The research study focused on an aspect of ethics, that is, ethical norms within public enterprises that are craving for performance within the stiffened economy. The enterprises' actions in establishing and influencing ethical norms among employees are therefore studied to identify to what degree such vital parts of their actions lead to success of their enterprise. This research is a thought provoking peek at what the future of corporate organisation might be.



Chinyerem Adeniji

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I'm Adeniji Chinyerem Grace, Assistant Lecturer. of the department of Business Management of Covenant University, Ogun State . I'm currently on my PhD.I'm a Self-motivated Team-player with a Proven Leadership Record. Ability to Plan, Organize, Control and apply other management principles at work place and teams to achieve the set goals.



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# **Influence of Ethical Norms on Corporate Performance**



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## INFLUENCE OF ETHICAL NORMS ON CORPORATE PERFORMANCE OF POWER HOLDING COMPANY OF NIGERIA (EGBIN THERMAL STATION)

BY

## **ADENIJI CHINYEREM GRACE**

CU021030048

**JUNE, 2012** 

#### CERTIFICATION

It is hereby certified that this Research Project, written by ADENIJI CHINYEREM GRACE was supervised by me and submitted to the Department of Business Studies, College of Business and Social Sciences, Covenant University.

PROFESSOR J. A. BELLO	
PROJECT SUPERVISOR	SIGNATURE & DATE
PROFESSOR J. A. BELLO	
HEAD OF DEPARTMENT	SIGNATURE & DATE

#### DEDICATION

This research project is especially dedicated to the lord God Almighty who granted me the grace and opportunity to successfully complete this phase of my academic career. PRAISE THE LORD!

#### **ACKNOWLEDGEMENTS**

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Finally, I want to say thank you to the management of Covenant University for this big opportunity in advancing a career in academics.

#### ABSTRACT

The research study focused on an aspect of ethics, that is, ethical norms within public enterprises that are craving for performance within the stiffened economy. The enterprises' actions in establishing and influencing ethical norms among employees are therefore studied to identify to what degree such vital parts of their actions lead to success of their enterprise.

For clear analysis, the study centers on two broad variables; the dependent variable and the independent variable. The dependent variable is taken as corporate performance which was further broken into sub-variable to include output level. The independent variable was ethical norms which was operationalized in terms of action of rightness or wrongness and code of conduct. The research objectives are; identifying the influence of ethical norms in the sustainability of performance in public service organizations. To examine the role of employees ethical decision making in relationship with the organization in enhancing

The hypotheses were tested using the factor analysis and regression analysis with interpretation. A reliability estimate of 0.781 was obtained for the instrument used. From the survey of 204 workers of PHCN Egbin, its results shows that ethical norms influences corporate performance but workers need to be trained and motivated. It shows again that the organization needs to curb ethical problems that exist, if performance must be enhanced. Recommendations capable of guaranteeing better influence of ethical norms on corporate performance were given.

performance.

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#### CHAPTER ONE

#### INTRODUCTION

#### 1.1 BACKGROUND OF THE STUDY

An organization's reputation is based not only on its financial fidelity, but also its fair treatment of its workforce. In companies today, performance will be achieved by those companies which are able to trust their people to make sound decisions within a condensed time frame. Such people will need to exercise a considerable degree of autonomy. Yet, at the same time, risk to the company must be minimized. An organization that deals with the ethical dimension of activities will be at the same time, building a high-trust environment.

According to Ayee (1998), the concern for ethics in the public service has become a significant issue in both the developed and developing countries for a number of reasons. First, the reputation and success of a government depend upon the conduct of public functionaries and what the public believes about the conduct of the officials. It is imperative that each public official, upon accepting public employment, takes cognizance of the fact that he has a special duty to be fair and impartial in his dealings with the public. The personal self-interest of officials should in all circumstances be subordinate to the public good, especially if circumstances arise where the possibility of a conflict of interest may become an ethical dilemma. The private activities of public officials ought to be of such high standards that they should not bring discredit to their posts and disrepute to the government (Rohr, 1978; Kernaghan, 1980; Chapman, 1993). Secondly, and more importantly, an "ethical" public service is an important component of good governance (a requirement for foreign loans). In other words, for more effective and

efficient public service institutions and use of public resources, the promotion of national integrity is paramount and crucial.

The question of ethics is linked with the history of mankind and has occurred particularly in the exercise of professions and human activities (scientific, political, productive etc). Ethics deals with the character, conduct and morals of human beings. It provides instruments and sophisticated tools that gives individuals opportunities for action such that the issue of what should and what not, is that what is allowed and what is not allowed could not be resolved without passing through the filter of human behavior and consciousness of moral commands. It deals with good or bad, right or wrong behavior, it evaluates conduct against some absolute criteria and puts negative or positive values on it (Hanekom, 1984).

Ethical norms can be considered as expectations about appropriate individual or group behavior commonly agreed on by members (Curtis & Phillip, 2001). They are established over time for behaviours that have significant impact on a group. Like facilitating its survival, increasing predictability, of member behaviours, ensuring members satisfaction, expressing values important to the group's identity and preventing embarrassing interpersonal problems. There are numerous formulations of good conduct (drawing on, for example, motivation or purpose, harm or benefit, or mode of reasoning) and its negatives, corruption (Huberts, 2003) and moral judgment. Ethical norms are associated with the recommendation of certain values that are viewed as desirable by their promoters (Ferreira, 1996).

Companies in the twenty-first century, face a variety of changes and challenges that will have a profound impact on organizational dynamics and performance. In many ways, these changes will decide who will survive and prosper in the next century and who will

not among these challenges are the following; international competition, new technologies, increased quality, managing a diverse workforce and ethical norms.

While these challenges must all be met by organizations and managers concerned about survival and competitiveness in the future, this research will focus on the influence, challenges and contribution of ethical norms on corporate performance.

#### 1.2 STATEMENT OF THE RESEARCH PROBLEM

Given the pressing challenges, complex environment and multiple sources of ethical values and behavioural norms, this research project seeks to examine how employees in the public service companies are influenced by the ethical choice in making decision and enhancing performance. It is widely accepted that decision makers use framework to sort and accept ethical claims (Lewis, 2005).

Ethics has long been a controversial area of study in the professions of law, politics, philosophy, theology and public administration, and other study areas. Some practitioners, however, will dismiss any study or theory of ethics as not pertinent to their work, preferring instead to rely on laws, personnel manuals and job descriptions to define the limits of public sector responsibilities. That view now seems to be losing ground to the viewpoint that public administrators are no longer, if they ever were, expert technicians simply implementing the policy decisions of the policy makers. Rather, public administrators exercise substantial discretion (decision-making power) on their own, discretion that affects peoples' lives in direct, lasting, and sometimes profound ways. In addition, there can be reasons to question the legitimacy of the rules and the policy decisions that public administrators are implementing (Kim, 2001).

This paper will also explore two particular ethical norms hypothesized to have an influence

on performance: code of conduct and action of rightness or wrongness. The code of conduct is one in which ethical decisions are based on rules and professional codes derived from sources external to the organization (Victor and Cullen, 1987; Malloy and Agarwal, 2010). Since code of conduct provides a standard by which to behave or abide, they can be seen as mechanisms to control employee behavior.

#### 1.3 RESEARCH OBJECTIVES

The research objectives are outlined as shown below;

- Identifying the influence of ethical norms in the sustainability of performance in public service organizations.
- To examine the role of employees ethical decision making in relationship with the organization in enhancing performance.
- To examine the role of top management in influencing ethical norms in the organization for performance.
- 4. To determine the relationship between ethical norms and job satisfaction.

#### 1.4 RESEARCH QUESTIONS

The research questions relevant to the study of which answers are to be provided are itemized below;

- 1. What level of influence does an ethical norm have in sustaining performance?
- 2. How do ethical norms affect the decision making of higher level and lower level employees in an organization?
- 3. How does top management influence ethical norms and organizational performance?
- 4. What level of influence does ethical norm have on job satisfaction?

#### 1.5 RESEARCH HYPOTHESIS

This study will be tested on the following hypothesis;

 $H_{01}$ : Ethical norms do not have an influence on the organization's performance.

H<sub>a1</sub>: Ethical norms have an influence on the organization's performance.

 $H_{02}$ : Higher level employees tend not to be influenced by ethical norms in their decisions than lower level employees.

H<sub>a2</sub>: Higher level employees tend to be influenced by ethical norms in their decisions than lower level employees.

 $H_{03}$ : Top management has no influence on ethical practices that enhances organization performance.

 $H_{a3}$ : Top management has an influence on ethical practices that enhances organization performance.

 $H_{04}$ : There is no significant relationship between ethical norms and job satisfaction.

H<sub>a4</sub>: There is a significant relationship between ethical norms and job satisfaction

#### 1.6 RESEARCH METHOD

The sources of data for the study will be both primary and secondary data. The primary data required for analysis will be retrieved from respondents through the use of questionnaire. Other materials used for the study are retrieved from Covenant University Centre for Learning Resource.

#### 1.7 SIGNIFICANCE OF THE STUDY

For the purposes of this research, the term ethical norms deal with the character and conduct - the morals - of the human being as a public employee. Regarding the conduct

of public affairs by the public official, it deals with whether the public's business was conducted rightly or wrongly and whether the public official's behaviour was good or bad when he executed his official duties. This study therefore, is significant basically in providing an objective position of the influence of ethical norms on overall corporate performance of public service organizations. Also, this research work is embarked upon to know if a high degree of significance in relationship between the dependent and independent variables can be established, then organizations can see how important it is to imbibe ethical norms in enhancing performance.

#### 1.8 SCOPE OF STUDY

The study is limited to data obtained from employees of Power Holding Company plc of Nigeria existing in Egbin Thermal Station, Ikorodu, Lagos State.

The dependent variable corporate performance is measured by output level only. While the independent variable ethical norms will be measured by code of conduct and action of rightness or wrongness.

#### 1.9 OUTLINE OF CHAPTERS

The research project is made up of five chapters. Chapter one centers on the introductory section of the research study, which include the background to the study and related issues to research methods amongst other aspects. Chapter two is on the literature review, examining various literatures that have been written on the variables in the research topic. The third chapter focuses on the research methodology, fourth chapter on data analysis and interpretation, and the final chapter includes and summarizes the entire study, making relevant recommendations that would benefit new and existing employees in advancing their organizations.

