Accountability and Responsibility in Organizations: the Ethics of Discretion

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The article presents a comprehensive approach to the administrative discretion. The objective of the paper has been to outline a perspective and patterns of behaviour, which are helpful defining "discretion in action". Theoretical discussion on the issue has been extended towards practical implications. Author stresses, that establishing a decision-making architecture, leaders of the organization can create learning and supportive environment, which encourages appropriate and limited use of discretion.

Introduction

Few aspects of Public Administration engender more controversy than the idea of discretion. For most, the attitude toward the exercise of discretion must be described as ambiguous and even ambivalent. While the necessity of the exercise of discretion is not disputed, there is little agreement on the normative foundation (Bryner, 1987) for that activity. Yet without a normative foundation, there is little basis upon which to judge the exercise of discretion.

Recent literature on ethical practices in the governments of Africa has boldly asserted that discretion leads to the breakdown of the rule of law and threatens the capacity to govern (Hope, 1999). Those who have witnessed the slow slide into corruption that has befallen many a nation make the reduction of official discretion a cornerstone of public sector reform. As Hope (1999) laments:

Following independence, most African countries shamelessly transformed themselves from bureaucratic administrations that generally emphasized good governance and law and order to those that emphasized the sovereignty of politics <...> . Thus the postindependence government bureaucracy that emerged in most countries contributed to institutional instability, the politicalization of the state, and patrimonial economic management and incentives, whereby political and personal loyalty and obedience were rewarded more than merit (p. 290).

Who can argue with such a judgment? Yet, these harsh realities, and the call for an empowered bureaucracy and ethical political leadership in response to those realities, suffer from the same lack of normative grounding. In the United States it seems we want to disenfranchise the bureaucracy in order to "unshackle" politics and its democratizing influences. The call is for a more responsive and activist government. In contrast reform in Africa is based upon a concern for the politicization of decision-making. Are we that different? Are the problems faced in the U.S. and in Africa, truly diametric opposites? The reality is that we are using very different bases for defining discretion. Before we can advance the discussion of discretion, we must first define it, and only then can we develop a normative perspective to apply it.

The exercise of discretion by those in the public service has been viewed as problematic from three quite distinct perspectives. First, if discretionary decisions yield non-uniform decisions, do those decisions deny basic democratic tenets of equality of treatment, and therefore, become a threat to democracy itself? This is the concern of those who examine professional ethics, especially the ethics displayed by “street-level bureaucrats” (Lipsky, 1980).
1980) such as the police (Johnson and Cox 2005). Second, for a minority of scholars the problem is reversed. They see bureaucratic norms, which reject the exercise of discretion, as preventing adequate service to citizens in greatest need (equity). The question becomes that of directing or controlling discretion to the service of the ideal of democratic governance, rather than any of the several values of the organization, such as economy, efficiency, or effectiveness. The fear expressed by those who hold this view, including Yates (1981), Gruber (1987), and Hummel (1987, 1994) is that the exercise of discretion, when founded on those internal organizational values, can destroy the core of representative democratic government (see also Downs and Larkey, 1986). Importantly, Yates (1988) bases his arguments on moral grounds.

The public official's fundamental moral obligation in a democracy is to pay increased attention to the definition and treatment of values the more these values are in conflict in a decision. Public officials should provide a thorough value analysis as one of the central justifications of public decisions. Indeed that is how I would define responsibility in bureaucratic decision making. Without the knowledge, it is hard to see how the idea of democratic control of administration can be anything more than a dangerous fiction (p.82).

The third viewpoint, which encompasses advocates of privatization, such as Butler (1985) and Savas (1985), sees administrative discretion as destroying politics. Their solution is to radically restrict bureaucratic discretion, i.e. to have the bureaucrats simply "do as they are told." Taken to its illogical extreme, this is the vision of the "corruption" of the governments in much of modern Africa.

The only thing that anyone can agree upon is that discretion must be checked. But how to check discretion is an age-old question. The famous Friedrich-Finer "debate" in the academic journals of 1940 and 1941 addressed this very issue; but then, as now, it was a matter of which side you were on. Few minds were changed. For Carl Friedrich (1940) only a check based on professionalism and moral standards was required. Waldo (1984) describes this as the "inner check." The Finer (1941) perspective emphasized the external demands of the system of checks and balances, politics, and organizational structure. The central point seems to be that neither perspective is sufficient, though both are necessary components of any approach to bureaucratic accountability and, therefore, control of discretion.16

