

Tangible & Abstract

This video introduces the behavioral ethics bias known as the tangible and abstract. Tangible and abstract describes how we react more to vivid, immediate inputs than to ones removed in time and space, meaning we can pay insufficient attention to the adverse consequences our actions have on others. Being aware of the effects requires keeping one's ethical antennae up and using a certain amount of *moral imagination* to envision how the consequences of one's decisions might ripple out across society as a rock dropped in a pond creates ripples across the water.

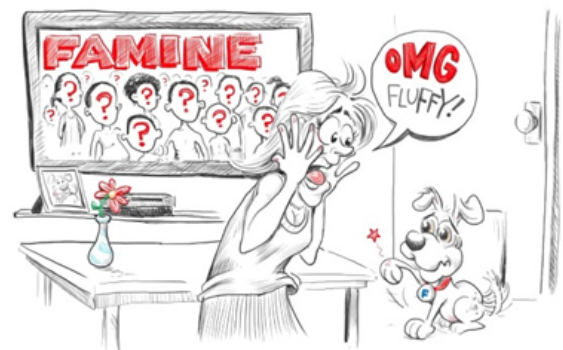
As noted in the video, decision making is naturally impacted more by vivid, tangible, contemporaneous factors than by factors that are removed in time and space. People are more moved by relatively minor injuries to their family, friends, neighbors, and even pets than to the starvation of millions abroad. This perspective on decision making can cause problems that have ethical dimensions.

The video gives several examples. Auditors who certify financial statements and stock analysts who put forward investment advice are particularly susceptible to this phenomenon because the victims of their inaccurate financial statements or errant investment advice are most likely nameless, faceless members of a large investing public who, one may easily rationalize, should have diversified portfolios anyway.

Engineers at Ford who put the Pinto on the market despite the car flunking numerous crash tests, might also have been affected by this phenomenon. If they did not put the car on the market, it would have been easy to see the immediate impact all around them: the company and their colleagues might have suffered humiliation and job losses. But if they decided (as they did) to put the car on the market despite its safety flaws, the victims of any accidents would be nameless and faceless. Their injuries were only hypothetical—mere impersonal future statistics.

If people look only at the short-term impact of their decisions in the immediate area, they may well act unethically in a way that has serious adverse effects upon many people. To refuse to recall a defective product might save money for the company in the short run, but leaving a dangerous product on the market might harm hundreds or thousands in the long-run.

Related to the concept of the tangible and abstract is the notion of *moral distance*. Pressing a button in an airplane to drop a bomb from 30,000 feet in the sky may weigh less on the conscience than pulling a trigger on a rifle to kill a clearly visible human being not far away. The farther a person is located from the impact of the consequences of his or her actions, the easier it is to act immorally. Since capital markets are supposedly so efficient that individual players can have little direct impact, they often feel very distant



from the potential victims of their misdeeds. As business is increasingly done at a global level, the impact of decisions regarding a company's supply chain and its impact on workers thousands of miles away may increasingly seem like something a businessperson can ignore. But when, as happened in 2013 in Bangladesh, a factory building collapses, 1,100 workers are killed, and headlines appear around the world, it becomes clear that a different decision should have been made.

To learn about related ethics concepts, watch *Moral Imagination*, *Causing Harm*, and *Ethical Fading*.

The case studies on this page examine the abstract nature—but very tangible consequences—of making policy decisions that deal with climate change and the global health epidemic Ebola. “Climate Change & the Paris Deal” explores how the actions (or inactions) of today's populations will have tangible effects on future generations. “Ebola & American Intervention” raises questions over the effects of the U.S. military's humanitarian efforts during the breakout of Ebola in Western Africa in 2014. For a case study about the issues facing companies that rely on supply chains with questionable working conditions, read “Apple Suppliers & Labor Practices.”

