AN ASSESSMENT ON THE IMPACTS OF EMPLOYEES ETHICAL

CONDUCTS TO ORGANIZATION PERFORMANCE: A CASE OF

DAWASCO

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2013

CERTIFICATION

The undersigned certifies that he read and hereby recommended for acceptance by The Open University of Tanzania this research titled; *"**An Assessment on the Impacts of Employees Ethical Conducts to Organization Performance**"* in partial fulfillment of the requirement for the Degree of Masters of Business Administration of The Open University of Tanzania

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Date

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DECLARATION

I, Ndabahaliye Samson Msanze, do hereby declare to the Senate of Open University of Tanzania that, this Research report paper is my own original work where cited and that has never been submitted for a similar higher degree award in any other University.

…………………………………

Signature

……………………………..

Date

DEDICATION

This work is dedicated to my wife (Neema), son (Deomansy) and daughter (Success)

whose support and encouragement enabled me to accomplish this level of education.

May the Almighty God bless them forever and ever, Amen!

ABSTRACT

This study is intended to assess the impacts of employees ethical conducts to organization performance. For quite some time now, public organizations have been viewed as a liability to the tax payers rather than an asset. This is because of low productivity, erosion of work ethics, indiscipline, blatant violation of rules, regulations and procedures, weak control and corruption have been observed as common features in their services rendering activities. Statistically DAWASCO has failed to comply with 81% of the set performance targets. Major failures were observed in the areas of water losses, collection efficiency, and water pressure to customers. This unstable performance of public organizations in Tanzania particularly DAWASCO and the increased reports on unethical conducts by respective employees create a question as to whether the two have any related impact on each other. Researcher collected data by using a questionnaire as well as the survey monkey software, also employed semi-structured Interviews, and documentary analysis which were flexible as well as sensitive to the social context. Data were quantitatively analyzed using computer software, Statistical Package for Software System (SPSS) version 16. The study revealed that there was a significant relationship between employees' ethical conducts and organization performance. The relationship was significant in unethical conducts which results into poor performance of the organization. The assessment concludes that, organization performance is interplay of variables and that employee's ethical conduct plays a role in organization performance but is not the major role. On the basis of the findings, it is argued that organizational performance is a function of variables and not only employee's ethical conducts.

ACKNOWLEDGEMENTS

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LIST OF ABBREVIATIONS AND ACRONYMS

DAWASCO - Dar es Salaam Water and Sewage Corporation

HQ - Headquarters

OUT - The Open University of Tanzania

TQM - Total Quality Management

CHAPTER ONE

1.0 INTRODUCTION

1.1   Background of the Problem

Employees' ethical conducts in organizations are not new concepts issues and makes most of the newspaper headlines over and over again. Steinberg (1994) argued that ethics in the world of organisation's business involve "ordinary decency" which encompasses such areas as integrity, honesty and fairness. Behaving in an ethical manner is seen as part of the social responsibility of individuals in any organization so as to ensure its stability and survival, Adenubi (2000).

Geetu (2003) reveals that organization cannot ignore ethics. Indeed for some ethics has been added to their corporate values. But help is needed by organization to integrate ethical practices and competencies, but initially this requires an increased and shared understanding of ethics in organizations. Numerous researchers suggest that organizational ethics is a major influence in ensuring the attainment of organization objectives.

This has influenced the formulation of formal code of ethics which regulate employee's ethical conducts, Peters and Waterman (1982) as cited by Lok (1999). It has been observed that more than 85 percent of organizations have developed and distributed organizational codes of conduct so as to significantly affect ethical conducts of their respective employees, Rossy (2011). Suggestions show that the existence of formal code of ethics will generally ensure the highest standards of

behavior and inhibit unethical conducts amongst organizational members. However, experience shows that these formal codes are often undermined by the adherence to informal codes known as norms which are characterized mainly by isolation and solidarity, Chye (2004).

The increased pressure from stakeholders such as consumers, investors and the community for organizations to behave ethically and in a socially responsible way can no longer be ignored. Today investors' concern on ethical conducts of those who run organizations has greatly increased. Regular disclosures that directors and executives behave unethical reflect badly on the corporate sector as a vehicle for investors' funds, Hian (2004).

Reports of scandals, questionable business and political behavior in many organizations are extremely increasing their frequency. Anand et al. (2004) stipulates organizational Scandals involving multinationals like Enron, WorldCom, Global Crossing, Parmalat and how they height attention to the urgent need for corporate governance, corporate social responsibility and organizational ethics.

However, ethics programs are done to stimulate ethical conducts in organizations and assist employees to act in a morally responsible way, McDonald (1999). Interest in this study has been stimulated first by the magnitude of the widespread criticisms from stakeholders due to unethical conducts and unfriendly behavior of employees in different public organizations which brought the need for behavior change.

1.2   Statement of the Problem

For quite some time now public organizations have been viewed as a liability to the tax payers rather than an asset. This is because of low productivity, erosion of work ethics, indiscipline, blatant violation of rules, regulations and procedures, weak control and corruption have been observed as common features in their services, President's Office (1999). Kleinhempel (2009) argued that Unethical behavior causes massive costs to organization. Several studies have shown that organization with illegal records have not only been forced to pay for investigations and fines but have also suffered significant stock price decline and report, on average, lower profitability rates than their law-abiding counterparts. In fact, many have experienced sharp sales drops, higher equity costs and severe damage to their reputation among customers and other stakeholders.

Taking DAWASCO as a case study, unethical conducts and unstable performance in public organizations are speedily reported to increase recently. According to The Water Utilities Performance Report (2010/11) DAWASCO has failed to comply with 81% of the set performance targets. Major failures were observed in the areas of water losses, collection efficiency, and water pressure to customers. For the targets that are not subjected to financial penalty upon non-compliance, DAWASCO complied by 53% and the major failure was on increasing the number of service hours.

DAWASCO Technical Report (2010) explores how most of illegal and unethical practices which affect the organization operations appear to be performed by

DAWASCO employees themselves. This unstable performance of public organizations in Tanzania particularly DAWASCO and the increased reports on unethical conducts by respective employees create a question as to whether the two have any related impact on each other despite the provision of the necessary facilities, and training on ethical conducts employees has not yet raises awareness of its existence among individuals. Outside its implementers, very little is known about its availability and capabilities even in reputable organizations where it has been set up. Although all the efforts in enhancing ethical behavior has been done very little is known.

This study therefore intends to assess the ethical conducts of employees and its impacts on organization performance.

1.3 General Objectives

The objective of this research was to investigate on the impacts of employees ethical conducts to organization performance.

1.4 Specific Objectives of the Research

In this study, specific objectives were;-

i. To examine the awareness of employees ethical conducts on the organization performance.

ii. To examine employees adherence towards ethical conducts as a parameter of organization performance.

iii. To examine dissemination of skills and knowledge on ethical conducts by the organization.

1.5   Research Hypotheses and Questions

1.5.1   Research Hypotheses

This study used the alternative hypothesis where by the researcher predicted that, there was a significant association between employees' unethical conducts and poor organization performance. The researcher believed that, social disorder stress facilitation and employees risk would have motivated employees to be unethical.

1.5.2   Research Questions

In this study the research questions were;

  i.   Are the employees aware and being able to describe organization ethical behavior?

  ii.   What factors will improve employees ethical conducts to the service delivery?

  iii. How would employees describe ethical conducts application?

1.6   Significant of the Study

This study is vital and useful to the government, private and public organizations in Tanzania to evaluate their organizational performance within the context of their institutions and see how they are affected by employees' ethical conducts. The study also helps organization authorities such as DAWASCO to review their organization performances and trace how they are affected by employees' ethical conducts. However, this study will be another reference to scholars and researcher who intends to explore the same phenomena in more details.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter attempts to bring out other researches which are directly or generally related to the research topic. It describes the conceptual framework, theoretical literature review, empirical review, policy review, research gap and conceptual and theoretical framework of the study.

2.2 Definitions of Key Concepts

Definitions of the important concepts used in the study are;

2.2.1 Ethics

Ethics can be defined as the art and discipline of applying principles and frameworks to analyze and resolve complex moral dilemmas, Rossy (2011).

According to Trevino (2001) ethics are moral principles that explain what is right or wrong, good or bad and what is appropriate or inappropriate in various setting. Candy (2005) defines ethics as the system of rules that govern the ordering of values. Miner (1998) also defines ethics as a philosophy of human conduct; reflecting prevailing values especially those of moral nature.

To sum-up the above definitions, ethics can be defined as standards of morality that guides individuals and organization in following certain norms of conduct when

dealing with each other. Ethics involves some hard features, like duties and rights (most of them legal), that are mandatory for all and soft components, like values, aspirations or best practices that are desirable but not compulsory and can vary from one organization to another.

2.2.2   Organization Performance

This comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). According to Richard (2009) organizational performance encompasses three specific areas of firm outcomes. These include financial performance (profits, return on assets, and return on investment), Product market performance (sales, market share) and Shareholder return (total shareholder return, economic value added). Generally, organization performance involves identifying outcomes that it wants to achieve, creating plans to achieve those outcomes, carrying out those plans, and determining whether the outcomes were achieved.

2.3   Critical Theoretical Literature Review

Three psychosocial theories of human behavior support the notion that external and internal forces in many organizations greatly influence employees to engage themselves in unethical conducts, Baehr et al. (1993).The theories reviewed are: (a) the Employee Risk Triangle Theory, (b) the Stress Facilitation Theory, and (c) the Social Disorder Theory. The relationships of each theory to organization performance and the risk of unethical employee conducts were discussed below.

