ESSENTIAL VALUES OF LEADERSHIP INSIDE ROMANIANS' KNOWLEDGE MANAGEMENT ORGANIZATIONS

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Abstract
The idea that the role of ethical behaviour in public management is crucial for the public organizations results and for the citizens satisfaction all over the world is already demonstrated by several researches and recognized by the practitioners. There is only limited knowledge of how the newly emerged politico-administrative dichotomy in the region has influenced the formation of the ethical behaviour during the management process and how should be changed being influenced by the regional cultures and by the public managers and the politicians.

1. Introduction

Main objectives of this paper are: (1) to present some of the conclusions of our empirical survey, (2) to underline the main reasons' unethical behaviour, (3) to identify some recommendations for creating and maintaining an ethically-oriented behaviour and culture. We use a special questioner for investigated 40 persons from the Centre of the Romanian Government and identified some important elements of their ethical profile and the main needed changes. The paper contains several recommendations for increasing the ethical behaviour in the Romanian public organizations especially the centre of the government.

The main and the most important conclusion is that the leaders empower human resources to act on the vision based on their core value.

We started our research from the premises that the decisions and behaviors are influenced by values. Because people today have differing values, it is necessary for the public managers to foster common value systems within their structures if they want decisions and human behaviors are to be consistent with their objectives. This consistency is only possible if the organizations' values are identified, people are hired where are willing and able to embrace the organizations' values.

The word "ethics" is often in the news these days. Ethics is a philosophical term derived from the Greek word "ethos" meaning character or custom. This definition is germane to effective leadership in organizations in that it connotes an organization code conveying moral integrity and consistent values in service to the public.

Certain organizations will commit themselves to a philosophy in a formal pronouncement of a Code of Ethics or Standards of Conduct. Other private organizations, however, will be concerned with aspects of ethics of greater specificity, usefulness, and consistency. Formally defined, ethical behavior is that which is morally accepted as "good" and "right" as opposed to "bad" or "wrong" in a particular setting.

As the twenty-first century approaches, organizations face a variety of changes and challenges that will have a profound impact on organizational dynamics and performance. A long-standing tradition of ethical behaviour is based on principles of honesty, integrity and trustworthiness.

The ethical climate of an organization is the shared set of understandings about what is correct behavior and how ethical issues will be handled. This climate sets the tone for decision making at all levels and in all circumstances. Some of the factors presented below, used also by our team in the survey, may be emphasized in different ethical climates of public organizations. They are the following: personal self-interest; public interest; operating efficiency; individual friendships; team interests; social responsibility; personal morality; rules and standard procedures; laws and professional codes.

Standards for what constitutes ethical behaviour lie in a "grey zone" where clear-cut right-versus wrong answers may not always exist. As a result, sometimes unethical behaviour is forced on public organizations by the environment, but in many cases from the Romanian public organizations ethical behaviour is strongly influenced by the values promoted by the public managers and the politicians through their personal example. It has been demonstrated by our survey that there are several differences concerning the core premises of the ethical behaviour and values considered by the administrative and the political level of the government centre.

The effective management of ethical issues requires that public organizations ensure that their public managers, politicians and the civil servants know which are the ethical values and how to deal with ethical issues in their everyday work lives.

2.   Empirical survey on specific values concerning the ethical behavior of public managers, civil servants and politicians and also the leadership competences in the Romanian center of government

It is now necessary for the Romanian public managers and for the politicians to reconsider their fundamental values and beliefs, to see if what it represents now deviates from what we think we set out to be, and what we would like public employees to see us to be. Ethical behaviour is acknowledged as a necessity in modern governments.

There are some recent research studies and surveys, developed on this subject by the specialists from over the world. In the period 15-20 February 2006, one Romanian academic group working inside the International Research Center for Public Management from the Academy of Economic Studies Bucharest coordinated by the authors initiated an empirical survey on the ethical behavior in the Center of the Romanian Government (CRG). We set up this survey having the main objectives to know what the people understand by ethical values and ethical behaviour and to identify the main reasons for unethical behaviour occurs in the CRG. Based on this, we made some recommendations for improving ethical behaviour of the people, taking into account the general principles for managing ethics in the public sector.

