



Influence Of Moral Reasoning And Philosophical Foundations Of Ethics To Whistle-Blowers

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Abstract: This research examines how Moral Reasoning and Philosophical Foundations of Ethics affect an individual's decision when faced with ethical dilemma. It delves deeply on the situation of a person caught in the middle of staying loyal to the management versus standing up against it by choosing to do what is morally right. Being a whistle-blower affects not just the individual itself but also people surrounding the perimeter of the concerned organization. Anyone who faces an ethical dilemma is expected to undergo stages of Moral Reasoning which originated from Lawrence Kohlberg's theory of Moral Reasoning. Based on this theory, a person growing up undergoes not just different physical stages but different moral stages as well. These stages correlate whistle-blowers' actions to the intention (moral reasoning) and philosophical foundations (such as Altruism, Psychological Egoism, and Altruistic Egoism.) of the individual. This study offers three primary contributions. First, it identifies how moral reasoning and traditional ethical theories weigh great implications to a person's decision when disclosing irregularities. Second, the paper shows that whistleblowing has two faces not just purely out of goodness or altruism but there will be self-serving reasons which prompt a person to reveal company or organization's unethical activities. Third, this paper exhibits a whistle-blowing case which is analyzed through the application of Lawrence Kohlberg's Stages of Moral Reasoning.

Keywords: Moral Reasoning, Philosophical Foundations; Whistle-blower; Altruism; Psychological Egoism; Altruistic Egoism

Introduction

Each day, people undergo different phases of moral reasoning; however, most of these processes occur outside conscious awareness. Still, a prominent Harvard professor and psychologist became well known for his theory on the stages of moral orientation. Professor Lawrence Kohlberg (1927–1987) developed the Stages of Moral Development. According to Kohlberg, even though the cognitive abilities of humans in a normal psychological state are continually progressing—based on Jean Piaget's theory of cognitive development—the moral dimension of human behavior develops in a similar manner (Kohlberg, 1971).

Kohlberg's theory suggests that while organisms develop cognitive functions through adaptation to their environment and experiences (Piaget, 1976), a person's moral capacity to distinguish between right and wrong also passes through developmental stages, moving from simple to more complex levels of reasoning. A child's ability to think, learn, and reason differs significantly from that of an adolescent or an adult, leading to varied interpretations of situations and different moral conclusions. For instance, asking the same question—"Why is it wrong to steal or lie?"—will most likely generate diverse responses depending on the individual's moral development stage.

This paper relies on a whistleblowing case and critically links the discussion to the Philosophical Foundations of Ethics, particularly focusing on the intention behind the decision to expose an organization's unethical practices. The researcher conducted an in-depth study on whistleblowing and a comprehensive interview with a former college student—now an executive secretary to the president and a college instructor in a well-known institution in Laguna—who experienced filing a formal complaint directly with the Department of Education against his former alma mater before transferring to another institution to complete his studies.

One may ask: Is whistleblowing an act of pure justice? Many people perceive whistleblowing as the most righteous means of correcting organizational wrongdoing by disclosing vital information to external authorities with the power to enforce accountability and ethical reform. However, does whistleblowing align more closely with the ethics of selflessness or altruism? Several studies and real-life cases have portrayed whistleblowing as a remarkable act of heroism in the eyes of the public (Johnson, 2003). Research

Ethical Theories: A critical review of the existing literature on Whistleblowing

Altruism, or the ethics of selflessness, refers to a moral action in which an individual chooses to act out of concern for the welfare of others, promoting good deeds motivated by empathy and concern—even for those who do not belong to one's immediate familial or social circle.

According to Nagel (2016), altruism is not merely a feeling but a moral principle in which desire and action are essential elements for it to occur. It involves the recognition of another person's reality and the motivation to perform actions that are morally relevant to a given situation. For example:

(1) Penelope is a teacher who has had a very tiring day. On her way home after work, she notices a very old man squatting at the corner of a building, selling two pairs of used sandals laid out on the ground. The man displays a pitiable sign made from a torn piece of cardboard that he likely picked up from the street. The sign reads: "Sandals for sale – Php 50.00 for both."

At that time, Penelope has only Php 100.00 left from her daily budget. She still needs to take a tricycle ride to reach her home, which would cost her Php 30.00. It is evident that the man is extremely old and physically weak and should not be selling goods on a hot and busy street.

Without hesitation, Penelope stops in front of the old man and decides to buy the sandals, even after realizing that neither pair would fit her nor any female member of her family. While speaking with the vendor, she learns that he is 89 years old. Without further deliberation, Penelope chooses to pay Php 100.00 for the sandals instead of the original price of Php 50.00. She makes this decision despite knowing that she will have to walk for approximately 30 minutes to reach home—a physically demanding task given her exhaustion.