#### 1.10 OPERATIONALIZING THE RESEARCH TOPIC

The topic for the research project, "Influence of ethical norms on corporate performance", has the dependent variable as corporate performance and independent variable as ethical norms. The dependent variable, corporate performance is operationalized as output level. The independent variable, ethical norms is operationalized as code of conduct, and action of rightness or wrongness.

The above is expressed mathematically as shown below:

$$Y = f(X)$$
 where  $Y = Corporate performance and  $X = Ethical norms$$ 

$$Y = (y_1, y_2, y_3, y_4....y_u)$$

Where  $y_1 = Output level$ 

$$X = (x_1, x_2, x_3, x_4...x_u)$$

Where  $x_1 = Code$  of conduct

 $_{X2}$  = Action of rightness or wrongness.

## 1.11 HISTORICAL BACKGROUND OF POWER HOLDING COMPANY (PHCN) plc

The Power Holding Company of Nigeria (abbreviated PHC or PHCN), formerly the National Electric Power Authority (abbreviated NEPA) is an organization governing the use of electricity in Nigeria.

The history of electricity development in Nigeria can be traced back to the end of the 19th century when the first generating power plant was installed in the city of Lagos in 1898. From then until 1950, the pattern of electricity development was in the form of individual electricity power undertaking scattered all over the towns. Some of the few undertakings were Federal Government bodies under the Public Works Dept, some by the Native Authorities and others by the Municipal Authorities.

By 1950, in order to integrate electricity power development and make it effective, the then colonial Government passed the ECN (ELECTRICITY CORPORATION OF NIGERIA) ordinance No. 15 of 1950. With this ordinance in place, the electricity department and all those undertakings which were controlled came under one body.

The ECN and the Niger Dam Authority (NDA) were merged to become the National Electric Power Authority (NEPA) with effect from the 1st of April 1972. The actual merger did not take place until the 6th of January 1973 when the first General Manager was appointed. Despite the problems faced by NEPA, the Authority has played an effective role in the nation's socio-economic development thereby steering Nigeria into a greater industrial society. The success story is a result of careful planning and hard work. The statutory function of the Authority is to develop and maintain an efficient co-ordinate and economical system of electricity supply throughout the Federation. The decree further states that the monopoly of all commercial electric supply shall be enjoyed by

NEPA to the exclusion of all other organizations. This however, does not produce privy individuals who wish to buy and run thermal plants for domestic use from doing so.

For several years, despite consistent perceived cash investment by the Federal Government, power outages have been the standard for the Nigerian populace, however citizens of the country still do not see this as normal.

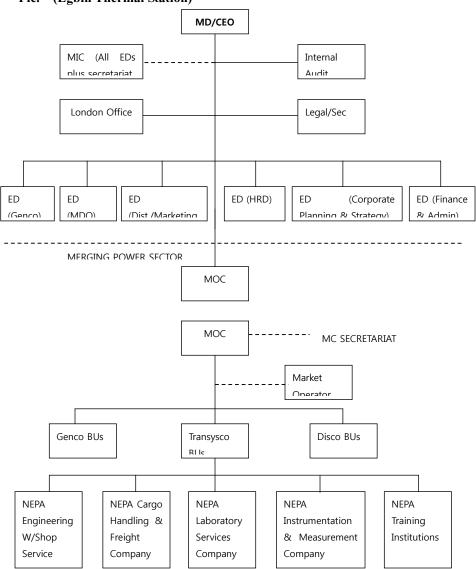
NEPA (PHCN) equipments are subjected to vandalism and theft by group of cabals in different part of the country. The hydro power stations suffer from low water level during dry season and the generation output capabilities of thermal stations are often hampered by shortage of fuel. Equipments are expensive to repair, mostly due to their obsolete status.

NEPA has always struggled to meet its end of the bargain to supply electricity to its end consumer. NEPA supply electricity through a hostile regime of load shedding and rationing. Power outages occur at high rates and power quality delivered in most area is very low. The frustration caused by inefficacy of NEPA fueled by the lackadaisical attitude of NEPA personnel has lead to a high rate of illegal electricity consumption practices among consumers. Currently, all major newly established privately or even publicly owned commercial/industrial enterprises under take substantial investment in private supply of electricity relying on privately owned generating plants at high costs which tend to aggravate the high cost of production and subsequently the country's high rate of inflation.

NEPA is a government ran entity that enjoys a lot of the financial transfers, subsidies, grants and tax and import duty waivers from the government. These social incentives from the government were counterproductive for NEPA's efficiency. It resulted in an under trained and unmotivated manpower and lack of will to operate as a profitable entity. The billing system of NEPA is fraught in two main ways: 1) The tariff does not cover the cost of supplying power to consumers 2) NEPA does not have an effective billing system, which

results in widespread under billing.

Figure 1.1 Organizational Structure of Power Holding Company of Nigeria Plc. (Egbin Thermal Station)



Source: PHCN Bulletin (2005)

#### CHAPTER TWO

#### LITERATURE REVIEW

#### 2.1 INTRODUCTION

Requirements of a civilized society have required that each category of people who work for the benefit of operating a company to comply with the conduct that is beneficial to the community in general and also for himself and also combined with the interest of other individuals which they operate in the same area. The concept of how ethical norms have influenced corporate performance in public service sector has been discussed from different perspectives.

United Nations Development Programme (UNDP) Regional Bureau for Africa (2001), observed that in the 1960s, Nigerian public service was noted for its high ethical and technical standards, impartiality, anonymity and dedication. The civil service was one of the few good legacies left by the British colonizers. However, during the years after independence, especially with the incursion of the military into governance, corrupt practices and unethical behaviour became a serious phenomenon. The *Bureau Report* gave a graphic picture of the problem of corruption and its debilitating pervasiveness in Nigeria's public sector. It stated that:

Corruption has become a household word in Nigerian Society from the highest level of political and business elite to the ordinary person in the village. Its multifarious manifestations include the inflation of government contracts in return for kickbacks, frauds and falsification of accounts in the public service. It also involves the taking of bribes and perversion of justice among the police the judiciary and other organs for administration of justice. Crimes against the state in the business and industrial sectors of our economy are carried out in collusion with some companies. This takes the form of over–invoicing of goods, foreign exchange swindling, hoarding and

smuggling (Federal Government of Nigeria, MAMSER, 1987).

Ekeh in UNDP (2001) further explained that there are several factors responsible for the ethical crisis in the Nigerian public service. The first is the absence of a clear dichotomy between the primordial public and the civil society. While the primordial public—which refers to the traditional African society and its values—may not find certain behaviours unethical, the modern requirements of a rational public service may frown at such behaviours. For example, although traditional African norms may not frown at the acceptance of a gift before services are rendered, this may be regarded as unethical in the modern public service.

The overriding objective of this chapter is to evaluate the factors responsible for ethical crisis in public service sector and appraise the influence of ethical norms on performance.

#### 2.2 THEORETICAL FRAMEWORK

Several scholars and practitioners have sought to identify and understand the various theories of ethics and this is discussed below

#### **Moral Philosophy**

According to Myers and Tan (2002), traditionally moral philosophy (also known as normative ethics and moral theory) is the study of what makes actions right and wrong. These theories offer an overarching moral principle to which one could appeal in resolving difficult moral decisions.

There are several strands of ethics, which differs on the basis (or rationale) for their various ethical considerations. The three best known normative theories are *virtue ethics*, *consequentialism* (in particular utilitarianism) and *deontological ethics* (and in particular Kantianism).

#### Virtue Ethics

Lewis (2005) is of the opinion that virtue ethics focuses on the character of the agent rather than on the formal rules for or the consequences of actions. The key elements of virtue ethical thinking are based on the approaches to ethical thinking of the ancient and medieval periods. The roots of the Western tradition lie in the work of Plato and Aristotle, but virtues are important also in traditions of Chinese moral philosophy. Virtue theory returned to prominence in Western philosophical thought in the twentieth century, and is today one of the three dominant approaches to normative theories.

Virtue ethics includes an account of the purpose of human life, or the meaning of life. To Plato and Aristotle, the purpose was to live in harmony with others, and the four *Cardinal Virtues* were defined as prudence, justice, fortitude and temperance. The Greek idea of the

virtues was later incorporated into Christian moral theology. Proponents of virtue theory sometimes argue that a central feature of a virtue is that it is *universally applicable*.

#### Consequentialism

Singer (1979) defines consequentialism as those moral theories, which hold that the consequences of a particular action form the basis for any valid moral judgment about that action. Thus, from a consequentialist standpoint, a morally right action is one that produces a good outcome, or consequence.

According to Donald (2000) and Doris (2000), *Utilitarianism* is a specific strand of consequentialist ethics. Utilitarianism is the idea that the moral worth of an action is solely determined by its contribution to overall utility, that is, its contribution to happiness or pleasure as summed up among all persons. The more happiness or pleasure for the more people, the better. It is consequentialist because the moral worth of an action is determined by its outcome, and that the ends justify the means. Utilitarianism can also be characterized as a quantitative and reductionist approach to ethics.

Utility – the good to be maximized – has been defined by various thinkers as happiness or pleasure (versus sadness or pain). It has also been defined as the satisfaction of preferences. It may be described as a life stance with happiness or pleasure as ultimate importance. In general use of the term utilitarian often refers to a somewhat narrow economic or pragmatic viewpoint. However, philosophical utilitarianism is much broader than this; for example, some approaches to utilitarianism also consider non-humans (animals and plants) in addition to people. Cooper and Yoder (2002)

#### **Deontological Ethics**

Deontological ethics has also been called "duty" or "obligation" based ethics.

Deontologists believe that ethical rules "bind you to your duty", and they look at the

rightness or wrongness of actions themselves, as opposed to the rightness or wrongness of the consequences of those actions. Deontological ethics looks at our fidelity to principle and disregards the consequences of a particular act, when determining its moral worth. Al-Yahya, Lubatkin, and Vengroff (2004).

Kantianism (or Kantian ethical theory) is deontological, revolving entirely around duty rather than emotional feelings or end goals. The core concept is "duty", or what one ought to do in certain situations. Kantianism states that truly moral or ethical acts are not based on self-interest or the greatest utility, but on a sense of "duty" and a sense of what is right and fair on a wider level (despite the possible consequences for the individual and their usefulness for others).

