

**Rule Bending:  
Can Prudential Judgment Affect Rule Compliance and Values in the Workplace?**

Leslie E. Sekerka, Ph.D.  
Assistant Professor, Organizational Behavior & Ethics

and

Roxanne Zolin, Ph.D.  
Assistant Professor, Management & Enterprise Development

Naval Postgraduate School  
Graduate School of Business & Public Policy  
555 Dyer Road ~ Ingersoll Hall, #316  
Monterey, CA 93943  
Phone: (831) 656-2811 ~ (831) 648-1965  
Email: [lesekerk@nps.navy.mil](mailto:lesekerk@nps.navy.mil)

Article type: Research Study  
Accepted September, 2006 to: *Public Integrity*

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## **ABSTRACT**

With increased pressures to perform, fewer resources, and more regulation, employees may justify a lack of compliance with the term rule bending. This study examines employees' decisions to bend the rules, including an examination of motives, prudential judgment, and perceived threat to the organization. Qualitative analysis showed that when rule bending was considered necessary, perceived threat of this behavior to the organization was reduced, except when officials applied prudential judgment in their decision-making. Implications and future research are discussed.

The last best judgment that we make about whether or not a given action is good or not is the prudent judgment of conscience that directs us to act for the good or which restrains us from acting to keep us from evil.

—John Haas

In the wake of high-profile cases exemplifying moral lapses, ineptitude, and outright failure, ethics is under scrutiny. At the same time, there is a call for organizational transformation as global competition increases. This places pressure on public administrators to achieve objectives with fewer resources. This rapid-paced and high-stakes environment, combined with increasing bureaucratic procedures, may increase pressure on employees to engage in rule bending behavior. If rule bending becomes a more broadly accepted norm, organizational cultures may be created where rule adherence is less valued.

While following the rules is considered the ethical means for operational action, research suggests that employees sometimes feel they must choose between breaking the rules and getting the job done (Cave, 2005). The position of government is that all of the rules are expected to be followed, but this expectation is difficult, if not impossible to follow because there is little guidance for rule exceptions or conflicts. The sheer volume of rules, regulations, directives, and prescribed policies for engagement are beyond the scope of accurate calculation. Anechiarico and Jacobs (1994) recognize that the way government is operated makes ethical scandals an accepted part of public affairs. Fesler and Kettle (1991) observe it is commonly understood that administrators must deal with the “tensions between the requirements of responsibility or 'accountability' and those of effective executive action” (p. 321).

Rule adherence is a critical tool in effective decision-making. For example, Johnson and Cox (2004-5), examined police organizational cultures and found that some members perceive their jobs as above the law (rules). Training alone is unlikely to alter the ethical culture of an organization (West & Berman, 2004). To cultivate ethical action, it is important to explore why rule bending occurs.

Given expected adherence to the vast number of directives, it is speculated that, in contrast to the formal black-and-white position against rule breaking, there may be an unauthorized informal decision-making rubric in use. Such a stance may provide the motivation for rule bending. Interestingly, employees may regard these actions as honorable, viewing rule benders as problem solvers and courageous people, willing to take charge during crises and getting things done in chaotic environments (Miller, 2006).

Current research lacks the examination of conditions present when rule bending occurs and why officials may choose this behavior. To learn more about rule bending and potential organizational outcomes, the following research questions were posed: When and why do employees bend rules? Is prudential judgment used in their decision-making process? When people bend the rules, do they see rule bending as a threat to the organization? This exploratory investigation examines rule bending behavior among Department of Defense employees. The study begins with a description of rules, as explained in the management literature, including the concept of rule bending. The relevance of prudential judgment is described, specifically as it relates to the process of moral decision-making, rule bending, and potential threats to the organization. Findings of the study are outlined and implications for officials are then discussed.

## **BACKGROUND**

### **Rules and Rule Bending Behavior**

Rules in organizations appear under many headings, names, and purposes, and carry varying degrees and levels of social support. The rules under consideration include organizational rules and legal regulations, along with policies and procedures, but not informal, unwritten social norms. Various studies have looked at what influences employees to adhere to rules (Tyler & Blader, 2005) or to choose other means of behavior (MacLean, 2001; Veiga, Golden, & Dechant, 2004). However, few scholars appear to question whether employees should follow the rules or when rules can be appropriately bent (Larson & Melville, 1980). Researchers seem often assume that following the rules is a necessary baseline for ethical behavior and suggest that good ethics or exemplary conduct requires efforts and performance that exceed rule adherence (Toner, 2006). But rules are far from perfect—they cannot be written for all possible situations which lead researchers to study how to craft more effective rules (Braithwaite, 2003, Mahoney & Sanchirico, 2005).

