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Ethics –A Mandatory Instrument to Ensure Good Governance of the Public Sector

Sorela Maria PRUTEANU¹

Abstract

In these times, the ethics problem is more pronounced in the area of decision making, as these may have a major impact on the community, regardless of the hierarchical level within the establishment of the person who made a specific decision. This article's roadmap outlines the path government leaders can take to prevent actions that affect the institution's image, proving responsibility for the health of the organizational climate. Therefore, even if we're going through the era of the new public management which is focused on prompt resolution of citizens' needs with minimum resources consumed, organizations' representatives can still collaborate with their subordinates, in order to support the development and the assumption at individual level of the code of ethics. An efficient implementation of the code of ethics supports the integrity of employees, as well as organization's integrity, improving its long-term performance. Given the differences between traditional management and new public management's perspective regarding the institutional approach, this article tries to establish how a healthy ethical climate can be implemented, in the current circumstances, in which performance is measured in economic cost-benefit terms. An objective analysis will illustrate which scenario should be assumed by the representatives of the institutions: limiting the governmental intervention in certain sectors in order to reduce the acts of corruption or the inclination towards the privatization of public services, with the risk of diminishing the transparency of public administration actions. The conclusion highlights that managers have a social responsibility, so they must maintain the organization in an ethical balance, regardless of the goals of stakeholders.

Keywords: *ethics; moral conduct; civil servants; organizational climate; good governance.*

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1. Introduction

Strategies for managing the concept of ethics and good conduct are created and implemented differently in the public sectors of different countries, therefore it is difficult to develop a unitary practice applicable to all structures of the European Union. The development of tools used to increase citizens' trust in the correct and transparent management of public resources indicates that local authorities are constantly showing a tendency to align with the pillars of good governance. In addition to economic objectives or those related to efficiency and effectiveness, special attention is paid to maintaining ethics and good conduct in the public sector.

At the same time, the notion of ethics can be associated with global citizenship, so in order to solve communities' problems, these should be analysed through a global vision. Hence the contradiction between national responsibility (patriotism) and the duty of citizens around the world to contribute to solving fundamental problems globally.

The long-term commitments made by a country may or may not coincide with those of the whole world, so the measures that need to be taken must be corroborated internationally. Global ethics is built on people's ideas and values but considering the idea that the life of every human being on the planet is worth as much, regardless of nationality or religion, this perspective can be difficult to sustain, given the context of prioritizing interests.

Moral sense is the foundation of every human community, this value transcends borders, suggesting not only that other's problems should be shared by everyone, but also indicates the duty of each of us to act when wrong things need to be corrected. Each state could capitalize on its resources at a very high level, but this requires increased attention from the competent institutions [2]. They must submit to the rigors of global ethics, using their developed moral sense to prove citizens that resources exploitation is done in favour of the community; however, from reasons that have been previously argued, they must act in collaboration with other states, in a collective manner.

All different theories which analyse this problem regarding ethics, both in public and private sector, start from the analysis of the human profile, dissecting both character and ethical conduct traits. Approaching this issue by trying to fit the individual into a certain pattern involves the application of reasonable criteria from a moral point of view, but those criteria must be adapted according to the ethical requirements of the

organization to which he/she belongs [11]. Public organizations try to prevent risk-situations or those that involve social vulnerabilities, by defining several codes of ethics.

2. Problem Statement

Each discussion about ethics in public administration should be summarized as the concept of public good, its fulfilment by public managers can be associated with notions of equity, equality, justification, as well as freedom, solidarity, sustainable development [30].

To allow officials clarify the ethical issues they may encounter, they can conduct an investigation within the organization to determine what factors, both internal and external, may affect ethical behaviour, such as: knowledge, values, personal goals, morals and personality, as well as cultural norms, friends and family [4].

The ethical profile of each organization in the public sector is defined after establishing all the parameters that influence from a psychological point of view the organizational climate, as well as the way of making decisions.

The radiography of the ethical climate explains the differentiated decision-making mechanism depending on the environment in which the human factor carries out its activity. The behavioural examination of the officials can be performed constantly by applying questionnaires through which the respondents are asked to make(hypothetical) decisions according to the presented scenarios.

At the organizational level, it is difficult to implement two distinct policies, one directed towards the code of conduct and the other one aiming the code of ethics, because most of the time actions stated in them overlap to some extent, so it is preferable that employees have a single reference system to which they refer when substantiating their decisions, as well as where they can find other guidance on managing situations involving harassment or conflict of interest [3]. According to a study by The National Health and Medical Research Council(2015) [21] a brighter understanding of these standards, at all hierarchical levels from the highest member of the organization to the last employee, will govern a common framework for future decisions.

The expectations of the civil society's representatives regarding the increase of the quality of services offered by the local administration are closely related to the reduction of the malpractice of the administrative act [20].

Internal analysis of the integrity standards implementation in public sector organizations started from the premise of prevention, considering that preventing threats aimed at weakening fundamental ethical values and duties towards good governance is a vital step in providing quality services [31].

