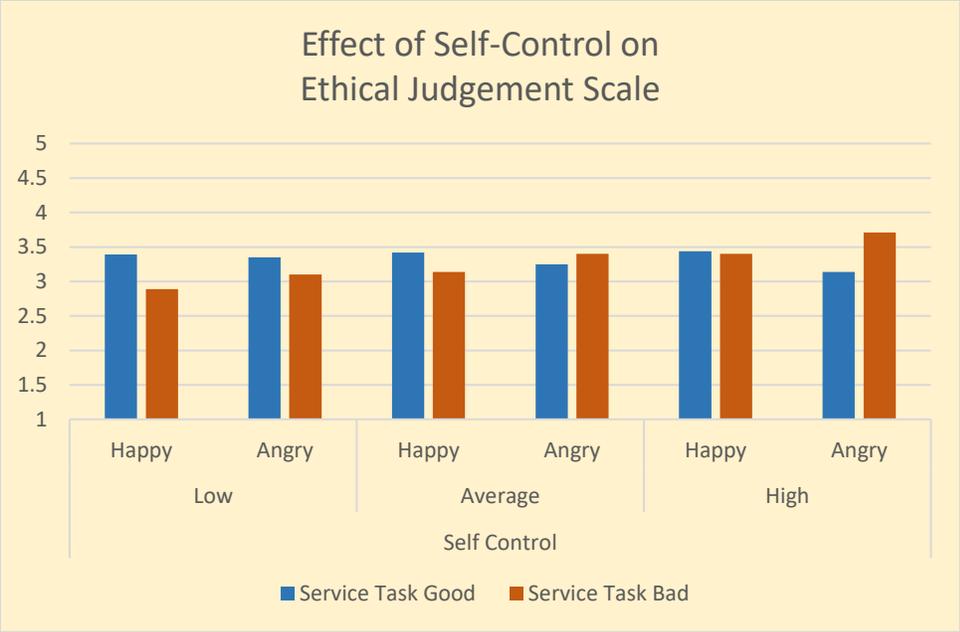
Appendix G: Moral Potency Questionnaire Research Permission

You completed your evaluation at 4:41 pm EST on March 07, 2018.

Prepared on March 7, 2018 for: Franklin Tillman

Sean T. Hannah and Bruce J. Avolio

Introduction: The Moral Potency Questionnaire (POQ) has undergone preliminary validation efforts to demonstrate that it is both reliable and construct valid. Permission to use the MPQ free of charge and for a limited period is provided for research purposes only. This document contains: Conditions of Use for the Moral Potency Questionnaire - Use of the Moral Potency Questionnaire is subject to the conditions outlined in this section.

Conditions of Use for Administering the MPQ Online - Administration of the Moral Potency Questionnaire online using a site other than Mind Garden is subject to the conditions outlined in this section.

Abstract of Research Project - A brief description of your research project.

Moral Potency Questionnaire - The basis for the form, references, the self-rater form, the multi-rater form, and instructions for calculating scale scores.

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Before conducting your research:

1) You will submit the Research Permission for the Moral Potency Questionnaire form.

2) While filling out the Research Permission for the Moral Potency Questionnaire form you will need to provide additional information and agree to additional conditions if...

.. you are planning to administer the MPQ online using a survey company other than Mind Garden.

... you are planning to translate the MPQ.

... you are planning to alter the MPQ.

3) You will electronically sign an agreement that you understand and agree to comply with the conditions of use. This agreement is at the end of the Research Permission for the Moral Potency Questionnaire form.

Note: This pdf is documentation that you have successfully fulfilled these three conditions.

While conducting your research:

1) You will only use the MPQ for non-commercial, unsupported research purposes. Non-commercial research purposes means that you will not now or in the future directly or indirectly use the content for profit-seeking or other financial or commercial motivations

but rather will use the content solely to further research that is purely academic or public-good driven. Your license to the content is personal to you and is solely for such non-commercial research purposes.