Penelope briefly considers giving the money to the old man without taking the sandals but decides against it, fearing that doing so might offend his dignity as a seller.

People who may have seen and known what Penelope did may consider the action a deed of selflessness. Altruism in many definitions state that it is an established belief wherein the well-being of others is equally, if not more, imperative than the well-being or survival of oneself. It involves selfless acts that put the welfares of others before one's own. Altruism in many senses is associated with many cases of whistle-blowing.

Secrecy, as opposed to whistleblowing, is defined as the act of withholding vital information either to protect a company's reputation or to benefit those concealing the information (Hebb, 2006; Pompa, 1992; Wexler, 1987). Secrecy is often viewed negatively, particularly by individuals who are excluded from the truth. Being kept in the dark may lead excluded parties to perceive those involved as self-interested individuals with ulterior motives. Those who maintain secrecy may be accused of employing tactics to gain advantage within the organization, fostering betrayal and deception in the process (Kenny, 2019).

A distinction exists between voluntarily choosing to keep information confidential and being pressured into silence out of fear of potential backlash once the truth is revealed. Another dimension of secrecy involves an individual's unwillingness to risk offending management or challenging the prevailing status quo within the organization. This traditional form of secrecy is widely regarded as problematic, with research focusing largely on its psychological disadvantages among adults (Finkenauer et al., 2002). Behavioral and social difficulties may also arise when individuals are caught between maintaining silence and disclosing the truth (Frijns et al., 2005).

In contrast, studies on whistleblowing primarily examine organizational contexts in which individuals can no longer tolerate unethical practices and choose to disengage by exposing wrongdoing to the public. Much of the literature explores the aftermath of whistleblowing, particularly the psychological effects, personal hardships, and social isolation experienced by whistleblowers as consequences of their actions (Kenny, 2019).

Whistleblowing has two primary definitions depending on the purpose for which the term is used: the legal definition and the philosophical definition. The former is broader and includes acts that are not commonly perceived as whistleblowing, such as reporting wrongdoing within an organization to one's immediate superior. The latter definition is more applicable to this study. Accordingly, this paper adopts the philosophical definition of whistleblowing as articulated by Davis (2013), who describes whistleblowing as an act performed by a member of a legitimate organization who makes an extraordinary effort to go beyond normal organizational channels to report serious wrongdoing for morally permissible reasons.

Whistleblowing often exposes individuals to severe and undesirable retaliation. Studies have documented damaging health effects resulting from workplace bullying experienced by whistleblowers (Bjørkelo, 2013), as well as being ignored or marginalized within the organization (Glazer & Glazer, 1989). Whistleblowers who remain employed frequently experience formal retaliation in various forms, including demotion, transfer to more labor-intensive departments, excessive reprimands for minor infractions, referral to psychiatric evaluation due to stress-related absenteeism, and other disciplinary measures. In addition, they may face informal reprisals such as social isolation, threats, ostracism, and pressure to resign voluntarily (McDonald & Ahern, 2002).

Another ethical theory relevant to whistleblowing is psychological egoism. Although many critics challenge psychological egoism as a valid ethical doctrine, it continues to attract philosophical interest and is considered second only to utilitarianism in prominence (Regis, 1980). Psychological egoism posits that individuals always act in ways that prioritize their own welfare as the ultimate goal. According to this view, people inevitably choose actions that they believe will maximize their self-interest (Shaver, 2019).

This framework is particularly applicable when individuals contemplate whether to blow the whistle or remain silent. Faced with such a dilemma, individuals tend to weigh the potential costs and benefits of disclosure and ultimately choose the path that best serves their perceived welfare. Whether the decision results in peace of mind or personal security, both outcomes constitute self-gratification and therefore align with psychological egoism. According to the Corporate Whistleblower Initiative, common reasons individuals choose not to disclose wrongdoing include fear of humiliation and intimidation, fear of being labeled disloyal or uncooperative, and reluctance to become directly involved and publicly exposed as the instigator of conflict. These fears often compel individuals to remain silent, as speaking out may subject them to criticism, condemnation, and professional retaliation. Ultimately, choosing silence to avoid harm serves one's perceived best interest, thereby reinforcing the psychological egoist perspective.

