Ethical Fading:
Overlooking Ethical Considerations When Making Decisions

What it is

People can neglect the ethical implications of a decision because they are focused on other elements of the choice in front of them. This is Ethical Fading.

Stemming from the concept of blind spots that obscure important aspects of a decision, ethical fading describes how we fail to notice the potential unethical impact of our choices. As a result, an unethical outcome may occur, despite the desire to avoid it.

The subconscious process works in various ways. People have a tendency to predict that they will act in accordance with their values and act as they believe they "should." At the time of the decision, however, the ethical considerations may have faded away and the "want" self often prevails. Afterwards, when people analyze their decisions in hindsight, they have a tendency to rationalize actions and believe that they acted ethically even though the reality may have been different.

Why it matters

Ethical decisions in business don't necessarily involve explicit trade-offs between profits and ethics. Often, decisions are made with the ethical considerations hiding in an organization's blind spot. Case in point: In 1986, NASA's Challenger Space Shuttle exploded shortly after blastoff. Subsequent reports cited repeated quality control warnings from internal engineers and others, yet the launch was not postponed or called off. Management, ultimately, was deemed responsible for the poor decisions that led to the death of all astronauts on board.

All decisions big and small are susceptible to Ethical Fading. A variety of factors can contribute- or hinder- this common phenomenon, such as a company's culture and an individual's ethical awareness. Being fully aware of blind spots before taking action helps people make more ethical decisions leading to personal and professional prestige.

What to do

EMPHASIZE AN ORGANIZATIONAL CULTURE OF ETHICS

An ethical culture promotes ethics as part of the decision making process from top to bottom on issues both big and small. Leaders at the top and middle should model ethical behavior and seize opportunities to highlight and reward ethical behavior; research shows that highlighting good behavior induces more virtuous behavior as opposed to solely punishing those who transgress.

PROMOTE A LONG TERM PERSPECTIVE

Thinking short term can temporarily boost stock prices and enrich shareholders. Yet, considering the long term results can reduce employee turnover and strengthen the company's reputation. Put another way, ethics are more prominent if decisions are framed with long-term reputation and organizational sustainability in mind.

SLOW DOWN

Fast paced, rapid fire decisions do not leave much time for contemplation. Recognize that social circumstances or environmental pressures (factors that reduce self-control including low blood sugar, and high cognitive load, for example,) make you more vulnerable to poor decision-making. Slow down and carefully consider consequential decisions by putting yourself into the shoes of your stakeholders. How would they perceive the decision? Would moving forward create larger, unethical situations?

REFRAME, REMIND AND REITERATE

Many times we do not view that decisions are about ethics- usually financial and/or social factors are the top considerations. To reduce the risk of unethical behavior, companies can reframe decisions as opportunities to demonstrate ethics and consistently emphasize the importance of ethics throughout the organization.

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