



Invisible Pressure: Ethics in High-Performance Cultures

How neuroscience, ethical reasoning, and transformational leadership shape professional judgment.

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About Me - Dr. Megan Weinkauf

Assistant Professor of Accounting, Northeastern State University & Executive Coach/Consultant at The Faithful Leader

Courses I Teach

- Graduate Accounting Information Systems
- MBA Managerial Accounting
- Introduction to Financial Accounting
- Introduction to Managerial Accounting

Education

- Ph.D., Organizational Leadership
- MBA
- Master of Accountancy
- Undergrad in Accounting, Minor in Marketing

Professional Experience

- Accounting
- ERP Systems
- Operations/Change Management
- Transformational Leadership

Current Research

My research focuses on understanding how workplace culture, neuroscience, transformational leadership, and organizational systems influence ethical decision-making, employee well-being, and organizational performance.

Recent workplace trauma research featured in OSCP CPA Focus and Journal of Workplace Behavioral Health. AI in Accounting Education publication under second review at Journal of Accounting Education.

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Learning Objectives

By the end of today's session you will be able to:

1

Examine foundational ethical theories and apply them to real-world accounting and leadership scenarios.

2

Identify how stress, cognitive overload, workplace culture, and performance pressure can influence ethical judgment and decision-making.

3

Recognize patterns of ethical drift and rationalization that can emerge in high-performing organizational environments.

4

Apply practical strategies to strengthen ethical leadership, professional skepticism, accountability, and decision-making in today's evolving workplace.

Ethics Has Always Mattered.

The Environment Has Changed.

Opening Question

Think about the last time you knew the right thing to do...and hesitated.

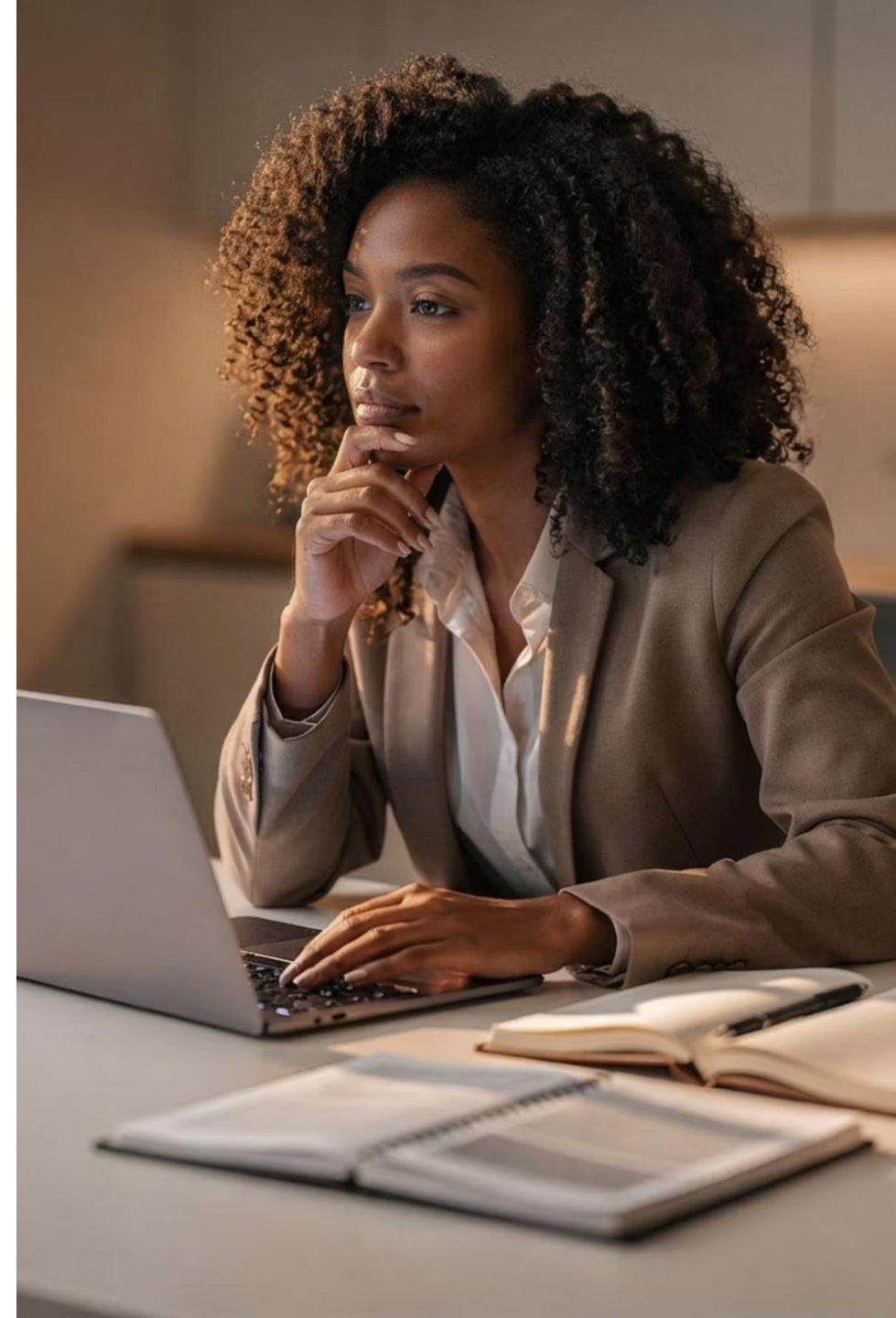
Was it because you didn't know the answer...

