The 14th Asia Pacific Management Conference

"Managing Complexities in the Asia Pacific Region"

CONFERENCE E-BOOK

AIRLANGGA UNIVERSITY
FACULTY OF ECONOMICS - DEPARTMENT OF MANAGEMENT
The 14th Asia Pacific Management Conference

N.B. Details in this book are correct at time of printing.

CONFERENCE SCHEDULE

Time	Description	Venue
Wednesday, 18th November 2009		
1000 - 1730	Participant Registration	Lobby Area - Sheraton Hotel
1730 - 1800	All Participant Transfer to PTC Supermall by Bus	Shuttle by Bus, Sheraton to PTC Supermall
1800 - 1900	The Attraction of "Reog Ponorogo"	Pakuwon Imperial Ballroom - PTC Supermall
1900 - 1905	Opening by MC	Pakuwon Imperial Ballroom - PTC Supermall
1905 - 1910	Welcoming Speech by Rector of Airlangga University	Pakuwon Imperial Ballroom - PTC Supermall
1910 - 1925	Keynote Speech by Governor of East Java Province	Pakuwon Imperial Ballroom - PTC Supermall
1925 - 1930	Announcement by MC	Pakuwon Imperial Ballroom - PTC Supermall
1930 - 2000	Welcome Dinner	Pakuwon Imperial Ballroom - PTC Supermall
2000 - 2020	The Attraction of "Sparkling Surabaya Dance"	Pakuwon Imperial Ballroom - PTC Supermall
2020 - 2030	Announcement by MC	Pakuwon Imperial Ballroom - PTC Supermall
2030 - 2035	Closing by MC	Pakuwon Imperial Ballroom - PTC Supermall
2035 - 2100	All Participant Transfer back to Sheraton Hotel by Bus	Shuttle by Bus, PTC Supermall to Sheraton
Thursday, 19th November 2009		
0700 - 0800	Participant Registration	Lobby Area - Sheraton Hotel
0800 - 0815	Opening Ceremony	Ballroom - Sheraton Hotel
0815 - 0915	Keynote Speech by Prof. Charles Corbett	Ballroom - Sheraton Hotel
0915 - 0930	Coffee Break	ALL MEETING ROOMS - Sheraton Hotel
0930 - 1050	Paper Session 1	ALL MEETING ROOMS - Sheraton Hotel
1050 - 1210	Paper Session 2	ALL MEETING ROOMS - Sheraton Hotel
1210 - 1300	Lunch and Break	Bromo Café & Pool Terrace - Sheraton Hotel
1300 - 1420	Paper Session 3	ALL MEETING ROOMS - Sheraton Hotel
1420 - 1540	Workshop Session (Publishing Reasearch in International Journal)	ALL MEETING ROOMS - Sheraton Hotel
1540 - 1600	Coffee Break	ALL MEETING ROOMS - Sheraton Hotel
1600 - 1800	Unair Campus Tour	Airlangga University
1800 - 1900	Free	Sheraton Hotel
1900 - 2100	Dinner Session	Bromo Café & Pool Terrace - Sheraton Hotel
Friday, 20th November 2009		
0800 - 0920	Paper Session 4	ALL MEETING ROOMS - Sheraton Hotel
0920 - 0930	Coffee Break	ALL MEETING ROOMS - Sheraton Hotel
0930 - 1030	Paper Session 5	ALL MEETING ROOMS - Sheraton Hotel
1030 - 1130	Paper Session 6	ALL MEETING ROOMS - Sheraton Hotel
1130 - 1315	Lunch Break	Bromo Café & Pool Terrace - Sheraton Hotel
1315 - 1330	Closing Ceremony	Ballroom - Sheraton Hotel
1330 - 1400	Hotel Check Out. (Departure to Airport For Bali Tour)	Lobby Area - Sheraton Hotel

SESSION 5E : 0930 - 1030 | FRIDAY, NOV 20th 2009 | MEETING ROOM E - SHERATON HOTEL SURABAYA
Session Chair : Sureena Matayong, University Technologi PETRONAS, Malaysia.

108	5E	Track : Management Information System	APMC14087	Adhya Utami Larasati Soetjipto, Faculty of Economics and Business, Gadjah Mada Univeristy, Indonesia.	Strategic Alignment between Business Strategy and Information System: Case Study of An Indonesian Marketing Communication Agency
109	5E	Track : Management Information System	APMC14103	Sony Kusumasondjaja, Department of Management, Faculty of Economics, Airlangga University, INDONESIA.	Technology Readiness and Its Impact on Switching Intentions After Failures of Self-Service Technology
110	5E	Track : Management Information System	APMC14167	Wei Chien-Hung, Institute of Telecommunications Management, National Chung Kung University, Taiwan.	Assessing public intention of using internet filtering systems online – A case study of Taiwan

SESSION 5F : 0930 - 1030 | FRIDAY, NOV 20th 2009 | MEETING ROOM F - SHERATON HOTEL SURABAYA
Session Chair : Siti Sulasmi, Airlangga University, Indonesia

111	5F	Track : Human Resources	APMC14116	Yu-Hwa Huang. National Sun Yat-Sen University. Taiwan.	THE MODERATING EFFECTS OF SELF-EFFICACY ON THE RELATIONSHIPS BETWEEN WORK STRESSORS AND WELL-BEING
112	5F	Track : Human Resources	APMC14132	Chin-Yun Liu. National Sun YatSen University Taiwan	THE STUDY OF WORK CHOICE MOTIVATION AND WORKERS' INTERACTION IN INFLUENCING JOB ATTITUDE FOR CONTINGENT WORKERS
113	5F	Track : Human Resources	APMC14137	Chin-Yun Liu. National Sun YatSen University Taiwan	HOW HUMAN RESOURCE MANAGEMENT PRACTICES FACILITATE THE KNOWLEDGE TRANSFER, KNOWLEDGE RETENTION, AND INNOVATION – COMPARISON OF TWO CASE STUDIES