2) You will use the MPQ in its exact form without any changes to the instructions, rating scale/anchors, or order of items. All of the items listed in the survey must be used. (If you have indicated on your Research Permission for the Moral Potency Questionnaire form that you plan to alter the MPQ and provided details on the proposed alterations and the rationale behind those alterations then you may ignore this condition).

3) You will use the MPQ for only the specific study that has been requested. Contact Mind Garden if you would like to use the MPQ for a different study.

4) You will not provide the MPQ to any other researchers. They must submit their own Research Permission for the Moral Potency Questionnaire form for permission.

Conditions of Use for Administering the MPQ Online

Before conducting your research:

You must complete the Remote Online Use Application Form.

YOU DO NOT HAVE LEGAL PERMISSION TO REPRODUCE OR ADMINISTER THIS SURVEY ONLINE UNTIL THIS APPLICATION IS APPROVED.

DISTRIBUTING AN ENTIRE INSTRUMENT IN EITHER THE TEXT OF AN EMAIL OR AS AN EMAIL ATTACHMENT IS STRICTLY PROHIBITED.

The Remote Online Use Application Form requires:

● Your name, email, phone number, and company/institution

● Your Mind Garden order or invoice number

● Your research project title

● Mind Garden instrument name

● The remote online survey website that you will be using.

● A statement that:

■ ...you have paid for your reproduction licenses and you will compensate Mind Garden Inc.

every time the form is accessed or the participant logs in to access the survey. You understand

that an administration or license is considered "used" when a respondent views one or more

items/questions. Note: An administration or license is considered "used" when a respondent

views one or more items/questions, regardless of whether the respondent completes the

survey.

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will send screenshots of the survey so that Mind Garden can verify that the copyright statement

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■ ...you will remove this online survey at the conclusion of your data collection, and you will

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Franklin Tillman

Project title: An Examination of the emotional side of ethical decision making and moral potency.

Research focus: This is a dissertation topic: An overwhelming amount of marketing and consumer ethics literature assumes that consumers follow cognitive, rational processes in decision making. Whereas this is a logical and valid approach, it overlooks the emotional state of the individual at the time of the decision, which is an integral part of ethical decision making. Research regarding the role of emotions in ethical decision making has increased recently. This paper serves to examine the relationship of emotions in ethical decision making and the impact on moral potency. It is argued that moral potency will play a significant role in the relationship between emotions and behavioral intentions. This study looks to show that while emotions can provide an indication of one's intentions to behave in a particular manner, moral potency provides the individual with the strength to maintain ethical behaviors or to resist the urge to act unethically. It is proposed that a high level of moral potency negates the impact of negative emotions on an individual's temptation to behave in an unethical manner.

Key hypotheses:

H1a: Consumers who are high in moral potency will tend to have greater ethical behavioral intentions.

H1b: Consumers who are low in moral potency will tend to have lower ethical behavioral Intentions.

H2a: Consumers moral potency will be strengthened when experiencing a positive emotional state.

H2b: Consumers moral potency will be weakened when experiencing a negative emotional state.

Sample Characteristics: Subjects will be randomly collected from MTURK and will be a generalized representation of U.S. consumers.

Research method: Survey   **Organizational characteristics**: University

Organization domain: Marketing/Product Management

Country/Countries: United States of America

I will be conducting this study in English: Yes   Language: English

You requested permission to reproduce the number of copies of the MPQ stated below. The copyright holder has agreed to grant a license to reproduce copies of the MPQ within one year of the date listed on the cover page of this document.

Exact number of reproductions being requested for this research project: 1000

You agreed to all the conditions of use outlined in this document by electronically signing the Research Permission for the Moral Potency Questionnaire form.

Electronic signature: Franklin Tillman

Date of signature: 3/7/2018

Moral Potency Questionnaire: Sean T. Hannah & Bruce J. Avolio

The Basis for the Moral Potency Questionnaire (MPQ)

Moral judgment capacity generally accounts for only 20% of the variance in people's actual ethical behavior. This suggests that an individuals' ethical (and unethical) behavior in organizations is driven not just by the judgments they make, but also by whether they have the desire and inner fortitude (agency) to move forward and act on their judgments.