or because the answer came with a cost?

Today's Accounting Profession

- Artificial Intelligence
- Staffing shortages
- Greater complexity
- Increased client expectations
- Faster decision cycles

Professional judgment has never been more valuable.



The Speak-Up Gap Report

2M Employees, Hundreds of Orgs, 24 Industries, 121 Countries

93%

Would Report Misconduct

say they would report misconduct if witnessed.

50%

Actually Do

Yet only about 50% actually report.

48%

Fear Retaliation

Among those who stay silent, 48% fear retaliation.

48%

Believe Nothing Will Change

Of those who stay silent, 48% believe nothing will change.

 **Ethics isn't simply about knowing right from wrong. It's about creating cultures where people feel safe enough to act.**

Source: Ethisphere. (2024). Ethical Culture Report: Closing the Speak-Up Gap.

Why Ethical Culture Matters

Ethics Is Good Business

Ethical Organizations Experience

- Higher trust
- Earlier risk detection
- Stronger engagement and retention
- Better decisions
- Increased Profit

The Hidden Cost of Unethical Culture

The biggest cost is the quiet erosion of:

- Trust
- Psychological safety
- Communication
- Reputation

Discussion Question

Think of the healthiest team you have ever been on.

What could people say out loud there that they couldn't say anywhere else?

Ethisphere Institute, World's Most Ethical Companies®.

Invisible Pressure in the Brain

Why Good People Make Poor Decisions

Stress changes the brain. When stress increases, our ability to think objectively decreases.

Under Pressure We Experience

- Cognitive overload
- Decision fatigue
- Confirmation bias
- Narrowed attention
- Greater reliance on habits
- Increased rationalization

Look at that list. Which one shows up for you first when the pressure rises?
Would you recognize it in the moment, or only in the rearview mirror?

❏ Knowing the right answer does not guarantee choosing the right answer. That's why ethics requires internal awareness.

Your Brain on a Deadline

The Neuroscience of Invisible Pressure

Two Systems, One Decision

Prefrontal Cortex — The Professional

Judgment, impulse control, long-term thinking, and professional skepticism. Slow, deliberate, energy-hungry.

Amygdala — The Alarm

Scans constantly for threat. When it fires, cortisol surges and access to the prefrontal cortex is impaired. The brain trades careful reasoning for speed and habit.

The brain treats social threats the same as physical danger (Rock, 2008).

A partner's disapproval. A missed deadline. A client walking. Your brain reads these as survival threats.

Invisible pressure biologically reduces access to the exact brain region professional skepticism depends on.