SESSION 6A : 1030 - 1130 | FRIDAY, NOV 20th 2009 | MEETING ROOM A - SHERATON HOTEL SURABAYA
Session Chair : Indrianawati Usman, Airlangga University, Indonesia

114	6A	Track : Human Resources	APMC14015	Halil Paino, Universiti Teknologi MARA Pahang, Malaysia.	AUDITOR ACCEPTANCE OF DYSFUNCTIONAL BEHAVIOUR: AN EXPLANATORY MODEL USING INDIVIDUAL FACTORS
115	6A	Track : General Management	APMC14101	Ummi Salwa Ahmad Bustamam, Graduate School of Management, La Trobe University, Melbourne, Australia.	Growth Strategies among Small and Medium Enterprises – Case of Malay Entrepreneurs
116	6A	Track : General Management	APMC14206	Salina Daud, College of Business Management and Accounting, Universiti Tenaga Nasional, Malaysia.	Knowledge Management Adoption in Multimedia Super Corridor Firms and its Effect on Financial and Non-Financial Performance

SESSION 6B : 1030 - 1130 | FRIDAY, NOV 20th 2009 | MEETING ROOM B - SHERATON HOTEL SURABAYA
Session Chair : Siti Sulasmi, Airlangga University, Indonesia

117	6B	Track : Human Resources	APMC14021	Noorlaila Hj Yunus, Faculty of Office Management & Technology, MARA University of Technology, Malaysia.	Employee Performance on Organizational Citizenship Behaviours: The influence of Leader's Emotional Intelligence and Leader-Member Exchange in Selected Development Banks in Malaysia
118	6B	Track : Human Resources	APMC14075	Ely Susanto, National Cheng Kung University, Institute of International Business, College of Management, Taiwan.	A shame culture and ethical behaviors of firm's managers
119	6B	Track : Human Resources	APMC14220	Adam Mat, Faculty of Business Management, Universiti Teknologi Mara (UiTM), Shah Alam, Malaysia.	Organizational Learning Capability and Technological Innovation: A Conceptual Paper
120	6B	Track : General Management	APMC14083	Mintarti Rahayu, Department of Management, Faculty of Economics, Brawijaya University, Malang, Indonesia.	THE ENVIRONMENTAL INFORMATION CREATION IN THE CHINESE ETHNIC SMALL BUSINESS

SESSION 6C : 1030 - 1130 | FRIDAY, NOV 20th 2009 | MEETING ROOM C - SHERATON HOTEL SURABAYA
Session Chair : Shyamalie Ekanayake, Universitas Of Kelaniya, Sri Lanka

121	6C	Track : General Management	APMC14104	Gunardi Endro, Bakrie School of Management, Bakrie University, Indonesia.	In Search for a Full Account of Management Integrity
122	6C	Track : General Management	APMC14111	You-Cheng Dai, Department of Industrial and Information Management, National Cheng Kung University, TAIWAN.	The Transition Process from Laissez-faire to Triple Helix—An Example of Incubation on Industry?University Collaboration
123	6C	Track : General Management	APMC14126	Nuri Herachwati, Faculty of Economics, Airlangga University, Indonesia.	Motivations and Obstacles in Women Entrepreneurship : A Qualitative Method

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IN SEARCH FOR A FULL ACCOUNT OF MANAGEMENT INTEGRITY

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Abstract

With regard to human beings, integrity deals with quality of one's relation to one's actions. But the quality of the relation tends to be interpreted in two different ways. First, it is seen as a quality represented by moral quality of the actions. Second, it is regarded as a quality measured in terms of how the actions fit into one's sense of the self. I argue that any reductive account that goes either way is defective. A full account of integrity accommodating those two ways conjointly is possible under Aristotelian ethics. In such an account, integrity is a virtue that disposes possessors to take right actions that would promote realization of the ideal state of communities of which they are members. A manager who possesses integrity would take right actions that would contribute to the realization of the ideal corporation, the ideal market, and the ideal larger whole community. The right actions are not only good, but also express wholeness of the self because Aristotelian self is an expanded self that includes, in a sense, ideal communities. I will show that this account of integrity is able to explain many different features, each of which is usually used as criterion in the ascription of integrity, such as honesty, steadfastness to commitment, and reflective character. Finally, I will show how to account for such an institutional integrity as management integrity. The account is expected to be useful for managers in managing moral complexities in the Asia Pacific Region.

Keywords: integrity, Aristotelian ethics, expanded self, ideal community

1. Introduction

Etymologically, the word "integrity", "integration", and "integral" have the same root viz. "integer", which means *whole* or *entire* (Skeat, 1946). Thus, a thing of integrity is a whole thing, an undivided thing, in which the sense of wholeness is indispensable. Although something possessing integrity may consist of several parts, a thing of integrity is more than the aggregation of those parts; integrity is rather a product of interrelationship between those parts. Yet, in contrast with the term 'unity', integrity does not eliminate the identity of elements. A certain degree of individuality of each element is still recognized, but its function is inseparable from the whole. It is this sense of wholeness that the term 'integrity' originally connotes.