An individual makes many ethical judgments during the work week, but in dynamic organizations they face many challenges, distracters, and risks that may deter their "stepping up" and acting on their ethical judgments. In many instances, individuals who could have addressed an unethical act, will say, "They knew what the right choice to make was, but they didn't have the motivation to make that choice." To counter these external forces that may inhibit individuals from making 'the right ethical choice', people need moral potency, defined as "the

capacity to generate responsibility and motivation to take moral action in the face of adversity and persevere through challenges." These capacities are developed over time by experience, observing others one respects, or through more planned learning and training interventions.

Prior research across a number of different contexts has identified three primary moral capacities that underpin moral potency:

> 1. The capacity to feel and show a sense of responsibility to take ethical action when faced with ethical issues. This comes from one's level of moral ownership, or "the extent to which members feel a sense of personal agency and psychological responsibility over the ethical nature of their own actions, those of others around them, their organization, or another collective."

2. Yet, one can make a sound moral judgment and feel ownership to act, but still not act because they lack confidence in their personal capabilities to develop solutions to ethical issues or to confront a peer or superior. To do so requires moral efficacy, which is defined as "an individual's belief in his or her capabilities to organize and mobilize the motivation, cognitive resources, means, and courses of action needed to attain moral/ethical performance, within a given moral/ethical domain, while persisting in the face of moral adversity."

3. Finally, individuals also require the courage to face threats and overcome fears to act. Moral courage in the workplace is defined as "1) a malleable character strength, that 2) provides the requisite potency needed to commit to personal moral principles, 3) under conditions where the actor is aware of the objective danger involved in supporting those principles, 4) that enables the willing endurance of that danger, 5) in order to act ethically or resist pressure to act unethically as required to maintain those principles." --Hannah, Avolio, & May (2011); Hannah & Avolio, (2010).

Therefore, the three components that compose moral potency include Moral Ownership, Moral Efficacy, and Moral Courage. A substantial body of research demonstrates that moral potency overall, and its individual components, have been positively related to ethical behaviors, pro-social behaviors, and intentions to report others' unethical actions; and have been negatively related to tolerance for the mistreatment of others. We also know that one's moral potency can be enhanced by authentic and ethical leadership, as well as the ethical culture of one's organization, suggesting it is malleable or developable. Moral potency has also been shown to be degraded when followers are exposed to toxic or abusive leaders and toxic cultures.

Moral Potency Questionnaire (MPQ) – The Instrument for Measuring Moral Potency

The MPQ, the measure of moral potency, has been validated across military and working adult samples. The MPQ is being used currently in a number of research and applied projects to predict ethical thoughts and behaviors, as well as studies assessing the MPQ as an outcome of ethical and authentic leadership. MPQ self-ratings have been shown to predict various ethical attitudes and behaviors of individuals, and can be used to reflect upon yourself and your actions and help you in selecting goals and support to facilitate your growth as a moral actor. Moral Ownership, Moral Courage and Moral Efficacy can all be combined into a single higher order construct.

References/Resources

Research Validating or Using the MPQ

Hannah, S. T., & Avolio, B. J. 2010. Moral potency: Building the capacity for character-based leadership. Consulting Psychology Journal, 62: 291–310.

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Hannah, S. T., Schaubroeck, J., Peng, A. C., Lord, R. L., Trevino, L. K., Kozlowski, S. W. J., Avolio, B. J., Dimotakis, N., & Doty, J. 2013. Joint Influences of Individual and Work Unit Abusive Supervision on Ethical Intentions and Behaviors: A Moderated Mediation Model. Journal of Applied Psychology.