The European Union, through the competent institutions, considers that the ethics component in the implementation of projects from non-reimbursable external funds must be an integrated section, in order to guarantee the visibility of these projects, respectively to ensure their sustainability. State agencies (for example, in Romania, The National Agency of Civil Servants) monitor the implementation of ethical standards at the level of public authorities, constantly controlling the feedback given between citizens and civil servants, assuring the existence of the infrastructure required so that citizens can benefit from access to several service-types and officials to focus their efforts on meeting community requirements by eliminating bureaucracy [32].

In the same line, competencies required are stipulated, as well as the environment in which the implementation team of these projects, financed from external funds, must carry out their activity (although the same approach can be applied for investments that have another financing source). All these regulations must be included in each ethics and integrity code created for the organization's staff; this code must be followed in order to meet the indicators assumed by grant applications, respectively to meet the general objective for which they were funded [24].

Ethics is an integral part of all research processes, so it can be found in the description of programs for granting funds from external sources, but in addition to the principles described in these processes, it is imperative to comply with national legislation, to avoid the risk of integrity's disturbance.

3. Research Questions/Aims of the research

Ethics is an integral part of research, which is why one can define the activities of public administration in terms of three dimensions [9]:

A. Traditional management or the new public management

- By analysing the management at the level of public organization, it's easy to notice that it can have a traditional - bureaucratic side, focused especially on tackling all problems from an economic point of view.

- The analysis from the perspective of the new public management frames the values of the legal representatives of the organization in terms of cost-benefit, basing its approach on the idea that any organization is more efficient if it consumes fewer resources.
- The common points between the two types of public administration approaches, either specific to traditional management or specific to new management, cross on the axis of spending budgeting.

B. The political approach indicates ensuring representation at the level of citizens by considering their opinions, when local organization defines its public policies, policies created and implemented only for action in the interest of the community.

C. The legal approach involves making decisions in correlation with the national jurisdiction, with the appreciation of fairness standards to protect citizens from malicious deprivation, while respecting the principle of equal rights of citizens.

These approaches of the administration highlighted how, at the beginning, the representatives of the local organizations were perceived as persons of integrity, representing the community, guaranteeing the trust of the political leaders and legitimizing their decisions. The difference, related to *the genesis*, is expressed by applying the directives of the new public management: currently, the manager of an organization can be seen as a competent human being, which has a strong system of moral values and political neutrality [13].

The difference between the ethics and the conduct of the civil servants, as well as the legal representatives of the public administration (elected by vote by citizens) is very difficult to elucidate because there is an overlap between the values that civil servants should have and the behaviour that they must show in relation to the public, however, in most organizations there are defined both a code of ethics and a code of conduct [29]. Labeling a behaviour as *unethical* is based on actions that can be classified as: illegal, unethical or inappropriate. Delimitation of these three terms can be done depending on the type of jurisdiction, thus a behaviour can be considered as *illegal* when the result of an action falls under the incidence of criminal law (the action can thus be classified as a crime).

Although the standards of ethics are very difficult to assess, lately there has been an increase in citizens' trust in the various actions of the administration, if they are carried out transparently and ethically [8]. At the same time, determining the ethical level in a governmental organization can be performed by counting actions of violation of the code of ethics, acts of corruption, fraud or other events that bring to light the irregularities in an organization [15]. However, by adopting on a large scale the rules established in the codes of ethics, the situations of malpractice caused by the improper management of investments should be diminished [16].

According to a study conducted by James Noland and Robert Phillips(2010) [22], the distinction between the development strategy of the organization and ethics code is useless, considering that a development strategy of the organization, properly implemented, will automatically include moral concerns.

4. Research Methods

To capture the essence of the current article, the method of exploring the literature in this field was used, as it offers the flexibility in understanding the perceptions of experts in the field regarding the way decisions are made, both in public organizations, as well as in private ones, considering that code of ethics was clearly regulated. A comprehensive overview of the literature contributed to understanding situations which can affect good governance, so that it generated an own opinion on the importance of the awareness of moral responsibility of the civil servants for the improvement of the public institutions' climate, as well as citizens' perspective about its reliability.

The empirical results proved that the problems related to civil servants' morality can be diminished if the local public agencies are efficient, transparent and permanently in citizens' service.

5. Findings

People appointed to public positions are often put in a challenging situation, as they may fall into the trap of making incorrect decisions, from a moral standpoint, being constrained by the leaders of organizations; this confirms there is a direct connection between the organizational environment and the number of cases of misconduct [5]. An ethical check tells us that the health of the ethical climate is relevant both for providing a management model in which decisions are made in the spirit of morality and

without creating controversies, as well as for meeting moral standards developed to support officials, especially when they are put in a position to distinguish between what is correct and what is right.

The new public management popularized the idea of privatizing some sectors of the administration in order to reduce costs and improve efficiency. There are situations in which procurement contracts are also awarded by entrepreneurs to government officials, because they, directly or indirectly, can own businesses in this area of interest [25].

This favors an efficient use of public money, according to the statistics that place them in the top of the countries with the lowest rate of corruption index. Therefore, corruption is the barometer that can have a devastating effect on the functioning of states, undermining economic and political efficiency [17]. It can be concluded that the several issues raised on the topic of increasing organizational performance can be solved by public managers through the rigorous management of the organizational ethical climate. This situation is valid regardless of the hierarchical level of the organizational leaders, as Michel Foucault (1997) [10] reiterates, stating: freedom is the ontological conditions of ethics.