Integrity can be treated as either an evaluative term or a non-evaluative term, depending on the nature of the thing it is ascribed to. As a non-evaluative term, integrity is not used in making value judgments but rather in stating a fact. Integrity becomes an evaluative term when the thing of integrity is a human being or a thing partly composed of human beings as members. For example, the performance of a bridge in supporting traffic vehicles without deformation in its shape can indicate the integrity of the bridge. In such a case, the term 'integrity' portrays the inner interconnectedness and the functioning of the thing, but it amounts to nothing more than just stating a fact. The well functioning of the thing necessarily expresses the interconnectedness of its parts or the identity of the thing which is naturally predetermined. A bridge that has no integrity will fail to function as a real bridge and no more be a bridge.

When a human being is the thing of integrity, value judgment is involved. This is explainable by the fact that the identity of a human being is not predetermined, but dependent on the ideals or the projects of life with which he chooses to identify himself. A human being has no choice but to choose what he wants to be and to do, and to act on his choice. As the act of choosing is necessary for a human being, there is no necessary connection between the identity and the actions that one would ultimately perform, for both are subject of one's choice. The actions one performs may not express one's identity, and the ideals being chosen may not lead to an identity that one is supposed to have. Integrity is not achieved through fulfilling the laws of nature but actively pursued through value judgments. One ought to make particular choices and to act on his choices for there is more of value in virtue of integrity to be gained by his choices. Thus, integrity can justify actions or choices, or in other words it is evaluative. When a human being is a part of the thing to which integrity is to be ascribed, such as a management team, a corporation, a state, and an ecosystem, integrity remains evaluative. The inclusion of a human being in the thing to which integrity is to be ascribed makes integrity evaluative.

The area of concern for us is integrity that is attributed to a person or an organization. What makes integrity of a person or integrity of an organization important is that it deals with morality. For morality is concerned with actions that are believed to be good for the agents by virtue of their being humans, while no person can escape being a human, necessarily, a person of integrity is expected to act morally. Yet, for a person of integrity, what it is to act in a certain way depends on his own judgment as to whether it fits into his sense of self-identity. Therefore, there are two aspects of integrity when it is ascribed to a person, and similarly to a human organization: *first*, that integrity is associated with how the individual builds his self-identity; and *second*, that integrity is related to how the individual is acting morally. The true sense of integrity calls for both aspects inseparably, i.e. integrity involves a self-governance for building and maintaining self-identity and moral actions as the expressions of self-identity. However, the most available accounts of integrity are reductive in the sense that they focus only on one aspect and ignore the other.

2. The Reductive Accounts: A Concern for Self Identity Only

Three accounts frequently mentioned in philosophical discussions (Calhoun, 1995) can be generally viewed as a class of accounts that maintain integrity as a matter of how one builds and maintains his or her self identity, namely the 'integrated self', the 'identity', and the 'clean-hands' pictures of integrity. The integrated-self picture reveals integrity in terms of how one evaluates, separates, rejects, endorses, and integrates competing desires into a single order and

thereby creates a unified self. On the identity picture, integrity is explained in terms of a person's being true to his own character, that is, a person who has some ground projects and principles with which he is strongly identified. And on the clean-hands picture, integrity is associated with a person who maintains the purity of his own agency, a person who refuses to violate the principles and the ideals he endorsed. Although these accounts of integrity can capture some features of integrity, they are insufficient and may lead to something which is incompatible with integrity.

Gabriele Taylor (1985) argues for integrity in terms of a person whose choices and actions are consciously determined by his own endorsements. Her argument relies on the concept of person offered by Harry Frankfurt (1971), according to which the special characteristic of persons is to be found in the person's will or the ability to form 'second-order desires'. Second order desires are desires directed toward first order desires, whereas first order desires are desires simply to do or not to do one thing or another. Having the capacity to form second order desires means having the capacity to want certain first order desires to be effective and to reject the others. A person of integrity is not a 'wanton' who acts on whichever first-order desire happens to be the strongest, but he must evaluate his desires and decide to act on those desires with which he is strongly identified. To this extent, a person of integrity must be autonomous, sincere, consistent, non-ambivalent, and capable of reflective self-evaluation and of controlling his desires. Frankfurt (1987) describes such a person as a person who is 'wholehearted' about what he is doing. Integrity is seen as a matter of selecting and integrating desires or a matter of unifying the person's will. But this interpretation of integrity seems insufficient to figure out the sort of persons who possess integrity. It is right that autonomy and sincerity should be the characteristics of persons who possess integrity, but persons of integrity do not necessarily need to form a rigid unity of the self by neatly unifying the will and thereby avoiding the conflicting aspects of the self. A certain degree of conflicts can be part of integrity, because the conflicts can be brought into a healthy state that ultimately transform one toward a more enriched and stronger self (Calhoun, 1995; Davion, 1990). Insisting on the unified will can lead to satisfaction, but satisfaction is more a form of self-indulgence than a sign of integrity. Integrity seems more complex than simply integrating one's wills, desires, and actions.

If the integrated-self account relies on one's unified will in building and maintaining self-identity, the identity account confines the self-identity by discriminating between desires and projecting them to something that one is standing for. In a critique of utilitarianism, Bernard Williams (1973) is explicitly concerned with such a form of integrity that, according to him, has no place in the utilitarian conception of negative responsibility. For Williams, integrity means fidelity to some ground projects with which one is most closely identified and from which one's actions and decisions have to flow in order for one's life to be meaningful. Similarly, Jeffrey Blustein (1991) argues for integrity in terms of persons who are faithful to their – so called – identity-conferring commitments. This account has intuitive appeal, for persons of integrity are indeed required to be true and faithful to their own identity. However, limiting the scope of integrity only to identity-conferring projects and identity-conferring commitments is counter-intuitive, because non-identity-conferring commitments seem to be important also for persons of integrity. Betraying or being self-deceived about one's non-identity-conferring commitments can indicate a lack of integrity (Calhoun, 1995).

