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## How moral goodness drives unethical behaviour in NGOs

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The objective of this article is to understand - through generating empirical evidence - how the NGO halo effect, i.e. the inflation of moral goodness in NGOs, can explain unethical behaviour.

The key question of this article is whether people in NGOs glorify their mission, morals, and people, and if so, how this glorification can explain NGO unethical behaviour.

The authors conclude that the NGO halo effect exists, that there are three mechanisms that can explain unethical behaviour.

#Ethics #HaloEffect #Morality #NGO #Unethical

### Background

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### Context



- The NGO halo effect describes an **inflation of moral goodness in NGOs**, through people in the NGO glorifying its mission, people or morals. This leads to three moral mechanisms: **moral justification** (justifying unethical means to reach the NGO's mission), **moral superiority** (putting the NGO's morality above others) and **moral naivety** (believing all people in NGOs are inherently good).
- NGOs' inherent characteristics, e.g. **public service principles**, being **private** (determining its mission on its own perception of moral goodness), and having a **voluntary nature**, form the basis of the NGO halo effect and its moral mechanisms.
- The study was conducted through **34 semi-structured interviews** with charity staff and volunteers working across a range of NGOs around the globe.
- The **unethical behaviour identified** by the study sits across **6 categories**, ranging from discrimination, abuse, and exploitation, to human resource mismanagement and financial mismanagement. The most commonly referred to unethical behaviour was corrupt recruitment practices, such as favouritism and nepotism. This was mentioned in 47% of interviews.
- The study is limited by its **small sample size**. **Likewise, because it is the first empirical study into the NGO halo effect**, it cannot conclude that the NGO halo effect was a sole or main factor for the instances of unethical behaviour. However, it can find evidence for the NGO halo effect contributing to such occurrences.

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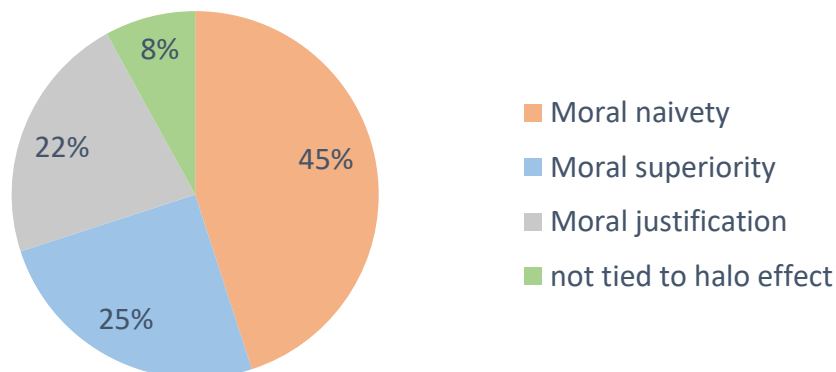
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## Take aways & Learnings



- **The NGO Halo effect explained unethical behaviour in 92% of cases** – of 151 unique cases of unethical behaviour, 139 could be related to one of the three moral mechanisms resulting of the NGO halo effect.
- **Moral naivety was most common among the moral mechanisms** – it represented 45% of identified cases, whereas moral superiority was found in 25% of cases and moral justification in 22%.
- **Moral justification fosters certain types of unethical behaviour** – chiefly among them misrepresentation/falsification of reporting data, usually to donors. Additionally, it is a factor in unethical behaviour being covered up/not properly followed up to prioritise the mission.
- **Moral superiority can happen in two areas of an NGO** – it can take the shape of an organisation believing its morals to be superior, but also of **individuals within organisations**, who perceive their morality to be superior and act accordingly. This is specifically fostered by weak accountability structures.
- **Moral naivety reduces (self) reflection** – the study shows this mechanism can lead to ethics management, such as codes of conduct, not being in place or not being enforced.
- The findings suggest that **existence of and regular engagement with ethics policies, strong accountability measures** and empowering all staff for ethical decision-making could counteract aspects of unethical behaviour enabled by the NGO halo effect.

**Figure 1:** Distribution of moral mechanisms among the 151 identified cases of unethical behaviour



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