

**THE CHALLENGES OF ETHICAL BEHAVIOUR IN  
REALIZING POSITIVE ORGANIZATIONAL ETHICAL  
PRACTICE IN NIGERIA**

**Thesis submitted in accordance with the requirements of the University of  
Liverpool for the degree of Doctor of Business Administration by**

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## ABSTRACT

For organizations in developing economies with low business ethics ratings, unethical behaviour in the face of international demands for more ethical practices has become a grave concern for management. This research explored the stimulus and impediments of ethical behaviour and recommendations the Nigerian organization can take to become a more ethical practice. Research shows using visible ethical role models, could positively influence organizational ethical culture (Brown *et al.*, 2005; Weaver, Trevino and Agle; 2005; Brown, 2007). An initial conceptual framework, drawn from literature show components of stimulus and impediments of ethical behaviour, ethics teams and their role is sustaining an ethical culture, climate and practice.

The conceptual framework is drawn to reflect on connections of key themes from literature, which suggests that to build an ethical practice might lie in the foundations of employee ethical behaviour and organizational structures. Primary data were collected in the organization through semi-structured in-depth interviews and informal conversations using 40 volunteer participants and 10 focus group teams (FGT) in a total of 40 in-depth interviews and 14 Focus Group meetings.

Data generated were analysed and displayed in a descriptive flow by accessing participants' viewpoints on ethical behaviour, organization ethical practice, their experience with it and comparing this with the conceptual framework. Data were processed using data condensation, data display and drawing and verifying conclusions.

Role Model Ambassador (RMA) program was introduced as a guide to harness and sustain ethical role models and ethical leaders in the organization. Recommendations for the organization includes engaging an ethics office and ombudsman, review of whistleblowing policy, re-establishing the code of ethics, ethics audits, keeping ethics in the discourse through stories of growth and change, reviewing internal processes and ensuring internal and external stakeholders understand the code of ethics.

## DECLARATION OF OWN WORK

I declare that this thesis has been composed solely by myself and that it has not been submitted, in whole or in part, in any previous application for a degree. Except where it states otherwise by reference or acknowledgement, the work presented is entirely my own.

Signed

Date

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*To The Memory Of My Father Chief Gabriel Udeoti Oti  
Who Taught Me About Family And The Art Of Giving*

# **CHAPTER ONE**

## **INTRODUCTION TO THE THESIS**

### **1.0 Introduction and Research Background**

Business ethics and the role of leaders in developing a sustainable and ethical culture has been a focus of discussion in modern management discourse. This focus is perhaps stimulated by an increase in publicity about unethical practices by organizations and their management. Unethical behaviour at organizations like Enron and Arthur Andersen shows that, despite an existing code of ethics, behavioural cues from employee and leadership actions shape members' ethical behaviour (Prentice, 2003). For organizations in developing economies with high corruption ratings, unethical behaviour in the face of international demands for more ethical practices has become a grave concern for management.

Through my business consultancy, I have the opportunity to work with clients spanning different industries in Nigeria and several other developing economies in Africa. In most of these organizations, the role of leadership in promoting a positive ethical climate exists in the context of high-power relations. The challenges of ethical behaviour in these organizations are embedded firmly in the system as part of doing business. Thus, it becomes difficult to separate the leaders' action from the organization's position on ethical conduct, with most unethical behaviour blamed on the organization's internal and external environment rather than the individual.

Business operations in emerging markets are highly susceptible to change, being exposed to both an exponential growth in technology and a borderless, highly competitive, ever-changing business landscape. Post-colonial discourses (Calas and Smircich, 1999) suggest that businesses in developing economies try to position themselves to gain competitive advantage by adhering to international standards, without adequate reflection on how the local context of companies in the developing economy influences the adoption of those standards.

Through my professional journey, I came to realize that the problem of unethical behaviour and its influences on employee and organizational ethical practice were a concern to organizations and management in Nigeria. This concern led me to explore the process and challenges to ethical practice in this thesis.

## **1.1 Context for Research for an Ethical Practice in Nigeria**

Developing economies like Nigeria with low business ethics reputations (Halter *et al.*, 2009) must deal with potentially conflicting pressures of cultural and ethical practices in the organization and the environment. So, discussions of corruption and transparency—as examples of ethical concerns—have become relevant to organizations and their managers in Nigeria.

In this section, I provide an overview of the national context for ethical practice in Nigeria and an introduction to the organization in which my research took place.

### **1.1.1 The Local Macroeconomic Environment**

Nigeria is viewed as a powerhouse of Africa (Africa Oil and Power, 2018; The Economist Newspaper, 2014), contributing to over half of the region's GDP. The economic policies of President Obasanjo's government from 1999-2007 strongly influenced the restructuring of Nigeria's economic landscape (Nwoye *et al.*, 2015). Since then, the communications sector has boomed, with over 150 million mobile phone subscribers and over 86 million Internet users by 2015 (CIA, 2016), making it one of Africa's largest markets.

Although Nigeria is the biggest economy in Africa, with a growing population and disposable income from a rising middle class, it is still poor (Africa Oil and Power, 2018; The Economist Newspaper, 2014). This poverty is possible because of vast squandering and misappropriation of resources and revenues through corruption and lack of sustainable development of infrastructure (CIA, 2016).

In 2015, Nigeria ranked 136 of 168 countries on the corruption perception index, but increased to 144 of 180 in 2018 with a score of 27/100 (Transparency International, 2018). The Transparency International index for control of corruption (perceptions of

the extent to which public power is exercised for private gain) was -0.99, with 78% of people polled believing that the government is not fighting corruption.

### **1.1.2 The Nigerian Enterprise Under Study**

The organization under study is in the communications industry. It is focused on delivering services to the West African region and has its headquarters in Nigeria. The organization is a support service company whose aim is the active acquisition and development of base data for the communications industry. It operates with a lean organizational structure and outsources most of its services to a vast network of carefully selected resources, while providing comprehensive project management and strategic oversight. The organization's objective is to provide seamless, consistent and high-quality services to regional and local clients by leveraging its pool of tested resources available within all six geo-political regions in Nigeria and extended to the West African region, as illustrated in Figure 1.

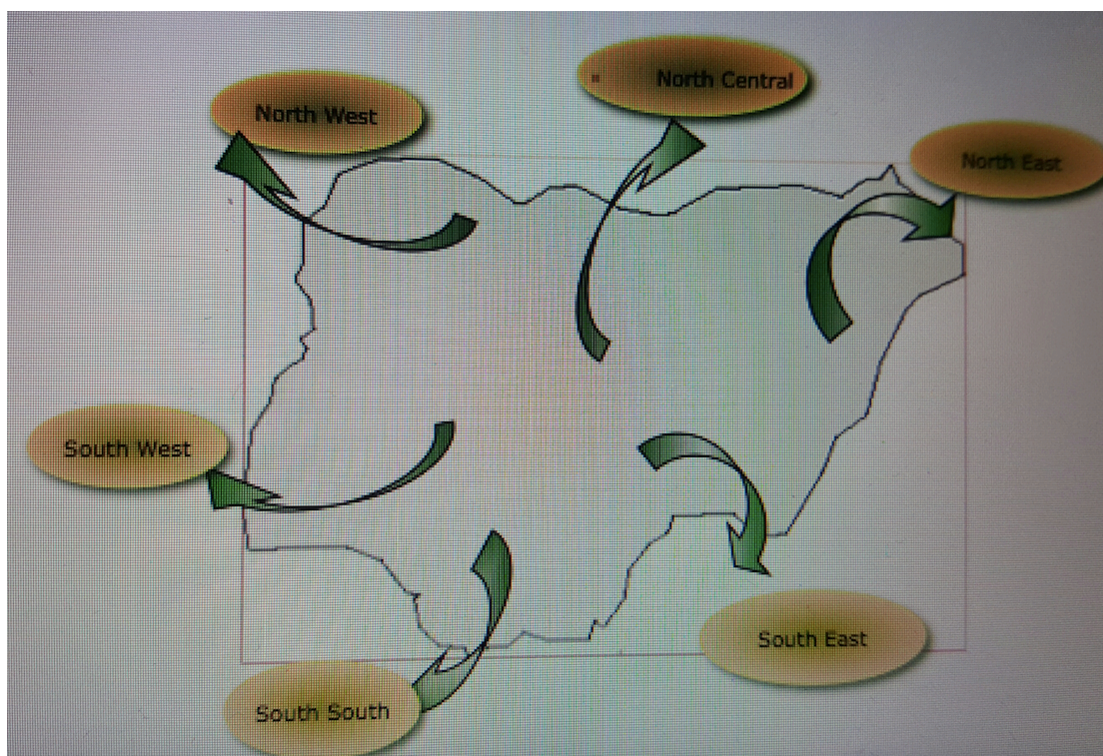


Figure 1. Regions served by the study organization (adapted by the author from a company internal memo of 10/11/2015)

Ethical decisions are obscured in the organization by managerial discretion. This concept assumes managers' decisions are based on a subjective, self-serving assessment (Cennamo *et al.*, 2009) and the influences of the local ethical



environment. Leaders under pressure from peers and their local environment can succumb to these subjective influences, with thoughts like, *if you can't beat them join them*. However, cross-border pressure from international markets also demands compliance with ethical standards, thus creating a dilemma for the organization. Employee moral muteness, enhanced by organizational silence, adds to the ethical dilemma employees face when they encounter ethical challenges or witness unethical behaviour (Verhezen, 2010; Kaptein, 2011). Consequently, the espoused theory and theory-in-use can differ. Even in an organization that adopts an international corporate code of ethics like this one, unethical management actions can clearly show employees the standards of behaviour expected of them (Warren, 2011).

For over 16 years, the company has worked with several organizations in Nigeria and across Africa, leveraging technology and civil engineering as their core activity for the telecommunications industry. The organization has dealings with government agencies and landlords (on behalf of their clients and themselves), which are a significant source of growth. A recent multi-year contract, worth over two billion dollars, has raised the organization's profile. The execution of this five-year renewable term contract has led to more expansion and hiring of experienced and graduate employees. With over 600 direct and 300 indirect employees nationwide providing support services that attempt to match global standards, the organization reflects the complexity inherent in systems, roles, relationships, responsibilities, and environment. This complexity gives rise to moral and ethical challenges.

One such challenge lies in how the organization's leadership and employees deal with the moral and ethical dilemmas (situations that require ethical judgement in decision-making that have no right or wrong answer; Taylor *et. al.*, 2019) they face daily in their interactions with other organizations, government agencies, suppliers, and fellow employees. Prior incidences of leader and employee unethical conduct while interacting with government agencies and suppliers, have created the need to re-shape the organization's ethical practice.

## **1.2 Aim and Objectives**

### **1.2.1 Aim**

The research project aimed to understand the challenges of the organization in instituting ethical practice, and to recommend a practical roadmap to a more ethical organization.

### **1.2.2 Objectives**

The thesis will address the following objectives:

1. Identify and understand the impediments of an ethical practice in the organization;
2. Explore the nature of the impediments;
3. Identify a feasible and practical approach the organization can take to improve ethical practice and assess the credibility of the recommendations; and
4. Contribute to professional knowledge by recommending practical insight to understand the process and challenges of integrating ethical practices in mainstream organization polices.

To achieve the aim, I undertook several activities, which include:

1. Review existing published, peer-reviewed literature that provides a view of ethical behaviour, the process, and challenges of achieving a more ethical practice, leaders and their influences on organizational (un)ethical culture through the lens of social learning theory, mimetic process, leader-follower relationships, and role modelling;
2. Through action research, assess participants' perceptions of their interactions, reflections, challenges of (un)ethical behaviour, and related influences on ethical culture in the organization; and
3. Recommend a practical approach to more ethical practice, and assess the credibility of the recommendations through conversations in focus group meetings with employees in the organization under study.

### 1.3 Research Questions

The research questions focus on the organization's ethical practice, its policies, and procedures, the challenges and influence of the formal and informal structures on organizational ethical culture. These questions are

1. What is the nature of the ethical dilemma employees struggle with in the organization?
2. What are the impediments to ethical behaviour in the organization?
3. How does leadership influence the organizational ethical climate?
4. What practical actions can the organization take to institute a more ethical practice?

### 1.4 Thesis Structure

This thesis is divided into six chapters, as outlined below.

**Chapter One** introduces the research, organization background and macroeconomic environment, and highlights the aim and objectives of the study and the thesis structure.

**Chapter Two** explores empirical and theoretical literature and develops the conceptual framework for the research. The structure presents vital concepts from the literature and paves the way for data collection.

**Chapter Three** provides insight into the "research onion," which includes my research philosophy (i.e. epistemology, ontology, and axiology) (Saunders, Lewis and Thornhill, 2012, p. 128) as well as my research approach, design, and strategy (action research). It also provides details of my data collection methods: sampling, primary and secondary sources of data, analytical components, design of interview questions, interview themes, and interview methods. The chapter further discusses data analysis

in terms of data condensation, data display, and how conclusions were drawn and verified.

**Chapter Four** presents findings from the first cycle data collected in 40 management interviews: demographics of participants and the results of data analysis informed by the conceptual framework. The analysis provides meaning to the data by addressing the research questions. The chapter concludes with a reflection on the conceptual framework, literature, and practice.

**Chapter Five** explores practical solutions with reports on ten focus group meetings, where each group was made up of one previously interviewed manager and the manager's team. Findings from the first cycle described in Chapter Four informed the discussions. I present my observations of participants in the focus group meetings in action, and the chapter concludes with a reflection on a practical solution for the organization and a road map for a more ethical organization.

**Chapter Six** presents discussion, recommendations, and conclusions. The structure follows an in-depth reflection on contribution to the knowledge, managerial implications and actionable knowledge, action taken by the organization, the researcher's role as a scholarly practitioner, along with research limitations and recommendations for future research.

## **1.5 Conclusion**

Trevino *et al.* (2000, p. 128) posit that "values are the glue that holds things together, and values must be conveyed from the top of the organization". This assertion underlies the importance of leadership and employees creating shared values in organizations such that those values translate to everyday ethical decision-making and positive ethical practice.

The challenges of (un)ethical behaviour are encountered in everyday business practice, especially in organizations operating in economies with low business ethics reputations (Hannah *et al.*, 2011). Thus, this research stands to act as a springboard for the organization to gain insights on the challenges faced by employees, and how to channel their actions and pursuits towards sustainable, ethical practices through

practice-based solutions. For me, as a consultant, this research will give insight into understanding the process and challenges of integrating ethical practices in mainstream organizations' policies and processes in a challenging ethical environment.

## CHAPTER TWO

### LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

#### 2.0 Overview

To explain the meaning of the word ethics, Ferguson (1992) states, "ethic comes from the Greek *ethos*, which means customs; 'moral' comes from the Latin *mos*, which also means custom. So, ethics and morals are to do with how one behaves where one belongs" (p. 32). Therefore, ethics is strongly tied to the behavioural patterns of people in an organization. Chapman and Davis (1978) described ethical behaviour as ethical action, "doing something that you have decided is fair after considering the possible effects on self and others" (p. 457). In this way, ethics and morals are part of one's values and experiences influenced by where one belongs, which also reflects on one's ethical behaviour and ethical decision-making.

In 21st century management, there has been much focus on ethics and leadership behaviour in developing a sustainable organizational ethical climate. Organizational ethical behaviour concerns the moral values individuals practice based on an established standard in an organization (Bishop, 2013). With ethical behaviour, there exists an alignment between the organization's values and those of the individuals. Many organizations adopt a universal code of conduct. They do not often account for differences in perceptions, values, culture, local context and regional differences that could influence ethical behaviour (Gick, 2003; Svensson and Wood, 2008; Korthals, 2008; Warren, 2011; Starr-Glass, 2011). Nonetheless, it is crucial to ensure that these differences are accounted for and the prevalent organizational ethical culture is conveyed from top to bottom through the display of appropriate ethical behaviour (Trevino *et al.*, 2000). The values and principles of an organization are embedded in its organizational ethical culture, which, as Huhtala, Tolvanen, Mauno, and Feldt (2014) note, improves organizational commitment, trust, and well-being.

In order to explore empirical and theoretical literature and to help develop a conceptual framework for the research, I discuss the following topics in this chapter:

- Ethical practice in organizations;

- Organizational ethical climate and culture;
- Social learning theory, mimetic processes, and organizational ethical practice;
- Leadership influence on organizational ethical climate;
- Formal and informal organizational ethical structures;
- Nature of the ethical dilemma in Nigeria;
- The impediments to ethical behaviour in organizations;
- Conceptual framework.

## **2.1 Ethical Practice in Organizations**

Mayer *et al.* (2011) proposed three key components of an ethical environment - ethical leadership, ethical practices, and an ethical climate. An organization's code of ethics describes a set of principles and practices that guide an organization in its policies and decision-making processes. Ethical practices on the other hand "are actions or activities related to ethics that are repeated and recognizable in organizations; they refer to what organizations actually do" (Lloyd, Mey, and Ramalingum, 2014, p. 571). Leaders and employees are expected to respect and adhere to the ethical code in practice, and this is important to create an organizational context that promotes ethical actions and behaviour. When these actions and behaviours repeat, they become part of the organization's ethical practice. An ethical climate is then "created when there exists a general perception among employees that the organization is ethical" (Lloyd, Mey, and Ramalingum, 2014, p. 571).

Ethical practices help an organization respond to both internal and external stimuli and are interdependent with the organization's climate (Kul, 2017). An ethical practice has been linked to overall organizational success as it influences employee productivity, positive reputation, and competitive advantage over its competitors (Price, 2015; Rhodes and Wray-Bliss, 2012). Nonetheless, there is a risk that organizations focus on "company protections and company continuance" using a written code of ethics to control staff, without adequately integrating the values portrayed in the code (Wood,

2002, p. 71). Ethical codes can only contribute to instituting an ethical practice if leaders and employees live and exemplify them.

## **2.2 Organizational Ethical Climate and Culture**

Organizational climate has been described as "the air or atmosphere that the organizational culture creates within the enterprise" (Kul, 2017, p. 564). Ethical climate surveys take the employees' pulse based on their perception of what they see, feel and hear as their psychological observation of the organization. Organizational ethical culture can generally be seen as employees learning and sharing experience on how to act ethically. The following review takes a look at these two concepts, ethical climate and organizational ethical culture/national culture.

### **2.2.1 Ethical Climate**

Victor and Cullen (1988) define ethical climate as "the prevailing perceptions of typical organizational practices and procedures that have ethical content" (p. 101), that is the nature of human relations within it (Cullen, Parboteeah and Victor, 2003). An organization's ethical climate is, therefore, a part of the psychological environment defined by perceptions of the behaviours of the people in the organization, including managers and employees (Elçi and Alpan, 2009). Organizational ethical climate is a twenty-first century management discourse which considers that moral justification in decision-making reflects cultural influences as ethics-related practices of leaders mirror the ethical environment (Desrochers, 2010; McDonald, 2010). Brown and Trevino (2006) argue that a positive organizational ethical climate affects the development of ethical leaders.

### **2.2.2 Organizational Ethical Culture**

Culture is a learned phenomenon that can influence people (Spencer-Oatey, 2008). It is, therefore, a shared experience which functions to shape people's behaviour and the climate of their surroundings. Heathfield (2019) notes that each employee's life experience shapes an organization's culture. Since an organization is an interactive environment, a cultural transfer occurs, hence the need to identify an organization's ethical culture (Chan and Clegg, 2002). For an organization to create its culture,



Heathfield (2019) notes that culture is learned through behaviour and interactions, and leaders can consciously determine their organizational culture.

An organization's ethical culture may define its ethical values, leadership styles and the language used. Ethics and virtues are considered to be essential attributes that employees draw from the leaders (Abimbola and Abimbola, 2011). This relationship demonstrates the significance and influence of the ethical environment and an ethical organizational climate within which an organization strives.

### **2.2.3 National Culture**

National culture influences the way organizations approach business ethics. Svensson *et al.* (2009), in their study of ethical behaviour in organizations in Australia, Canada, and Sweden between 2001 and 2006, concluded that differences in ethical processes and structures reflected national culture. Similarly, in a more recent study of 2,129 organizations in 14 Asian countries, Thanetsunthorn (2014) noted that national culture influences organizational ethical performance. Thus, organizational culture can be shaped by employees and leaders through socialization (Mujtaba and Sims 2006), and in turn, national culture influences employee and leader values and ethical behaviour.

### **2.2.4 Influencing Organizational Ethical Culture**

Ethical culture does not happen by decree but through intertwining ethical expectations and outcomes in organizational activities (Wood, 2002). These activities reflect in both formal and informal ethical structures. Formal ethical structures include training in ethics-related courses, enforcement strategies and conferences on ethical procedures (Mujtaba and Sims, 2006). The mechanisms they employ include use of documents such as using an ethical code of conduct or ethical guidelines in training courses. Informal ethical structures include examples, set by the leaders and management, of organizational social norms (Haber, 2014). The primary role of informal structures is socialization, where employees act as references in terms of their way of thinking and perceiving (Mujtaba and Sims 2006). Informal structures involve the control of subordinates by their superiors and peers.

Ruiz-Palomino and Martinez-Canas (2014) studied whether ethical culture is directly and positively related to employee ethical intent and workers' behaviour. The results

indicated that workers influence ethical intent and ethical culture in an organization. Sims (2000) used Schein's (1985) mechanism of role modelling in a study to determine the criteria for selection and dismissal in influencing ethical culture. The findings indicated the importance of cautiously employing and retaining individuals who share similar ethical values with the organization, while noting that a high congruence between employee and organization beliefs and values reflect on the organization's ethical culture.

Trevino *et al.* (1999) described a positive ethical climate as a value-based cultural approach to ethics and compliance. The authors claim this value-based approach should promote aspiration to ethical conduct in employees, and commitment of leadership at all levels. These include ongoing attention to critical issues such as "fair treatment of employees, rewards for ethical conduct, concern for external stakeholders, and consistency between words and actions" (p. 149). In such a climate, employees should be aware of ethical issues, question authority, be held accountable and be willing to whistleblow (report unethical action to relevant authorities) without consequences.

Several studies have focused on utilizing a partnership model of corporate ethics, based on the belief that an organization must be committed to business ethics with both internal and external stakeholders. The partnership model denotes the importance of board and senior management commitment to being an ethical organization, which should trickle down throughout the organization and be reflected in structures, processes, and procedures (Svensson *et al.*, 2009).

On the other hand, Gick (2003) describes an evolutionary approach to ethics, noting that imposing the dispositions or moral rules of one society on another fails to allow the society an opportunity to evolve. Further, individual perception and action evolve; this changes moral behaviour, and highly visible individuals who display moral behaviour set moral rules. These rules, in an organizational context, form part of the organizational culture.

Svensson *et al.* (2009) also recommend a framework that includes and integrates practices at a regulatory level, and focuses on the consequences of an ethical breach, conducting ethical audits, and employee ethical performance appraisal. The proposed

framework would guide strategic planning and establish the need for an ethics ombudsman and an ethics training committee that is committed to employee ethics. Their framework highlights the influence of employees on organizational ethical culture.

### **Leadership Influence on Ethical Culture**

Leaders are key influencers and practitioners of ethical values in management and decision-making (Dench, 2006). An ethical leader, therefore, encourages the maintenance of ethical standards and behaviours at work. Sociologists have shown how personal commitments and side bets influence individual ethical behaviour in decision-making. Side bets are social contracts and social sanctions that individuals in the organization use to pursue a line of activity and make decisions (Becker, 1960). In my opinion, the process of engaging in side bets to make decisions on a line of action is neither good or bad. However, linking side bets to ethical practice and decision-making in a social context draws on Becker's (1960) observation that individuals do not make decisions in isolation. Instead, values, learned experiences, environment and "generalized cultural expectation" can influence an individual's ethical choices (Becker 1960, p. 36).

Trevino *et al.* (2000) explored the dual concept of a moral person and a moral manager. The moral person, representing ethics, has values and characteristics that uphold ethical standards, and the moral manager influences thought and communicate values to employees through action. Moral persons are fair and just, displaying ethical values in both their professional and personal lives. The moral manager proactively leads followers to positive ethical behaviour by being a role model and using reward systems to influence organizational ethical outcomes (Trevino *et al.*, 2000, 2003). Other authors illustrate, through narratives, the importance of leadership in building ethically sustainable organizations (Auster and Freeman, 2013; Dench, 2006; Hood, 2003; Murphy and Enderle, 1995).

Ethical leaders, also referred to as principled leaders in the management literature, influence others through their visible leadership capacity (Trevino, 1986). Unprincipled individuals who are highly visible also garner a following. Unal *et al.* (2012) explain that if lower-level employees believe their supervisor chooses to behave unethically, they are also likely to demonstrate unethical behaviour by emulating the supervisor.

Unal *et al.*'s arguments are based on subordinates' reactions to a supervisor's unethical behaviour, in terms of abuse of normative standards, interpersonal treatment and reactions towards the organization that include violation of procedural and distributive justice. When employees see a deviation from ethical practice in leadership behaviour, they are not motivated to perform optimally (Waldman and Siegel, 2008). Instead, their behaviour is impacted negatively, especially through the perception of unethical leadership behaviour as an encroachment of organizational rewards and punishment (Unal *et al.*, 2012, p. 16).

In the same vein, Toor and Ofori (2009) observed a positive relationship between ethical leadership, idealized leader effectiveness and employees' willingness to put in the extra effort. They reiterate that ethical leadership facilitates organizational ethical culture and employee performance.

In summary organizational ethical climate and culture is influenced by leadership commitment, employee perception and the organizational context i.e. its national culture which in turn influences employee and leader values and ethical behaviour. Understanding the organization's ethical climate and culture will help us realise ways to positively affect the psychology of employees towards positive ethical behaviours.

## **2.3 Social Learning Theory, Mimetic Processes and Organizational Ethical Practice**

This next section brings my quest to how individuals engage in values they develop over time through participation in the organization. In this section, I explore how theories of social learning and mimetic processes can be used to understand organizational ethical behaviour and, potentially, used to guide the organization under study towards an ethical practice.

### **2.3.1 Social Learning Theory**

Bandura's (1986) social learning theory describes how people learn from one another. The theory states that learning is a cognitive process that can occur via observation, imitation or obtaining instructions in a social context. This process, which aids personal

and social change, has been enhanced by technological advances and environmental factors.

Social learning theory has been both implicitly and explicitly adopted by researchers in the field of ethics, who advocate that an organization's ethical climate is centred on leadership modelling (Trevino *et al.*, 2000; Trevino and Weaver, 2003; Brown *et al.*, 2005). Trevino *et al.*'s (2000) concept of the moral manager and leader who acts as a role model for others reflects the considerations of social learning theory where workers learn new ideas and behaviours from their leaders (Harinie *et al.*, 2017, p. 1). Therefore, the give-and-take interactions among employees could make way for individual influencers in achieving social change. In an organization, these influencers could help drive change towards ethical practice.

### **2.3.2 Mimetic Theory**

The idea of learning from others can also be seen in mimetic theory, which originated from Girard (1976). Girard explored the notion that human beings imitate other human beings' desires for an object. He called this *mimetic desire* and proposed a *mimetic triangle* consisting of model (mediator of desire), object (to be desired) and subject (desirer). Thus, the subject models the mediator in desiring an object. In this research, the object is considered as ethical actions and the outcome of those actions.

Looking at this theory from an organizational perspective, DiMaggio and Powell (1983, p. 150) explored three reasons for institutional change or "institutional isomorphism". First, *coercive authority* from external factors like government and other organizations; second, *normative pressure* from professionalization governed by the need for professionals within an organization to keep to the professional standard while doing their work; and, finally, *mimetic isomorphism*, a modelling process where organizations imitate others.

Ethical practice and behaviour are the results of decisions made by people in organizations. Villadsen *et al.* (2010) explored mimetic decision-making with Danish managers who make contracting decisions. They defined mimetic decision-making as "the deliberate effort to obtain information about other organizations in order to possibly emulate them in the future" (Villadsen *et al.* 2010, p. 359). Also, they observed that uncertainty drives the need to seek this information.

DiMaggio and Powell (1983) noted that uncertainty is central to the mimetic modelling process which occurs "when goals are ambiguous, or when the environment creates symbolic uncertainty" (p. 151). Villadsen *et al.* (2010) explored three types of perceived uncertainty associated with mimetic decision-making: technological, volume and performance uncertainty. They noted that not just organizational, but also individual decision-making is anchored in a decision-maker's (subject's) uncertainty to act in certain circumstances. Such uncertainty might lead a decision-maker to look to visible individuals and imitate their decision or actions under similar circumstances.

### **2.3.3 A Mimetic Triangular Process for Organizational Ethical Practice**

Both mimetic decision-making and social learning theory highlight the use of role models. They will help me achieve the research aim to understand the challenges in instituting an ethical practice and recommend a practical roadmap to a more ethical organization. Employees that others can look to and imitate within the organization, the moral person or manager, and visible individual(s) could help to achieve an ethical practice for the study organization. Drawing on DiMaggio and Powell (1983), Figure 2 represents a mimetic triangular process that could be adopted to drive a desired ethical organization.

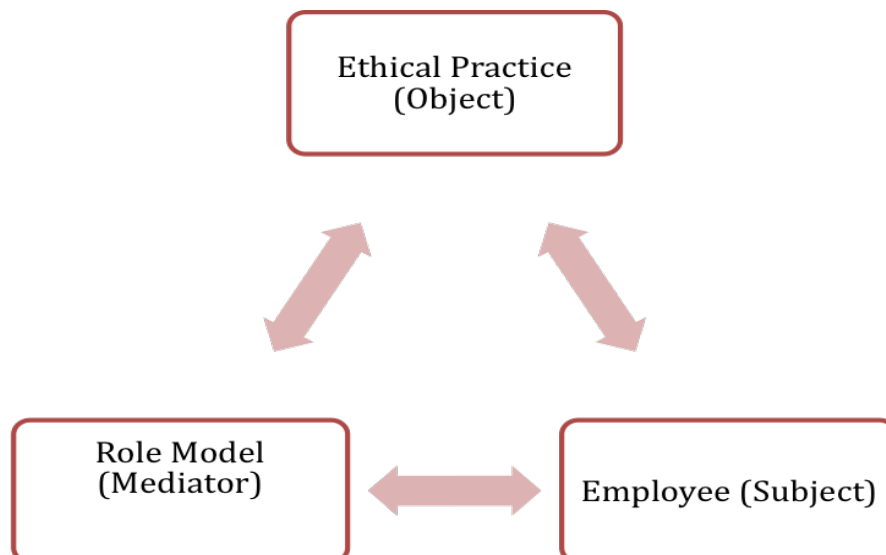


Figure 2. Mimetic triangular process for ethical practice

As highlighted earlier, uncertainty surrounds ethical decisions (Villadsen *et al.*, 2010). Whether to take or give a bribe might require more than a fleeting thought. In times of

uncertainty about how to behave, we often look to or speak to those around us. Within an organization, these topics might be difficult to broach. The mimetic triangular process suggests that employees often look to see what their colleagues, managers and leaders are doing in similar situations.

The mimetic triangular process in Figure 2 assumes that the mediator(s) are influencers whom the subjects look to on how to behave in certain situations. When the mediator behaves ethically, the subject wants to behave ethically. Thus, employee behaviour can be influenced by employees' perceptions of mediators and the outcomes of certain behaviours. If unethical behaviour is rewarded, the employee's desire for the reward will influence their action in similar situations, thus nurturing unethical practice. At the same time, the desire to act unethically is deterred if the sanctions for unethical behaviour are sufficiently strong. With mimetic isomorphism (DiMaggio and Powell, 1983) and mimetic decision-making (Villadsen *et al.*, 2010), where organizations deliberately see and emulate other organizations, influencers can be deliberately sought out and strategically placed within organizations.

To summarize, knowing that uncertainty surrounds ethical decisions, organizations and employees as subjects might seek to be influenced by mediators (their competition, colleagues, managers and leaders) by understanding what they do in similar situations. Ensuring visible leaders and employees display the desired behaviour, and are rewarded or sanctioned for that behaviour, shows a clear example of what the organization wants.

## **2.4 Leader and Ethical Role Model Influence on Organizational Ethical Climate**

### ***2.4.1 Ethical Leaders as Role Models***

Social learning theory suggests a focus on the leader as a manager who models and reinforces ethical behaviour. The term *leadership* can be used to refer to top management groups as custodians of leadership and ethics, leaving out the influential middle management and potential leaders. Lower-level managers and supervisors can also act as role models to the workers whose ethical skills are developed and influenced by their actions, as discussed below.

In discourse, *leadership* often assumes good leadership, comprising the ethics and competence of the leader (Ciulla, 1995; Hood, 2003). Thus, ethics is central and at the core of good leadership. Gick (2003) argues that moral behaviour changes over time and moral rules emerge because of "prominent display of individual moral behaviour by members of society in a specific situation" (p. 149). This position is consistent with arguments that leaders' moral character, values, differing interpretations and environmental influences affect employee ethical decision-making (Dench, 2006; Hood, 2003; Tran, 2010; Verhezen, 2010).

Social learning theory suggests that leaders or followers observing an ethical role model can lead to adopting the role model's values and attitudes, and emulating them in future behaviour. Brown and Trevino (2006) further argue that people who have ethical role models in their careers are likely to become ethical leaders, highlighting the importance of understanding the process of identifying, harnessing, and developing ethical leaders as role models. The above is consistent with Trevino *et al.*'s (2000, 2003) arguments that a moral manager influences the thoughts and behaviours of others by communicating and illustrating ethical standards.

Weaver, Trevino and Agle (2005) proposed four classes of ethical role model attitudes and behaviours: "interpersonal behaviours, ethical action and expectation for self, fairness with others and articulating ethical standards" (p. 315). They posit that ethical role models can be from the lower-level managers and supervisors with whom employees interact frequently. Thus, ethical skills are developed and influenced as employees watch the actions of other members of the organization. Through their research, Weaver *et al.* (2005) mapped out a range of behaviours and characteristics of ethical role models and further proposed a framework for identifying ethical role models in organizations through the skills, traits and characteristics exemplified in their daily interactions and conduct. The above research has paved the way for why ethical role models should exist in organizations. How they emerge in an organization is addressed in the section below.