Kantian theories are based on the work of the German philosopher Immanuel Kant (1724 – 1804), to whom the "categorical imperative" is a core element. Kant thought that human beings occupy a special place in the world, and that morality can be summed up in one, ultimate commandment of reason, or imperative, from which all duties and obligations derive. A categorical imperative denotes an absolute, unconditional requirement that exerts its authority in all circumstances, both required and justified as an end in itself.

Kant argued against utilitarianism and other moral philosophy of his day, because for example an utilitarian would say that murder is Okao if it does maximize good for the greatest number of people; and he who is preoccupied with maximizing the positive outcome for himself would see murder as okay, or irrelevant. Therefore, Kant argued, these moral systems cannot persuade moral action or be regarded as basis for moral.

Morris (2004) furthered reviewed prominent ethical theories, such as

Cultural Relativism Theory – ethical norms are derived from social practices. This means that right and wrong are determined by the customs/ rules of one's society.

Duty Ethics Theory – ethical norms are deontological-based on duty. Right and wrong are determined according to duty and not what you do, but why you do it.

Egoism Theory – right and wrong are determined by the course of action that will bring the most personal pleasure and avoid the most pain. Ethical norms are totally subjective.

Ethical norms can be considered as expectations about appropriate individual or group behavior commonly agreed on by members (Curtis & Phillip, 2001). They are established over time for behaviours that have significant impact on a group like facilitating its survival, increasing predictability of member behaviours, ensuring member satisfaction, expressing values important to the organisation's identity and preventing embarrassing interpersonal problems. Stephen & Erin (2011) also defined it as a reflection of shared agreement regarding the appropriateness or inappropriateness of a particular behavior in a situation where another's welfare is directly affected

Norms tell group members how to behave in certain situations. Formal norms exist as written rules and procedures for all employees to obey. Most norms, however, are informal in that they develop from group members' own experiences of what behaviours help and hinder their performance and satisfaction. Some informal norms are functional and others are dysfunctional in facilitating the achievement of organizational goals.

Types of Ethical Norms

- Performance Related Processes
- Appearance
- Informal Social Arrangements
- Allocation of resources

How Ethical Norms Develop

Norms usually develop gradually and informally as group members learn what behaviours are necessary to function effectively. They may also be established more rapidly in one or more of the following ways;

- Explicit statements by supervisors or influential co-workers
- Critical events
- Primacy
- Carry-over behaviours.

Hubert (2003) sighted in Lewis (2005) observed that there are numerous formulations of good conduct (drawing on, for example, motivation or purpose, harm or benefit, or mode of reasoning) and its negatives, corruption and moral judgment. These formulations include both empirical, behavioral models from the social sciences (explaining how and why decisions are made) and normative or prescriptive models (what decisions should be made, and why). What is known or believed about moral values and behavioral norms is classified into six major sources. These include: universals; cultural/social; rational, including analytic perspectives and cognitive processes; emotion and/or needs-based; religion; and professionalism and role.

Norms are standards of behaviour within the organisation which serve as a guide to all its members" (Barton & Chappel, 1985). For example, one of the earliest norms in public administration was that of neutrality, meaning that public officials should be apolitical policy implementation functionaries rather than policy-makers. Within the context of public administration, the emphasis on norms is associated with the recommendation of certain values that are viewed as desirable by their promoters (Ferreira, 1996).

#### 2.3 CONCEPTUAL FRAMEWORK

#### 2.3.1 UNDERSTANDING GROUP NORMS IN ORGANISATIONS

Hackman (1976) Group norms are the informal rules that groups adopt to regulate members' behavior. Norms are characterized by their evaluative nature; that is, they refer to what should be done. Norms represent value judgments about appropriate behavior in social situations. Although they are infrequently written down or even discussed, norms have powerful influence on group behavior. If each individual in a group decided how to behave in each interaction, no one would be able to predict the behavior of any group member; chaos would reign. Norms guide behavior and reduce ambiguity in groups.

Groups do not establish norms about every conceivable situation but only with respect to things that are significant to the group. Norms might apply to every member of the group or to only some members. Norms that apply to particular group members usually specify the role of those individuals. Norms vary in the degree to which they are accepted by all members of the group: some are accepted by almost everyone, others by some members and not others. For example, university faculty and students accept the faculty norm of teaching, but students infrequently accept the norm of faculty research. Finally, norms vary in terms of the range of permissible deviation; sanctions, either mild or extreme, are usually applied to people for breaking norms. Norms also differ with respect to the amount of deviation that is tolerable. Some norms require strict adherence, but others do not.

Understanding how group norms develop and why they are enforced is important to managers. Group norms are important determinants of whether a group will be productive. A work group with the norm that its proper role is to help management will be far more productive than one whose norm is to be antagonistic to management. Managers can play a part in setting and changing norms by helping to set norms that facilitate tasks, assessing

whether a group's norms are functional, and addressing counterproductive norms with subordinates.

Norms usually develop slowly as groups learn those behaviors that will facilitate their activities. However, this slow development can be short-circuited by critical events or by a group's decision to change norms. Most norms develop in one or more of four ways: (1) explicit statements by supervisors or coworkers; (2) critical events in the group's history; (3) primacy, or by virtue of their introduction early in the group's history; and (4) carryover behaviors from past situations.

Why are group norms enforced? The most important reason is to ensure group survival. They are also enforced to simplify or make predictable the expected behavior of group members. That is, they are enforced to help groups avoid embarrassing interpersonal problems, to express the central values of the group, and to clarify what is distinctive about it.

#### Why Norms Are Enforced

As Shaw (1981) suggests, a group does not establish or enforce norms about every conceivable situation. Norms are formed and enforced only with respect to behaviors that have some significance for the group. Enforcing group norms gives group members a chance to express what their central values are, and to clarify what is distinctive about the group and central to its identity (Hackman 1976).

Each of these four conditions under which group norms are most likely to be enforced is discussed in more detail below. (1) Norms are likely to be enforced if they facilitate group survival. A group will enforce norms that protect it from interference or harassment by members of other groups. For instance, a group might develop a norm not to discuss its

salaries with members of other groups in the organization, so that attention will not be brought to pay inequities in its favor. Groups might also have norms about not discussing internal problems with members of other units. Such discussions might boomerang at a later date if other groups use the information to develop a better competitive strategy against the group. Enforcing group norms also makes clear what the "boundaries" of the group are.

- (2) Norms are likely to be enforced if they simplify, or make predictable, what behavior is expected of group members. If each member of the group had to decide individually how to behave in each interaction, much time would be lost performing routine activities. Moreover, individuals would have more trouble predicting the behaviors of others and responding correctly. Norms enable group members to anticipate each other's actions and to prepare the most appropriate response in the most timely manner (Hackman, 1976; Shaw, 1981).
- (3) Norms are likely to be enforced if they help the group avoid embarrassing interpersonal problems. Goffman's work on "facework" gives some insight on this point. Goffman (1955) argues that each person in a group has a "face" he or she presents to other members of a group. This "face" is analogous to what one would call "self-image," the person's perceptions of himself or herself and how he or she would like to be seen by others. Groups want to insure that no one's self-image is damaged, called into question, or embarrassed.
- (4) Norms are likely to be enforced if they express the central values of the group and clarify what is distinctive about the group's identity. Norms can provide the social justification for group activities to its members (Katz & Kahn, 1978). When the production group labels rate-busting deviant, it says: "We care more about maximizing group security than about individual profits." Group norms also convey what is distinctive about the group

to outsiders. When an advertising agency labels unstylish clothes deviant, it says: "We think of ourselves, personally and professionally, as trend-setters, and being fashionably dressed conveys that to our clients and our public." One of the key expressive functions of group norms is to define and legitimate the power of the group itself over individual members (Katz & Kahn, 1978).

#### 2.3.2 CODE OF CONDUCT

Stuart (2005) defines, Codes of Conduct or Codes of Behavior are designed to anticipate and prevent certain specific types of behavior; e.g. conflict of interest, self-dealing, bribery, and inappropriate actions. Although conduct codes can be brief, most often they are fairly lengthy and detailed.

The rational for this kind of code is that it is necessary to both protect the employee while at the same time protecting the reputation of the government. Most codes of conduct focus on the "do nots" rather than on affirmative obligations. That is, they detail specific actions in which employees are not to engage. Codes of conduct seldom provide detailed, specific prohibitions. Rather, they are broader sets of principles that are designed to inform specific laws or government actions. Codes can clearly articulate unacceptable behaviors as well as providing a vision for which the government official is striving. Effective codes operate at two levels: Institutional and symbolic. Within institutions codes articulate boundaries of behavior as well as expectations for behavior. That is they provide clear markers as to what behavior is prohibited (bribery) and what behavior is expected (showing impartiality to all citizens). They are also highly symbolic. Subscribing to institutional codes is the way we define a model professional not only as we see ourselves but as we want to be seen by others. Therefore, successful codes provide a standard for public servants to strive for as well as articulating a special sense of responsibility because of the public servants professional standing in his or her community.

The value of ethics codes comes from both cognitive (reasoning) demands in understanding such codes as well as its ability to appeal to the emotions. Guilt, shame, conscience, pride in profession can be every bit as important as reason in motivating

ethical behavior.

#### **Characteristics of Codes:**

### The Purpose of Codes:

Codes of ethics are written to guide behavior. Any final analysis of the impact of a code must include how well it affects behavior. Codes are not designed for "bad" people, but for the persons who want to act ethically. The bad person will seldom follow a code, while most people – especially public servants -- welcome ethical guidance in difficult or unclear situations.

However, ethics codes can have a demonstrable impact on the *behavior* of bad people in organizations. When everyone clearly knows the ethical standards of an organization they are more likely to recognize wrongdoing; and do something about it. Second, miscreants are often hesitant to commit an unethical act if they believe that everyone else around them knows it is wrong. And, finally corrupt individuals believe that they are more likely to get caught in environments that emphasize ethical behavior.

# What are ethical codes for?

For the purposes of this analysis the use of ethics codes in public service can have a positive impact in several ways.

First, codes of ethics increase the probability that people will behave in certain ways.

Second, good ethics codes can focus public servants on actions that result in doing the right things for the right reasons.

Third, codes of ethics do not take away one's own moral autonomy or absolve the public servant from the obligation to reason.

Fourth, codes of ethics can function as a professional statement. That is it expresses the public service's commitments to a specific set of moral standards.