❏ **The alarm can't be eliminated — but it can be outwaited. That's what the 5 R's do.**

Today You Are Ethics Bowl Teams

Learning Ethics by Doing

Rather than listening to another ethics lecture...today you will become Ethics Bowl teams.

Unlike debate, Ethics Bowl is not about proving you are right.

It is about demonstrating thoughtful ethical reasoning.

Your Goal

Develop a strong recommendation.

Not the fastest.

Not the loudest.

The most thoughtful.

Why This Matters

We rarely encounter obvious ethical decisions.

Most involve competing values, uncertainty, and pressure.

Exactly like today's cases.

The Ethics Bowl Playbook

01

Step 1

Identify the ethical issue. What is really being decided?

03

Step 3

Apply multiple ethical theories. Use at least three. Different theories may lead to different conclusions.

05

Step 5

Develop your recommendation.

02

Step 2

Identify the stakeholders. Who is affected?

04

Step 4

Identify the invisible pressure.

06

Step 6

Defend your recommendation.



There isn't always one correct answer. There **is** thoughtful ethical reasoning.

Let's Dust Off Our Ethics Academic Knowledge

Part 1 of 2 — Outcome, Duty & Character

❏ Strong ethical decision-makers examine issues through multiple lenses before making a decision.

Utilitarianism

The Greatest Good

Which decision creates the greatest good for the greatest number?

Focus: Outcomes, Consequences, Overall benefit

Watch For: The majority can benefit while a minority is harmed.

Deontology (Duty Ethics)

What is my duty regardless of the outcome?

Focus: Professional standards, Rules, Independence, Integrity

Watch For: Rules sometimes conflict with practical realities.

Virtue Ethics

What would a CPA of integrity do?

Focus: Character, Courage, Honesty, Wisdom

Watch For: "Have integrity" doesn't tell you what to do in a specific dilemma. Pair it with another lens.

Part 2 of 2 — Fairness, Rights, Community & Care

Justice / Fairness

Is everyone treated fairly?

Focus: Equal treatment, Impartiality, Procedural fairness.

Watch For: What seems fair to one group may disadvantage another.

Rights Ethics

Whose rights deserve protection?

Focus: Individual rights, Privacy, Autonomy, Dignity.

Watch For: Rights can conflict — balancing them requires careful judgment.

Common Good

How does this decision affect trust in the accounting profession?

Focus: Public trust, Institutional integrity, Collective well-being.

Watch For: Short-term gains can erode long-term public confidence.

Ethics of Care

How do our relationships and responsibilities influence this decision?

Focus: Relationships, Context, Empathy, Responsibility.

Watch For: Loyalty to individuals shouldn't override broader ethical obligations.

Table 1 - Busy Season at Whitmore & Lang

❏ Senior Dana Reyes discovers a material error at 9:40 p.m. — the audited financials are due to the lender by 8:00 a.m., and the partner who signed off on the section controls her promotion.

Correcting It Means...

- Telling Marcus - the partner who missed it
- Missing the filing deadline
- Upsetting the client
- Delaying financing

Ignoring It Means...

- Meeting the deadline
- Violating firm policy
- Hoping no one notices...including Marcus

Ethics Bowl Discussion

01

Identify the ethical issue

03

Apply at least three ethical theories

05

Develop your recommendation

02

Who are the stakeholders?

04

Identify the invisible pressures

06

Prepare to defend it

Table 2 - The AI Memo at Hartwell Group

Manager Priya Natarajan used an approved AI tool to draft a technical memo under deadline. Three weeks later, a first-year associate discovers a fabricated citation — and the correct guidance points the other way. The client has already reported \$2.3M of revenue to investors. The CFO asks Priya to "handle it quietly in next quarter's true-up."

Discussion Questions

- Where did the failure occur?
- Who is responsible?
- Does AI change professional responsibility?
- Does the CFO's request change the ethical issue, or reveal it?
- What invisible pressure exists?
- Which ethical theories support your recommendation?

Considerations

The AICPA Code of Professional Conduct still applies.

Technology never replaces professional judgment.

Professional skepticism remains a human responsibility.

The correction question and prevention question are different.

❏ AI doesn't create ethical problems. It magnifies existing ones.

