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Ethical Managerial Practices and Organizational Resilience in Tertiary Health Institutions in Bayelsa State

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Abstract:

This study examines the relationship between Ethical managerial practices and Organizational resilience in tertiary health organizations in Bayelsa state. The study adopted the cross sectional survey research design. The target population consists of all the managers and heads of department of the institutions under study. After the data cleansing, a total of 83 copies of the questionnaires were found useful. The Spearman rank order correlation coefficient (Spss version 20) was used for the Bivariate analysis. The findings of this study reveal that Ethical managerial practices have a significant relationship with Organizational resilience. This study concludes that Organizational resilience can be enhanced by a strict adherence and practice of ethical decision making and ethics training in any kind of organization. This conclusion is directly related to the problems investigated. This study thus recommends that resilient organizations should diligently adhere to ethical principles in order for them to remain resilient.

Keywords: Ethical managerial practices, organizational resilience, situational awareness, keystone vulnerabilities.

1. Introduction

The business milieu today is characterized by conditions, occurrences, activities of individuals or groups that have the potential of affecting the ability of a business to achieve its objectives, as a result, only the tough and resilient are able to survive, hence survival of the fittest. This is why Mitroff (2005) emphasized that the constant changes in the business environmental conditions have stressed the urgency for organizations to strive to meet their corporate goal of performing at their best in all circumstances. This, according to him, may lead many managers of organizations who are obliged to deliver shareholder value and maintain their jobs resort to unethical practices.

In the same vein, Foote and Ruona (2008) admitted that in our present –day period of unpredictable terrain, managers are facing difficulties in the area of ethical business practices in decisive situations. Evidences of this behavior abound, such as the recent fuel emissions violation scandal of Volkswagen. It was discovered that the automaker had deliberately worked out turbocharged direct injection (TDI) diesel engines to trigger specific emissions control only during laboratory emissions testing that would satisfy U.S. standards during regulatory testing meanwhile it was meant to produce as much as 40 times higher nitrogen output in real-world driving.

The priority of an ethical managerial practice seeks the success of the organization, where ethical decision making and ethics training is upheld as an important factor that will enable the organization deal with difficult ethical predicaments and aid an organization avoid being involved in criminal suit or illegal activity (Shuja and Abassi 2015)

According to Valastro (2011) many organizations have discovered that the customary business methods are unable to shield them from destruction. Resilience becomes imperative to provide organizations with the enablement to sustain an avenue that calls for change and flexibly acclimatize as they remain profitable and competitive, in other respects, they might decline and crumble when there is emergency. He argued that the idea of resilience for businesses, especially the health sector, is both timely and important

The inevitability of disaster and the increasing dynamism and complexity of the business environment highlights the importance of organizational resilience. Mcmanus, Seville, Vargo and Brunson (2008) have defined resilience as the special activity of the total situational awareness, controlling of important causes of exposure to threats and the flexibility of an organization to change when necessary in a complex, dynamic and interdependent environment. According to them, for an organization to be resilient, it needs to be abreast with the totality of the environment on which it operates. Manage those key aspects that are liable to badly affect the

organization should any part gets damaged in the event of a disaster and its culture must make room for free flow decision-making from top management to staff in an urgent and accurate way during business operations as well as in crisis situations. Bouncing back is of great necessity to ensure all important services rendered to other businesses, stakeholders, government and the communities continue in the event of uncertainties.

Parson, (2007) noted that the September 11 terrorist attack made organizations revived their efforts in resilience with great determination. He pointed out that some organizations have so far been able to confront crises situations and triumphantly recovered from them without much planning. He illustrated this with the Bankstown City Council in Australia. In his words "Bankstown City Council had no plans in place when the council was burnt down in the early hours of the morning of 1st July, 1997. The response was well organized, staff highly motivated and services quickly restored". This, according to the report, shows that putting up a plan is not enough to overcoming critical challenges in business. Looking at Bankstown council, the instant operative leadership, a decision making that passes from management to staff, a solid relationship with other divisions outside the organization set up by reason of association over a long period of time and a result-driven personnel led to a quick bounce back to normalcy.

According to Mcmanus, Seville, Brunson, and Vargo (2007) one important point in bringing about resilient organizations is making clear the importance of its idea a daily approach to coming out of shocks and disturbances. Klein, Nicholls and Thomalla (2003) puts it that resilience is still an abstract thought and procedures for arriving at sound resilience in the course of activities at a functional ground remains an issue to both the student and the practitioner.