#### 2.3.3 ACTION OF RIGHTNESS OR WRONGNESS

This is can also be called normative ethics. Normative ethics is the study of ethical action. It is the branch of philosophical ethics that investigates the set of questions that arise when considering how one ought to act, morally speaking. It examines standards for the rightness and wrongness of actions. Miller (2009)

### **2.3.4 ETHICS**

The origins of ethics have a meta-ethical basis. Several philosophers have argued that human beings are inherently ethical. Mencius (Singer, 1994), asserts that human beings are naturally virtuous in that if people follow their nature, they will be able to do is considered as a natural human feeling which tempered selfishness and consequently contributed to the mutual preservation of the whole species (Singer, 1994).

Centuries of debate on the origin of ethics culminate in: either ethical principles, such as justice and human rights which are independent of human experience, or they are human inventions. The choice between these two understandings regulates the difference in the way we view ourselves as a species. It measures the authority of religion and it determines the conduct of moral reasoning (Wilson, 1999).

In the empiricist view, ethics is behaviour advocated consistently throughout a society to be expressed as a code of principles. It reaches its precise form in each culture according to historical circumstance. The codes, whether adjusted as good or evil by outsiders, play an important role in determining which cultures flourish and which decline (Wilson, 1998). The thrust of the empiricist view is its emphasis on objective knowledge. Since

the success of an ethical code depends on how wisely it interprets moral sentiments, senior officials who frame one should know how the brain works, and how the mind develops. The success of ethics also depends on how accurately a society can predict the consequences of particular actions as opposed to others, especially in cases of moral ambiguity (Wilson, 1998).

### 2.3.2 ETHICS AND THE ORGANIZATION

Individuals do not develop in isolation. Development occurs through relationships with others. Organizations reflect the individuals that belong to them and individuals reflect the organizations they belong to, even though organizations cannot grow in the same way-lacking as they do, the inner biological drives that individuals possess (Argyris, 1997). However, they still mutually influence and affect each other. Thus, organizations are capable of expressing the morality that their individual members bring to the organization and in turn shape that individual morality as well. Thus it is not surprising to find studies which tend to point to the primacy of personal morality in determining ethicality in an organization, as well as studies that point to the degree to which organizations influence the ethical behavior of their members.

Influence in organizations is highly complex and dependent on their structure and design as much as on the character of the individuals in the most influential roles. Together this all goes to make up the ethical climate of the organization and generally it is in accordance with this climate that individuals act. The complexity of the situation is made even more confusing by way in which the formal and informal systems in organizations interact causing ambiguous priorities for employees (Falkenberg and Herremans, 1995).

An organization that fosters the psychological growth and development of its members in

a climate of trust, compassion and integrity will enjoy their loyalty and support on the one hand, and greater productivity and efficiency on the other. While in practice this may take a great deal of time, effort and commitment on the part of the organization, in the long run the organization can be expected to perform better. Peters and Waterman (1982). Ethics must be seen as an ongoing activity and not as a status to be attained. Ethics is not just about establishing a set of rules or code of conduct but are an ongoing management process that underpins the work of government (Hondeghem, 1998).

### 2.4. EMPIRICAL FRAMEWORK

#### 2.4.1 LINKING SOURCES OF ETHICS TO PUBLIC ACTION

Ethics is important in modern bureaucracies and public service because ethics translates in practical terms into the use or abuse of power (including political, professional, governmental, organizational, and personal power) and legitimate authority. The power of people in public service compared to those they serve is behind the idea that "public service is a public trust" and explains why so many governmental and professional codes impose strong obligations on public servants who, as *temporary stewards*, exercise public power and authority. Their position is neither theirs to own, nor is it theirs to keep.

This same imbalance leads to framing ethical duties in terms typical of major systematic sources of ethical values and behavioral norms. Ethics and public service values are important elements in comprising the "body and soul" of public administration (Menzel, 2003). Several scholars and practitioners have sought to identify and understand the ethical responsibility of the public administrator. Moore (1976) states that public-sector obligations arise from three different realms which includes: (1) respecting the processes that legitimate the actions of public officials, (2) serving the public interest, and (3) treating colleagues and subordinates with respect, honesty, and fairness. Hart (1984)

argues that public administration is a "moral endeavor" that requires special moral obligations and unique moral character. While Stewart (1985) similarly notes that "the role of a public administrator carries a kind of moral weight not found in private sector counterpart roles". Bailey (1965) suggests that the ethical dilemmas facing public administrators requires specific attitudes that must be aligned with unique moral qualities, and Waldo (1980) identifies more than a dozen sources of obligations relevant to the conduct of the public administrator's role. Cooper (1987) further presents twenty specific virtues that directly relate to three broad "realms of obligation" for public servants, and Denhardt (1991) identifies the "moral foundations" of a public administrator's role as honor, benevolence, and justice; while Cohen & Eimicke (1995) reduce Carol Lewis' (1991) twenty-one rules of thumb for the ethical behavior of a public administrator to five simple principles: (1) obey the law, (2) serve the public interest, (3) avoid doing harm, (4) take individual responsibility for the process and its consequences, and (5) treat incompetence as an abuse of office.

Warwick (1981), in identifying some of the common ethical dilemmas faced by public officials in the exercise of discretion, offers five ethical principles of guidance: (1) the exercise of discretion should serve the public interest, (2) public officials should push back bounds on rationality so that deliberation may take place, (3) public officials should provide truthfulness in the discharge of official responsibilities, (4) public officials should demonstrate procedural respect, and (5) public officials should exercise restraints on the means chosen to accomplish organizational ends. Warwick (1981) further specifies the four sources of ethical decision making by public-sector leaders as public interest, constituency interests, personal interest, and bureaucratic interest. Similarly Cooper (1990) identifies the sources as individual attributes, organizational structure,

organizational culture, and societal expectations. Dobel (1990) states that "public officials need a complex array of moral resources to exercise discretion," and that adequate discretion by public officials "should be seen as an iterative process among three mutually supporting realms of judgment". Thus he argues that regime accountability, personal responsibility, and prudence are the keys to ethical decision making for individuals in the public-sector.

# 2.4.2 Ethical Dilemmas Facing Public Servants.

Ayee (1998) identified some of the most common ethical dilemmas with which public servants are confronted, revolve around aspects such as: administrative discretion, corruption, nepotism, conformity, administrative secrecy, information leaks, values, public accountability, policy dilemmas, the relationship between appointed officials and elected political office bearers, the influence of pressure groups on the ethical conduct of public administration, the political activities of appointed public officials, the interest revealed by the public in the behaviour of public officials (Graham, 1974; Hanekon,(1986). Most of the ethical dilemmas which confront the public servant stem from the way in which he conceives the interest of the public and not necessarily from his conception of good and evil, or right and wrong.

### Administrative discretion

Public officials are not merely executors of public policy. They make decisions pertaining to the lives of people, for example, about taxes, survival and the dismissal of people. In doing so, they exercise discretion. The question is then how decisions are to be made to avoid ethical dilemmas. In other words, the promotion of the general welfare depends to a large extent on the use or abuse of administrative discretion (Rohr, 1978).

Furthermore, "...he who has the state of another in his hands ought never to think of himself... (Machiavelli, 1958), but ought to put the promotion of the general welfare above his own interest.

### Corruption.

The corruption of public officials by private interests is usually very subtle: favours by the public to the official under obligation and he gradually substitutes his public loyalties to those doing him favours. It is quite possible that the official believes and claims that his decisions are not influenced by his benefactors (McMullan, 1970; Scott, 1972).

The ethical dilemma that faces the public servant with regard to corrupt practices as result of private interests primarily concerns his reaction to the situation. If a corrupt practice or an attempt to corruption is discovered, it is quite possible that the official's personal loyalties or party political affiliations may be in conflict with his official duties.

### Conformity.

In general, employees tend to behave in a certain way - either because of tradition, organizational structures, oaths of office, popularity, prestige or fear, or merely because the individual is drawn toward the ethical behaviour of a group or person and strives to bring his actions into harmony with a specific model. The result of the sensitivity of the individual to acceptable and unacceptable behaviour is that as an employee he deliberately and often voluntarily tends to conform to the standards of the institution where he is employed (Dwivedi, 1981; Dwivedi, 1987).

It should, however, be pointed out that public officials are expected to conform to the principles of public administration, that is, taking into account the political ideology of the government of the day, community values and norms and prescriptions of

administrative law. These principles represent the minimum standards of official conduct to which the public official has to conform. The ethical dilemma of conformism lies in injudicious conformity, over-indulgence in conformity, or conformity of officials merely in their own interests - all of which could lead to inflexibility and stagnation in the administration of public affairs.

Values.

The human being is the only living creature that can distinguish between good and bad, and right and wrong. The word "values" therefore, refers to the human being's idea of what is acceptable or unacceptable or virtuous or without virtue. Values thus indicate the importance allocated by the individual to activities, experiences or phenomena, and provide the individual with a guideline for his personal conduct (Dwivedi, 1978).

The values held by public officials could be one of the causes of ethical dilemmas, especially because of the fallibility of man, his greed for power, personal aggrandizement, wealth and status, rather than his endeavour to render unbiased service and to adhere to professional norms. The fallibility of man can undermine the effective personal performance of the official duties of the public official and could have a spill-over effect in that the absence of moral leadership and public accountability could serve as an example to other groups and/or individuals also to indulge in unethical practices (Waldo, 1994).

# 2.4.3 Strategies for Promoting/Ensuring Ethical Behaviour.

Ayee (1998) explains that the responsibility for maintaining standards and minimizing unethical behavior within the public service falls on the public service itself. If properly conceived, regulations governing conflict of interest in the public service are directed towards erecting and maintaining an administrative and management system to protect

the public decision making process. Rather than detecting and punishing the wrongdoer after the fact, such a system reduces the risk of unethical behaviour occurring in the first place. In a well managed administrative system, the incidence of unethical behaviour would be minimized and, where they did occur, swift disciplinary action would be the norm.

Focus should, therefore, be placed on reforming public service procedures and systems to make them more accountable to the public interest. In other words, in an environment of unethical behaviour, significant public service reform will prove elusive if unethical practices are ignored. A number of measures or strategies have been adopted in African countries to fight unethical behaviour. They are discussed in the following paragraphs:

Ethical codes.

One of the most important ways of ensuring positive ethical behaviour is the establishment of a public sector ethical code. The code sets out the ethos which should guide those in managerial/leadership positions. It reminds public servants of their responsibilities to the public and requires declarations of assets and income. Yet, the codes have not met with great success, mainly because of lack of enforcement (Dwivedi, 1978; Caiden, 1981, Ayee, 1997). Establishing and maintaining ethical codes depends on a number of critical conditions.