Altruism and Egoism: Contraries yet can form a new sub-form of ethical theory

Altruistic Egoism

Historical evidence demonstrates that revisions to government legislation—such as the False Claims Act, also known as the Lincoln Law—which introduced financial incentives for whistleblowers reporting matters involving the United States federal government, resulted in a substantial increase in reported cases. Specifically, reports increased from a pre-1986 average of approximately six cases per year to over 3,000 reports filed by 2014 (Callahan & Dworkin, 1992; Miceli et al., 2009; Phillips & Cohen, 2011).

This development suggests that whistleblowing may be perceived as an act of altruism primarily by those who focus on its apparent heroic dimension. However, individuals who have examined the institutional and legal frameworks surrounding whistleblowing—or who are aware of the extrinsic incentives involved—may recognize that such actions do not necessarily reflect pure altruism. Instead, these actions often involve a calculated assessment in which the anticipated benefits outweigh the potential consequences. In this study, this form of behavior is referred to as altruistic egoism, a concept describing actions that appear selfless but are partially motivated by personal gain.

Further support for the notion of altruistic egoism can be found in research examining employees' willingness to report illicit, illegitimate, or unethical practices within organizations when extrinsic monetary rewards are present. These studies assess whether individuals are more inclined to disclose wrongdoing through internal channels or external channels when financial incentives are offered, thereby highlighting the influence of self-interest on ostensibly moral decision-making.

The part of the test is like this:

RQ3A: Does having an internal monetary reward in exchange for strong evidence will likely influence you to report to an internal channel?

RQ3B: Does having an internal monetary reward in exchange for strong evidence will likely influence you to report to an external channel?

The results indicate that when organizations encourage employees to report illegal activities through internal reporting channels in exchange for monetary incentives, 88.89% of participants prefer to report internally, while only 11.11% indicate that they would report directly to the Securities and Exchange Commission (SEC). This finding suggests that the presence of internal monetary rewards significantly reduces the likelihood of employees reporting wrongdoing through external channels (Brink et al., 2013).

Reporting wrongdoing internally increases the risk of organizational whitewashing, wherein companies may downplay, obscure, or conceal unethical practices, crimes, or scandals through superficial investigations or biased presentations of information. This outcome challenges the notion of whistleblowing as an act of pure altruism. When wrongdoing is reported internally in exchange for monetary rewards—rather than disclosed externally at personal risk—the act diverges from the traditional understanding of selfless altruism and may instead be classified as altruistic egoism.

Individuals may choose to report unethical behavior with the intention of improving the organization, and this motivation may lead them to view monetary incentives not as unethical gains but as legitimate rewards for ethical conduct. Situations in which organizations solicit employee cooperation through financial incentives are often examined within the framework of social dilemma theory, where cooperation and defection involve significant monetary considerations and strategic decision-making (Dawes et al., 1988).

I. RESEARCH METHODOLOGY

To illustrate how an individual engages in moral reasoning before deciding to report illicit, illegitimate, or unethical practices within an organization, this paper relies on an in-depth interview with a person who filed a complaint with the Philippines' Department of Labor and Employment. This interview provides a reliable account of how moral reasoning and ethical foundations influence an individual's decision to take bold action, often without full regard for potential consequences.

According to Jones (1991), the moral intensity of an individual's perception significantly influences moral decision-making and behavior. Earlier literature on whistleblowing predominantly emphasized legal, legislative, and political perspectives. More recent studies, however, adopt a social-psychological perspective,

conceptualizing whistleblowing in three distinct ways: (1) as a dynamic process of organizational change, (2) as a pro-social behavior, and (3) as a decision-making process involving ethical or moral considerations (Singer et al., 1998).

This case also incorporates an in-depth examination of Lawrence Kohlberg's Theory of Moral Development, which posits that human moral reasoning progresses through three levels and six stages. The three levels are pre-conventional, conventional, and post-conventional, each representing increasingly sophisticated capacities for moral judgment.

IV. RESULTS AND DISCUSSION

The data analysis was conducted using individual depth interviews (IDIs), more commonly referred to as one-on-one interviews (Rook, 2010). The interview questions were structured according to Lawrence Kohlberg's six-stage theory of moral reasoning. This procedural framework was designed to examine how an individual's moral reasoning operates during the process of deciding whether to report irregularities, unethical practices, or illegal activities to higher authorities outside the organization.

The researcher first constructed a set of questions following the 6 Stages of Moral Reasoning of Lawrence Kohlberg with input supporting questions which will test the ethical foundation of the interviewee.

The interview started with questions that will summarize the whole situation which gives the interviewer an overview of the whole situation.

Could you share the whole story from before you decide to file a complaint up to the situation where the involved company/organization received the notice of your complaint? What are the things/factors/situations which finally pushed you to decide to report to an outside organization?