With regards to other research works describing what resilience means in the face of disasters, this study aims at investigating the relationship between ethical managerial practices and organizational resilience in tertiary health institutions.

2. Ethical Managerial Practices

The changes and uncertainties in the environment make it imperative for managers to rise to the challenge of revisiting their approach to business ethically.

Today's business climate emphasizes both doing well and being outstanding. Organizations can carry out a cost-benefit analysis to discover the possible activities that will ensure profits while meeting the organization's need for corporate social responsibility. (Ethics and corporate responsibility, (2009)

It is an ethical managerial practice for managers to select the right people and retain them, build on their strength and empathize with them. Ethical managers focus more on the success of the organization before their personal interest.

Ogundele et al. (2013) listed some unethical practices by managers and employees alike and their consequences to the organization as: control or influencing someone, misinterpreting of records, misappropriation of assets, neglection of effects of transactions from records, recording of transactions without documents, intentional influencing of accounting principles, using company time for personal ends and other electronic related fraud.

Disobedience to the organization's rules by managers who engage in unethical behaviors can portray lawlessness and disloyalty in the organization. It is thus put forward that adhering to ethical business practices and emphasizing on ethical principles will certainly ensure a resilient organization, bring about satisfaction for members and all round prosperity. (Ogundele, et al. 2013)

According to Prieur (2013) it is the ethical responsibility for organizations managers and leaders to decide using aversion, support and reconstruction measures to shield individuals and properties from disasters while always observing the importance of defending the rights of those affected. He further maintained that the reason why ethical principles is applied by Managers to reduce shock and deal with crisis is to make firm the resilience of population in any unforeseen circumstance by attaching a moral importance to the risk mitigation strategies like aversion, supporting and abating of exposures to threats in anticipation of an enduring progression. According to him, the ethical questioning depends on the circumstances at hand (before, during or after the disaster) and equally the area of consideration whether health, rescue, operations etc.

2.1. Resilience

Resilience, according to Mitchel and Harris (2012) relates to the manner a system, individual or community manages shock, distress and alterations. Resilience, according to Mallak (1998) refers to the skill an individual or organization possesses to urgently devise and carry out the right actions in relation to the circumstances patiently. Parsons (2007) sees resilience as the skill of a corporation to make less the extent of harsh interruptions on the business the ability to "bounce back" and maintain that disturbances and shocks can serve as a focus to eventually empower and promote a resilient organization.

Hollnagel, Nemeth, and Dekker (2008) further defined resilience as comprising four competences that better describes the inherent features of resilience: the competence of responding to different kinds of crisis and to various kinds of threats, the competence of flexibly monitor what is going on, the competence of predicting crisis and the competence of learning from experience. In the health sector and in other industries, resilience is essential for quick rescue and for continuity of existence. (Mallak, 1998)

3. Organizational Resilience

Hubert (2011) sees Organizational resilience as the competence of an organization to quickly resolve and react to alterations (within and outside) like disaster claims, opportunities or threats and carry-on with normal operations with reduced effect on business flow.

According to Cholewa, Mamula and Smith (2009) organizational resilience is the competence of an entity to continue to function or remain in existence while making progress in emergency situations. They admitted no organization exist in isolation; and argued that the ability of an organization to bounce back greatly rely on the strength of the other organizations that it looks up to for support.

Marcos and Macaulay (2008) maintained that with purpose, whenever disaster hit resilient organizations and regardless of the cause, they can recover and bounce back from trauma and quickly restore business capabilities. They opined that such organizations endeavor to be ready for any kind of situation while they remain flexible to change. MacManus et al. (2008) defined organizational resilience to be “a result of the collective’s situation awareness of an organization, control of keystone vulnerabilities and a flexible changing ability in a difficult, changing and mutually joined environment”.

In another light, Dalziell and McManus (2004) maintained that organizational resilience and community resilience are interdependent, explaining that being resilient can bring about a competitive advantage. Healthcare Information and Management Society (2013) maintained that Organizational Resilience Management provides tools and advances to help an Health Information Exchange Organization maintain a high level of accessibility, declaring that it puts forward some ways that can be used in pinpointing and estimating risks to the Health Information Organization, and a structure for dealing with those risks, whether by suppression or by reduction. It also promotes an organization’s ability to react and regain its stand from stress and do the needful to confirm the organization’s continued accomplishments.