Table 3 - The High Performer at Meridian Health Partners

Controller Evan Brooks delivers flawless results. No misconduct has ever been found.

However...

Employees:

- stop asking questions
- avoid admitting mistakes
- hide problems
- fear speaking up

Turnover increases.

Performance remains excellent.

One error was already fixed quietly rather than disclosed.

Ethics Bowl Discussion

Is this:

- A leadership, ethics, or culture issue? All three?
- What invisible pressures exist?
- Would this culture increase the likelihood of a future ethical failure?
- You're the VP of Internal Audit. The CFO says "be careful what you put in writing." What do you tell them, and do you write it down?

Ethical Drift

How It Happens

- Small compromises
- Rationalization
- Burnout, fear, and silence
- The same invisible pressures identified at the tables

The Cost

- 2,402 cases across 143 countries — \$3.4B+ in total losses
- Median loss: \$104,000 per case
- Median scheme lasted 12 months before detection
- Schemes running 5+ years: median loss over \$1.1M vs. just \$40,000 for schemes caught within 6 months
- Costliest behavioral red flag: excessive pressure from within the organization — \$532,000 median loss.

Source: Association of Certified Fraud Examiners, Occupational Fraud 2026: A Report to the Nations.



How Is Fraud Caught?

Tips account for 43% of cases. The #1 fraud control isn't a system. It's someone deciding to speak up.

Ethisphere told us people stay silent. ACFE tells us what silence costs.

Transactional vs. Transformational Leadership

Leadership Shapes Ethical Culture

Transactional Leadership

Focuses on:

- Compliance
- Productivity
- Rules
- Deadlines

Necessary, but incomplete.

Why It Matters

People are more likely to raise concerns with their manager than through formal channels.

Discussion

Think of the best leader you've ever worked for. Which list describes them?

Now the harder one: which list describes you under deadline pressure?

Transformational Leadership

Focuses on:

- Trust
- Purpose
- Accountability
- Psychological safety

It shapes how people think, not just what they do.

The Four I's of Transformational Leadership

How Leaders Shape Ethical Culture (Bass & Riggio, 2006)

1

Be the model.

Leaders set the ethical standard through what they do under pressure; culture follows the behavior they tolerate.

2

Give the why.

Leaders connect work to purpose, helping people protect the mission instead of cutting corners to meet metrics.

3

Reward the question.

Leaders welcome challenge and dissent, which directly counters the Speak-Up Gap and prevents blind compliance.