2.3.1   The Employee Risk Triangle Theory

This model identifies three forces which act on an employee's propensity to engage in unethical conducts.   The three forces are Need, Opportunity, and Attitude. According to Researchers at DePaul University in Chicago, "Employee Risk Triangle Theory has a great contribution in providing a common-sense theory of employee crime and deviance, Terris (1985).

Following the increase of unethical conducts in most of public organizations by employees specifically at DAWASCO as described in the DAWASCO Technical Report (2010), this theory has greatly contribution to this study and provides a framework towards a better understanding on employees ethical conducts in organizations.   However, this theory has focused heavily on the attitudinal components and does not provide as to whether there are other forces apart from these attitudinal forces that may affects employee's ethical conducts in the organization.

2.3.2   The Stress Facilitation Theory

This theory traces on the influence of social stress as a catalyst for employees to engage in unethical conducts in organizations according to Jones (1982). The Stress Facilitation Theory posits that when more dishonest employees experience heightened job stress, their feelings of distress facilitate a multiplicative theft response. Employees who endorse dishonest attitudes toward theft are reliably more likely to steal at work than job candidates and employees who endorse intolerant and punitive attitudes toward theft Travers and Cooper (1996). Moreover, distressed

workers are more likely to engage in on-the-job counter-productivity than less stressed employees. Therefore, organizations that screened their workforces with pre-employment ethics and integrity tests should be more immune from the impact of the stress caused by a tough economy compared to organizations that did not screen their employees for integrity and ethics attitudes. This theory has the relating goals but this phenomenon will be tested in public organizations whereby DAWASCO is the case study.

2.3.3 The Social Disorder Theory

Recent experimental research conducted by researchers from the University of Groningen in the Netherlands supported the concept that "signs of disorder" in a neighborhood can, in a causal fashion, lead to other broken social norms and resultant delinquent behaviors Keizer, and Lindenberg (2008). This theory relate to this study on the facts that it assess the social forces that may affects the ethical conducts of employees as they interact with one another in the course of providing their services.

However, the theory does not provide the resultant of the affected ethical conducts and how they relate to the performance of an organization. This study will critical make an assessment as to how the external and internal social phenomenon can affects ethical conducts of employees and how do they affect organization performance in public organizations whereby DAWASCO is the case study.

2.4   General Discussion

Many organizations in Tanzania operate under ethical behavior whether formally or informally, many of these aspire to comply with externally enforced for ethics but actually endeavor to make ethics as a part of business as usual. More often than not the aim of ethical behavior is to integrate ethics in all aspects of organizational life and decisions by institutionalize ethics. Reputation is lost in seconds, while great efforts, consistency and time are required to build it up again. The message comes across quite clearly, ethical values play significance role for organization. They can account for true competitive advantages, and their absence can threaten organizational growth and impair its survival whether an organization is facing criminal charges or it is just its customers or employees that question its behavior conducts.

Organizations should set ethics programs which are set of activities, policies and procedures intended to support employees to understand and comply with the ethical standards and policies set by the organization. Programs comprise various elements designed to prevent misconduct, defined as "behavior that violates the law organizational ethics standards" Ethics Resource Center, (2008). Companies with strong ethics programs report improvements in ethical conduct, and programs have a positive effect on employee behavior, ethical attitudes and corporate culture Ferrell et al. (1998).

It is likely that each element has certain impact on employees' attitudes and conduct, but the manner and extent of this impact may vary. Proenca (2004) suggested

elements: a code of ethics, an ethics officer an ethics training programme, an ethics audit system, and dedicated ethics telephone hotlines. Ethics programme begins with development of a code of ethical conduct to guide employees on what is viewed as ethical behavior. Schwartz (2004) found that ethics codes influence behavior. The second element is ethics training, to help employees understand the ethical goals and values of the organization, increase their ability to deal with ethical issues Proenca, (2004), and encourage ethical behavior. The third element is implementation of mechanisms to provide ethics information frequently through appointment of an ethics officer to advice employees, investigate allegations of ethical problems develop and coordinate ethics and compliance policies and oversee the ethical conduct of employees in an organization Petry et al. (2003). The fourth element is provision of an anonymous reporting system to allow employees to provide information on ethical violations in an organization and reduce employee fear of retaliation for reporting workplace misconducts Schwartz (2004). The fifth element disciplining of violators and is linked with the last element, evaluation of an employee's ethical performance.

A reward and punishment system is a key factor in promoting ethical behavior Baucus and Beck-Dudley (2005), and many organizations include ethics in their performance appraisals Petry and Tietz, (1992). One way of improving employee compliance with ethical standards is by generating sense of threat, while evaluation of ethical behavior is used as a tool to incentivize employees to behave ethically. Every organization has strategic objectives with a business plan to meet them. Targets and deadlines are a normal part of performance setting for managers at all

levels. But when reward systems are disproportionately dependent on the achievement of goals set, the temptation to 'cut corners' can be difficult to resist. Problems arise when management sets targets for cost cutting, output expansion and sales that are not discussed with those responsible for achieving them. This focus on the short term can severely undermine ethical behavior. The pressure on listed companies to report results on a quarterly basis tends to irritate the problem.

2.4.1   DAWASCO Ethical Values

More often than not, discussions about ethics in any organizations reflect mostly on the individual moral responsibility. Every person in the organization is morally responsible for his or her own behavior, and any efforts to change that behavior mostly focus on the individuals conducts.

The Water Utilities Performance Report 2011/12 vividly stipulates how individual employees at DAWASCO are reported to involve themselves in unethical practices. Most of illegal connections appear to be performed by DAWASCO employees and many of those retrenched in 2007 are thought to be earning money this way today. Water bill embezzlement and excessive charging also continue to be reported.

But there is another way of understanding organization ethics, which is reflected in the corporate moral responsibility. Here individuals are viewed not in isolation, but as members of communities that are partially responsible for the behavior of their members. So to understand and change an individual's behavior we need to understand and try to change the communities to which they belong.

This can be assessed by reflecting society perception over DAWASCO ethical values which seems to be negatively oriented due to the increased of massive complaints that are being issued in public. According to the Water Utilities Performance Report 2011/12, the inability, or unwillingness, of the organization to offer adequate salaries and more motivating working conditions fuels is another major challenge as it is believed to greatly influence unethical conducts among DAWASCO employees and thus affects organization public image.

However, the greatest challenge in discussions of ethics in organizations is to find ways in which organizations can be designed to promote adherence to the required ethical standard by both individuals and the corporate at large. It is the intention of this study to come out with findings as to whether ethical conducts of employees has any related impact to the performance of individuals.

2.4.2   DAWASCO Performance

The performance of DAWASCO has not been such encouraging for the past three consecutive years. The Water Utilities Performance Report 2011/12 gives details on how DAWASCO has failed to comply with 81% of the targets subjected to financial penalties for noncompliance. Major failures were observed in the areas of water losses, collection efficiency and water pressure to customers.

For the targets that are not subjected to financial penalty upon non-compliance, DAWASCO complied by 53% and the major failure was on increasing the number of service hours.

It is the intention of this research to come out with findings as to whether this poor performance in public organizations specifically DAWASCO has any connection with ethical conducts of employees.

2.5   Empirical Literature Review

In the research done by McManus and White (2011) which dealt with the challenges faced by corporations in incorporating ethics into their strategic management processes, the research was based on a survey of issues and the literature published in Europe, North America and Asia the finding indicated a definite gap between the implementation of strategy and the moral and ethical obligations of corporations. Given the decline in business ethics and recent corporate scandals it is proposed that ethics be brought back to the forefront of strategic management and integrated

into the strategic management process. The recommendation of the study was that, the strategic decisions of any large scale economic enterprise in a competitive global environment result in both benefits and harms. It is the responsibility of senior managers to distribute benefits and allocate those harms among stakeholders of their company.

Some firms do this arbitrary when or if done in a more thoughtful manner the ethical principle offer the only form of analysis that is capable. From academic perspective evidence that suggest commitment to the future of a firm will ensure efforts that are both cooperative and innovative. Looking to the future one can see that there is still a lot to do in this area.

In the study done in Singapore by Chye (2004) titled "Organizational Ethics and Employee satisfaction" which examined the relationship between organizational ethics and organizational outcomes based on justice theory and re-cognitive and dissonance theory. The sample data were delivered from questionnaire survey of 237 managers in Singapore. The results obtained from decision trees indicate that organizational leaders can use organizational ethics as a means to generate favorable organizational outcomes.

Further the results indicate there is significant and positive links between ethical behavior and career success within the organization and job satisfaction also the findings reveal that there is association between ethics and organizational commitment. Implication of the findings is that management support for ethical behavior and the association between ethical behavior and career success can be influenced by top managers in the organizations. Thus by consciously working on these variables, top management can enhance job satisfaction and organizational commitment among employees and in the work place. The current findings suggest that organizational ethics can help enhance job satisfaction and organizational commitment.

The above implication of the findings is that organizational ethics can be expected to be associated with organizational performance. This study has also the relating goals but this phenomenon was tested in public organizations whereby DAWASCO was the case study. In the paper done in Nigeria by Kehinde (2010) titled, "Effects of Ethical Behaviors on Organization Operations". The researcher describes how many

modern organizations are today faced with numerous challenges such as illegal and unethical business practices in a number of business transactions. He explains how Code of ethics may affect the conducts of employees when they are properly set and adhered. The paper uses a quantitative method with two hypotheses stated in the null form. Findings revealed that ethical behavior has effects on the operations of an organization and that good ethical behavior has a positive correlation with organizational outcomes. Suitable policy recommendations were offered which decision makers in business organizations and government functionaries will find highly useful. This paper reflects the theme of this study on the facts that it explores the ethical conducts of employees and their consequences on the performance of an organization. However, the research basically had focused on Nigeria environment only particularly in Lagos.