- 1. The ethical environment must be accepted by a broad segment of the public sector
- 2. The deviations must be dealt with equally and consistently across the public sector
- The ethical environment requires political commitment and leadership, as well as broad support by civil society (Stapenhurst and Langseth, 1997).

Improved remuneration.

The inadequacy of public sector salaries contributes greatly to unethical behaviour. Ensuring living wages is crucial to public sector efficiency and effectiveness. It is essential, of course, for public servants and the public at large to understand fully the rationale behind any major public sector pay rises, and for them to appreciate that, together with the benefit of higher pay, comes the responsibility of enhanced accountability. Raising pay with no increases in oversight could simply result in prospective job candidates paying for the privilege of obtaining a government job.

Administrative reform.

superiors' unethical behaviour;

Organizational change within the public service can help minimize the opportunities for
unethical behaviour and practices. Such measures include:
☐ Improving work methods and procedures to reduce delay;
☐ Increasing the effectiveness of supervision to enable superior officers to check and
control the work of their staff;
☐ Carrying out surprise checks on the work of officers;
☐ Instituting in-service training for public servants at all levels, together with
The formulation and dissemination of clearly-defined ethical guidelines and rules of
conduct;
□ Developing internal financial management systems that ensure adequate and effective
controls over the use of resources;
□ Providing channels for complaints to enable junior officials to complain about their

Rewarding achievement, recognizing good behaviour and acclaiming role models;
 Making the necessary security arrangements to prevent unauthorized persons from having access to a department's premises; and
 Reviewing the anti-unethical measures taken once in three to five years with the aim of introducing further improvements (Stapenhurst and Langseth, 1997).

A discretionary element in decision making contains the potential for abuse. Eliminating discretionary decisions altogether, while resolving the dilemma, would be impossible and impractical. Instead, those areas where discretion must be maintained, it would be more realistic to reduce the "monopoly power" of bureaucracy by providing rival sources of supply.

Disclosure of income/assets/gifts.

One of the key instruments for maintaining integrity in the public service is the periodic completion by all in positions of influence of forms stating their income, assets and liabilities. Disclosure of assets and income certainly will not be accurately completed by those taking bribes. However, it will force them to record their financial position and, in so doing, lay an important building block for any subsequent prosecution. However, today's evidence points to the inadequacy of any voluntary or informal system. Corruption can be reduced only if it is made a high-risk and a low-return undertaking (Stapenhurst and Langseth, 1997).

If not, enforcement will be impossible, therefore serving to undermine the integrity system itself. The problem does not end with disclosure. There is also the matter of gifts received by those in public office. Gifts can take many forms - a lunch, a ticket to a sports event, an expensive watch, shares in a company, a holiday abroad, perhaps school

fees for a child. Some are acceptable; others are not. What is unacceptable is excessive hospitality, such as all-expenses paid holidays for a purchasing officer and spouse. More difficult to classify are such things as lunches or festive presents; though, even here, the acceptance of seemingly trivial gifts and hospitality over time can lead to situations where a official has unwittingly become ensnared by the "donor". The dividing line usually rests at the point where the gift places the recipient under some obligation to the gift-giver. The acceptable limit will differ from one society to another, but it can be set in monetary terms so that gifts exceeding it must be declared (Stapenhurst and Langseth, 1997).

# Watchdog agencies

A country serious about fighting unethical practices may need to establish new public institutions to carry out anti-unethical behaviour functions. In recent years, governments have sought to bolster detection efforts by introducing independent anti-unethical agencies or commissions such as the office of the ombudsman and supreme audit institutions.

#### Anti-corruption agencies

Given that prevention is more efficient and effective than prosecution, a small investigation and monitoring unit with appropriate authority - perhaps reporting directly to the legislative body - may be much better placed to ensure that effective preventive steps are identified and taken. To operate successfully, an anti-unethical behaviour agency should possess the following:

П	committed	nolitical	backing at	t the highest	levels o	f government;
ш	Committee	pomicai	backing a	i inc mgnesi	ICVCIS U.	i governinem,

political and operational independence to investigate even the highest levels of

government;

□ adequate powers of access to documentation and to question witnesses;

□ leadership which is publicly perceived as being of the highest integrity.

#### 2.5 CORPORATE PERFORMANCE

The term corporate performance is used comfortably in three time-senses –the past, present and the future. In other words, performance can refer to something completed, or something happening now, or activities that prepares for new needs. Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). According to Richard (2009), organizational performance encompasses three specific areas of firm outcomes: (a) financial performance (profits; return on assets, return on investments), (b) product market performance (sales, market share etc) and (c) shareholder return (total shareholder return, economic value added etc). Performance by Brumbach (1988) that: performance means both behavior and results. Behavior emanates from the performer and transforms performance from abstraction to action. As instruments for result, behaviors are also outcomes in their ownright - the product of mental and physical efforts applied to tasks - and can be judged apart from results.

In recent years, many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as; financial performance (shareholder return), customer service, social responsibility (corporate citizenship, community outreach) and employee stewardship. Page R; Jagger N; Tamkin P; Henwood N; (2006) further explains that literature contains a range of performance measures. These can be sequenced along

Tamkin's (2005) Chain of Impact model from those that are measures of human resource deliverables, to corporate financial measures. Appropriate measures will vary according to sector, occupation and nature of the training involved.

Customer satisfaction measures are often used to assess organizational performance, especially in the service sector where other outcomes are difficult to measure. Customer satisfaction measures may be most appropriate for particular types of training, and training with the aim of changing customer service levels. It measures how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator within business and is part of the balanced scorecard. Measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace.

Customer satisfaction is an abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product/service to product/service. The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction behaviours such as return and recommend rate.

Output measures capture the amount of products and services completed or delivered (Ho and Ni, 2005). Examples of such measures would be road safety services, community safety, crime prevention and victim support, road maintenance, numbers of emergency treatments in hospitals and providing educational programs or facilities.

Outcome measures capture the results or the consequences of service delivery that are important to the public and customers (Ho and Ni, 2005). Examples of outcomes would be: maximising employment and training opportunities for all; improving educational outcomes for all students in all key areas; ensuring safe employment, learning and public environments; ensuring efficient and effective systems to facilitate improvement in the aforementioned

priority outcomes; enhanced community safety and protection; and safer, fairer and expeditious handling of persons involved in the judicial system.

"Performance is the key multi character factor intended to attain outcomes which has a major connection with planned objectives of the organization" (Mwita. 2000). The leaders and the employees of any rank must contribute their performance and contribution and construct utmost utilization of their capabilities to achieve organizational goals and objectives. The organizations have also some expectations from their leaders and employees.

Code of Conduct

Action of Rightness & Wrongness

Code of Coutput Level

Source: Literature Review (Lewis C; 2005)

Figure 2.2 – A Model Showing Interaction between Ethical Norms and Performance

#### CHAPTER THREE

### RESEARCH METHODS

#### 3.1 INTRODUCTION

Research is the systematic process of collecting and analyzing information so as to enhance the understanding of a particular phenomenon under studied. Research provides possible answers to questions raised in the study. This chapter explains the methods used in this research to achieve the purpose of the research. These methods include research design, population and sample size, sources of data collection, data collection instrument, validity and reliability instrument, method of data analysis.

#### 3.2 RESEARCH METHODOLOGY

This aspect considers the whole process of a research undertaken. It involves the step by step approach towards achieving the aim of the research work. Basically, there are common research methods used in carrying out researches by researchers. These methods include; survey method, experimental method and ex-post facto research method. The survey is one of the most important areas and widely used in applied social research.

This method encompasses any measurement procedure that involves asking questions of respondents. Survey can basically be carried out through questionnaires and interviews. Survey is used when a large population of survey sample exists, of which information can be retrieved regarding the issue being researched.

Surveys are relatively inexpensive and are useful in describing the characteristics of a large population. Consequently, very large samples are feasible making the result statistically significant.

In carrying out experimental research, there must always be a control or comparison group,

while the subjects are randomly assigned to groups. The subjects in their various groups are then subjected to treatments randomly as well. The presence of a control group in the experiment provides a platform for comparing the results gotten as a function of treatments applied to the groups.

Ex-post facto research on the other hand, has similar characteristics with the experimental but with little difference. In ex-post facto research, there is also the control or comparison group, and intact groups are used in the method. But, the treatment to the groups is never manipulated it has already occurred. (Epetimehin, 2008)

The survey research is adopted for this project because of the nature of the respondents and study. The population of the respondents is rather large, made up of over 400 employees in PHCN, Egbin Thermal Station. These respondents cannot all be given questionnaire to therefore, a sample of them; the population shall be used as respondents for the study.

### 3.3 RESEARCH DESIGN

Ojo (2003) defines research design as the structuring of an investigation for the purpose of identifying the relevant variables and their relationships to one another. The research helps in delineating the research purpose from the limitations. It determines the general scope of the study. It is provided to help in making logical conclusion about the relationship that exists between ethical norms and corporate performance. The research design provides the bond which holds the research together. Research design is used in researches to structure the study and to show how all the major parts of the research project work together to provide answer to the central research questions.

The study adopts a survey research design, where data is collected from a sample of employees in PHCN Egbin to determine the relationship between corporate performance (dependent variable) and ethical norms (independent variable). Items relevant under the

research design are: study population, sample and sampling technique, data collection instrument (its reliability and validity tests). All these items representing the research design provides a clear view of how data required for the study are collected and collated and how the analysis would be performed so as to yield a significant reliable and valid result.

In this course of this research project/work, two hundred and fifty-five (200) was administered for the respondent to complete the survey method to be used in the opinion poll techniques. This is due to the fact that the population of PHCN Egbin in Lagos metropolis is large and comprises of junior, middle and senior managers.

#### 3.3.1 STUDY POPULATION

A population can be defined as all elements, subjects or observations that are of primary interest to a researcher or a study (Adedayo, 2002). The population figure is provided from the administrative office in PHCN, Ijede. The figure is given as 400 staff. This figure thus provides a base upon which the sample for the study will be determined.

#### 3.3.2 SAMPLE SIZE

A sample is a part of population which consists of any subgroup drawn from the population. Generalizations made regarding populations from which data were collected by the use of sample are usually based on probability. Therefore, the larger the sample size, the lesser there would be a likelihood of error occurrence in the statistical result that would be gotten from the analysis.