This situation happened in the organization during the A.Y. 2017-2018. The interviewee was then the governor of his, the IT (Information Technology) and CoE (Computer Engineering) Departments. According to the interviewee,

"I was then the governor of my department and also served as a Student Assistant in the Administration. I was entitled to benefits such as 100% tuition coverage and a monthly allowance of Php 4,000.00; however, I was still required to pay laboratory fees, which were more costly than the tuition. As both a student assistant and a student leader, I was exposed to numerous complaints from students regarding tuition fees, laboratory fees, lack of facilities, and other school-related fees—concerns I shared personally. At the same time, as a student assistant, I was also working for the administration, which required me to consider the management's perspective. My position demanded neutrality.

During my tenure, I discovered multiple misgivings within the institution regarding compliance with CHED Memoranda. For example, upon reviewing the transcript of one 2017 graduate, I noticed that a required subject was missing from the curriculum, resulting in graduates failing to complete all units mandated by CHED for our course. If this issue were exposed, it would represent a significant violation by the management, rendering the diplomas of all 2017 graduates potentially invalid. When I raised this issue with management, they decided not to take corrective action, reasoning that the matter had already passed CHED assessment. From that point, their treatment of me gradually deteriorated.

Another major concern involved the institution's computer laboratory operating systems. CHED regulations require all institutions to use licensed operating systems; however, only 10–15 units in our laboratory were properly licensed, while the remainder used pirated software. I was involved in installing pirated OS on other computers under the direction of my Department Head and management.

Over time, these issues escalated. The HR Manager and VP Academic, whom I assisted, eventually resigned, leaving me responsible for their duties. I assumed nearly all their responsibilities, including payroll, applicant interviews, report submissions, and drafting memos. Given the significant workload, I believed it was appropriate to request an additional allowance and submitted a letter to management asking for an increase. This request angered the management, as they considered it an overstep for a student assistant. Following delays in responding to my request, I was removed from my position, resulting in the termination of all associated benefits, including tuition coverage and allowance.

To prepare for potential problems, I submitted a letter to the VP for Finance on December 9, 2017, requesting a formal certification of financial clearance. In the letter, I stated:

'In place of these rights provided by the Education Act of 1982, I am requesting a Certification that I am cleared from all financial obligations to our institution from the 1st semester A.Y. 2014–2015 until the 1st semester A.Y. 2017–2018. I also request my Accounting Records and a history of all transactions with the institution, along with the Scheduled Fees for each school year duly noted and approved by CHED, to serve as the basis for my clearance from financial obligations for the previous semesters.'"

The school's legal consultant of the institution was the one who answered my letter and in his letter, they are dismissing my request of being cleared with any financial obligation and my request to see all scheduled fees charged by the institution to us students. The reply letter says:

By way of reply to your said letter, we invite your attention to take a look at the Registration Form which was issued to you when you enrolled for the corresponding semester. By mere revisiting thereat, you will clearly see that the details of the Pre-Assessment relative to your course are already provided and contained therein.

During this process, I experienced repeated attempts by the institution to redirect my attention. Although I requested the scheduled fees approved by CHED, the administration insisted that I rely on the Registration Form as a reference. However, this form does not provide detailed information about the allocation of school fees, and all students are aware of its inadequacy. Consequently, I contacted the Commission on Higher Education (CHED) to clarify the rules that private institutions must follow regarding tuition and other school fees. I discovered that the institution had been illegally increasing tuition and school fees. The latest CHED-approved fees were from A.Y. 2012–2013, and the institution was not permitted to raise fees without prior approval from CHED.

According to CHED regulations, any proposed fee increases must be submitted to the Commission for assessment and can only be collected after formal approval (Commission on Higher Education, personal communication, January 9, 2018).

While investigating, I also found a letter from CHED instructing the institution to refund excess fees to students, which the school had failed to comply with. This indicated that a prior complaint had already been filed against the school. As a result, I personally submitted a detailed letter to the Director of CHEDRO IV-A, outlining all the violations I had identified, dated January 9, 2018.

Stage 1 - Punishment-and-Obedience Orientation Stage

Punishment-and-Obedience Orientation where it focuses on the motivation to not do something wrong or bad because doing so has a corresponding punishment. This is stage one of the moral reasoning wherein the physical consequences of an act will define the rightness and the wrongness of the deed.

Examples:

"I will not steal my friend's toy and bring it home because when Mommy finds out she will scold me"

"It is wrong to hit my playmate and say bad words because it will anger my Dad and Dad is scary when mad."