In the mid-1990s Price Waterhouse (1996) developed the notion of a decision architecture in an organization that answers the not so simple question, "who decides who decides?" Organization members "create architecture for decision making and, thereby, bring clarity and consensus on key decisions and decision rights. The mechanism for decision-making must be explicit and continually reinforced. The idea is to ensure that decisions are good ones, taken swiftly and based on real data and credible assumptions. Realistic decisions, swiftly taken, are necessarily the purview of those with the appropriate perspective (p.269)." Later that notion was extended by Cox (2000) to explore how to encourage and support ethical decision-making in organizations. The components of the decision architecture of an organization must reflect the following:

1. Fairness and equity are of paramount concern;
2. "Good" management is a product of capacity and desire;
3. An ethic of "doing what is right";
4. Multiple participants;
5. Articulated value statements (used both to preview and review decisions);
6. Accountability systems (grievance procedures) (Cox, 2000).

Taken together these components are intended to create a decision matrix that achieves "realistic decisions," and, therefore, serves to channel discretion.

Whether the decision architecture can serve as a practical and realistic advance over the traditional control mechanisms is the central question to be addressed in this paper.

A Preliminary Definition

Put most simply, discretion represents the judgment as to what activities in an agency are to receive priority. The common assumption is that, at any moment in time, administrative officials have a choice of what to do, and that the choice affects the agency and the public. The exercise of discretion presumes both the need for and the capacity to exercise judgment. The situation and circumstances drive the decision to exercise discretion. This is not about simply implementing the "routine." The fundamental question is how to ensure that the discretionary decision-making by bureaucrats is

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16 A more detailed analysis of the control mechanisms applied to limit discretion can be found in Cox, 2000.
done “rightly.” What will be argued here is that the capacity to exercise discretion well is not merely the result of thinking or wanting to do things well. It involves a priori judgments of what is right that includes an accurate assessment of the situation, an ethical and political framework that defines the boundaries of behaviour and the capacity to act. As Hannah Arendt (2003) notes,

> The faculty of judging particulars (as Kant discovered it), the ability to say, “this is wrong,” “this is beautiful”: etc., is not the same as the faculty of thinking. Thinking deals with the invisibles, with representations of things that are absent; judging always concerns particulars and things close at hand (p. 189).

The exercise of discretion is the act of judging at a moment in time about specific circumstances. Borrowing from Arendt (2003) and, as will be explored later, Weber (1946), the exercise of discretion involves four elements or activities; experiencing (sense making), thinking, judging and acting. While each of these elements has an individual or singular aspect, our concern here is more with the organizational or collective aspect of these activities. Only by examining these four inter-related concepts can we understand the act of exercising discretion (practice). These elements can be used to explore in more detail the potential of the decision architecture as a framework for understanding discretion.

**Scope of Work**

It is not enough to explore the academic and theoretical boundaries of this concept. As Fesler and Kettl (1991) note, the elements of discretion may conflict. Discretion in practice must accommodate and blend both accountability and morality. Reconciling the demands of the workplace (political, social and economic) with the expectation (personal or otherwise) of ethical behaviour is not easy. Dubnick and O’Kelly’s (2005) thoughtful and provocative exploration of the idea of thick and thin relationships as the basis for understanding discretion in practice represents one approach. While pursuing the same ultimate goal, this work explores both the normative and practical dimensions of discretion. However, because earlier work (Cox, 2000; 2001) concentrated on the normative foundations of ethical decision-making, this effort will be closer in perspective to the practice oriented work of Dubnick and O’Kelly.

To accomplish the above task this paper will explore the four elements of decision-making, with particular relation to both the decision architecture and ethical conduct. These elements will then knit together to create an expanded conception of the decision architecture and a set of recommendations for "discretion in practice."

**Elements of Decision-making**

**Sense Making and Tacit Knowledge**

There is always a context within which events occur. Every organization, and every person in the organization, has a history. Those histories are the lens through which each individual judges the organization. As Baumard (1999) comments, “an organization’s interpretation system can be characterized as a succession of three steps: scrutiny (understood as an acquisition of data); conferral of sense to the information obtained; followed by organizational learning, defined as the process by which certain knowledge about action dominates the organization’s relationship with its environment (p. 8).” He goes on to note that “interpretation is to be understood as both a process and a product. Understood as a product, it serves as a basis for the taking of action, and so precedes organizational learning. Understood as a process, interpretation is the sequence through which a signification is given to information and through which actions are chosen (p.8).” This interpretation system is the result of applying two forms of knowledge – tacit and explicit - to sense making. The distinction between the two types of knowledge is as much in how we become cognizant of it, as it is different typologies. Explicit knowledge emerges from “facts, knowledge codified, ‘ruled, archived and organized knowledge’ that which can be expressed in words and numbers, whereas tacit knowledge represents learning and unlearning through experience, knowledge in motion - subjective, interpretive, equivocal and continuous (Baumard, 1999, p. 8).”