The clean-hands account of integrity attempts to underline the importance of how one's self-identity has to remain uncorrupted in order for one to maintain one's integrity. Such an uncorrupted identity calls for unconditional commitments or refusals to compromise on endorsed

commitments (McFall, 1987). Persons of integrity do not allow themselves to be bribed or cajoled at the expense of violating their identity-conferring commitments. But the clean-hands account of integrity seems not quite right. It is true that persons of integrity are not vulnerable in their (external) relationship with other people, but integrity cannot be simply derived from a rigid external relationship that shows persons allegedly possessing integrity maintain their inviolable identities. With regard to the identity-conferring-commitments, the orientation of the persons of integrity is rather internal than external, in the sense that they are rather particularly concerned with how the internal relationship between their commitments makes their identities remain intact in their external relationship with other people. The quality of the internal relationship is then reflected in the quality of the person's judgment. Seemingly, the clean-hands account of integrity is more a testing complement of the other accounts than a separate account of integrity (Cox et al., 2003).

The common feature of those three reductive accounts of integrity is that they place only formal conditions upon the kind of person to which integrity can be ascribed, but do not place normative constraints on the elements under which such conditions are fulfilled. There is no constraint on the kinds of desires that constitutes the integrated self, the kinds of identity-conferring projects, and the kinds of unconditional commitments that one endorses. In effect, these accounts signify only one sense of integrity in which acting with integrity merely means acting on one's own view rather than a morally justified view. Moral justification can only contingently coincide with one's own view and the coincidence depends on one's self-awareness and commitments as a moral agent. Therefore, these accounts cannot rule out a possible ascription of integrity to a genocidal Nazi who may have an integrated-self and identity conferring commitments though he is morally despicable. Integrity cannot always be praiseworthy. But shifting the emphasis of integrity only to a concern for morality would not solve the problems either, as I will now turn to show in the following section.

3. The Reductive Accounts: A Concern for Morality of Actions Only

The relation between integrity and the morality of actions is perceived differently by philosophers. Bernard Williams (1973, 1981) regards integrity as having no necessary connection with certain views of morality, for he persistently puts integrity in direct conflict with the impartial demands of morality, prescribed in Utilitarianism and Kantian deontology. Similarly, Gabriele Taylor (1985) holds that person of integrity need not be a morally good person. For them, no necessary association exists between integrity and morality. If there is any connection at all, for one cannot wholly ignore others, the connection must consist in the sense of respect for others who also have ground projects.

Different kind of connection between integrity and morality is proposed by Lynne McFall (1987). For McFall, the connection is rather supplemental or external in kind. In drawing the distinction between moral integrity and personal integrity, McFall argues that personal integrity is adherence to any set of one's endorsed principles or commitments, whereas moral integrity is just adding a moral requirement to personal integrity. Accordingly, personal integrity is necessary and sufficient condition for one just to have integrity. If integrity has to be linked to morality, the agents' moral self-conceptions should provide baseline constraints on the acceptability of moral requirements (Ashford, 2000).

However, taking the primacy of the agents' moral self-conceptions over the acceptability of moral requirements can lead to moral subjectivism and relativism, according to which moral principles are created, rather than discovered, and are valid relative to individual choice and cultural norms. The implication is paradoxical because evil Nazis could be persons of integrity if they were able to retain their self-conception as morally decent according to the prevailing accepted norms of the Nazi society. Thus, either accepting no necessary association between integrity and morality or supplementing morality under the agents' self conceptions in order for the agent to have integrity cannot rule out the possibility of an evil person being a person of integrity. This seems to suggest that the relation between integrity and morality must be intrinsic, and allow no possible dissociation between them. It is true that persons of integrity should not betray their self-identity but they cannot eschew the demands of morality for non-moral reasons. Persons of integrity are always expected to act morally when the circumstances demand them. Such an intrinsic relation can be interpreted in many different ways, but interpretations that give too much emphasis on the moral requirements, or that reduce integrity to the morality of the person's actions would likely fail to capture the full sense of integrity.

Mark S. Halfon (1989) and Cheshire Calhoun (1995) see the intrinsic relation between integrity and morality in a formal way. In their views, integrity is closely connected with the agents' moral deliberation and the actions in the light of it. Persons of integrity, according to Halfon, are committed to do what is best by imposing on themselves a moral point of view that is conceptually clear, logically consistent, and weighing all relevant empirical evidence and moral considerations. Whereas, according to Calhoun, what is best in the judgment of persons of integrity is one that matters, or ought to matter, to fellow deliberators. For Calhoun, persons of integrity have a proper regard for their own best judgment as a deliberator among deliberators, and properly give regard to the others' best judgment while they are standing for their own best judgment. However, these views provide no substantive restriction on the content of what is best, and draw no clear demarcation between integrity and fanaticism over what the proper regard to one's best judgment amounts to. Still, the agents' moral self-conceptions take precedence over moral requirements. As a result, these views cannot completely rule out the possible case of an evil person coming to have integrity, though the case is highly unlikely to happen.

