

THE EFFECT OF WORK ETHICS ON PRODUCTIVITY LEVEL AND FISCAL SUSTAINABILITY IN KENYA'S PUBLIC SECTOR WAGE BILL MANAGEMENT INSTITUTIONS

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Abstract

Work Ethics can be referred to as the behavioural working conducts of employees and their positive moral involvement in doing a good job, through honesty, compassion, and loyalty in the course of economic development. The objective of the study was to determine the effect of work ethics on productivity level and fiscal sustainability as well as assess the contribution to research gaps that have failed to highlight the effects of work ethics on the connection between productivity level and fiscal sustainability in Kenya's public sector wage bill management institutions. The study proposed that the primary causes are related to bad governance; lack of reliable labour market structures and regulations; poor work ethics; and low productivity level. The study was guided by the utilitarianism theories of work ethics. The philosophical foundation adopted by the study was positivism and a cross sectional survey design because the data collected was quantitative and qualitative. The study population was from Kenya's public sector wage bill management institutions. In the determination of sample size, the Krejcie and Morgan table was used. Primary data was collected by the use of structured questionnaires and the choice of drop and pick method was used because the technique is believed to minimise non-coverage error. Data analysis involved the computation of percentages means scores, and frequencies for descriptive statistics and correlation and regression for inferential statistics. The results from the study found that ineffective and poorly designed policies made it difficult for public sector firms to implement the most conducive work ethics resulting in lower productivity, high turnover rates of workers, and loss of funds through corruption and mismanagement, thereby making fiscal sustainability an unachievable goal. The study concluded that service delivery policies are not aligned to productivity and fiscal sustainability, ineffective and poorly designed policies contribute to reduced work ethics, organizational structure, and employee performance, leading to fiscal unsustainability. The study recommended policies be developed that promote productivity whilst upholding fiscal sustainability, leaders be equipped with the right skills to govern public institutions diligently devoid of bias and employees be empowered to contribute to fiscal transformation besides emphasis being made on productivity, communication, customer satisfaction, and employee loyalty.

Key words: Work ethics, productivity level, fiscal sustainability.

Introduction

Background

Work Ethics can be referred to as the behavioural and working conducts of employees as well as their positive morale and involvement in doing a good job, through honesty, compassion, and loyalty in the course of economic development. In an existing system of employee engagement in any workplace environment, ethical conduct is important and critical for various reasons. That is to say, how well companies conform to ethical principles specifically defines the well-being of all stakeholders, the competitiveness and eventual sustainability of the company, as well as the country's macroeconomic development and growth (Adeyeye, Aina, & Ige, 2012). Any actions contrary to those actors' expectations will rather hamper the production process trajectory and the entities' growth.

Work ethics can be considered as the agreed norm concerning workers' personal and social security, attitudes to the job, willpower, and loyalty to their tasks (Cascio, 2013). Velasquez (2002), states that work ethics is the concept of behaviour regulating an individual or team in the workplace, which makes them adhere to ethical degrees, thereby influencing the level of business performance and the resulting level of profitability. Singh and Vitell (2013) suggested that it is important to consider the ethics of institutionalization when an organization is dedicated to managing issues within the organization. Singh and Vitell (2013) explained that “due to growing ethical issues in business, companies have attempted to control such challenges by institutionalizing ethics, such as developing new moral stances and implementing codes of conduct.” Institutionalizing ethics is an issue facing all kinds of entities — educational, governmental, religious, and enterprise. An organization normally has several ways of institutionalizing ethical values, based on both long-term and short-term considerations (Sims, 2013).

Parrot (2014) defined work ethics as the moral principles that guide individuals at their workplace. The current study adopted the Parrot (2014) concept of work ethics since it was not limited to several workplace aspects as compared to the former. In the current study, work ethics helped to evaluate the association between employee conduct, productivity, and fiscal sustainability. The utilitarianism theories are used to define work ethics and its applicability to the public sector in Kenya. The work ethics in the Kenyan public sector is faced with a myriad of scandals ranging from misappropriation of resources, corruption, and a lazy public sector.