In the study done in Korea by Yang and Grunig (2005) which titled "Decomposing organizational reputation: The effects of organization–public relationship outcomes on cognitive representations of organizations and evaluations of organizational performance". The purpose of this study was to decompose common reputation measurement systems into behavioral organization–public relationship outcomes, cognitive representations of an organization in the minds of publics and evaluations of organizational performance. In the proposed model, tendency for active communication behavior and familiarity are suggested as correlated precursors of organization–public relationship outcomes (e.g. trust, satisfaction, commitment and control mutuality) and organization–public relationship outcomes are hypothesized to have a direct effect on evaluations of organizational performance as well as an

indirect effect via the mediation of cognitive representations of the organization. The authors investigated different types of five Korean-based organizations (two domestic corporations in different industries, a multinational corporation, a sports association and a non-profit organization), the recommendations were analyzed, seen validate the model across different types of organizations. The findings of this study suggest that relationship outcomes lead to favorable representations of an organization and positive evaluations of performance of the organization.

It was a study by Schwartz (2007), argued that individuals in an organization they have their own motives which can be changed through the executive function to match the goals of the organization. If the individual and organization goals match and corporation is achieved the system is considered effective. Also individuals accept orders from authority without questioning if the following conditions were met: understanding of order, consistency with purpose of organization, compatibility with personal interest and mental and physical ability to comply. Bernard also suggested three major executive functions to provide a system of communication to promote the securing of essential personal efforts and to formulate and define the organization's purpose and objectives Bernard, (1998).

The decisions of managers have great impact in the society, so they have to make decisions that shape the economy, the society, and the lives of individuals within it for a long time to come according to Drucker (1954)

In the study done in London by Rita (1995), which based on detailed observation and data collection in 1993 on the introduction of quality management and the

development of employee involvement programs. The study revealed that 85 per cent felt that quality was a high priority for their firm. The participating population is therefore in firms which had already introduced quality programs. There was therefore a useful differentiation between mature quality programs, those which were in a transitional phase of development and those which were just beginning to develop Total quality management (TQM). It was the focus of this study to reflect organizations in Tanzania particularly DAWASCO and to come out with findings. In the research done in Australia by Michael (2005) titled Management development, "developing ethical corporate culture in three organizations" the investigation was to look at three organizations (a naval shore establishment, a police academy, and a small, family-owned engineering firm) and see to what extent they had developed a culture that was both ethically and socially responsive. The investigation was carried out by speaking to key players, observing their organizations and by detailed analysis of the documents which related to this study. The findings revealed that the Navy has a set of values which overlap with the more general values of the Department of Defence. The Western Australian Police Service has an approach to developing an ethical corporate culture which includes the establishment of a dedicated unit, and running discussion groups and seminars. The family-owned and operated engineering business relies more heavily on an indirect approach based on following traditional family values.

Three conditions were essential for developing an ethical corporate culture, these are; CEOs were ultimately responsible for the ethicality of their organizations; formal training programs were necessary to impart the required knowledge; and formal

mechanisms were essential to facilitate the reporting of any behavior of organizational members that was deemed to be wrong, unethical or illegal.

2.6   Research Gap

There are numerous recent researchers who suggest on the relationship between organization performance with a history of employee's violation of the law and continued illegal behavior. And this study therefore intends to study whether the same relationship exist in Tanzania and how these two variables affects each other, specifically in public organization where DAWASCO chosen to be the case study.

2.7   Conceptual Framework

The figure below was developed to attempt to explain the impact of employees ethical conducts on organization performance.

INDEPENDENT VARIABLES

Inputs
Employee Ethical Conducts (Integrity, Responsibility, Accountability, Association & Competence)
Employees Unethical Conducts (Corruption, Theft & Riots)

ACTION
Operations and Management of an Organization

DEPENDENT VARIABLES
Outputs
Organization Performance
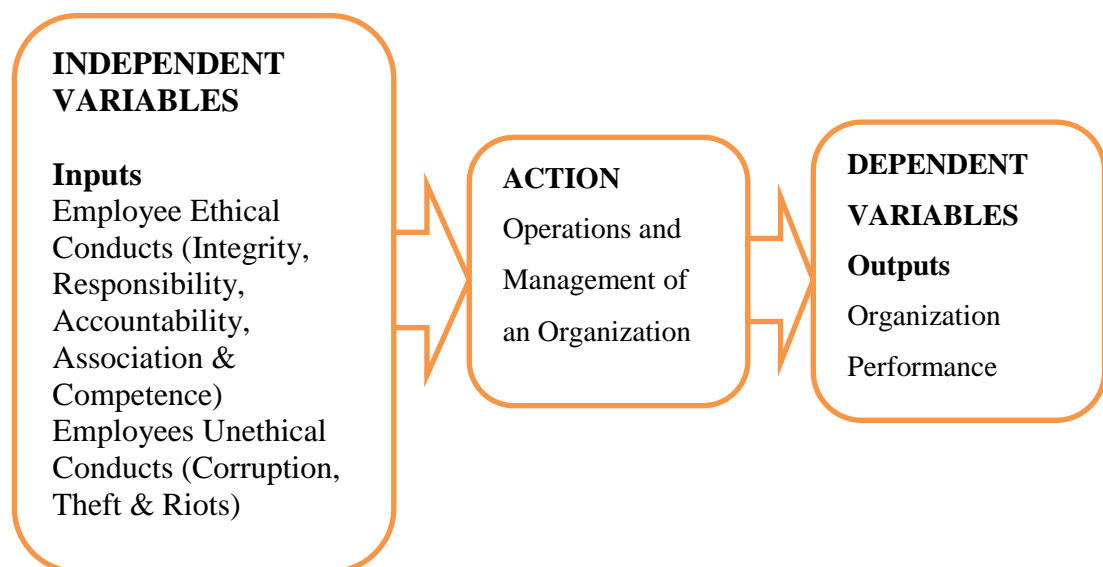
Figure 2:1Conceptual Framework

Source: Developed by the Researcher (2013)

In inputs the organization has expectations from each individuals basing on the set performance indicators and targets, and predicts the conducts that will advance its operations. The employee ethical conducts means adhered to integrity of the human conduct and this will facilitate organization to realize positive performance. Under this scenario there is the direct link between ethical behavior and the performance of organization. If the employee is unethical it means does not follow standards of conduct of a particular group of people in society. Managers need to shape attitude of individuals in order to be ethical so as to realize the expected performance In actions corporate leaderships are impacted upon by the general environment of the organization in which they operate. Each culture is a product of its unique values, beliefs and rules of behaviors and has a particular leadership culture and a set of beliefs systems. These beliefs system are shared ways of interpreting an organization's environment, its past and its future prospects.

In output the interaction of societal expectations and the way that a corporate leadership interprets and reacts to these pressures produces outcomes. These outcomes manifest themselves in a number of ways.

If the individual and organization goals match and corporation is achieved the system is considered effective. Also individuals accept orders from authority without questioning if the following conditions were met: understanding of order, consistency with purpose of organization, compatibility with personal interest and mental and physical ability to comply.

CHAPTER THREE

3.0 RESEARCH METHODOLOGIES

3.1   Introduction

Researchers have different beliefs and ways of viewing and interacting with the surroundings which makes research studies to vary. However, there are certain common standards and rules that guide a researcher's actions and beliefs. Such standards can be referred to as a paradigm. This chapter aimed to explain in details about the ways and methods that a researcher used to collect data, processing and analyzing to reach the conclusion. It included the research design (paradigm, approach, strategies and time line), the survey population, area of the research, the sampling and design and variable measurement. It discussed the research design and methodology utilized in this study. In order to describe the variety of research activities undertaken during this study, the data collection activities and associated analysis methods was systematically discussed.

3.2   Research Paradigm

A research paradigm is a broad view or perspective of something Taylor, Kermode, and Roberts (2007). These are patterns of beliefs and practices that regulate inquiry within a discipline by providing lenses, frames and processes through which investigation is accomplished.

This study utilized a triangulation approach which explored the impacts of employee's ethical conducts to organization performance. The use of both the

qualitative and quantitative methodologies was necessary to encompass the different beliefs that there was direct link between employees' ethical conduct and Organization performance.

Due to the complex nature of the research study, there was no single paradigm that could satisfactorily deal with all of the required methodological aspects. Therefore, the researcher found it necessary to combine the quantitative/positivist paradigm with the qualitative/interpretive paradigm. This combination of both paradigms provided the researcher with the ability to statistically analyze the scientific data whilst also recognizing the complex psychosocial and emotional factors that influence employee's ethical behavior issues.

This study utilized a triangulation approach to explore and guide the development and evaluation of employee's ethical behavior in organization. The use of both the qualitative and quantitative methodologies was necessary to encompass the different aspects of ethical and unethical behavior. In order to address the diversity and complexity of such employee's behavior a mixed methodology was necessary.

The qualitative methodology shares its philosophical foundation with the interpretive paradigm which supports the view that there are many truths and multiple realities. Additionally, the interpretive paradigm is associated more with methodological approaches that provide an opportunity for the voice, concerns and practices of research participants to be heard Cole, (2006).

3.3   Research Design

In order to gain different perspectives and draw attention to different factors that affect employee's ethical behavior, descriptive research methods were employed in this study in order to describe, observe, and document a naturally occurring phenomenon which cannot readily be attributed an objective value. In other words, descriptive research deals with questions that look to explain what things are like and describe relationships but do not predict relationships between variables or the direction of the relationship. In this descriptive study, qualitative and quantitative data collection techniques were used including; semi-structured interviews, pre and post-test questionnaires and focus group interviews. According to Morse and Richards (2002), qualitative descriptive approaches are extremely helpful because evidence of experience and knowledge can be easily missed when quantitative methods are used.