#### **2.4.2 Setting the Tone for Ethical Role Models**

In relatively early ethical research, Chapman and Davis (1978) worked with ninth-grade students and argued that, unless our values and moral reasoning are linked to our behaviour, we will not be able or equipped to respond to different ethical scenarios



in the future. This idea is reflective of a verse in the bible, "Train a child the way he should go and when he grows old, he will not depart from it" (Proverbs 22: 6). Chapman and Davis argue for a process that is not bound by any situation but, instead, one that can help participants throughout their lives in judging and acting ethically.

Chapman and Davis (1978) describe a six-step process for students to gain skills for ethical action. The process is to identify the value question, think up action ideas, consider self and others, judge, act and evaluate, the steps to be taken when making ethical decisions to act. Chapman and Davis argued that this simple process would strengthen individual ethical attitudes and behaviour, as young people could become future ethical leaders in their environment. Although this argument still has some relevance in modern leadership development, developing ethical leaders to foster an ethical practice requires going beyond self to encompass others.

Sims (2000) used the example of Salomon Brothers' ethical turnaround by renowned leader Warren Buffet to explain that new leadership, altering policies, structure, behaviour, and beliefs can actively rebuild ethical capital to create and support an ethical culture. Leaders should take advantage of formal and informal systems to support ethical behaviour. Using Schein's (1985) five primary mechanisms, leaders can shape, embed, and reinforce corporate ethical culture by focusing on "attention, reaction to crisis, allocation of rewards, role modelling and criteria for selection and dismissal" (Sims, 2000, p. 67).

Fombrun's (1996) 12 steps for restoring reputation and Paine's (1997) four aspects of the leader's role in maintaining and developing strong ethical leaders are additional models cited by Sims (2000) as important guidelines for establishing and rebuilding the ethical culture. Together, the three models suggest that a long-term ethical plan that emphasizes ethical leadership roles, whistleblowing policies, training, sanctions for violation and establishment of a formal code of ethics, can lower uncertainty and ambiguity when employees face ethical dilemmas. These mechanisms might also act as critical success factors that signal the organization's values to employees.

### ***2.4.3 Ethical Leadership Role Modelling***

Viewing ethical leaders through a social learning and mimetic lens can explain leadership influences on followers' ethical conduct as modelling. Ferguson (1992)

provides a framework for testing individuals' awareness of right and wrong and benchmarking successful organizations with high ethical character. Ferguson implored leaders to continue to create values that go beyond self-interest and remain in employees' minds. People often learn through direct experiences as much as through other's experiences, and the effectiveness of ERMs in organizations becomes greater when role models are associated with rank, position or power. As Bandura (1986) notes, role models are more useful when they can control rewards.

Most modelling relationships, however, are unintentional, as role models are unaware of being emulated by others. Weaver *et al.* (2005) argue that the humility found in ethical leaders discourages ethical role models (ERMs) from accepting formal roles if asked. So, organizations need to find ways to remind them of their experiences and prepare them for their role in shaping the organization's ethical culture. Weaver *et al.* propose a framework of identifying ethical role models through observation of skills, traits, and characteristics including trustworthiness, fairness, care, credibility, integrity, honesty, and altruistic behaviour (Brown *et al.*, 2005; Weaver *et al.*, 2005).

To summarize, identifying role models in organizations is a critical process for building an ethical practice. Much research covers the characteristics and actions of role models (Ciulla, 1995; Sims, 2000; Trevino *et al.*, 2000), but has failed to go beyond identification to understand the more practical aspects of developing and nurturing ERMs. In other words, how do we benchmark the system so ethical role models can continue to emerge in a successful succession cycle? In the next section, we discover the extent to which we should informally grow role models so that more may emerge without intervention - and how to intentionally create an environment where ethical role modelling is part of and central to ethical practice.

## **2.5 Organizational Ethical Structures and Mechanisms**

This section examines formal and informal structures and mechanisms for developing an organizational ethical practice discussed in the literature. They are discussed under the headings, Ethics Team, and Policies and Procedures.

### **2.5.1 Ethics Team**

The literature discussed below shows how organizations can engage an ethics team, comprising a chief ethics officer or ethics ombudsman, ethical role models and an ethics committee (Svensson *et al.*, 2009; Wood, 2002).

#### **Chief Ethics Officer and Ethics Ombudsman**

Both Wood (2002) and Svensson *et al.* (2009) converge on the need for an ethics leader whose function is aligning and driving the organization's strategic, ethical outcomes. If one individual is ultimately responsible for ethics and compliance, she or he should be a high level corporate officer with credibility, experience and a strong belief in the organization's values. They should also have executive leadership support and the ability to work with other officers in an interlevel and interdepartmental capacity (Trevino *et al.*, 1999). An organization whose chief executive officer (CEO) has strong ethical values and commitment is expected to be well placed to create an ethical organization (Fulmer, 2004). Therefore, CEO could also act as the chief ethics officer. This view is supported by Murphy and Enderle (1995), who studied four CEOs to illustrate the influence they had on their organization's ethical conduct.

While an ethical CEO is vital to have, they might not make a satisfactory ombudsman or a chief ethics officer. A chief ethics officer monitors the organizational ethical climate and ensures ethics policies are communicated to all employees through training for example (Wood 2002). An ethics ombudsman on the other hand, is a role designed to ensure the protection of whistleblowers and employees follow ethical policies. An ombudsman acts as an arbitrator, giving voice and listening to employees who have concerns about ethical conduct (Svensson *et al.*, 2009). Given the hierarchical nature of organizational structures, we assume that it would not be easy for a CEO to act as an ombudsman, listening to employee ethical concerns regularly.

Although the importance of leaders in setting the ethical tone and their influence on organizational ethical culture are well accepted, the issue of appointing a chief ethics officer or an ethics ombudsman who is focused entirely on the organization's ethical state is debated. Svensson *et al.* (2009) found that organizations in different countries vary in their acceptance of the need for an ethics ombudsman. They noted that an ethics ombudsman was more established in Canada than Australia and Sweden,

suggesting that this role has been part of corporate culture in North America since the 1980s. They also suggested that Swedish organizations might not need an ethics ombudsman as there is social support for whistleblowers, so there is nothing to report.

### **Ethical Role Models (ERMs)**

Organizations use ethical role models (ERMs) as a way for organization members to learn from those who exemplify the desired ethical conduct. There is a difference between ethical role models and ethical leaders. Ethical leaders must be credible, ethical role models, making ethical role modelling a subset of ethical leadership. From this point of view, a moral manager can act as a role model through visible actions, and by creating a strong ethical message that gets attention and influences thoughts and behaviour (Trevino *et al.*, 2000). Ethical leaders who can influence employee ethical conduct must be legitimate and credible role models because employees may be cynical about ethical pronouncements coming from dubious organizational leaders. Following Toor and Ofori (2009), I argue that leaders should actively incorporate ethical practices in their organizations, through role modelling, establishing a code of ethics, and demonstrating ethical leadership in their daily decisions, behaviours, and actions. It requires moral courage to act ethically in this way, so leaders can promote exemplary ethical behaviour through role modelling in the workplace (Hannah *et al.* 2011).

ERMs can originate from employees at all levels who consistently display and communicate shared ethical values within the organization. These are significant in the process of developing ethical role models as it takes account of the interlevel dynamics in organizations (Coghlan, 2000). Doing this allows the organization to gather information from all levels, to enrich its ethical policy, procedures and practices. ERMs can also act as a conduit for information dissemination regarding ethical policies and conduct. I discuss this further through the concept of RMAs under Ethics Team in Section 2.8.1.

### **Ethics Committee**

Several researchers have advocated that organizations establish an ethics committee to help in policy development and implementation (Wood, 2002; Svensson *et al.*, 2009). Svensson *et al.* (2009) argue that a visible ethics committee can communicate

the importance of business ethics. Not having a committee can signal to employees and other stakeholders that business ethics is not an essential enough area to warrant specific attention. Similarly, Wood (2002) proposes that a formal ethics committee is required if the company is serious about focusing its corporate energies on being ethical. The existence of such a committee flags to staff and other stakeholders the importance of being ethical as well as the need to spend company time on ensuring that the company makes its best efforts in this area.

In summary, the ethics team comprises ethical individuals whose function is to ensure the continuity of developing ethical role models at all levels of the organization. These ethical role models become ethical leaders. They oversee the challenges of ethical practice and seek to mitigate and eradicate them to ensure a positive organizational ethical culture, while acting as a conduit for the dissemination of ethical policies and procedures.

### ***2.5.2 Policies and Procedures***

Developing ethical practice includes engaging stakeholders as ethical partners in business processes. In this section, I identify five approaches from literature towards a more ethical practice that can be incorporated into the framework for my research.

#### **Developing a Code of Ethics Through Shared Values**

Management is charged with developing a code of ethics that allows the organization to acknowledge the rules by which it desires to engage. Gick (2003) note that the ethical code of an organization is a set of moral rules that are derived from universal ethical rules of societies. A code of ethics allows an organization to express what it sees itself to be and what it wants to be.

Schwartz (2005) reflected on the ethical validity of a code of ethics. He suggested that, for a code of ethics to be ethically valid, it should address the code content and code process, i.e. how it was created and its implementation and administration. Establishment of a code of ethics is also considered an essential component of a long-term plan for successful ethical turnarounds. As in Salomon Brothers, it can serve as an ethical guide for planning and monitoring organizational ethical culture (Sims, 2000).

A code of ethics should consider the organization's internal and external environment and relationships (Wood 2002). While Schwartz (2005) advocates a universal code of ethics, Warren (2011) acknowledges the need for flexibility in the local interpretation of international codes. Wood (2002) and Gick (2003) recognize the importance of flexibility of ethical codes. They note that in the development of these codes, organizations must realize that social mores and ethical values are dynamic. They should, therefore, be regularly reviewed, discussed, and upgraded to reflect the times in which the organization operates. Diverse national and cultural contexts should also be considered.

Although these codes are usually prescriptive in a worldwide corporation, their application should be dynamic and flexible, acknowledging local context. In developing codes of ethics, management often look to so-called best practices, without an adequate infusion of local context (Svensson and Wood, 2008). Such codes of ethics are based on a regulatory perspective of ethical values, used as a means to compare employee behaviour with the standard when punishment is required (Svensson and Wood, 2008). Thus, the code of ethics can become window dressing, allowing management to acknowledge its existence.

There is also the need to develop ethical standards through shared values. Freeman *et al.* (2018, p. 10) note that executives understand the need for shared values and purpose, and that "ethics, values, and norms play a key role in stakeholder theory" where the total value in business goes beyond economic value to encompass the organizations' stakeholders. In value creation, stakeholders continue to engage in sharing their values and thoughts, and reflect on the environment as they adapt to the era. This approach could ensure that organization members participate in the development and implementation of ethical codes (Schwartz, 2005) in their day-to-day practice.

### **Communication, Education, and Dialogue**

Authors in this field reflect on the need for employee awareness of ethical codes and keeping ethics at the forefront of employee discussions/dialogue (Trevino *et al.*, 1999; Wood, 2002). Organizations can transform a corrupt environment by increasing ethical culture through introducing transparency, communication, leadership conduct and adherence to a code of ethics (Halter *et al.*, 2009).

Education can be used to improve the quality of ethical leaders, which brings to the discourse influence of organizations to reflect the urgency and need to train persons for good citizenship, responsible leadership and focus on the goal of educating persons to be fully moral agents (Poff, 2010). Education, in this case training and development of ethical role models in organizations, is significant to the success of ethics programs. With transformative strategies like dialogue, ethical decision-making training helps to overcome high risk of organizational silence when faced with issues that violate personal and corporate ethical values (Verhezen, 2010). Ethical artefacts like ethics education and training can foster a culture of engaging differing perspectives from internal and external stakeholders that reflects mutual respect, trust, and responsibility (Wood, 2002). Management should invest in middle management to implement value structure and ethical codes and embracing education and training for leadership (Fulmer, 2004).

Drawing on Social learning theory Brown *et al.* (2015) advocate leadership and employee communication through ethical role modelling. Communication does not always mean verbal. It also includes the nonverbal cues leadership and role models give to colleagues, which affect their education and dialogue on ethics. Vance and Harris (2011) note that integrating value-based leadership and encouraging employees' role in facilitating an ethical education through responsibility and courage will influence positive ethical behaviour in organizations.

### **Person-Organization Fit in Staff Selection Process**

Ethical culture signifies the way a group of people think and act on ethics, which is greatly influenced by group members. Person-organization fit facilitates ethical culture and organizational citizenship behaviour (Ruiz-Palomino and Martinez-Canas, 2014). Thus, it becomes critical to look at person-organization fit during the staff selection process to understand how it enhances organizational ethical culture. Ruiz-Palomino and Martinez-Canas (2014) measured this relationship in the financial industry in Spain and found a moderately positive relationship between ethical culture, ethical intent and organizational citizen behaviour. According to the authors, to maintain positive ethical culture overtime, existing employees with a tendency to behave ethically, recommend similar others for job openings. Management should also look to influencing the hiring process by ensuring that future employees display specific

characteristics found in ethical decision-makers. Wood (2002) also noted that organizations will benefit greatly if they only hire those individuals who will have ethical standpoints that are congruent with the organization.

Ethics should be monitored to ensure employees understand and conform to the rules and regulations laid out in the ethical codes. Ethics audits, therefore, should become a component of any ethics program put in place by organizations. Wood (2002) notes that organizations should consider the general principle of using ethics audits for monitoring and reward mechanisms. Garcia-Marza (2005) notes that ethical audit is a fundamental process of developing trust in an organization with other factors in the integrated ethical system being ethical codes and ethical committee. The author states that in building an integrated system to manage organizational ethics, "ethical auditing can respond to the basic objective of ethics management, which is simply to integrate economic benefit with social and environmental benefit" (Garcia-Marza, 2005, p. 211) Research has suggested that ethics audits be part of organization appraisal system to reward ethical individuals (Harrington, 1991). However, in building the integrated ethical system, should not only include ethics audit as a monitoring mechanism that reviews employee ethical conduct over a period for the purpose of rewards or punishment (Svensson *et al.* 2009). The significance of ethics audit will then be to build stakeholder ethical conversations (Garcia-Marza, 2005)

### **Whistleblowing Policy**

Ethical misconduct is often not done in public where authorities can see and apprehend ethical violators, worse still they are perpetrated by those in authority themselves. It creates a dilemma for those that witness these ethical misconducts as they debate the consequences of reporting. For organizations determined to embrace a more positive ethical culture, ensuring a robust whistleblowing policy that protects whistleblowers is vital (Kaptein, 2011).

In Nigeria, *whistleblower* is a negative term describing someone who "rats" on their team members, and this negative connotation of the word gives rise to the risk of moral silence and muteness (Nielsen, 1989; Kaptein, 2011). Wood (2002) also emphasizes this, stating the word "whistleblower is one that conjures images of negativism and that one is violating interpersonal codes known in Australia as mateship" (p. 68). Dench (2006) shares a true life story of a whistleblower which reflects on the ethical



dilemma that side bets can have on a decision to report wrongdoing. Therefore, for organizations that wish to establish a positive ethical culture, measures should be put in place to ensure that those who observe wrongdoing can act (Kaptein, 2011).

Nielsen's (1989) proposes twelve strategies that individuals and organizations can adopt (listed below). Aside from the strategies of reporting wrongdoing, resources to do so are essential. Ethics programmes should include available resources, hotline, ethics office, line manager reporting, suggestions boxes, and other measures while ensuring that the ethics ombudsman's office protects genuine whistleblowers. Nielsen's twelve strategies include:

1. Secretly whistleblowing within the organization;
2. Quietly whistleblowing, informing a responsible higher-level manager;
3. Sabotaging the implementation of unethical behaviour;
4. Quietly refraining from implementing an unethical order or policy;
5. Publicly blowing the whistle within the organization;
6. Conscientiously objecting to an unethical policy or refusing to implement the policy;
7. Indicating uncertainty about or refusing to support a cover up if the individual and/or organization gets caught;
8. Secretly blowing the whistle outside the organization; or
9. Publicly blowing the whistle outside the organization;
10. Sabotaging the implementation of the unethical behaviour;
11. Publicly threatening a responsible manager with blowing the whistle;
12. Secretly threatening a responsible manager manager with blowing the whistle outside the organization (Nielsen, 1989, p. 123).

Adopting an integrated approach to different routes available for reporting wrongdoing is a viable strategy for reducing inaction when faced with observed unethical action (Kaptein, 2011). Each case should be considered to understand which approach to use. In leading change, sometimes short-term solutions might include guerrilla tactics of being an individual counteractively intervening against others by threatening to whistleblow, whistleblowing secretly or publicly, and sabotaging efforts of individual unethical behaviour (Nielsen, 1989).

In summary, with these processes in place, the organization brings to a focus ethical behaviour as central in conversations and dialogue, and as such, employees' attention to ethical actions, dilemmas and decisions is heightened. Knowing where to go for guidance (ethics team), where to look for reinforcement (policies and processes), the criteria for nominating and becoming ethical role models, and where to turn when they witness unethical behaviour (whistleblowing policy), empowers employees to act ethically and improves organizational ethical culture.

## **2.6 Nature of the Ethical Dilemma in Nigeria**

Research on the nature of ethics in Nigeria has centred around different industries and groups. Reports of a conflicting obligation of professions and the socio-political environment have been noted in journalism (Ebo, 1994), in Nigerian small businesses (Wiid, Cant, and van Niekerk, 2013), in insurance Obalola (2008), and in banking (Erundu Sharland and Okpara, 2004), among others. The ethical dilemma in Nigeria is characterised by lack of commitment to ethical behaviour in the Nigerian organization. This lack of commitment to ethical behaviour is blamed on the social-cultural issues stemming from "political process, family background, leadership behaviour, value systems legal / judicial system, modernization process, majorly due to management slacks, lack of motivation and lack of commitment to religious tenets" (Ogundele *et al.*, 2010, p. 5). The general perception of public servants, for instance, is that they are "lazy, inaccessible, ineffective, inefficient, and above all, corrupt" (Omotoso, 2014, p. 119).

Wiid, Cant and van Niekerk (2013, p. 1099) found that, in Nigeria, "Entrepreneurs who have an acute sense of moral behaviour are concerned about ethical misconduct and

dilemmas in the business environment". There have been several attempts by past governments to curb corruption, bribery, and other unethical behaviours in Nigeria, leading to a plethora of institutions with accompanying acronyms dating back decades (Ogundele *et al.*, 2010, p. 7). Some examples are:

- WAI 1984 (War Against Indiscipline);
- MAMSER 1985 (Mass Mobilization for Self-Reliance, Social Justice, and Economic Recovery);
- NOA 1993 (National Orientation Agency);
- ICPC 2000 (Independent Corrupt Practices and other Offences Commission);  
and
- EFCC 2004 (Economic and Financial Crimes Commission).

These initiatives show, at some level, a need to curb the unethical behaviours plaguing both public and private organizations. However, it seems that there is a prevailing culture of unethical practices from the socio-political system. Omotoso (2014) aptly described the nature of an average Nigerian citizen in public service when he discussed the *Nigerian factor* as a national attribute. He states "the 'Nigerian factor' is an inelegant or improper way of doing things, which puts sectional interest, political considerations, elite interest, pecuniary considerations, and wealth accumulation over and above public service" (p. 118).

To conclude there is a need to set the context of the organization under study. As noted in section 2.2.3, national culture influences employee and leader values and ethical behaviour. Setting the context brings focus on the nature of the dilemma that organization leaders face in attempting to institute an ethical practice in Nigeria. They must navigate the complex socio-cultural environment, the Nigerian factor embedded through cultural integration and modelling, which brings the question how can the organization ensure it has a positive ethical culture?

## **2.7 Impediments to Ethical Behaviour in Organizations**

Some research shares insights from leaders that have positioned their organization towards sustainable, ethical practices. Fulmer (2004) shows that leaders have done this through their discussions on challenges of ethical practice stemming from their perspectives of what ethical leadership should be. The literature is permeated with advice on avoiding potential pitfalls through understanding and awareness of general misconceptions of ethical leadership. This includes recommendations through examples of how management can influence an organization's ethical culture (Brown, 2007; Murphy and Enderle, 1995; Sims, 2000; Verhezen, 2010).

The inability of employees and leadership to display moral courage and imagination (Murphy and Enderle, 1995; Hannah *et al.*, 2011), inadequate whistleblowing policies, lack of training, inadequate ethical leadership and cultural inertia (Trevino *et al.*, 1999; Sims, 2000) are some challenges an organization's ethical culture faces. These impediments can be broken down into external and internal factors.

### **2.7.1 External Factors**

External factors that challenge ethical practice include those systems in the organization's external environment that directly influence the organization's processes. Organizations interact with other entities. Therefore, ethical organizations must declare their ethical inclinations as they interact with these systems. These include influences from government, consumers, suppliers and competitors. The need to survive in its ecosystem can influence the organization to channel its efforts to short-term profits.

### **The Nigerian Government**

When discussing the government's role in ethics, this thesis is mainly concerned with the ethical standards of those in public office in Nigeria and their relationship with businesses. Of particular importance is the challenge of dealing with the ethical conduct of public servants that an organization must interact with while doing business in the country. Abimbola and Abimbola (2011), compared two case studies, from Body Shop UK and the Nigeria Stock Exchange. They observed that ethical conduct is affected by the different micro and macroeconomic factors and socio-cultural environments within which organizations and businesses are incorporated.

Corruption is prevalent in many societies, and Transparency International's (2018) global corruption barometer revealed for Nigeria that 63% of respondents reported having paid a bribe in 2010. Seventy-three percent of people felt corruption increased from 2007-2010 with the police, political parties, parliament and legislature. This was followed closely by public officials, civil servants, education, judiciary and the private business sector.

In Nigeria, corruption is both a social and a political problem. It eats at the morality of the nation, making it difficult for individuals to function in society without facing ethical dilemmas daily. A survey on corruption in Nigeria by the United Nations Office on Drugs and Crime (UNODC) revealed that in 2017, an equivalent of \$4.6 billion in a total of \$82.3 million bribes paid was used "to speed up and finalize administrative procedures, to avoid payments of fines and cancellation of public services" and to get a job in public service (UNODC, 2017). My experience growing up in this society is that bribes are a regular occurrence to move through the system.

A notorious phrase, "turn by turn", is used when people find themselves in position on power, wealth or influence. It means people look forward to the day they gain authority and power underlined by the opportunity to perpetuate corrupt practices seen as the societal norm. This phrase is used in local gatherings when one has just come to a position of power or influence. The phrase has found its way into the political dialogue. Recently, it was used by Nigeria's leading pastor and presidential aspirant Tunde Bakare in an interview. He stated that "we shall rule Nigeria turn by turn"—referring to another presidential aspirant noting that their turn will be to change the corrupt practices (Olowolagba, 2018).

In 1990, Perdomo, in reviewing corruption in Venezuela, observed that "the increased impoverishment of people because of the present economic crisis" (p. 155) can explain why corruption is not perceived as a central problem in society. As in Perdomo's description of Venezuela in 1990, corruption is now being rejected by some in Nigeria. Individuals and organizations are rising to the challenge of recognizing that bribes, commissions, fraud, and extortion are criminal acts. Even though these are part of everyday living, part of how the social system works (Erondu *et al.*, 2004), the challenge is how organizations position themselves to deal with a corrupt society and government (legislatures, public servants, customs, police and others), while ensuring

they retain their moral compass, the ability to know which direction to go when faced with a right or wrong decision, and not succumb to unethical practices. Also, importantly, for this thesis, how to continuously ensure the organizations' ethical stance is known and adhered to by the wider society.

Wood (2002) further reports that, in the relationship between suppliers and organizations, the power lies with the purchasing organization. Suppliers are more likely to conform to pressure from the purchaser as their livelihood depends on the relationship. If an organization's reputation supports or allows unethical behaviour to exist, suppliers and those in positions of influence within the organization that intend to behave unethically might take advantage. This relationship with organizations ethical reputation and supplier behaviour emphasizes the role executives and employees play in ensuring that external organizations understand the organization's ethical code, and adhere to it, thereby mitigating or eliminating opportunities to behave unethically. The challenge with consumers and suppliers lies in the ability of organizations to control their employees' moral compass and stand firm on their ethical codes, even under pressure.

### **Competition**

Competition is a significant factor in an organization's ecosystem as organizations strive to gain and retain customers, set competitive prices, and increase profitability. Organizations threatened with extinction by a fiercely competitive environment can succumb to unethical practices like corporate espionage, finding ethically questionable loopholes in the law, value exchange, and bribery (Fraedrich 1992; Rao 2000).

Hemphill (2004, p. 139) discussed the need for competition or antitrust ethics which would "include business practices ranging from competitor intelligence (e.g., industrial espionage) to managerial decisions pertaining to advertising strategy (in this case, of the deceptive variety)". Employees mandated to stay ahead of competition at all cost might make unethical decisions when faced with ethical dilemmas; cases like "Enron, Tyco, WorldCom, Arthur Andersen, Wells Fargo, Volkswagen and Bernie Madoff, to name just a few, have become infamous household names, synonymous with egregious unethical and illegal behaviour" (Gok *et al.*, 2017, p. 258). Understanding the influence, direct or indirect, that the competitive landscape can have over a firms' decision-making that leads to ethical actions, is vital in a marketplace environment like

"Nigeria [that] has a history of corrupt and unethical business and government practices" (Erondu *et al.*, 2004:350).

In summary, external factors that influence or create challenges of ethical leadership and organizational ethical culture include government, interactions with consumers, suppliers and the interplay with competition in the marketplace. Aside from establishing an internal code of conduct and ensuring employees adhere to it, this research proposes that it is also important for organizations to establish an external code of ethics. This explicitly tackles local context and focuses on how employees can and should interact with clients, suppliers, competition, community and government (Fraedrich, 1992).

### **2.7.2 Internal Factors**

Internal factors focus inwards to critically assess the undercurrents found in organization systems that prevent organizations from functioning ethically. These concerns broadly include organizational silence, shareholders and employee moral compass, weak policies and procedures, lack of education, communication and dialogue, and risk of ethical lapse.

#### **Organizational Silence**

One of the prevalent cultures that exist within organizations with strong unethical standards, especially where those behaviours are openly perpetuated and go unpunished, is organizational silence. Employees become demotivated to participate in giving voice to unethical practices they witness or generally voicing their concerns about organizational practices especially "in a climate where conformity is promoted, and dissent is suppressed" (Knoll and van Dick, 2013, p. 350).

Internal factors can put pressure on individuals and organizations to act unethically, and this behaviour becomes part of the organization's ethical culture. For example, giving negative feedback to a subordinate is expected behaviour in the supervisor-subordinate relationship, but upward negative feedback, which entails reporting on a superior's performance, action or decision is challenging. Bisel and Arterburn (2012) note that employees in their best interest refrain from giving supervisors negative feedback out of fear of harming the relationship.

According to Verhezen (2010, p. 191) "conceptually, people are morally mute or silent when they fail to voice moral concern in situations, which normally can be expected to evoke moral sentiments". An example is the plant inspector who notices the product manager is crossing safety regulations to ensure they meet product deadline and fails to report it, either because they are under similar pressure to ensure products get to customers on schedule or unable to speak out of fear of retaliation from colleagues. Bird and Waters (1989), Verhezen (2010) and Molthan-Hill (2014) all note that managers are reluctant to discuss moral issues with their peers. They cling to moral muteness than exploring conversations on morality in business with other employees even when they act morally.

Some reasons for moral muteness suggested by Bird and Waters (1989) include the threat to harmony, threat to efficiency and threat to image, power, and effectiveness. Moral discussions often involve interpersonal confrontations which warrant disturbing organizational harmony that might be deemed judgemental. Managers feel the threat to efficiency, power, and effectiveness as they regard moral talk as *small talk*, leading to finger-pointing or the use of praising and blaming rhetoric that does not, in their opinion, further business practice.

Despite these reasons for boycotting morality talk among employees, the consequences of moral muteness are ominous. In my research, I posit that moral muteness can lead to complacency in enforcing organization moral standards and I adopt Bird and Water's (1989, p. 79) views of the consequence of moral muteness as:

- Creation of moral amnesia, where one forgets how to behave morally;
- Inappropriate narrowness in conceptions of morality;
- Moral stress for individual managers;
- Neglect of moral abuses; and
- Decreased authority of moral standards.

Bisel and Arterburn (2012) noted from their research that employees' sense-making on why they embark on moral silence refrain from reporting supervisors or upward negative feedback, includes predicting harm to themselves, shifting the responsibility



to the supervisor, predicting supervisor's deafness, inopportune timing, and questioning supervisor expertise. Pope (2015) also considers that organization systems often silence doubts that employee behaviour, codes of ethics, enforcement or lack of, leadership, and culture should be questioned. This leads to employee doubts about voicing their opinion with fears of what will happen (quiescent silence), if they will be heard or if their opinion is wanted or valued (acquiescent silence), lessons from those in the past that have spoken up or keeping silent for the benefit of the organization (pro-social silence), or one's selfish benefits (opportunistic silence) (Knoll and van Dick, 2013). These doubts show the collective sense-making that organization members have about voicing their concerns on ethical matters. Moral silence inherent in systems might endanger the integration of ethical practice. Incorporating leadership modelling to organizational process in these systems could pose a challenge.

In the context of the organization under study, with the literature in view, the challenge will be how to mitigate the culture of moral muteness if it exists. To mitigate the risk of moral silence or muteness that might be encouraged by an unethical external and internal cultural environment, researchers advocate adopting a robust stakeholder engagement and whistleblowing policy to help organizations towards ethical compliance (Kaptein, 2011; Nielsen, 1989; Vance and Harris, 2011).

### **Employee Moral Compass**

Research highlights the importance of employee moral compass, especially those in authority i.e. leaders and managers, as a beacon for organizational ethical standards (Fraedrich, 1992; Pettit *et al.*, 1990). Fraedrich (1992) suggests that, although personal moral values play a role in making unethical decisions easier to choose, the burden of ethical behaviour within the organization also lies partly with the organization's values and traditions. Pettit *et al.* (1990) argue that individual actions over time form part of the organizational values and traditions. Thus, it can be inferred that personal moral values have a significant influence on organizational ethical culture. In discussing operational ethics, Pettit *et al.* (1990) note that personal preconceived moral standards and situational pressures finally become operational ethics, noting that given the situation and stress, individuals morality can change.

Often those in a position of authority can alter their subordinate's moral compass through implicit and explicit communication (Pettit *et al.*, 1990). This is a significant challenge to organizational ethical culture when influencers with questionable moral character are dominant in the organization. The challenge for ethical practice is to ensure personal moral standards are high, and employee communication on ethical behaviour is ethical no matter the situation. This requires ensuring employees and stakeholders have ethical codes, governance and helplines to fall back on when dealing with ethical dilemmas that arise. Pettit *et al.* (1990) state "education in ethical theories and practices is a prerequisite for guiding the morality of managers conduct" (p. 237). Managers should be encouraged to use their moral compass, especially in situations that deal with apparent unethical behaviour by tradition.

### **Leadership Responsibilities**

More often, the ethical tone is set at the top (Verhezen, 2010; Tran, 2010). As lower-level employees look to their immediate supervisors and managers for ethical guidance, these middle-level managers also emulate top-level executives. Ethical leadership emphasizes leadership responsibilities towards achieving a sustainable, ethical standard. Fulmer (2004) states that integrity cannot be delegated. He also notes the importance of the CEO's full participation and commitment by assuming the role of chief ethics officer.

Brown (2007) further argues that being oblivious of how others perceive you as a leader or having a self-serving bias about one's perception of self, is detrimental. He further posits that, to reduce the effects of common misconceptions, ethical leaders need to understand their effect on followers and allow for more participation through modelling programs that emphasize ethics as an organizational process, along with employee responsibilities towards organization reputation (Fulmer, 2004).

### **Weak Policies and Procedures**

Business practices use policies and procedures to guide employees' actions every day. Weak policies and procedures refer to policies and procedures that do not reflect the organization's ethical standards or the standards they wish to achieve. Warren Buffet reflects on how changing policies and procedures can affect an organization's ethical culture (Sims, 2000). As an ethical leader, he was not vague or inconsistent

with his management policies. Unlike his predecessor, Gutfreund, whose vague management practices of employees "making their own decisions about how to 'win' the internal competition that thrived" almost led to the organization's demise (Sims, 2000, p. 75).

Paine (1997), cited in Sims (2000), highlights four steps towards leaders developing and maintaining an ethical climate specifically for policies and procedures:

"Aligning the organization by paying careful attention to the design of organizational structures and systems like leadership and supervision, hiring and promotion, performance evaluation and rewards, employee development and education, planning and goal setting, budgeting and resources allocation, information and communications, and audit and control". (Sims, 2000, p. 76)

This view emphasizes the importance of robust policies and procedures in maintaining or even establishing an ethical program.

### **Lack of Education, Communication and Dialogue**

Communication is essential in implementing organizational change and trying to focus an organization towards more ethical practices requires some level of planned change process. Ford and Ford (1995) suggested that planned change is a "communication-based and communication-driven phenomenon" (pp. 541-542) and change occurs through communication.

Ethics is seen to be "both internally driven" in those whom are "well educated in the development of virtuous nature and externally driven by others who wish to be treated fairly and just" (Poof, 2010, p. 12). This then suggests that ethical practice can be developed and taught through two-way expectations and communication between leaders and followers. However, most organizations are challenged with a top-down communication process that emphasizes employees obeying the law.