People in organizations apply both tacit and explicit knowledge to understand the world around them (Gherardi and Nicolini, 2004; Stati, 2004). “It is in fact the interaction of explicit and tacit knowledge that allows organizations to make sense of their environment, by appealing to both the exercise of moderation, to control and modellization (explicit knowledge), and organizational memory, to their experience and that of others, and to intuition (tacit knowledge) (Baumard, 1999, p.8).”

Weick (2001) outlines seven elements of sense making in organizations:

1. Sensemaking is focused on those actions around which the strongest commitments form;
2. The content of sensemaking consists of justifications that are plausible to, advocated by, sanctioned within, and salient for important reference groups;
3. Actions “mean” whatever justifications become attached to them. Committed actions are equivocal since they have multiple meanings; the justification process reduces this confusion;
4. Organizing begins with moments of commitment. These moments determine the meanings that are available to make sense of events that fill the other noncommitting periods. The generation of meaning is a discontinuous process that is activated when important actions coincide with settings in which those actions are performed volitionally, publicly, explicitly, and irrevocably. Since commitment is an additive process, commitments strengthen slowly and incrementally;
5. Presuppositions, expectations, and even faith are important engines in the sensemaking process, especially when actors are confident and environments are malleable;
6. Organizations are ideal sites for committed interpretation because they generate action, champion accountability, make choices, value good reasons, and scrutinize everything. People do know best that to which they are committed, but not because they knew it and then became committed. It is just the opposite. Action leads the sensemaking process; it does not follow it. Action is intelligence, and until it is deployed, meaning and sense will be underdeveloped;
7. Organizations are not monoliths. Instead, they are loosely coupled fragments, just as individuals are. This fragmentation means that the relevant unit of analysis is small in size though not in influence, that small events spread intermittently and fortuitously, and that macro perspectives are hollow unless linked with micro dynamics (pp. 26-28).

Knowledge in organizations moves from individually attained knowledge to organizationally attained (learned) knowledge. The pattern as Baumard (1999) describes it is as follows:

- Tacit to explicit (articulation);
- Explicit to explicit (combination);
- Explicit to tacit (internalization);
- Tacit to tacit (socialization) (pp. 25-29).

While Baumard (1999) suggests that organizational learning emerges from combination, internalization and socialization, explicit knowledge that emerges from articulation is no less important. The weakness of tacit knowledge is that often it is “invisible”, it represents how people act unconsciously and intuitively. That seems to imply that it is done without thinking. This would be a mistake in that it confuses knowledge applied based upon “experience” and “calculation.” Equally important for this analysis is the link between the context of an action and the emergence of the knowledge to act. As Baumard explains, “Knowledge is thus a mutable and fragile organizational entity. Its sense is derived from its application, and is lost once it is removed from the context of its utility (p. 16).”

While all four of these process are deserving of further analysis, it is the process of internalization (explicit into tacit knowledge) to which we turn. Stated another way, this aspect of knowledge development is closest to what we earlier described as thinking. This is not to suggest that the other processes do not require thinking but merely that this process is the only one in which self-conscious thought is needed.

Thinking: Ethics and Decision-making

The second aspect of discretion is derived from the desire to behave ethically. To use the old saying: ethics is about doing what is right, not merely doing it the right way (Burke, 1989, 1994; Cooper, 1994). Discretion may be about choosing to act ethically, even when the action has no prior foundation in policy or precedent. It may even require the refusal to follow established policy and procedure by challenging the politically powerful (Hope, 1999, Cox 2004). Lest we see ethical behavior as the opposite of rule compliance, it may be easier to define this aspect of discretion as the desire or motivation to act ethically when making public decisions. Stated this way, administrative discretion may in part constitute the responsibility of the administrator to pursue ethical choices regardless of where those choices might lead (Cox, 2004). The ideal of ethical decision-making as an element of policy implementation (Bowman, 1991; 1992; 1994).