Literature Review

Theoretical Literature Review

The study was guided by utilitarianism theory of work ethics. The utilitarianism theory states that the most morally correct approach in work ethics is the one that has the best possible result (Brandl & Brandt, 2017). The theory demonstrates that the best result has to be achieved despite the different setbacks experienced in the process. The relationship of the theory with the actualization of fiscal sustainability is described by the ability to set end objectives (Brandl & Brandt, 2017). The theory has been used as a target making strategy to forecast economic development and importantly, the act utilitarianism approach focusing attention that avoids distractions from different elements along the way.

Rule utilitarianism theory states that the end product of working ethics is only good in the instances that the rules followed to achieve the end product were ethically sound (Simões, 2009). The rule utilitarianism theory falls in line with the determination of the different approaches through which different prospects are described by the economic processes that are applied in the efforts to achieve fiscal sustainability (Mulgan, 2014). Kenya would have achieved fiscal sustainability but there is an imbalance between the foreign debts and the collection of local revenue. Besides, the inconsistencies in the collection of domestic revenues are attributed to the low productivity rate as well as the high rate of unemployment in the country (Crane & Matten, 2016). The incentives and complementarity theory is an organizational design prescriptive documentation that stresses the criticality of determining decisions concerning incentives, unlike the utilitarianism theory. The application of this theory ensures greater employee involvement hence improving the capacity for decision-making. In these situations, it is sensible to structure incentives in a manner that reward improvement and quality of work done by employees as an entity gears towards its goals. Since a workplace that has significant employee involvement relies on the workers' initiative, the complementarity that exists between incentives and involvement is in profit sharing activities and not service oriented organizations. The cost of wage would then increase as the bargaining concession rises subject to base pay, a shift in earning, and employee risks involved (Grimshaw, Johnson, Marino, & Rubery, 2017). Another aspect of work ethics theory that contrasts the utilitarianism

theory is the human capital theory which states that those workers who are highly skilled should receive higher wages since they are more productive (Nurkholis, 2018). Employee involvement requires general skills to perform complex tasks requiring a rigorous employee selection process subject to the increasing demand for labour. The government would need to provide more wages to maintain employees in such a situation. Coincidentally, Kenya may be experiencing a high wage bill thanks to other factors outside the scope of human capital theory such as political influence in regulating public sector employment opportunities. The utilitarianism theory was used in this study as it defines work ethics and its applicability to the public sector in Kenya.

Empirical Review

Langfred (2013) explored the fundamental cause of what inspires people to look for workplace independence. Langfred's study was centered on two points of view that people want to be more pleased with autonomy in their work, and people want autonomy to be more successful in their jobs. The Langfred study inferred that workers who accept that more prominent self-rule would prompt more noteworthy fulfilment are more disposed to look for more prominent self-sufficiency than the individuals who look just for potential advantages. The connection between growing employee satisfaction and lower labour costs was explored by Abel (2013). Identifying a need to improve organizational effectiveness, Abel studied relationships between employer and employee and concluded that more engaged workers are likely to provide human capital to companies to tackle environmental issues impacting improved productivity.

According to Amisano (2017), the success or failure of a business lies in its ability to execute proper work ethics. Kibert, Thiele, Peterson, and Monroe (2011) put across various benefits of work ethics that are directly associated with fiscal sustainability. Work ethics enhances productivity as evidenced in organizations where employees value and perform their duties diligently, they achieve their targets on time, which is reflected in the returns of the company. Further, work ethics is associated with a high level of integrity. Integrity and liability are of utmost importance in the public sector since it requires employees to be trustworthy in dealing with public resources (Ouma, 2017). In a workplace where employees are liable and take authority for their actions, it is easier to trace actions to specific people and ask that they take responsibility for the failures just as they would in successes. Exceptional work ethics create employees who are highly self-driven and perform their duties with little or no supervision (Odongo & Wang, 2017).

Summary of Empirical Studies and Knowledge Gaps

Several research gaps have been revealed from the review of past studies by other scholars. Firstly, there is a limitation in studies that have a specific focus on the productivity level of Kenya. Most studies have generalized their scope on either the developed or the developing countries. In the same way, only a few scholars have appreciated the idea that work ethics and government debts have a role in the economic productivity of Kenya.

RESEARCH METHODOLOGY

The study under the topic considered herein was conducted with a critical objective of establishing the effect of work ethics on productivity and fiscal sustainability in Kenya's public sector wage bill institutions. A research was carried out involving institutions in Kenya's public sector involved in wage bill management as well as studying several sources of literature review materials crucial for discussion, establishing the results and engineering the recommendations or the conclusions.