When employees are unable to communicate their misunderstanding, report wrongdoing, discuss ethical dilemmas or lack of awareness of ethical codes to peers, supervisors or ethical officers, the breakdown in communication flow can lead to suppressed voices and organization silence (Trevino *et al.*, 2003). The level of open communication in organizations will be witnessed in employees' ability to openly ask

for help and discuss ethical dilemmas they face with their peers, managers, and ethics officers, without fear of apprehension or stigma. Trevino *et al.* (2003) noted the need for communication of ethical actions and decisions by sharing information publicly to educate employees. Brown *et al.* (2005) reflect on ensuring management commitment towards improving the ethical climate through ethical training. Lack of education and comprehensive training while keeping discussions of real situations that employees can leverage when they are at ethical crossroads, could hinder ethical program success as employees can be unaware of the content and context where some of these codes are applicable. It is then important to keep ethics in organizational discourse and use transformative strategies like dialogue and ethical decision-making training to overcome the high risk of organizational silence when faced with issues that violate personal and corporate ethical values (Verhezen, 2010).

### **Risk of Ethical Lapse**

Organizations sometimes begin an ethics program, and along the line, other business matters take over. It can happen when an organizational strategy is not aligned or informed by organizational ethical standards; rather, ethics is regarded as a guideline.

Risk of ethical lapse is a challenge organizations face if they do not continue to implement and emphasize their ethical standards. As a result, the challenge is a fallout of lack of communication, education, training, neglecting to keep ethics in organization discourse, not implementing a robust whistleblowing policy, and not continuously aligning organizational policies and procedures to include ethical standards. The inability to monitor employees' ethical practices, especially those that interface with the external environment and the inability of ethics officers or ombudsman to protect whistleblowers, also contribute to the challenge. Young (2015) expands on this point, stating that organizations can prevent ethical lapse by asking these critical questions:

- Are ethical expectations clearly understood at all levels?
- Is the culture compatible with high ethical standards?
- When a problem arises, such as a product quality issue, does the company put customer interests ahead of its own?

- Does the company encourage employees to report ethical issues and does it listen when they do that?
- Would the company protect a whistleblower or give lip service to that?
- Does the company cut corners in pursuit of short-term profits?

The ability to continue to ask and answer these critical questions will mitigate the risk of ethical lapse and ensure an organization continuously improves its ethical programs wherever they are lacking (Young 2015). The challenges listed are not exhaustive as the uniqueness of organization systems presupposes that challenges the organization faces will differ. Ethical leaders using dialogue should understand their organization and its ecosystem to understand the unique challenges they may face.

To summarize, organizations face ethical dilemmas and challenges created by both external and internal factors. When ethical dilemmas are not adequately handled using the organizational rules in place, these challenges pose a risk and negatively impact on organizational ethical culture. In turn, this weakens or otherwise affects the employee moral compass. Understanding the impediments to ethical practice will allow organizations mitigate the risk of unethical behaviour happening in the organization.

## **2.8 Conceptual Framework**

The conceptual framework is drawn to reflect on connections of key themes from the literature above. There is a need for the organization under study to focus on building an ethical practice. My review of the literature highlighted that to build that might lie in the foundations of employee ethical behaviour and organizational structures. According to Trevino *et al.* (2014, p. 637) researching organizational ethical behaviour is not value-free and "understanding the predictors" of ethical (good) and unethical (bad) behaviour will help organizations produce more of the good and less of the bad. Key themes in the above literature signal some of the good, which organizations seeking a more ethical practice can adopt. So, there is a deliberate approach to becoming a more ethical practice. Figure 3 is a conceptual framework I developed from elements derived from the literature to help assess the study organization's ethical practice.

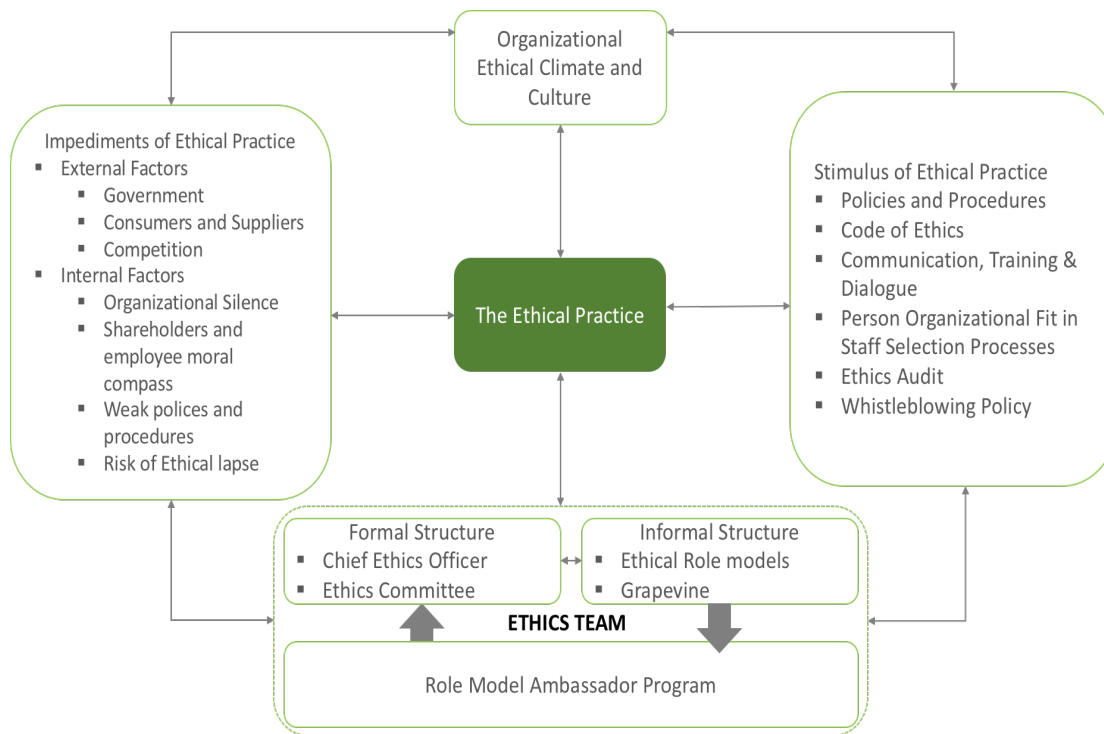


Figure 3. Conceptual Framework

The impediments and stimulus of ethical practice, organizational ethical climate and culture have been discussed in detail in the literature review. Below is a discussion of the ethics Team recommended in this framework as it highlights some new elements, both in its framing and in the concepts I developed for this research.

### **2.8.1 Ethics Team—Formal and Informal Structure**

Drawing from the literature reviewed in Section 2.5.1 (Ethics Team), high level concepts fall under formal or informal structures. Formal structures include a chief ethics officer and formally appointed ethical committee members. The informal structure includes ethical role models and employees getting their information and cues from the grapevine. For this research, I developed a Role Model Ambassador (RMA) program as a way to formalise the informal structure and feed the formal structure.

#### **Formal Structure**

##### *Chief Ethics Officer*

The literature converges on the need for a chief ethics officer or ethics ombudsman whose function is to set the tone at the top, align and drive organizations strategic

outcome with organizational ethical output. For this research, *chief ethics officer* and *ethics ombudsman* are used interchangeably for a formally conferred ethics leader in an organization.

In Section 2.5.1, I discussed the importance of leadership in setting the ethical tone and their influence on organization ethical culture. The idea of an ethics leader is not common in Nigerian companies; this function is usually part of a leader's role and not a focused designation. In this light, I include the designation Chief Ethics Officer in the framework as organizations working in low ethics environment like Nigeria (Transparency International, 2018) should create this designation, which will function to regulate and monitor ethical matters. The chief ethics officer will not only act as an arbitrator for employees but also ensure that whistleblowers have a sanctuary and ensure rewards for ethical conduct or punishment for unethical conduct are followed per the laid out policies and procedures.

#### *Ethics Committee*

Researchers (Wood, 2002; Svensson *et al.*, 2009) have advocated that an ethics committee be set up to bring together an ethics team to help in policy development and implementation. My framework proposes the ethics committee as a pool of ethical leaders in the organization whose formal mandate is to ensure continuity of ethical practice in the organization's daily practice.

### **Informal Structure**

#### *Ethical Role Models (ERMs)*

Social learning advocates have proposed ERMs as a means for organization members to learn from those who exemplify the desired ethical conduct. Paine (1997), cited in Sims (2000), posits that, although immediate supervisors are observed for ethical standards, an organization's ethical stance is defined through the behaviour of visible leaders. These visible leaders as role models have been identified through the eyes of those employees who have informally witnessed leaders in practice (Sims, 2000; Trevino *et al.*, 2000; Brown *et al.*, 2005; Weaver *et al.*, 2005). Leaders then have to display moral courage to act ethically to promote exemplary ethical behaviour through role modelling in the workplace (Hannah *et al.* 2011).

ERMs can also act as a conduit for information dissemination regarding ethical policies, behaviour and communication. They should be identified continuously to ensure a more robust ethical communication network. I further discuss the RMA program I developed for this research in section below.

### *Grapevine*

Subramanian (2006), calls informal communication the *grapevine*. Most organizations have an informal communication network which employees rely on to get the latest news, gossip, and cues on how to behave. Ergen (2011, p. 62) sees grapevines as a “vital element for any organization”, which “satisfies different human aspects and interacts with formal communication”. He concluded that organizations can harness grapevines into communities of practice that informally bind individuals with a common interest. I included the grapevine among informal structures in the framework to explore ways the organization under study can make the use of informal communication to discuss ethical concerns.

### *Role Model Ambassador (RMA) Program*

The above concepts support the vision for a Role Model Ambassador (RMA) program in the conceptual framework. If leaders are to be ethical leaders who can influence employee ethical conduct, they must be legitimate and credible ethical role models because employees may be cynical about ethical pronouncements coming from some organizational leaders, especially in a scandalous business climate (Brown *et al.*, 2005). I think of an RMA program that could be used to harness, legitimise and formalise ethical role models across the organization, with employee participation in choosing role models from among their peers. The program could help to ensure continuity of informal role model identification on a timely basis and adoption of these role models into the formal structure of ethics committee. It should refresh the committee and give ethical role models more visibility within the organization. While some of these individuals might have other primary roles within the organization, their dual roles could help provide insights into ethical concerns, thereby giving access to employees who wish to expose or discuss ethical conduct.

Given the importance of ERMs, I conclude from the literature reviewed in this chapter that organizational ethical culture would improve if ERMs are identified continuously.



## 2.9 Current Study

This literature review describes several challenges of ethical leadership in an organization: government; consumers and suppliers; competition; organizational silence; employee moral compass; weak policies and procedures; lack of education; communication and dialogue; and risk of ethical lapse. It also considered important processes: ethical leadership; developing a code of ethics through shared values; communication, education, and dialogue; person-organization fit in the staff selection process; ethics audit; and whistleblowing policy. The literature suggests that these influencers of an organization's ethical culture can be effectively managed by establishing an ethics team - chief ethics officer/ethics ombudsman, ethics committee - and harnessing ethical role models who are all part of the organization's ethical leadership through a RMAs program and other actions.

The conceptual framework highlights four high level concepts that can be considered analytical components of ethical practice. These components can be used to gauge and analyze where the organization is ethically. They will help manage how data is collected to understand the gaps the organization under study might have. These analytical components include:

1. Stimulus of ethical practice: Does the organization have artefacts like a code of ethics, a whistleblowing policy, and processes such as ethics auditing, as listed in the conceptual framework?
2. Impediments to ethical practice: What are the challenges of ethical behaviour, both internal and external, that might be hindering the organization from becoming a more ethical practice?
3. Organizational ethical climate and culture: ethical leadership behaviour, ethical climate, and how employees think about their ethical practice. What is the ethical culture of the organization, and what influences employee ethical behaviour?
4. Ethics team: Does the organization have ethical role models, a Chief Ethical Officer and separate ethics office?

I will use each of these components in this thesis to help us understand what the stimulus and challenges of ethical practice are for this organization and how leadership behaviour and ethical role models influence the ethical climate. The analytical components helps to understand the organization's current ethical state, manage how data is collected and help to guide the research towards it aim. I describe how I did this in more detail in the next chapter.

## CHAPTER THREE

# RESEARCH PHILOSOPHY, METHODOLOGY AND DATA COLLECTION METHOD

### 3.0 Overview

While various management research philosophies exist, e.g. positivism, relativism, and social constructionism (Easterby-Smith *et al.*, 2008), my focus is that of social constructionist philosophy, which notes that knowledge is created through social interactions. This research seeks to understand the challenges of the organization in instituting ethical practice, and to recommend a practical roadmap to a more ethical organization. To achieve this, I examine how employees construct ethical behaviour and culture through interactions with leaders, role models and other colleagues (Heathfield, 2019). Social constructionist philosophy therefore aligns with the aim to provide a sustainable way for employees to create a more ethical practice through social interactions.

### 3.1 Ontology, Epistemology and Axiology

Creswell (2007) notes that philosophical assumptions concern the ontology, epistemology, research values (axiology), the research rhetoric and methodological approach adopted by the researcher. The historical, political, and social-economic situation where knowledge is created (Huczynski, 1993; Ramsay, 1977) can influence how the research is approached. For instance, organization management in the 21st century would seek democratic, collaborative, participative action (Keegan, 2009) often because of the applied and divergent nature of problems encountered in management (Tranfield and Starkey, 1998). From my perspective, the nature of reality is often complex and socially constructed through culture and language, thereby subject to multiple meanings and interpretations (Saunders, Lewis and Thornhill, 2016, p. 136). My research on ethical behaviour in the organization focused on capturing the participants' stories, perceptions and interpretations about the organization's ethical practice and their role in shaping it. My view hinges on the point that in understanding

the complexity of human interactions, how and why we make (un)ethical decisions cannot be made purely objectively because they are embedded in both the researcher and participants as part of the organization (Cunliffe, 2011).

My axiological position is that the research is value-bound. The values that underlie my approach are that unethical behaviour is wrong no matter what the circumstance, and employees can be ethical even if the norm in their nation supports unethical behaviour. My value-bound research seeks to understand employees' relationship with ethics, how they view it, understand it, and practice it. As a researcher, I am also part of the research. My dual role in the organization as a researcher and a consultant made me part of the research and like the participants, subjective in my interpretations.

## **3.2 Research Approach**

In this research, I used a shared problematization approach (Jenlink, 2009). Using this approach takes advantage of socially constructed knowledge that considers emotions, divergent viewpoints and the power dynamic (Johnson and Duberley, 2000). The research uses shared problematization (Jenlink, 2009) by first introducing a conceptual framework based on prior research and then making observations on ethical practices in the organization through interviews. The action research strategy helped to understand the identified workplace-based problem, the current state of the ethical practice and developed recommendations for action to institute a more ethical practice for the organization. This research did not aim to investigate causal connections between ethical behaviour and organizational ethical practices but instead focused on relationships between ethical role models, impediments to ethical practice and the organizational ethical practice.

### **3.2.1 Research Strategy**

Action research was chosen as the research strategy to investigate the challenges faced by the organization in instituting an ethical practice, and to provide practical guidance for the organization on how to develop and influence an organizational ethical practice. Kaplan (1998, p. 89) notes that action research *engages the researcher in an explicit program to develop new solutions that alter existing practice*. It is an iterative process of study that uses cycles of inquiry to create knowledge and

develop solutions for real-life organization problems through democratic, collaborative, and participative actions (Coghlan, 2011; Saunders, Lewis and Thornhill, 2016).

Furthermore, since action research is about "research in action rather than research about action" (Coghlan and Brannick, 2010, p. 4), diagnosing the problem through collaborative and participative actions allowed me, the researcher, and the participants to reflect critically and reflexively. Action research also aims to solve pertinent problems in context while embracing the diversity of experience and capabilities of the group. These core characteristics of action research allowed participants to become social actors. To promote change and facilitate ethical behaviour by reflecting on past actions and consequences and discussing actions, the organization could adopt now to help promote more ethical practice.

### **3.2.2 Research Design**

Coghlan and Brannick (2010, p. 15) note three elements of a good action research project; "a good story, rigorous reflection and an extrapolation of usable knowledge or theory from the reflection of the story". The research followed a planned change design with a clear goal of instituting a more ethical practice. The process of planned change (Bechard, 1997, cited in Coghlan and Brannick, 2010, p. 65) was followed in the research when we:

1. Determined the need for change through the collaborative sessions with the organization's leaders. As a consultant, I was aware of the forces of change coming from the external environment and the need for the organization to maintain its strategic partnerships with international organizations. As discussed in Chapter 1, the organization has grown over the years with increasing exposure to the international market and needed to ensure that no ethical scandal would negatively impact their partnerships, leaving little choice for leadership other than a system-wide change. This was an opportunity to engage in action research. Unethical behaviour that might jeopardize the company's ability to compete internationally was identified as a "red-hot issue" (Bjorkman and Sundgren, 2005);
2. Defined the conceptual desired ethical state through a literature review that highlighted the ideal ethical state. Through that developed a conceptual

framework that was then used to assess the present state during data collection. The future state was also defined when we considered the issues uncovered during data collection and verified the possibility of taking action on the recommended plans of action with focus groups;

3. Assessed the present state against elements in the conceptual framework to determine the work to be done and used data generation as an intervention to assess the current state (Coghlan and Brannick 2010). As I collected data through the cycles of inquiry, I observed the group dynamics during meetings, interviews, and focus group conversations. I also used my pre-understanding of the organization and access to internal documentation such as their ethics handbook to advance the project. The interviews helped determine the present ethical state of the organization and focus groups also validated the present state and helped design the future state. The details of how I ran the focus groups are in Chapter 5; and
4. Ensured a strategic plan of action which breaks down the activities, structures and processes to put in place. This was sought collaboratively as the research tried to ensure commitment to the planned change.

From the three categories that classify the purpose of research—exploratory, descriptive, and explanatory—I adopted a *descripto-explanatory* approach (Saunders *et al.*, 2016). An exploratory study seeks new insights into a phenomenon shedding light on the problem. A descriptive study gives a coherent representation of persons, events, and situation. Finally, an explanatory purpose studies a problem or situation by explaining the relationships between aspects of a phenomenon (Saunders *et al.*, 2016). I collected data in an attempt to gain an understanding of the participants' experiences of ethical behaviour in the organization through action research. I then sought to understand the organizational ethical culture and practice while resolving real workplace concerns. As data were collected, the description of employee perceptions of ethical behaviour and my understanding of both the external and internal environment permitted me to interpret the data and posit possible explanations incorporated in proposals for action.

As noted above, one advantage of using action research for this research comes from adoption of the cycles of inquiry inherent in the process. The cycles, from constructing to evaluating action, allow the organization, co-researchers, and the action researcher to evaluate and reflect on action, while in action. It allows for further constructing that continues into yet another cycle of inquiry. At the beginning of the study, before data collection, organization leaders helped construct what they felt the problem was. This led to an inquiry into ethical leadership development in the organization. As the research progressed, it became apparent that, although leadership influence on ethical behaviour was important, participants' discussions focused much deeper than that to consider both external and internal influences on ethical behaviour. The cyclical nature of action research allowed for the problem definition to evolve, making it challenging to control outcomes (Coghlan, 2011, p. 54). Figure 4 illustrates the cyclical nature of action research in this study and discussed in detail below. It shows the three action research cycles in my doctoral research. These cycles are positioned to depict the concurrent nature of the action research cycles I designed and experienced.

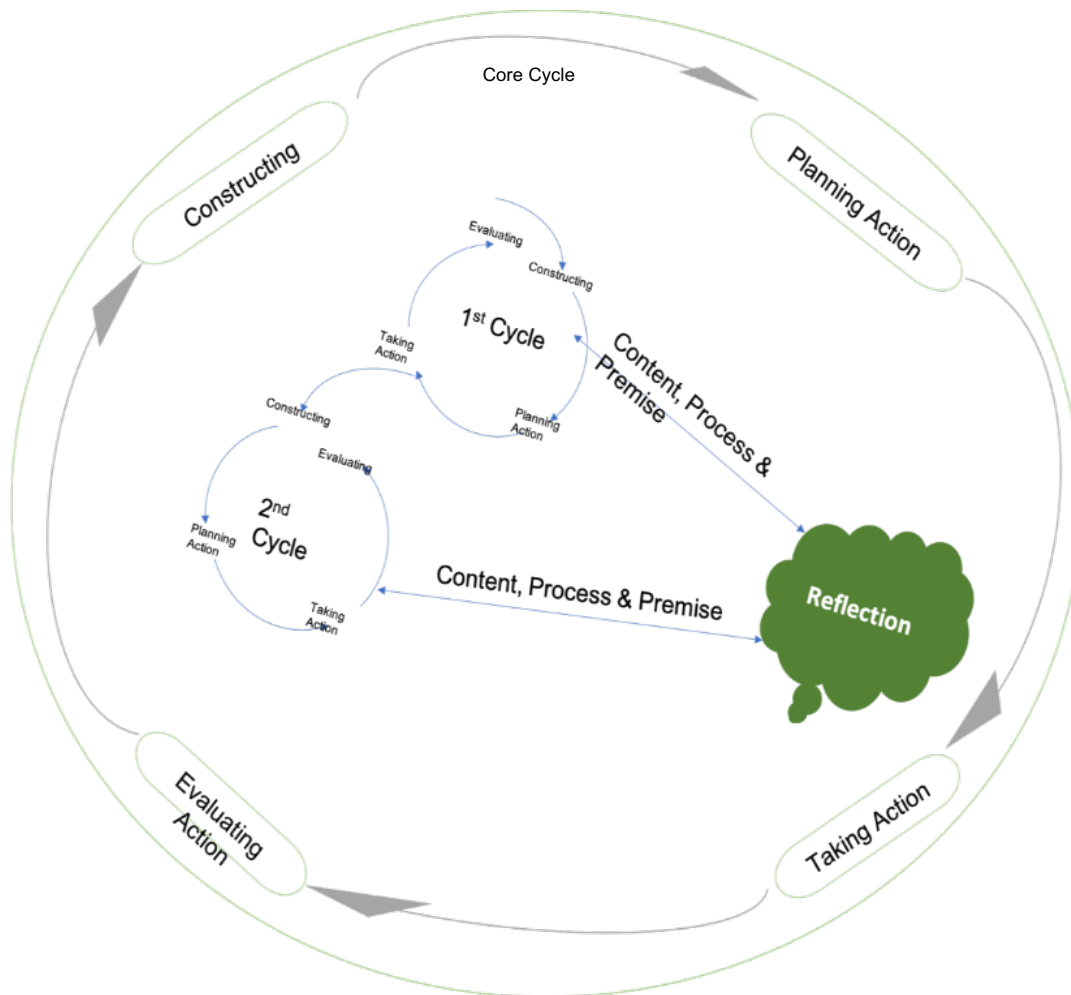


Figure 4. Iterative Action Research Cycles Taken in This Research

### Core Cycle

Figure 4 shows how I constructed and framed the problem, planned, took, and evaluated action in the core research (outer cycle). I went through three action research cycles while reflecting on the content, process, and premise of the action. I was a researcher inquiring into the steps taken in the action research project while learning. That, in turn, influenced the steps taken in the core action research (Coghlan and Brannick, 2010). The detail discussed below reflects the outer/core research cycle that looks at how the problem was identified and refined through reflexive and reflective action.



### *Constructing*

As noted in Chapter 1, my research aimed to understand the challenges the organization under study faces in instituting an ethical practice, and recommend a practical roadmap to a more ethical organization. On reflection, my initial problem frame was drawn from my experience with organizations in Nigeria and this organization in particular as a previous employee and presently a consultant. This premise influenced my initial focus on ethical leadership development as I planned my action of research within this organization. Evaluating action at the end of each cycle gave rise to reflections that influenced subsequent cycles.

### *Planning Action*

I planned to gain consent from management by presenting my initial diagnosis. I picked up chatter through the grapevine that ethics was a management concern. It spurred a plan of action, though at the time was not documented as a plan.

### *Taking Action*

I took action when I approached some leaders known to me to discuss the possibility of doing this research, and shared my initial framing. I used both official channels by making an appointment to meet with two top management leaders, and unofficial channels by dropping into two leaders' offices to chat casually. These discussions were to communicate the ethical concern and gauge the possibility of doing action research in the organization. I shared my experience, listened to theirs and proposed the aim of the research, which, at the time, was to develop ethical leaders in the organization. A detailed presentation on the research and participant information sheet was shared with the CEO who gave his approval (the agenda appears in Appendix 1). The participant information sheet was a 12-page document presented to a large group of people. The organization's preference to communicate it through slide presentations was adopted to move the research forward.

### *Evaluating Action*

The outcome of the discussions was favourable towards supporting an action research project in the organization. One of the top management leaders I met with was the

CEO who was interested in knowing more about how the research would unfold. I used my influence to get that meeting. As I reflected on the action and subsequent outcome, I realized that my understanding of the problem influenced the initial framing of the workplace problem. By unconsciously pushing this diagnosis, it seems the organization's top management bought into the rhetoric I was peddling. The framing which I now understand is a "heuristic process [where] the definition of an issue already includes elements of the solution" (Coghlan and Brannick 2010, p. 53) set the tone for the first cycle of inquiry. My interpretation and evaluation of the core research project can be found in Chapter 6.

## **First Inner Cycle**

### *Constructing*

The evaluation of the outer cycle was happening in parallel with stages in the core research (Zuber-Skerritt and Perry, 2002). After gaining consent, I sought to refine my topic based on the conversations with the top management team. They recognized the need for the organization to improve their ethical practice if it were to remain sustainable as it entered into its new contract. My initial diagnosis was that there was a lack of ethical leadership and leadership development in the organization. This initial diagnosis allowed me as a researcher to open up the conversation with top management. For this research to move forward, the problem was framed based on the discussion with top management as the process and challenges of ethical leadership development in the organization. It helped in my action planning and seeking leadership participation in uncovering the process of making more ethical leaders. I was invited to the quarterly leadership meeting to share the aim of the research and solicit participation.

### *Planning Action*

Since I was researching ethical leadership development, I planned to gain consent for the research and interview leaders (top and middle management). More precisely, I sought to diagnose the problem, gain their support for change, gauge the current ethical state, and determine their desired future state for the organization. The initial plan was that gaps between current and future state would help define a course of action for the organization to take to develop more ethical leaders. I planned to prepare

a list of recommendations. Since employees are more likely to implement a change process they have helped to create, this step would help to determine and choose the level of change required.

Following this action research cycle, I reflected on the process itself: why would I need leaders instead of all employees; how will I get to uncover the process and challenges that leaders face? I was aware of my role duality at this point, as a former employee, current consultant and also a researcher looking to ask about a sensitive issue like ethical behaviour. However, I was not fully aware of my bias at this time. The premise for needing leaders was based on how I defined the problem, focused on ethical leadership emergence in the organization. So, the process to uncover this data naturally followed that path: bring together leaders and ask them to reflect deeply about their behaviour and what influenced it.

### *Taking Action*

I presented the same material that was shown to the CEO at the beginning to the leaders at the leadership meeting and asked them to indicate their interest by the end of November 2014. To do this, they were to read the participant information sheet, sent after the presentation, and sign the consent form. After identifying the participants, interviews were scheduled to fit the participants' calendars within the interview period.

I determined the participants from among the leadership, scheduled interviews, and carried out the interviews as planned. As I reflected on the themes emerging from the interviews, I started to realize a need to take the conversation to a broader audience, as much of the conversation centred around communication and dialogue. It seemed an excellent opportunity to diagnose further, gain more understanding and uncover diverse thoughts.

### *Evaluating Action*

Rather than moving immediately to developing recommendations for action, I started to reflect on this cycle and the information that was emerging. I realized the framing of the problem should go beyond leadership and span across the organization and its ethical practice. The data were pointing towards building a more ethical practice with

ethical role models, not just developing ethical leaders, as well as how to get the conversation to the broader organization. I decided to shift the focus to these issues in the second inner cycle of my research.

## **Second Inner Cycle**

### *Constructing*

Constructing action in this cycle started as I was reflecting while in action in the previous cycle. The focus went from looking at developing ethical leadership to developing a more ethical practice. As I reflected on the action taken in the first cycle and the data generated, there was a need to take the discourse beyond the interviews. It became apparent that the conversation needed to go broader. This pivotal period helped me to re-evaluate and reframe my research question from developing ethical leadership to becoming a more ethical practice. It meant that I needed a broader audience within the organization, and I started to think of how best to engage more employees through their leaders. The idea of focus groups was a means to ensure that data generated from the interviews could be validated, and also to test the plausibility of the plan of action from current to future state by a broader group of participants. Some of the participants chosen for the focus group stood out during the interviews. They had teams and were passionate about the research and its proposed outcomes, and eager to be more involved.

### *Planning Action*

For this cycle, I planned to conduct semi-structured focus groups with 10 of the leaders from the first cycle. Krueger and Casey (2009, p. 7) stated that a "focus group presents a more natural environment than that of an individual interview because participants are influencing and influenced by others".

There are two reasons why I chose to collect data via focus groups. First, as conversations between colleagues are often informal, focus groups are advantageous in bringing these informal discussions to light (Vaughn, Shay and Sinagub, 1996). Second, Morgan (1997) notes that focus groups can be an excellent vehicle that requires participants to open up about uncertain, highly debated and controversial

issues. Discussing ethical behaviour and challenges and how best to get the organization more ethical can be seen as critical, uncertain, and controversial issues.

I planned to work with teams from the initial 40 participants in focus groups to develop a deeper understanding of the emerging themes, engage employees outside the leadership team in dialogue about the issues, and gain employee support for the change ahead. During the interviews in the first cycle, these participants showed more interest and enthusiasm to continue with the research and their ability to act as links to the broader organization. This group of 10 members were managers, supervisors, and team leaders that had access to teams within the organization.

Involving other members of the organization beyond the management team ensured that other levels were involved in the process and allowed feedback during the evaluation stage that took advantage of the broader audience. Focus groups are research tools that allow for a small groups (ideally between 4 and 12 members) that have specific characteristics in common relating to specific topic (Davis, 2017).

I asked open questions to uncover hidden assumptions and biases that reflect on potential solutions and outcomes (Basadur *et al.*, 1994; Grinde and Khare, 2008; Marquardt, 2007). A focus group leadership group of 10 met three times to review the data from the first cycle and recommend action. The focus group leadership meetings debated and discussed the plans until a consensus that best reflected the desired future state was reached. They were then tasked to discuss the cycle one findings with their teams before the focus group meetings. Focus group meetings were scheduled as per the team's availability.

### *Taking Action*

Coghlan and Brannick (2010) noted that every action, even the presence of the research, is an intervention. Data collection from the focus groups both the leadership meeting and team members meetings was part of taking action by communicating and allowing ethical dialogue to continue in the organization beyond the core research. The second inner cycle in Figure 4 shows how reflection, observation, learning and communication were happening during this phase of the research.

The aim of using participants from the first cycle was to leverage opportunities to continue the ethical discourse and establish buy-in on how the organization can build an ethical practice through their teams.

The sequence of action taken with this group was as follows:

- Three meetings lasting approximately 70 minutes were held with the focus group member, to clarify the emerging themes and the recommendations for action;
- Each focus group member was asked during the first meeting to connect with their teams and come back with dates and times for group meetings with their team. Participation from their team members was voluntary; and
- Each focus group team session was scheduled and the 10 focus group members grouped into 10 focus group teams (1–10).

The 10 focus group teams (each group consisted of 4 to 9 members) were observed to understand the communication, interaction reactions of team members during discussions of ethical concerns and action recommended from the first cycle. I moderated the focus group sessions, guiding the discussions through the agenda (Appendix 2). The sessions were moderated but not restrained (except within acceptable limits) in their discussion and dialogue of the topic without pressure to reach a consensus (Saunders *et al.*, 2012; Thorpe and Holt, 2008). I acted as a participant-observer by watching, listening and observing each group's dialogue and non-verbal cues. I asked questions to open up discussions when I observed participants felt differently from others but refrained from speaking.

### *Evaluating Action*

As the research progressed, my plans for action were revised. After the first focus group meeting, I evaluated my actions and those of the participants and made some changes. I reflected on how the employees were responding to the research, noting through observation the impact of the discussions on employees, not just those participating directly in the research.

During the focus group discussions, I tested out ways to engage with participants. I noted that my approach at first might have been clinical. With each focus group, I

noticed different responses in practice. On reflection, I might have adopted what Marshall (1999, p. 159) calls "experiments in action". This approach sees a researcher reflexively constructing smaller cycles of action and reflection within a cycle of inquiry during parts of the research. It was my experience in analysing the focus group discussions, individual interviews, team leader meetings and also in the first and second cycle of inquiries. More details on my reflection on focus group observation and as a scholarly practitioner are in Chapters 5 and 6.

### **3.3 Sources of Data**

I collected data through primary and secondary sources. Primary data were collected from first-hand experiences, through conversations, observations, and interviews with employees, while secondary data were obtained from annual reports, websites, meeting notes, and the organizational code of ethics handbook.

#### **3.3.1 Secondary Data**

Secondary data were gathered and used in the analysis, interpretations, and evaluation of the primary data based on themes that captured the research aim. I accessed organizational artefacts like annual reports, websites, meeting notes, and the organizational code of ethics handbook (Appendix 3). I had a copy of the handbook which had not changed from the days I was an employee. The website and annual report were public knowledge and could be accessed online. Data regarding the organization chart was not available, but I was able to use my pre-understanding of the organization to speak to the right people for the information I needed.

The sources of secondary data also included peer-reviewed journals and articles, books, newspaper articles, NGO reports and web-based searches. *Journal of Business Ethics*, *Organizational Behaviour*, and *Leadership Quarterly* were the major sources of literature used. I listed relevant articles in a table, which is included in this thesis as Appendix 4.