However, McManuset al (2008) argued that resilience play an important part in bringing about a quick and timely bounce back for communities. Furthermore, in the absence of essential services provided by organizations to communities, the communities will find it difficult to react quickly or return to their normal states. In the same spirit, Stephenson (2010) explained that these organizations make it possible for communities to operate. To him, organizations alongside community resilience are interdependent such that the readiness of organizations to react quickly to disaster indicates that of the readiness of the neighboring community.

4. Measures of Organizational Resilience

4.1. Situation Awareness

Mcmanus et al. (2008) maintained that situation awareness is expressed as the knowledge a corporation has of its total functional surrounding. This according to them includes the ability to anticipate opportunities and also possible disasters, disturbances and the ability to pinpoint crisis and their outcomes correctly.

Naim (2011) sees situation awareness as a degree of an organization’s comprehension and appreciation of its total working milieu.

Endsley, Bolte, and Jones (2003) defined situation awareness as being abreast with happenings in your environment and to comprehend the relevance of that information now and in time to come. They explained further that the term ‘situation awareness’ is mostly used in working terms.

Endsley (1995) He argued that the ability of organizations to see themselves as part of a wider network, in perfect agreement can bring about a common and shared situation awareness, even for decision makers. According to Mills, et al. (2015) when medical directors foresee a health disorder, they carry out relief efforts with the aid of available information from former crisis experiences as they simultaneously remain alert to the disaster and area presently disturbed. First Aid as provided by the Red Cross Society stresses the need to be informed of happenings within the affected area as the first important strategy to be accepted by responders when attending to an individual in need of medical assistance (www.unicef.org)

Situation awareness for First Aid responders in medical context also includes examining and understanding the event that occurred to avoid injury of responders and equally to communicate to other rescue agencies which may be interested with the information of the situation through radio services before their arrival. It is equally used to avoid further injury to already injured individuals, to medical responders as well as to inform other like-minded responders of hazardous conditions before their arrival. (www.unicef.org)

4.2. Keystone Vulnerabilities

Keystone vulnerabilities, according to McManus et. al. (2008) are the elements in the organization’s system which by their loss or destruction may have the ability of adversely affect the organization, causing terrible damage all through the system, and by which other close elements of the system depend for support. They explained further that keystone vulnerabilities can either occur violently, implying the sudden failure of a system or it may occur gradually, implying the step by step failure of a system for a longer period due to growing systematic or coincidental loss of mild important factors.

Similarly, Naim (2011) submits that the direct effect of keystone vulnerabilities may occur either immediately and badly affect a constituent part or gradually, causing the malfunctioning of minor important element that may eventually cause a terrible damage in the future if not checked on time. However, Luers (2003) submits that vulnerability is generally defined as the weakness to damage, and is often characterized by either of the scenarios: the sensitivity of some of the people or place to threats, shocks or disturbances, also the state of the system’s skill to fit in to different situation. Luers (2005) opined that pointing out those things that causes the exposure to attack and understanding what make up the basic operation may help decision makers discover the most important issues that are pressing, as they make futuristic management plans. He maintained that controlling vulnerabilities in the future needs a proper directing of the main factors as they observe the differences occurring in the organization’s processes while keeping track of changes in the system that are in line with the present situation.

5. The Relationship between the Independent Variable-Ethical Managerial Practices and the Dependent Variable Organizational Resilience

It is apparent that in many organizations today, there are generally accepted unethical practices. Conflicts have struck in many organizations where managers who are only profit driven without adhering to ethical principles. This has often resulted in being called for explanation and apology to customers and stakeholders and then asked to pay the necessary fine that follows as evident in the

recent fuel emission scandal of Volkswagen. This, no doubt causes tension, thereby distracting and disrupting the main focus of the company. Ethical practices by managers cannot be over-emphasized. It builds trust, good reputation and confidence in the organization's stakeholders and shareholders of what the organization stands for.

Marot and Dunn (2010) puts it that ethical managerial practices as included in the behavior of an organization has been shown to possess channels that affect the results organization achieve in the form of ethical decision-making, creativity, quality safety and resilience. In the same vein, Schoeman (2014) admits that ethical managerial practices are important to a lot of important business results and that it differentiates conspicuous organizations from the ordinary.

The ability of managers and leaders of organizations to build a culture where training on prevention of crisis, reduction of vulnerabilities, protection of human rights, honesty and integrity etc. an ethical practice and part of the company's policy will enhance a strong resilient capacity and form a well-established confidence on investors, stakeholders, clients/patients, staff and also the community on which the organization operates.