Research Philosophy

Philosophy of science is the researcher's assumptions concerning how data should be processed, interpreted, and used (Mkansi, 2012). A research philosophy forms the basis for the research strategy to be taken in a study and also determines the source of data. The current study took a positivist approach to philosophy. The objective behind the utilization of positivism-focused on quantitative examination is to get determinant connections and examples. A positivist viewpoint to this study is supported because it takes into account a quantitative methodology that is progressively tenable and experimental and along these lines bound to deliver exact outcomes. The beliefs of the participants should not affect the outcome of the study and thus the researcher must remain objective and detached.

Research Design

According to Muijs (2010), all approaches used to solve the research problem are defined by research design. It includes the incorporation of different elements systematically to successfully attain the goals of the research. This study design was a cross-sectional survey since the information to be obtained was supposed to be quantitative and qualitative. The cross-sectional nature of the analysis was chosen because of its ability to ensure the minimization of bias and maximization of evidence gathered reliability. The need to collect both types of data was to ensure a detailed review and description to analyse and understand productivity level, leadership style, work ethics, and fiscal sustainability in Kenya's public sector wage bill management institutions.

Population

The target population refers to the total number of people who have the chance of being the respondents in a study (Alvi, 2016). Studies define a target population as a section of the larger population unique and identifiable by considerably identical characteristics that a study would seek to analyze or assess. In this case, the target population was from Kenya's public sector's wage bill management institutions.

Sample and Sampling Technique

The researcher employed the Krejcie & Morgan table for determination of the sample size and the target population was drawn from Kenya's public sector wage bill management institutions from the technical and senior management staff of, Public Service Commission, Salaries and Remuneration Commission, National Treasury, Judicial Service Commission, Kenya Institute for Public Policy Research and Analysis, Kenya National Bureau of Standards, Parliamentary Service Commission, Ministry of Public Service Youth & Gender and Ministry of Labour & Social Protection from which out of a population of 234 the sample size was 148 personnel.

Research Instruments

Qualitative data were obtained by reviewing documents of the organization's reports. The choice of survey questionnaires was justified by the fact that they provided specific data relevant to the research questions (Smith, 2017). Questionnaires were preferred as they captured the different ways of how the respondents understood the topic and the current situation regarding fiscal sustainability. The need to acquire quantifiable data for this study was a significant consideration in determining the data collection technique.

Data Analysis and Presentation

The study data analysis concentrated on analysing and assessing the responses of the respondents to the poll. In this step, the absolute questionnaires were first edited, for consistency and completeness and then coded to enable the grouping of these responses into various categories. The research data analysis focused on evaluating the responses of the respondents to the survey. The survey questionnaires were compiled and prepared for review using statistical analysis tools, as well as the secondary data collected. Statistical Product and Service Solutions version 8.0 (SPSS v8.0) software was used to conduct the various tests. The analysis approach provided a comparison effect between the literature review and research results. The analysis was based on the research hypothesis focusing on responding to the study questions.

RESULTS AND DISCUSSION

Results

The study intended to determine effect of work ethics on the relationship between productivity level and fiscal sustainability in Kenya's public sector's wage bill management institutions, whereas the hypotheses were; there is no significant effect of work ethics on the relationship between productivity level and fiscal sustainability in Kenya's public sector wage bill management institutions. To achieve this objective, the respondents were asked to give their opinions on the level of agreement or disagreement with the statements provided on a Likert scale of 1-5 where 1=strongly disagree, 2= disagree, 3= neutral, 4= agree, and 5= strongly agree on the extent.

Relationship between the reward system and productivity level results (Appendix1) - The composite mean was 3.75 and a standard deviation of 0.306 and an indication that respondents agreed that the reward system affects

productivity level. On the statement that workers have legally binding written contracts signed by both themselves, and the employer, resulted, in a corresponding mean, of 4.54, and a standard deviation of 0.76. This was higher than the composite mean of 3.75 and a standard deviation of 0.306 implied that all workers have a legally binding written contract signed by workers and the employer. For whether there is a performance monitoring system that evaluates employees and rewards for work well done; this was backed by a mean of 3.326 and a standard deviation of 0.039. This was lower than the composite mean of 3.75 and a standard deviation of 0.306 implied that no performance monitoring system evaluates employees and rewards for work well done. On the statement that there is a budget put aside for the reward system, with a corresponding mean of 3.967 and a standard deviation of 0.791. This was higher than the composite mean of 3.75 and a standard deviation of 0.306 implied that there was a budget put aside for the reward system. As far as whether each employee's performance is communicated to them, they attained a mean of 3.163 and a standard deviation of 0.234. This was lower than the composite mean of 3.75 and a standard deviation of 0.306 implied that each employee's performance was not communicated to them.