17 The similarity between the notion of tacit knowledge as invisible and Kant’s assessment of thinking as invisible are worthy of exploration, but are for now beyond our scope. Kant had quite different ideas in mind when he declared “thinking as invisible (and ultimately not productive) (see Arendt, 2003).
18 This is precisely Arendt’s point about “judging.”
Denhardt, 1988; Frederickson, 1982) may produce some unexpected results, when combined with other values, such as democracy and representative government. The difficult or hard choice (the most critical time for the exercise of discretion) by any public servant is not whether to help someone, but rather the limits of that help. There are inevitably more who seek help than can be served. The difficult choice is to determine, ethically, when to end assistance. One must remember that the longer an official spends on the special case (the non-routine case) the lengthier the waiting list of those as yet not helped. Worse, this is precisely the situation for which neither bureaucratic routines, nor policies, nor court rulings can provide professional guidance.

The modern concept of democratic governance is associated with a set of principles of political philosophy focusing on relationships between the individual and the government. Max Weber in his political writing (1946) defines a democracy as providing formal rights of equal opportunities. Popularly, democracy is linked to the idea of participation and the right to vote. But, there is also an organizational aspect to democracy. As Sheldon Wolin (1987) has commented:

It [democracy] is a way of constituting power. Democracy is committed to the claim that experiences with, and access to, power is essential to the development of the capacities of ordinary persons because power is crucial to human dignity and realization. Power is not merely something to be "shared", but something to be used collaboratively in order to initiate, to invent, and to bring about (p. 470).

Public sector decision-making (and by implication discretionary judgments) concerns the organizational activities of "initiating, inventing, and bringing about." Or, to put it more simply – deciding how the precepts or underlying assumptions of democracy relate to understanding public decision-making. Critical for this analysis is to define the process values of democracy that make "initiating, inventing and bringing about" possible.

The paradox of democracy is that the core value is not “freedom from government” (Rohr, 1978), but rather the responsibility or duty to participate (Cooper, 1991, Thompson, 1987). While democracy does not require full or complete knowledge to participate, it does require that persons, as citizens or representatives, offer their views. Complete knowledge is neither expected nor required. Participation permits the accumulation of the incomplete knowledge of all participants to yield a common view. Such knowledge is not merely cumulative; it is synergistic (Hummel, 1986). Denial of participation is a threat to the entire democratic decision-making scheme. It is for this reason that participation is not merely a "right" to be exercised at will, but rather a duty that undergirds the entire process.

**Judging**

How does an ethical perspective help people in organizations make “hard choices”? Hard choices imply not only a complicated situation, but also a desire to act ethically, a focus on the outcome of the decision, and a willingness to accept public scrutiny both during the decision and after the outcome is known (Bok, 1978; French, 1978). The elements of this framework include:

- Complexity: The circumstances are confused and difficult;
- Self aware: Honest toward self and toward what we want as an outcome. A desire to be consciously and methodically ethical in reaching a decision;
- Responsible: A concern for others and an acceptance of the consequences to others of the action taken
- Justifiable: Decisions can be justified, but never excused;
- Public: Willingness to explain to others how a decision is made, before it is made;
- Realistic: Accepting of the world as it is, not as we wish (Cox, 2004).

Such a decision framework is not for the faint-of-heart. It requires both a commitment of purpose and the strength to endure failure. Those we call “statesmen” are men and women who have understood that to be ethical is to face the hard choices. Great political leaders make hard choices. It takes considerable courage and strength of will to do what one thinks is right, regardless of the views of others or of the personal consequences. That is the essence of ethical decision-making, because the concerns are directed to the consequences for others, not for oneself. But it is also more than a lack of concern for person or career. Public decisions have consequences beyond person and “political” interests. Not all actions produce only “benefits”. An examination of consequences, is an articulation of “what is next”. Hiding from consequences does not make them go away, but rather it means we will be caught unaware when they inevitably occur. Hiding from
consequences is a way of pretending that actions do not have consequences. Only by confronting the consequence of an act can we decide whether or not we accept that consequence. There are no rosy scenarios in this examination of consequences. In all likelihood every action has “negative” consequences (this is the real “dirty hands” [Walzer, 1973] of politics). Ignoring consequences, or to deny their existence, is to prevent hard choices from being made.

Judging the consequences of decisions is a key responsibility of organization leaders and managers. The key elements of management include, at a minimum, both an appreciation of how to frame problems and an understanding of the need for flexibility and experimentation in implementation. Six elements of management practice that would represent minimum competencies are:

- Fact-based decision making, including full awareness of the context as a "public event" and as a specific circumstance;
- Understanding the consequences of any action;
- Recognizing obligations to others; whether teammate, customer, or citizen;
- Visioning and creativity;
- Problem prevention;
- Leadership.