There are various ways by which the sample size for a research study can be determined. One of the ways is by the use of formula which is shown below;

$$n = \frac{N}{1 + N(e)^2}$$

n represents the sample size to be determined, N represents the population size while e

represents the margin of error allowed in computing the sample size in such a way as to make it representative.

Another method of determining the sample size is by using the Minimum Returned Sample Size Table for Continuous and Categorical Data by Bartlett, Kotrilik, and Higgins (2001).

In determining the sample size for this study, the Yard's formula for sample size determination is used and thus calculated as shown below;

The YARD's formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where n = sample size, N = population and e = margin of error (0.05)

Therefore from the above formula the sample size is 200 where N=400 and margin of error =0.05

### 3.3.3 SAMPLING TECHNIQUE

Generally, sampling techniques available to researchers can be divided into probability (representative) sampling and non-probability (judgmental) sampling. In probability sampling, the chance of each element being picked from the population is known and is usually equal in for all the elements. Probability sampling thus, is often associated with survey and to a lesser degree experimental research. In non-probability sampling, the chance of each element being selected is unknown, thus, non-probability sampling is usually applicable to case-study researches.

Firstly, the sample population used for the study involves the total number of employees in PHCN, Egbin Thermal Station, Ikorodu, Lagos State, Nigeria.

The sampling frame for any probability sampling is a complete list of all the elements in the population from which the sample would be drawn. As this research is concerned with the PHCN, Egbin, the sampling frame therefore include employees in PHCN Egbin.

There are various methods by which samples are selected from the population after the

determination of the sample size has been accurately done. Such methods are broadly identified in literature as non-random sampling and random sampling. The random sampling involves the techniques in which each and every item of the population is selected based on equal and independent chance principle. These techniques include simple random sampling, stratified sampling, systematic sampling and cluster sampling.

The non-random sampling is a process of selecting samples from the population without involving the randomization principle. That means each element is taken as not having equal and independent chance of being selected. Techniques under this form of sample selection are judgment sampling, convenience sampling and quota sampling.

The sample size required for the study is calculated as 200 employees using the Yard's formula for sample size determination as shown above. Therefore, the 200 employees required to respond to the designed questionnaire are selected based on convenience and judgmental sampling.

#### 3.3.4 SOURCES OF DATA COLLECTION

Data can be defined as the collection of facts and figures. Data can be categorized into namely, primary and secondary data. Both primary and secondary was used in this research work.

The primary source data are original of first hand data collected through field survey from organization needed to solve the current problems. The researcher prepared a well informed and standardized questionnaire printed and distributed to the respondents with the view to have valid facts.

Secondary data, which has to do with useful information already documented by other writers, were collected from the following sources textbooks, journals, articles, newspapers and magazines.

#### 3.3.5 DATA COLLECTION INSTRUMENT

The instrument that will be used in this study, which provides answer to the research questions, is the questionnaire. The questionnaire is built in line with the research questions. The questionnaire is divided into two sections. Section A is the background information, Section B, has simple and straight forward statement and were measured under the philosophy of a perceived rating of the organisation's performance on a five point scale ranging from Strongly Agree, Agree, Undecided, Disagree, Strongly Disagree. The researcher will use this method to seek and elicit for reliable answers to the questions in the questionnaire.

#### 3.3.6 VALIDITYOF THE RESEARCH INSTRUMENT

Validity refers to the degree in which the test or other measuring device truly measures what was intended to be measured. When construct or variables are difficult to measure then the concept of validity becomes more complicated. Regarding the validity of a construct, there are three types of construct validity that researchers focus on. These types include; concurrent validity, content validity, predictive validity and face validity.

Concurrent validity describes the measurement instrument's ability to vary directly with a measure of the same construct or indirectly with a measure of opposite construct. It allows the authentication of the test validity in comparison with an already established valid test. Content validity deals with the ability of the test to include or represent all of the content of a particular construct. The predictive validity is necessary to be determined for a particular instrument in order for the test to be a valid screening instrument for some future behavior. Another form of validity is the face validity. Just as the content validity, face validity is determined by a review of the items in the measurement instrument and not through any statistical analyses.

The validity of a test is critical because without a sufficient validity of the instrument, the

result thereof would have no meaning and as such no significance to real situations. Then it will not be possible to make any significant and relevant conclusion about the population from which the data was collected (with such instrument).

The validity of the questionnaire used in the study is ascertained by the supervisor. The questionnaire used in the study was designed in collaboration with my supervisor ensuring that variables needed for the study are included to yield valid result.

#### 3.3.7 RELIABILITY OF THE RESEARCH ISTRUMENT

Reliability is same as referring to consistency of a test, observation, survey, or measuring instrument. An important factor in reliability tests is the reliability coefficient. The reliability coefficient is often the statistic of choice in determining the reliability of a test. The coefficient represents a correlation that measures the intensity and direction of a relationship between two or more variables involving both independent and dependent variables.

The test-retest reliability represents a measure of reliability of the test's consistency amongst various researchers who have adopted the test in past research works. In determining the coefficient for the test-retest reliability, the same test is given to a group of subjects on not less than two occasions

Another reliability test is the inter-rater reliability whereby two or more observers are involved in rating the same subjects and the observations made by the observers are then correlated. This form of reliability test is done when observations of behavior are used as data in research

For the purpose of this research work, the reliability of the research instrument, that is the questionnaire, is determined by using cronbach alpha coefficients.

Figure 3.1

Reliability Statistics

Cronbach's	
Alpha	N of Items
.781	9

The score shows 0.781 and the acceptable range is 0.700. This shows that the instrument is acceptable.

#### 3.4 DATA COLLECTION AND ANALYSIS

Information will be gathered from both junior and senior staff/cadre in PHCN Egbin zone.

The questionnaire will be distributed largely through personal contact and friends; thus, we will be able to resolve doubts and confusions wherever it exist in the course of administering and responding to the questionnaire.

The data collected was analysed using Regression and Factor analysis. This will be used to determine the kind of relationship that exists between ethical norms and corporate performance and also the level of influence of the relationships.

#### 3.5 LIMITATIONS OF THE METHODOLOGY

There are definitely limitations to this study. Basically, like every other survey research, time constraints was a major limitation. There is little availability of time for the carrying out of the research. Therefore, much has to be done within the little period available for the research project as well as ensuring that the work is highly of good qualitative.

Another limitation was peoples' attitude towards research findings with cases of 'I have no comments', 'I'm busy', which are rampant.

#### CHAPTER FOUR

### DATA ANALYSIS AND INTERPRETATION

#### 4.1 INTRODUCTION

The data analysis section of this research study focuses on how the data collected from the field are classified and tabulated for easy analysis as well as presenting a bird's eye view of whatever is going to be revealed by the in depth analysis to be performed on the data. Basically, prior to the analysis, the tabulation of the data, that is, a systematic arrangement of statistical data in columns and rows is done to make it possible the presentation of huge data in a detailed orderly manner within a minimum space.

Ultimately, the tabulation done would simplify the complex data that had been collected for the purpose of the research. It would also facilitate comparison amongst the variables presented in the table, and provides an identity for the data since they are arranged with a title and a number they are distinctly identified. Finally, the tabulation presents a pattern within the figures which cannot readily be viewed in narrative style of presentation. Below are tables reflecting the variables captioned in the questionnaire showing the various frequencies of each variable.

## 4.2 QUESTIONNAIRE ANALYSIS AND PRESENTATION

In order to achieve the objectives of this chapter, the questionnaires collected have been analyzed into those that were distributed and those retrieved. Within this, there are also those that were completely filled by the respondents and those that were incompletely filled. The analysis of the distributed and retrieved questionnaires is presented in the table 4.1 below. The table 4.2 presents the total respondents that attended to the questionnaires and their gender.

Table 4.1: ANALYSIS OF THE QUESTIONNAIRE DISTRIBUTED AND RETRIEVED

QUESTIONNAIRE	NO.
Total no. of questionnaire distributed	300
Questionnaire retrieved	210
Questionnaire not retrieved	90
Questionnaire completely filled	204
Questionnaire incompletely filled/not useful	6

SOURCE: FIELD SURVEY, 2012

Table 4.2: TOTAL RESPONDENTS AND GENDER

			Valid	Cumulative
	Frequency	Percent	Percent	Percent
Male	134	65.7	65.7	65.7
Female	70	34.3	34.3	100.0
Total	204	100.0	100.0	
	Female	Male 134 Female 70	Male 134 65.7 Female 70 34.3	Frequency         Percent         Percent           Male         134         65.7         65.7           Female         70         34.3         34.3

SOURCE: FIELD SURVEY, 2012

### Discussion of Result

From the table above 65.7 % percent of the respondents are males while 34.3 % are females, of the total number of employees of PHCN (Egbin Zone) who returned appropriately filled questionnaires. An obvious observation is that there are more male respondents in the research study than the female counterparts. The total number of the male is therefore 134 and the female 70 of a total of 204.

Table 4.3: TOTAL RESPONDENTS AND AGE

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	20-30	38	18.6	18.6	18.6
	31-40	53	26.0	26.0	44.6
	41-50	81	39.7	39.7	84.3
	51-60	32	15.7	15.7	100.0
	Total	204	100.0	100.0	

SOURCE: FIELD SURVEY, 2012

### Discussion of Result

From the table above, respondents within the age group of 20 and 30 are 38 in all comprising 18.6% of the total respondents. The other groups of respondents within age group 31 and 40 are 53 and make up 26.0% of the respondents, 41 and 50 are 81 comprising 39.7% while the last group 51 and 60 make up 15.7% and are 32 of the total respondents.

Table 4.4: TOTAL RESPONDENTS AND ACADEMIC QUALIFICATION

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	SSCE/NECO	4	2.0	2.0	2.0
	OND	39	19.1	19.3	20.3
	HND/BSC	142	69.6	70.3	90.6
	MSC/MBA	19	9.3	9.4	100.0
	Total	204	99.0	100.0	
Total		204	100.0		

SOURCE: FIELD SURVEY, 2012

### **Discussion of Result**

From the table above, respondents with SSCE/NECO qualification are 4 comprising of 2.0%.

Those with OND are 39 with 19.1%. 142 respondents with 69.9% make up for HND/BSC while 19 respondents with 9.3 % make up for MSC/MBA. It can be seen that the majority of the respondents are HND/BSC holders.