In order to avoid such a possibility, Elizabeth Ashford (2000) argues for a substantive constraint in respect to the intrinsic relation between integrity and morality. She argues that one's self-conception has to be grounded in reality, viz. rather than constraining the acceptability of moral requirements, one's self-conception has to be constrained by moral requirements. Ashford takes the primacy of moral requirements over the acceptability of the agents' self-conceptions in what she called 'objective integrity'. In order to have objective integrity, according to Ashford, the agents have to abide by their commitments to the moral obligations that they actually have in order to lead a morally decent life. This clearly suggests that integrity is only ascribed to a person with whom those who ascribe it are in moral agreement. But the ordinary ascription of integrity does not seem to presuppose unambiguous moral agreement. As Cox et al. (2001, 2003) correctly point out, we can regard someone as a person of integrity despite disagreeing substantially with his views on a certain moral issue, and conversely, we may claim a person as lacking in integrity despite the fact that we agree with him on many important matters. The moral concern in the ascription of integrity seems deeper than merely a conformance with the standard morality actually endorsed in society. Moreover, the emphasis on morality in the ascription of integrity tends to undermine the personal aspect of integrity. For integrity is concerned with agents and their own actions, not only their actions as such, abandoning the

emotional engagement of the agents can mean to a certain extent undermining the agents or the source of the actions.

In sum, the relation between integrity and morality seems to be intrinsic and substantial, but reducing integrity to the morality of the person's actions deprives us of the sense of integrity in the ordinary use of the term. Integrity seems to have inextricably two elements: the personal element which is associated with what constitutes the self-identity of the agent, and the moral element that rules out the possibility of a grossly evil person being a person of integrity. The challenge is to find an account of integrity that is non-reductive and able to harmoniously integrate both elements and capture the true sense of wholeness.

4. The Aristotelian Full Account of Integrity

A non-reductive account of integrity should consider that, when it is ascribed to a person, integrity is a virtue that is always concerned with the relation between self-identity and actions. Integrity involves both a self-governance for building and maintaining self-identity, and moral actions as the expressions of self-identity. The self-governance for building and maintaining self-identity – the personal element – reflects the individual's particularity and subjectivity in the sense of being conscious about where he stands, where he likes to be, and where he should go with the values in the light of which he acts and speaks. The morality of actions – the moral element – requires universality and objectivity, both of which should be largely explainable in terms of reasonableness in the evaluation of one's judgment to act morally. As moral actions are parts of the expression of self-identity, both the personal and the moral elements are inseparably integrated and the sense of wholeness in integrity is preserved.

Such a non-reductive account of integrity can be developed within the framework of Aristotle's ethics. For personal and moral elements can be integrated in the concept of *eudaimonia* in which the good life has two aspects: *first*, it is personally fulfilling, and *second*, it is one that we value most in our lives as human beings. To engage in the good life is to have personal self-fulfillment as well as to perform actions that are morally worthwhile. This Aristotelian account calls for two steps in understanding the integrity of individual person.

The first step to understand the integrity of an individual person is by thinking of the conditions in which the individual is really someone to whom we can refer as 'a single one', a single identity, despite the variety of life-contexts he lives in. The integrity of the individual is retained when in the various life-contexts he consistently exposes behaviors that reflect the kind of person he is. It is therefore mistaken, for example, to ascribe integrity to the individual who says that he believes in morality and yet he does not care about moral matters when he is engaged in economic life. For a person of integrity, the life in the economy and the life outside it are not two lives in different worlds, with completely different rules of engagement and ultimate ends. For if he regards them as two different lives in two different worlds, he basically surrenders himself to external influences and changes himself into a different kind of being, depending on the life-context he lives in. A person of integrity would regard his life in multiple contexts as one stream of life aimed at a single ultimate end, which, from the Aristotelian perspective, is the good life lived in the community. When he is engaged in economic life, a person of integrity would treat business as an action – or a *practice* in MacIntyre's term (MacIntyre, 1984) – and turn it into a virtuous action, for the good life consists of virtuous actions. For him, business is inseparable from ethics, because business and all other activities

prevail in the same world and can provide him with a way to obtain the good life. Since every domain of life is directed towards obtaining the good life, the integrity of the individual person has an inextricable moral dimension.

The second step to understand the integrity of an individual person is by thinking about the process through which the individual coordinates what constitutes his self in a manner that would maintain his own behaviors as expressing the kind of person he is. As a human being, the individual has the capacity to choose what constitutes his self, conceptualize his self, and decide the actions to express it. But whatever the conception of the self the individual person ascribes to, it has to offer an answer to the question as to what it is to be a human being. From the Aristotelian perspective, the self is an expanded self, an inchoate self that, in seeking completeness and unity, expands its boundary. By identifying itself with the ideal states of the communities of which it is a member, the self defines itself in terms of the ideal communities and realizes itself only in the perspective of co-realization with the ideal communities. The self directs itself to the good life, as the purposes of the ideal communities are hierarchically defined with respect to the good life as the ultimate end. In the context of economic life, for example, the self identifies itself subsequently with the ideal state of the corporation, the market community and the larger whole community. For as the good life is realized within the framework of the larger whole community, while the market and the corporate communities are members of the larger whole community, the completeness and unity of the self can only be manifested if the self takes the right actions that are aimed at a co-realization of the ideal state of all these communities. Accordingly, not only do the right actions express the self and constitute the good life that the self aims at, but also bring about the wholeness and unity of the self. Thus, we can say that the integrity of the individual person has very much to do with the process by which the individual comes to the right actions, and carries with the right actions a sense of the wholeness of self.