In this study, semi-structured interviews were incorporated into the study design because the researcher believed that open ended questions would be the most efficient way to collect data from stakeholder participants. The researcher also conducted interviews with stakeholder in order to investigate and understand current issues and experiences confronting organization performance.

3.3.1   Area of the Study

This study was conducted in one of the public organization located in Dar-es- Salaam at DAWASCO (Magomeni branch). The choice of this study area was due to major failures which were observed in the areas of water losses, collection efficiency, and

water pressure to customers. Also I selected the place because it was easy to access some data which were relevant to my area of research. Also Magomeni branch is located at the city center so it provides useful data for the study since it act as a hub for water supply in the city.

3.3.2 Population of the Study

The population was heterogeneous**,** there were senior, junior and other employees, and their ethical behaviors differ across. In addition their education status was good and reasonable and thus proved their ability to understand and respond to the questions accordingly as shown in the table below.

Table 3:1 Population Status

Position	Sex		Education status			
	M	F	Postgr/ PhD/MSc	Bachelor/Degree	Dip	Sec
Senior officer	8	2	6	2	2	
Junior officer	12	6		8	10	
Other	46	36		16	56	10
Total	**66**	**44**	**6**	**26**	**68**	**10**

Source: Research findings (2013)

3.3.3 Sample and Sampling Techniques

The population for this study was the employees at DAWASCO Magomeni branch (Management officers, Operation officers, Accountant, Commercial officers and field technicians). The currently total number of employees at the branch is 110 employees. The total of 60 respondents was selected by using probabilistic sampling, in which systematic sampling was involved. After identified the desired participants,

the researcher approached each participant and requested if would be interested in participating in this study. During the process 60 participants were provided information about the research proposal.

Table 3:2Samples and Sampling

Position	Sex		Education Status			
	M	F	Postgr/ PhD/MSc	Bachelor/Degree	Dip	Sec
Management officers	3	2	2	3		
Operation officers	2	1		2	1	
Accountants	2	8		6	4	
Commercial officers/Customer care	2	15		2	11	4
Field technicians	7	8			12	3
Total	**16**	**34**	**2**	**13**	**28**	**7**

Source: Research findings (2013)

3.4. Data Collection

I collected data by using a questionnaire as well as the survey monkey software. I also employed semi-structured Interviews, and documentary analysis which was flexible as well as sensitive to the social content. Relevant data for this study was from two major sources namely primary and secondary sources of data.

3.4.1. Types of Data

3.4.1.1 Primary Data

Apart from socio-economic characteristics of the survey participants the primary data comprise of information related to DAWASCO employee's ethical conducts. The

variables of interest include direct information from DAWASCO employees and this involved the use of questionnaires during data collection.

The questionnaire used structured questions, consisting six questions and all questions were structured (close-ended) type and respondents were asked to mark the appropriate box matching the correct answer. I issued questionnaires to all senior, junior and other employees so as to avoid any kind of bias in conducting this study Saunders et al. (2012).

3.4.1.2 Secondary Data

In order to ensure accuracy in the findings the researcher also employed the use of other secondary sources such as journals, reports, books and other authorized materials that are supportive to this study so as to enhance the researcher to get right findings that was helpful in creating favorable environment for organization to perform Saunders et al. (2012).

I also used documentary review which helped in collection of information from journals, books, historical information, papers, brochures, websites and official information.

3.4.2.1 Questionnaire

A questionnaire is a data collection technique in which each person is asked to respond to the same set of question in a predetermined order Saunders et al (2012).

The questionnaires were to be used to assess the impact of employee's ethical conducts to organization performance. The research instruments were constructed after a thorough review of the available published literature, consultation with employees and reflection upon the researcher's knowledge and professional experience.

In this study I used closed ended questionnaires to employees at DAWASCO in such a way that the respondent answered the questions with a better guide that the data obtained was easy to process and analyze. Also I used one open ended question to test the level of understanding about ethical issues.

3.4.2. Interview

Interviews are set of questions that are normally asked to the responded and are subject to change depending on the comfort of the responded. Saunders et al. (2012). The interviews took place at a location within the work place of the participants and lasted between 10 and 20 minutes depend on participant activeness. Most of the participant felt uncomfortable talking whilst being recorded so the researcher respected the participant's wishes and took plentiful shorthand notes instead. Occasionally the researcher was required to ask the participant to repeat some information as the researcher did not want to write down information erroneously. Some of the interview most asked questions was;

    i.   DAWASCO has experienced major failures in the areas of water losses, collection efficiency, and water pressure to customers what do you think was the main causes?

ii.   How do you perceived ethical conduct in terms of organization performance?

3.5   Data Analysis

Data analysis was based on respondent's answers. Data analysis involved coding, editing, classification and tabulation of collected data.   Both qualitative and quantitative data were collected.   Uses of tables and charts were employed for quantitative data.   Interview summaries was combined and used as a source of information in this research also was organized according to the way they emerged. Data which could not be quantified were subjected to content analysis so as to present the respondents views and opinions.   The use of the computer software known as Statistical Package for social scientific (SPSS 16) was employed.

The analysis was guided by the study objectives and it involved the use of quantitative methods of data analysis due to the nature of the data that was collected (Kombo and Tromp 2006).   The quantitative analysis in this study was conducted using SPSS, descriptive statistics such frequencies, cross tabulation, coefficient of correlation and chart bar was used to obtain the variability and central tendencies of variables.   The results in form of frequency distribution table with number of respondents   falling   in   a   particular attribute and respective percentages were shown.

3.6   Validity of Data

Validity is the most fundamental consideration in instrument development and refers to the degree that the instrument measures what it claims to measure DeVaus (2002).

There are three basic ways in which to assess the validity of an instrument; criterion, content and construct validity. The most concern was on was whether the measurement tool and the items it contained were representative of general employee's ethical conducts knowledge which was what the researcher intended to assess. To tackle the issues of content validity, the researcher approached experts to examine the questionnaire's content.

3.7 Reliability of Data

In order to address the reliability of data, the test re-test method of reliability testing was used. Researcher issued six questionnaires to experienced participants after four weeks again. The respond from both questionnaires were evaluated and the tool assessed for consistency and reliability of answers, only one participant loosed strength further involvement in this testing. In testing the reliability a comparison of test scores is expressed by a Pearson correlation coefficient (r) and the value which provided support regarding the tool's stability as an "r" equal or greater than 0.7 is considered an acceptable value for a tool to be viewed as reliable Burns, (2007).

3.8 Confidentiality Issues

Research ethics involves the application of fundamental ethical principles to a variety of topics involving scientific research. There were many ethical issues to be taken into serious consideration for research. There was a duty to protect the rights of people in the study as well as their privacy and sensitivity. In this research ethics was highly considered in constructing interview questions and during the time to

interview respondents. Openness as to the established questionnaires and interviews was conducted. That means the researcher was open by introducing the aim of this research to the respondents before they started to fill the questionnaires and before conducting the interview.

The confidentiality of information supplied by research subjects and the anonymity of respondents was respected this is because the researcher assured the respondents when they provided the information for this research, that the information they provided was confidential to others.

The participants involved in a voluntary way, free from any coercion. This was because they were given time to respond to questions free. Moreover, the dignity of all research participants was respected.

3.9 Building Rapport

The design of the study was casual/effect. This is because it dealt with the study of the relationship of two variables (employee's ethical conducts and organization performance) in which one variable cause effect on another. In this study the independent variable was employees' ethical conducts and dependent variable was organizational performances.

3.10 Policy and Procedure Manual Review

It was necessary for the researcher to review policy and procedure manual review because employees are accountable for, practicing under all items discussed within

individual area policy and procedure manuals as well as the more general organization wide policies. The focus of each review was to evaluate the policy and procedure manuals for any ethical related issues. Each ethical related policy was examined for the inclusion of conduct guidelines and legal implications of guidelines. Some of the guides during the policy and procedure review were mandatory reporting laws, evidence storage and the chain of custody and documentation guidelines.

From 1990s to date the government of Tanzania has been implementing different governance reforms with a view to promoting ethics management as a way of strengthening democracy and efficient and effective public administration. Amongst the reforms are public service reform programs (PSRP) I and II, establishment of the code of ethics and conduct for public service of 2005, and the enactment of the public leadership code of ethics Act No 13 of 1995.

Regardless of different initiatives taken by Tanzania to promote ethics, ethics management in Tanzania still faces a number of challenges, such as: ethics is perceived as a personal, ineffective, religious stuff, which could not be enforced and it is not pertinent to work, information asymmetry, whereby the public is not well informed on ethical issues, and lack of mechanism at the goodness of making a distinction between the business activities of public leaders with those of governance. In the study "Ethics management as an important aspect of democratic development and public administration" a case study of Tanzania. The modern democratic state in all its forms is the current bedrock of public leadership. The

attributes of such leadership can only be grasped by understanding the design of the modern state. However in Tanzania ethics management was aimed in enhancing democratic development and efficient and effective public administration.

CHAPTER FOUR

4.0 RESEARCH FINDING ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter presents research findings as analyzed from the data collected. For the purpose of simplifying the analysis and presentation of the findings, the analysis have been done take into account the research questions that were to be answered to meet the need of each research objective, and the results of the findings have been presented in the manner that is logical and based on research objectives. Finally the results have been used for discussion and recommend what needs to be done as the way forward.

On the basis of the results control, age and sex variables were treated as covariate to reduce error variance Adebayo, (2005).