Schaubroeck, J., Hannah, S. T., Avolio, B. J., Kozlowski, S., Lord, R., & Trevino, L. 2010. Excellence in Character and Ethical Leadership (EXCEL) study (Center for the Army Profession and Ethic Tech. Rep. No. (2010–01). West Point, NY: U.S. Army.

Schaubroeck, J., Hannah, S. T., Avolio, B. J., Kozlowski, S. W. J., Lord, R. L., Treviño, L. K., Peng, A. C., & Dimotakas, N. 2012. Embedding ethical leadership within and across organization levels. Academy of Management Journal, 50: 1053-1078.

Other Supporting or Relevant Research

Avey, J. B., Avolio, B. J., Crossley, C. D., & Luthans, F. (2009). Psychological ownership: Theoretical extensions, measurement and relation to work outcomes. Journal of Organizational Behavior, 30, 173–191.

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Kidder, R. M. 2003. Moral courage. New York: William Morrow.

May, D. R., Chan, A. Y. L., Hodges, T. D., & Avolio, B. J. 2003. Developing the moral component of authentic leadership. Organizational Dynamics, 32: 247–260.

Rest, J. R., Narvaez, D., Bebeau, M. J., & Thoma, S. J. 1999. Postconventional moral thinking: A neo-Kohlbergian approach. Mahwah, NJ: Lawrence Erlbaum Associates.

10

Moral Potency Questionnaire (MPQ) Self-Rater

Copyrighted - Sean T. Hannah and Bruce J. Avolio (2010)

For questions 1 thru 7, think about your typical actions and rate your level of agreement with how each statement below applies to your behavior. Use the following scale to indicate your level of agreement or disagreement with each statement.

I will...

1. confront my peers if they commit an unethical act 1 2 3 4 5

2. confront a leader if she/she commits an unethical act 1 2 3 4 5

3. always state my views about ethical issues to my leaders 1 2 3 4 5

In answering questions 8 thru 12, when you think of your knowledge, skills, and abilities, indicate your level of confidence in your ability to accomplish each item below. Use the following scale to rate your level of confidence. A score of 5 represents total confidence, whereas a score of 1 means no confidence at all.

I am confident that I can...

8. confront others who behave unethically to resolve the issue 1 2 3 4 5

9. readily see the moral/ethical implications in the challenges I face 1 2 3 4 5

10. work with others to settle moral/ethical disputes 1 2 3 4 5

To whom it may concern,

This letter is to grant permission for Franklin Tillman to use the following copyright material for his/her research:

Instrument: Moral Potency Questionnaire

 Authors: Sean T. Hannah and Bruce J. Avolio.

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The entire instrument may not be included or reproduced at any time in any other published material.

Sincerely,

Mind Garden, Inc.

FRANKLIN F. TILLMAN

University of Mississippi
School of Business Administration
Department of Marketing
University, Mississippi 38677

ACADEMIC BACKGROUND

THE UNIVERSITY OF MISSISSIPPI, School of Business Administration, Oxford, MS
 Doctor of Philosophy, Business Administration(August 2014 – May 2022)

TULANE UNIVERSITY, FREEMAN SCHOOL OF BUSINESS, New Orleans, LA
Master of Business Administration in Strategic Management / Leadership & Consumer Behavior (2010)

- Received the prestigious Morton A. Aldrich Fellowship.

TULANE UNIVERSITY, FREEMAN SCHOOL OF BUSINESS, New Orleans, LA
Master of Global Management in International Business (2010)

- Identified and presented strategy to assist Kruger Paper / PAINSA in penetrating the Caribbean market through manufacturing plant acquisition or development.