The design of a rule, for both organizations and government, is likely to achieve legal or distributive justice. Legal justice refers to what the individual owes the collective, society, or the governing organization (Pieper, 1966). Rules may impact distributive justice, which refers to how the organization allocates the benefits of collective action to members of the organization (or society). A governmental rule should achieve its social and/or organizational goals without contravening either legal or distributive justice. But rules sometimes fall short of this ideal. A rule may prove less effective if it does not

consider:

- a) Conditions under which it should not be applied;
- b) Anticipated changes to the workplace, environment, or conditions;
- c) Misinterpretation by those who must implement the rule;
- d) Potential conflicts with other rules;
- e) Effect on other organizational behaviors;
- f) Impacts on stakeholders;
- g) How personnel should proceed if the rule cannot be adhered to fully.

Studies examining the principles of rule design grapple with these challenges, working to determine, for example, when a rule should be more general or more specific (Mahoney & Sanchirico, 2005). A general rule presents a broad, overarching statement of the baseline principle that expresses its intent. Sometimes referred to as the spirit of the law, this principle allows room for interpretation, providing for wider application. However, a broad statement may not always offer enough guidance for action given the nuances of a particular situation (Braithwaite, 2003, Mahoney & Sanchirico, 2005). Conversely, very specific and complex rules draw precise distinctions, but leave little room for adaptation when employees face unique situational concerns. While specificity may appear to be more useful through the elimination of ambiguity, it can also prove overly constraining, and does not have the capacity to cover every situation.

It appears that rules have the propensity to become more specific and prolific over time. This can occur because as a general rule is broken, or circumstances arise that require clarification, more specifications are added to augment the original instruction.

Anechiarico and Jacobs (1996) propose that more controls (i.e., rules) can create more problems than the original issues (e.g., corruption). While the purpose of change is to increase rule adherence, increased specificity makes rules less agile and more difficult to apply. Moreover, as the density and volume of rules increases, the potential for conflict between rules expands. Manageability of rule use and ease of compliance can become increasingly difficult. This phenomenon is evident in DOD, where books of regulations, known as the Federal Acquisition Regulations (FAR) and the Defense Federal Acquisition Regulations (DFAR), govern purchases.

### **Rule Breaking and Rule Bending**

Organizational leaders invest time and resources to design, legitimize, and communicate rules and use varying degrees of authority and power to enforce employee adherence. Government officials typically want their people to maintain strict adherence to and respect for regulations—all of the time. Leadership also wants to maintain authority over the collective, retaining the ability to establish and enforce rule adherence. Depending upon the offense, breaking government rules can be as serious as a felony, leading to prison. But despite the importance placed on following the rules, people still endeavor to engage in task accomplishment with less than rigorous rule adherence. Rather than calling it rule breaking, employees may cushion or justify their lack of compliance with the term “rule bending.” Little has been done to investigate rule bending as compared to rule breaking. Rule bending reported in the literature suggests that such behavior is in non-compliance with some aspect of a rule, perceived necessary for job performance or due to faulty rules.

Veiga, Golden, and Dechant (2004) found three themes in their study of rule bending;

performance-based judgments, faulty rules, and social norms. Officials bent the rules to achieve greater performance, because they were deemed faulty, or because there was a norm to disrespect them. A strong perception among officials is that those who rule bend are more effective, even if not predisposed to do so oneself. Those who did not rule bend wanted to avoid the personal angst associated with such behavior (for example, personal issues such as job or reputation loss and organizational issues such as setting an unfavorable precedent or jeopardizing others). While Veiga et al., provided useful insights, the literature still lacks clear distinctions between rule breaking and bending.

Rule bending appears to be different than rule breaking, in that employees perceive only some lack of adherence to the rule en toto. Rule bending involves a decision to go around the formally stated obligations by not fully following a rule, requirement, procedure, or specification in totality. Employees may engage in rule bending openly, or through quiet, discrete, or even secret circumvention. The employee is aware that the rule exists, but may or may not be aware of the rule's full requirements. Thus, a rule is bent if an employee moves to accomplish tasks without full compliance, with specifications. It is not considered rule bending when the employee garners an authorized exception, securing formal approval to override the rule or provide less than complete adherence.

It is necessary to consider the employee's level of authority (or agency), based upon their position, to override the directives of a formally stated rule. Rule bending has not occurred if the organizational member has the official power to alter, amend, or change the organizational rule, to override it, or to disregard it. Therefore, rule bending applies to those employees who choose not to adhere to a rule when it is outside their range of legitimate power. When personnel choose to bend a rule, whether they realize it or not,

they assume responsibility and liability for the decision to engage in this alternative action.

Rules can be conceptualized in terms of form (i.e., specific steps or directives) and function (i.e., principle, objective, or goal it is designed to achieve). When a person disregards a part of the rule's form and/or function, they override the spirit (intent) or letter (specifics). In this act, some aspect of the rule is not fully achieved, completed, or fulfilled. With non-adherence to form, the letter of the rule has not been fulfilled. When there is disregard toward rule function, the intent has been subverted, or the spirit of the rule has not been fulfilled. As an example, consider a rule, whose function is to ensure fair competition between suppliers. In rule breaking, an employee might award a contract to a friend, thus subverting both the intent and letter of the law. In rule bending, an employee may go through all the motions of this rule, but has already decided on which supplier to use, thus the intent of the rule is essentially nullified. Interestingly, in the latter case (non-adherence to function) the employee may have actually adhered to the rule's form, submitting every document required, but not actually fulfilling the rule's function. One basic distinction between rule bending and rule breaking is that rule benders attempt to comply with some part of the rule, as compared to rule breakers, who ignore or disregard the rule altogether.