Richard, Osborn, and Groves (2013) discussed extensively on business ethics and argued that business ethics is the putting into practice a set of moral values accepted by an organization's stakeholders as the codes that should determine behaviors. According to them, looking at the way organizations show ethical behavior, it is obvious that the outcome of failure can be disastrous and can even deprive the organization the freedom to operate irrespective of its legal rights.

5.1. We therefore obtain the Following Hypotheses

- HO_1 : There is no significant relationship between Ethical managerial practices and Situation awareness in tertiary health institutions in Bayelsa.
- HO_2 : There is no significant relationship between Ethical managerial practices and Keystone vulnerabilities in tertiary health institutions in Bayelsa.

6. Research Methodology

This study was conducted as a cross sectional survey. The study units for data gathering were the two tertiary health organizations in Bayelsa state- the Federal Medical Centre, and the Niger Delta University. The sampling elements in the population will be 113 directors and heads of department of both hospitals.

The entire population elements will be included in the study therefore no sample size is to be determined. After cleaning, 83 copies of the questionnaire were used for the analysis. Each of the variables will be measured on a 5 point Likert scale ranging from 5=strongly agree, 4= Agree, 3 =Neutral, 2 =Disagree and 1 =strongly disagree.

7. Results and Findings

From the study demographics and univariate analysis, the result show that 55.4% of the respondents were males while 44.6% were females. 9.6% of the respondents are between 21-30 years old, 21.7% are between 31-40 years old, 39.8% are between 41-50 years old while 28.9% fall between 51 years and above. On length of service, 13.3% of the respondents have serve between 0-10 years, 33.7% between 10-20 years, 34.9% have serve between 20-30 years while 18.1% have serve for 31 years and above.

- HO_1 : There is no significant relationship between Ethical managerial practices and Situation awareness in tertiary health institutions in Bayelsa.

			Ethical Managerial Practices	Situation Awareness
Rho	EMP	Corr Coeff	1.000	.851**
		Sig. (2-tailed)	.	.000
		N	83	83
	SA	Corr Coeff	.851**	1.000
		Sig. (2-tailed)	.000	.
		N	83	83
Corr is sig. at 0.01 level				

Table 1

The above table shows the result of hypothesis one. It indicates that there exists a statistical significant relationship between the variables. The z value of 0.851 at a significant value of 0.000 lies within the critical value of 0.05 confidences level, the preferred significant level. The null hypothesis is therefore rejected while the alternative is accepted. Hence Ethical managerial practices has a significant effect on Situation awareness since the correlation is high and positive.

- HO₂: There is no significant relationship between Ethical managerial practices and Keystone vulnerabilities in tertiary health institutions in Bayelsa.

		Ethical Managerial Practices	Keystone Vulnerabilities
Rho	EMP	Corr Coeff	1.000
		Sig. (2-tailed)	.895**
		N	83
	KV	Corr Coeff	.895**
		Sig. (2-tailed)	1.000
		N	83
Corr. is sig. at 0.01 level			

Table 2

The above table shows the result of hypothesis two. The z value of 0.895 displays a high correlation at a 0.000 significant value. This lies within the preferred level of significance of 0.05 confidence hence the null hypothesis is rejected and the alternative accepted. Thus Ethical managerial practices have a significant effect on Keystone vulnerabilities.

8. Discussion, Conclusion and Recommendation

The two hypotheses attempts to examine the relationship between Ethical managerial practices and Organizational resilience. These hypotheses were tested using spearman rank correlation. With reference to the analysis of collected data (see Tables above) a positive relationship was revealed between Ethical managerial practices and the measures of Organizational resilience. This findings may be explained by the fact that the business environment is characterized by conditions, occurrences, activities of individuals or groups that have the tendency of affecting the ability of a business to achieve its objectives, thus it becomes imperative for managers to adhere strictly to ethical principles while in pursuance of the organization's goals in order to ensure they have what it takes to withstand emergencies and stand firm in the event of loss of key employees, natural disaster or any other form of business disturbance. This agrees with Prieur (2013) who argued that ethical principles when applied by managers aids in averting the threats of emergencies and assists in empowering the resilience of people when different kinds of crisis occur by attaching an ethical meaning to the strategies for alleviating threats like aversion, supporting and prevention, assistance, reducing exposures to threats etc.

It is concluded, based on the discussions above, that Ethical managerial practices affects Organizational resilience in all work environments, particularly the health sector.

From the above conclusion, we recommend that: Management should not only be profit oriented but should make ethical decisions that will guide against unnecessary damage and exposure to threats by ensuring a proper control of vulnerabilities in the organization and equally emphasize on factors that positively impact on their organizational resiliency.

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