Behavioral ethics draws upon behavioral psychology, cognitive science, evolutionary biology, and related disciplines to determine how and why people make the ethical and unethical decisions that they do. Much behavioral ethics research addresses the question of why good people do bad things. Many behavioral ethics concepts are explored in detail in [Concepts Unwrapped](#), as well as in the video case study [In It to Win: The Jack Abramoff Story](#). Anyone who watches all (or even a good part) of these videos will have a solid introduction to behavioral ethics.

Terms defined in our ethics glossary that are related to the video and case studies include: ethical fading, moral agent, moral imagination, subject of moral worth, and tangible & abstract.

Discussion Questions

1. Studies show that people tend to be more upset about the death of a pet than the deaths of thousands of people in a faraway place like Africa. Is that consistent with your experience?
2. Charities find that they can stimulate more giving by describing the case of a single, named victim of a tragedy (earthquake, flood, war, etc.) than by presenting statistics about thousands of victims. Does that make sense to you? Should things work that way?
3. Assume that an admissions officer at a university meets with an applicant who is nice, attractive, polite, earnest, and marginally qualified for admission. Will it be easier to give that applicant the last slot in the class if the officer knows the identity of the applicant who will now be denied that last slot or if the officer does not know who that second person is?
4. Can you think of an instance where you made a decision to act (or not to act) that you might have made differently had the consequences of your decision been made more vivid to you?
5. Can you develop a hypothetical scenario in a business setting where the “tangible & abstract” phenomenon might help cause someone to act unethically?

6. How can a CFO or an investment banker or a manager of a chemical company protect themselves from the potentially odious impact of “the tangible and the abstract” on their ethical choices?

Additional Resources

Ariely, Dan. 2012. *The (Honest) Truth About Dishonesty: How We Lie to Everyone—Especially Ourselves*. New York: HarperCollins Publishers.

Bazerman, Max H., and Ann E. Tenbrunsel. 2011. *Blind Spots: Why We Fail to Do What’s Right and What to Do about It*. Princeton, NJ: Princeton University Press.

De Cremer, David (Editor). 2009. *Psychological Perspectives on Ethical Behavior and Decision Making*. Charlotte, NC: Information Age Publishing.

De Cremer, David, and Ann E. Tenbrunsel (Editors). 2012. *Behavioral Business Ethics: Shaping an Emerging Field*. New York: Routledge.

DeSteno, David, and Piercarlo Valdesolo. 2011. *Out of Character: The Surprising Truths about the Liar, Cheat, Sinner (and Saint) Lurking in All of Us*. New York: Crown Publishers.

Dienhart, John William, Dennis J. Moberg, and Ronald F. Duska (Editors). 2001. *The Next Phase of Business Ethics: Integrating Psychology and Ethics*. Bingley, UK: Emerald Group Publishing.

Gino, Francesca. 2013. *Sidetracked: Why Our Decisions Get Derailed, and How We Can Stick to the Plan*. Boston: Harvard Business Review Press.

Heffernan, Margaret. 2011. *Willful Blindness: Why We Ignore the Obvious at Our Peril*. New York: Walker Publishing Company.

Matousek, Mark. 2012. *Ethical Wisdom: The Search for a Moral Life*. New York: Anchor Books.

Messick, David M., and Ann E. Tenbrunsel (Editors). 1996. *Codes of Conduct: Behavioral Research into Business Ethics*. New York: Russell Sage Foundation.

Rhode, Deborah L. (Editor). 2006. *Moral Leadership: The Theory and Practice of Power, Judgment, and Policy*. San Francisco, CA: Jossey-Bass.

Werhane, Patricia H., Laura Pincus Hartman, Crina Archer, Elaine E. Englehardt, and Michael S. Pritchard. 2013. *Obstacles to Ethical Decision-Making: Mental Modes, Milgram and the Problem of Obedience*. Cambridge, UK: Cambridge University Press.