In summary, rule bending is engaging in work-related actions without complying with some aspect of the form and/or function of an existing rule that is outside one's decision-making authority. In this article no attempt is made to judge rule bending as being right or wrong, ethical or unethical, although it is acknowledged that employees may be involved in a perceived ethical dilemma. The intention is to explore the behavior, its

context, potential motivations and impacts on the organization. Having distinguished between rule bending and rule breaking, we turn to the construct of prudential judgment is now considered for its potential service in the process of moral decision-making.

### **Prudential Judgment**

In studying the professional concerns of public administration, Cooper (2004; 1991) suggests that ethical decisions are especially difficult. Discerning whose ethics to turn to, officials may need to draw upon their own perspectives rooted in religion, political commitments, secular philosophies, or their personal orientation garnered through socialization, life experience, and coping with workplace challenges. The profession may be under strain because no clear consensus exists about the normative substance a professional ethic (Adams, 2001). Therefore, rule bending presents officials and organizations with practical and ethical questions that may trigger a personal decision-making path to determine right action. Prudential judgment may be incorporated into this path, which makes this concept of particular interest.

The ethics of character or virtue as proposed by Aristotle is a system where moral decision-making is guided by the question: “What kind of person should I be?” (Hinman, 2006). In contrast, Kantian ethics are guided by the question: “What should be my duty?,” and utilitarian ethics by, “What will provide the most good for the greatest number of people?” Virtue ethics recognizes that individual ethical decisions lead to habits, which form character, and therefore focuses on virtues and vices that promote or impede human flourishing.

The cardinal virtues codified by Aristotle, are prudence, justice, fortitude, and temperance. Virtues are attitudes, habits, or dispositions that guide emotions, cognitions,

and actions. Therefore, as people recognize moral issues and move to engage in moral action, prudential judgment could influence the decision-making process. Rest's (1986) theory of moral decision-making and action presents a sequence that includes: a) recognition of the moral issue; b) making a moral judgment; c) establishing moral intent; and d) engaging in moral behavior. Two aspects of prudential judgment—practical deliberation and concern for others—may be influential in this process, especially in managing rules in daily task actions.

A number of authors summarize the meaning of prudence by saying that it serves as the integrator of all of the other cardinal virtues (Pieper, 1966; Keenan, 1995). Prudence is known as the virtue of vigilance, helping people to look toward and consider the future. It is useful because it helps to ensure justice, fortitude, and temperance in the here-and-now, and to anticipate when other virtues can be applied. As a forward orientated focus on justice and other virtues, prudence may serve as a tool to help people recognize moral issues—the essential first step in moral decision-making toward right action.

Prudence is also helpful in determining the application of intellectual and practical wisdom, which can complement the process of moral judgment (McBeath & Webb, 2002; Fowers & Tjeltveit, 2003). Prudential judgment relates to practical wisdom in a variety of ways, including discernment (Beauchamp & Childress, 1994) and thoughtfulness (Bennett, 1998). Discernment refers to awareness of what the issues are, what is at stake, what is most important, and what needs to be done (Sternberg et al., 2000). Thoughtfulness, as expressed by compassion and care for others, when linked to practical deliberation, can play a useful role in helping people move from judgment to intention—securing the motivation to proceed with right action in social contexts.

Prudence can help individuals manage ethical issues that are ambiguous, such as with ethical dilemmas or situations that gray areas (i.e., when there is no clear course for right action). Therefore, it serves as both a skill in reasoning about the means to achieve a right action, and also a form of practical thought (Nelson, 2004). Prudential judgment is the means by which people negotiate a dynamic field of expectations and demands; it is useful where tensions and conflicts need to be managed, and it is also helpful where demands relating to performance are anchored in social knowledge (Hariman, 2003). As a form of cognitive dexterity, prudence is an ability to move back and forth between a consideration of rules and options to find a better choice when faced with a perplexing situation, such as an ethical dilemma when the individual perceives no favorable solution or when values or information is in conflict. This skill of rhetorical consciousness (Lanham, 1993) includes an ability to toggle between cognitive strategies. It is a comparative process that could be useful when faced with an ethical decision. Prudence can help establish one's moral agenda and prepare a framework for moral development.

Possessing cognitive dexterity, prudence may also serve as a means to form one's personal narratives and mental schemas (Markus, 1977), making virtuous action more integrated into daily thinking. In this way prudential judgment serves as an operant toward establishing moral intent. Prudence, as a virtue, is a sustained habit, and when assimilated as a part of one's character, aids in the ongoing pursuit of right action. In summary, prudence is the application of practical reason under a given circumstance, to discern proper judgment toward right action. Two key features of prudential judgment, are presented in Exhibit 1. As components of prudential judgment, Practical Deliberation and Consideration of Others may be a valuable part of the moral decision-making

process. To explore how prudential judgment may play a role in decisions to rule bend, further study is warranted.