In sum, a person of integrity should meet the conditions of those two steps of understanding. The first step is concerned with external conditions, which are relatively observable and highly related to the morality of actions and, therefore, are usually used as criteria for the ascription of integrity. The second step is concerned with internal condition, which is existential in nature, as it is related to the wholeness of self. By keeping the direction of his life to the good life, through expanding the boundary of his self to include the ideal communities and consistently taking up the right actions, a person of integrity deserves moral praise and has a wholeness of his existence as a human being. The morality of his actions is expressed in the rightness of the actions, because the right actions that he takes are aimed at the realization of the ideal state of the communities, in which the other persons who are members of the communities can obtain the goods arising from the actions. The wholeness of his self is manifested when he takes the right actions, because all the ideal communities constitutive of his self are, in the perspective, to be co-realized by the actions. Thus, from the Aristotelian perspective, the term 'integrity' when applied to a person consists of two connotations, ethical and existential, the morality of the person's actions and the wholeness of the person's self. Since both connotations emerge as a result of taking up the right actions, personal integrity (the integrity of a person) is associated with the person's capacity to take the right actions.

In the case of economic life where there are several communities of which the individual can be a member, i.e. the corporation, the market community and the larger whole community respectively, while each community holds a different set of the socially shared values, a question may arise as to how the individual has to consider all the different sets of the socially shared

values in order to achieve integrity. From the Aristotelian perspective, the promotion of the values shared in the ideal state of the community and the right reason that proceeds from *phronesis* are two factors that make the right act right. Because *phronesis* refers to the good life as the single ultimate end, while the good life can only be lived in the context of the larger whole community, the promotion of the values shared in the larger whole community has to be taken as the first consideration before the promotion of the values shared in the market community and the corporation. And because *phronesis* is essentially concerned with the 'mean' relative to the individual with all his particularities, the promotion of the values shared in the larger whole community has to be done relative to the particularities of the individual. As a result, the right act must essentially lie in the individual's endeavor of managing his particularities for the promotion of the values shared in the larger whole community. The right act represents the best way to manage something particular for the sake of something that is more commonly shared with others. If the corporation and the market community where the individual spends most of his life-time are subsequently regarded as the individual's particularities, the right act can be seen as an act that simultaneously makes the individual contribute to the values shared in the corporation, the corporation contribute to the values shared in the market community, and the market community contribute to the values shared in the larger whole community. In such a case, the corporation is ideal as it aims at the ideal workings of the market community; the market community is ideal as it aims at the ideal workings of the larger whole community; and the larger whole community is ideal as its individual members can obtain the good life. Three social values, namely autonomy, friendship and justice are indispensable for individuals to obtain the good life because without individual's autonomy there is no real good life to be attained, and without friendship and justice there are no prospective ideal communities from which the good life is to be attained. In sum, the right act of integrity is one that contributes to the realization of the ideal state of all these communities. Through the right acts, the individual economic agent who possesses integrity obtains the good life from economic activities in the corporation and the market community. Through the right acts, he reveals himself as a good economic agent as well as a good man.

It is important to emphasize, however, that the promotion of the socially shared values, constitutive of the right act, does not subvert the vitality of the particularities. The vitality of the particularities can sometimes be very crucial to defend, because without the vitality of the particularities the promotion of the socially shared values may never proceed. In some cases, defending the particularities temporarily at the expense of some socially shared values can be part of the right act if by so doing the individual would ultimately bring the best promotion for the socially shared values. A good business executive, for example, may in the process have to defend at some social cost the existence of the corporation in the corrupt market community, while he is projecting the prospect as to how eventually the corporation can contribute to the improvement of the morality of the market community and the promotion of the values shared in the larger whole community. There is a sense of 'urgency' in defending the vitality of the particularities, but this vitality should never be treated as the only end constitutive of the right act. The ultimate end of the right act is the promotion of the values shared in the larger whole community. All the processes and elements that constitute the right act have to be placed in the framework of the promotion of the values shared in the larger whole community and the realization of the ideal state of the larger whole community.

Since every individual has different particularities, there can be many possible right acts for each particular circumstance. Nevertheless, two considerations should prevent the individual

from arbitrarily claiming that a certain act is right. These two considerations make any right act remain *reasonable*. *First*, though the right act is the 'mean' relative to the individual with all his particularities, the individual must always be ready to objectify his particularities and make his choice, with regard to his particularities, explainable to the others. As such, whoever has exactly the same particularities and takes the position of the individual in his particular circumstance would most likely make the same choice. *Secondly*, by taking the promotion of the values shared in the larger whole community as the ultimate end, the individual must always be ready to ensure that his choice would ultimately lead to the best promotion for the values shared in the larger whole community, though by his choice he should let the others who are more expert take a bigger role. With these two considerations, the individual cannot hide behind his particularities to shirk from a better chance to promote the socially shared values, nor can he use the promotion of the socially shared values as a reason to blur his particularities and to take advantage of it for himself. With regard to the realization of the ideal state of the communities of which the individual is a member, the individual cannot use his particularities as an excuse to defer his contribution when a chance comes up, nor can he take and control every role that he has no expertise for the sake of what he claims to be the realization of the ideal communities. An individual who possesses integrity would earnestly manage all his particularities in a way that would bring him to take the act that is just *right* for the realization of the ideal communities, because the ideal communities are, in a sense, parts of his expanded self.