    Certificate in Latin American Studies (2009)

KENNESAW STATE UNIVERSITY, Kennesaw, GA
Bachelor of Business Administration in Management (2006) ~ Magna cum Laude

ACADEMIC EXPERIENCE

LIMESTONE UNIVERSITY, College of Business, Gaffney, SC
Instructor of Marketing (August 2019 –July 2021)

- Course Coordinator for five marketing classes
- Directed fifteen Adjuncts in teaching of marketing classes
- Online and Traditional In-Class Instruction

University of Mississippi, College of Business, University, Mississippi
Instructor (2016-2018)
- Hybrid, Online, and Traditional In-Class Instruction
- Teaching Assistant, University of Mississippi (2014-2017)

DISSERTATION

Title: An Examination of the Emotional Aspects of Ethical Decision Making

Dissertation Defense: April 27, 2022

Committee: Victoria Bush (Chair), Melissa Cinelli, Gary Hunter, John Bentley (External)

Abstract: This research serves to examine the relationship of emotions in ethical decision making and behavioral intentions by investigating the effects of positive (happiness) and negative (anger) emotions in both a task related and incidental context. The scenario is presented in a consumer context of ethical judgments using a passive unethical behavior scenario. Modern research has focused on the effect of specific incidental emotions on ethical decision-making. This research focuses on the differing effects of specific incidental and task emotions in a service-based encounter. Self-control is utilized as a moderator of these emotions in ethical decision-making, and moral potency is further examined for inclusion into marketing literature. Based on a sample of 251 responses to an experimental scenario-based survey, this study found that the interaction between the task and incidental emotions does significantly impact ethical judgments and there is a moderating effect of self-control and moral potency. This interaction is significant in several ways, but of particular interest is when individuals who possess these qualities are in an angry mood. Consumers do not always behave in an ethical manner and will frequently accept an unethically obtained passive benefit. The results will facilitate an improved consideration of the role of the interaction of emotions on consumer ethics, an improved understanding of how to mitigate those emotions, and provide some understanding of how emotions impact unrelated judgments and decision-making.

RESEARCH INTERESTS

Business and Consumer Ethics, Ethical Decision Making, Emotions, Consumer Social Responsibility, Sales & Sales Ethics

PRESENTATION OF REFEREED PAPERS

Tillman, F. (2021) "Marketing Strategies and the Impact on Firm Performance in Response to Covid", *Southeastern Institute for Operations Research and Management Scienc,*. Myrtle Beach, SC

Tillman, F. (2021) "Ethical Decision Making and Perception of Business", *Southeastern Institute for Operations Research and Management Science,* Myrtle Beach, SC

Tillman, F., Ezell, D., & Gala, P. (2019) "The Journey of a PhD: The Transition From Grad Student to Tenure Track Faculty and the Three Legged Stool", *Society for Marketing Advances*, Santa Fe, NM.

Ghomi, V., Alidaee, B., & Tillman, F. (2018) "Cross-docking, Tabu-search, and 6 diversification methods", *Decision Sciences Institute*, Chicago, IL

Tillman, F. (2017) "Emotional Aspects of Ethical Decision and the Impact of Religiosity", *Society for Marketing Advances*, Louisville, KY.

Tillman, F. (2017) "An Investigation of the Antecedent Relationships of Religiosity on Self-Control and Moral Identity", *Society for Marketing Advances*, Louisville, KY.

Gala, P., Tillman, F., & Ezell, D. (2017) "Married or Single: Impact of Marital Status of CEO on Marketing Outcomes", *Marketing Management Association*, Chicago, IL.

Ghomi, V., Tillman, F,, & Ghofrani, M. (2016) "Customer Flexibility: The Consequence of Suppliers Flexibility". *Society for Marketing Advances*, Atlanta, GA.

Tillman, F. (2016) "Cause-Related Marketing Effects on Firm Performance" *Society for Marketing Advances*, Atlanta, GA.

Tillman, F., and Ghomi, V. (2016) "Sales Self Efficacy and Job Satisfaction". *Society for Marketing Advances*, Atlanta, GA.

Tillman, F. (2016) "Product Displacement and the Effects on Brand Substitution" *Marketing Management Association*, Chicago, IL.

Tillman, F. (2016) "Consumer Ethics and Local Purchase Intentions" *Marketing Management Association*. Chicago, IL.