According to Kohlberg (1981), individuals in the **Punishment-Obedience Orientation** define morality through the lens of physical consequences. While typically associated with the pre-conventional level of childhood, contemporary research suggests that some adults remain 'fixed' at this stage, responding to authority out of fear rather than a sense of social obligation (Gibbs, 2019).

For example:

- A business owner faithfully pays his taxes maybe because he is afraid to suffer physically in jail.
- An employee may be coming on time and do his work devotedly but his primary reason for doing so is because of the fear of being embarrassed, criticized and losing his job.

Externally, one can be seen as an honest person but it is just because he is afraid of the consequences of not being one.

On this stage, questions are asked to assess whether the person did things is due to avoid physical harm

Were you not afraid of the consequences which may result from your action?

"On my part, it has been a matter of principles; I've tried to reach out to them but they did not take my concerns seriously. If there's something that made me hesitant, it was the fear that they would retaliate to me through unlawful modification of my scholastic records and remove my scholarship on the institution but since I am in the point of no return, I decided to move forward and face all the consequences it may incur. To prevent their retaliation, I included in the letter to be granted protection and immunity from any personal attacks the School may do against me. And that time, I was confident to submit a letter because I thought I would just be an anonymous letter sender, never thought that the CHED will announce my identity publicly."

What are the situations/possibilities did you ready yourself to before or after filing the complaint?

"I studied all CHED Policies and gather pieces of evidence which may support my claims."

Based on the complainant answered the question, we can see that a person deciding to whistle-blow always consider the weight of his actions and how it will affect his daily life first. On this part, the complainant was confident to submit the letter because he believed that there would be no backlash on his part because he thought he would stay anonymous.

We can't say that if the situation was reversed and the complainant has known that the school will know his identity, he will still choose to file the letter or will he decide to remain silent.

Stage 2 Instrumental-Relativist Orientation Stage

At this stage, questions are asked to assess whether the person is more concerned about the favors and rewards he will acquire after the execution of the act.

Deciding to report, what were you expecting to happen? Were you expecting any rewards or payments?

"On the letters, I sent to CHED these are the sanctions I was expecting to materialize after reviewing my complaints

To be granted protection and immunity from any personal attacks the School may do against me especially unlawful modification of my scholastic records, removal of my scholarship in the said institution and other related possibilities.

- To revert the existing fees to the last APPROVED AND DULY NOTED TUITION FEE AND OTHER SCHOOL FEES of St. Louis Anne Colleges of San Pedro, Laguna, Inc.
- To refund all the excess payments we made to the said institution prior ONLY TO WHAT WAS APPROVED AND DULY NOTED TUITION FEE AND OTHER SCHOOL FEES by Commission on Higher Education (CHED).
- To enjoin the School to provide my requests in the soonest possible time.
- If possible, the Commission would take temporary control over the said institution until all compliances and all pertinent laws relative to Batas Pambansa 232 will be observed and well-implemented."

"Since I am not expecting that CHED will try to mediate between us and expose my information to my institution, I was not prepared when CHED scheduled for us to meet but still, I did not back out and decided to attend the meetings. There were 3 attempts to have us meet and have a closed-door conference but not even once did the school arrive at the meeting place. The school did not send any representative for the discussion while I am present for all those meetings. Since the school did not send any spokesperson, a short investigation had been conducted which proved that my complaint was true. The CHED Director issued a reinforced memorandum on the school demanding that all excess payments of the students should be refunded and the school is obliged to follow."

On the student's part, CHED offered a full merit scholarship grant worth of 30,000.00 for a whole school year so that he won't pursue more on the other cases he complained on his letter such as poor school facilities, no permanent librarian, poor hygiene performance and so on (please refer to the complaint letter attached).

At first, the interviewee said that he was reluctant to accept the offer since it feels like he was being bribed with money and that would make him make him shut his mouth off.

"I was not supposed to accept it at first but my Mama said to accept it since it is a good offer and it's more practical."

In the end, he accepted the scholarship grant and decided to transfer out to another institution so he could finish his studies. He received a total of Php 60,000.00 scholarship grant for his last 3 remaining semesters. The answer of the respondent is considered to have entered the Instrumental-Relativist Stage of Moral reasoning because the reason he opted to report his institution not purely for other people but most importantly, he wants the CHED to help him acquire what he wants and get his retaliation to the school by having the CHED take control of the institution.

The things he asked in the letter:

- To revert the existing fees to the last APPROVED AND DULY NOTED TUITION FEE AND OTHER SCHOOL FEES of St. Louis Anne Colleges of San Pedro, Laguna, Inc.
- To refund all the excess payments we made to the said institution prior ONLY TO WHAT WAS APPROVED AND DULY NOTED TUITION FEE AND OTHER SCHOOL FEES by Commission on Higher Education (CHED).