Relationship between management principles and productivity level results (Appendix 2) -The composite mean was 3.832 and a standard deviation of 0.248 and an indication that respondents agreed that management principles affect productivity level. On the statement that there is multiple, free, and open communication, this was backed by a mean of 3.413 and a standard deviation of 0.100. This was lower than the composite mean of 3.832 and a standard deviation of 0.248 and implied that there is no multiple, free, and open communication. As far as employees are involved in the decision process, they attained a mean of 3.696 and a standard deviation of 0.151. This was lower than the composite mean of 3.832 and a standard deviation of 0.248 which implied that employees were not involved in the decision process. On the statement that all positions within the organization are competitively sought and there are no aspects of corruption, nepotism, ethnicity, and tribalism in appointments, this was backed by a mean of 4.446 and a standard deviation of 0.669. This was higher than the composite mean of 3.832 and standard deviation of 0.248 and implied that all positions within the organization are competitively sought and there were no aspects of corruption, nepotism, ethnicity, and tribalism in appointments. On the statement that concerns whether all workers are made aware of their rights and duties/responsibilities, 6.5 percent strongly disagreed, 0 percent disagreed, 0 percent were neutral, 27.2 percent agreed, 66.3 percent strongly agreed and a mean of 4.47 and a standard deviation of 1.02. This is higher than the composite mean of 3.832 and a standard deviation of 0.248 and implied that all workers are made aware of their rights and duties/responsibilities. As far as to whether there is no termination of employment in the organization due to pregnancy, illness or participating in union activities, 3.3 percent strongly disagreed, 0 disagreed, 6 were neutral, 60.9 percent agreed, 29.3 percent strongly agreed. This was backed by a mean of 4.130 and a standard deviation of 0.801. This was higher than the composite mean of 3.832 and standard deviation of 0.248 which implied that there is no termination of employment in the organization due to pregnancy, illness, or participating in union activities. On the statement whether employees understand the top managements' goals of the organization, this was backed by a mean of 3.84 and a standard deviation of 1.32. This was higher than the composite mean of 3.832 and a standard deviation of 0.248 and implied that employees understand the top managements' goals of the organization. Concerning whether there is job security and workers are not fired arbitrarily, it resulted in a comprehensive mean of 3.94 and a standard deviation of 1.27. This was higher than the composite mean of 3.832 and a standard deviation of 0.248 which implied that there is job security and workers are not fired arbitrarily.

Relationship between ethical awareness and productivity level results (Appendix 3) The composite mean was 3.927 and a standard deviation of 0.477 and an indication that respondents agreed that ethical awareness affects productivity level to a great extent. On the statement; confidentiality is compiled within the organization, this was backed by a mean of 3.641 and a standard deviation of 0.956. This was higher than the composite mean of 3.927 and a standard deviation of 0.477 and implied that confidentiality was compiled within the organization. Concerning whether work ethics influences productivity and fiscal sustainability attained a comprehensive mean of 4.011 and a standard deviation of 0.687. This was higher than the composite mean and standard deviation and implied that work ethics influences productivity and fiscal sustainability. The statement that employees are trained on ethics and good behaviour, resulted in a mean of 4.174 and a standard deviation of 0.586. This was higher than the composite mean of 3.927 and a standard deviation of 0.477 and implied that employees are trained on ethics and good behaviour. As far as professionalism, truth, and hard work are promoted at all levels, it gave a mean of 4.141 and a standard deviation of 0.566. This was higher than the composite mean of 3.927 and a standard deviation of 0.477 and implied that professionalism, truth, and hard work was promoted at all levels. The issue of teamwork, good behaviour, and cooperation are encouraged, attained a mean of 4.14, and a standard deviation of 0.57. This was higher than the composite mean of 3.927 and a standard deviation of 0.477 and implied that teamwork, good behaviour, and cooperation were encouraged. On the statement that works ethics policies formulated to contribute to fiscal sustainability in the public sector; this was backed by a mean of 4.14 and a standard deviation of 0.67. This is higher than the composite mean of 3.927 and a standard deviation of 0.477 and implied that work ethics policies formulated contribute to fiscal sustainability in the public. For employees being