## **METHODOLOGY**

In this study, employee experiences with rule bending were examined by questioning government officials (DOD acquisition managers) enrolled in a graduate course at a government educational institution (2006). Volunteer participants (mean age 32 years) were asked to describe a time when they had engaged in rule bending in the workplace. Because rule bending is a conscious decision, individuals can self-report their behavior and justify or explain their non-adherence. The study had several objectives:

1. To identify the types of situations that led to rule bending;
2. To learn more about the employees' motives;
3. To consider the potential role of prudential judgment in the moral decision-making process;
4. To explore how and when rule bending may be a perceived threat to the organization.

Ten cases were randomly selected for coding from a sample of 32 personal narratives from participants who described their rule bending accounts in response to a series of open-ended questions (Appendix I). Participants' responses reflected a time when they bent, or considered bending the rules while engaged in workplace activities. The data were analyzed using informed grounded theory and thematic analysis to understand subjects' behaviors, decision-making processes, and perceptions related to their rule bending experiences (Strauss & Corbin, 1990; Boyatzis, 1998). After identifying

scenarios types, and if rules were bent or rule bending was avoided, the constant comparison method was applied (Ragin, 1994) to discern reasons and/or motives that participants used to decide their actions (Appendix II). Participants' responses were studied to see if they applied features of prudential judgment in their decision-making process and if they viewed their rule bending as a threat to their organization.

To code for prudential judgment, both practical deliberation and a consideration of others (Exhibit 1) needed to be present. Practical deliberation was demonstrated when the subject developed and identified specific and viable options (other than to bend/not bend rule), and then described a process of consideration, one that weighed tradeoffs between these alternatives. Consideration of others was demonstrated if the subject considered how their options (for choice of action) might impact others. When participants mentioned the impact their decision could have on others, beyond those already engaged in the immediate situation, they went beyond present circumstances and demonstrate a deliberate consideration of others.

## **RESULTS**

This section presents the rule bending (see Table 1), describing what happened, the reasons or motives for choice of action, if prudential judgment was applied, and if the participant regarded rule bending as threat to his/her organization.

--Insert Table 1 about here--

**Rule bending.** Seven of the 10 scenarios involved rule bending.

1. The Color of Money. This term describes the rule that funds allocated for a sole purpose cannot be spent for any other use. The official described a program that had a

scheduled test event; however, funds to support the event had not arrived. The perception was that a decision had to be made between canceling the event, potentially losing thousands of dollars, or to proceed using another source of funding. A decision was made to use (“borrow”) the money allocated to a different program, with the intent to return the funds upon completion of the operation when the correct funds arrived. Motives included avoiding potential damage to organization’s reputation, client dismay, delay, and increased costs. The participant did not apply practical deliberation, mentioning only one alternative—to postpone the event. Yet, this individual also viewed rule bending as a potential threat to the organization, underscoring this point stating: “Leaders should admonish rule benders.”

2. Flex Time. Some DOD employees are offered flexible work hour scheduling options, referred to as flexitour. Here, working hours can be tailored for convenience, as long as 40 hours are completed and coverage is kept during core periods (e.g., 0900–1100 and 1300–1500). While working a full day, the participant bent the rules by coming to work before 0630 and leaving before 1300, violating the requirement to cover peak hours. A reason was inability to get the job done during the core periods due to sustained and constant interruptions, which prevented the employee from completing assigned work tasks. In addition, the participant stated a desire to have more family time at home. While considering options, such as asking to be reassigned, leaving some tasks incomplete, or staying late to finish, the rule bender did not mention a consideration of others, beyond the immediate supervisor, who was described as condoning the rule bending action. Rule bending was not considered a threat to the organization.

3. Split Orders (A). As a part of a project development team, this official needed to

purchase large amounts of resources (e.g., hardware and software) in a short period of time. Motives for rule bending largely centered on meeting deadlines, with the participant describing how rules require a purchase process that typically takes 3 to 4 months. To expedite the effort, the team chose to split orders, cutting their large purchase into smaller dollar amounts so they could use the government credit card for the smaller purchases. Because of the action, the team had to assemble the hardware/software, which would not have been necessary with a bulk purchase. However, this enabled them to skirt the required purchasing protocols and shortened purchasing lead time. The participant showed consideration toward others, specifically those who held the government credit cards who placed the order (which is illegal, albeit the purchasing agents unknowingly participated in the action). Alternative options were not considered. While the individual began the account as a self-reported case of rule bending, by the end the participant justified the behavior, framing the team's action as a part of dutiful task accomplishment. Interestingly, rule bending was described as a threat to the organization; however, not as big of a threat as failure to proceed with the project. As a result, the task was completed in a timely fashion, viewed as an effort that might be rewarded by management and described as "heroic." After affirming his action, the participant ironically underscored a sentiment that rule bending ought not to be condoned.