4.2 Cross Tabulation Analysis and Interpretation

I decided to group age into three groups, group one was the age below 30 who I believed to be newly employees with different views as well as fresh blood from schools (graduates). The second group was between 31 -45 years who were employees with a lot of expectations, experience and highly need to achieve from job and employees above 40 years who were participants with a lot of experience with job satisfaction and highly committed to the job, in order to evaluate perception according to the age factor also age and sex was necessary to see how people of different age and sex responded in terms of ethics and their result were as follows;

4.2.1   Age and Gender

The figure 4:1 (Below) summarized the demographic profile of the respondents. It revealed that employees with the age below 30 were eight male and 17 female which make a total of 25. At the age range 31 – 45 years there were eight male and nine female which make a total number of 17 employees. Those with the age of above 45 were only eight female. This makes the total of 16 male and 34 female. The useful these two variables show that respondent's opinion varies with age and sex as 95 percent of the respondents who were above 45 years suggested that the organization should revise organization ethics policy in order to enhance its performance. Also the opinion on employee's ethical conducts to organization performance revealed that females are more ethical 85 percent than male 15 percent.
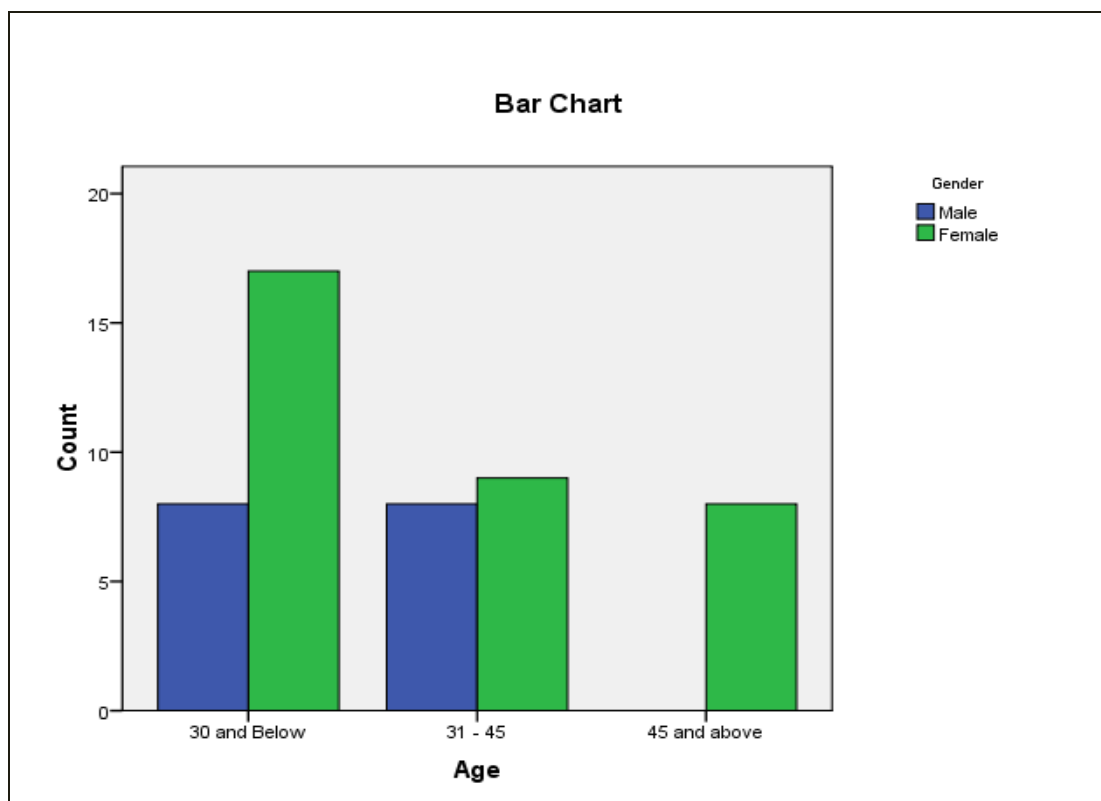
Figure 4:1 Age and Gender

Source: Researcher (2013)

4.2.2 Age and Ethical Conduct Awareness

From the figure 4:2 below, 25 employees (50%) of the total population, with the age below 30 agreed that organization treat ethical conduct as a serious matter, eight employees (16%) between (31 - 45) years strong agreed and nine employees (18%) agreed that they are aware on ethical behavior. And eight employees (16%) neither agreed nor disagreed.
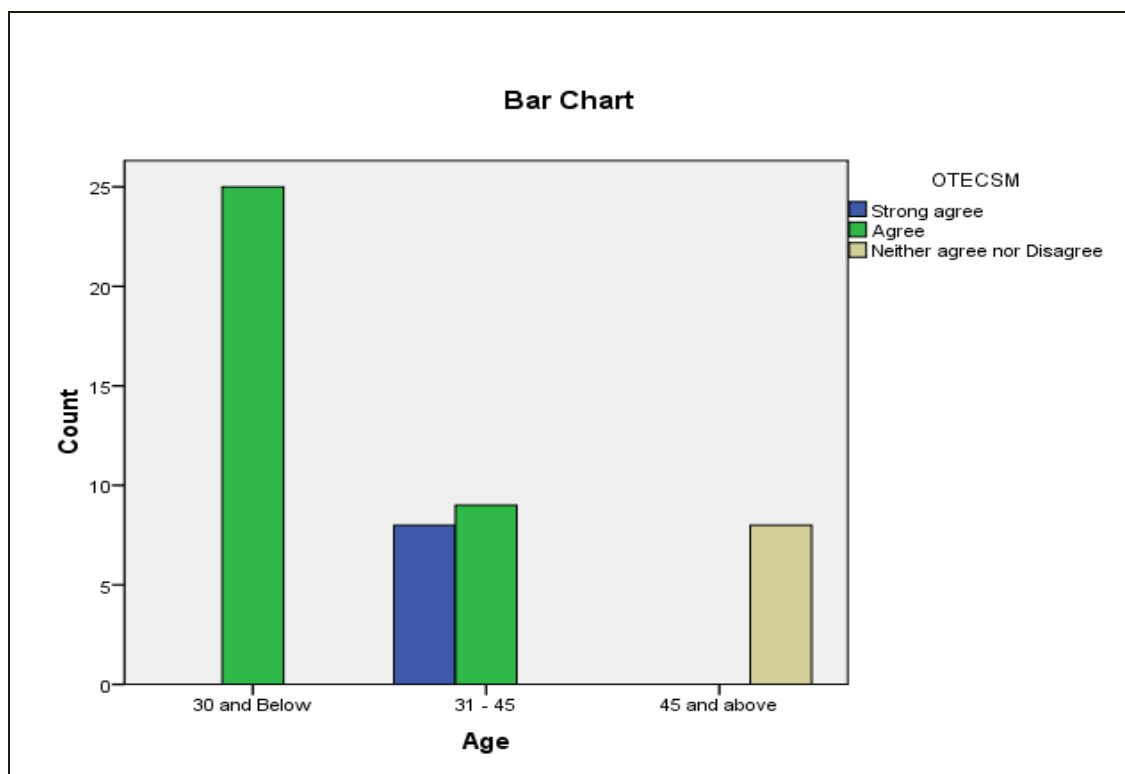
Figure 4:2 Age and Ethical Awareness

Source: Researcher (2013)

4.2.3 Age and Organization Policies Adherence

On the other side nine employees (18%) with the age below 30 agreed that organization gives positive support on ethical policies adherence, on the other side eight employees (16%) were not able to describe it at all and another eight

employees (16%) disagreed. Eight employees (16%) with the age range (31 - 45) strong agreed and nine employees (18%) agreed on that organization gives positive support on ethical policies adherence. And eight employees (16%) agreed on that organization gives positive support on ethical policies adherence (Figure 4.4) below.
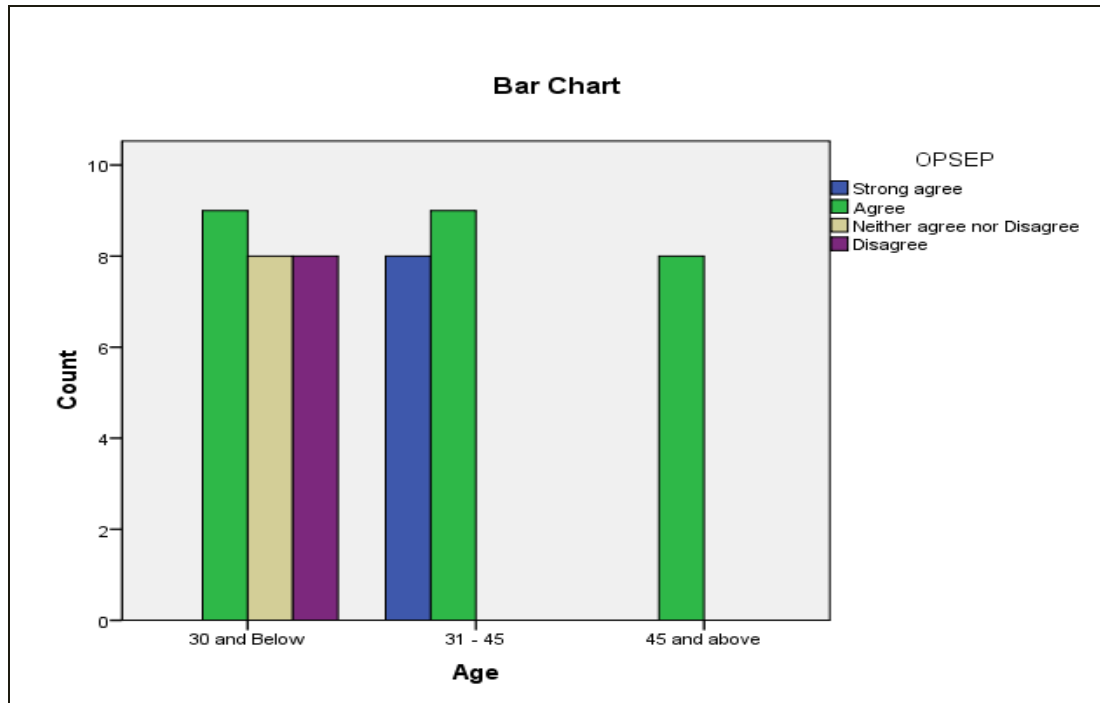
Figure 4:3 Age and Organization Policies