Table 4.5: TOTAL RESPONDENTS AND MARITAL STATUS

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Single	41	20.1	20.1	20.1
	Married	162	79.4	79.4	99.5
	Divorced	1	.5	.5	100.0
	Total	204	100.0	100.0	

SOURCE: FIELD SURVEY, 2012

#### **Discussion of Result**

In consideration of the respondents' marital status, three major groups are identified. These groups include single, married, and divorced. Form the frequencies presented in the table, the single respondents are 41 in number and make up 20.1 % of the respondents. The married respondents who are of the highest number, 162 make up 79.4 % of the total respondents while the divorced constitute 1.0 % of the respondents with a total number of 1 of the 204 respondents.

Table 4.6: TOTAL RESPONDENTS AND WORKING EXPERIENCE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-10	55	26.9	26.6	27.1
	11-20	73	35.8	36.0	62.6
	21-30	65	31.9	32.0	94.6
	31-40	11	5.4	5.4	100.0
Total		204	100.0		

SOURCE: FIELD SURVEY, 2012

#### Discussion of Result

It can be seen from the table above, that respondents between 1 and 10 years are 55 and makes up for 26.0%, 11 and 20 years are 73 with 35.8%, 21 and 30 years are 65 with 31.9% and lastly 31 and 40 years are 11 with 5.4%. The table shows that the majority of respondents are between 21 and 30 years.

Table 4.7: TOTAL RESPONDENTS AND PRESENT STATUS

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	MGT	13	6.4	6.4	6.4
	Senior Mgt	38	18.6	18.6	25.0
	Middle Mgt	93	45.6	45.6	70.6
	Junior Staff	60	29.4	29.4	100.0
	Total	204	100.0	100.0	

SOURCE: FIELD SURVEY, 2012

#### **Discussion of Result**

It can be seen from the table above, that respondents of management are 13 and makes up for 6.4%, senior management are 38 with 18.6%, middle management are 93 with 45.6% and lastly junior staff are 60 with 29.4%. The table shows that the majority of respondents are between middle management.

. Table 4.8: TOTAL RESPONDENTS AND DEPARTMENTS

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Administrative	57	27.9	28.1	28.1
	Maintenance	31	15.2	15.3	43.3
	Laboratory	27	13.2	13.3	56.7
	Planning and control	49	23.1	23.6	80.4
	Operations	40	19.6	19.7	100.0
Total		204	100.0		

SOURCE: FIELD SURVEY, 2012

#### Discussion of Result

It can be seen that majority of the respondents are administrative with 57 and comprises of 27.9%.

### 4.3 DATA ANALYSIS AND RESULTS

Basically, in carrying out the regression analysis test on the variables, there is a need to give an explanation on the variables in the questionnaire that constitute object of analyzing the dependent and independent variables. For the dependent variable, that is corporate performance, there is one sub-variable involved which is output level (PERF). The independent variable which stands as ethical norms has two sub-variables in the view of the questionnaire. These components include; action of rightness or wrongness (ARW) and code of conduct (CC).

The regression analysis is carried out on individual components of performance versus both the action of rightness or wrongness and code of conduct. This is done to reveal what kind of relationship exists between the variables and to determine to what degree the independent variable or contributes to the dependent variable. The analysis as performed with the aid of SPSS (Statistical Package for the Social Sciences) is shown below;

Descriptive Statistics

Table 4.7

		Std.	
	Mean	Deviation	N
PERF	4.0382	.49491	204
CC	4.0027	.45695	204

The table above reports the mean value of both the predictor (code of conduct) and the dependent variable (organizational performance). Report the values.

### Correlations

		PERF	CC
Pearson	PERF	1.000	.726
Correlation		1.000	.720
	CC	.726	1.000
Sig. (1-tailed)	PERF		.000
	CC	.000	
N	PERF	204	204
	CC	204	204
			ı

This result shows that there is a strong correlation between performance and code of conduct.

The value 0.726 is a high value which tends towards a perfect correlation value of 1.

### Model Summary (b)

				Std.	Error
Mode			Adjusted	of	the
1	R	R Square	R Square	Estim	nate
1	.726(a)	.528	.525	.3410	00

a Predictors: (Constant), CC

b Dependent Variable: PERF

The regression result above is in line with the correlation analysis explained above. With our value R being 0.726 that is, the pearson correlation value and R2 represents the degree to which change in performance is accounted for by a change in code of conduct. This means that code of conduct is responsible for a 52% change in organizational performance.

# **Descriptive Statistics**

		Std.	
	Mean	Deviation	N
PERF	4.0382	.49491	204
ARW1	4.2493	.44648	204

The table above reports the mean value of both the predictor (Action of rightness or wrongness) and the dependent variable (organizational performance). Report the values.

### **Correlations**

		PERF	ARW1
Pearson	PERF	1.000	.523
Correlation		1.000	.525
	ARW1	.523	1.000
Sig. (1-tailed)	PERF		.000
	ARW1	.000	•
N	PERF	204	204
	ARW1	204	204

This result shows that there is a mild correlation between performance and action of rightness or wrongness. The value 0.523 is an average value which neither tends towards a perfect correlation value of 1 nor the 0 value of no correlation

# Model Summary(b)

				Std. Error
Mode			Adjusted	of the
1	R	R Square	R Square	Estimate
1	.523(a)	.274	.270	.42283

a Predictors: (Constant), ARW1

# b Dependent Variable: PERF

The regression result above is in line with the correlation analysis explained above. With our value R being 0.726 that is, the pearson correlation value and R2 represents the degree to which change in performance is accounted for by a change in code of conduct. This means that action of rightness and wrongness is responsible for a 27% change in organizational performance.

### 4.4 TESTING OF HYPOTHESIS AND DISCUSSION OF RESULTS

# Hypothesis 1

H<sub>01</sub>: Ethical norms do not have an influence on the organization's performance.

H<sub>al</sub>: Ethical norms have an influence on the organization's performance.

# **Descriptive Statistics**

		Std.	
	Mean	Deviation	N
PERF	4.0382	.49491	204
ETHICS	4.1260	.41240	204

### **Correlations**

	-	PERF	ETHICS
Pearson	PERF	1.000	.686
Correlation		1.000	.000
	ETHICS	.686	1.000
Sig. (1-tailed)	PERF		.000
	ETHICS	.000	
N	PERF	204	204
	ETHICS	204	204

SOURCE: FIELD SURVEY, 2012

The above correlation result shows the overall relationship that exists between performance and ethics. There is a mild correlation between performance and ethics. The value 0.686 is an average value which neither tends towards the value of 1 rather than 0. Thus, there is a degree of positive relationship between performance and ethics.

### Model Summary(b)

				Std.	Error
Mode			Adjusted	of	the
1	R	R Square	R Square	Estim	ate
1	.686(a)	.470	.467	.3611	7

### **Discussion of Result**

a Predictors: (Constant), ETHICS

b Dependent Variable: PERF

The regression result above is in line with the correlation analysis explained above. With our value R being 0.686 that is, the pearson correlation value and R2 represents the degree to which change in performance is accounted for by a change in ethics, that is, a combined effect of both action of rightness and wrongness and code of conduct. This means that the overall ethics in the organization is responsible for a 47% change in organizational performance.

We accept  $H_{a1}$  and we conclude that ethical norms have an influence on corporate performance.

### Hypothesis 2

 $H_{02}$ : Higher level employees tend not to be influenced by ethical norms in their decisions than lower level employees.

H<sub>a2</sub>: Higher level employees tend to be influenced by ethical norms in their decisions

than lower level employees.

# **Factor Analysis**

# **Descriptive Statistics**

		Std.	
	Mean	Deviation	Analysis N
PSTA	2.98	.859	204
ARW1	4.2493	.44648	204
CC	4.0027	.45695	204

# **Correlation Matrix**

		PSTA	ARW1	CC
Correlation	PSTA	1.000	171	078
	ARW1	171	1.000	.667
	CC	078	.667	1.000
Sig. (1-tailed)	PSTA		.007	.134
	ARW1	.007		.000
	CC	.134	.000	

SOURCE: FIELD SURVEY, 2012

### **KMO** and Bartlett's Test

Kaiser-Meyer-Olkin	.505		
Sampling Adequacy	Sampling Adequacy.		
Bartlett's Test of	Approx. Chi-	124.814	
Sphericity	Square	124.814	
	df	3	
	Sig.	.000	

### Discussion of Result

There is correlation between higher level employees been influenced by ethical norms in their

decisions than lower level employees. The significance value is 0.000 which is lesser than 0.5 and KMO value is 0.505 is higher than 0.5. Thus, there is a degree of positive relationship between higher level employees been influenced by ethical norms in their decisions than lower level employees.

We accept H<sub>a2</sub> and we conclude that higher level employees tend to influence ethical norms in their decisions in enhancing corporate performance

#### HYPOTHESIS 3

H<sub>03</sub>: Top management has no influence on ethical practices that enhances organization performance.

 $H_{a3}$ : Top management has an influence on ethical practices that enhances organization performance.

#### **Descriptive Statistics**

		Std.	
	Mean	Deviation	Analysis N
Mgt support	4.00	.830	204
ETHICS	4.1260	.41240	204

#### **Correlation Matrix**

	•	Mgt	
		support	ETHICS
Correlation	Mgt support	1.000	.334
	ETHICS	.334	1.000
Sig. (1-tailed)	Mgt support		.000
	ETHICS	.000	

SOURCE: FIELD SURVEY, 2012

#### **KMO** and Bartlett's Test

Kaiser-Meyer-Olkin	.500	
Sampling Adequacy	.300	
Bartlett's Test of	23.836	
Sphericity Square		
	df	1
	Sig.	.000

#### **Discussion of Result**

There is correlation between top management support in influencing ethical practices and corporate performance. The significance value is 0.000 which is lesser than 0.5 and KMO value is 0.500 is higher than 0.5. Thus, there is a degree of positive relationship between top management support in influencing ethical practices and corporate performance.

We accept  $H_{03}$  and we conclude that top management support in influencing ethical practices will enhance corporate performance.

#### HYPOTHESIS 4

H<sub>04</sub>: There is no significant relationship between ethical norms and job satisfaction.

H<sub>a4</sub>: There is a significant relationship between ethical norms and job satisfaction.