Integrity indeed involves the wholeness and unity of the self, but the wholeness and unity of the self can only be manifested in the right actions. For the self is an expanded self that in a sense includes the ideal state of the communities of which the individual is a member, the right actions are actions that contribute to the realization of the ideal communities. A person of integrity is thus a person who, by managing all his particularities, has come to possess the reliable dispositions to contribute to the realization of the ideal communities. When integrity is interpreted as 'being true to one's self', it connotes a message that a person of integrity would show, not simply the fact that he truly possesses all his particularities, but how the performance of his particularities contributes to the realization of the ideal communities. He would show his obedience and loyalty to the rules and practices that define his job (profession) in the corporation, because he thinks that those rules and practices are parts of the way the ideal corporation should work. He might refuse the unethical orders of his erring superior because such orders hinder the realization of the ideal corporation, the ideal market community and the ideal larger whole community. Though he is steadfast and committed to some principles, he is ready to reassess his commitments when demanded by the realization of the ideal communities or to make a compromise when compromises are parts of the way the ideal communities are to be realized. Honesty and openness are crucial components of his integrity, because without both, he might mislead other people and undermine their autonomy for making the right actions and therefore hinder the realization of the ideal communities. Yet, lying or refusing to disclose the requested information is not something impossible for him to do, and in some cases is even obligatory, if it is gravely demanded to secure the only chance for the realization of the ideal communities. His persistence in pursuing the right decisions and actions indicates that he has a reflective character, but it is immediately clear that he is also affectionate, compassionate and generous in his emotional relationship with other people because these traits go along with friendship that is indispensable for the realization of the ideal communities. Sincerity is also part of his character, for when he chooses the right action, he chooses it only for its own sake. Since he is concerned with the performance of his own particularities for the promotion of the values

commonly shared with other people in the ideal state of the communities, his character is in stark contrast to the 'chameleon' and the opportunist; the former tends to blur his own particularities by changing his 'color' merely in order to match the situation, and the latter always tries to use the situation and take the benefits only for himself. He is certainly not a hypocrite who uses his particularities to deceive not only other people but also himself. By nature, he has courage to strive for the realization of the ideal communities, since the ideal communities are parts of his expanded self. A person of integrity has indeed the reliable dispositions to promote the values commonly shared with other people and to contribute to the realization of the ideal communities, and for this reason, he is really a trustworthy person.

Because the realization of the ideal communities is the main motive of the person of integrity when taking his decisions and actions, we can infer that the integrity of the individual person must have already presupposed the integrity of the communities of which he is a member. It is true that the integrity of the individual person does not depend on whether the communities of which he is a member possesses integrity, but he cannot possess integrity without presupposing the ideal communities which he wishes to realize. The ideal communities should be, in a sense, deeply embedded as parts of his expanded self. He should internalize the ideal relationships in the communities of which he is a member and should strive to realize them if he is to possess integrity. In other words, he should strive to contribute to the integrity of the communities of which he is a member if he is to possess integrity. The problem of the integrity of the communities brings us to the idea of institutional integrity, e.g. management integrity, corporate integrity and market integrity.

5. Corporate and Management Integrity

From the Aristotelian perspective, institutional integrity is defined with reference to the integrity of the community or interpreting it as a reflection of the ideal community. This definition has at least two important implications. *First*, institutional integrity cannot be simply attributed to an entity that has the framework of relationships, rules, systems and processes by which the performances of individuals are valued only in terms of satisfying its preset objectives. This particularly applies to a corporation and a market. For as a community, the corporation and the market are neither a machinelike entity nor an organic unity rigorously built by subverting individuals for the sake of the achievement of certain objectives, whatever the objectives are. *Secondly*, since the community does not subvert its individual members, institutional integrity has to be seen as being simultaneously concerned with two inseparable constituents of community, namely (1) the individual members and (2) their relationships, common goals and values that bring them together and make them behave in certain manners. What matters most in corporate integrity and market integrity is that the individuals should treat the corporation and the market of which they are members as moral entities and make them participate in the realization of the ideal state of the larger whole community. The concern is not only whether the actions attributed to the corporation and the market are right, but also and mainly how the individual members rightly participate in the project of the right actions. The individual members are the sources of the right actions and are the ones who would define and benefit from the end of the right actions (the good life). That is, in other words, to say that the integrity of the corporation and the integrity of the market depend largely on the integrity of their members. Accordingly, in order to possess integrity, the corporation and the market should enable the

individual members to develop and exercise virtues (the virtue of integrity) and thereby to obtain the good life.

Marvin T. Brown (2005) explores the issue of corporate integrity from a civic perspective and appeals to Aristotle's ethics for justification. The civic perspective relies largely on the theory of corporate citizenship in which corporations are seen as members belonging to the civil society and thus having relationships with the other civic agencies and sharing the common civic values. For Brown, corporate integrity is understood in terms of integrating multiple relationships in that individuals are seen as parts of the relationships constitutive of the corporation, while the corporation is seen as part of the relationships which constitute the larger civic and natural communities. The challenge is then to develop the right relationships that make one part fit with the other parts, by analyzing, evaluating and designing the communication patterns (verbal and nonverbal) between those parts, in respect to each of five dimensions of corporate life: interpersonal, organizational, social (civic), cultural, and environmental. But Brown's emphasis on the relationships inside and outside of the corporation, reducing individuals into something explainable in terms of relationships, seems to deprive individuals of their essential roles in the communities. He overlooks the fact that a community is constituted of both the individual members and the relationships that they construct and reconstruct, viz. not only the relationships which, as he believes, the individual members must 'belong to'. Thus, Brown's concept of corporate integrity is defective. For ignoring individuals while emphasizing too strongly the civic relationships in the pursuit of corporate integrity can lead to at least *two problems*, the solutions of which can only make sense if individuals are recognized as having the autonomy to make the right decisions and actions. *First*, the pressure arising from the civic relationships can lead to the omission of the goal of business (making a profit) in favor of the goal of the civic activities, such as public education, humanitarian assistance, disaster relief, and other philanthropic activities. This kind of omission impairs the vitality of the corporations and the vitality of the market system, and thus can end up with a state that is contradictory to the common notion of a thing possessing integrity (Terry, 2003). In order to avoid such an omission, the goal of business and the goals of the civic activities have to appeal to the good life (happiness) as the ultimate end, for then the making of a profit can remain the defining characteristics of business. However, since the good life consists in the right actions of individuals, which are essentially the means 'relative to them', there will be no way to obtain the good life unless individuals have the autonomy to make the right decisions and actions. Therefore, individuals and their autonomy are indispensable in the pursuit of and to the notion of corporate integrity. *Secondly*, if corporate integrity is reduced to the integration of relationships, there is no ideal state at which the corporation should aim, except that which is defined and designed collectively by the community or by those who represent, or pretend to represent, the community. Suppose the actual community is totally corrupt. It seems hard to accept the claim that the corporations whose activities consistently follow the widespread habit of corruption possess integrity. In such a community, integrity should only be ascribed to the corporation which takes every opportunity, without ruining its nature as a business institution, to improve the corrupt society. The improvement is only possible if individuals can exert their autonomy to raise questions and disagreements, to make the right judgments and decisions, and to take the right actions.