Organizational culture can be influenced either by perceptible factors, such as: behaviors, slogans, codes of ethics, as well as underlying values marked by personal beliefs, feelings, attitudes, so the role of managers is both to protect their group against external factors, as well as to configure for their organization its own ethical identity. These regulations are not only a working tool, but also a definition of public and private ethics, as Phillip Lewis (1985)[19] specifies the idea that business ethics is moral rules, standards, codes or principles which provide guidelines for right and truthful behavior in specific situations.

According to a study by Richard L. Daft. (2013) [27] the trend of globalization puts pressure on the organizational leadership, because they must have certain qualities to tackle changes, developing their own leadership style, to which all subordinates must align.,

The design of the organizational system, according to activities which sustain the ethical values - operationalizing the integrity strategy, represents the driving force of the institution, being visible both from outside, through the community and from inside the organization [26].

If the balance of these aspirations is disturbed, the board opts for the objective analysis of the integrity incidents and, even further, of the reasons behind the behavioral modification of the civil servants which are part of their team. For example: if a natural or a legal person feels wronged and considers that the administrative issues have not been objectively analyzed, he/she can lodge a complaint with the European Ombudsman.

Between 2015-2019, it registered a number of 3920 cases, usually related to a person's financial interests [23].

Table no.1 Number of complains between 2015-2019 inside a mandate of the European Ombudsman

Year complains	Number of cases
2015	707
2016	711
2017	751
2018	880
2019	871

Source: European Ombudsman –Annual Report 2019

By analyzing the results of the report related to integrity incidents, the individual consciousness of each official should irreversibly change, especially when thinking to future potential issues and how he/she will act if one's decisions would appear on the front pages tomorrow [11].

The solutions offered by all experts are inclined towards the revitalization of public administrations, as the impact caused by the high percentage of corruption cases is more pronounced in the daily reality than it appears in the reviewed statistics.

In the particular case of the teams within the local administrations that are responsible for the implementation of the projects, ethics has the role of professionalizing the activity, of increasing the degree of trust regarding the decisions taken by the whole team, improving at the same time the behavior of each individual.

6. Discussions

There is an elementary methodology which claims that moral investigation should be guided in a way established by clear regulations, since the judgments of each individual can be influenced by certain factors, so that an institutionalized approach towards citizens' problems cannot be placed under a moral examination.

Examining the organization as a microcosm of the society and treat the individual, regardless of his work-type, as a citizen, a diagram can be configured to which officials, employees and leaders of the group can relate when they substantiate their decisions [14]. Therefore, although the priority

is to respect the environment and the principles of sustainable development without which society could not exist, the core, which is represented by the legal representatives, dictates the course of action for organizations [1].

The development of an ethical infrastructure, both at the level of public institutions and for business outlines an agenda that leaders follow in order to make responsible decisions towards the environment, towards society and corporations, respectively integrates features of good governance [7]. More specifically, as can be seen, decisions are made by people in order to obtain an advantage, but always without letting out of sight the sustainable development.

Figure no. 1 Domain of Politics and Ethics in relation to Corporate Responsibility

Source: Author's conception

7. Conclusions and Further Developments

The pressure applied by the civil society to ensure the transparency of the activities carried out by the administrative system stimulated both the representatives of the public organizations and those from the private sector to take steps forward to correct the imperfections and to align to public communities' standards.

In this regard, investments made according to local development strategies are considered responsible only if they comply with a set of ethical, social and ecological rules [12]. The competitive environment in which the national companies operate boosts them in the global tendencies, if they have well defined the support of a social component. Strengthening of relations between the citizens and the decision-makers can be done by introducing in the national legislation the provisions specified in the ethics code, highlighting all the misconducts [28].

The fact that citizens have access to different institutions' codes of ethics and conduct represents a new level of awareness reached by the institution-citizen relationship, because leaders expose the type of behavior that citizens can request from civil servants, respectively can configure conduct on which local councilors must adopt in order to represent citizens' interest, according to Council of Europe Congress of Local and Regional Authorities (2016) [6].

The constant pressure on the manager to act in an ethical manner comes from both governmental organizations and the community, which demand that decisions made by leaders should be based only on society's interests which, once implemented, allows to improve its living conditions. According to the study conducted by Prachi Juneja (2015) [18], strengthening local democracy can only be approached in the light of benefits offered by ethics.

Figure no. 2 Ethics' benefits

Source: Author's conception

Although there are voices complaining against globalization, both the power of the Internet and new technologies play a crucial role in the decentralization process, respectively in growing the quality of the local government. Ethical governance strengthens the relationship between citizens and public institutions by reducing the corruption rate and by increasing citizens' trust in decision-makers.

Ethics has an important contribution to the development of a good society, because the standards underlying this concept spread at all levels, from individual (as a citizen) to the administration or private companies, and

the examples can continue, but the most important is that the system of values to be compliant at each hierarchical level.

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