#### **3.3.2 Primary Data**

Primary data were collected in this study using semi-structured questions, in-depth interviews, and observation with focus groups. Semi-structured interviews are good

when exploring participants' perceptions and opinions regarding complex and sensitive issues that enable probing for more information and clarification of answers (Barriball and While, 1994). In qualitative research, interviews present an opportunity to access participants' experiences and perspectives concerning the issue under study. Thus, designing interview questions that will assist in gathering rich data requires a good understanding of the formats of interview design (Gall, Gall and Borg 2003). I used an audio recorder, my written notes, and observations for data collection purposes.

### ***3.3.3 Purposive Sampling for Interviews and Focus Groups***

Purposive sampling was used to select participants. Sampling management employees to participate in the interviews in the first cycle included directors, managers, supervisors, and team leaders. How these participants were selected is discussed below.

#### **Interview Participant Sampling**

The organization at the research period had 109 leaders, of which 103 were middle management employees and six director-level employees. Out of the 103 middle management employees, 76 were senior managers, and 27 were supervisors and team leaders. The research took place in Lagos, Nigeria, as the organization top management team is in the head office located in Lagos State. Out of the 103 middle management employees, 63 were located in Lagos. Thirty-eight of those participated in the research while two directors from top management made up the 40 participants. This sampling was not restricted to any number when invitations to participate were sent out. The participants provided a diverse group of potential ethical role models, which can penetrate the different levels and structure of the organization.

First, the six director-level employees were approached and asked to participate in the research in one on one meetings. After I approached each of the six directors, two decided to participate. The other four directors were either busy at the time or not as enthusiastic about being personally involved, but they did not discourage the research or their teams in participating. After this, I socialized the research among the management-level employees. It was done during their quarterly leadership meeting, where the CEO shared the organization's focus on becoming more ethical and



introduced the research as an opportunity to understand how they can approach the issue. An email was sent to the leadership team from the chief executive officer's office following the leadership meeting, soliciting participants for the research (Appendix 5). They were requested to respond to that email if interested.

Two directors had already indicated interest and 13 middle managers responded immediately to the email sent. Snowballing sampling was adopted, whereby the 13 participants referred other employees to participate in the study (Saunders, Lewis and Thornhill, 2016; Easterby-Smith *et al.*, 2008). Through referrals, 27 participants were approached to participate. Table 1 shows how the 40 participants were identified for the first inner cycle interviews.

Table 1. Number of Interview Participants

<b>Level</b>	<b>Total Number of Organizational Leaders</b>	<b>Number of Interview Participants (First Inner Cycle)</b>
Directors	6	2
Senior managers	76	28
Supervisors	23	6
Team leaders	4	4
Total	109	40

### **Focus Group Team Sampling**

Ten of the participants in the first inner cycle and their teams participated in focus group sessions to understand their experiences and personal reflections of the organization's ethical behaviour. No formal process was engaged to ask the current participants to further participate with their teams. I had informally identified four leaders because they seemed interested and had teams to engage with about the possibility of continuing with the research. Snowballing referrals occurred as, during the conversations, I got some recommendations on other leaders who might not object to continuing with the research and proceeded to ask them. I did this through emails, phone calls, and meetings.

The criteria for participation were simple: be interested and have a team to participate in the study. I opened it up to as many as wanted to participate and landed on 10

leaders. On reflection, this was more than I anticipated would be interested and an indication of leadership commitment to change.

### **3.4. Data Collection**

A kick-off meeting was called to start the data collection process, so the 40 leadership participants could understand the project and what would be required of them. Participants were informed of their full rights to participate in the study, and their informed consent sought for audio recording and use of interview data for research purposes. Informed consent forms provided by the University of Liverpool were sent out, signed, and returned before scheduling the interviews.

All 40 participants attended the meeting either in person or by conference call. The briefing was held to clarify any concerns not addressed in the Participation Information Sheet (see agenda, Appendix 1). Participants expressed concern about the content of the interviews being made public. I assured them that interview venue, dates, and times were confidential, and no personal identifiers would be used when transcribing interviews.

#### **3.4.1 Components of Ethical Practice**

The conceptual framework in Section 2.8 highlights four high level concepts that I used as components of ethical practice. I used the components in the conceptual framework to understand the organizations' current ethical state. This helped to guide the research aim of understanding the challenges in instituting an ethical practice and recommend a practical roadmap to a more ethical organization by identifying actions the organization can take to become a more ethical practice. They helped manage how data were collected to understand the gaps the organization under study might have. The components used to collect data that assessed the organization's current ethical state are:

1. Stimulus of ethical practice;
2. Impediments to ethical practice;
3. Organizational ethical climate and culture; and
4. Ethics team.

The four components were mapped to interview questions to help uncover the current state for each. This follows the planned change approach of understanding the current state and developing a plan of action to achieve the future state, as developed in the conceptual framework. The future state framework can then be adjusted to suit the organization under study as the influencers might be different for each organization.

In summary, the components provided a way to break down my research aim and objectives to allow for easier data collection. To reiterate, the aim of the study was to understand the challenges of the organization under study in instituting an ethical practice and recommend a practical roadmap to a more ethical organization. These components assessed current state readiness for more ethical practice through factors in the conceptual framework that are discussed, compared, evaluated and reflected on in the course of data collection.

### **3.4.2 Analytical Components and Interview Questions**

The interview questions are listed in Appendix 6. Table 2 shows how I mapped the interview questions to the analytical components. As discussed in Section 3.4.1, the analytical components were constructs deduced from the research aim, objectives and factors in the conceptual framework (Chapter 2, Figure 3). The conceptual framework reflected a proposed strategy that organizations can use to develop an ethical practice and deal with challenges of ethical behaviour while accessing the process of developing a robust ethical culture.

Table 2. Relationship Between High Level Concepts and Questions

<b>Components</b>	<b>Interview questions</b>
Stimulus of ethical practice	<b>Knowledge of organizational ethical codes</b> <ul style="list-style-type: none"> <li>• What do you know about the ethical codes in your organization?</li> <li>• Do you think employees are aware of the codes and implement them?</li> </ul>
	<b>Whistleblowing policy in the organization</b> <ul style="list-style-type: none"> <li>• What do you know about the whistleblowing policy in this organization?</li> <li>• Do you have anything else to add concerning ethics in your organization?</li> </ul>

Components	Interview questions
	<p data-bbox="438 248 979 282"><b>Communication, training and dialogue</b></p> <ul data-bbox="488 300 1390 488" style="list-style-type: none"> <li data-bbox="488 300 1390 338">• What do you know about the ethical codes in your organization?</li> <li data-bbox="488 349 1390 434">• What do you know about the whistleblowing policy in this organization?</li> <li data-bbox="488 454 991 488">• Is there any formal Ethics training?</li> </ul> <p data-bbox="438 508 1158 542"><b>Person-organization fit in staff selection processes</b></p> <ul data-bbox="488 560 1305 645" style="list-style-type: none"> <li data-bbox="488 560 1182 593">• Do you consider candidates' ethics during hiring?</li> <li data-bbox="488 611 1305 645">• Give a situation where you witnessed unethical behaviour?</li> </ul> <p data-bbox="438 665 616 698"><b>Ethics Audit</b></p> <ul data-bbox="488 716 1377 801" style="list-style-type: none"> <li data-bbox="488 716 1377 750">• Are there regular ethics audits? If there were, how do they help?</li> <li data-bbox="488 768 839 801">• If not, should there be?</li> </ul>
Impediments to ethical practice	<p data-bbox="438 822 895 855"><b>Challenges of ethical behaviour.</b></p> <ul data-bbox="488 873 1390 1160" style="list-style-type: none"> <li data-bbox="488 873 1390 958">• What challenges do you face in exemplifying ethical behaviour in this organization?</li> <li data-bbox="488 978 1305 1012">• Give a situation where you witnessed unethical behaviour?</li> <li data-bbox="488 1030 767 1064">• What did you do?</li> <li data-bbox="488 1081 1390 1160">• How did this affect your work and how did you deal with similar situations?</li> </ul>
Ethics team	<p data-bbox="438 1184 919 1218"><b>Participants' relationships to ERM</b></p> <ul data-bbox="488 1236 1390 1525" style="list-style-type: none"> <li data-bbox="488 1236 1294 1270">• Have you had any ethical role models during your career?</li> <li data-bbox="488 1288 1262 1321">• When and what made you think they were role models?</li> <li data-bbox="488 1339 970 1373">• How did you pick the role model?</li> <li data-bbox="488 1391 1390 1476">• Can you give a specific situation where your role model displayed exemplary ethical behaviour?</li> <li data-bbox="488 1494 1350 1527">• Have you faced similar situations and applied this knowledge?</li> </ul> <p data-bbox="438 1545 991 1579"><b>Characteristics and behaviours of ERM</b></p> <ul data-bbox="488 1597 1390 1785" style="list-style-type: none"> <li data-bbox="488 1597 1374 1630">• What characteristics do you believe role models should display?</li> <li data-bbox="488 1648 1058 1682">• How did others view these role models?</li> <li data-bbox="488 1700 1390 1785">• Are there any specific situations where employees' views of the ethical role model contradict yours?</li> </ul>
Organization ethical climate and culture	<p data-bbox="438 1807 919 1841"><b>Participants' relationships to ERM</b></p> <ul data-bbox="488 1859 1390 1991" style="list-style-type: none"> <li data-bbox="488 1859 970 1892">• How did you pick the role model?</li> <li data-bbox="488 1910 1390 1991">• Can you give a specific situation where your role model displayed exemplary ethical behaviour?</li> </ul>

Components	Interview questions
	<ul style="list-style-type: none"> <li>• Have you faced similar situations and applied this knowledge?</li> </ul> <p><b>Characteristics and behaviours of ERM</b></p> <ul style="list-style-type: none"> <li>• What characteristics do you believe role models should display?</li> <li>• How did others view these role models?</li> <li>• Are there any specific situations where employees' views of the ethical role model contradict yours?</li> </ul> <p><b>Identification of ERM</b></p> <ul style="list-style-type: none"> <li>• Can you be considered an ethical role model for others?</li> <li>• Why do you think so?</li> </ul> <p><b>Challenges of Ethical Behaviour</b></p> <ul style="list-style-type: none"> <li>• Give a situation where you witnessed unethical behaviour?</li> <li>• What did you do?</li> <li>• How did this affect your work and how you deal with similar situations?</li> </ul>

### **3.4.3 Interview Process (First Inner Cycle)**

Interviews with the 40 participants in the first inner cycle lasted approximately one hour each during which I gathered data about their perspectives on the organization's ethical practice. The semi-structured, open-ended interview questions (Table 2) acted as a guide to probing participants on their opinions towards different aspects of the research topic.

Marquardt (2007) notes that the use of open-ended questions as a data collection technique promotes creativity. It also promotes participants' viewpoints on ethical behaviour and their perception of their organization's current ethical culture. I observed the participants as they worked through the ethical issues raised by the questions and asked follow-up questions to further develop clarity and understanding where needed.

### **3.4.4 Focus Group Process (Second Cycle)**

Ten team leaders from the 40 participants in the first cycle were asked to engage their teams to participate in the focus group. As for the 40 interview participants, a participant information sheet was sent to each group member before the meeting, informing them of the use of the data collected for research purposes, their rights and that the interviews would be recorded for transcribing. Informed consent was sought

as team members were not obliged to participate just because they were members of the team. I acted as a joint facilitator with the team leader in the focus group soliciting participation, asking questions and encouraging members to discuss among themselves and their teams.

The 10 focus group teams were observed to understand the communication, interaction, and reactions of team members during discussions of ethical concerns. The focus group team leaders provided continuity for the research because they were already immersed in the study as participants in the first cycle data collection of 40 face-to-face interviews.

The focus groups followed an informal conversational approach. As with the 40 interviews, I asked questions while observing focus groups team participants in action as they talked through some of the emerging findings from the 40 interviews in the first cycle. Participants in the focus group meetings assessed the organization's overall ethical needs and considered how to plan and implement action to improve ethical culture (see meeting protocol in Appendix 2). Data generated was stored in a computer system hard drive, which was backed up daily to an external two terabyte capacity hard drive.

### **3.5 Data Analysis Methods**

Data collection, data analysis and report writing activities are not separate steps in doing qualitative research; instead, they are "interrelated and often go on simultaneously" (Creswell, 2007, p. 150). Miles, Huberman and Saldana (2014, p. 12) describe data analysis as "three concurrent flows of activities": data condensation; display; and drawing and verifying conclusions.

The interviews were first transcribed from audio into transcripts and coded by key words and phrases using NVivo software. It was exported to Excel workbook to get a comprehensive overview of the data collected and make data analysis easier to accomplish. This section will describe my data condensation and coding, and how data were displayed.

### **3.5.1 Data Condensation**

Data collected in qualitative research is rich and complex, making data condensation necessary in the research process. Data condensation was done in all research cycles as I wrote summaries, coded, developed themes, and wrote reports. Coding is a data condensation task that helped me "retrieve the most meaningful material, to assemble chunks of data that go together and to further condense the bulk into readily analyzable units" (Miles, Huberman and Saldana 2014, p. 73).

The 40 interviews were coded into themes represented in the conceptual framework: ethical behaviour and the organization ethical practice; challenges of ethical behaviour; leadership influence on employee behaviour; and ethics team. There were different levels of coding; as a single concept, sentence, and whole responses to questions. Coding at the single concept level, I captured participants' discussions around a single concept, e.g. whistleblowing, and pulled together responses on that concept.

The focus group sessions were also coded using both the single concept and whole responses on the topics they were discussing. For example, focus group members discussed the findings from the 40 interviews, which served to validate the current state and understand the path to the desired ethical state. An example of this was focus group members ordering the action steps to start with hiring a chief ethics officer before other aspects of the action plan can be executed.

### **3.5.2 First and Second Round Coding**

During first cycle data coding, a total of 40 codes were developed from the data. These were then categorized using the analytical components and emergent categories that reflect on the research aims and objectives. Nineteen codes were developed in the first cycle coding and categorized under the ethical behaviour and the organization ethical practice. These were then sub-coded under the steps identified in the conceptual framework and identified new steps that reflect the context of the organization under study.

Table 3. First and Second Round Coding

<b>Category Number (Second Round)</b>	<b>Components</b>	<b>No. of First Round Codes</b>
1	Stimulus of ethical behaviour	19
2	Impediments to ethical behaviour	26
3	Organizational climate and culture	4
4	Ethics Team	1
	<b>Total number of codes</b>	<b>40</b>

### **3.5.3 Data Display**

Miles, Huberman and Saldana (2014) argue that using extended text to display data can be cumbersome and boring as the research can be poorly structured and bulky. Using data display in conjunction with text allows for data to be easily understood and compared, and supports drawing valid conclusions. I learned more about the data as I displayed it through tables and figures (Miles, Huberman and Saldana, 2014).

In reporting the findings, I used figures, tables, and word clouds to display data, followed by an explanation of the display for better understanding. A word cloud is a visual representation of a set of identified keywords displayed to highlight features like frequency to express ideas or concepts from the data (DePaolo and Wilkinson, 2014). Word clouds are used when analysing a concept and understanding participants' collective view of the same concept. It also helped me understand the data better and helped me conclude. As Miles, Huberman and Saldana (2014, p. 13) state, "You know what you display".

### **3.5.4 Coding Reliability**

Reliability in coding took the path of data condensation by seeking a review of themes by my colleague to develop "intersubjective consensus" (Miles, Huberman and Saldana, 2014, p. 13). My colleague works as a market research data analyst for a reputable organization and uses qualitative data analysis in her day-to-day job. With over 12 years' experience and an MSc in Data Analytics, she is familiar with data analysis. I felt secure in my colleague's experience and education to seek verification of themes. I randomly selected 10 interview transcripts for analysis. Action research allowed me reflectively and reflexively, go in and out of the organization as a



researcher, and observer (Easterby-Smith *et al.*, 2008). Rigour was achieved by adhering to the data collection processes in the interviews and focus groups to ensure thoroughness in data collection (Shrivastava, 1987; Cooney, 2011). This strategy also allowed for a collaboration and participation from different levels of the organization, which should permit continuity that is needed for a more ethical practice to flourish beyond the end of the project.

Data generated were analysed and displayed in a descriptive flow, using the process of data condensation, data display and drawing and verifying conclusions. Data is displayed using text, graphs, tables and word clouds. The next chapter looks at the results of the first cycle from the 40 interviews, and Chapter 5 shows results of the second cycle from the focus groups.

## **CHAPTER FOUR**

# **FIRST CYCLE RESULTS: ETHICAL DILEMMA IN THE ORGANIZATION**

### **4.0 Introduction**

The research aim is to understand the challenges of the organization under study in instituting an ethical practice, and recommend a practical roadmap to a more ethical organization. This research challenges the organization's status quo and their way of doing business. In some cases, it questions the behaviour of its leaders and employees.

In this cycle, the findings and conclusions are drawn from assessing the 40 management employee interviews against the analytical components and questions as depicted in the conceptual framework. I used the components in the conceptual framework to understand the organization's current ethical state. Also, the components helped to guide the research aim of identifying actions the organization can take to become a more ethical practice. This chapter presents a report of the findings and how I made meaning of the data collected, condensed and displayed, and conclusions drawn from 40 interviews in the first cycle data collection.

### **4.1 Description of Participants**

The first cycle of data collection involved 40, middle- to senior-level management employees. Their roles varied significantly, representing a broad spectrum of functional departments within the organization, from Human Resources (HR), Sales, Marketing, Strategy, Legal, Finance and Operations to Site Maintenance. Table 4 summarises the demographics, roles, and responsibilities of participants. This detail is mapped to participants' observed ERMs and witnessed unethical supervisory behaviours (Appendix 8).

Table 4. Interview Participant Demographics

<b>Participant</b>	<b>Age</b>	<b>Years of Employment</b>	<b>No of Supervisees</b>
P1	30-39	3 or more	More than ten
P2	30-39	3 or more	Ten or less
P3	30-39	3 or more	Ten or less
P4	30-39	3 or more	Ten or less
P5	30-39	3 or more	Ten or less
P6	30-39	2 or less	Ten or less
P7	30-39	3 or more	Ten or less
P8	30-39	3 or more	More than ten
P9	30-39	3 or more	More than ten
P10	40-49	3 or more	Ten or less
P11	40-49	2 or less	Ten or less
P12	40-49	2 or less	Ten or less
P13	30-39	2 or less	Ten or less
P14	30-39	2 or less	More than ten
P15	30-39	3 or more	Ten or less
P16	40-49	3 or more	More than ten
P17	30-39	3 or more	Ten or less
P18	40-49	3 or more	More than ten
P19	40-49	3 or more	Ten or less
P20	30-39	3 or more	Ten or less
P21	40-49	3 or more	More than ten
P22	40-49	3 or more	Ten or less
P23	40-49	3 or more	Ten or less
P24	30-39	3 or more	Ten or less
P25	30-39	3 or more	Ten or less
P26	30-39	3 or more	Ten or less
P27	30-39	3 or more	Ten or less
P28	30-39	3 or more	Ten or less
P29	30-39	3 or more	Ten or less
P30	40-49	3 or more	Ten or less
P36	30-39	3 or more	Ten or less
P37	40-49	3 or more	Ten or less
P38	40-49	3 or more	Ten or less
P39	40-49	3 or more	Ten or less
P40	40-49	3 or more	Ten or less

Demographically, participant age ranged between 30 and 46 years, and their years of experience in the organization ranged from 15 months to 14 years. There was also a wide variance in people supervised by each participant, ranging from none in the case of an Assistant Manager to 322 in the case of the Director of Operations. It reflects on the potential of participants' influences in the organization.

It is important to note the different functions and levels of these managers in the organization. It leads to a better understanding of how their roles and relationship with organizational ethical practice relate. I did not seek to understand any difference in behaviour concerning age and gender. Interestingly, data collected did not note any significant differences in response from female vs male participants in the study. There were slight differences concerning participant ages and experience with ethical behaviour. Older participants had more experience with ethical behaviour patterns than younger participants who tend to lean towards what they think it should be than what they had experienced. This was explored within each of the other themes below.

I explore more about what ethical knowledge and practice the managers and indeed the wider organization have. Questions that covered this categorization include those from the conceptual framework aligned to the analytical components. In discussing conclusions for each research question below, I examine elements in the conceptual framework that reflect the differences in the uniqueness of the organization's ecosystem.

## **4.2 Research Question One: What is the Nature of the Ethical Dilemma Employees Struggle With?**

The conceptual framework highlights six concepts in the stimulus of ethical practice. Participants' responses reflected those concepts' existence or use in varying degrees.

### ***4.2.1 Developing a Code of Ethics Through Shared Values***

Participants agree that the organization has ethical codes that employees should follow. They admit that after their initial contact with the codes during induction, they have not had to better acquaint themselves with or refer to the code in making ethical decisions. They ranged from barely learning about the codes during orientation and

not revisiting them since, to defensive acknowledgement of the codes as "international standard", "much the same as the codes of other organizations" and "held high".

Two participants thoughtfully mused:

*Well, I think I know they exist. You know we signed something when we started working here, but the codes themselves are not discussed every day word for word, but I understand the general principles of what not to do... (P16)*

*I was given the ethical codes as part of my employment package, and you sign your consent of reading, understanding and agreeing to comply with it... (P6)*

There was a focus on the fact that the code exists in the form of a handbook that contains rules, ethical standards, ethics and business codes. It serves as a guide to conducting business on behalf of the organization. Showing perhaps that it can be easily referred to by employees, but employees do not know how the codes came about, speculating that it is *international standards*. It reflects the importance of continuously developing codes based on shared values and ties in with the communication and training elements of the process.

During the interviews, I could almost detect signs of defensiveness in the tone of voice and posture of participants who work directly with the code as part of their daily work activities, e.g. HR, training and development departments. Two examples are:

*There is a high standard of ethics in the codes. I do not know every detail of it, but it addresses fraud, equality and fairness... (P19)*

*We have a 32-page document that states the business and ethics code. Topics addressed ranges from conflict of interest, human rights, and anti-bribery. Much like most other code of ethics at international standard. (P25)*

A high-ranking participant's casual reference to employee implementation of the code prompted more clarification as I felt this should have been a leader with more information. The response below juxtaposed with participants who say the complete lack of awareness of codes is reflected in employee actions when faced with ethical challenges:

*Well if there are issues of ethics with my team I would have heard. Since there are no reported issues, I believe they adhere to the ethical code (P18)*

In contrast, a smaller number of participants, who do not deal directly with the codes daily, noted the existence of a code of ethics. However, they spoke to a lack of awareness of the content and a low-level of implementation of the code. They were willing to admit a lack of knowledge without feeling threatened. For instance, one participant provided the example of the ethical code emphasizing honesty and fairness but did not see many examples of people around him implementing these principles. It seemed this manager was waiting for the question of implementation. He noted the codes exist, he was aware of them, and on other's awareness and implementation he responded:

*Aha, that is a different thing entirely. We have the codes, but people here do not implement them at all. The values they should have in doing their work they do not display, so I do not think they are really aware of the codes and how to implement...(P38)*

There was some confidence from a few participants that a violation of the ethical codes would result in termination. In the debate, participants felt the codes were selectively implemented based on favouritism, depending on the issue faced and by whom.

Finally, participants emphasized that the codes are difficult or impossible to follow in a country in which the economic culture does not support the codes as standards of practice. If corruption is accepted or “*second nature*” (P28) as described by one participant, then codes are difficult to enforce at any level. Although participants felt that even if people are aware of the ethical codes, their implementation is not black and white. One participant explained:

*At work we have deadlines and to meet them you need to know how to work faster and be more efficient, and sometimes you have to bend the rules within limits, not like break the rules...(P17)*

The general sentiment of participants is that the code of ethics can only be as strong as its enforcement, both in theory and in practice. One should not be presented with codes and then with circumstances and examples to behave in direct violation of the

codes. In other words, the actions within the organization are a better indicator of the codes than is the actual document.

#### **4.2.2 Communication and Training**

All participants discussed communication and training for ethical codes and suggested that these were paramount. However, what was more important in learning the ethical codes and behaviour was employee and leadership action. A recommendation was regular training for the code of ethics that reflects on practical examples from local content on how to deal with real situations.

Discussions on this category derived from stories participants told in response to some of the challenges they have faced or witnessed. Most participants acknowledged there was a lack of dialogue or continuous communication regarding the ethical codes once employees have been working for a period. There is a need for better communication and training of ethical codes with real examples to show employees what to do in certain situations:

*They [leaders] should continue to discuss ethics and use themselves as examples with situations they have faced, whether they were unethical and changed or were able to remain ethical is a good lesson for us to learn what to do and what not to do right? (P36)*

Another participant reflecting on his journey to learning noted that he used to buy gifts for a secretary to facilitate seeing her boss. He soon realized his colleagues did not do the same and were successful in booking meetings with the same secretary. He noted:

*Somehow, I learnt that some of my other colleagues did not have to do this dance with the secretary I give stuff to. I realized I caved into the pressure. So, you learn every day ...I think if we have a forum where we can share our experiences like these, then people will not fall into those traps they can avoid...(P15)*

When changes are made to the code of ethics, another participant noted that:

*We discuss changes. Sometimes it would be at a meeting, especially changes that affect our job in procurement. Sometimes our manager sends us an email to inform us of a change in the way we process things...(P21).*

Participants also suggested that training is an integral mode of developing ethics in the organization. They emphasized the need for refresher courses on ethics and suggested the creation of a forum for sharing experiences between employees to avoid common business or transaction traps.

#### **4.2.3 Ethics Audit**

Discussion of ethics audit as a stand-alone concept was not very apparent. Only three participants referred to their responses. The lack of reflection of ethics audits might be an indication of the non- or rare existence of the concept in the organization. One participant highlighted the abysmal result of a random external audit on verification of employee certifications which showed that documentation for the majority of employees selected was incomplete or fraudulent, declaring:

*These managers were earning high salaries for years before they were caught, and that was not until an external audit was done on staff. Randomly at first and then re-verification of all employees later when management realized that majority of the people randomly selected did not have all the certifications and credentials they stated...(P25)*

*change can continue with older employees through training and regular audits... (P35)*

While other types of audit were carried out e.g. financial and documentation audits, audits on organizational ethics to the best of the participants' knowledge have never been done in the organization. Participant observation of the random documentation check for employee records highlights the need to implement standard audit checks, spot checks, and ethics audit checks to ensure employees are complying with organizational ethical codes.

#### **4.2.4 Person-Organization Fit in Staff Selection Process**

Ethical staff selection ensures that organizations hire qualified candidates with shared ethical values, which will inevitably impact its ability to reach its full potential and



achieve a thriving, ethical work environment. Participants suggested that part of the challenge in creating an ethical workplace is that individuals are not hired based on merit. They discussed the incongruence between personal ethics and organization ethical codes and referred to nepotism and cronyism in the hiring process:

*Even though the organization has a code of ethics, if an individual's code varies, there will be chances of unethical practices (P18)*

One interview disclosed that an individual was hired because they were having an affair with another individual in management. Plus, they were hired at a higher salary than the position was advertised, discounting other better-qualified candidates. The staff selection process, therefore, has become part of the issue in upholding ethics within the companies. Additionally, even when the employees hired through processes of cronyism are unable to perform in the job they were hired for, other employees are not able to complain about the inefficiency of the new hire:

*The recruitment process here is biased. People are hired based on who they know, not what they know... This lady was hired because I heard she was having an affair with someone. She is not competent at all. Her colleagues and her manager who is forced to work with her keep complaining to their HR specialist, but no one has filed a formal complaint because they do not want to step on anyone's toes (P25)*

Furthermore, quite qualified individuals are passed up for promotions and positions because of their unwillingness to participate in unethical business practices. One participant (P36) spoke of not being included in some processes because of unwillingness to take bribes and consequently was not considered for promotions. Also, there is a concern about the ethical values of candidates who presented fake credentials to gain employment. Though person-organization fit was not mentioned explicitly, participants passionately referred to the phenomenon in recounting their experiences of unethical behaviour in the organization.

#### **4.2.5 Whistleblowing Policy - Stimulus and Impediment**

Whistleblowing, as a stimulus of and impediment to ethical practice, was discussed in-depth. Several participants defined the organization's policy regarding reporting

unethical behaviour to a line manager or the HR department. Participants equate whistleblowing policy to something negative even though they displayed minimum knowledge except that reporting was a significant part if not the only part of the policy:

*Whistleblowing policy exists in that you can report any wrong you see. That's all I know really, haven't used it or heard of someone who did (P12)*

*We have one, and it says people should report wrongdoing internally to their supervisors or managers or HR manager assigned to their group. We even have a suggestion box where you can anonymously put a note. But I do not know if anyone does that. I have not seen or heard in our meeting where something from the suggestion box is referred to or read (P19)*

Almost all participants expressed that there was no safe or easy process for reporting unethical behaviour as there was no single authority on ethics. In contrast, one participant insists that:

*we do not require whistleblowing if we are working to the highest standard of ethics (P1).*

This position might reflect how removed this leader is from the realities in the organization.

Twenty-seven participants, however, identified whistleblowing with the consequences associated with its use. When participants witness unethical behaviour, they focused on the consequences of using whistleblowing reporting mechanisms available. One participant commented on whistleblowing with alarm:

*You mean reporting others? Who wants to do that? What will be done about it except that it will make everyone know you cannot be trusted? I know there is a policy somewhere but never thought about using it...(P16)*

*You know we have a suggestion box, and guess where it is located...At the lobby for goodness sake, where there is the front desk crew...and a camera. So, if I have something to say in secret, I have to go put the note in the box publicly...Nobody wants to rat period...You will get in more trouble than the person you are reporting...In fact who are you reporting to...HR? (P21)*

They noted that the policy goes unused because of fears of alienation, the perception of the employee who reports as *a rat*, and reporting regarded as gossip or not minding one's business. Participants expressed that even if employees did want to report, that they would often risk losing their jobs. There is fear of punishment and no policy to protect the whistleblower as well as the required burden of proof that is expected to accompany reporting:

*Who to report to is the problem here. If your peer is doing something wrong, you report to your manager; you get alienated. If your manager is doing something wrong, you report to HR, and you still get alienated, and no other manager will want you in their unit. If you cannot prove it, you most likely lose your job too. No whistleblowing for me (P2)*

In summary, reflecting on the research on the six components in the stimulus of ethical culture, we can infer that the nature ethical dilemma the employees struggle with include

1. Not being aware of how the code of ethics was developed, not referring to it when faced with ethical challenges, mindset that the codes are difficult to follow with pressure from the national environment and not seeing evidence of it being used or implemented by colleagues;
2. A lack of dialogue or continuous communication regarding the ethical codes once employees have been working for a period;
3. Need for leaders to show examples and communicate those so others can learn;
4. The lack of reflection of ethics audits by participants might be an indication of the non- or rare existence of the concept in the organization;
5. Participants suggested that part of the challenge in creating an ethical workplace is that individuals are not hired based on merit. Quite often qualified individuals are passed up for promotions and positions because of their unwillingness to participate in unethical business practices; and

6. Participants equate whistleblowing policy to something negative even though they displayed minimal knowledge of the policy in the organization.

### **4.3 Research Question Two: What are the Impediments to Ethical Behaviour in the Organization?**

In assessing the impediments to ethical behaviour in the organization, participants responded to questions about the components presented in the external and internal challenges they face. Appendix 9 shows summaries of participants' responses to ethical challenges in the organization.

#### **4.3.1 External Challenges**

##### **External Culture and Government**

Fourteen participants emphasized the ethical culture found in the environment. One participant noted that the external environment puts pressure on employees, and some things that most people would consider to be unethical becomes normal. The participants emphasized that it is part of Nigerian culture to provide gifts in business exchanges, which puts a lot of pressure on individuals to participate in the transaction or risk losing business. Another participant discussed that it is a countrywide problem, and bribery and corruption are part of doing business in the country, including police officers, army officials, businesses, governments and politicians. The temptation is there every day, and leaders are not presenting ethical examples through their actions.

Participants who deal with government officials at work raised the Nigerian Government as a deterrent to ethical behaviour. Putting it in perspective, participants noted:

*We often have to transact with organizations outside our own, especially suppliers and government agencies. They make things difficult, sometimes with their demands. You see, even if the organization has ethical standards these people [Government officials and external contacts] might not have one or if they do, they do not adhere to it. They often put employees in precarious situations, you know (P18)*

*I gave an example with public servants because we have to deal with them a lot in my unit. Your file will mysteriously disappear, and you will keep bringing updated documents, printing, refiling, but as soon as you become "nice" it never gets missing again (P32)*

*I have mentioned before about government contract in my previous organization...a new [government] official wanted kickback for the job we were bidding or else...my boss refused and of course we did not get the contract renewed...(P23)*

### **External Competition**

Participants who reflected on competition activities of bribing to get government contracts stated:

*When faced with ethical dilemmas concerning bribery especially if we had to bid for a government contract then, he would say "let us go in clean" if we get the job it should be on merit if not there are others to bid for (P16)*

*The environment and competition too. You know if competition is doing something and deploying services and goods faster you come under pressure to deliver by hook or by crook (P23)*

For more emphasis, another participant noted that it is common to unofficially pay to have a press article in a daily newspaper printed and not put in an obscure part of the paper. The participant noted this is not the way things should be done but is quite common in their industry:

*In my line of work, it is quite rampant to see back deals happening....even if we asked an agency to do it, they still will quote for reporter fees...only in Nigeria this is done (P39)*

Thus, competition activities influence employee ethical behaviour when under organizational pressures. Internal competition was also mentioned as part of the internal challenges as discussed in Section 4.3.2.

## **Suppliers and Contractors**

Suppliers and contractors were cited the most as a challenge for ethical behaviour by 19 participants. Unethical actions, such as contractors paying kickbacks to managers, are a regular occurrence. A participant asked how they can combat this issue if it is beyond their scope of power:

*Dealing with contractors, suppliers and internal employees on what event we want to sponsor, paying sponsorship fees and who gets a kickback for them. These are the grey areas (P14)*

Another participant noted that though she does not deal directly with contractors, she draws up agreements and often hears about deals that happen in secret outside the legal agreement. While another stated that she has been offered money as appreciation by external solicitors who were happy their case/claims against the organization went well.