As presented these ground-rules fall into two categories: the first three relate to how a manager defines problems, and the second three relate to how a manager decides what to do. Stated another way, these two ground rules represent the “decision architecture” that the Price Waterhouse (1996) team called for.

**Defining Problems**

Rufus Miles was correct when he said, where you stand depends on where you sit. A fact-based decision is not the simple and straightforward task implied. Facts are influenced by perception, belief and desire (Morgan, 1986). While that may call into question some of the analytic techniques we depend upon for answers, the critical point is that this broadened understanding of "facts" is the first step toward freeing the manager to be "creative" in defining problems. The ability to see "problems," where others see only "symptoms," starts from this recognition that facts may hide more than they reveal.

The facts, which shape “where we sit,” are defined by the public nature of any problem confronting a public manager. To take this one step further, publicness implies both a focus on citizens (not merely clients, or constituents) and on democracy/constitutionalism. The mandate to begin problem-solving, by creating a vision of an idealized (ultimately, it should be unattainable) future, is the mandate to be creative and "other directed."

**Deciding What To Do**

The ability to help an organization achieve its goals may be the best available definition of leadership. John Gardner (1988) suggests that leaders must have the capacity to perform four functions: agreement building, networking, exercising non-jurisdictional power, and institution building. As he notes, these are skills more associated with the "politician" than the manager, though, as with Weber, the terms must not be thought of as "job descriptions," but rather as descriptors of style and character. It is what most distinguishes the politician from the manager that is important. The most critical characteristics are the understanding of consequences and obligation to others (particularly those "beyond" the organization). "Leaders must look beyond the systems they are heading and grasp the relationship to larger realities" (Gardner, p. 14). Leaders must widen the discourse:

Considering the consequences of actions is not the task of the solitary manager. Just as the "team" has the capability to see beyond any individual, the team also has a greater capacity to "creatively" address the future. As important, public perception of the fairness of decisions and actions are critical to support of that action (Gilman, 1999). Foreknowledge and participation are prerequisites for democratic decision-making. This is true whether the "public" is limited to others within the organization, or includes all citizens.

Collective responsibility implies that there is a collective duty in decision-making. This is the opposite of hiding "inside" the organization, by kicking things "upstairs" when tough choices are required. It also means that the "boss" is never exclusively responsible. Collective decisions imply collective responsibility; all involved in the decision are culpable. Arendt (2003) argues that there is no collective responsibility when there is no involvement in the activity. She does not say this to absolve those who do not participate merely to distinguish between those who participate in evil and those who permit it. “I do not know when the term ‘collective responsibility’ first made its appearance, but I am reasonably sure that not only that term but also the problems it implies owe their relevance and general interest to political predictions as distinguished from legal or moral ones.
perspective necessary to be a policymaker. The key "future orientation." Weber speaks to the ethical architecture to create a basis for action.

Leaders make it possible for decisions to be made, and the leader may be more influential in the shaping of a particular decision; but, ultimately, the decision is shared by all. A person cannot absolve himself/herself from a decision by claiming to disagree, unless that opposition is given voice at the appropriate time. Far more would express opposition, if they knew they could not duck some of the blame for a policy gone wrong. Just as we in our democracy have a collective responsibility for the decisions rendered, all share the decisions of the organization. It is the duty of the manager to seek ethical decisions, but it is equally the duty of all participants. That is as much the meaning of "empowerment" as sharing in the glory of a decision well made. Leaders are not "more" responsible than others, that is the fallacy of treating ethics as the action of a solitary manager. That being said, only the leader can create the conditions in which shared responsibility is achieved.

Carla Day (1999) argues that value statements can be used by organizational leaders to begin the process of defining an organizational ethic. True to the notion of the conversion of explicit knowledge into tacit knowledge (internationalization), she also warns that "to guarantee compliance with new policies, values should also be supported by coherent and congruent regulatory practices within the framework of the existing culture (p. 164)." In other words, the value system of the organization (or of the government) must be reconciled with that of the organization members. But this need not be a reduction to the lowest common denominator of behavior. Rather, it can be a significant exercise in "cultural" renewal and the foundation for a collectively defined organizational ethic that can guide practice and thus the exercise of discretion. Defining and articulating an organizational ethic is the last piece in the puzzle in the development of an overall framework of discretion in action. Thus, we turn now to the concept of "decision architecture" to create a basis for action.

Max Weber's "Politics as Vocation" (1946) addresses the importance of vision, purpose and a "future orientation." Weber speaks to the ethical perspective necessary to be a policymaker. The key to this perspective is its emphasis on the consequences of actions, not merely its purpose. This is, as Weber describes it, the ethic of the "mature man." The ethic, which Weber advocates, is an ethic that is fully conscious of the consequences of actions, yet remains grounded in principle. It is a perspective that is both of the heart and of the head.