He filed this letter because, in the end, he expects that when these requests were granted, it would be beneficial to him first and second to the majority of the stakeholders. If we study Utilitarianism where the focus is on the outcome of how many people will benefit from the actions, this one is a good ethical decision. But if we talk about Altruism, the main concept of a selfless act could be questionable. Although he courageously fought against the management and the resulting benefit a lot of students, there was a selfish side on it. Another theory we can relate to this situation is the Psychological Egoism. At first, he was not expecting any monetary reward by exposing the institution; he only wants the institution to grant his requests of giving him his accounting records and be cleared of any financial obligation during his stay as a student assistant availing his S.A. scholarship discounts and be refunded of the excess payments. He asked the CHED to make the institution return the excess payment to the students because according to him:

"Since I am also a student at that time, I know how hard it is to look for money to pay for the tuition fees every month so we could take our Monthly Examinations."

What he did resulted from a lot of students benefitting. From the students, they were grateful to him; for his actions are helpful to them but on his part, until now he hasn't received any of the refunds granted to the students. His actions may have benefitted many but him as the instigator was not able to reap what he sow. On an objective view of the situation, the result could have been an altruistic one since what he did brought him no rewards but this has changed because he accepted the offer of a scholarship grant from CHED. No students inside the institution knew that he was granted a scholarship worth of Php. 60,000.00 much greater to the refunds he originally wanted to regain.

Instrumental-Relativist Orientation is also in the pre-conventional level which is in the moral disposition of children. At this stage, a child is more concerned with the weight of an act based on the favors and rewards which he can acquire after the execution of the said act. Children are not only driven by fear of physical punishment, they are also motivated to act when there is a reward or incentive he could get by performing such act. An adult may be also primarily driven by this Instrumental-relativist moral reasoning, performing a certain act because he is expecting something in return.

Example:

- An employee may be faithfully doing his job well to the point of staying in the company for hours even after his regular shift not because he wants to help the company earn more but he is motivated to get the position he is vying for.

If there is no promotion or reward at stake, an individual may cease the performance of "overwork" and revert to a standard schedule. Research suggests that extrinsic rewards can provide a more immediate boost to task performance than intrinsic rewards (Wiersma, 1992). Or

- A professor might diligently prepare his lesson plan only during the evaluation period.

Right after the assessment, he will immediately return to his usual lazy self. On this second stage, a person only does what is right because, in return, he could receive an equivalent favorable advantage.

Stage 3 Interpersonal Concordance Orientation Stage

At this stage, questions are asked to assess whether the person is more concerned about how people will view him after the execution of the act.

Were you not afraid to ruin your image and how people will view you after learning what you did?

"No. I was not afraid to be seen as ungrateful to my alma mater and considered as a rebellious student because I know that I am fighting for what is right and I am willing to fight for it. There were times when some of my classmates encouraged me to pursue what I am fighting for and said that they will support me but as the case unfolds, left me by myself to fight alone.

Although I accepted the scholarship, the reinforced memorandum of CHED obliged the school to refund to the students the excess money they collected without the commission's approval. The students who enrolled in the following semester of my complaint received their refunds and their tuition fees and miscellaneous fees were lowered. Now, some of the students whom I have met after transferring out were appreciative of my actions and praised my courageousness to fight against the management of the school. It made me feel that there's something good resulted from my actions."

After the report filed reached the knowledge of the management, how was the treatment of the management to you? Your co-employees? Students? Was there any bullying, harassment, oppression or anything happened?

"I was not treated badly by my former colleagues and some of them did support me emotionally. There was harassment and bullying but it did not come to the point of me being taken full advantage of and becoming a sad victim because, after the CHED's decision and offer of scholarship, I did not hesitate to transfer to another school. The CHED might have foreseen well that after this issue, the school environment won't be conducive enough for me to finish schooling. State an example of bullying? They tried to stop my transfer of school because they said I'm not following one of the school rules to wear student uniforms all the time and that will hinder my Good Moral Certificate though I was able to block their attempt because my clearance form were already signed by all focal persons in the school which means I am cleared from any obligations in the school and has the freedom to leave anytime I want."

While the conventional level, there are Interpersonal Concordance Orientation and Law-and-Order Orientation Stages. The Interpersonal Concordance also called the "Good boy- Nice girl" Orientation wherein as a child turns into a young adult, he becomes conscious not only with his physical appearance but as well with his image among his family, relatives, peers and those his immediate circle. At this stage a person's primary motive to do an act is driven and influenced by what people around him would approve, say and think about him.