4. Spend Before Year End. Toward the end of a fiscal year (FY), officials who do not spend their budgets will lose these funds, and they are likely to receive less money in the future. The rules also impose a restriction that officials cannot commence work on projects in the new FY until their new funds are procured, arrive, and are accessible. In this case, the official was approached by a Project Manager (PM) in his department, who

asked if end-of-the-year funds could be transferred to a contractor, with the understanding that the official would repay the money when newly appropriated funds arrived. This allowed the PM to have access to the funds in the following FY. Motives were to insure funding for the department, to continue to keep the project in motion, and the opportunity to “bank” some start-up money for the start of a new FY. The participant considered options, showing concern for the project sponsor. The options, however, such as charging personnel to other funded projects or to overhead, were other forms of rule bending. Rule bending was viewed as “a possible threat to any organization.” However, the participant stated that DOD agencies are often “forced to invent creative methods of bending rules to finance and sustain our own operations” and that “if Congress is slow in passing the federal budget every fiscal year, working level federal employees have no choice but to explore creative methods to fund operations.”

5. Work Before Funds Arrive. At the beginning of the FY it takes weeks, sometimes months, before funding documents authorize work to be performed. The official in this scenario borrowed funds from other areas in order to keep his team intact. Options and their impacts to others were considered, but the participant worked to justify the rule bending. For example, not bending the rule would negatively affect his customer, because the work would be discontinued and the team disrupted. Temporarily placing team members on other projects was an alternative, along with charging them to “overhead,” but the subject discounted this “because it reflects poorly on the individual.” The participant described rule bending as being “pretty benign,” and did not see it as a threat to the organization. Outlining the ongoing cyclical nature of the problem adding, “This is

a yearly dilemma. My main objective is to keep my software team productive and meet the needs of my customer.”

6. Hide Non-performers. Project teams sometimes have employees who appear to be unmotivated or who are deemed less effective. PMs do not want these employees on their core teams; however, due to government constraints, it is very difficult to fire them. The rule bender brought this issue to upper management, who refused to address the concern. The participant was instructed to “carry” (i.e., pay for, assign, and tolerate) 5-6 employees, charging the non-performers to jobs to which they were not officially assigned. Complying with this direction, the participant also chose not to pay the overhead taxes and fees (laboratory space, network accounts, etc.), in order to make ends meet. In an attempt to stay within budget, this decision added another layer of rule bending to the scenario. While at a later date overhead costs were paid and assignments were found for the non-performing employees, the experience was described by the participant as “painful.” Deep concern was expressed about the lack of support and unwillingness of upper level management to take action. The affects on others were mentioned, including the impact on other employees and notably the project lead, who could not account for the noncontributing employees. Alternatives were considered with a longer-term perspective, such as how leaders would serve them well by adding specific policy to mandate these human resource issues (i.e., either charging employees to overhead or getting officials to work together, to see employees’ skill sets fit other assignments). Specific alternatives were considered in this scenario as the participant expressed consternation about being cornered by the need to rule bend. Rule bending was viewed as a threat to the organization because it “breeds dishonesty” and causes issues

that can contribute to “poor morale.” The participant stated that “leadership should not tolerate” rule bending and should respond by addressing problems immediately.

7. Ignore Classified Procedures. When using information technology to process classified data, employees face a host of unique and important procedures that must be adhered to—without exception. In this case a module of unclassified data was connected to a LAN that contained classified data. If the classified data were accessed, the unclassified module could be contaminated with classified data, and this would mean that a number of security checks would be required. The participant described how, as the team conducted the test, the application may have accidentally accessed the classified data. The team met to review the incident and collectively decided that it was unlikely that contamination occurred, and allowed the test process to continue without conducting the required additional testing. The reason for the decision to rule bend was that the team wanted to go home after many hours of arduous work. There was no consideration of others, such as what could happen if the data had created a security leak. Although the rule bender gathered the team together to discuss options, the only alternative mentioned was to not bend the rules and engage in the security checks, which would take another day of testing. The participant viewed rule bending as a threat to the organization, stating: “Depending on what rule gets bent and how often, there could be a breakdown of discipline within an organization.” The participant felt leaders should ensure rules are relevant and put in place for good reason. In summary, leaders must consider how some rules are not helpful toward achieving desired performance goals.

**Avoidance of Rule Bending.** Three scenarios reflected situations where rules were about to be bent, but the participant avoided the behavior or helped others do so.