dependable, responsible, and honest and having high integrity, this was backed by a mean of 4.64 and a standard deviation of 0.70. This is higher than the composite mean of 3.927 and a standard deviation of 0.477 implied that employees are dependable, responsible, and honest with high integrity. Relationship between codes of conduct and productivity level results (Appendix4) - The composite mean was 4.483 and a standard deviation of 0.818 an indication that respondents agreed that codes of conduct affect productivity level. Concerning whether there is a code of conduct within the organization, 0 percent strongly disagreed, 9.8 percent disagreed, 3.3 percent were neutral, 13 percent agreed, 73.9 percent strongly agreed. This was backed by a mean of 4.51 and a standard deviation of 0.96. This was higher than the composite mean of 4.483 and a standard deviation of 0.818 and implied that there was a code of conduct within the organization. On the statement that employees on an annual basis sign the code of conduct, 0 percent strongly disagreed, 0 percent disagreed, 9.8 percent were neutral, and 19.6 percent agreed, 70.7 percent strongly agreed, and a mean of 4.61 and a standard deviation of 1.67. This is higher than the composite mean 4.483 and a standard deviation of 0.818 implied that employees on an annual basis sign the code of conduct. As far as issues of conflict of interest are spelled out, 0 percent strongly disagreed, 0 percent disagreed, 9.8 percent were neutral, 19.6 percent agreed, and 70.7 percent strongly agreed. This was backed by a mean of 4.61 and a standard deviation of 1.66. This was higher than the composite mean 4.483 and standard deviation of 0.818 which implied that issues of conflict of interest were spelled out. For disciplinary action being applied without discrimination; this was backed by a mean of 4.38 and a standard deviation of 0.78. This was lower than the composite mean 4.483 and a standard deviation of 0.818 and implied that disciplinary action was applied with discrimination. On the statement that all employees safeguard the interests and assets of the organization, it resulted in a mean of 4.30 and a standard deviation of 0.84. This was lower than the composite mean 4.483 and a standard deviation of 0.818 which implied that all employees do not safeguard the interests and assets of the organization.

Discussion

Work ethics refers to a set of beliefs stating that diligence and hard work have a moral benefit and inherent ability, coupled with value as well as a virtue to strengthen the character and abilities of an individual. Therefore, from this perspective, it was notable that individuals with the right work ethics were upright and righteous in their respective handling and management of their duties and responsibilities. This was quite the opposite compared to those individuals that lacked work ethics, and were accustomed to engaging in a variety of vices, including corruption, embezzlement of funds, tribalism, insider trading, fraud, bribery, and nepotism, as well as abuse of office, among many others. As such, the study evaluated how work ethics helped in promoting fiscal sustainability in Kenya's public sector wage bill management institution by conducting a regression analysis of the two variables. Results revealed that there was a remarkable positive correlation between work ethics and training empowerment programs ($r = 0.014$). This implied that there was a very strong association between work ethics and fiscal sustainability in Kenya's public sector wage bill management institutions which was significant. There was a high ethical significance in the reward system. 70.7 percent strongly agreed that there was a contract signed thus legally protected the employers from discrimination and other vices. 57.6 percent agreed that there was a budget set aside for worker's rewards. The reward system approaches were geared towards increased productivity and ethical levels. However, there was concern that the performance monitoring system which evaluated employees and rewarded for work well done was not fair at 19.6 percent. This indicated that there was a presence of unethical practices being used in the public sector reward system.