Managers and supervisors seem to face more challenges with external challenges, competition, suppliers and contractors. Middle management sampled has a strong connection with external factors that might influence their ethical behaviour if pressured.

### **4.3.2 Internal Challenges**

Internal challenges were sub-divided into the following categories: shareholder and employee moral compass; lack of training or communication; organizational silence; risk of ethical lapse; weak policies and procedures; and internal competition.

#### **4.3.2.1 Employee Moral Compass**

Regarding participants' moral compass, participants overwhelmingly represented themselves as above the unethical standards they have experienced in their workplace. When asked if they consider themselves an ethical role model for others, 33 participants said yes, four did not feel they could answer, and only two said no.

Participants described their principled and personal ethics that prevent them from displaying unethical behaviour. Some discussed the negative consequences they have suffered because of these principles, such as being an opposition or not a team

player. Others reported that they had received recognition or even bonuses for acknowledgements of their efforts:

*Every decision I make concerning the organization goes through the question of is this right, is there any doubt about this transaction...(P18)*

*I don't accept gifts in the office from clients....I have integrity, I am reliable, trustworthy and do my job excellently...(P22)*

*I am a very ethical person (P16)*

Participants also discussed situations in which they tried to do the right thing regardless of potential personal consequences.

*Sometimes ethical behaviour is characterised by sacrificial tendencies (P5)*

*On the positive side, it [doing the right thing] helped to establish the fact that I am principled and would not partake in any unethical dealings...on the negative side I was not seen as a team player and it sort of affected my appraisals for that period...(P10)*

*It was a difficult situation and I ended up getting a bonus and special recognition from HR director but I eventually left the organization (P11)*

For some participants, it is easier not to get involved in unethical activities than contest them. Many others reported knowing of behaviours, but not addressing them because of the potential negative impact. Others expressed that reporting would be a *waste of breath*:

*He was my direct boss and I reported to HR. I never heard anything back...instead she was moved to another team to work with another boss ...like I said waste of breath (P15)*

Participants, despite their own moral compass, often felt obliged to partake or were helpless in reporting unethical behaviour because much of the corruption happens with upper-level management. Others felt that their lower position kept them from being put in unethical situations because bribes and deals were offered mostly to upper positions. Participants seem more comfortable talking about other people's

behaviour and not assessing their contributions to the organization's ethical culture. The statements below show that even those who do not consider anyone else in the organization as qualified to be ethical role model still see themselves as one. Some of these participants even go on to give examples of their unethical behaviour. I believe this points to how hard it is for a person to think they have ethical lapses:

*One of those people I mentioned is me, I am a very ethical person ...*

*I like to think if I am faced with witnessing an unethical behaviour by my supervisor I would report him but I don't know really. I don't want to lose my job, I have a family to feed...(P16)*

*Ethical decision-making is a standard here...*

*It is more of the pressure we get from managers or leaders to do what they want not what is best for the organization (P25)*

#### **4.3.2.2. Lack of Training or Communication**

Despite the organization having a code of ethics, most participants expressed a general lack of communication about, adherence to, and respect for the code. Employees are commonly not aware that there is a code or are aware, but do not adhere to it. Participants overwhelmingly expressed that the code of ethics was meaningless if not communicated and enforced internally and externally:

*I think we need to have more training on ethics not just in the recruitment process but also refresher training, so employees are more aware (P40)*

*We need to know more about ethical decision making and how to remove personal interests from business interests (P26)*

*And we need to have ethics training too...people do not know that nepotism is in the ethics code in this organization (P28)*

Seventeen participants felt that more training could be done by and with managers and supervisors, and that employees might then feel more comfortable speaking up when there is a violation:



*We do need regular training on ethics, especially in practical situations. We all think we know what is right or wrong, but when faced with some situations, we do the wrong thing. We need training (P30)*

These standards could also be communicated to suppliers and clients so that they understand the organization's position on ethical conduct. One participant was very passionate about the kind of communication leadership is sending through to lower-level employees stating:

*we need to have more open discussions about ethics and ethical decisions with senior management involved. The gap is too wide, while lower-level employees do not have the authority and interface to do some of these things; they are used to perpetuate these unethical behaviours, which means they are learning how to get away with these things. It becomes part of the culture (P34)*

#### **4.3.2.3 Organizational Silence**

Twenty-two participants, when asked if they would report unethical behaviour, expressly discussed not being able to talk about unethical behaviour they witnessed for fear of what could happen. When prompted with a follow up question of what could happen, one of the consequences of reporting which was frequently used was being called a "rat", someone that tells on their teammates:

*Reporting someone to authorities shows a rat of some sorts (P3)*

*Everybody will think you are a rat no matter the situation (P23)*

*You will just be labelled as a rat for nothing (P34)*

*Meanwhile those that have reported are well-known rats and people do not want them in their team or when they are in the team they are cold-shouldered or snubbed (P35)*

Participants often referred to informal communications of rumours and gossip as their outlet for discussing unethical behaviour. This does show some discussion does occur but not in the formal channels required. One participant from HR noted:

*Someone has to step up and lodge a formal complaint so we can step in as HR. All this informal reporting does not get anywhere, but people are too afraid to speak up here (P15).*

Organizational silence occurs when the company is perceived to accept unethical behaviour as the standard. Another reason cited by participants for keeping silent about unethical behaviour is team, group, department or organization acceptance:

*We all want to be accepted so when something is wrong, you keep quiet hoping other people catch on, and somehow magically the people involved are caught and punished (P35)*

The below word tree on the word quiet is derived from participants' words regarding reporting. It illustrates participants views on how they process the organizational culture on reporting wrongdoing. Reading the word tree from right to left e.g. *"here it's better to keep quiet about these things or else"* shows one participant's fear of talking about exposing leaders when they witness their wrongdoing.

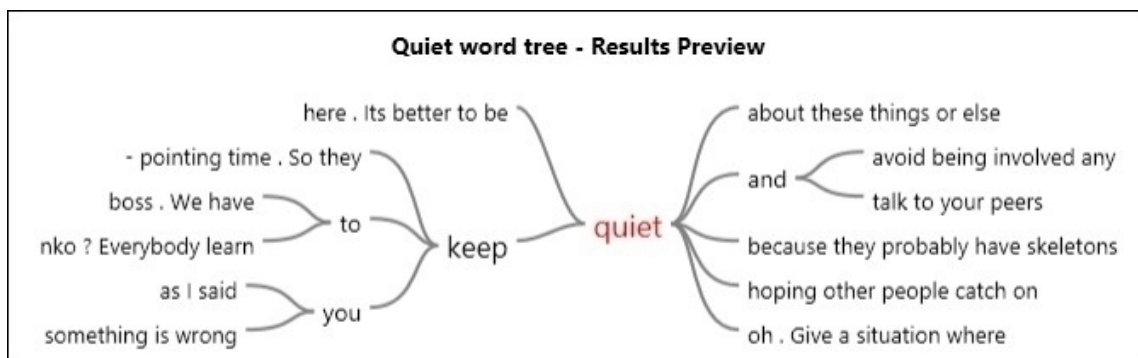


Figure 5. "Quiet" Word Tree

Individuals who recognized this organizational silence felt helpless in reporting unethical behaviour because either management was involved or the consequences of reporting far exceed the merit for reporting. The coping mechanism is then to remove oneself from the situation and keep silent:

*Reporting is a difficult thing to do when you are [in a certain role]...discretion is one of the utmost characteristics...you either work with the person or choose to resign ... You keep quiet and avoid being involved any further than you can. Distance yourself from the action as much as you can (P37)*

#### 4.3.2.4 Risk of Ethical Lapse

While examples of ethical lapse were not explicitly asked for, the constant pressure to conform to unethical practices in the workplace in response to witnessing and reporting unethical behaviour prompted a look at the risk of ethical lapse. Participants discussed this internal pressure from personal failures as well as those of their colleagues, subordinates and their leaders. I identified four types of pressure that participants linked with risk of ethical lapse. They are depicted in Figure 6 and discussed below.

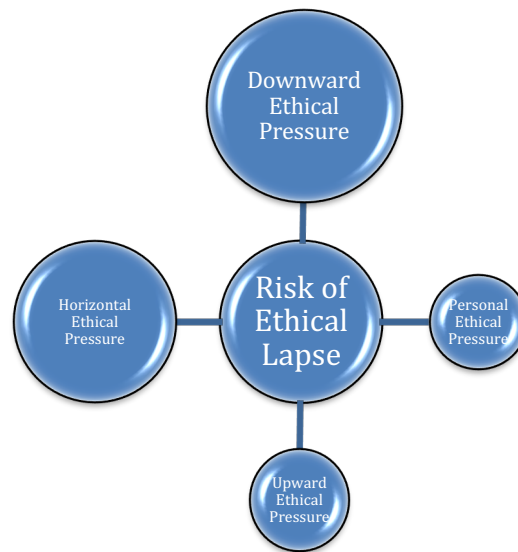


Figure 6. Pressures Associated with Risk of Ethical Lapse

##### *Personal Ethical Pressure*

Personal ethical pressure describes the burden for individuals to succumb to ethical lapse due to their own circumstances, lack of valour or moral strength. Two participants admitted that, at one time, they had personal lapses that could have been avoided. They acknowledged awareness of the ethical choices they were making. They related being ethical as having the strength of character, boldness or courage to be ethical. In discussing an ethical lapse one witnessed, when asked if he had faced a similar situation and applied the knowledge, one participant noted:

*Yes, I have faced a similar situation, and NO, I did not apply this knowledge. I am not that strong (P4)*

*I was young and following the crowd. I know better now that it was fraudulent. Actually, I knew then, too, but I went with the flow (P21)*

The risk of ethical lapse from personal pressure is low. This is because participants through their perceived high personal moral compass as discussed in section 4.3.2.1 did not believe that they were at risk from themselves. They often blamed others outside of themselves.

#### *Downward Ethical Pressure*

Downward ethical pressure describes the burden from leaders that push employees into unethical actions that they might not have been involved with otherwise. Participants discussed their involvement in unethical behaviour as a downward pressure to conform. They ended up participating in behaviours that they knew were unethical because there were no options for reporting the behaviour or because it became part of doing their job:

*Some management here are always taking advantage of their position. They try to make you do things and take control from you. Leaders here must stand up and be frontal about ethics. Some of them use their position to pressure others (P40)*

*My director answers to the CEO and board and sometimes we are handed events sponsorship packages from the top, my director, the CEO or some board member endorsing it with ridiculous sponsorship fees that cut into our budget. Also, most times it is ad hoc, expedited processing and payment because of vested interest (P2)*

*If you have an unethical boss as an assistant, you are automatically roped into their activities, and the only way out is to resign from that job (P37).*

Participants felt that the situations they participated in were beyond their control and that whistleblowing was not an option. One participant noted when asked about what they did to stop the unethical behaviour:

*I cannot do anything about that. Decisions like that are done above me and then I do the paperwork that's how I know what is going on. (P2)*

The risk of ethical pressure downward is the highest as this depicts pressure from the top to conform to unethical behaviour, leaving participants feeling helpless in dealing with these pressures. Thus, downward ethical lapse is a viable risk for the organization.

#### *Upward Ethical Pressure*

This risk of this lapse occurring is the lowest. Upward ethical pressure describes the burden employees feel from their subordinates to act unethically. It is significant to know that only one participant discussed ethical lapses from his subordinates or team when discussing unethical behaviours witnessed in the organization:

*Sometimes, drivers lie about their mileage because they think I can find out about where they went if the distance does not tally. They also lie about the fuel levels especially if they say they have filled the tank it might be halfway and they get reimbursed (P31)*

Even with this reflection, there is no significant pressure on the participant to act unethically. Most examples were about participants' supervisors or peers, not from lower-level employees. Though P31 noted that he has more difficulty with keeping his team on track than his supervisors, he did not allude to pressures to act unethically. Instead, he noted the need to manage his subordinates' ethical lapses.

#### *Horizontal Ethical Pressure*

The risk of lapse coming from horizontal pressure is high. More participants reflected on horizontal ethical lapses where the pressure to act unethically is found among peers and colleagues. Participants, especially managers, witnessed unethical behaviour from their peers more than they witnessed it from lower-level employees:

*The people around you can be a challenge. If they continue to try to influence you and you are weak, you will fall for it (P37)*

*We have had another manager that was fired because of unethical behaviour of inflating the number of contract workers he uses during data entry so he can collect the ghost workers' money (P1)*

*I caught a manager, a colleague, hijacking prices. I noticed that the prices for the product were a little high. I remember ordering these same products before from this supplier (P22)*

Some participants' reflections show how their colleagues' unethical conduct with a subordinate could affect horizontal, upwards and downwards ethical pressure. P33's stories reflect this combination when he notes:

*I have witnessed a manager sending his employee to go collect a receipt from a bar as he needed to sign it. He had no business sending him on such an errand in the first place and then putting him in a compromising situation to cover up the content of the bill [alcohol] to suit his purpose.....*

*He [the manager] had no business doing what he was doing, it was not company business, and he wasted company resources by sending the employee on such an errand during company hours. The employee was grumbling because he had a lot of work and spent half his day sorting his boss's alcohol issues (P33)*

This story reflects how lower-level employees are exposed to unethical behaviour and cover-ups. Some learn these behaviours, and when they get to positions of authority, see no reason not to display them.

#### **4.3.2.5 Weak Policies and Procedures**

Participants view unethical behaviour as a result of weak policies and no consequences. Weak policies are viewed as the cause of the actions of corrupt leadership (e.g., abuse of resources, bribes and kickbacks, nepotism, affairs). As one participant described the situation,

*office politics generally supersedes attempts at being ethical (P14)*

Participants commonly cited that not only are these actions taking place but that there are no consequences when they are reported or discovered. Management and some employees often feel that there are no consequences. Also discussed was if leaders are not leading by example, then their corrupt behaviours become the unofficial policies which direct employee activities. The general sentiment was that the ethical

code is ineffective if there are no consequences for breaking it. Participants also noted that there was more consequence for reporting unethical behaviour than for those being reported:

*It upsets me that I have to toe the line while people cross it anyhow and do not get punished. Instead, they praised them for working faster or getting the job done on time. It seems to do the job no matter how you do it, do it (P38)*

*The punishment [for reporting] far outweighs the benefits in most cases and somehow we are guilty of one thing or the other so I think people are afraid for themselves too... (P32)*

As the word *punished* was said frequently, a text query on "punished" produced a word tree that reflects participants' use of the word, as displayed in Figure 7. The word tree shows how participants think about the consequences of unethical behaviour and how no punishment is imposed on people that behave unethically. Reading from left to right, one participant noted that "wrongdoing without fear of being punished, that is bad"

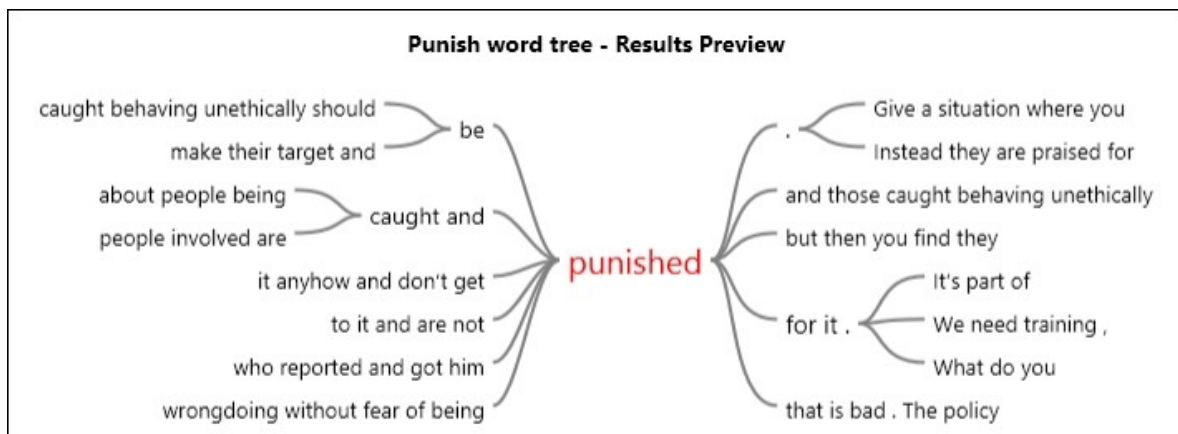


Figure 7. "Punish" Word Tree

Most participants note that since the organization rewards internal competition, those who do not meet the organizations' expectations are punished. People then become conditioned to join in:

*Well like I said before sales department is very competitive, and some colleagues do things like hide reports until too late, go behind you to steal a prospective client you have been courting because they know someone that*

*knows them personally. Cheating is normal here even encouraged if it is for the good of the organization. The higher your sales target the higher your bonus* (P17)

Furthermore, though some might argue internal competition is healthy, it allows for loopholes for employee moral conduct to drop. Participant P29 further noted that:

*...we should deal with this issue of internal competition sooner than later. It gives room for dishonesty, lack of integrity and unfair treatment of colleagues and other unethical behaviours* (P29)

To summarize, participants note that some of the impediments to ethical behaviour include:

- The external environment, which puts temptation and pressure on employees, to normalize unethical behaviour;
- External competitor activities influence employee ethical behaviour when under organizational pressures to succeed;
- Suppliers and contractors' unethical actions, such as paying kickbacks to managers.
- Employees blaming others as their personal moral compass and ethics are positive.
- Not know what to do when faced with ethical problems
- Fear of being called a "rat", someone that tells on their teammates ensures a growing organizational silence against unethical behaviour
- Constant pressure to conform to unethical practices in the workplace in response to witnessing and reporting unethical behaviour prompted a look at the risk of ethical lapse
- Weak policies are viewed as the cause of the actions of corrupt leadership (e.g., abuse of resources, bribes and kickbacks, nepotism, affairs).



## **4.4 Research Question Three: How Does Leadership Influence the Organizational Ethical Climate?**

Literature reviewed in Section 2.4 suggests that ethical role models can be identified by characteristics like fairness, care, credibility, integrity, honesty exemplified in their daily interactions and conduct that influence the organization ethical practice (Brown, *et al.*, 2005; Trevino *et al.*, 2000, 2003; Weaver, Trevino and Agle, 2005). Discussions were prompted by questions of identifying ethical role models, witnessing ethical or unethical behaviour centred on leadership behaviour and how this influenced employee ethical outlook. Data presentation will begin with looking at ethical role model characteristics, identification and influence, and leaders' unethical behaviour. Several participants also commented that the company would benefit from having a special ethics team to set and enforce policies that promote ethical behaviours.

### **4.4.1 Ethical Role Models**

Three reasons emerged from participant responses on why they chose their role model. The explanations shared by participants on who their ethical role model was and why helped to put together a baseline for ethical role model identification in the organization.

#### **Exemplary Character**

When reviewing participants' responses on why they picked their ethical role model, exemplary character emerged as a resonating motive for selection. Some participants discussed characteristics like integrity, straightforwardness, etc., and the following quotes show examples of these attributes.

*He approached each issue with the understanding of what is acceptable and unacceptable, also considering human feelings (P6)*

*The display of non-subjectivity in a highly political work environment (P10)*

*My former boss was straight, and by that, I mean both at work and outside work. He has integrity, listened to our concerns and advised how best the work can be done. When faced with ethical dilemmas concerning bribery especially if we had to bid for a government contract then, he would say "let us go in clean" if we get the job it should be on merit if not there are others to bid on (P16)*

*She does not accept gifts from clients, and we do work in legal where we settle cases out of court, and some of these settlements are quite handsome. So, you can imagine the gratitude of the lawyers, their clients and even our organization members for all the work and follow-through. It is not easy to remain astute to those kinds of principles when others do not adhere to it and go unpunished for it. It is part of doing business here (P24)*

### **Working Relationship**

Participants noted that the working relationship they built with the people they identified as role models helped in identifying them. While exemplary character told us the why, working relationship showed us the how they were chosen:

*The individual was assigned as my performance manager at work, and we developed a good and personal relationship after that (P9)*

*He was a specialist, and his desk was not far from mine. He started taking me under his wings little by little, telling me who was who, what they did, and where to go to get the forms I required and even how to fill them. If I had a question, I could go to him anytime. Somehow, he became my work buddy and mentor (P21)*

### **Mentoring Offer**

Participants also noted that the identified person was considered to be his/her role model because they took an interest and offered to mentor them:

*He took a personal interest in my development once he noticed that I was a high performing individual (P8)*

*As soon as I started work, she called me to her office and gave me a talk where she offered to be my mentor (P24)*

#### **4.4.2 Characteristics of Ethical Role Models Identified**

Participants identified many characteristics important for an ethical role model. Figure 8 provides a word cloud based on the frequency of positive words participants used in describing their ethical mentors with the size of the word demonstrating a higher frequency of use. The top five words used were integrity (26), honest/honesty (22), fair

(14), ethical (13), and truthful (8). It is also significant to note negative words like impatient, withdrawn, unapproachable, rigid, overbearing, demanding, and inflexible, which were used less frequently to characterise some ethical mentors. These negative words were not captured in the word cloud as they were used just once by participants to describe how they perceive some of these mentors were regarded by other employees.



Figure 8. Words Used to Describe ERMs

#### 4.4.3 Identifying Ethical Role Models in the Organization

Almost three-quarters of the participants identified themselves as ethical role models. Other participants were not sure if they could be identified as an ethical role model, as they *believe the recognition has to come from others and people should bestow the title*. The most common reason that participants cited for considering someone an ethical role model was that when faced with ethical challenges, they made the right decision. Most could cite specific instances where they have observed this behaviour and noted that it is challenging in their current organization and environment to emulate such behaviour.

*I don't know... I do my best to be ethical but believe the recognition has to come from others (P25)*

*I think of myself as an ethical person but not a role model (P40)*

Ethical role models become ethical leaders when they have an additional influence on the power of reinforcement. However, both ethical leaders and ethical role models have the power to influence employee behaviour through their actions. Figure 9 provides a graphical representation of ethical leaders and ethical role models influence and reach.

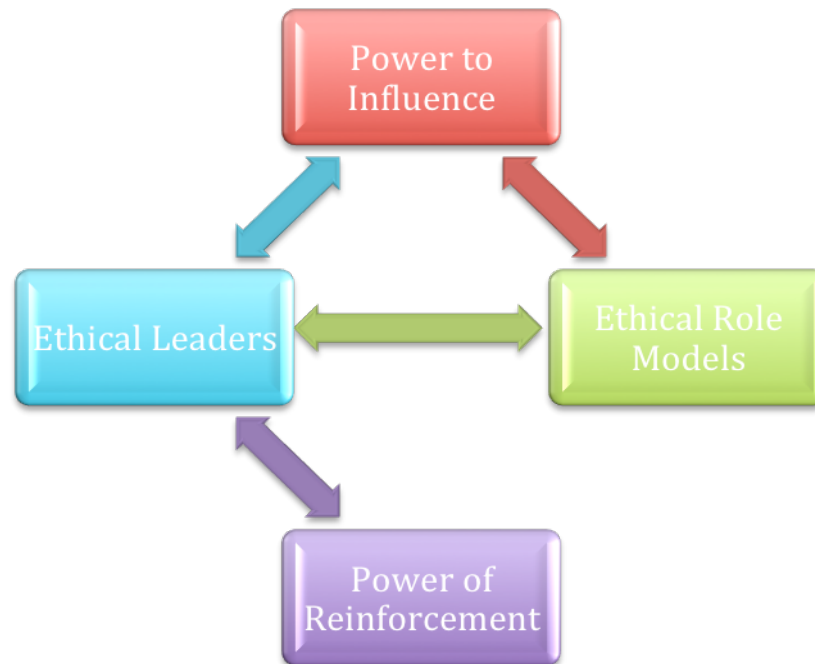


Figure 9. Ethical Leaders and Ethical Role Models, Influence and Reach

The influence and reach of ethical role models can be the same. However, participants noted that employees respond to the power of influence by acknowledging that the leader or colleague acts in a way they would like to emulate and has the reinforcement power to punish or reward behaviour. This reinforcement power comes from their organizational role as ethical leaders. The dilemma is often experienced when the ethical role model and the leader have different ethical behaviour patterns.

#### **4.4.4 Leadership Modelling Unethical Behaviour**

Almost half of the participants cited instances where leaders modelled unethical behaviour. Specific cases discussed include abuse of resources, bribes and kickbacks, preferential treatment such as favouritism and nepotism. These are explained below.

## **Abuse of Resources**

Examples of abuse of resources included leadership withholding work tools for their personal use, *hijacking* prices, where the price of a contract is increased by the employee to add a kickback buffer, and leaders registering as external suppliers and then awarding contracts without declaring conflicts of interest. It also includes leaders reporting more travel expense than incurred, lying about mileage to collect expense claims, putting bar tabs with alcohol on company expenses, and signing leases for properties upfront with relatives and friends. A participant spoke of:

*A former boss (who) was using his law firm for the company without declaring conflict of interest, this meant that all the juicy jobs went to his law firm which means he was making personal gains through the company illegally (P3)*

## **Bribes and Kickbacks**

Examples of bribes and kickbacks included contractors paying managers to award contracts, inflating contract hours, a sponsorship fee increase for kickback purposes, and press fees where journalist are given money beyond the official fee to ensure an article is printed. Participants alluded to bribes, including paying ghost reporters, price tagging, getting "*paid/tipped/appreciated*" for their work, signing off on incomplete work for payments, and generally doing things that benefit the individual financially instead of the company. Participants recognized that these actions were unethical and illegal, but also described them as "*the grey area*" that is sometimes accepted.

## **Preferential Treatment, such as Favouritism and Nepotism**

Nepotism was first discussed in Section 4.2.4 under person-organization fit in staff selection processes, where participants noted that the hiring process is biased. Examples of preferential treatment (e.g., favouritism, nepotism, affairs) were commonly cited. As one participant reported, :

*some people feel that they are special and should or cannot be touched so they do not believe that all employees should be treated equally (P14)*

Not only does this behaviour represent unethical actions, but it is also caused by and results in poor leadership. Other specific examples include some employees being reprimanded for tardiness while others were not. Individuals who were having affairs

giving contracts to friends and family, and hiring individuals based on personal relationships despite no qualifications:

*A lot of nepotism here. A lot of favouritism and sacred cows. People felt above the law and can get away with murder... (P15)*

To understand their role in helping to resolve these unethical behaviour they encountered from leaders, participants were asked what action they took and how these behaviours affected their work.:

*I know I couldn't go to HR for fear of losing my job, besides I helped [with the bribe] by doing what was asked of me by my boss (P16)*

*...what can I do? Nothing of course, so my line manager who is the person doing the unethical thing is the one I am to report to? I will lose my job sooner than later (P19)*

*I can't do anything about that. Decisions like that are done above me and I do the paperwork that's how I know what's going on (P2)*

Participants also discussed their roles in aiding unethical behaviour. Twelve participants noted that leaders show employees how to be unethical by using them to perpetuate unethical behaviour. One participant, noted his role in an unethical behaviour with his boss early in his career:

*that feeling when you get away with unethical behaviour, and it is for personal benefits is a heady feeling, you know. You feel on top of the world and untouchable. Then you crash in a bad way (P35)*

That employees do not report their bosses because they feel they should protect them is considered a risk of ethical lapse and an upward ethical pressure (see Section 4.3.2.4). One participant explained that working closely with someone as an assistant meant they "*opened their lives to you*" and you cannot betray their trust. Another participant noted that working in the organization makes her feel helpless, and she just functions without thinking things through because of the way things are done. Participants who described how they felt about not reporting unethical behaviour, and

having to act unethically on behalf of their leaders used words like *"upset, helpless, not in control"*.

Significantly, the above shows that leadership behaviour can influence employee behaviour. Participants agreed that those who behave unethically should be punished, although there was also fear of being punished for reporting. This is also linked to the role of organizational silence, weak policies and procedures (see Sections 4.3.2.4 and 4.3.2.5).

#### **4.4.5 Third-Party/Ombudsman**

A reflection of the overall organizational ethics in light of questions asked about witnessing unethical behaviour and participants' actions thereafter, highlighted the need for an ethics ombudsman, ethics officer(s) and an ethics office dedicated to establishing, maintaining and mentoring ethics in the organization. Twelve participants explicitly agreed that there was a need for a third-party ethics officer or ombudsman and the remaining participants also discussed this need within the context of their response. They posit that the current policy, which consists of reporting to a line manager or HR department, does not take into consideration the working relationships that exist between those reported and those reporting. A third-party ethics ombudsman was recommended by participants as part of the action plan to bridge the gap between normal organization process and deviation of set processes. Participants set the tone for this action plan with their words below:

*We need a special ethics team to deal with issues when HR cannot take it on*  
(P15)

*If my manager is guilty...who do I report to is the problem here...nobody to protect them when things get hot...better not to say anything...we need an ethics office...so they can report...* (P2)

*We do not have any policing body than HR* (P31)

*Another challenge is lack of people or persons to speak to confidentially about ethical challenges, issues or concerns* (P38)

As noted, when discussing whistleblowing policy, most participants bared their fear of reporting wrongdoing. They stated that the burden of proof was on the reporter, and most reporting avenues are too exposed; thus, whistleblowing becomes cumbersome and ineffective. There was no official ethics office or officers noted. Participants emphasized not having a *safe* place to report wrongdoing anonymously. 12 participants recommended the establishment of a separate ethics office which would be able to attend to ethical concerns, communication and training.

Participants' responses reflected on the proposed conceptual framework in terms of their local context and experience. While the initial conceptual framework mostly derived from literature with an addition of a RMA program, participants' perspectives on the steps highlighted in the conceptual framework vary to reflect the Nigerian local context. Plus, the peculiarities of the needs of the organization under study. Some of those differences highlighted below and further discussed in Chapters 5 and 6.

To summarize the above, leadership influence organizational ethical climate when:

- the employees response to ethical role model is based on power of influence; if the reinforcement power to punish or reward behaviour is present
- leaders modelling unethical behaviour encourage employees to behave unethically especially if they can reward or punish behaviour
- the company appoints an ethics team, third-party ombudsman who sets and enforce policies that promote ethical behaviours.

#### **4.5 Research Question Four: What Practical Actions can the Organization Take to Institute a More Ethical Practice?**

Organizations determined to embrace a more positive ethical culture must ensure that they create an environment that allows an ethical practice to thrive.

A brief reflection on practice so far will highlight the salient points observed from the data collection, which reflects each organization's ethical state. The RMA program is introduced as a practical solution an organization can take stemming from reflection on participants' responses. Reflection will also compare the outcome of the steps highlighted in the framework with those contextual differences uncovered about the



organization during the interviews. The next step is to take the analysis to the focus group members and teams for verification and saturation of emerging themes.

#### ***4.5.1 Challenges and Possibilities for Action***

The conceptual framework lists steps that influence development of an ethical practice. Participants' responses reflected on the proposed conceptual framework in terms of their local context and experience. While the initial conceptual framework was mostly derived from literature with an addition of a RMA program, participants' perspectives on the steps highlighted in the conceptual framework vary to reflect the Nigerian local context, plus the peculiarities of the needs of the organization under study. Some of those differences are highlighted below and further discussed in Chapters 5 and 6.

##### **4.5.1.1 Stimulus of Ethical Practice**

The steps highlighted in the framework under stimulus of ethical practice were discussed during the interviews. While most participants were aware that the code of ethics exists, they admit to not being familiar with the content of the codes and this familiarity should come from communication and training. Thus, the recommendation proposed communication through training and dialogue. Below are recommendations from gathered from participants responses:

- There is a need for an ethics audit and spot checks whose outcomes should be discussed and shared with employees;
- The need for ethical role models was highlighted in the participants' reflection on the experience with role models and unethical supervisory behaviour;
- Participants also passionately engaged in discussions on whistleblowing policy as they reflected on consequences of whistleblowing, and the need for better protection of whistleblowers; and
- There is a need for an ethics ombudsman and officers who can report independently of their supervisors or human resource personnel.

#### **4.5.1.2 Impediments to Ethical Behaviour**

The data showed some differences to the organizations' and participants' reality with the challenges they face. Although external and internal factors were generally mentioned, participants noted that they had more challenges from contractors than consumers and as posited in the initial conceptual framework.

Competition was viewed as both an internal and external factor. Most participants' experience veered more towards the pressures of internal competition as a motivating factor in encountering an ethical dilemma or succumbing to unethical behaviour. Stories of the consequences of reporting wrongdoing were significant as participants reflected on the burden of proof and finger-pointing/witch-hunting and employees' reaction to those who reported in the past.

#### **4.5.2 Practical Actions from Research**

##### **4.5.2.1 Role Model Ambassador (RMA) Program**

Some of the ideas shared during the interviews reflect participants' ability to identify with ethical role models, and how unethical behaviour they witnessed, participated in, or were complicit with, affected their work and careers. These were gathered from several questions touching on ethical role model, their characteristics, action and influence (see Sections 4.4.1 to 4.4.5 above). The five concepts in the sections above show some of the foundational principles needed to begin the RMA program can exist within the organization.

Stories of change and growth discussed below reflect on the point that harnessing ethical role models in a mentoring program will significantly boost the ethical discussions in the organization, allowing them to create more avenues for deliberating on ethical decisions. Significantly, participants used the word change in various responses to reflect the need for organization and employees to change. One participant noted that *"a conscious effort to change can change the whole organization"*, while another insisted that when working with people with unethical tendencies *"two things will happen, either you change them or they change you"*. Yet another hoped that *"this research will change things around here a little in terms of minds and culture"*. The stories

highlighted below reflect the participant's journey and identification of the same organizational ethical role models.