Source: Researcher (2013)

4.2.4   Age and Changes on Ethical Conducts to Organization Performance

Nine employees (18%) with the age below 30 agreed that changes of employees' ethical conduct will affect organization performance, on the other side eight employees (16%) agreed and another eight (16%) were not able to describe it at all. Also 17 employees (34%) with the age range (31 - 45) agreed and eight employees (16%) with the age above 45 years agreed that changes of employees' ethical conduct will affect organization performance, (figure 4:5).
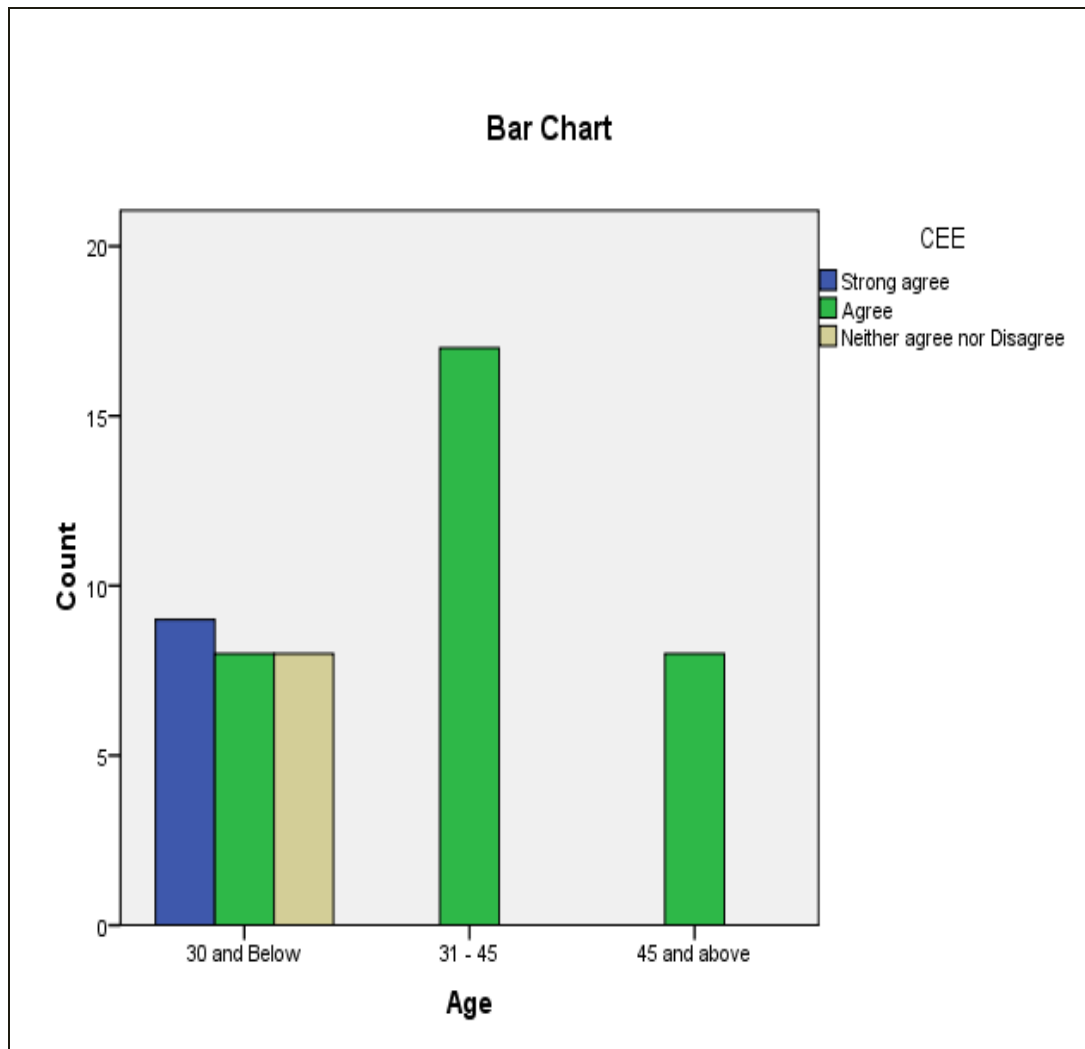
Figure 4:4 Age and Changes of Ethical Conducts

Source: Researcher (2013)

4.2.5   Age and Ethical Impacts to Organization Performance

Figure 4:5 (below) reveals that 17 employees (34%) with the age below 30 agreed that ethical conducts has impact on organization performance, and eight employees (16%) disagreed on that. Eight employees (16%) with the age between 31-45 agreed, and nine (18%) disagreed. Eight employees (16%) with the age above 40 were not able to describe it at all.
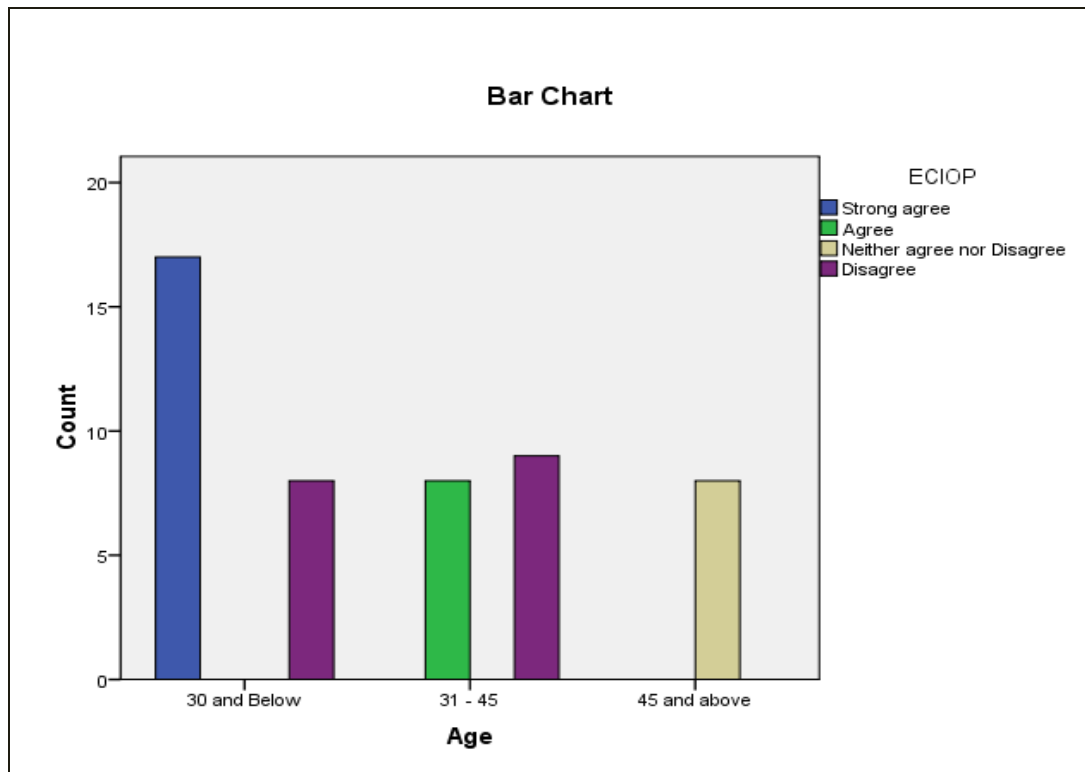
Figure 4:5 Age and Ethical Impacts to Organization Performance

Source: Researcher (2013)

4.3   Measure of Relationship (Pearson Correlation Coefficient)

There are several methods of determining the relationship between variables, the following were analyzed; does there exist association or correlation between the two or more variables? If yes of what degree? another is if there is any cause and effect relationship between the two variables in case of the bivariate population or between one variable on one side and two or more variable on the other in case of multivariate population? If yes, of what degree and in which direction?

Karl Pearson's coefficient of correlation (r) was used to measure the degree of relationship between the variable. The value of r lies between ± 1. Positive value of r

indicates positive correlation coefficient between the variables, whereas negative value of r indicates negative correlation. A zero value of r indicates that there is no association between the two variables. Where r = (+) 1, it indicates perfect positive correlation and when it is (-) 1, it indicates perfect negative correlation. Saunders et al (2012). The following were findings and analysis from research;

4.3.1 Age and Other Variables

Table 4:1 reveals that there was a significant positive relationship between age and the awareness of employees ethical conducts to organization performance as the correlation coefficient (r) was = 0.383 and positive relation between age and the necessity of ethical conducts in achieving an organization objectives as the correlation coefficient (r) was = 0.374, the relationship however was significant negative between age and adequacy of ethical management in enhancing organization performance as the correlation coefficient (r) was = -0.543.

Extending the relationship to other variable apart from above, the results show that there was a slightly weaker positive relationship between age and gender since r = 0.149, but a bit stronger than that of age and employees ethical behavior in enhancing organization performance, furthermore, correlating was observed that r= 0.031 which is still a weak positive relationship.

4.3.2 Gender and Other Variables

Table 4:2 reveals that there was a significant strong positive relationship between gender and the awareness of employees ethical conducts to organization performance

as the correlation coefficient (r) was = 0.606 and positive relation between age and the necessity of ethical conducts in achieving an organization goals as the correlation coefficient (r) was = 0.541, the relationship was, however weak (negative) between gender   and   adequacy of ethical management in enhancing organization performance

as the correlation coefficient (r) was = -0.133, but a bit stronger than that of gender and employees ethical behavior in enhancing organization performance, furthermore, correlating was observed that r= -0.024 which is still a weak negative relationship. Extending the relationship to other variable apart from above variables, the results show that there is a slightly weaker positive relationship between gender and age since r = 0.149.