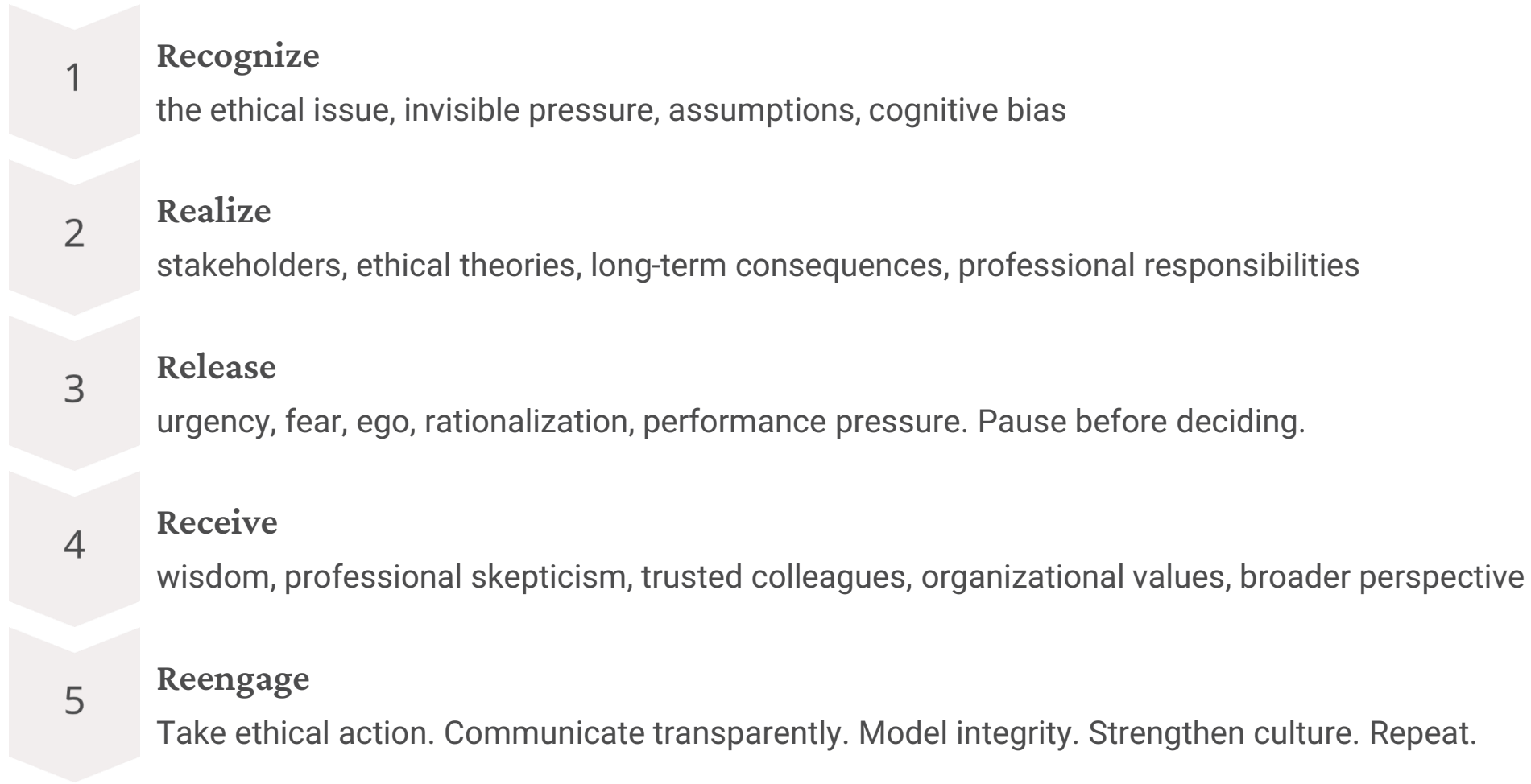
4

Know your people.

Leaders coach individuals and treat mistakes as growth, making people more likely to disclose errors early.

❏ Transactional leadership manages behavior; transformational leadership shapes the thinking behind it.

Moving From Ethical Knowledge To Ethical Action



Ethics Is More Than Compliance

Throughout today's session, we've examined ethical decision-making from four perspectives.

Ethical Theories

Help us answer: "**What is the right thing to do?**"

Neuroscience

Explains why doing the right thing gets harder under pressure.

Transformational Leadership

Creates environments where people speak up, challenge assumptions, admit mistakes, protect integrity, and strengthen trust.

The 5 R Framework

Provides a practical process for making ethical decisions when pressure is high.

Final Takeaway

Ethics is not simply a compliance issue, it's a leadership issue.

Culture shapes behavior. Behavior shapes decisions. And decisions shape organizations.

Reflection

Personal Reflection Questions

- What invisible pressure concerns you most in your organization?
- Where would ethical drift begin if no one addressed it?
- What is one action you will commit to taking within the next week?

Then, at Your Table

- Share one insight from today.
- What conversation do you need to start when you return to work?



Your Homework

Download and read the free Occupational Fraud 2026: A Report to the Nations



Thank You & Let's Stay Connected

The Faithful Leader

We help high-performing leaders eliminate the invisible patterns that create burnout, conflict, and unhealthy workplace cultures so their people and organizations thrive.

Connect

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Want to learn more about your habits of thinking? Take the free Habit Finder Assessment at www.thefaithfulleader.com.

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- Ethics & Ethical Decision-Making
- Transformational Leadership
- Workplace Culture
- Neuroscience & Leadership
- Executive Coaching
- Organizational Training
- AI & the Future of Accounting

Thank you for your commitment to strengthening ethical leadership within the accounting profession.

Sign - Up Emails & Texts



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