**Story 1:** P16 discussed their journey with an ethical role model who stood out when they started work. The participant notes that prior to this encounter they never accessed their moral stance, just followed the crowd and assumed their leaders knew better. Working with the ERM, they observed a different way of working and noted:

*I think as I started working there, I observed his way to doing things were different. My co-workers then would say things like "we don't do things like that, oga [boss] will not approve". I think because of him I learnt that you could be straightforward, ethical in business and still succeed. Like I said I didn't pick him, he just stood out to me and I often try to think like him in situations, what would he do etc (P16)*

The journey took him from being ethically blind to being aware enough to think of ethics when faced with an ethical dilemma. The reference to the former boss character and behaviour in assessing a situation to find a solution gives further proof of leadership influence on employee ethical behaviour.

**Story 2:** P34 highlighted their journey from emulating peers who deal underhandedly to get clients and meet their sales targets. After being a victim, they noted their reaction was to do the same. Internal competition allowed for these kinds of behaviours and those that meet their target are highly rewarded:

*I won't lie. At first, I started looking for ways to sabotage others too. I would take a peek of their target list and update mine. At the end, I didn't like how it made me feel or the person I was becoming because of work pressure (P34)*

They then reflected on watching another colleague at work. He built a relationship with everyone and shared his contacts. Somehow, he still made his target, didn't need to play those games others did, didn't hurt or sabotage anyone and still made a bonus. They decided to emulate him instead of those that acted unethically:

*Then I started noticing and hearing about this colleague of mine (name withheld) who had a different style of working that I like. I've started adopting his style you know, little by little*

*When I first started as manager, my instinct was to do as others did. So now I try to do differently. Because at the end of the day I still get my bonus, not as high as others but I still get something through better working relationships (P34)*

**Story 3:** Another case was P21 who admitted to being fraudulent in the past from pressures from manager and peers. They shared that they learned what not to do the hard way, and how this has made them a better manager because the experience taught where the gaps were and how to ensure everyone was following the rules:

*I was young and following the crowd. I know better now that it was fraudulent. I knew then too but I went with the flow. I don't do that now, it's just too out there and very risky business. But you know it made me sharp enough to know about those things and block the loopholes by doing spot checks etc. (P21)*

**Story 4:** Another story came from P35 who boldly told his experiences and says he uses it to teach his team members. After his team was investigated for fraud barely six months after he started with the organization, he realized that he was spared the axe because he was relatively new and was following orders from his boss and team members:

*I have changed because during that investigation period I realized that not everyone worked like this and it was hurting the organization and I didn't want this path to be my path of growth. If I was dismissed for fraud at such an early stage in my career, I most probably won't get a good job like this. That was when I decided to turn around and I have not looked back since...*

*It is the turnaround that makes you a better person if you can trace back those good values. I am very proud to say I did just that so my work is different and as I mentioned earlier the experience allowed me to see*

*how to focus my team on the right path. I shared my experience because I want others to know it is possible to turn around from being unethical*  
(P35)

His passion for ethical leadership is tangible, as he believes he was spared for a purpose, which is to share his experience with everyone. He noted that people who have gone through these experiences need to discuss them with their colleagues so they can learn from them in practical terms. He explained how his present views of ethics contradict his manager's views then and how ignorance and fear led him to follow bad leadership.

*I'm a manager now so I try to let them know I know all the tricks because I have done these things, which is a good lesson or a good way to use my experience* (P35)

The RMA program seeks to identify ethical role models in the organization, developing them to help continuously build a pipeline for ethical leaders to emerge. I introduce this program as a means to help the ethical practice discussion and a practical solution the organization can achieve. Stories of growth and change uncover words and phrases like hard work, advice, integrity, watching ethical role model actions, reflecting on those actions, and what it meant for them to change. These are the principles behind the RMA program.

During the interviews, the RMA program was not discussed explicitly. At that time of the research, this was a thought I recorded as a possible action stemming from the conversations I was having with participants. However, questions that focused on participants' ability to identify ethical role models in the organization and why, prompts a reflection on the possible viability of a program like this. This was discussed in Chapter 5 with the focus groups.

#### **4.5.2.2 Recommendations for Further Action**

Table 5 captures the current state of ethical practice in the organization. By comparing the ideal state from the conceptual framework (Figure 3) with the current state as

identified through the interview data, gaps were identified. Following this, possible actions to close the gaps were identified.

Table 5. Current State of Ethical Practice in the Organization

<b>Ideal State (from Literature)</b>	<b>Current State (Interview Findings, This Chapter)</b>	<b>Possible Actions to Close the Gap (from Recommendations)</b>
<b>Stimulus of Ethical Practice</b>		
Policies and Procedures	Weak formal structures	Review to co-create and strengthen. Train and communicate.
Code of Ethics	Exists, known about, but not enforced	Enforce the Code. Requires training and communication.
Communication, Training and Dialogue	No clear communication of codes and dialogue on action to avoid unethical behaviour	Share stories of growth and change as a teachable moment for employees.
Person -organization fit	Neptotism and favouritism in hiring process	Review internal processes that encourage unethical behaviour.
Ethics audit	Non -existent	Need for regular ethics audit.
Whistleblowing Policy	Reviewed as both a stimulus of and an impediment to ethical practice Currently consequences not enforced Whistleblowers not protected	Review policy. Ensure consequences are enforced. Ensure protection of whistleblowers.
<b>Impediments of Ethical Behaviour: External Factors</b>		
Government	Corruption and deterrent to ethical behaviour	Re-establish code through communication to external stakeholders.
Consumers and suppliers	No ethical breach mentioned as a result of consumers.	Create strategies to support organizational ethical culture Mitigate risk of ethical lapse through person -organization fit.

Ideal State (from Literature)	Current State (Interview Findings, This Chapter)	Possible Actions to Close the Gap (from Recommendations)
	Dealing with Contractors and Suppliers were cited as a challenge	Communication to external stakeholders.
Competition	External competition activities lead to unethical dilemmas like bribing external stakeholders to get ahead	Create strategies to support organizational ethical culture. Mitigate risk of ethical lapse through person -organization fit. Communication to external stakeholders.
<b>Impediments of Ethical Practice: Internal Factors</b>		
Organizational silence	Speaking out gets you labelled a rat so you keep quiet No protection for whistleblowers Informal communication channels i.e. rumours and gossip	Enforce whistleblowing policy. Create a safe place for employee to discuss, report ethical behaviour. Share stories of growth and change. Reinforce policies and procedures.
Shareholders and employee morale compass	Gap in what participants say vs. what they do Participants say they are principled and practice ethics but felt obligated to partake or helpless to report unethical behaviour	Mitigate risk of ethical lapse through person -organization fit. Communication training and dialogue with internal stakeholders. Share stories of growth and change as a teachable moment for employees. Ensure protection of whistleblower.
Weak policies and procedures	View unethical behaviour is as a result of existing weak policies and procedures	Review to co-create and strengthen. Train and communicate.
Risk of ethical lapse	Downward, upward, horizontal and personal ethical pressures identified	Leaders act as ethical role models through mentoring. Reinforce consequences of unethical behaviour.

<b>Ideal State (from Literature)</b>	<b>Current State (Interview Findings, This Chapter)</b>	<b>Possible Actions to Close the Gap (from Recommendations)</b>
	More downward ethical pressure from unethical leaders than others	Communication training and dialogue.
Internal competition	Internal competition identified as a challenge not highlighted in conceptual framework	Review internal process that encourage unethical behaviour. Communication and dialogue.
<b>Ethics Team</b>		
Chief Ethics Officer	None exists currently	Hire one.
Ethics Committee	None exists currently	Create one.
Ethical Role Model	Some identified within the organization but not formally	Formalise process through RMA Program.
Role Model Ambassador (RMA) Program	Not in existence	Incorporate program to help identify ethical role models, create ethical committee and develop ethical leaders and practice.
<b>Organizational Ethical Climate and Culture</b>		
Organization ethical climate	Overall psychological perception of ethical environment is negative	Incorporate recommendations for action to bring to a more positive climate and culture.

From the above, the list of recommendations is presented below.

1. Meet the need of an ethics ombudsman and separate ethics office;
2. Re-establish ethical codes through training and communication to both internal and external stakeholders;
3. Review whistleblowing policy to reflect the protection of whistleblowers and ensure the consequences of unethical behaviour are upheld;
4. Institute regular ethics audits;



5. Incorporate an RMA program to help recognize and promote ethical role models and ethical leadership development;
6. Continue to keep ethics as the centre of organization discourse by sharing employees' personal stories of growth and change;
7. Review internal processes that encourage unethical behaviour, e.g. internal competition;
8. Create strategies, policies and procedures that stem from the concept of organizational ethical culture;
9. Mitigate the risk of ethical lapse by ensuring person-organizational fit at the staff selection process;
10. Encourage leaders to act as ethical role models through mentoring. Also, remove those from leadership who vagrantly act unethically or pressure colleagues and subordinates to act unethically.

These recommendations for action are listed for convenience in Appendix 10 and discussed further in the next chapter.

#### ***4.5.3 My Reflections on Cycle One***

Having worked with participants for almost one year through this research cycle, a brief reflection on practice so far is useful at this point. At the beginning of the study I realized that, with few apparent exceptions, employees were morally mute, which was enhanced by organizational silence inherent in the system. Though the organization under study prided itself with an open communication strategy and system, the hierarchical structure and the national culture profoundly influenced a more closed and rigid communication flow. This was in part because culturally, elders were expected to be respected more for their age than their wisdom, and children/juniors were considered rude to point out an elder's wrongdoing,

Using action research allowed participants to open up to assess their experiences and voice them. However, there was resistance at the beginning of the study. Participants were at first both afraid to talk about the organization's ethical culture as they had to assess their ethical journey, and excited about the prospects of the research. With

continuous assurances that their identity would remain anonymous and protected, along with seeing leadership commitment to the project, participants began to relax into the role and open up.

Being encouraged to discuss the research and interview questions with their colleagues also made participants more comfortable. Most importantly, it allowed ethics discussions to erupt in different groups, both formally as with team meetings and at informal gatherings. Participants and the organization's leaders acknowledge that the research engagement was already penetrating the organizational silence. Employees are communicating with one another, discussing, arguing and presenting their viewpoints about ethical behaviour in the organization and most importantly, what can be done to improve it.

These viewpoints in the first cycle are shared to reflect the organization's current ethical state. Possible recommendations for practice include the areas of ethics office and ombudsman, a review of whistleblowing policy and re-establishing the code of ethics, ethics audits, keeping ethics in the discourse, reviewing internal processes and ensuring internal and external stakeholders understand the code of ethics. I present further reflections on practice in the following chapters with a reflection on the first cycle by the focus group members, further discussion on emergent patterns, and focus group member deliberations on the proposed recommendations for action.

# CHAPTER FIVE

## SECOND CYCLE RESULTS: DATA VERIFICATION AND PRACTICAL ACTION PLAN

### 5.0 Introduction

This chapter presents findings of the second inner cycle in which data were collected from focus groups. The focus groups deliberated on some emergent patterns, assessed the organization's overall ethical needs, and considered how to plan and implement action to improve ethical culture. In this chapter, focus group member refers to one of the ten participants selected from the 40-volunteer sampling while focus group team refers to the team that each focus group member supervises/leads.

Table 6 describes each focus group member and their associated focus group teams distribution. Not all the team members agreed to participate in the meetings. The number of participants in the focus group team includes the focus group member.

Table 6. Focus Group Members and Their Team Distribution

<b>Focus Group ID</b>	<b>Focus Group Member Participant ID</b>	<b>Number of Team Members</b>	<b>Number of Focus Group Participants</b>	<b>Number of Focus Group Meetings</b>
FGT1	P12	6	5	2
FGT2	P16	14	8	1
FGT3	P17	4	5	2
FGT4	P19	4	5	2
FGT5	P21	9	9	1
FGT6	P23	6	7	1
FGT7	P28	6	4	2
FGT8	P36	3	4	1
FGT9	P37	3	4	1
FGT10	P38	4	5	1

## 5.1 Focus Group Member Responses to First Cycle Findings

Three meetings were held with the focus group members, each lasting approximately 70 minutes, to discuss findings, recommendations and emerging patterns identified from the first cycle. They were encouraged to share their experience and gain consent while discussing with their various teams. At the end of the meetings, I gained consent from each focus group member and FGT, for meeting times scheduled for participant observation of FGTs.

### 5.1.1 Response to First Cycle Process and Findings

The first meeting started with a presentation that included highlights of the conceptual framework, discussions on participants' responses and data conclusions. focus group members were asked to reflect on their journey and experience as participants:

*I really like the research process...it included employees, and made me feel like I was part of the research (P12)*

*There were some sacred topics that the research brought to light... topics like whistleblowing and discussing the kind of unethical behaviour we face... We always point to others when it comes to who did something wrong, but the process helped me look at how I am contributing...by doing nothing when I see my peers or superiors doing something unethical, by rationalizing it until it becomes normal and then justifying it when I act that way (P16)*

*somehow it is as if the research made it legit to discuss ethical behaviour...I was happy to share some of the insights with my team. It shows that management is very interested in ethics and how we integrate it (P17)*

*even though we change, part of that change must come from understanding that people will always deviate from the set rules and we have to take great measures to protect the change, right? (P19)*

*leaders and managers need to do more and not just for their units but help their colleagues...we should all discuss ethical situations with mentors and colleagues (P21)*

My observation was that all focus group members agreed with the above comments, with discussions on how best to overcome these obstacles, which got participants talking about their experiences. Other members discussed the suggestion for more dialogue and agreed that it should be a personal but right choice for leaders to have a mentor, and the mentor does not have to come from the organization. However, some members argued that there might be organizational "secrets" that need not be shared with outsiders. While no concrete resolution of this concern emerged in the meeting, they agreed that voicing their concerns was a good step to finding consensus.

### **5.1.2 Reflection on Three Emerging Patterns**

At the second meeting three patterns emerged from discussion of ethics in the organization. These three patterns are:

- Pattern One: Gossip versus dialogue;
- Pattern Two: "Our culture makes me do it";
- Pattern Three: Written versus actual code of ethics.

These emerging patterns and the revised conceptual framework reflect the organization's current ethical state. The need for action was the focus of the group deliberations in the second meeting. Below are excerpts from first cycle data and focus group member reflections on each of the patterns.

#### **Pattern One: Gossip vs Dialogue**

I observed that while few statements by participants referred to dialogue as part of the practice of ethics, there were many references to gossip. Two participants on unethical behaviour:

*even if I did notice we just gossip about it until it reaches someone who can do something about it (P23)*

*There is more gossip from the grapevine than there are whistleblowers and you cannot act on gossip except you feel very obliged to consider what they are gossiping about (P25)*

Reflection and dialogue on this thought process by focus group members revealed that:

- Perhaps gossip could be an attempt to do the right thing by escalating the situation without having to take the risk of reporting someone for unethical behaviour;
- Perhaps gossip could also be the accepted way of holding a dialogue about ethical choices and decisions, lapses and failures, consequences and justice or the lack of it; and
- If gossip is considered in this light, perhaps it could be transformed from a negative into a positive: it could be framed as the first step on the path to genuine dialogue about ethics in the workplace.

The group concluded that the key would be to establish a safe way for employees to grow from gossip to dialogue. That is, to move from talking in an environment where they feel unsafe or unprotected to one where they can express themselves openly in constructive dialogue.

### **Pattern Two: "Our Culture Makes Me Do It"**

I was also impressed by the juxtaposition of good and bad expressed by some participants. They relate the rampant favouritism and nepotism they see in their organization (the "bad") to a Nigerian culture that emphasizes a willingness and commitment to look out for each other and take care of others (the "good"). Examples from two participants reflect this:

*There is a lot of favouritism, nepotism and dishonesty. Mostly because of how our society is, we believe that we should help our neighbour, family and friends, which is a good thing but the pressure from these ties often affect our decision and action negatively. Using your position to get someone not so qualified a job over one that is very qualified is not ethical behaviour, but it happens more often than you think it should (P28)*

*Yes, I do not pick up strangers, but sometimes you see someone you know at the bus stop you want to help because it is our culture to do so. The company*

*should allow us to act on our culture to help people. Our culture stops us from going with company policy (P31)*

Reflection on this pattern with the focus group members reveals:

- There should be a way to work towards removing these labels of cultural restraints. Moreover, there should be attention focused on the critical boundaries that must be set on how far good intentions can be allowed to go.
- Employees can and should be trained using the local context to establish appropriate actions stemming from these good intentions. Thus, a strong focus should be placed on teaching employees that these behaviours are acceptable means of helping others.
- The employee referral program reflects a way to curb the issue of nepotism. If employees can refer someone and let the recruitment process take care of the rest, then they would be able to help others while staying within the confines of ethics.

In this way, employees can have acceptable options and will still be able to carry out their cultural responsibility to help others without crossing the line into favouritism and nepotism.

### **Pattern Three: Written vs Actual Code of Ethics**

The divide between the written and actual code of ethics put into practice by people at all levels of employment could not be more different. This disconnect appears to be one of the biggest challenges discussed in the interviews. Excerpts of participants' responses regarding this pattern include:

*It is the general culture or nature of people here to do something unethical without knowing it is wrong (P21)*

*We do not know what the code says word for word but take the cue on what is right and wrong from others. That is the fastest way to understand what is expected of you (P34)*

*I get tempted because I see other people getting away with (P36)*

*You are aware that there is a code of ethics, but I do not think that is the best indicator of what the codes are. It is the actions of those in the organization that shows you what the codes are P(38)*

Reflection from focus group members on this pattern include:

- They acknowledged this divide within the organizations. They noted that when overall ethical behaviour practised by most is a principled and upright one, then basing ethical choices and decisions on the actions of others are not necessarily problematic;
- When ethics violations are widespread, looking to colleague behaviour as an information source on what to do will perpetuate and magnify the ethics problem; and
- To rectify this, organizational leadership must lead by example. In addition, more stringent punishment should be dealt out to those in leadership behaving unethically. Their behaviour has lasting consequences on employees' ethical behaviour and how others perceive organizational ethical culture.

### **5.1.3 Discussion on Practical Actions from Research**

In the third meeting with focus group members, the list of recommendations for action (Table 5) was discussed. One question that came up during discussions that became the focus of the conversation was:

*Who will be responsible for ensuring these items are carried out? (P16)*

This debate saw opposing views from participants. Some members from HR thought the responsibility should lie with them and not *create unnecessary complexity* by building another team. The majority, however, felt that a separate team with *full focus, authority and responsibility* would be the best way forward to ensure a sustainable, ethical practice. In reflection, the team acknowledged that they do not have an ethics officer. Their recommendation was to ensure there is an ethics ombudsman and team that will be responsible for taking other actions on the list.



## 5.2 Focus Group Teams 1-10

Meetings generally started with introductions and presentation about the research, data collection process, and findings from the first cycle focused on the recommendations for action from first cycle discussions. I acted as an observer, asked questions and encouraged members to discuss the data presented to them to verify further or gain additional information regarding the recommendations. Most importantly, participants reflected on their ethical behaviour and how it affects others and the organization's ethical culture. Using an informal conversation interview, questions were asked where needed to clarify or further probe the information (see Section 3.4.4). This focus group discussion happened in approximately one hour meetings with each FGT for three months. Their reflections are detailed in the following sections. Some thoughts on the research by focus group member leaders to their team highlighted were:

*ongoing discussion of the organizations' ethical culture and how to make ethics part of the organization strategy using ethical role models within the organization (P12 to FGT1)*

*this is the first time I have had the pleasure of meeting like minds from other departments in the focus group. It was an interesting experience as I have met most of them before because of the nature of my position but have not worked with them. The discussions allowed me to view them in a different light and the fact that employees of such calibre were willing to participate and take the research seriously shows that we will do something about the ethics issue (P37 to FGT9)*

## 5.3 Responses from FGTs on Research and Recommendations

Each FGT's take on the research depended on their leaders' previous communication to them. I deliberately wanted the leaders to take the lead on this aspect so as to observe how they communicate with their team on such a sensitive topic. In general, communication ranged from fully informed teams to focused information. Some teams looked to their leader for cues during the discussions and others were fully engaged, speaking their minds without fear of repercussion. From my observation and notes,

each FGT focused on parts of the recommendation that were salient to their roles in the organization while fleetingly touching on others. The below captures their responses within each recommendation.

### **5.3.1 Need for Ethics Ombudsman and Separate Ethics Office**

Participants discussed the need for a separate ethics office, ethics ombudsman and ethics officers. FGT4 were concerned about what having this meant to their unit. I asked why they felt threatened by a separate ethics office. From their experience, they think employees need a separate ethics office to report wrongdoing. Participants' responses, highlighted below, included:

*it is not that we feel threatened, but our department currently handles ethics, so what will they do that we do not? (FGT4)*

*primary function of ethics office will be to uphold and help our ethical standard...it will be a preferable source of information [than human resource] and a place to go for ethical concerns (FGT5)*

*employees need to feel protected when they want to report something; now, it is not really that they are not protected, but they do not feel protected. So maybe a separate ethics office will help them feel protected. (FGT4)*

*we the employees need an ethics custodian, you know someone that will be the symbol of ethics, who has open doors. When we act as ethics officers, the employees do not trust us as they see us in other capacities too. (FGT4)*

*That's a given if we want to move forward...we need an ethics office, ethics officers and training (FGT7)*

*If HR is still involved hamper the independence of the ethics office and bring us back to square one where we control everything and employees will not trust the ethics office (FGT4)*

*The separate office and ethics officer must be held accountable to the highest standard and report only to the board of directors (FGT8)*

Participants agreed that the ethics officers will work closely with HR to deliver their mandate. Participants also concluded that focus should first be on establishing the ethics office so they could look at the ethical codes and whistleblowing policy before training and communication of the ethical codes begin.

### **5.3.2 Re-Establish Ethical Codes, Create Strategies Policies and Procedures Through Training and Communication**

FGT1 reasoned that the contents of the current ethical codes need to be revamped to add a whistleblowing policy that protects whistleblowers before any training can commence. Their discussion highlighted the need for a viable and holistic ethical code before training.:

*Yes, we need more training and communication and our department [training department] should submit a plan for company-wide refresher training on organization ethics...we need to understand the resources and time needed to execute (FGT1)*

*the codes lead to the process and procedures...so tackle the codes then ensure it goes downstream (FGT1)*

FGT7 suggested that the recommendations be distributed to all employees so they could continue to discuss how best they could address any shortcomings in themselves and their teams. Some noted they get more information from the grapevine (gossip) than from the organization:

*we all need to refresh ourselves of the updated ethical codes (FGT7)*

*of course, it is important to re-establish the ethical codes and let us hold leaders accountable for action including those that help them commit the crime (FGT10)*

### **5.3.3 Review Whistleblowing Policy**

Most FGTs acknowledged that the current whistleblowing policy did not give them the courage to go to HR when they have issues concerning ethics. Some views highlighted below stemmed from a direct reflection of whistleblowing policy or leadership ethical conduct:

*Part of why we should review the ethical codes is to revamp the policy to protect whistleblowers before any training can commence (FGT1)*

*I rather talk to my manager than human resources, they make things so difficult for you, and it discourages me (FGT5)*

*For me I think whistleblowing should be very anonymous and taken seriously when we think of reporting someone doing something wrong (FGT9)*

*if they remove that suggestion box from the front office, and perhaps keep one on each floor to enable access then I think they would have done a great job already (FGT7)*

*get me fired or ostracized [from the team], which is worse as no one will work with me and I would get so frustrated and have to resign (FGT9)*

Participants' experience and fear during the discussions on whistleblowing add to the call for ensuring an ethics office, ethics officers and ombudsman are first appointed. When asked further what they thought the whistleblowing policy should contain or help them resolve, one participant stated:

*at least for protection and the need for action after reporting as it would encourage others to come out and say something (FGT9)*

#### **5.3.4 Need for Ethics Audit**

Three FGTs touched on ethics audits and participants discussed a lack of understanding of how an ethics audit will commence or work as it has not been used within the organization. While not much discussion was focused on this, the need for an ethics audit as part of the ethical policy was established in the first cycle and further verified. Participants seem to believe that would come as part of the duties the ethics office will perform.:

*One of the things that should be in it [ethical codes] should be this ethics audit so we know what's going on as we do for financial audit (FGT2)*

*When you have that team together you can now know you will be getting things like ethics audit, whistleblowing protection done... (FGT5)*

*Like any other audit the organization members should know the report so they can know where they are lacking and what needs addressing (FGT7)*

### **5.3.5 Role Model Ambassador (RMA) Program**

FGT3 participants asked questions to clarify the thought process behind the RMA program. One participant asked:

*How do you intend to incorporate RMA program, what is that? (FGT3)*

I discussed the concept of an RMA program as finding and using role models identified in the organization to build a stronger ethical culture. These role models will serve as members of the ethics committee. Their role there would be to discuss ethical challenges they encounter in day-to-day practice, how to further spread organizational ethical value, and act to uphold ethical standards. Participants agreed that the RMA program might work but suggest the following:

*selection criteria were open and not hijacked by senior management...who will determine the process? If it's the ethics office then we need to make sure the ethics officer has responsibility, right? (FGT3)*

*this is exciting but you know this might not take off because of management bureaucracy...will role models be paid extra?... if they are then there is a chance of people cheating (FGT5)*

*RMA should not be paid, being part of the RMA is reward in itself (FGT5)*

*ethical leader as role models will certainly help us...RMA, ethics office and leaders mentoring employees are part of the system we should put in place but the ethics officer should be at the front for this (FGT6)*

FGT6 members acknowledged their manager as an ethical leader. They noted the character he displays and nominated him as an RMA.:

*my ethical role model is in this room. He is my mentor and my manager, and if not for him, I think I would have fallen in the wayside (FGT6)*

*honest, approachable, willing to help, open to listening without judging on their shortcomings (FGT6)*

*I already have a nomination in mind...my manager (FGT6)*

Participants were visibly excited about the prospects of the program, and agreed that the program would be beneficial to the organization through its participative content.

### **5.3.6 Sharing Employees' Personal Stories of Growth and Change**

Questions from FGT2 focused on stories of growth and change and how they will be implemented.:

*these recommendations are great and these are much-needed actions to take for the organization, but I am concerned about recommendation 6, that says employees should share personal stories of growth and change. What does that mean precisely?(FGT2)*

After discussions on what the stories are and how they can share stories through employee bulletins and at training on ethics, a passionate conversation ensued on the viability of the recommendation. Some team members believed that though sharing the stories was *good on paper*, they were concerned about the legal implication of these *confessions*. They believed the organizations' leadership might not be lenient to those who come out to share their stories. The team concluded that:

*if the changes were phased out over time, the employees (managers) might be able to trust the organization not to witch-hunt those that come out to share their stories of change (FGT2)*

*stories that our manager shared let us understand we can approach him with any situation we find ourselves...those that have not done this face the punishment in our team...there is no excuse for us (FGT6)*

I observed that the fear of exposing themselves to others when sharing stories of growth and change in what some term "*confessions*" speaks to the lack of protection for employees who wish to do the right thing. It also highlights in some ways the moral silence in the organization.

### **5.3.7 Reviewing Internal Processes that Encourage Unethical Behaviour**

Participants in FGT3 discussed internal competition as a challenge or an opportunity. Some participants noted that having internal competition *"is good for the organization"* while others saw it as a means for ethical malpractice. I observed this divide, and on further probing, participants acknowledged that the internal process could be reviewed so those that *"go to the extreme"* in delivering their sales targets should not be rewarded.

The researcher observed that not all participants were happy with this, including the team leader. Their position was that the sales department *"in nature is a highly competitive unit"* and it would be difficult to remove the competitiveness of the unit members. Another FGT noted that reviewing internal processes:

*... help departments and teams to follow processes and procedures that promote positive ethical behaviour (FGT6)*

### **5.3.8 Person-Organization Fit in Staff Selection Processes**

FGT4 participants were reluctant to discuss person-organization fit in the staff selection process that would apply to their unit as human resources. Participants' generally established that there is a need for the organization to consider the process as it is often manipulated. They insist that everyone is guilty of manipulating the staff selection process at one point or another. The researcher notes that participants did not feel positive about mitigating the risk of manipulations, especially as they felt the pressure came mostly from top management.:

*people recommend other people for positions...some people take advantage of their position during this process and ensure unqualified candidates get the job as they can be trained on the job (FGT4)*

*We should restrict this if we want to move forward (FGT4)*

*we can ensure the best candidate gets the job regardless of who recommends anyone but if coming from the top you can't stand your ground much (FGT4)*

### **5.3.9 Reinforce Consequence of Unethical Behaviour in Leadership**

Participants reviewed the recommendations to encourage leaders to act as ethical role models through mentoring and also, to remove those from leadership who flagrantly act unethically or pressure colleagues and subordinates to act unethically. FGT8 participants had a lot of *"them versus us"* reference comments when discussing the team activities and those of top management. Participants reflection on leadership displaying unethical behaviour as:

*difficult to remove someone from authority who behaves unethically because they are the ones who should remove themselves, except the politics at the top on such matters is not tolerated I think we will be wasting our time on this recommendation (FGT8)*

*Incidences of increased unethical behaviour with public scandals has been more rampant... maybe it is because people are being caught now because they are not new incidences (FGT10)*

*It is not like leaders say do it wrong, they act wrong and employee see what to do. For example, if you ask your assistant or subordinate to help you cheat, you are grooming them to cheat too (FGT10)*

FGT8 noted that if more employees are allowed to speak out, they believe they (top management) will be more cautious about behaving unethically. They agreed that when visible individuals correct their behaviour, other employees will follow suit. Some FGT10 participants argued that those employees that help leaders have no choice as they do not want to defy their managers/supervisors. Others reflected on the need for employees to know they have a choice to participate or report. If at the time of the investigation, the employee did not report, *they should be labelled accomplices and disciplined (FGT10)*

## **5.4 From Recommendations Towards an Action Plan**

Analysing the focus group deliberations, literature review converges on the need for a chief ethics officer or ethics ombudsman whose function is to set the tone at the top, align and drive organizations strategic outcome with organizational ethical output.



Recommendations from the first cycle note the lack of an ethics ombudsman and the need to hire one. Focus group members deliberations note that while this is critical an ethics office needs to be established first. Most importantly the mandate of the ethics office and ethics leader would then ensure the implementation of the rest of the recommendations. The sequence of establishment of an ethics ombudsman and ethics leader was not discussed in literature. This I believe is the organization's unique environment that calls for this particular sequence.

Section 2.5.2 discusses policies and procedures through the inclusion of a shared code of ethics, communication and training, person-organization fit and whistleblowing policy. Recommendations from first cycle note that the organization has weak formal structure, code of ethics exists but are not enforced, no clear communication of codes and dialogue on action to avoid unethical behaviour and nepotism in hiring process. Focus group member deliberations aligned with literature, focusing on all four structures. They called for the need to re-establish the code of ethics taking into consideration the new ethics leader and office to ensure employee safety during whistleblowing. This need for ethics leader/office protection speaks to the fear of being exposed as a traitor. Fear is also reflected as focus groups discussed sharing stories of growth and change as a way of communicating and training outside of the formal structure.

Person-organization fit is reflected in the deliberations around the nepotism and favouritism in the hiring and promotion process in the organizations. Focus group members agreed for the need to review the internal processes that encourage unethical behaviour while noting that the pressure for nepotism and favouritism often comes from above. This then aligns to the recommendation to reinforce consequences of unethical behaviour in leadership and the need for the new ethics leader/office to protect whistleblowers so as to discouraged organizational silence.

As part of the policies, focus group members called for regular ethics audit to ensure regular check on the organizations ethical polices, practices. This was noted to be part of the mandate for the ethics office/ethics ombudsman.

The conversation in the FGT meetings allowed me to observe other members of the organization in their local teams while discussing ethical practice and culture, vis-a-vis

the first cycle data findings and recommendations. Participants discussed the recommendations and how to move forward and protect the recommended action plan from the risk of ethical lapse. Details with references to the relevant literature, can be found in the supporting table in the Appendix 12. Some agreement on moving from recommendations towards an action plan (listed in Appendix 11) include:

- Actions highlighted in the recommendations should be rolled out over time, starting first with a separate ethics office, appointing an ethics ombudsman and ethics officers who will then implement the rest of the recommendations.
- There should be viable and holistic ethical codes before training can commence.
- The ethical codes should include a robust whistleblowing policy that includes protection of whistleblowers and different methods of reporting, e.g. anonymously through phones, email or in person. Action should be taken on those found guilty of unethical behaviour to encourage people to keep reporting incidences they witness. Those that assist in perpetuating wrongdoing also need to be accountable for their decisions and actions.
- Ensure any RMA program is conducted using an open selection criteria process that involves all employees. Participants suggest calling for all employees to nominate ethical role models they know by highlight the nominee's characteristics.
- Internal processes should be reviewed to ensure that ethical standards are upheld. Though some argue that internal competition in some units is inevitable, focus group member concluded that making teamwork part of the criteria for success could encourage more team efforts and less isolation.
- All recommendations for action and all action taken should be communicated to employees as part of the training and communication process. So, employees will continue to discuss ethical shortcomings and how best to address them.

- Top management and visible leaders must align their behaviour to the highest ethical standards to promote a stronger ethical culture in the organization.

## **5.5 My Reflexive Development As a Scholarly Practitioner Part 1**

It is essential to note my struggle to remain neutral during focus group meetings and indeed, throughout the research data collection phases. A struggle that stems from the pre-understanding and role duality I had coming into the study, as well as from being privy to some more information, especially after the first cycle data collection and presentation.

I reflected on where there might be conflict and asking self-critical questions as I navigated each FGT. I asked questions such as what worked in the last session, what did not, and how to ensure that participants take control of the conversation by asking probing, not leading questions. So, participants through informal conversations led the discussions. I share more reflections as a scholarly practitioner in the next chapter.

This chapter presented the second cycle findings from focus groups. It verified the information from the first cycle, moving the work further by allowing more participants from the organization to give voice to the recommendations and actions to be taken to make the organization a more ethical practice. The next chapter wraps up the thesis and focuses on contribution to practice, study limitations, more of my reflexive development as a scholarly practitioner, and recommendations for future research.