#### **Descriptive Statistics**

		Std.	Analysis
	Mean	Deviation	N
Job satisfaction	3.97	.912	204
ETHICS	4.1260	.41240	204

#### **Correlation Matrix**

		Job	
		satisfaction	ETHICS
Correlation	Job satisfaction	1.000	.408
	ETHICS	.408	1.000
Sig. (1-tailed)	Job satisfaction		.000
,	ETHICS	.000	

SOURCE:FIELD SURVEY 2012

#### **KMO** and Bartlett's Test

Kaiser-Meyer-Olkin	.500	
Sampling Adequacy		
Bartlett's Test of	Approx. Chi-	36.685
Sphericity Square		30.063
	df	1
	Sig.	.000

#### **Discussion of Result**

There is correlation between ethical norms and job satisfaction. The significance value is 0.000 which is lesser than 0.5 and KMO value is 0.500 is higher than 0.5. Thus, there is a degree of positive relationship between ethical norms and job satisfaction.

We accept  $H_{a4}$  and we conclude that there is a significant relationship ethical norms and job satisfaction.

#### CHAPTER FIVE

#### SUMMARY, RECOMMENDATIONS AND CONCLUSION

#### 5.1 SUMMARY

This study deals with analysis, assessing and evaluating the influence of ethical norms on corporate performance using Power Holding Company of Nigeria (PHCN) Egbin as a case study. The investigation was linked to employees of PHCN Egbin in Ijede local government. For clear analysis, the study centers on two broad variables; the dependent variable and the independent variable. The dependent variable is taken as corporate performance which was further broken into sub-variable to include output level. The independent variable was ethical norms which were operationalized in terms of code of conduct and action of rightness or wrongness.

The objectives of the study and the scope are stated to provide adequate ground for proper investigation. The investigation was carried to substantiate the influence of ethical norms on corporate performance of public enterprises. The investigation process includes the determinations of the population study, research planning and design, type of data used, analysis of data presentation and interpretation of data collected on the research problem. The investigation process, which ends with the interpretation of data on research study, provides categorical answers to the tentative statements made at the onset of the research.

#### 5.2 RECOMMENDATION

In concluding this study, it is pertinent to make certain recommendations as follows;

a. Re-sensitization program on ethical values and standards with a view to halting the decline of the time-honored ethical principles and rules in the public service; broadening and deepening the general public's understanding of ethics in the public

- service; and promoting the culture of sound ethical fitness.
- b. Codes of Conduct,- encouraging public servants to adhere to the mandatory and permissible conduct in the public service.
- c. Training in ethical values and standards, as contemplated in the Public Service Ethics/Integrity Resource Project, under the on-going public service reform program, for enhancing the capacity of public functionaries in analyzing and resolving the commonly encountered ethical dilemmas;
- d. Leading by example, as subscribed to by all the serving Ministers and Special Advisers to the President in the Ministerial Code of Conduct and Ethics, and as further demonstrated in the case of the late President Yar'Adua's declaration of his assets and liabilities to the Code of Conduct Bureau and publishing same in the media.
- e. Disclosure of misconduct and corruption, which encourages and protects whistleblowers under the principle of confidentiality of official information, whilst providing adequate avenues and procedures for facilitating disclosure and investigation of misconduct or corruption cases.
- f. There should be reward for employees who perform work ethically. This will motivate workers to perform better.
- g. A need for continued research and information on ethics management in order to ensure accurate and reliable information.

#### 5.3 CONCLUSION

In conclusion, from the research study, it can be established that however little the significance ethical norms holds in relation with corporate performance attained by public enterprises, the fact remains that there is a positive relationship between the variables. This means that public enterprises must wake up to the call of employees imbibing ethical norms

and ensure that all necessary activities which foster performance are practiced.

It is worthwhile to recall and underscore that, preventing and managing misconduct as well as enforcing ethical values and standards are very complex issues. However, a possible exit is for the public servants to ensure that their official conduct is always guided by the emplaced mechanisms for improving ethical fitness.

Apart from the intrinsic value involved in the process of formulating and developing standards themselves, the works of Caiden (1981), Dwivedi (1978; 1987), Chapman (1993), Kernaghan (1974; 1993), Ayee (1997) and Kamto (1997), point out the several worthwhile suggestions that have appeared in contemporary literature in support of standards. Therefore, to ensure positive ethical behaviour, ethical codes must be built around the organizational life of public institutions and made living documents which should be adhered to and enforced. With the appropriate leadership it is hoped that this will bring about a climate of integrity and ethical practice in public establishments in African countries.

It can be concluded that an ethical code of conduct, the adherence to accountable principles as well as appropriate training can make a difference in the ethical dilemmas of the public officials particularly with regard to effective and efficient service delivery. An ethical code of conduct is necessary to guide the public official in his/her public service rendering to the community as well as to safeguard him/her against unfair demands by the community. This can lead to the promotion of a positive image of the public service.

#### 5.4 CONTRIBUTION TO KNOWLEDGE

The research findings in this project is important in revealing the extent to which ethical norms influences corporate performance in public enterprises, Power Holding Company of Nigeria plc (Egbin Thermal Station) that operates in Egbin, Ijede local government area of

Lagos State.

This study also provides solutions on how to curb ethical dilemmas faced by public servants.

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### Appendix A

Dept. of Business Studies

Covenant University

Ota - Ogun

30/04/2012

Good Day,

I am a Business Administration student of Covenant University working on my M.Sc. degree and I am conducting a study on "INFLUENCE OF ETHICAL NORMS ON CORPORATE PERFORMANCE". I wish to request you to provide me with some information on the study.

Please, carefully read the instruction in each section of the attached questionnaire and respond accordingly.

Any information you give me will be used purely for the study. You need not give me your name.

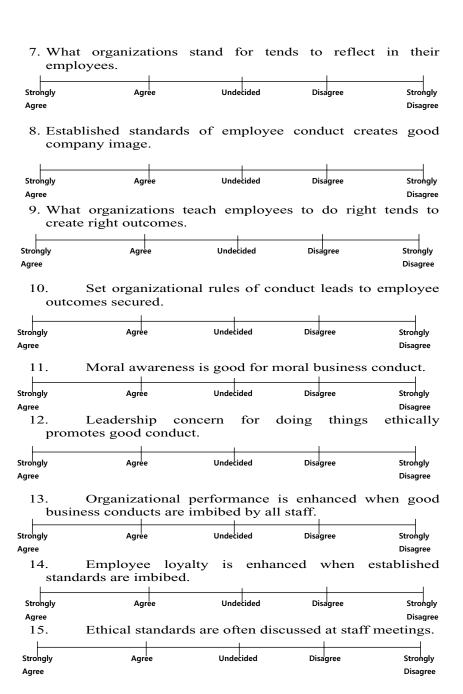
I sincerely trust you will be able to cooperate.

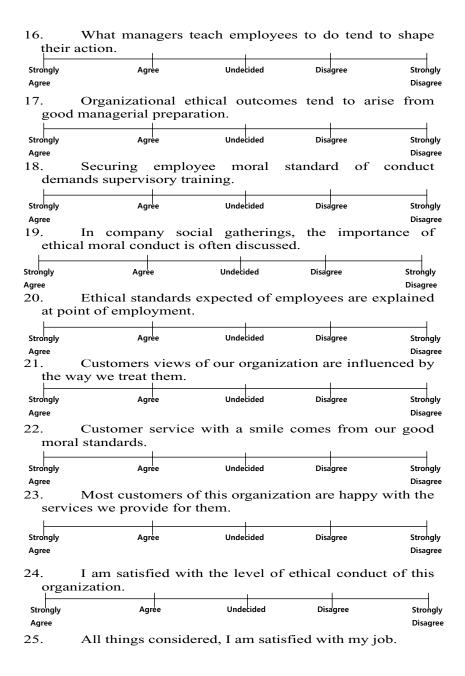
Thank You and God Bless.

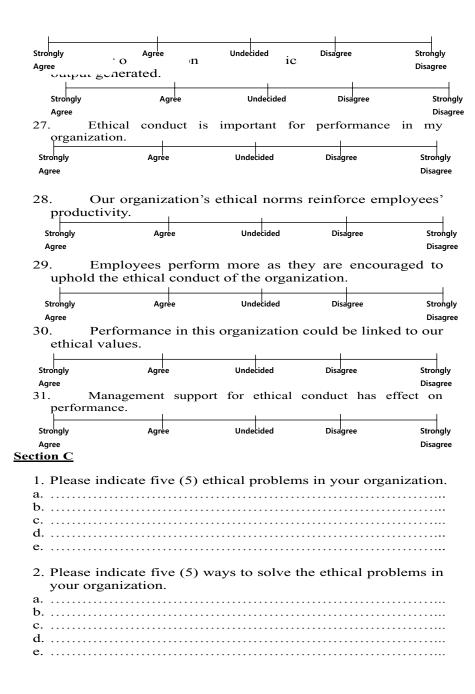
Adeniji Chinyerem G.

# Appendix B

Bio -	– Data							
Pleas	e give the in	formation	requested	in box/space provide	d by marki	ng (√).		
1.	Sex:	Male (	)	Female (	)			
2.	Age:			Years				
3.	Highest Aca	demic Qua	lification	Primary ( ) NECO/0	GCE/SSCE	() OND()		
				PHD ( ) Others (p				( )
4.	Marital Stat	us: Single	( ) Marr	ied ( ) Divorced (	) Widow	( ) Widowe	er ( )	
5.								
6.	Present Stat	us: Manag	ement (	) Senior Manager (	) Middle N	Manager ( )	Junior Sta	ff( )
7.	Department	:						
Sectio	on B							
Agree	", "Undeci	ded", "Dis	sagree", o	ndly indicate by n or "Strongly Disagr nanagers are e	ee".	•		
	ongly		Agree	Unde		Disagr		Strongly
Agı			Agree	Onde	ciaca	Disagi		Disagree
Αg	rongly gree Norms and act		Agree	Undo	ecided	Disag		Strongly Disagree they think
	and act	••						
	rongly		Agree	Und	ecided	Disag	ree	Strongly Disagree
4.	Ethica	l norm	s proi	note employ	ee con	nmitmer	ıt.	
	trongly gree		Agree	Und	decided	Disa	gree	Strongly Disagree
5.				als are achie of the organiz		hen emp	oloyee	s buy into
	rongly gree		Agree	Und	ecided	Disag	ree	Strongly Disagree
6.	Manag emplo	-	-	of praising l	nonest	deeds w	ill infl	luence
S	itrongly		Agree	. Un	decided	Disa	gree	Strongly
	aree			<b>-</b>		2.50	J	Disagree







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