The results and findings established from the study confirmed that work ethics had a positive correlation with productivity levels and fiscal sustainability. In this regard, it meant that when the public sector observed work ethics, it improved the chances of achieving fiscal sustainability in the country, through improved productivity and performance standards of the workers. As such, the work ethics ensured that workers were committed and dedicated to their respective organization's goals and objectives, and as a result, worked towards fulfilling them to ensure growth and expansion of the organization both in the short-run as well as in the long-run. In this case, the study confirmed the findings established by other researchers in the literature review part of the paper, which indicated that work ethics had a positive impact on productivity margins and fiscal sustainability on Kenya's public sector wage bill management institutions. The study noted that a positive approach to the work and organizational setting was critical in creating a favourable environment for workers in a firm, thereby ensuring positive work outputs (Levy & Slavin, 2013). In other cases, employees who feel discriminated, stigmatized, prejudiced, and unrecognized or unappreciated by their employers are not productive in any way. Therefore, leaders in an organization must ensure that workers feel appreciated and recognized for their hard work and contribution to the firm's success to promote their performance standards. The Kenyan public sector is facing a situation whereby the leadership fails to recognize the important role of employees in the company, given the high rate of unemployment in the country. Therefore, workers are threatened to deliver or lose their jobs. As such, this form of oppression of workers has grossly affected the productivity margins of the workers, thereby lowering the chances of achieving fiscal sustainability in the public sector (Heshmati & Rashidghalam, 2016). Work ethics also includes the stipulation of procedures, through which workers are promoted,

fired, and hired (Buil, Aznar, Galiana, and Rocafort-Marco, 2016). In organizations where employees value and perform their duties diligently, they achieve their targets on time, which is reflected in the returns of the company (Kibert, Thiele, Peterson, and Monroe, 2011).

CONCLUSION AND RECOMMENDATIONS

The findings made in the research offer crucial knowledge in the identified study gaps, especially in the Kenyan context where correlations between fiscal sustainability, productivity levels, work ethics, had not been analysed (See Table 1).

Table 1: Summary of Objectives, Hypotheses, Findings and Conclusion

Objective	Hypotheses	Significant Findings	Conclusions
Determine the consequence of work ethics on the relationship between productivity level and fiscal sustainability in Kenya's public sector wage bill management institutions.	H ₁ : There is no notable effect on work ethics on the relationship between productivity and fiscal sustainability in Kenya's public sector wage bill management institutions.	The study established that the effect of work ethics significantly affected the relationship between productivity levels and fiscal sustainability in Kenya's public sector wage bill management institutions or, thereby rejecting the hypothesis.	The study's findings correlated with the results from the literature review, which confirm the fact that integrating work ethics in the corporate sector significantly transformed the fiscal sustainability of Kenya's public sector wage bill management institutions.

According to the findings of the study, one of the major challenges for companies operating in the public sector was that most of them are service-oriented, established by the government to serve the population, as opposed to being profit-oriented, like their peers in the private sector. Conversely, the pursuit of fiscal sustainability for these organizations is usually secondary. However, judging by the fast rate at which most of these organizations are collapsing due to bankruptcy and poor management, attributable to their inability to achieve fiscal sustainability, then it is time to incorporate the right measures and policies to facilitate the achievement of fiscal sustainability in the Kenyan public sector. In this case, some of the factors that have to be taken into serious consideration include work ethics, productivity level, which contribute significantly to developing the right structures and systems for the attainment of fiscal sustainability. The research found significant correlations between the variables, and this could be used to develop a comprehensive training session for the betterment of various organizations. The study noted that enhanced work ethics and productivity level led to improved fiscal sustainability. As such, scholars should pass on this new-found knowledge to ensure the fiscal sustainability of companies improves with time.

The research also offers significant help in regard to policy information and guidelines, especially in Kenya's public sector. The study concluded that ineffective and poorly designed policies contribute to reduced work ethics, organizational structure, employee performance, and leadership, leading to fiscal unsustainability. As such, the research provides crucial knowledge and specific information that can be used by stakeholders wishing to develop policies that ensures organizations improve on productivity level, work ethics and fiscal sustainability. Further, the study concludes that a more conducive working environment created by the right work ethics was crucial in achieving fiscal sustainability. In terms of practice, the managers in Kenya's public sector need to ensure they undergo rigorous training on the application of work ethics in the departments. The training should involve factors such as communication and engagement to ensure effective implementation of the concepts of work ethics in the workforce. The study concludes that employees have a significant awareness of work ethics, indicating they have gained knowledge on how to use moral theories such as deontology, utilitarianism, and others. However, the application part of work ethics brings problems in Kenya's government sector. For instance, the performance monitoring system which evaluates employees and rewards for work well done has been indicated to be discriminatory to some extent. As such, the work ethics recommendation will be targeted more to the managers than subordinates. Kenya's public sector has an extensive code of ethics, but complaints about fairness in the workforce showcase that they are not being applied in the workforce. The public sector and all institutions working for the government should conduct audits regularly to ensure that employees comply with the ethical standards to detect any intentions or efforts to violate the rules at an advanced stage. This will ensure that employees comply with the code of ethics in all their engagements at the workplace. The desired achievement of work ethics is an equitable working environment free from bias or discrimination, whereby workers are acknowledged because of their skills and capabilities as opposed to their connections and networks within the company or the government. Streamlining these issues would warrant the fiscal sustainability of the government sector in Kenya. There is need to identify the right policies, equip leaders with the right skills, empower employees to