Example:

An adolescent may study very hard because his father graduated with honors and he does not want to taint his family's name.

Likewise,

A student may not attend his classes because he wants to please his peers who are not attending their classes as well.

A study on Psychology says that generic praises such as " You're a good girl" and non-generic praises such "You're doing it correctly" from other people are linked to different motivational outcome which may be

reinforced or reject a certain act Zentall and Morris (2010). Nevertheless, on the interpersonal concordance orientation, a person may still be likely to do a wrong act if there is a certainty of not being caught. On this orientation, the person's main concern is not the nature of the act but what other people would say about him, especially his immediate circle of relationships. That's why an employee may keep silent when he witness unethical irregularities inside his workplace because he does not want to be seen as someone who is anti-social and has no regard to camaraderie.

The decision of the complainant surpassed the 3rd stage of Moral Reasoning which is being concerned about being seen as a good boy by the society surrounding him. The complainant did not care how people will view him after they learned that he filed a complaint to the CHED. He did not let the possible reactions of the management and administration staff whom he worked for as a student assistant affect his decisions to file the complaint.

A theory that supports this stage of Moral Reasoning is Hume's Moral Philosophy (Cohon, 2018) which states that human moral distinctions are derived from people's moral sentiments. The feelings of approval (be it esteem or praise) and disapproval (blame) by the spectators who contemplate whether a character or trait is acceptable in the society's social standard (Mackie, 1980).

Stage 4 Law and Order Orientation Stage

At this stage, questions are asked to assess whether the person's action is directed by his will to fulfill what's ordained by the law whatever the cost it may incur to him.

Is what you were complaining about able to help uphold the Law and Order in the Organization?

"If the part of refunding the excessive school fees to the students, I could say that my actions were able to uphold the law since the school was obliged to adhere by the CHED Memorandum or else their license to operate might be revoked. But in the long run, I couldn't say for sure that the management will change their ways easily since it's a business whose main objective is to gain more profit. If the students are meek, there's no assurance that the same thing won't happen again in the future."

Did you do this because you want the school to follow the Law?

"Yes. I did this in hope of wanting to see changes in the school because if the school will operate according to what the law states the school will improve further and would not do unethical and illegal moves which will harm its community."

The reason of the student why he looked for higher authority to voice out his concern is because he knows that the Commission on

Higher Education will do what is right and will oblige the school to comply with their ordinance. He believes that the law and order will prevail once he voice out his complaints.

On the Law and Order Orientation, an individual's moral reasoning transcends the simple desire for rewards or the maintenance of personal relationships found in earlier stages. At this level, the person believes that integrity is upheld primarily through the faithful obedience of established laws (Kohlberg, 1984). An individual operating at this fourth stage maintains that a "good person" is one who respects the authority of the law-giver to ensure that society remains orderly, peaceful, and harmonious (Lapsley, 2018). Unlike the Interpersonal Concordance stage, where social approval is paramount, a Stage 4 individual views the legal system as a necessary social contract that overrides personal sentiment. Consequently, they may be prepared to sacrifice familial harmony or face unpopularity among peers to strictly abide by the "letter of the law," prioritizing systemic stability over individual loyalty (Gibbs, 2019).

The following are some examples of this stage:

- "I will pay the right amount of taxes even though my family says to fiddle it because our government is corrupt and my taxes will just go to the officials' coffers: because it is the law"
- "Even if your daughter is sick and you do not have money to buy medicine you cannot steal from the company's account no matter how much capacity you have to get money from it without anyone noticing; because the law says so."
- "Your situation is pitiable but the policy of the organization says that you cannot simply do that."

On this stage of moral reasoning, the person is not simply concerned with how people around his circle will look at him; rather the person is more mindful on the over-all situation and how his action will abide to the laws, codes, and authority not out of fear but out of respect for the state laws, authority of law-givers and concern for social order.

Stage 5 Social Contracts Orientation Stage

On this stage, questions are asked to assess whether the person's action is directed by social contracts.

What is the rule of the organization about submitting complains and grievances? Have you tried them before reaching out to external authority?

"How to raise employees' complains to the management has always been the issue of the school. Many times have I tried to reach out to them internally but they remained unmoving and took my concerns for granted so I decided to look for outside help."

Did you consider the effects of your action to yourself? How about to your co-employees/co-students? Were you not afraid of the repercussion/s, of possible expulsion?

"At first, I decided to submit that letter since I don't have any choice. I need my accounting records to look for possible scholarship grants which could help me sustain my financial and academic needs for the student assistant's benefits are revoked by the school. It's just that by submitting that letter, all internal stakeholders of the institution might be affected yet after consideration I believed the management will give its best to conceal the internal conflicts and handle the issue quietly.