Thus, defining and developing corporate integrity seems to make sense only if it appeals to the good life as the ultimate end. Since the good life, which consists in the individuals' right decisions and actions, can only be lived in the context of the larger whole community, corporate

integrity must be concerned with the activities that would contribute ultimately to the realization of the ideal state of the larger whole community. We can say that corporate integrity is a corporate virtue manifested in the disposition of the corporation which possesses it to produce the right corporate activities that ultimately lead individuals, outside and inside the corporation, to make the right decisions and actions. In effect, though it is true that good corporate structures and culture, or good 'communication patterns' in Brown's words, are essential for bringing corporate activities into the right path, corporate activities can only be said to be right, with respect to corporate integrity, if they come out of the right judgments, decisions and actions that individuals make in the corporation. The disposition of the corporation to produce the right corporate activities is therefore a result of the dispositions of the individuals who are in charge in the operation of the corporation and particularly those in the management structure of the corporation. Accordingly, we can say that a corporate structure and culture is not good enough if it cannot support the development of the individuals who live in it and give them a positive motivational influence to make the right decisions and actions. But conversely, it is also not good for an individual to work in a certain corporation whose ongoing corporate structure and culture and its transformation are not ones within which he can live and make his contribution, even though that corporate structure and culture are likely to promote the right corporate activities. There should be an interplay between the development of good individuals and the transformation of the good corporate structure and culture, the result of which is expected to engender both the corporation of integrity and the persons of integrity living in it. The interplay has to be taken into account when we design the good corporate structure and culture for developing corporate integrity.

Another sort of interplay should also prevail between the transformation of the good corporate structure and culture and the structure and culture outside of the corporation. This external kind of interplay should ensure that the right corporate activities brought under the good corporate structure and culture truly encourage individuals outside of the corporation, those who are directly and indirectly affected by the operation of the corporation, to make the right decisions and actions. Together with the internal kind of interplay described earlier, the external interplay paves the way for the corporation to establish its corporate identity and character that is potentially acceptable and commendable in the public view, without necessarily confounding the status of the corporation as a private institution with public institutions. We can then say that corporate integrity is an expression of the good corporate identity and character. Following the working conceptualization of integrity proposed by Suresh Srivastva and David L. Cooperrider (1988), we can describe the process of development of corporate integrity in terms of four aspects, namely, interactional, dialogical, directional and consequential. It involves the *interaction* between one individual and the others in a community and between one community and the other communities within the larger whole community, transforms the interaction into *emphatic communication* and participation in the *direction* of the larger whole community, and *creates* harmony, solidarity and coordinated unity among different units. With regard to the good corporate identity and character, corporate integrity that expresses it reflects the corporation's best competency in serving the market and subsequently in contributing to the realization of the ideal state of the larger whole community. Similar to the case in which the right action of the individual is the mean relative to the individual and his process of habituation, the right corporate activity is the mean relative to the best competency of the corporation. Accordingly, the corporation that avoids establishing its best competency or, for profit reason, denies its best competency in its own activities would likely lack integrity. In practice, establishing the best

competency of corporation and thereby developing corporate integrity are not a matter of following a single method that is applicable for every corporation, because many particularities that a corporation has in its possession may have to be considered. In any case, when developing corporate integrity, we should appeal to the good life as the ultimate end, and take into account the internal and external interplay in the process.

The management has a strategic position in building corporate integrity, because it has two roles in its position in the corporation (Goodpaster, 1982). *First*, it manages the external relationships between the organization as a whole and the wider social and natural environment. *Second*, it manages the internal environment of the organization. The dual role of management points to its leadership in the corporation with respect to building corporate integrity. With the power at hand, the management has responsibility to develop the corporation and turn it into possessing a high level of integrity. The policies, decisions and actions taken by the management on behalf of the corporation should provide spaces for employees' participation for developing their personal integrity and contribute to creating external environment that is conducive for each party in the market and in the larger whole community, who can affect or is affected directly or indirectly by the corporation, to take the right decisions and actions. In the Aristotelian perspective, management integrity is then a virtue that disposes the management that possesses it to take right decisions and actions that would contribute to the realization of the ideal states of the corporation it manages, the market, and the larger whole community. Not only does management integrity promote corporate integrity, but it also promotes personal integrity development among individuals who work for the corporation. Such a full account of management integrity is built under the auspices of Aristotelian ethics. The account will be useful for managers in managing moral complexities in the Asia Pacific Region.

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