8. Accept Supplier Gifts. DOD employees have very specific rules when it comes to accepting gifts. In this case, the participant was concerned about receiving a gift, specifically a Boston Red Sox ball cap presented to the subject by a contractor. The employee described being: “caught up in the atmosphere of teaming and how great it was that we were working together so well.” After accepting the cap, he realized that this could be perceived as bending the rule that gifts of over \$50 can not be accepted. Upon reflection, he realized that the gift could be over the monetary limit. In coming to the decision to return the cap, the subject called his protocol office, asking about the rules and garnering advice. Practical deliberation was exercised as the participant created multiple alternatives and sought information and explored options with others. The employee viewed rule bending as a potential problem for the organization, explaining that employees receive mandatory ethics training on an annual basis. The participant described that without knowledge of the rules, unethical business relationships will develop. But even having had this training, the subject analyzed how his relationship with a contractor could be influenced by their friendship. Worry was expressed, as this subject describes trying to legitimately pay back a contractor-friend for a small gift, also feeling the need to reciprocate for the gesture. There was a keen awareness of the participant’s own desires, temptations, and the propensity to consciously or unconsciously want to pay back someone who gives us a gift; a natural inclination but laced with the potential for unethical issues.

9. Avoid tests. Getting approvals for engaging in certain activities can be difficult and time-consuming. In this case, an employee at Laboratory “A” described how a nearby Laboratory “B” procrastinated getting their needed approvals to conduct a test at

Laboratory “C” until it became unlikely that Laboratory B could procure the tests in time. So the official of B decided to ask for an exclusion based upon a test that had already been run. The participant stated that the test that B proposed was not comparable to the test they actually needed to conduct. Making this observation, the employee made an overture to work with the official at B. He confirmed that the necessary approvals were not as hard to procure as perceived, and convinced him to conduct an analysis to determine if the test application would be approved legitimately. Once this was complete, they went through the approval steps as prescribed and averted the initial plan to bend the rules. This participant, working in B, considered others, mentioning two program officials and the Commanding Officer at C, and his concern about the potential violation of public law, stating that time was spent: “getting smart and asking a lot of questions.” While he considered whether or not the rules should be bent or if they should take the time to apply for the test, he also considered running his own analysis to determine if the test would be approved. The participant viewed rule bending as a potentially dangerous action, mentioning that: “many folks could have been affected.”

10. Split orders (B). Described previously (see #3, p. 19), a similar situation was described by a official who felt the need to break up a purchase order so that it could be placed on the government credit card to expedite the work process, procure equipment swiftly, and meet project deadlines. Rule bending was considered; however, other means to achieve the procurement goal within the necessary time frame, without rule bending were also investigated. The participant showed a consideration of others, including those employees holding government credit cards, those needing the material, and other officials. In addition to questioning the use of rule bending, the employee sought

alternatives and discussed the pros and cons of each. As a result, a creative process emerged that allowed a contractor to make the purchase, and rule bending was avoided. The participant viewed rule bending as a “threat to the organization because it can lead to more and more rule bending, which in the worst instances can impact ship safety and lives.” The official described his respect for the rules and felt that leaders should demonstrate by example, following the rules without exception. Moreover, leaders should ensure that educational programming occurs at every level so that workers are skilled in the specifics of rule compliance, as well as the consequences of non-adherence.

The qualitative analysis presents a wide range of scenario descriptions. Of the 10 cases, 7 represented rule bending, while the remaining 3 rule bending avoidance (Split Orders appeared twice). The motive in most cases (8 of 10) was that rule bend was necessary to achieve the mission, which included the need to avoid excessive costs and/or to save time. Only one participant reported being ordered to bend the rules by a superior. In 4 cases rule bending decisions were reasoned on the basis of personal motives, such as the desire to spend more time with family or to go home (typically associated with mission-related reasons). Most cases involved a perceived conflict between performance expectations and rule adherence and/or compliance with regulations.

## **Discussion**

The analysis linking scenarios with associated themes led us to develop propositions around when and how employees bend the rules, how prudential judgment may enter the process of moral decision-making, and how rule bending behavior may contribute to deriding the value of rule adherence in organizational settings. When considering whether rule bending is a threat to the organization, all of the participants who avoided

rule bending deemed the behavior to be threatening (cases 8, 9, and 10). Those who engaged in rule bending were more likely to regard rule bending as not being an organizational threat. Taken together it is expected that:

**Proposition 1a:** Employees who view rule bending as less of a threat to their organization are more likely to engage in rule bending behavior.

**Proposition 1b:** Employees who view rule bending as more of a threat to their organization are more likely to avoid rule bending behavior.

Some officials said that rule bending could be a threat to the organization and then also said that rule bending was not a threat. This could indicate that employees may feel that rule bending is wrong, but they found it necessary in this situation. If employees are put into situations in which they feel they must bend a rule to get their job done, it is likely that they may begin to view rule bending as non-threatening, in accord with the theory of cognitive dissonance (Festinger, 1957). Therefore, it is expected that:

**Proposition 2:** Employees who view rule bending as necessary to perform their job are less likely to view rule bending as a threat to their organization.

Of those who engaged in rule bending, two scenarios emerged where rules were bent for personal reasons. For example, the desire to spend more time with one's family (case 2) or wanting to leave work early (case 7). These officials viewed rule bending as not a threat or "possibly being a threat" to their organization. Here, employees appeared to downplay the potential negative impacts imposed via rule bending. Therefore, it is expected that:

**Proposition 3:** Employees who consider personal motives in the decision-making process are less likely to view rule bending as a threat to their organization.