As for expulsion, I was not afraid since there would be no reason for them to expel me. What I did is not a heinous crime; I did not rape, kill, and hurt anyone or anything which will subject me to that sanction."

Are you still connected with the company? If not, what is the form of separation? (Resignation/Termination/Work Dismissal /Job Demotion)

"As of the 2nd Semester of S.Y. 2017-2018, I officially transferred to another institution to finish my studies. Today, I am currently working as an executive secretary of the owner of a good College Institution as well as a part-time college instructor there."

At this stage, people are followers of the law as long as they are within the bounds of ethical reasons. This stage believes that laws exist to uphold human rights and to serve the basic rights and needs of every member of the society. A stage five-person is always a critique of laws that seem to be oppressive and unjust. Laws should be promoting common good hence, the stage five-person sometimes sees that some laws must be challenged, change, and modified if by so doing leads to the welfare of the society. The same with the decision of the student on this Case Study where in-laws inside the organization seems to be oppressing and not very humane, he decided to bring the case outside on which a much higher authority is operating.

Stage 6: Universal Ethical Principles Stage

On this stage, questions are asked to assess the person's conscience in choosing the morally right thing to do.

After all these things, do you have any regret? Or do you have a sense of achievement? Why?

"The only thing which can make me think again on that situation was the lost opportunity to bring home a Latin Award. I was on the honor roll at that time and a candidate for a Latin Award but since I transferred to

another school, that chance was lost. That was my loss, I admit but I can accept the reality and studied very hard. During my graduation, I was able to bring home the Best in Thesis Award, a consolation for my lost and a reward for my hard work.

Who are the people who benefit from your course of action?

"The students who were able to lessen their tuition fees and received the refunds are the recipient of my actions. I benefitted from my action (although I was not able to receive any refund from the school even after going back to the office many times to claim it and even after being dismissed all the time saying that I could return another day), I was able to graduate from another institution with more than enough financial support from CHED. I think the company was the only one who suffered losses because they bear the responsibility of their illegal and unethical actions toward us students."

Does the whole situation (after the whole experience) make you a better person? In what aspect?

"It made me a better person because I learned how to be firm on my decisions and finish what I started. I learn how to stand on my words. Fears, doubts and others' opinions won't matter as long as I know that what I am doing is right. That situation matured me so much, people sometimes do not believe that I am just a 21-year-old newly-graduate; and just started entering the adult world.

The last stage is Universal Ethical Principles on which according to Kohlberg is the pinnacle of human moral reasoning. According to this stage, a person is not governed either by fear of punishment or by rewards, social expectations, social laws, and precepts even by basic social-contracts. The best example on this stage is the phenomenal whistle-blowing. A whistle-blower may endanger his job security, his life as well as his family's life still, he or she courageously blows the whistle because he or her conscience are telling that's the right thing to do and he or she is a free and autonomous person governed only by personal adopted universal ethical standards.

Conclusion

This study examined the influence of moral reasoning and philosophical foundations of ethics on whistleblowing behavior through the lens of Lawrence Kohlberg's Stages of Moral Development and selected ethical theories, namely altruism, psychological egoism, and altruistic egoism. Using an in-depth case analysis, the paper demonstrated that whistleblowing is not a single-dimensional moral act but a complex ethical decision shaped by personal values, contextual pressures, perceived risks, and potential rewards.

The findings reveal that individuals do not operate within a fixed moral stage when faced with ethical dilemmas. Instead, moral reasoning may shift across stages depending on situational factors and anticipated consequences. While whistleblowing is often socially constructed as an altruistic and heroic act, this study highlights that self-interest and personal welfare frequently coexist with moral intent. The acceptance of monetary or non-monetary incentives, such as protection or scholarships, illustrates how an initially altruistic decision may evolve into what this study conceptualizes as **altruistic egoism**.

Furthermore, the application of Kohlberg's framework showed that whistleblowing decisions can reflect higher-order moral reasoning, particularly at the levels of law-and-order orientation, social contract orientation, and universal ethical principles. The case underscores that individuals who choose to expose wrongdoing often prioritize justice, legality, and collective welfare over personal security, even when faced with retaliation or loss. However, the study also confirms that institutional responses—such as incentives or negotiated settlements—can significantly influence moral framing and post-decision justification.

Overall, this research contributes to ethical discourse by emphasizing that whistleblowing is best understood as a morally layered phenomenon rather than a purely selfless or purely self-interested act. Recognizing this complexity allows for a more realistic and humane understanding of whistleblowers and the ethical tensions they navigate.

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