The latest teaching resource from Ethics Unwrapped is an article, written by Cara Biasucci and Robert Prentice, that describes the basics of behavioral ethics, introduces the videos and supporting materials along with teaching examples, and includes data on the efficacy of Ethics Unwrapped for improving ethics pedagogy across disciplines. It was published in *Journal of Business Law and Ethics Pedagogy* (Vol. 1, August 2018), and can be downloaded here: [“Teaching Behavioral Ethics \(Using “Ethics Unwrapped” Videos and Educational Materials\).”](#)

For resources on teaching behavioral ethics, an article written by Ethics Unwrapped authors Minette Drumwright, Robert Prentice, and Cara Biasucci introduces key concepts in behavioral ethics and approaches to effective ethics instruction—including sample classroom assignments. The article, published in the *Decision Sciences Journal of Innovative Education*, may be downloaded here: [“Behavioral Ethics and Teaching Ethical Decision Making.”](#)

A detailed article by Robert Prentice with extensive resources for teaching behavioral ethics, published in *Journal of Legal Studies Education*, may be downloaded here: [“Teaching Behavioral Ethics.”](#)

An article by Robert Prentice discussing how behavioral ethics can improve the ethicality of human decision-making, published in the *Notre Dame Journal of Law, Ethics & Public Policy*, may be downloaded here: [“Behavioral Ethics: Can It Help Lawyers \(And Others\) Be their Best Selves?”](#)

A dated but still serviceable introductory article about teaching behavioral ethics can be accessed through Google Scholar by searching: Prentice, Robert A. 2004. “Teaching Ethics, Heuristics, and Biases.” *Journal of Business Ethics Education* 1 (1): 57-74.

Transcript of Narration

Written and Narrated by

Robert Prentice, J.D.
Business, Government & Society Department
McCombs School of Business
The University of Texas at Austin

“Psychological studies show that human decision making is naturally impacted more by vivid, tangible, contemporaneous factors than by factors that are removed in time and space. For example, people are more moved by relatively minor injuries to their family, friends, neighbors and even pets than they are by the starvation of millions of people abroad. This tendency we have – to give greater value to the tangible over the abstract – can cause problems that have very real ethical dimensions.

Consider a corporate CFO who realizes that if he does not sign false financial statements, the company’s stock price will immediately plummet. Not only will his firm’s reputation be seriously damaged today, but employees whom he knows and likes may well lose their jobs tomorrow. Those losses are vivid and immediate. On the other hand, to fudge the numbers will visit a loss, if at all,

mostly upon a mass of nameless, faceless investors sometime off in the future. Perhaps unconsciously, the CFO will feel substantial pressure to go ahead and fudge the numbers to protect against immediate and tangible losses.

Sociologist Robert Jackall studied in detail the inner workings of a corporation in his book *Moral Mazes*. Jackall interviewed a manager of a chemical company who said that of course he didn't want to damage the environment or hurt people's health. When the manager was faced with a choice between putting a chemical in water that would kill twenty people out of a million versus spending \$25 million of the company's money to spare those lives, he said: "Is it worth it to spend that much money? I don't know how to answer that question as long as I'm not one of those twenty people. As long as those people can't be *identified*, as long as they are not *specific* people, it's OK to put the chemical in the water. Isn't that strange?"

Psychologists Max Bazerman and Anne Tenbrunsel tell the story of a Goldman Sachs employee who blew the whistle on a "late trading" scandal that allowed certain favored clients to trade to the detriment of most of Goldman's average clients. The Goldman Sachs employee had originally viewed victims of the practice as part of 'a nameless, faceless business.' She said, "...In this business this is how you look at it. You don't look at it with a face." But when her own sister asked for investing advice for her 401(k), suddenly she saw things differently, "I saw one face—my sister's face—and then I saw the faces of everyone whose only asset was a 401(k). At that point I felt the need to try and make the regulators look into [these] abuses."

Working inside big corporate bureaucracies often causes people to feel largely separated from the consequences of their decisions. Likewise, working in global or multinational corporations with offices around the world can also cause people to feel that they are not responsible for the impact of their decisions. These are just a couple of examples of the tangible and the abstract at work, and often it's not a pretty picture. Just because we can't vividly perceive the impact of our decisions on those around us, it doesn't mean there isn't one. To be ethical, we must look to the horizon and beyond when making business decisions."