## **CHAPTER SIX**

### **DISCUSSION AND RECOMMENDATIONS**

#### **6.0 Introduction**

The main contribution of this research is to highlight what the stimulus for and impediments to ethical practice might be in an organization that struggles with both an external ethically challenging environment while trying to institute a more ethical internal environment. Building a more ethical practice can take root in the organization's daily discourse, by allowing employees as participants to engage in the planned change process (See Section 3.2.4).

This chapter covers specific contributions to actionable knowledge, stemming from the research questions I set out to answer. I also reflect on the study's limitations and actionable knowledge with a deeper reflection on my development as a scholarly practitioner and finally laid out the recommendations for future research.

#### **6.1 Contributions to the Organizational Practice and my Private Practice**

This section distinguishes the research contributions to the practice of the organization under study as well as my private practice as a scholar practitioner. Contributions include the use of action research methodology to assess my private practice and the study organization's ethical state, using that assessment to develop practical actions to help develop a more ethical practice. I also discuss a proposed RMA program that allows for employees as participants to reflect and engage in developing an ethical practice. The process of engaging, discussing and reflecting in order to correctly assess ethical gaps and recommend actions is an impactful contribution to this practice. To review these contributions each research question is discussed below.

##### ***6.1.1 Stimulus of Ethical Practice***

The actionable knowledge for participants and me on the stimulus of ethical practice was understanding that leadership behaviour serves as a conduit for both ethical and unethical behaviour in the organization. For me, understanding that leadership

behaviour is critical in shaping employees' ethical behaviour has led to my continuous reflection of my behaviour in my practice. This new way of practising my job was also shared by participants who, in their recommendations for action (Appendix 10), noted the need for leaders to reflectively model their behaviour ethically. Also, to note is the importance of finding ways of always keeping ethics in management and employee discourse as lack of continuous training, communication of ethics to employees, and lack of ethical role models followed by leadership displaying unethical behaviour, allow weakness and gaps in the organization's overall ethical culture. These components as drawn from academic theory, evidenced in employee discussions of their lived experience and used to understand the organization current ethical gaps helped to create actionable knowledge for the organization.

Following the process highlighted in the conceptual framework will give my practice and that of the organization under study a basis to integrate and embark on more ethical practice. The steps were part of the recommendations participants proposed the study organization adopt are:

1. Developing codes of ethics through shared values;
2. Using the Role Model Ambassador (RMA) program;
3. Communication and training employees on ethical standards;
4. Ensuring person-organization fit in the staff selection process;
5. Integrating periodic ethics audits;
6. Ensuring a robust whistleblowing policy that reflects whistleblower protection, investigations of reports and reinforcement of ethical standards.

Another actionable knowledge for practice is the introduction of RMAs. The RMA program was developed and proposed to capture the activities of ethical role models, harnessing them into potential ethical leaders in the organization. This program will help the organization under study continuously focus on building ethical practice through mentoring and adequate succession planning.

Employees in an RMA program identify role models within the system within each level of organizational structure. It acknowledges the need for shared values to be discussed at every level of the organization. I proposed steps to integrating the RMA program in organizations, developed as I assessed the organization and with feedback from participants. The integration steps below need to be further developed in action. How the organization has adopted this program with a call for nominees is further discussed in section 6.2.4.

1. Criteria for qualification should be communicated to enable employees to understand the ethical standards the organization recognizes;
2. Employees nominate ethical role models in the system;
3. Employees vote for their ambassadors who will serve on the ethics team for a stipulated period;
4. Ethical role models undergo orientation and training;
5. Ethical role models join the ethics committee and serve for a stipulated period to be replaced by other ethical models;
6. Process is repeated annually to ensure continuity of the program.

### ***6.1.2 Impediments to Ethical Practice***

Another insight from this research is that impediments to ethical practice may differ in varying organizations, given the differences in organizations' internal and their external environments. Management practitioners using action research methodologies should investigate the kind of challenges their employees face in their day-to-day practice. The list provided in the conceptual framework represents possible components of the challenges an organization could face, and this differed slightly from the context of the organization under study.

In practice, the organization under study noted their unique impediments to practice. While there were internal and external factors, the differences revealed through the interviews and focus groups discussions, unique to the organization under study, include for external factors, government, external competition and contractors. Internal factors include organizational silence, internal competition, shareholders' and

employees' moral compass, weak policies and procedures, risk of ethical lapse and lack of training and communication. Understanding the current state and gaps helped participants develop the actions required to bridge the gap. For example, knowing that internal competition and contractors were a factor that challenges employees' ethical behaviour, action to reinforce the organizations ethical codes, reviewing internal policies that encourage unethical action were recommended.

The list provided in the conceptual framework acts as a springboard for practitioners to access the challenges of developing ethical practice in their organization so they can understand their context and gaps (see Table 5).

### ***6.1.3 Leadership Influence on Organizational Ethical Climate***

Participants in the study were part of the organization leadership and the study helped them reflect on their behaviour, those of their colleagues and the impact on the organization. Participants and I understood through conversations and assessment of the practice that leadership behaviour influences employees and shapes organizational ethical culture and there is always a risk of an espoused theory being different from a theory-in-use. Thus, understanding the daily behaviour they portray to their employees, will help participants as leaders continuously gauge the ethical pulse of the organization. Participants suggestions to positively influence organizational ethical culture as highlighted in the recommendations for action include:

- Continuous training and communication of organizational ethical codes;
- Stories of growth and change. If not found within the organization, they should be taken from similar organizations or individuals who have experienced growth and change of ethical behaviour;
- Integrating the RMA program which provides an organization with an avenue to establish, harness and use ethical role models within the organization, to uphold and strengthen the positive ethical culture; and
- Being aware of the power of influence and power of reinforcement that can be used positively to influence positive ethical culture or negatively to teach employees how to behave unethically.

#### **6.1.4 Practical Actions the Organization has Taken to Institute a More Ethical Practice**

In light of the actions taken through the research, the recommendations for action gathered through the research interview were presented to the FGTs and discussed to ensure the feasibility of the action plan with the organization and to start to create employee buy-in. The organization leadership were presented with these recommendations and a proposed plan of action (Appendix 11) to mark the conclusion of the action research. Leadership adoption of the recommendations and follow-through is an essential signal to employees on the future focus as regards to ethics and ethical behaviour. While not all the recommendations have been actioned on, parts of the recommendations that have been acted upon include:

##### **Recommendation One: Ethics Ombudsman and Separate Ethics Office**

The organization has appointed a Chief Ethics Officer whose mandate is to establish an ethics office and who has accountability for the organization's ethical standards. This recommendation was top of the list of actions for participants as they concluded that ensuring the ethics ombudsman and separate ethics office are established will help in moving the other recommendations along (see Sections 5.4.1 and 5.5).

##### **Recommendation Five: Role Model Ambassador (RMA) Program**

This program has begun with a call for nominees from employees as suggested in the steps for integration in Section 6.2.1. This started before the ethics officer was appointed and initiated by the HR group. The end date was three months after the call was first made public in a news bulletin and company-wide email. After the suggested closing date, ethical role models nominated by their peers were to be revealed. This call for nominees has come to an end and no further action has been taken. Presumably, the new Chief Ethics Officer will be assessing this recommendation and the current progress along with the other recommendations.



## **6.2 Study Limitations and Challenges**

Observing participants in context as they encounter and tackle ethical concerns can be a sensitive issue. There are limitations and challenges to researching an organization and this section will highlight some of the salient concerns.

### ***6.2.1 Limitations of Research Strategy***

While this research did not seek to make the change but to undertake an inquiry that produced actionable recommendations for change, the organization's willingness to action the recommendation can affect the quality of inquiry. During diagnosing, participants as co-researchers determine what level of change is needed. Influences from the forces of change, both external and internal to the organization, may also determine the level of change that will occur (Coghlan and Brannick, 2010). Similarly, the emergent nature of action research with outcomes might assist participants and organizational leadership make counteractive decisions concerning the project.

At times the participants in this research reacted to the fear of exposure by not speaking freely, shunning meetings, or asking me to exclude parts of their interviews. They felt it could be harmful to their careers in the organization. Their willingness to participate fully by being engaged, and speaking their truth was affected by their lack of belief that the outcome or recommendations of the research will be translated into action. To tackle this, understanding these forces of change by identifying their sources and potency and the demands and influences they have on the system (Coghlan and Brannick, 2010), allowed me as facilitator to navigate the system.

Furthermore, time for research could limit the number of research cycles needed for the saturation and permeation of the change process. While the research sought to observe, assess and recommend an action plan for a more ethical practice, organization members will be undergoing the change process through interventions. Though the time for research might be officially over when recommendations are given, the change process continues. Thus, to ensure continuity, the action research process allows members to become the custodians of the process even after completing the research. Integrating collaborative and democratic actions that engender organization learning is part of the research outcomes for the organization,

thus allowing for members to continue the interventions in their various departments and teams.

Finally, the experience of the researcher in the use of qualitative methodology and action research could impact the study. Action research allows for in-depth explorations of participants' experience through words and non-numerical data. It can make transcribing and coding of the data complex and time-consuming and overwhelming for the novice researcher. Thus, my experience in using computer-assisted, qualitative data analysis software could be a limitation. The more experienced and confident a researcher is with handling data, the more the possibility of exploring and revealing themes.

### **6.2.2 Challenges of Study**

The role duality as an employee, researcher, and moderator gives way to concerns about pre-understanding of the organization, access, organization politics and ethics that highlight some of the research challenges I faced:

- **Role duality:** Currently, being a consultant with the organization and an action researcher give me a rich history with leadership and middle-level employees. However, there was a conflict between my roles as a researcher who is also vested in the organization. Similarly, participants as employees had to toe a hard line between their loyalty to the organization and their need to see the future organization state. Like Moore (2007), his process of self-discovery and his role conflict as a family man and board member made him decide to resign from the organization he was researching. He realized he could not change the board and was not prepared to join them. This research, as a process of self-discovery, uncovered some hard truths that changed both the participants and I. Being aware of these possibilities might allow participants to prepare for them. Understanding each role and playing them concurrently also helped me reflect on where there might be conflict.
- **Pre-understanding:** Pre-understanding might allow for my bias to cloud my assessment and judgement. I worked within the system and knew the complexities inherent in their history, structure, language and politics. The

conflict occurred when my bias to issues raised could interfere and alienate participants (Coghlan and Brannick 2010). I was always aware of how my pre-understanding of the organization might be affecting research integrity. Thus, I documented my thought process reflexively and reflectively.

- **Access:** Both primary and secondary access was established with both top management and other employees. I used my role as a consultant and former employee but some networks viewed me as a *renegade spy* (Goffman, 1959 cited in Coghlan and Brannick, 2010:127). Taking full advantage of the access allowed the research to flourish; however, the challenge was to guard against crossing ethical boundaries with information garnered from covert and informal networks: With Hilsen's (2006) human interdependency strategy, it was my responsibility as researcher to care for the best interest of others. Thus, I continuously asked questions that would highlight any biases when using information gathered. Who will this benefit, how does this affect the project, is it important, are some of the self-critical questions I answered as I handled access to different networks.
- **Organizational politics:** As this research sought to challenge the status quo, it was vital for me to be aware of the organizational politics that exist. I knew who the players were and how to protect the research from their influences by using inside knowledge and becoming a political entrepreneur to protect the integrity of the research (Evered & Louis, 1981; Bjorkman and Sundgren, 2005). Since this was research on ethical practice, managers came with differing agenda to protect their interests, but I managed the stakeholders' agenda. Action researchers should take advantage of pre-understanding and access. They must find common ground with stakeholders, make deals and network as astute political players (Kakabadse, 1991, cited in Coghlan and Brannick, 2010, p. 131).
- **Shifting power dynamics:** As the research is sensitive to ethical behaviour, I ensured as the facilitator that I acted so the power of more powerful stakeholders did not increase over the less powerful (Gellerman *et al.*, 1990, cited in Coghlan and Brannick, 2010, p. 134). This risk occurs when managers,

participants or employees try to take advantage of the research to gain more power. When participants discussions vied to areas beyond the research, for example reporting on unethical behaviour of a colleague and expecting the research to take on the reporting of the colleague to higher authorities, I was careful to restate the purpose of the research. The strategy is to apply the principles of human interdependency and fairer power relations and not to tip the balance of power (Hilsen, 2006).

- **Ethics:** This challenge address issues of confidentiality and informed consent. Social research about people must address ethical concerns. Action research is within a closed space and information is often shared with the researcher in confidence. Therefore, it was essential to keep assessing the importance of this information, and why, how and where it should be used in the context of participants' confidentiality and the research objective. Seeking informed ethical consent for data collection from all participants and ensuring confidentiality and protection from organizational politics are challenges that occurred but were not compromised. I ensured that ethical confidentiality codes are revisited and iterated throughout the project life span, addressing any ambiguity of participants' protection. Data collected was encoded to remove any personal identifiers and protect participants. These were necessary steps to follow because one of the issues this organization faces as indeed, do most companies in Nigeria, is the ramifications of whistleblowing, which most often leads to moral silence.

### **6.3 Reflexive Development as a Scholarly Practitioner, Part 2**

I reflect on my journey as a scholarly practitioner through my research in two ways: firstly, the struggle between being a scholar and a practitioner, and what each means to me, and secondly, the merging of these two roles into one. Through my scholarly practitioner journey, I often tried to separate unconsciously the scholar from the practitioner. In reflection, I kept asking myself:

- What has changed?

- What is the impact of the research process and findings on my journey as a scholarly practitioner?

As I reflect on my research journey, I found instances where I had progressed in thinking. The core of my action research was to gather multiple perspectives on ethical behaviour and the organization's current ethical practice. This phenomenon was not outside myself as a researcher, which meant that differing experiences were bound to surface. I noticed at the beginning of my research that I was argumentative and not very neutral. As the research progressed it became increasingly important not to influence the discussions by adopting a non-bias inflexion in my posture, voice, and how I asked the questions. So, throughout the discussions with participants and non-participants within the organization and in my practice, I started consciously reflecting on what I say both during the interviews and when having a casual conversation with same colleagues and my employees at my practice.

I also must reflect on the political process of my research (Marshall 1999, p. 158). I was torn between ensuring my research continued to enjoy the access it has and safeguarding the authenticity of my findings and report without being influenced by stakeholders (top management, employees, participants, my school, myself). Ensuring that research integrity remains uninfluenced by power structures, I continued to ask myself:

- Am I true to the research goals?
- Am I influencing this discourse to favour my worldview and experience or that of other stakeholders instead of gaining the perspective of the participants?

During the focus group discussions, I tested out ways to engage with participants. I noted that my approach at first might have been clinical. With each focus group, I noticed different responses in practice. In reflection, I might have adopted what Marshall (1999:159) notes as *experiments in action*, which reflexively sees a researcher constructing smaller cycles of action and reflection within a cycle of inquiry during parts of the research. This was true in deconstructing the focus group discussions as with the individual interviews in the first and second cycle of inquiries. Also, this was a new learning for me. Now I go into meetings and interviews in my

practice to look out for some of this learned behaviour, try to discover which role is in play and adjust my behaviour accordingly.

### **Reflection on my Practice**

In the process of inquiry, we discover knowledge. This has also helped me in my practice to create a culture of inquiry and insightful questioning (Burgoyne, 1994; Pedler, 2008). As part of the research outcome, I encouraged my team to adopt the RMA program. This learning process begun in my practice will allow me to assess the long-term integration of the program. Three ethical role models, including me, have been selected to lead the ethics team. Our initial meeting was to assess the ethical culture of my practice, vis-a-vis the conceptual framework. Using my practice to action this program further will allow me record its progress.

I encountered the same struggle and denial I saw with participants in this research. Admitting that my practice lacks in ethics was a difficult journey for me. Also, critically assessing some of my decisions in the past and listening to others critique those decisions made me bristle with annoyance. As a leader in my practice, I could understand how power can undermine the process of being ethical. Giving the other ethical role models chosen by my employees the opportunity to discuss and access decisions I made was easy. What was difficult was listening to their critique and understanding that I could have made a better or more ethical decision.

Some expedited recommendations include the use of a culture index survey for staff selection process. It has enabled us to assess cultural congruence with potential employees and organizational values we share. Using this index is new, and we are still learning through the process. As a scholarly practitioner, I have chosen to continue recording my experience and hope to share outcomes as they emerge both in my practice and the organization under study in future research.

### **6.4 Recommendations for Future Research**

Future research should attempt to continue to use action research to explore their ethical practices. It should explore the possibility of time to accommodate more cycles of research needed to explore leadership ethical behaviour and their effects on

organizational ethical culture. Researchers could also attempt to use ethnography as that approach could accommodate more time to explore and document actions from the change process and findings. Future research might also explore the process and challenges of ethical behaviour in more third world economies for horizontal parallels, or developed economies for vertical associations. Reviewing the conceptual framework against the current state of the organization (Table 5), shows the local context of the challenges the study organization faces. Other organizations might consider these matters laid out in the conceptual framework, but further research would be required to establish them.

Finally, another possibility might be to explore different industries within similar economies. The present study limits itself to the communications industry where the organization under study is domiciled. Future research could explore other industries within the same developing economy to further validate the study.

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## APPENDICES

### *Appendix 1: Participant Information Sheet Presentation Agenda*

# Participant Information : Agenda

- About the research
  - Purpose of the study
  - Research questions
  - Research design
  - Data collection and analysis
- Participation
  - Invitation to participate
  - Why you should participate
  - Do you have to take part?
  - What happens if you take part
  - Any risks in taking part
  - Benefits of taking part
  - Confidentiality
  - What will happen to the results of the study
  - Can I stop taking part if I wish to?
- Contact information
- Next Steps
- Question time

## **FOCUS GROUP MEMBERS Meeting**

**Date: 18<sup>th</sup> June 2015**

**Place: Organization HQ 8<sup>th</sup> floor meeting room**

### **Agenda**

#### **Objectives:**

1<sup>st</sup> Meeting Agenda Focus Group Members

1. Presentation of findings from first cycle data
2. Discussions of findings by focus group members
3. Discuss Recommendations from data
4. Adopt recommendations from data
5. Plan Next steps

2<sup>nd</sup> Meeting Agenda Focus Group Members

6. Presentation of emerging patterns
7. Discussion of emerging patterns
8. Identify focus group teams
9. Plan next steps : conclude on FGT participation: consent from FGT members: plan date and time for FGT meetings

#### **Agenda: 1<sup>st</sup> Meeting**

9:00 Welcome, review agenda and confirm **next meeting time and place**

9:15 Review purpose of team

9:30 Presentation of findings from first cycle data

10:45 Discussions of findings by focus group members

12:00 Break

13:00 Discussions on recommendations from data

13:45 Adopt recommendations

14:00 Plan next steps: share agenda of the next meeting: discuss using focus group teams: encourage focus group members to discuss with their teams



## Appendix 3: Table of Contents for Organization’s Code of Conduct

### Table of Contents

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Appendix 4: Articles Related to Ethical Leadership and its Development 1960-2014, 45 Articles, EBSCO

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
1.	<i>American Journal of Sociology</i> , 1960 Vol. 66, p. 32-40.	Becker, H. S.	Notes on the concept of commitment'	Exchange theory, Social Control and Social Sanction	Analysis of commitments and side bets as they shape a person's behaviour overtime	Exchanges in the organization, group or society increases individual commitment such that they pursue a consistent line of activity because of the social contract and social sanctions inherent in the group.
2.	<i>Educational Leadership</i> , 1978, Vol. 35 Issue 6, p. 457.	Chapman, Marian L. and Davis, Florence V	Skills for Ethical Action: A Process Approach to Judgment and Action'		Over 500 children and 14 teachers participated in the program during its four-year development	Developing skills for ethical action gives insights on using a six-step program that combines ethical decision-making, acting on the decisions and evaluating the completed actions.
3.	<i>Academy of Management Review</i> (1986) Vol. 11, pp. 601-617	Trevino, L. K.	Ethical decision-making in organizations: A person-situation interactionist model	Cognitive moral development model	An inductively driven model was proposed that offers insights to how managers think of ethical dilemmas and a way to typologies real world decision-making process	An interactionist model of ethical decision-making that combines individual and situational variables to explain and predict ethical decision-making behaviour of individuals in an organization is proposed.
4.	<i>Administrative Science Quarterly</i> (1988), 33, pp. 101-125.	Victor, B., & Cullen, J. B.	The organizational bases of ethical work climates	Theory of ethical climate developed from organization theory	872 employees from four firms surveyed to measure ethical climate	Theory of ethical climate was derived to describe the determinants of ethical climate. Variance and differences occur in organizational ethical climate by position, tenure, membership and work group.
5.	<i>The Academy of Management Executive</i> (1989), Vol. III, No. 2, pp. 123-130	Nielsen Richard P. '	Changing Unethical Organizational Behaviour		Explores strategies intervening against unethical	Developed and discussed 12 strategies that explore being an individual intervening against others unethical behaviour and being a part of leading an ethical organization change.

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
					behaviour in organizations	
6.	<i>IPA Review</i> (1992), Vol. 45 Issue 3, p. 31.	Ferguson, Rob	Beyond Self Interest, ethics and the market		Exploration of thought on ethics and the individual	Management must provide leadership that indicates the value standards of the business. Gives definitions of ethics.
7.	<i>Business Ethics Quarterly</i> 5 (1995) (1), 5–28.	Ciulla, J. B.	Leadership Ethics: Mapping the Territory	Leadership ethics theory	Critiques current leadership theories as they skid on ethics as part of leadership studies	Advocating the relevance of ethics in leadership studies, noting that ethics was viewed as an addendum to leadership studies not central to leadership development. What constitutes good leadership is the ethical and competence dimension thus leadership ethics as a theory expands on current leadership theories.
8. <i>kid?</i>	<i>Business Ethics Quarterly</i> (1995) Vol. 5, Issue 1. Pp. 0117-0128.	Murphy Patrick E. and Enderle Georges	Managerial Ethical Leadership: Examples Do Matter		Explores the lives of four well-known CEOs as examples of managerial ethical leadership. Insights are drawn from their writings, speeches and other sources	Five common themes emerge which reflects these CEOs' struggle for ideals beyond the minimum expectations displaying moral imagination and moral courage. These include how they perceive and interpret reality and create reality, concerns about how their decisions affect others, a high degree of motivation and emotional strength, and strong religious beliefs.
9.	<i>Harvard Business Review</i> (1998) 76(2), pp. 114-124.	Badaracco, J.L.,	The discipline of building character		Explores building character using examples from real-life situations and simulations to expose the conflicts and	Draws distinction between defining moments and ethical decision-making as a right vs right dilemma. Personal values and side bets made over time influences the decision-making process and individual character. Managers learn to navigate the right vs right

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
					thought patterns when faced with defining moments.	decisions and are implored to understand others' perspectives of the ethical dilemma.
10.	<i>California Management Review</i> (1999), 41, pp. 131-151	Trevino, L. K., Weaver, G. R., Gibson, D. G., & Toffler, B. L.	Managing ethics and legal compliance: What hurts and what works		Survey of over 10,000 randomly selected employees at all levels in six large American companies from various industries, which varied in their approaches to ethics and compliance programs	Shows how employee surveys can be used to measure the end results of ethics and compliance programs. How an organization approaches ethics and compliance management impacts on employees' behaviour. Disparities between policy and action, ethical leadership, fair treatment of employees, ethical culture and open discussion of ethics in the organization are characteristics that help or hurt ethical dispositions in organizations.
11.	<i>Journal of Business Ethics</i> (2000), 25: 65-78	Sims Ronald R.	Changing an Organization's Culture Under New Leadership		Salomon Brothers' ethical turnaround by renowned leader Warren Buffet was used to reflect on how organizations can successfully turnaround, create and support an ethical culture	Leaders should take advantage of the complex formal and informal systems to support ethical behaviour. Using Schein's five primary mechanisms, leaders can shape, embed and reinforce corporate ethical culture by focusing on attention, reaction to crisis, allocation of rewards, role modelling and criteria for selection and dismissal. These mechanisms act as critical success factors that give employees signals of organization values.
12.	<i>California Management</i>	Trevino, L. K., Hartman, L. P., & Brown, M.	Moral person and moral manager: How executives		40 structured interviews, 20 with senior	An ethical leader must develop a reputation for ethical leadership by influencing others perception of them. Ethical leadership leans

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
	<i>Review</i> (2000), 42, pp. 128–142.		develop a reputation for ethical leadership		executives and 20 with corporate ethics officers	on two pillars: one as a moral person and the other a moral manager. Defines the traits of ethical leadership as a moral person such as honesty, integrity, trustworthiness, doing the right thing, concern for others and personal morality. A moral manager must be a role model through visible actions, using reward and discipline to hold everyone accountable, create a strong ethical message that gets attention, influences thoughts and behaviour.
13.	<i>Journal of Business Ethics</i> (2002), 40 (1), 61–73.	Wood, Greg	A Partnership Model of Corporate ethics	Internationalization theory	Based on previous research on survey of top 500 Australian companies	Propose partnership model of corporate ethics which inculcates commitment to ethical culture, fostered by commitment to and from staff and shareholders, who in turn are committed to organizational ethical artefacts such as whistleblowing protection, ombudsman, ethics education, staff induction and training, staff selection, ethics audit, code of ethics, strategic fit and ethics committee. These in turn are strengthened by commitment to ethics in the marketplace by external stakeholders, customers, government, suppliers and competitors.
14.	<i>Journal of Business Ethics</i> (2003) 45(1/2), pp. 149-165.	Gick, E.	Cognitive theory and moral behaviour: The contribution of F. A. Hayek to business ethics	Cognitive theory	Reflection on Hayek's contribution to Business ethics and moral behaviour	Hayek's view on cognitive theory as it affects business ethics and moral behaviour notes that dispositions though genetically inherited, are compelled by society's experience and socialization process. He adopts an evolutionary approach to ethics. Imposing the dispositions or moral rules of one society on another deflects from allowing the receiving society an opportunity to evolve.
15.	<i>Journal of Business Ethics</i>	Hood Jacqueline N.	The Relationship of Leadership		Survey of CEOs of 382 small to	Uses Rokeach's (1973) four types of values: Personal, social, competency-based and

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
	(2003) 43, pp. 263-273		Style and CEO Values to Ethical Practices in Organizations		medium size high tech firms in the US	morality-based values to understand the influences of leadership style on ethical practices. All four values are positively related to transformational leadership. Transformational leadership and the underlying values foster ethical practices in the organization. Ethical practices can be developed and maintained by leadership adopting values related to transformational leadership as leadership's ethical practices mirror and influence organizational ethical practices.
16.	<i>American Business Law Journal</i> , 40(2), 417.	Prentice, R. (2003).	Enron: A brief behavioural autopsy	Behavioural decision theory	Case study of Enron Scandal	Behavioural decision theory can be used to explain Enron scandal. The decision-making process is affected by several heuristics and biases which include, confirmation bias, self-serving bias, overconfidence, rational ignorance, cognitive dissonance, framing effects, bounded rationality etc.
17.	<i>Human Relations</i> (2003), 55, 5-37.	Trevino, L. K., Brown, M., & Hartman, L. P.	A qualitative investigation of perceived executive ethical leadership: Perceptions from inside and outside the executive suite		Inductive interview-based study of 20 corporate ethical officers and 20 senior executives in medium to large organizations in the US	Characterisation of content domain of executive ethical leadership. Aside from having high personal morality, honesty and integrity, findings show ethical leaders as people-oriented, showing clear visible ethical actions and traits, standard-setting and accountability, broad ethical awareness and fairness in decision-making processes.
18.	<i>Organizational Dynamics</i> , Vol. 33, No. 3, pp. 307-317	Fulmer Robert M. (2004), '	The Challenge of Ethical Leadership'		Explores insights from 80 business leaders, experts and graduate students attending an Executive	Explores ethical leadership from practical and academic viewpoints. Lists and discusses ethical leadership challenges and some strategies and approaches for developing ethical leaders.

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
					Learning Forum organized by Pepperdine University's Graziadio School of Business and Management	
19.	<i>The Leadership Quarterly</i> (2005), 16, pp. 315–338	Avolio Bruce J. and Gardner William L.,	Authentic leadership development: Getting to the root of positive forms of leadership	Authentic leadership theory		Provides definition of authentic leadership. Builds on the theory to enhance the understanding of authentic leadership development and its importance to sustainable performance. Differentiates between authentic leadership and other leadership theories like transformational, transactional, charismatic and servant leadership.
20.	<i>Organizational Behaviour and Human Decision Processes</i> (2005). 97 (2), pp. 117-134.	Brown, M. E., Trevino, L. K., & Harrison, D. A.	Ethical leadership: A social learning perspective for construct development and testing	Social Learning Theory	Seven intertwining studies were conducted, studies 1-4 conducted to examine trait validity, studies 5-7 to study nominal validity. Each study spanned different participants from MBA students, senior undergraduates and employees	Proposed a constitutive definition of ethical leadership and used Social Learning Theory as theoretical foundation of understanding ethical leadership. Developed a 10 item Ethical Leadership Scale that can be used to measure ethical leadership.

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
					from financial services firm, to management and doctoral student	
21.	<i>Organizational Dynamics</i> (2005), Vol. 34, No. 4, pp. 313–330	Weaver Gary R., Trevino Linda K. and Agle Bradley,	Somebody I Look Up To: Ethical Role Models in Organizations	Social Learning Theory	20 interviews representing large and small organizations spanning different industry. Participants have encountered ethical leaders in their career	People learn more when they observe the behaviour of others thus modelling gives ample opportunity to transmit values and ethical behaviours. Using examples from the interviews, identifies and describes four categories of attitudes and behaviours of role models as interpersonal behaviours, ethical action and expectation of self, fairness to others and articulating ethical standards as appropriate contextual factors needed to identify ethical role models in organizations.
22.	<i>The Leadership Quarterly</i> 17, pp. 595–616	Brown Michael E. and Trevino Linda K (2006),	Ethical leadership: A review and future directions	Social Learning Theory	Literature review of constructs that reflect on the moral dimension of leadership	The prevalence of ethical scandals necessitates incorporating ethical leadership in leadership discourse. Discusses and reveals similarities and differences of ethical leadership in context of transformational, authentic and spiritual theories of leadership as all reflect a dimension of ethical leadership. Reflections of 16 propositions of individual and situational influences and outcomes of ethical leadership.
23.	<i>Journal of Management Development</i> , 25(1), 1013-1017.	Dench, S. (2006)	How personal can ethics get?		True life story of a whistleblower	Discusses in practical terms a workplace dilemma an employee faced when confronted with unethical behaviour of her boss. Reflects on the side bets the employee had that could influence her decision to whistleblow on her boss.
24.	<i>Human Relations</i> (2006) 59(12), 1659-1680.	Holt, R.	Principals and practice: Rhetoric and the moral character of managers	Theory of rhetoric	Explores positions on management and morality of Aristotle,	Proposes that morality and management should not be separated, as the development of moral character is integral to good managerial practice. Moral character is a successful development of phronesis,



No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
					Macintyre and Friedman	which is thoughtfulness towards the relevance, and limits of value convictions of organizations.
25.	<i>Organizational Dynamics</i> (2007) Vol. 36, No. 2, pp. 140–155	Brown Michael E.	Misconceptions of Ethical Leadership: How to Avoid Potential Pitfalls	Social Learning Theory	Uses real-life examples to highlight misconceptions of ethical leadership	Five major misconceptions that reflects with examples from unethical leadership in organizations. These include ethical leaders' perception by others, employees' need for ethical guidance through modelling, focusing employees on ethics vs obeying the law, compatibility of ethics and effectiveness and relevance of leadership actions in their personal lives.
26.	<i>Journal of Agricultural and Environmental Ethics</i> (2008) 21(3), 249-273.	Korthals, M.	Ethical rooms for manoeuvre and their prospects vis-a-vis the current ethical food policies in Europe	Ethical Room for Manoeuvre (ERM) Model	Proposes Ethical Room for Manoeuvre model.	Identifies three types of consumer concern, substantive, reliability of information and procedural concerns where consumers have feelings of alienation. Though traditional approaches can be helpful, new ethically desirable initiatives emerge when ethical standards are not considered fixed but flexible to accommodate the different weights, ethical orientation, viewpoints and ways of balancing preferred values that reflect the plurality of consumers.
27.	<i>European Business Review</i> (2008), 20(3), pp. 260-274.	Svensson, G. and Wood, G.	International standards of business conduct: Framework and illustration		Inductive case study of ethical artefacts	Describes a framework of standards of business conduct artefacts, and its application to a typology of these standards. Timing content and context encompasses the principal dimension of framework that reflects its dynamic nature.
28.	<i>Leadership Quarterly</i> (2008) 19(1), 117-131.	Waldman, D. A. and Siegel, D.	Defining the socially responsible leader		Two authors in four letters argue about their perspective of leadership responsibility	Integrates strategic leadership and socially responsible organization. Leadership plays an important role in formulating and implementing socially responsible initiatives and determines the extent to which they exist in the organization. However ongoing

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
					towards socially responsible organization	debates reflect on what the appropriate drivers of socially responsible decisions and actions are. Engaging in responsible action only when profit is maximized is not the right course of action, but rather expressing social responsibilities internally and externally to stakeholders could prove more profitable in the long run.
29.	<i>Journal of Business Ethics</i> (2009), 84:373–385.	Halter Maria Virginia, Coutinho de Arruda Maria Cecilia and Halter Ralph Bruno	Transparency to Reduce Corruption? Dropping Hints for Private Organizations in Brazil		Case study of multinational organization in Brazil with approximately 40,000 employees	Uses Brazil as a context for viewing corruption and transparency in organizations operating in developing countries and shows that preventive measures can be put in place to reduce corruption. Change of ethical standards in some organizations can reduce corruption. However, communication, management examples, and company's ethical culture when in existence with compliance of company's code of ethics, all increase stakeholder perception of ethical standards in the organization.
30.	<i>Journal of Business Ethics</i> (2009) 86, 485-506.	Svensson, G., Wood, G., Singh, J., Carasco, E., & Callaghan, M.	Ethical Structures and Processes of Corporations Operating in Australia, Canada, and Sweden: A longitudinal and cross-cultural study	Partnership model of corporate ethics	Combines longitudinal and comparative approach to study top companies in Australia, Canada and Sweden over two time periods (2001-2002 and 2005-2006)	Studies how organizations in different countries utilize ethical structures and processes. Differences in each culture influence their approach to business ethics, which is congruent with their national cultural values. Proposes a framework that may regulate and support staff in the use of corporate code of ethics. Two levels frame the codes of ethics: regulation focuses on consequences for breach of corporate code of ethics, conducting ethical audits, and ethical performance appraisal of staff; and staff support focuses on support to whistleblowers, guidance in strategic planning, presence of ethics ombudsman,

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
						ethics committee, ethics training committee and staff training.
31.	<i>Journal of Business Ethics</i> (2009), 90, 533–547.	Toor, S.R. and Ofori G.	Ethical Leadership: Examining the Relationships with Full Range Leadership Model, Employee Outcomes and Organizational Culture		Empirical investigation of 62 raters from construction related organization in Singapore	Ethical leadership plays a facilitating role in the relationship between employee outcomes and organizational culture. It is positively related to transformational culture of organization, contingent reward dimension of transactional leadership, leader effectiveness, employee willingness to put in extra effort, and employee satisfaction with the leader.
32.	<i>Journal of Business Ethics</i> (2010) 93:9–14	Poff Deborah C.	Ethical Leadership and Global Citizenship: Considerations for a Just and Sustainable Future		Pragmatic discussion incorporating ethical leadership discourse in leadership education and social distributive justice	Ethical leadership is both internally driven in a person who focuses on integrity and excellence as part of their core values and externally driven by others who wish to be treated fairly and just. Virtuous nature includes competence or effectiveness with values such as honesty, trustworthiness, integrity and commitment.
33.	<i>Journal of International Trade Law and Policy</i> (2010), 9(3), 236-255.	Tran, B.	International business ethics		Uses an archival literature review to analyse the challenges to achieve international corporate ethics	Proposes a stakeholder participation in creating international corporate culture that embraces whistleblowing and supports employees who report wrongdoing. Where unethical behaviours occur, organizations should learn from it in order to avoid repeating it.
34.	<i>Journal of Business Ethics</i> (2010) 96(2), pp. 187-206.	Verhezen, P.	Giving voice in a culture of silence: From a culture of compliance to a culture of integrity		Dialectic dialogue on building a culture of integrity	Discusses the importance of management to move beyond a compliance-oriented organizational culture towards a culture based on integrity. Organizations that deal in narratives of ethical ideals reflect integrity-based management strategy that inspires

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
						moral excellence as compared to being only compliant to the law. Government mechanisms, formal internal regulations that emphasize compliance, and informal mechanisms based on relationship building achieve moral excellence. Moving beyond compliance-oriented to integrity oriented requires management to overcome moral silence.
35.	<i>Strategy and Leadership</i> (2011) 39(4), 4-11.	Allio, R.J.	Reinventing management purpose: The radical and virtuous alternatives'		Narrative on creating organizations that focus on social responsibility	Reflects on organization's need to move from practices of capitalism and profit maximization for stakeholders, to social responsibility and inclusiveness of internal and external shareholders. This requires articulating new purpose by modifying shareholders' value system by creating shared value, becoming socially responsible and adopting radical management practices. Organizations that create shared values with all shareholders indulge in strategic long-term thinking that increases employees' pride in their work as it lends meaning and value. This helps balance external goals of sales, financial returns to investors and corporate citizenship with internal goals of achieving virtuous behaviour and excellence in practice.
36.	<i>Academy of Management Annals</i> (2011), 5, pp. 53-87	Coghlan, D.	Action research: exploring perspectives on a philosophy of practical knowing	Organizational Development and Action Research	Presents and explores action research in terms of its historical foundations and development, its tradition in organization development, its	Defines action research as emergent inquiry process that operates in the people-in-systems domain, with an unfolding story reflected in real organizational issues where it is not possible to control or predict outcomes. Action research emphasis on collaborative inquiry inaction and cogenerated actionable knowledge.