Lawrence Kohlberg's moral development theory (Carlson, 2002) stretches the Weberian notion of the "calling of politics." "Public administrators must recognize that different levels of moral judgment exist, and that situational variables such as education, age, life experience, and degree of autonomy may affect an individual's moral judgment (White, 1999)." Weber's mature man and Kohlberg's post-conventional man are quite similar. Each is fully conscious of the circumstances surrounding the decision and the consequences for others in the choices to be made. Similarly, each must have experience, autonomy and accountability. Discretion is granted to those who have such "maturity." It is not the product of rank or title, but the capacity and capability to act.

**Acting (the Decision Architecture Revised)**

Early in the discussion the idea of a decision architecture was introduced. The key elements of a decision architecture are worth repeating:

- Fairness and equity are of paramount concern;
- "Good" management is a product of capacity and desire;
- An ethic of "doing what is right";
- Multiple participants;
- Articulated value statements (used both to preview and review decisions);
- Accountability systems (grievance procedures) (Cox, 2000).

The decision architecture provides the institutional framework within which to decide who and how to decide, i.e. when to exercise discretion. Importantly, this is an exercise in judging "particulars" (Arendt, 2003, p.189). As Arendt frames the matter the capacity think to conclusions is the critical factor. This is the balance that must be achieved. The first three components of the decision architecture are abstractions (to put it into a Kantian framework, it is the result of thinking). They help answer the equivalent of the questions, what is good? or, what is evil? However, the last three components give a particularistic focus. They are tangible "things." It is this sequence, from the invisible and abstract to the particular and
tangible, that is the hallmark of this approach. Let us look at these components in more detail.

First are the three abstractions: fairness and equity, capacity and desire, and doing what is right. Each establishes ground-rules by which persons in the organization interact. Only through experience of the organizational culture and behaviours can these ideas (ideals?) be understood. Yet just as tacit knowledge (Baumard, 1999) dominates our work experience, these ideals, as experienced at work, shape our understanding of the work world. Without these or other abstractions (including the negative version of each of them) then workers cannot make sense of their place in the organization. Furthermore, they cannot judge what goes on around them. As Arendt (2003) would explain it, we must think about our work, before we can do our work. But also, without the particular focus of the second set of components can this abstract thinking become tangible work. Multiple participants, articulated value statements (mission, goals, code of ethics), and accountability systems are part of work-life. They establish the boundaries and pathways by which we are directed to act.

It is not sufficient to rely upon the decision architecture to control discretion. This is not to suggest that we "go back to where we started" with the debate over control systems. But rather, it is an acknowledgement that unless the attitudes, values and behaviours of the individual support and reinforce the decision architecture then the process will fail. As Hope (1999) has found in his examination of corruption in Africa, the "architecture" of the law and regulatory processes are meaningless unless compliance is valued by those in authority. Corruption flourishes in the face of law, where there is no interest in conforming to the law.

The value statements that Day (1999) finds so powerful must be the agent that tempers entrepreneurship and infuses a higher order spirit of democracy. The source of such a spirit is found in the ideas of Weber and Kohlberg. The person with the "calling for politics" is the post-conventional mature person. Critically, both perspectives emphasize consciousness of the situation and the exercise of judgment based upon experience and the desire to do what is right. Stated another way, maturity comes with the acquisition of tacit knowledge. Such persons are the leaders that Gardner defines as necessary for successful organizations.

One final point is critical. As Baumard (1999) points out, in emergencies two phenomena are observed: (1) a tacit organization between individuals instinctively reappears; and (2) the social organization of individuals remains ever present. The tacit regains the upper hand over the formalized. In any case, the speed of the phenomenon leaves neither space nor time for commentary or rationalization (p. 37). Can the concept of “maturity” be linked to that of the possession of tacit knowledge? If that link is made then it would suggest that the thick-thin relationship advocated by Dubnick and O’Kelly (2005) sadly may be another analytic cul de sac. Dubnick and O’Kelly (2005) are correct that ethical judgments are the by-product of ethical pulls and moral pushes. However, it is internalized and socialized tacit knowledge that dominates the judging and acting in emergencies (precisely when discretionary judgment is most needed). When ethical conduct is internalized then discretionary judgments will reflect some combination of ethical and moral precepts (both thick and thin). There is not a conflict between the real world and the normative world in the way Dubnick and O’Kelly (2005) suggest. Their reference to Audi’s (2004) use of “ethical intuitionalism” is a step forward. However, what is suggested here is that this is not a competition for domination of decisions, rather it is a conflict over learning how to cope with the potential contradictions between the two perspectives. To go back to Arendt’s (2003) analysis of Kant, thinking (a normative activity) precedes judging, but judging is different from thinking in that it is time-bound and situational. To be an ethical judgment it must also be self-conscious and realistic (Cox, 2004). We cannot back-track to thin (normative) relationships. Rather, we are constantly struggling to balance the generalized demands of the normative with the specific requirements of the making a decision in the specific. As we gain maturity, the need to balance these values and the capacity to do so are indicators of having achieved tacit knowledge.