Tillman, F. (2015) "Consumer Ethics and Local Purchase Intentions" *Society for Marketing Advances*, San Antonio, TX.

Tillman, F. (2015) "Buying Locally: Creating a Sense of Community and Social Benefit" *Southeast Marketing Symposium*, Tallahassee, FL.

TEACHING EXPERIENCE

Instructor
Marketing Management
Principles of Marketing
Advertising & Promotion
Marketing Research
Global Marketing
International Business
Cross-Cultural Communications

Teaching Assistant
Advertising and Promotion
Ethics of Marketing
Principles of Marketing

Guest Lecturer
Global Marketing
Advertising and Promotion
Ethics of Marketing

Teaching Interests: I am interested in teaching Digital Marketing, Consumer Behavior, Advertising, Global/International Marketing & Business, Business Ethics

SERVICE TO THE PROFESSION

Reviewer for American Marketing Association (2022)
Reviewer for the Academy of Consumer Research (2022)
Reviewer for the Journal of Business Ethics (2016 - Present)
Session Chair for Southeastern Institute for Operations Research and Management Sciences (2021)
Reviewer for Southeastern Institute for Operations Research and Management Sciences (2021)
AMA DocSig Vice-Chair of Special Projects and Partnerships (2015-2018)
Reviewer for Society for Marketing Advances (2015, 2016, 2017)
Reviewer for Marketing Management Association (2015, 2016, 2018)
Reviewer for Southeast Marketing Symposium

PROFESSIONAL AFFILIATIONS

American Marketing Association
Academy of Marketing Science
Marketing Management Association
Society for Marketing Advances
Southeastern Institute for Operations Research and Management Sciences

HONORS AND AWARDS

University of Mississippi Research Assistantship (2014 – 2019)
Academy of Marketing Science Doctoral Consortium Fellow (2018)
Academy of Marketing Science Professional Development Series- Teaching Digital Marketing (2018)
Society for Marketing Advances Doctoral Consortium Fellow (2015)
Graduate Assistantship, University of Mississippi (2014 – 2018)

GRADUATE COURSEWORK

Methods
Research Methods I   Mark Bing
Research and Experimental Design   Douglas W. Vorhies
General Linear Models I   John P. Bentley
Applied Multivariate Analysis   John P. Bentley
Statistics III: Advanced Statistical Topics (SEM)   Douglas W. Vorhies

Longitudinal Modeling	John P. Bentley
Foundations of Qualitative Research Methods	Stacey Britton
Applied Quantitative Analysis	Douglas W. Vorhies

Marketing

Marketing Management	Douglas W. Vorhies
Advanced Studies in Consumer Behavior	Melissa Cinelli
Customer Relationship Marketing	Victoria Bush
Theoretical Foundations of Marketing	Scott J. Vitell
Social Cognition	Elicia Lair
Marketing Ethics	Scott J. Vitell

PROFESSIONAL EXPERIENCE

THE HOME DEPOT, Atlanta, GA (8/2012 to 08/2013)

Merchandising Execution Associate

Provide planogram support, product set integrity, and POP placement for Home Depot District 234. Coordinate with department management to ensure product placement in seasonal display sets and cross merchandising strategies. Mentor and provide training for new Merchandising Execution Team associates.

BC LANDSCAPING SERVICES, Woodstock, GA (5/2005 to 6/2008)

Manager, Client Services

Coordinated and revised daily service schedules. Supervised service teams in providing top-quality service and support. Redesigned processes for productivity and profitability.

SEA SPORTS, INC., Roswell, GA (6/1996 to 7/2003)

Owner, Instructor Development, Operations and Marketing Manager

Directed daily operations and administration. Defined and executed the sales and marketing plan which targeted key markets and achieved steady and measurable growth. Managed staff, vendor, and client relationships. Tracked finances. Monitored and responded to business trends. Taught entry level courses through Instructor training courses. Conducted International Instructor Training through Partnerships in Caribbean,