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
					philosophical underpinnings, and its contemporary positioning in relation to traditional management and organizational science, and identifies quality and ethics as pertinent issues.	
37.	<i>Business Ethics Quarterly</i> (2011), 21 (4), pp. 555-578.	Hannah Sean T., Avolio Bruce J., and Walumbwa Fred O.	Relationships between Authentic Leadership, Moral Courage, and Ethical and Pro-Social Behaviours!	Social cognitive theory	Empirical study of soldiers attending a training program at a major US Army school for four months	When faced with pressures and temptations, employees possess levels of moral courage to promote their ethical action which is why two people in the same position might make different decisions. Authentic leadership is positively related to followers' displays of moral courage while followers' moral courage facilitated the effects of authentic leadership on followers' ethical and pro-social behaviours.
38.	<i>Journal of Business Ethics</i> (2011) 98:513–530	Kaptein Muel	From Inaction to External Whistleblowing: The Influence of the Ethical Culture of Organizations on Employee Responses to Observed Wrongdoing	Virtue based theory/ Corporate Ethical Virtues Model	Sampled 5065 working population in the US from 15 industries	Examines the influence of organizational ethical culture on employee responses to observed wrongdoing. Empirically assesses the relationship between five types of responses and eight dimensions of ethical culture. Several dimensions of ethical culture are negatively related to intended inaction and external whistleblowing and positively related to intended confrontation, reporting to management and calling an ethics hotline.
39.	<i>Journal of International</i>	Starr-Glass, D.	'Between stereotype and	Action Research	Survey of 23 cross-cultural	Importance of getting beyond the convenience and limitations of sophisticated

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
	Education in Business (2011) 4(2), 112-124.		authenticity: Using action research in a cross-cultural management course		students from an international of an accredited American College	stereotypes by exposing students to learn about cross-cultural situations experientially using action research models as a pedagogic dynamic.
40.	<i>Journal of Leadership, Accountability and Ethics</i> (2011) vol. 8(3) pp. 11-21.	Vance Neil R. and Harris Ashley S.	Ethics as Management Principles'	Structural theory	Narrative exploring agency theory vs structural theory through examples	Though Individuals' actions alone facilitate white-collar crimes (Agency Theory), other organizational behaviour categories like Organizational Culture, Membership, Structure and Leadership facilitates white-collar crimes more (Structural Agency).
41.	<i>Humanomics</i> (2011) 27(3), 212-224	Warren, R.C.	Are we making progress in international business ethics?	Social contract theory	Qualitative analysis of international business ethics	Summarizes the progress made in international business ethics, problems faced by developers of moral theory in cross-cultural management systems, the search for a cross-national code of ethics that could help to establish norms of conduct to deal with these issues and how CSR in multinationals improves international business practice. Establishing a code of ethics, ethics training and ethics offices positively affect employee behaviour and perception.
42.	<i>Journal of Business Ethics</i> (2012) 107, pp. 5-19	Unal Ali F., Warren Danielle E., Chen Chao C.	The Normative Foundations of Unethical Supervision in Organizations'	Deontology, teleology and virtue ethics as theories commonly applied to ethical dilemmas	Data analysis entailing coding constructs and scale items associated with unethical supervision	Focuses on the dark side of supervisory behaviour. Defines unethical supervision from a normative perspective through analysis of constructs associated with unethical behaviour. Such constructs as rights, utilitarianism, justice and virtue underpin the definition of unethical supervision and not all constructs are well researched.

No.	Journal and date	Authors	Title	Theoretical Lens	Research Methodology	Main Contributions
43.	<i>Journal of Business Ethics</i> (2013) 113, pp. 39–49.	Auster Ellen R. and Freeman R. Edward	Values and Poetic Organizations: Beyond Value Fit Toward Values Through Conversation		Explores relationship between individual values (poetic self), organizational values (poetic organizations), leadership and authenticity	Individual poetic self-defines the enriched notion of self as an ongoing creative project, striving to live authentically and, thus, by extension the embeddedness of poetic self within an organization. Poetic organization creates an opportunity for ongoing conversations about who we are and how we interconnect. These discussions can go from value fit where values are merely stated to authenticity where values are created through conversations and process.
44.	<i>Journal of Business Ethics</i> (2014), 120, pp. 95–108.	Ruiz-Palomino Pablo and Martinez-Canas Ricardo	Ethical Culture, Ethical Intent, and Organizational Citizenship Behaviour: The Moderating and Mediating Role of Person-Organization Fit	Social Exchange theory and Social Learning theory	Sample of 525 employees from the financial industry in Spain	Multidimensional measure of ethical culture relationships to person-organizational fit, ethical intent and organizational citizenship behaviour. Ethical culture is strongly related to ethical intent and organizational citizenship and person-organizational fit significantly affects ethical culture.
45.	<i>Organization Development Journal</i> (2014) Vol. 32 Issue 3, pp. 89-109.	Thanetsunthorn Namporn	Ethical Organization: The Effects of National Culture on CSR		Empirical study of 2,129 corporations located within four Asian regions	Ethical organizations are the future of organization development and achieving this status requires promoting the ethical dimension. Cultural difference is a critical challenge for organizational development in an international context, and management should be aware of these different cultural values and intercultural sensitivity.

## *Appendix 5: Email Sent to Prospective Participants*

### **Email Sent to Prospective Participants**

Dear [REDACTED],

#### Invitation to Participate in Ethical Leadership Research at Your Organization

Following the announcement at the leadership meeting on November 21<sup>st</sup> 2014, I am honored to invite you to participate in an action research study.

**Title of Study:** The Process and Challenges of Ethical Leadership Development Towards Achieving Positive Organizational Ethical Culture in Nigeria.

Before you decide whether to participate, it is important for you to understand why the research is being done and what it will involve.

Please take time to read the attached information carefully and feel free to ask me (Oluchi Oti) if you would like more information or if there is anything that you do not understand. Please also feel free to discuss this with your friends, relatives and colleagues if you wish.

Following your acceptance to participate, I will be sending you an informed consent form.

I would like to stress that you do not have to accept this invitation and should only agree to take part if you want to.

Thank you for reading this.

Best Regards

Oluchi Oti

[REDACTED]

[oluchioti@yahoo.com](mailto:oluchioti@yahoo.com)

**Attached: Participant Information Sheet**



Appendix 6: Analytical Components

Components	Themes	Questions
Stimulus of Ethical Practice	Theme 2- Knowledge of organizational ethical codes Theme 3- Participants' relationships to ERM Theme 4- characteristics and behaviours of ERM Theme 5- Identification of ERM Theme 7- Whistleblowing policy in the organization	<p><b>Theme 2- Knowledge of organizational ethical codes</b></p> <ul style="list-style-type: none"> <li>• What do you know about the ethical codes in your organization?</li> <li>• Do you think employees are aware of the codes and implement them?</li> </ul> <p><b>Theme 3- Participants' relationships to ERM</b></p> <ul style="list-style-type: none"> <li>• Have you had any ethical role models during your career?</li> <li>• When and what made you think they were role models?</li> <li>• How did you pick the role model?</li> <li>• Can you give a specific situation where they displayed exemplary ethical behaviour?</li> <li>• Have you faced similar situations and applied this knowledge?</li> </ul> <p><b>Theme 4- characteristics and behaviours of ERM</b></p> <ul style="list-style-type: none"> <li>• What characteristics do you believe role models should display?</li> <li>• How did others view these role models?</li> <li>• Are there any specific situations where others employees view of the ethical role model contradicts yours?</li> </ul> <p><b>Theme 5- Identification of ERM</b></p> <ul style="list-style-type: none"> <li>• Can you be considered an ethical role model for others?</li> <li>• Why do you think so?</li> </ul>
Impediments of Ethical Practice	Theme 6- Challenges of ethical behaviour Theme 7- Whistleblowing policy in the organization	<p><b>Theme 6- Challenges of ethical behaviour</b></p> <ul style="list-style-type: none"> <li>• What challenges do you face in exemplifying ethical behaviour in this organization?</li> <li>• Give a situation where you witnessed unethical behaviour?</li> <li>• What did you do?</li> <li>• How did this affect your work and how you deal with similar situations?</li> </ul>

Components	Themes	Questions
		<p><b>Theme 7- Whistleblowing policy in the organization</b></p> <ul style="list-style-type: none"> <li>• What do you know about the whistleblowing policy in this organization?</li> <li>• Do you have anything else to add concerning ethics in your organization?</li> </ul>
Organizational climate and culture	<p>Theme 3- Participants' relationships to ERM</p> <p>Theme 4- characteristics and behaviours of ERM</p>	<p><b>Theme 3- Participants' relationships to ERM</b></p> <ul style="list-style-type: none"> <li>• Have you had any ethical role models during your career?</li> <li>• When and what made you think they were role models?</li> <li>• How did you pick the role model?</li> <li>• Can you give a specific situation where they displayed exemplary ethical behaviour?</li> </ul> <p><b>Theme 4- characteristics and behaviours of ERM</b></p> <ul style="list-style-type: none"> <li>• What characteristics do you believe role models should display?</li> <li>• How did others view these role models?</li> <li>• Are there any specific situations where others employees view of the ethical role model contradicts yours?</li> <li>• Have you faced similar situations and applied this knowledge?</li> </ul>
Ethics Team	<p>Theme 3- Identification of ERMs</p> <p>Theme 7- Whistleblowing policy in the organization</p>	<p><b>Theme 3- Participants' relationships to ERM</b></p> <ul style="list-style-type: none"> <li>• Have you had any ethical role models during your career?</li> <li>• When and what made you think they were role models?</li> <li>• How did you pick the role model?</li> <li>• Can you give a specific situation where they displayed exemplary ethical behaviour?</li> <li>• Have you faced similar situations and applied this knowledge?</li> </ul> <p><b>Theme 7- Whistleblowing policy in the organization</b></p> <ul style="list-style-type: none"> <li>• What do you know about the whistleblowing policy in this organization?</li> <li>• Do you have anything else to add concerning ethics in your organization?</li> </ul>

## Appendix 7: Semi-Structured Interview Questions

**Title of Study:** The process and challenges of Ethical Leadership Development towards achieving positive organizational ethical culture in Nigeria.

Semi-structured open-ended interview questions for 40 interviews. Will start with covering basic demographic/ general information,

### **Theme 1- Demographics roles and responsibilities**

1. What is your age?
2. How long have you been working in this organization?
3. What is your position in the organization?
4. How many people do you supervise?
5. How many people supervise you?

### **Theme 2- Knowledge of organization ethical codes**

6. What do you know about the ethical codes in your organization?
7. Do you think employees are aware of the codes and implement them?

### **Theme 3- Participants' relationships to ERM**

8. Have you had any ethical role models during your career?
9. When and what made you think they were role models?
10. How did you pick the role model?
11. Can you give a specific situation where they displayed exemplary ethical behavior?
12. Have you faced similar situations and applied this knowledge?

### **Theme 4- characteristics and behaviors of ERM.**

13. What characteristics do you believe role models should display?
14. How did others view these role models?
15. Are there any specific situations where others employees view of the ethical role model contradicts yours?

### **Theme 5- Identification of ERM.**

**Title of Study:** The process and challenges of Ethical Leadership Development towards achieving positive organizational ethical culture in Nigeria.

Semi-structured open-ended interview questions for 40 interviews. Will start with covering basic demographic/ general information,

**Theme 1- Demographics roles and responsibilities**

1. What is your age?
2. How long have you been working in this organization?
3. What is your position in the organization?
4. How many people do you supervise?
5. How many people supervise you?

**Theme 2- Knowledge of organization ethical codes**

6. What do you know about the ethical codes in your organization?
7. Do you think employees are aware of the codes and implement them?

**Theme 3- Participants' relationships to ERM**

8. Have you had any ethical role models during your career?
9. When and what made you think they were role models?
10. How did you pick the role model?
11. Can you give a specific situation where they displayed exemplary ethical behavior?
12. Have you faced similar situations and applied this knowledge?

**Theme 4- characteristics and behaviors of ERM.**

13. What characteristics do you believe role models should display?
14. How did others view these role models?
15. Are there any specific situations where others employees view of the ethical role model contradicts yours?

**Theme 5- Identification of ERM.**

Semi-structured open ended interview questions for 40 participants

16. Can you be considered an ethical role model for others?

17. Why do you think so?

**Theme 6- Challenges of ethical behavior.**

18. What challenges do you face in exemplifying ethical behavior in this organization?

19. Give a situation where you witnessed unethical behavior?

20. What did you do?

21. How did this affect your work and how you deal with similar situations?

**Theme 7- Whistleblowing policy in the organization**

22. What do you know about the whistleblowing policy in this organization?

23. Do you have anything else to add concerning ethics in your organization?

Researcher explains that all participants are promised anonymity, names will not be used, any other personal identifiers will not be used during coding but might be needed to understand roles and hierarchy.

Participants might be required to expand more on their answers. Thank you for your time.

*Appendix 8: Demographics, ERMS and Witnessed Unethical Supervisory Behaviour*

<b>Participants</b>	<b>ERM - I am one</b>	<b>ERMs - personal to date</b>	<b>ERMs exist in organization</b>	<b>Witnessed unethical supervisory behaviour</b>
P1	Yes	0	Yes - many	Not Applicable
P2	Yes	0	No	Yes
P3	Maybe	1	Yes	Yes
P4	Yes	1	Yes	Yes
P5	Yes	Yes - nmbr not specified	Yes	No
P6	Yes	1	Yes	Yes
P7	Maybe	1	Yes	Yes
P8	Yes	1	Yes - a few	No
P9	Yes	0	Yes - many	No
P10	Yes	1	No	Yes
P11	Yes	1	Yes	No
P12	Yes	Yes but outside this organization	No	No
P13	Yes	Yes - nmbr not specified	Yes	No
P14	Yes	Yes - nmbr not specified	Yes - a few	Yes
P15	Not sure	0	No	Yes
P16	Yes	Yes but outside this organization	Maybe-unsure	Yes
P17	Not sure	1	Yes	Yes
P18	Maybe	2	Yes	Yes
P19	No	1	Yes	Yes
P20	Yes	2	Yes	Yes
P21	Yes	1	Yes	Yes
P22	Yes	Yes but outside this organization	No	Yes
P23	Yes	0	No	Yes
P24	Yes	1	Yes	Yes
P25	Not sure	Yes - nmbr not specified	Yes	Yes
P26	Yes	Yes but outside this organization	Not Answered	Yes
P27	Not sure	0	No	Yes
P28	Yes	1	Yes	Yes
P29	Yes	1	Yes	Yes

<b>Participants</b>	<b>ERM - I am one</b>	<b>ERMs - personal to date</b>	<b>ERMs exist in organization</b>	<b>Witnessed unethical supervisory behaviour</b>
P30	Yes	Yes but outside this organization	No	No
P36	Maybe	1	Yes	No
P37	Yes	1	Yes	Yes
P38	Yes	0	No	Yes
P39	Yes	1	No	Yes
P40	Yes	1	No	Yes

Appendix 9: Cross Reference of Participants' Responses on Ethical Challenges

Challenges of Ethical Leadership – General	Number of Sources	Number of References	Sample Excerpt
<b>External challenges</b>		<b>14</b>	
Competition as ethics challenge	4	8	"You know if competition is doing something and deploying services and goods faster you come under pressure to deliver by hook or by crook."
Consumers and Suppliers	19	26	"We often have to transact with organizations outside our own, especially suppliers and government agencies. They make things difficult sometimes with their demands. You see, even if the organization has ethical standards, these people might not have one or if they do, they do not adhere to it. So, they often put employees in precarious situations, you know."
Government as an ethics challenge	5	6	"I gave an example with public servants because we have to deal with them a lot in my unit. Your file will mysteriously disappear and you will keep bringing updated documents—printing, refiling—but as soon as you become "nice" it never gets missing again."
<b>Internal challenges</b>	<b>16</b>	<b>23</b>	
Lack of education, communication, dialogue	14	17	"We do need regular training on ethics especially in practical situations. We all think we know what is right or wrong but we when faced with some situations we do the wrong thing. We' need training."
Organizational silence	16	22	"All this informal reporting doesn't get anywhere but people are too afraid to speak up here."
Risk of ethical lapse	1	1	
Downward ethical lapses	1	1	
Horizontal ethical lapses	7	8	"A lot of colleagues do not treat each other fairly in the pursuit of a sales target."
Organization ethical environment	12	18	"We have to do events and we sponsor events, so we have to approve the events we sponsor. That's the grey area — dealing with contractors, suppliers and internal employees on what event we want to sponsor; paying sponsorship fees; and who gets kickback for them. These are the grey areas."
Personal ethical lapses	2	2	"I was young and following the crowd. I know better now that it was fraudulent. Actually, I knew then too but I went with the flow."
Upward ethical lapses	15	21	"Then our leaders do not follow the rules. It's shameful but they are the worst! And the way they behave is teaching us how to behave, you understand?"
Weak P&P	6	7	"Who do I report that to on that note? HR and management would have given him permission to do this, too."



Practice does not follow established P&Ps	9	13	"The things you see and hear lets you know that we are not doing as the codes say. There are things in the code about fraud, treating each other with respect and fairness, cheating behaving in a bad way. If they are aware of it and are implementing it, why are unethical behaviours like these still going on? I don't think they are really aware, or maybe the ethical codes are not enforced as they should be."
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*Appendix 10: Recommendations for Action Drawn from Discussion*

1. Meet the need of an ethics ombudsman and separate ethics office;
2. Re-establish ethical codes through training and communication to both internal and external stakeholders;
3. Review whistleblowing policy to reflect the protection of whistleblowers and ensure the consequences of unethical behaviour are upheld;
4. Institute regular ethics audits;
5. Incorporate Role Model Ambassador program to help recognize and promote ethical role models and ethical leadership development.
6. Continue to keep ethics as the centre of organization discourse by sharing employees' personal stories of growth and change;
7. Review internal processes that encourage unethical behaviour, e.g. internal competition;
8. Create strategies, policies and procedures that stem from the concept of organizational ethical culture;
9. Mitigate the risk of ethical lapse by ensuring person -organizational fit at the staff selection process;
10. Encourage leaders to act as ethical role models through mentoring. Also, remove those from leadership who flagrantly act unethically or pressure colleagues and subordinates to act unethically.

*Appendix 11: From Recommendations Towards an Action Plan*

<b>List of Recommendations from Interview Data</b>	<b>Focus Group Recommendations—Towards an Action Plan</b>
Meet the need of an ethics ombudsman and separate ethics office	Actions highlighted in the recommendations should be rolled out over time. First, starting with a separate ethics office, appointing an ethics ombudsman and ethics officers who will then implement the rest of the recommendations.
Re-establish ethical codes through training and communication to both internal and external stakeholders	There should be viable and holistic ethical codes before training can commence.
Review whistleblowing policy to reflect the protection of whistleblowers and ensure the consequences of unethical behaviour are upheld	The ethical codes should include a robust whistleblowing policy that includes protection of whistleblowers, and different methods of reporting, e.g. anonymously through phones, email or in person. Action should be taken on against those found guilty of unethical behaviour to encourage people to keep reporting incidences they witness. Those that assist in perpetuating wrongdoing also need to be made accountable for their decisions and actions.
Institute regular ethics audits	Focus Group Teams acknowledged the need for ethics audits though no specific action plan was recommended. They highlighted the need for audit reports to be communicated.
Incorporate RMA program to help recognize and promote ethical role models and ethical leadership development	Ensure the RMA program is conducted using an open selection criteria process that involves all employees. Participants suggest

List of Recommendations from Interview Data	Focus Group Recommendations—Towards an Action Plan
	calling for nominees to all employees to nominate ethical role models they know with questions that will highlight the nominee's characteristics.
Continue to keep ethics as the centre of organization discourse by sharing employees' personal stories of growth and change	All recommendations for action and all action taken should be communicated to employees as part of the training and communication process. So, so that employees will continue to discuss ethical shortcomings and how best to address them.
Review internal processes that encourage unethical behaviour, e.g. internal competition	Internal processes should be reviewed to ensure that ethical standards are upheld. Focus Group Members concluded that making teamwork part of the criteria for success could encourage more team efforts and less isolation.
Create strategies, policies and procedures and stem from the concept of organizational ethical culture	Top management and visible leaders must align their behaviour to the highest ethical standards to promote a stronger ethical culture in the organization.
Mitigate the risk of ethical lapse by ensuring person -organizational fit at the staff selection process	
Encourage leaders to act as ethical role models through mentoring. Also, remove those from leadership who flagrantly act unethically or pressure colleagues and subordinates to act unethically	

Appendix 12: From Theory Towards Practice - Insights from Interviews and Focus Groups

Concept	Elements	Literature Sources	This study
1. Stimulus of ethical practice through artefacts	Code of ethics (CoE)	Wood, 2002; Gick 2003; Svensson and Wood, 2008; Warren, 2011; Freeman, 2018	<p><b>Interviews:</b> CoE exists but not effective; weak formal structures; exists but not enforced; training and communication needed</p> <p><b>Focus groups:</b> Essential but difficult to implement. Need for Ethics Office to revamp codes</p>
	Whistleblowing policy	Nielsen, 1989; Dench, 2006; Kaptein, 2011	<p><b>Interviews:</b> Review policy; Consequences not enforced. Need to protect whistleblowers.</p> <p><b>Focus Groups:</b> Re-establish and protect whistleblowers only after appointment of chief ethics officer. Current ethical codes need to be revamped to add a whistleblowing policy that protects whistleblowers before any training can commence.</p>
	Ethics auditing	Wood, 2002; Garcia-Marza, 2005	<p><b>Interviews:</b> Not in existence, should establish.</p> <p><b>Focus Groups:</b> Participants seem to believe that would come as part of the duties the ethics office will perform</p>
	Communication, training and dialogue	Fulmer, 2004; Verhezen, 2010; Vance & Harris, 2011	<p><b>Interviews:</b> No clear communication of codes and dialogue on action to avoid unethical behaviour. Share stories of growth and change as a teachable moment for employees.</p> <p><b>Focus Groups:</b> Sharing personal stories of growth and change was <i>good on paper</i>, more concerned about the</p>

Concept	Elements	Literature Sources	This study
			legal implication of these <i>confessions</i> . Speaks to fear of punishment for doing the right thing. Employees must feel protected before this action can take place.
	Person-organization fit	Ruiz-Palomino, and Martinez-Canas, 2014	<p><b>Interviews:</b> Nepotism and favouritism in hiring process Review internal processes that encourage unethical behaviour.</p> <p><b>Focus Groups:</b> Hiring process is often manipulated. Did not feel positive about mitigating the risk of manipulations, especially as they felt the pressure came mostly from top management. Must reinforce consequences of unethical behaviour for those in leadership positions</p>
2. <b>Impediments to ethical practice</b>	Government	Perdomo, 1990; Abimbola and Abimbola, 2011; Transparency International, 2018	<p><b>Interviews:</b> Corruption as a deterrent to ethical behaviour. Might be impossible to stop</p> <p><b>Focus Groups:</b> More concern for internal re-establishment of codes than external stakeholders. Can be done with an ethics leader and office established first</p>
<i>External</i>	Consumers and suppliers  Competition	Erondu <i>et al.</i> , 2004; Hemphill, 2004	<p><b>Interviews:</b> No ethical breach mentioned as a result of consumers. Dealing with Contractors and Suppliers cited as a challenge. External competition activities lead to unethical dilemmas like bribing external stakeholders to get ahead. Mitigate risk of ethical lapse through person -organization fit. Communication to external stakeholders.</p> <p><b>Focus Groups:</b> Must reinforce consequences of unethical behaviour for those in leadership positions;</p>

Concept	Elements	Literature Sources	This study
Internal			Review internal processes that encourage unethical behaviour
	Organizational silence	Verhezen, 2010; Bisel and Arterburn, 2012; Knoll and van Dick, 2013; Pope, 2015	<p><b>Interviews:</b> Speaking out gets you labelled a rat so you keep quiet. No protection for whistleblowers. Informal communication channels, i.e., rumours and gossip. Enforce whistleblowing policy. Share stories of growth and change. Create a safe place for employee to discuss, report ethical behaviour. Reinforce policies and procedures.</p> <p><b>Focus Groups:</b> Sharing personal stories of growth and change was <i>good on paper</i>, more concerned about the legal implication of these <i>confessions</i>. Speaks to fear of punishment for doing the right thing. Employees must feel protected before this action can take place. Can be done with an ethics leader and office established first.</p>
	Shareholders and employee morale compass	Pettit <i>et al.</i> , 1990; Fraedrich, 1992	<p><b>Interviews:</b> Gap in what participants say vs. what they do. Mitigate risk of ethical lapse through person - organization fit. Communication training and dialogue with internal stakeholders. Share stories of growth and change as a teachable moment for employees. Ensure protection of whistleblower.</p> <p><b>Focus Groups:</b> Must reinforce consequences of unethical behaviour for those in leadership positions; Review internal processes that encourage unethical behaviour; Employees must feel protected before personal stories of growth and change can be shared. Can be done with an ethics leader and office established first</p>

Concept	Elements	Literature Sources	This study
<i>Internal cont.</i>	Weak policies and procedures	Sims, 2000; Brown <i>et al.</i> , 2005; Poof, 2010	<p><b>Interviews:</b> View unethical behaviour is as a result of existing weak policies and procedures. Review to co-create and strengthen. Train and communicate.</p> <p><b>Focus Groups:</b> Review internal processes that encourage unethical behaviour; Need to establish ethics office to review policies</p>
	Risk of ethical lapse	Young, 2015	<p><b>Interviews:</b> Downward, upward, horizontal and personal ethical pressures identified. More downward ethical pressure from unethical leaders than others. Leaders act as ethical role models through mentoring. Reinforce consequences of unethical behaviour. Communication training and dialogue.</p> <p><b>Focus Group:</b> Must reinforce consequences of unethical behaviour for those in leadership positions; Review internal processes that encourage unethical behaviour; Employees must feel protected.</p>
	Internal competition	Not highlighted in literature. Competition was external facing in the literature review.	<p><b>Interviews:</b> Internal competition identified as a challenge not highlighted in conceptual framework.</p> <p><b>Focus Groups:</b> Review internal process that encourage unethical behaviour.</p>
	Ethical leadership behaviour	Brown and Trevino, 2006	<p><b>Interviews:</b> Overall psychological perception of ethical environment is negative. Incorporate recommendations for action to bring to a more positive climate and culture.</p> <p>Incorporate recommendations for action to bring to a more positive climate and culture.</p>



Concept	Elements	Literature Sources	This study
			<p><b>Focus Groups:</b> Incorporate recommendations for action to bring to a more positive climate and culture. Need to establish the ethics office and hire the chief ethics office who has accountability and whose mandate is to ensure a more positive ethical climate and culture</p>
3. <b>Organizational ethical climate and culture</b>	Ethical climate	Victor and Cullen, 1988; Cullen, Parboteeah and Victor, 2003; Brown and Trevino, 2006; Kul, 2017	<p><b>Interviews:</b> Overall psychological perception of ethical environment is negative. Incorporate recommendations for action to bring to a more positive climate and culture.</p>
	Ethical culture	Spencer-Oatey, 2008; Abimbola and Abimbola, 2011; Heathfield, 2019	<p>Incorporate recommendations for action to bring to a more positive climate and culture.</p> <p><b>Focus Groups:</b> Incorporate recommendations for action to bring to a more positive climate and culture.</p>
	Influences on employee ethical behaviour	Bandura, 1986; Murphy and Enderle, 1995; Trevino <i>et al.</i> , 2000, 2003; Hood, 2003; Dench, 2006; Toor and Ofori 2009; Unal <i>et al.</i> , 2012; Auster and Freeman, 2013; Harinie <i>et al.</i> , 2017	<p>Need to establish the ethics office and hire the chief ethics office who has accountability and whose mandate is to ensure a more positive ethical climate and culture.</p>
	Chief Ethics Officer	Enderle, 1995; Trevino <i>et al.</i> , 1999; Murphy and Wood, 2002; Fulmer, 2004; Svensson <i>et al.</i> , 2009	<p><b>Interviews:</b> None exists currently. Hire one.</p> <p><b>Focus Groups:</b> Arguably the most important aspect to implement first. Need to establish the ethics office and hire the chief ethics office who has accountability and whose mandate is to ensure a more positive ethical climate and culture.</p>

Concept	Elements	Literature Sources	This study
4. Ethics team	Separate ethics office	Wood, 2002; Svensson <i>et al.</i> , 2009	<p><b>Interviews:</b> None exists currently. Create one.</p> <p><b>Focus Groups:</b> After the Chief Ethics Officer is appointed, they would have autonomy to create an ethics office and follow through on the other recommendations.</p>
	Ethical role models	<p><i>Positive role models essential:</i> Auster and Freeman, 2013; Unal <i>et al.</i>, 2012; Harinie <i>et al.</i>, 2017; Toor and Ofori 2009; Brown <i>et al.</i>, 2005 Dench, 2006; Hood, 2003; Trevino <i>et al.</i>, 2000, 2003; Murphy and Enderle, 1995; Bandura, 1986</p> <p><i>Role models visible:</i> Sims, 2000; Gick, 2003; Brown <i>et al.</i>, 2005; Weaver, Trevino and Agle, 2005; Toor and Ofori, 2009; Hannah <i>et al.</i> 2011;</p> <p><i>Role Model Ambassador (RMA) program:</i> New to this study</p>	<p><b>Interviews:</b> Some role models identified within the organization but not formally. Formalise process through RMA program.</p> <p><b>Focus Groups:</b> Visibly excited about the prospects of the RMA program. Suggests that selection criteria should be open and not hijacked by senior management. Questions around who will determine the process? If it's the ethics office, then need to make sure the Chief Ethics Officer has responsibility. RMA should not be paid, being part of the RMA is reward in itself; Chief Ethics Officer should be at the front for this</p>