contribute to the fiscal transformation and integrate them to achieve fiscal sustainability in the public sector. Based on the results of this study, further research that can be undertaken would focus on the impact of public sector funding on productivity level and fiscal sustainability of the Kenyan government sector; and the effect of political involvement and corporate governance on fiscal sustainability in the Kenyan public sector. Other studies include carrying out research in other third-world countries as well as developed countries to see and compare with results received in this research.

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APPENDICES

Appendix 1: Reward System and Productivity Level (Percent)

Work Ethics	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard deviation
All workers have a legally binding written contract signed by workers and the employer.	0	0	16.3	13	70.7	4.544	0.762
There is a performance monitoring system that evaluates employees and rewards for work well done.	0	19.6	51.1	6.5	22.8	3.326	0.039
There is a budget put aside for the reward system.	0	6.5	13	57.6	22.8	3.967	0.791
Each employee's performance is communicated to them	0	6.5	77.2	9.8	6.5	3.163	0.234
Total						15.000	3.225
Mean						3.750	0.306

Appendix 2: Management Principles and Productivity Level (Percent)

Work Ethics	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard deviation
There is multiple, free and open communication	0	16.3	29.3	51.1	3.3	3.413	0.100
Employees are involved in the decision process	9.8	19.6	6.5	19.6	44.6	3.696	1.151
All positions within the organization are competitively sought and there are no aspects of corruption, nepotism, ethnicity, and tribalism in appointments	0	0	9.8	35.9	54.3	4.446	0.669
All workers are made aware of their rights and duties/ responsibilities	6.5	0	0	27.2	66.3	4.467	1.021
There is no termination of employment in my organization due to pregnancy, illness or participating in union activities	3.3	0	6.5	60.9	29.3	4.130	0.801
Employees understand the top managements' goals of the organization	0	43.5	0	26.1	30.4	3.935	1.320
There is job security and workers are not fired arbitrarily	0	46.7	6.5	22.8	23.9	3.939	1.270
Total						26.82	7.333
Mean						63.832	0.248

Appendix 3: Ethical Awareness and Productivity Level (Percent)

Work Ethics	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard deviation
Confidentiality is compiled within the organization	0	13	29.3	35.9	20.7	3.641	0.956
Work ethics influences productivity and fiscal sustainability	0	0	30.4	53.3	23.9	4.011	0.687
Employees are trained in ethics and good behaviour	0	0	22.8	63	27.2	4.174	0.586
Professionalism, truth and hard work is promoted at all levels	0	0	9.8	66.3	23.9	4.141	0.566
Team-work, good behaviour, and cooperation is encouraged	0	0	9.8	66.3	23.9	4.141	0.566
Work ethics policies formulated contribute to fiscal sustainability in the public sector	0	0	9.8	53.3	30.4	4.141	0.673
Employees are dependable, responsible, honest and have high integrity	0	0	16.3	19.6	73.9	4.641	0.704
Total						28.891	4.738
Mean						3.927	0.477

Appendix 4: Codes of Conduct and Productivity Level (Percent)

Work Ethics	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard deviation
There is a code of conduct within the organization	0	9.8	3.3	13	73.9	4.511	0.955
Employees on an annual basis sign the code of conduct	0	0	9.8	19.6	70.7	4.609	0.662
Issues of conflict of interest are spelled out.		0	9.8	19.6	70.7	4.609	0.662
Disciplinary action is applied without discrimination	0	3.3	16.3	19.6	60.9	4.380	0.775
All employees safeguard the interests & assets of the organization	0	6.5	13	23.9	56.5	4.304	0.835
Total						22.413	4.089
Mean						4.483	0.818