**Failures of Judgment**

The true problem of discretion is not the failure of the control mechanisms. Rather it is in having the wrong person exercise discretion. What then are the sources of this mismatch between the capacity to judge and the responsibility to judge? Stated simply, the above analysis suggests four causes:

- Inexperience;
- Lack of knowledge;
- Burn-out (diminished capacity);
- Corruption.
Inexperience

While inexperience is most obviously a problem endemic in newly hired (or newly promoted) workers, inexperience also exists when persons have not yet been socialized into the organization. Weick’s (2001) notion of sensemaking in the workplace is gained through experience. Work that is very narrowly defined (faculty versus administrators in American universities), or done in isolation (the police office on the street, or the worker in a field office) can also reflect a kind of inexperience. In both of these instances there is no opportunity (or the opportunity is not recognized) to combine and/or internalize knowledge. Inexperienced workers are not yet committed (Weick, 2001, see also the discussion on page 8). As such they cannot act and without that action they cannot make sense of the organization. They are hesitant and apparently indecisive because the cues, which lead to acting, are not recognized.

Lack of Knowledge

From one perspective inexperience and lack of knowledge are related. Without experience knowledge, and particularly tacit knowledge, cannot emerge. But a lack of knowledge can occur at both the individual and organizational levels and it has both explicit and tacit dimensions. There is also the question of the individual worker’s capacity to learn and gain knowledge. Some of us have a good “feel” for a job and learn quickly. For others of us learning is a struggle. The inability to comprehend and acquire tacit knowledge plays a significant role in halting learning. Again, the above commentary has both an individual and organizational dimension; individuals may be knowledgeable, but the organization may not. While explicit knowledge is articulated knowledge, tacit knowledge often is “inarticulate” (Baumard, 1999). Unless there is a conscious effort to transform and translate (Gherardi and Nicolini, 2003) individual knowledge into tacit, organizational knowledge this problem will continue.

Burn out

In the United States the problem of “burn-out” has been noted for many years. This problem is often associated with role conflict where the professional expectations of the worker and the organization work rules conflict (see, among others, Hummel, 1986, 1994). Here burnout becomes a problem of diminished capacity. The knowledge may still exist within the individual (and potentially within an organization), but the role conflict leaves the worker without the will to act. Organizations, which are under threat of desolution (a common problem in American government), often display the same ennui that Hummel sees in individual cases of burnout. These are organizations (much like the individuals) which go through the motions. If we were to frame this differently, these are organizations in which the informal organization is not performing properly. Organizational learning has ceased.

Corruption

Corruption is not the simple problem of individual bad behaviour. Even where corruption is common the tendency is to focus on individual transgressors and imply that the problem is that of a few “bad apples” (Johnson and Cox, 2005). This analysis would suggest that corruption is more ingrained. It is learned behaviour. It survives because the organization has learned (and it has become internalized tacit knowledge) that such behaviour is justified. While those on the outside may find the behaviour incomprehensible (Bok, 1978; Hope, 1999), those inside the organization have successfully rationalized the behaviour and incorporated it into the organization’s customs. As Arendt (2003) noted, corrupt persons, seemingly have an infinite capacity to excuse their own behaviour (everyone does it, but I am different).

The trouble, I think, is less that power corrupts than that the aura of power, its glamorous trappings, more than power itself attracts: for all those men we have known in this century to have abused power to a blatantly criminal extent were corrupt long before they attained power. As far as the criminals themselves are concerned, the chief common weakness in their character seems to be the rather naïve assumption that all people are actually like them, that their flawed character is part and parcel of the human condition stripped of hypocrisy and conventional cliches (p.268).