The one case where an employee was directed by his superior to bend the rules (case 6) depicted an employee who viewed rule bending as organizationally threatening. An important distinction is illustrated here. Subordinates typically abdicate individual moral agency by taking the position that they are simply “following orders” when given directives by supervisors (Card, 2005). In this case the supervisor did not responsibility for the directives, which were not put in writing and the employee felt that the supervisor should take responsibility for the decision. Thus, perhaps when officials are pressed by authority figures to rule bend, the idea of threat becomes more salient. Moreover, when there was such pressure to rule bend, there was also application of prudential judgment. Therefore, it is expected that:

**Proposition 4:** Employees who are directed to rule bend by supervisors who abdicate responsibility, are more likely to view rule bending as a threat to their organization and to use prudential judgment.

Participants who viewed rule bending as a threat to their organization demonstrated both components of prudential judgment. This makes intuitive sense: as one perceives higher risk to the organization from rule bending behavior, more effort will be spent in practical deliberation and in consideration of others. In addition, the inverse of this statement is expected to be true: officials who use prudential judgment may be more likely to view rule bending as a threat. Therefore, it is expected that:

**Proposition 5a:** Employees who view rule bending as a threat to their organization are more likely to use prudential judgment.

**Proposition 5b:** Employees who use prudential judgment are more likely to recognize a threat to their organization posed by rule bending.

Thus far the results indicate that some employees believe it is necessary to bend the rules in order to achieve performance goals, justifying their actions because of the

perception that: “I need to bend rules to do my job.” This has the potential to substantiate the behavior as an organizational norm. When employees perceive rule bending as a necessary to achieve task accomplishment, they have difficulty seeing their actions as a threat to their organization. Frequent exposure to rule bending, cognitive and behavioral associations made to support the legitimacy of such thoughts and actions, and the actual practice of rule bending can all help to create rule bending cultures. Therefore, a workplace environment that puts employees in the position of rule bending inadvertently endorses the behavior. Therefore, it is expected that:

**Proposition 6:** Employees who work in an environment in which rule bending is practiced will have less value for rule adherence, unless prudential judgment is used.

## **Conclusions**

The goal of this study was to provide useful insights into the contours of rule bending behavior and to better understand how prudential judgment may play a role in the ethical decision-making process. The limitations include a small sample size and one organization type. It is also worth noting we did not capture the mixed motives of rule bending that are at play, given any of these scenarios. Despite the narrow scope and exploratory nature of the findings, the propositions are relevant to other organizations and to their members, where rules abound, funding issues are omnipresent, and where there is a press for schedule-driven performance.

The implications of this research reflect the importance of prudential judgment in the workplace, as it can be associated with a view that rule bending poses a threat to one’s organization, which may be linked to efforts to avoid the behavior. The observations suggest that there is frequent struggle between funding processes and performance goals.

Moreover, while targeting rule bending behavior, there are individuals who successfully avoid it when aspects of prudential judgment are applied. Future research is needed to test the propositions so that the relationship between prudential judgment and perceived organizational threat is better understood. Quantitative analysis across a broader range of organizations could determine if these propositions generalize to other contexts. Other concerns, such as how officials rationalize rule bending behavior, also need to be investigated. Finally, research needs to be conducted with a wider range of employees to determine the nature and prevalence of rule bending in different types of organizations with different types of work groups. This could provide leaders with important information, useful in crafting practice, policy, training and education to address rule bending behavior more directly. For example, leaders might consider developing educational programs, rather than sole reliance on training to foster ethical decision-making capabilities. Leveraging a systemic view (Senge, 1998), prudential judgment may be interjected into the complex set of interrelated decision points, where conflicting interests, feedback loops, and analyses of ethical issues can be incorporated into a systemic framework (Wolf, 1999). Education in concepts such as moral imagination (Werhane, 2002; Moberg & Seabright, 2000) could help officials integrate prudential judgment into their daily decisions. This approach could provide the means to address ethical problems created by systemic constraints, which appear to align with rule bending behaviors.

In summary, learning the specific rules and their associated sanctions does not prevent rule bending. Officials must initiate dialogue among organizational members to discuss when and where rules and goals conflict. The benefits of prudential judgment

warrant further exploration, because such decision-making processes may serve as effective means to address ethical conflicts, while respect for rule adherence is maintained.

## **Acknowledgments**

We appreciate the insights offered by the anonymous reviewers, as they added value to the progression of this research.

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## Exhibit 1. Key Features of Prudential Judgment

**1. Practical Deliberation.** Aristotle (1985, XI) identifies prudence as a form of intelligence, the capacity for reasoning about contingent matters with regard to what is good or bad. Such reasoning occurs through deliberation, exercised to completion through right or moral action. The concept of phronesis refers to the balance of desire and reason. From this vantage point prudence is viewed as an executive function toward human flourishing, directing individuals' application of many other virtues while coordinating individual and collective interests. The value of prudence in moral decision-making is that it is the sustained management of contingency. In using prudential judgment, the person understands how to balance and consider alternatives. This is developed through experience and learned reflection, and practiced through regular deliberation. As an applied capability, prudence takes the form of practical reason. Those with prudential judgment have a tendency toward internal coherence that is automatic, making the subject of reflection natural as they engage in workplace interactions, regularly exercising practical deliberation.