4.3.3   Awareness of Employees Ethical Conducts to Organization Performance and Other Variables

The research question tried to examine the level of awareness on employee ethical conduct to organization performance and the results reveals that (Table 4:3), there was a significant strong positive relationship between the awareness of employees ethical conducts to organization performance and gender as the correlation coefficient (r) was = 0.606 and positive relation with age as the correlation coefficient (r) was = 0.383.

Extending the relationship to other variable apart from ethical conduct awareness and age, the results show that there was a slightly positive relationship between the

awareness of employees ethical conducts to organization performance and ethical conduct description, since r = 0.305. On the other hand there was no correlation between the awareness of employees ethical conducts to organization performance and effect of employee's ethical conducts since the correlation coefficient (r) was = 0.000.

4.3.4 Adequacy of Ethics Management in Enhancing Organization Performance and Other Variables

Table 4:1 reveals that there was a positive relationship between the adequacy of ethics management in enhancing organization performance and changes on employee's ethical conduct as the correlation coefficient (r) was = 0.308 and slight positive relation with awareness on ethical conduct as the correlation coefficient (r) was = 0.305, the relationship was, however, significant negative with age as the correlation coefficient (r) was = -0.543.

4.3.5 Employees' Ethical Behavior in Enhancing Organizational Performance and Other Variables

Table 4:1 reveals that there was a significant positive relationship between employee's ethical behavior in enhancing organizational performance and impact on ethical conduct as the correlation coefficient (r) was = 0.690 and positive relation with organization gives positive support on ethical policies as the correlation coefficient (r) was = 0.308 On the other hand there was no correlation between employee's ethical behavior in enhancing organizational performance and awareness on ethical policies. Since the correlation coefficient (r) was = 0.000.

4.3.6   Necessity of ethical conducts in achieving organization performance and other variables

Table 4.1 reveals that there was a significant positive relationship between the necessity of ethical conducts in achieving organization objectives and changes of employees' ethical conducts as the correlation coefficient (r) was = 0.690 and also the correlation was significant positive with gender as the correlation coefficient (r) was = 0.541, however the relationship was, positive with age which was = 374.

Table 4:1 Pearson Correlation Coefficients

		Age	**Gender**	**OTECSM**	**OPSEP**	**CEE**	**ECIOP**
Age	Pearson Correlation	1	.149	.383**	-.543**	.031	.374**
	Sig. (2-tailed)		.303	.006	.000	.832	.007
	N	50	50	50	50	50	50
Gender	Pearson Correlation	.149	1	.606**	-.133	-.024	.541**
	Sig. (2-tailed)	.303		.000	.356	.871	.000
	N	50	50	50	50	50	50
OTECSM	Pearson Correlation	.383**	.606**	1	.305*	.000	.223
	Sig. (2-tailed)	.006	.000		.031	1.000	.120
	N	50	50	50	50	50	50
OPSEP	Pearson Correlation	-.543**	-.133	.305*	1	.308*	-.136
	Sig. (2-tailed)	.000	.356	.031		.029	.346
	N	50	50	50	50	50	50
CEE	Pearson Correlation	.031	-.024	.000	.308*	1	.690**
	Sig. (2-tailed)	.832	.871	1.000	.029		.000
	N	50	50	50	50	50	50
ECIOP	Pearson Correlation	.374**	.541**	.223	-.136	.690**	1
	Sig. (2-tailed)	.007	.000	.120	.346	.000	
	N	50	50	50	50	50	50

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Researcher (2013)

4.4   Frequency Analysis

4.4.1   Areas of Awareness of Employees Ethical Conduct to Organization Performance

The information obtained from the data gathered reveal that eight employees (16%) were strongly agreed that they are aware on the relationship between employees ethical conducts to organization performance, and 34 employees (68%) agreed on that. On the other hand eight employees (16%) were not able to describe it at all. (Table 4:2 below) shows the results from respondents

Table 4:2 Awareness of Employees Ethical Conducts

		Frequency	Percent	Valid Percent	Cumulative Percent
	Strong agree	8	16	16	16
	Agree	34	68	68	84
Valid	Neither agree nor Disagree	8	16	16	100
	Total	50	100	100	

Source: Researcher (2013)

4.4.2 Adequacy of Ethics Management in Enhancing Organization Performance

Since the information obtained shows that there are eight employees (16%) who strongly agreed that organization give positive support in enhancing the awareness of its ethical policies to its employees, 26 employees (52%) agreed on that. On the other side eight employees (16%) were neither agreed nor disagreed while another

eight employees (16%) disagreed, this suggests that, such knowledge and skills have not been widely enhanced in the organization.

Table 4:3 Adequacy of Ethical Management in Enhancing Organization Performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong agree	8	16	16	16
	Agree	26	52	52	68
	Neither agree nor Disagree	8	16	16	84
	Disagree	8	16	16	100
	Total	50	100	100	

Source: Researcher (2013)

4.4.3 Examining Whether Changes in Employee's Ethical Behavior Will Enhance Organizational Performance

Table 4:4 below shows that nine respondents (18%) strong agreed and 33 respondents (66%) agreed if efforts are made to change employee's ethical conducts it will affect the performance of organization. Only eight respondents (16%) were not able to describe it at all. This implies that a total number of respondents suggested that, changes of ethical conducts in organization will affect organization performance. Apart from the situation revealed respondents suggested the strategies to be taken in order to change employees' ethical conducts.

Table 4:4 Examine Employees Ethical Conduct

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong agree	9	18	18	18
	Agree	33	66	66	84
	Neither agree nor Disagree	8	16	16	100
	Total	50	100	100	

Source: Researcher (2013)

4.4.4 Necessity of Ethical Conducts in Achieving Organization Performance

Table 4.5 below shows that 34 % of the respondents strong agreed that ethical conducts of individuals in organization have impacts on its performance, while16% agreed on that. On the other side 16% were not able to describe it at all, while 34% disagreed. While others have different views on this, such different view could also be attributed to lack of knowledge and skills that challenge their perception of the necessity of ethical conducts in achieving organization objectives.

Table 4:5 Necessity of ethical conducts to organization performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong agree	17	34	34	34
	Agree	8	16	16	50
	Neither agree nor Disagree	8	16	16	66
	Disagree	17	34	34	100
	Total	50	100	100	

Source: Researcher (2013)

4.5   Discussion

This Study intended to ascertain whether employees ethical conducts has impacts to organization performance. It has been found that there was a significant positive weak relationship between employees ethical conducts has impacts to organization performance and a positive weak relationship in other variables. In contrast, when the relationship was narrowed down to the streams that make up the studied group the relationship was realized to be greater in unethical behavior stream than ethical behavior Research revealed that there was a weak positive relationship between employee's ethical conducts and organization performance and that this weak relationship cannot be ignored in ethical conducts for it is significant at 0.01 levels and insignificant in other variables such as organization policies, regulatory agencies and other stakeholders.

The same result was obtained in the study done in Singapore by Chye (2004) the results indicated there was significant and positive links between ethical behavior and career success within the organization and job satisfaction also the findings reveal that there is association between ethics and organizational commitment.

It is evident from the study that employees' ethical conducts plays a role but not a major and dominant role in organization success, and if management would improve ethical conduct of individuals among other things, organization would be successful in its performance. The same results obtained in the research which was done in Australia by Michael, (2005) that three conditions were essential for developing an ethical corporate culture, these are;

CEOs were ultimately responsible for the ethicality of their organizations; formal training programs were necessary to impart the required knowledge; and formal mechanisms were essential to facilitate the reporting of any behavior of organizational members that was deemed to be wrong, unethical or illegal Nevertheless, the positive relationship observed from the study means that the increase of one variable leads to an increase in the other. In a way, it is like saying that unethical conduct is tantamount to poor organization performance because of the realized connection between these variables, although the connection is not strong because the non-ethical factors seem to relate or to correlate much with organization performance than ethical conducts.

Data from interviewed participant revealed that 85 percent said that major failure were result of poor ethics management strategy and 12 percent said failure in organization was the result of technical problems. In respond to another question 82 percent perceived ethical conduct in organization is inadequate, while 18 percent perceived ethical conducts was adequate.

In addition, the results from interviewed participants revealed that there is a positive relationship between the employee's ethical conducts and organization performance as most of the interviewee blamed that individuals are unethical because the management has failed to enhance proper system of manage ethical conducts. Also interviewee revealed some of the senior leaders have been involved in corruption scandal which resulted to that failure to comply with 81% of the set performance targets. This implies that if organizations will put serious efforts to improve ethical

conduct of individuals by adhered to standards of conduct, certain norms of conduct when dealing with each other better performance would be expected from the organization. On the other hand, a weak positive relationship revealed from the study shows that employees are unethical because of their weaknesses in ethics. This is to say, the government should devote itself seriously to improve organization performance if at all Tanzania wants to continue with public organization as a reliable service provider, otherwise employee's ethical conduct will not be effectively. Eventually, there will be perpetual poor performance of organization as according to The Water Utilities Performance Report (2010/11). It is important to remember that, even where the analysis would have shown a strong perfect relationship, meaning that employee's ethical conducts is strongly correlated to organization performance this would not justify, DAWASCO has revealed that because it is obvious as explained by previous studies.

The findings of this study confirm previous research done in some other parts of the world: USA, Europe, and West Africa to a little extent. The studies generally found a positive correlation Chye, (2004); Kehinde, (2010) and in others a weak positive correlation.