Equally disturbing is the willingness of others, those attracted to power, to support actions which they would otherwise reject. Their willingness, even desire, to be close to power is as much a form of corruption as the behaviour of those who acted criminally (Arendt, 2003). Stopping corruption does not begin or end with identifying the criminal act of the individual, but in uncovering the organizational cultural behaviours that makes the behaviour attractive.

Recommendations for Action

How might these failures be addressed? The first two relate to the extent and type of organiza-
tional learning (Argyris, 1993, 1999; Kikoski and Kikoski, 2004; Schon and Argyris, 1996; Weick, 2001). But even this notion needs to be extended to encompass the organization’s capacity to learn both explicit and tacit knowledge. Everyone in the organization is both teacher and pupil (Yanow, 2003). We learn from each other, even as we teach others. Knowledge is gained at two levels; the individual and the organizational (Baumard, 1999). But the idea of tacit knowledge, which emphasizes experience (in both tactile/sensory and time senses) implies that only when we have fully internalized knowledge does organizational learning occur.

The true role of the mentor is to help in the transformation of individual knowledge (both explicit and tacit) into organizational knowledge (also both explicit and tacit). Organizational learning is that process of transformation and internalization (Baumard, 1999; Gherardi and Nicolini, 2003). Part of the decision architecture is in a more self-conscious selection of mentors. These are mentors who can convey both explicit knowledge (articulated, rational, technical knowledge) and tacit knowledge (inarticulate, intuitive, sensing, feeling knowledge). We do this in organizations more than may be at first apparent. We select the most skilled (highest level of tacit knowledge) to be the supervisor of work teams. This supervisor is the “puzzle solver” who teaches others how to uncover and then address problems. Military organizations, which we do not usually associate with users of tacit knowledge (commands after all are the ultimate in learned, articulated, explicit knowledge), have created positions (the squad or platoon sergeant) in which a major responsibility is the conveyance of tacit knowledge both up and down the organization.

The hallmark of the “informal” organization is that it is a parallel organization in which knowledge (in the form of questions and answers) flows up, down and across the organization without regard to rank or title, but in search of answers to problems. The informal organization itself represents “learned” behaviour about organizational goal accomplishment. Without the informal the formal organization might well fail.

The decision architecture, like the informal organization, is an attempt to facilitate organizational learning by providing experience, conveying knowledge, identifying burn-out and sanctioning corruption. How can this be done?

The twin concepts of decision architecture and tacit knowledge as an aspect of decision-making are complementary and mutually reinforcing ideas. It is the mature/ post-conventional manager who recognizes the need to develop a decision architecture for the organization. The decision architecture creates the organizational learning (i.e. tacit knowledge) needed to help those in the organization mature and make good judgments. Furthermore, the emphasis on the collective/organization-wide aspects of the decision architecture creates the conditions whereby both individual responsibility and collective accountability is achieved. The task for the organizational leader is to ensure the use of the decision architecture in determining who shall exercise discretion. The explicit or self-conscious element of this effort can be achieved as follows:

- Create decision architecture that uses value statements rather than title or rank as the boundary of decision authority;
- Use the decision architecture to define the expectations in the role of all organization members;
- Use the decision architecture to develop a "forward-looking," or future-oriented organization;
- Create decision architecture that directs "decision rights" to those who have the "maturity" and tacit knowledge to make choices;
- Acknowledge that the decision architecture is affirmation of the need for collective decision-making;
- Use mentors to convey and reinforce tacit knowledge.

Conclusion

Where does this leave us? Our dilemma has been that much of the literature on discretionary judgment has been a battle over choosing the right control mechanism. Concerns about corruption, particularly in Africa and the developing world, have defined discretion as bias and, therefore, the very heart of corrupt practice. Yet the emerging literature on management advocates a more entrepreneurial, "maverick," "don't tell me I can't," attitude among managers (Lee, 1998). Our mandate has been to outline a perspective and set of behaviours by which to define "discretion in action." We have extended the discussion beyond the theoretical to the practical implications.

Administrative discretion is a complex topic. It is both necessary to organizational effectiveness and the source of potential abuse of power. The path out of the confusion is found in grounding discretion in both theoretical and practical notions of organizational learning and tacit knowledge. In establishing a decision architecture the leadership
of the organization can create the organizational learning and support environment in which the appropriate and bounded use of discretion is possible. These two concepts can be restated as answering three questions:

- How does the organization define problems?
- How does the organization decide what to do?
- Who decides?

Through this exercise the decision architecture serves as a first step toward the development of the normative and intellectual foundations for the exercise of discretion.

References


Raymond W. Cox III

**Atsakomybė ir atsakomybė organizacijose: diskrecijos etika**

Rezimė