**2. Consideration of Others.** As Meara and Day (2003) describe it, prudence in the workplace is represented by “good judgment in the face of uncertainty, making decisions and choices that are not simply expedient for the moment but prove to be effective in meeting professional goals, and in being applicable to many situations and thus hold the potential for fairness and systematic policymaking” (p. 459). By implication, this suggests that officials' decisions must take into account the long-term consequences, multiple perspectives, and a consideration of others. Prudential judgment serves individuals by observing self-regulation and negotiating the demands of a situation in relation to the cultural, political, and social realities. Here, prudence is informed by a context-sensitive application of morality as well as conceptions of both individual and general welfare.

**Table 1. Rule Bending Scenarios: Motives, Prudential Judgment, and Organizational Threat**

Scenario	Rule Bent	Motive Mission	Motive Boss	Motive Personal	Prudential Judgment Practical Deliberation	Prudential Judgment Consideration of Others	Threat to Organization	Not a Threat to Organization
1. Color of Money	Yes	Yes				Yes	Yes	
2. Flex Time	Yes	Yes		Yes	Yes			Yes
3. Split Orders (A)	Yes	Yes				Yes	Yes	Yes
4. Spend Before Year End	Yes	Yes			Yes	Yes	Yes	Yes
5. Work Before Funds Arrive	Yes	Yes			Yes	Yes	Yes	
6. Hide Non-performers	Yes		Yes		Yes	Yes	Yes	
7. Ignore Classified Procedures	Yes	Yes		Yes			Yes	
8. Accept Supplier Gifts				Yes	Yes		Yes	
9. Avoid Tests		Yes		Yes	Yes	Yes	Yes	
10. Split Orders (B)		Yes			Yes	Yes	Yes	

## Appendix I

### Protocol Questions

1. Describe the scene: When did it happen, who was involved, and what was going on?
2. Describe what happened: Why was this case “rule bending” and how did you know?
3. What were you thinking at the time?
4. What rule was bent and why? What created this situation?
5. Who could be affected by this rule bending?
6. What were you feeling at the time? Any specific emotions?
7. What did you do to identify steps that could be taken, other than rule bending?
8. Did you have options? What were they?
9. How did you come to your decision to proceed as you did, what influenced your decision?
10. Why did you bend the rules?
11. How much time did you have before action had to occur? What risks were involved?
12. Is rule bending a threat to the organization? If yes, how can leaders address this concern?

## Appendix II

### Themes and Descriptions

Theme	Description
Scenario	Type of scenario when rule bending act emerged.
Rule Bending	Describes scenario that is rule bending.
Rule Bending Avoidance	Describes scenario that avoids rule bending.
Motive-Mission	States reason related to achieving mission or task accomplishment. This includes situations involving the effectiveness, timeliness, or cost of the effort.
Motive-Boss	States reason associated with a boss, supervisor, or top level management instructs them to engage in rule bending.
Motive-Personal	States personal reason for rule bending, such as spending more time with the family or convenience.
Prudential Judgment-Practical Deliberation	Describes practical deliberation considers more options than the choice of to bend or not bend the rule(s).
Prudential Judgment-Consideration of Others	Describes considering how the action may affect others, i.e. someone other than the individual or group engaged in the rule bending.
Threat to Organization	States rule bending is a threat to the organization.
Not a Threat to Organization	States rule bending is not a threat to the organization.

## **Biographical Sketch**

**Dr. Leslie E. Sekerka** is an Assistant Professor and Director of the U.S. Navy Supply Corps Ethics in Action Research and Education Program at the Naval Postgraduate School. She received her BA (1981) in Business Administration from Baldwin-Wallace College, MA (1997) in Communication Theory and Methodology from Cleveland State University, and PhD (2002) in Organizational Behavior from Case Western Reserve University. Her publications, focusing on positive change, ethics in the workplace, and peer coaching have appeared in books and journals including *Advances in Appreciative Inquiry*, *Positive Organizational Scholarship*, *Dimensions of Well-being: Research and Intervention*, *Business Psychology*, *Business & Professional Ethics Journal*, and *Journal of Continuing Education in the Health Professions*.

**Dr. Roxanne Zolin** is an Assistant Professor at the Naval Postgraduate School. She received her Bachelor of Business (1980) in Management from Queensland Institute of Technology, her Master of Business (1991) in Marketing from Monash University, her M.A. degree (2001) in Sociology from Stanford University and her PhD in Construction Engineering Management (2002) from Stanford University. Her articles on interpersonal trust, problem-based learning environments, geographically distributed teamwork, public organizations, moral intent and technological entrepreneurship have appeared in *Information and Organization*, *International Journal of Engineering Education*, *International Public Management Review*, *Business & Professional Ethics Journal*, and *Academy of Marketing Review*.