By and large, with regard to the developed assumption the findings of the study can be summarized as follows: First, there is a positive significant weak correlation between employee's ethical conduct and organization performance. Second, it has been realized that there is more positive correlation between ethical conduct and changes of employee's behavior.

According to these findings, one could be made to believe that poor performance in public organization (DAWASCO) was a consequence of poor ethics management in organization or it could be true that poor performance in organization was because of adherence to informal codes known as norms which were characterized mainly by isolation and solidarity. Chye , (2004). Thus, unethical conduct was only one of the factors that was used in explaining on poor performance in public organizations, it should therefore, be understood that poor performance is interplay of several factors and not as how the public sees it, and a large number blame on ethical conduct only.

Basing on the study we can realize that organization performance can largely be explained basing on factors other than unethical factors like governing policy, economic factor and other control agencies. This implies that if organization will put serious efforts to improve ethical conducts of employees' better performance would be expected.

It is obviously known that there is no way organization can deny that ethical conduct is an essential tool of organization outcome and is pivotal to all activities that are taking place in the organization. The world for many years and Tanzania in particular, has been emphasizing on a paradigm shift from traditional approaches to modern approaches methods of enhancing effective ethical programme.

Basing on the study we can realize that poor performance of organization can largely be explained basing on factors other than unethical behavior; factors like weak foundations from recruitment, poor training and external factors. These shortages,

together with many others help in explaining the prevailing poor performance in some of the organization.

CHAPTER FIVE

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a summary of findings; conclusion of all works performed in this study report and experienced elements as recommendation for others who will be concerned in undertaking a similar research title and the society in general.

5.2 Summary of the Findings

This research attempted to explore the relationship between employee's ethical conducts to organization performance particular DAWASCO. An interesting finding was that there is a significant positive relationship between employee's ethical conduct and organization performance (r=0.308), but significant at 0.01 level. The summary of the findings were as follows;

5.2.1 Awareness of Employees Ethical Conducts to the Organization Performance

The information obtained from the data gathered reveal that only 16 percent strongly agreed that they were aware on the relationship between employees ethical conducts to organization performance, and 68 percent agreed on that. Also the other hand 16 percent were not able to describe it at all. On the other hand during interview some respondents (18 percent) shown that they were not aware on ethical conducts. This reveals that some employees misbehaved because they lack awareness on ethical conduct, the organization should sensitize the awareness of ethical conducts in order to enhance organization performance.

5.2.2 Adherence Towards Ethical Conducts as A Parameter of Organization Performance

From the data it shows that 18 percent strong agreed that changes in employee's attitude will fever organization performance, 66 percent agreed if efforts are made to change employees ethical conducts it will affect the performance of organization. Only 16 percent were not able to describe it at all. This implies that a total number of respondents suggested that, changes of ethical conducts in organization will affect organization performance. Apart from the situation revealed respondents suggested the strategies to be taken in order to change employees' ethical conducts.

The results show that employee's ethical conducts is in line with the organization's performance. Strategic goals are important for future performance.

5.2.3 Dissemination of Skills and Knowledge on Ethical Conducts by the Organization

The findings shows that there were 16 percent who strongly agreed that organization give positive support in enhancing the skills and knowledge on ethical conduct to its employees, while 52 percent agreed on that. On the other side 16 percent were neither agreed nor disagreed while another 16 percent disagreed, this suggests that, such knowledge and skills have not been widely enhanced in the organization.

From interviewed participants' researcher found that some (32 percent) were not able to describe organization ethical policy, this shows that the management has not well implement ethics policy skills among individuals. It is necessary to enhance and

review ethical skills and knowledge for better organization performance. On the basis of the results and discussion, it is recommended that public organization should adopt ethical conducts so that cultivated among the employees from the initial stages of their work.

5.3 Conclusion

The soundness of organization performance is important for economic development of a country; basing on the services rendered to the community contributes in stimulating economic opportunities to be realized. The employees ethical conducts is the crucial part for the success of the organization to achieve its goals and objectives. The study revealed that organization has great challenge concerning with ethical issues.

The assessment therefore, concludes that organization performance is interplay of several variables and that employee's ethical conduct plays a role in performance but not the major role. Employees thus may agree to be co-operative and participate in ethical conduct improvement programs. They may at some stage become involved in these disciplines, thus giving more of themselves in terms of intellectual and affective contribution, however, requires a higher level of personal involvement.

Therefore, the study of employees' ethical conducts contributes to the effort which in one way or the other makes organization success. The strong relationship between employees' ethical conducts and organization performance are critical to achieve and maintain competitive advantages as a consequence earnings.

5.4   Recommendations

Basing on the views obtained from professionals interviewed, the following recommendation can help to improve organizational ethical conducts. Decision makers should set use of ethical conducts as priority towards improving organization performance by set adequate resources and commitment to achieve this ends.

There is a need for responsible training institutions to enhance training on ethical conducts so that the graduate professionals can acquire adequate knowledge, skills and hence appreciate and adhered to ethical conducts.

DAWASCO as the case study should collaborate with responsible agencies so as to demonstrate the provision of the necessary facilities present and hence impart knowledge to employees.

It is recommended that, other stakeholders in the industry such as religious and public institutions dealing with public services should also take a forefront role in ensuring adequate initiatives are in place to enhance ethical conducts. Hence it is therefore recommended that the responsible authorities should invest in improve in working condition since employees ethical conducts is positively connected with organization performance.

5.5   Implication of the Results

Basing on the study researcher can realize that organization performance can largely be explained basing on factors other than ethical factors, these are like governing policy, economic factor and other control agencies. The field of organization ethics

is rapidly developing core competencies, standards of practice and quality indicators for ethics case consultation. Organization policies have the potential to influence the culture and practices of an entire institution, with significant consequences for customers, families and practitioners. However, an ethics policy can already be rendered ineffective if the ethics code is inadequately designed. First, a code might only encompass a narrow set of issues such as conflicts of interest, gifts and hospitality and use of organization assets, without addressing wider obligations or commitments to all of the organization's stakeholders. Furthermore, a code might be compliance-based, simply consisting of a set of rules that the employees are expected to follow, rather than values-based and providing guidance on how to handle ethical dilemmas. Lastly, the code might address employee behavior but not the behavior of directors, and thus exclude the most important decision makers in the organization. Organizations should engage all employees, from the CEO down, in initial and periodical update Code of Conduct training sessions that review internal and external guidelines and standards. Training efforts should encompass several formats, including classes delivered by compliance consultants, intranet based tutorials with compulsory tests, and real-world case studies. Additionally, organization should be well advised to include these training contents as part of their regular executive education programs, drive to ensure quality must expand to include all ethics services, including ethics policy review work.

One of the means of preventing unethical behavior is to enhance whistle blower programs in the organization. Whistle blower programs have been central to numerous governments, legislative and regulatory reform effort in recent year.

Despite significant whistle blowing incentives, few individuals blow the whistle when presented with the opportunity. Instead individuals often remain fallaciously silent and in essence, become passive fraudster themselves. No single governance mechanism has a greater potential to end an ongoing fraud (unethical behavior) than whistle blowing. This involves the disclosure by organization members (former or current) of illegal, immoral, or illegitimate practices under the control of their employers, to person or organization that may be able to affect action. In recent years whistleblowers have been responsible for ending some of the largest frauds such as WorldCom and Enron. Being ethical sometimes requires swimming against the tide and taking personal risks.

5.6 Limitation of the Study

There are few limitations that were experienced during gathering of data and information:

First, the researcher faced the problem of inadequate and unreliable data. In some case data obtained were highly exaggerated due to reasons well known by the source while in others there was no access to data as everything was treated as a confidential.

Another problem was that some of the respondents were not ready to cooperate especially in filling in the questionnaires; they feared that their information would be disclosed to other people. Also the researcher did not get back all the questionnaires that were distributed to the respondents. However, the responses received were sufficient to accomplish the purpose of this study.

5.7   Areas for Future Studies

Although this study has shown the importance of employees ethical conducts for organizational performance, it does have its limitations. Firstly this study has been conducted in one public organization (DAWASCO) and was limited to Magomeni branch only; hence the findings and conclusions drawn from this research are representative of the public organization context only, it is recommended in future to include more than one branch. Secondly it would be a fruitful research contribution to compare the private and public sectors in terms of the incidence. Lastly, this study also recommends further research to incorporate other moderating variables such as the legal and regulatory environment and organizational characteristics.

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APPENDIX: Questionnaires

I am a student from The Open University of Tanzania (OUT) pursuing a Master Degree in Business Administration (MBA). The purpose of this questionnaire is to collect data concerning my research study. Your contribution is highly valuable in making the study successful. Assurance is given that your personal information will be handled confidentially.

Questions;

1. Circle an appropriate age.

   A. Between(18 -30)

   B. Between(31-45)

   C. 46 and Above

2. What is your gender?

Male	Female
1	2

3. Please read each statement or question carefully and circle one number which best describes how does your organization regulates ethical questions.

   a) Do you think organization has enhanced awareness on organization ethical conducts?

Strong Agree	Agree	Neither Agree Nor Disagree	Disagree	Strong Disagree
1	2	3	4	5

b) (B) Do you think ethical behavior of employee can help to improve organization performance?

Strong Agree	Agree	Neither Agree Nor Disagree	Disagree	Strong Disagree
1	2	3	4	5

c) If efforts are made to change employee's ethical conducts at your organization it will improve the performance of your organization.

Strong Agree	Agree	Neither Agree Nor Disagree	Disagree	Strong Disagree
1	2	3	4	5

d) What is your opinion on the impact of employee's ethical conducts to organization performance...

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Thank you very much for your intensive cooperation