Main purpose of the survey was to identify the problems in relation with ethical behavior and the main reasons. Then the results has been used for making recommendation concerning the essential ethical values appropriate and the needed changes for the Romanian public administration and for the central government body, especially.

Ethical behavior has been analyzed from the following views:

➢   Utilitarian view of ethics — greatest good to the greatest number of people;

➢   Individualism view of ethics — primary commitment is to one's long-term self-interests;

➢   Moral-rights view of ethics — respects and protects the fundamental rights of all people;

➢   Justice view of ethics — fair and impartial treatment of people according to legal rules and standards.

In the questionnaire conceived 40 persons from CRG answered, having in mind the identification of the ethical profile of the people from this level of the Romanian public administration. Those who were questioned represented 40 persons, 32 men and 8 women, the age categories are: 23-30 years – 10%; 31-40 years – 20%; 41-50 years – 40%; over 50 years – 30%. Depending of the last school graduated, it is notable an average importance for the university studies 85%, post university 10% meanwhile college studies 5% respectively. Which concerns the public administration experiences of the questioned people, it is remarkable that the most of them 55% have 15 years experience at this level being followed by the category of those with experience between 5 - 14 years experience – 20% , and the rest of the investigated people with less then 4 years experience (between 1- 4 years) – 25%.
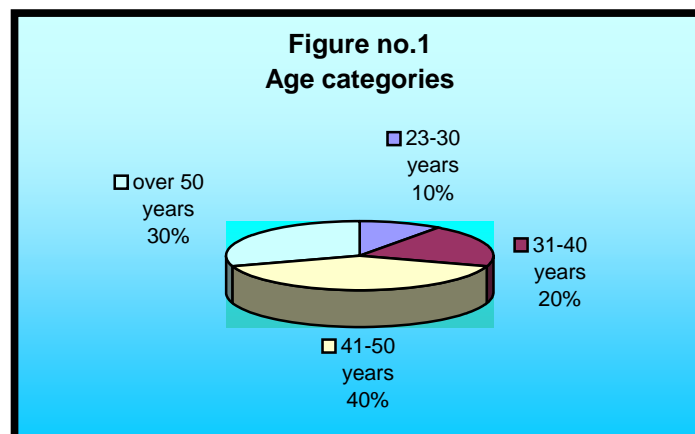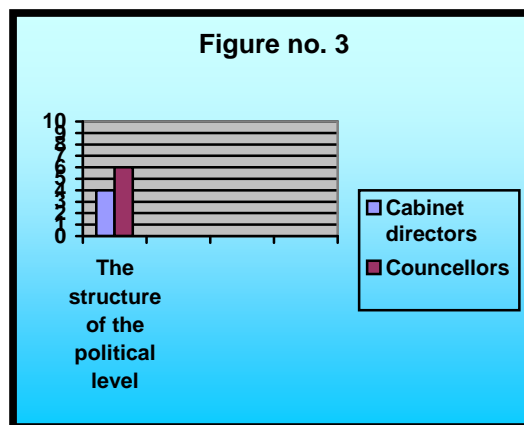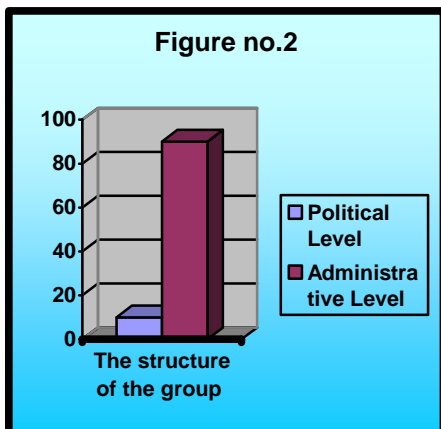

Figure 1 – Age categories

As was mentioned above and also in the figure no.2, we included in our survey the representatives from both levels: political and administrative. The figure no.3 details the structure of the political group: 10 persons from the political level – 4 directors from the minister's Cabinets and 6 counselors.

In the figure no.4 is presented the structure of the group from the administrative level: 30 persons: 7 executive directors, 10 head of functional departments, 10 civil servants and 3 contracting people.

Figure no. 4
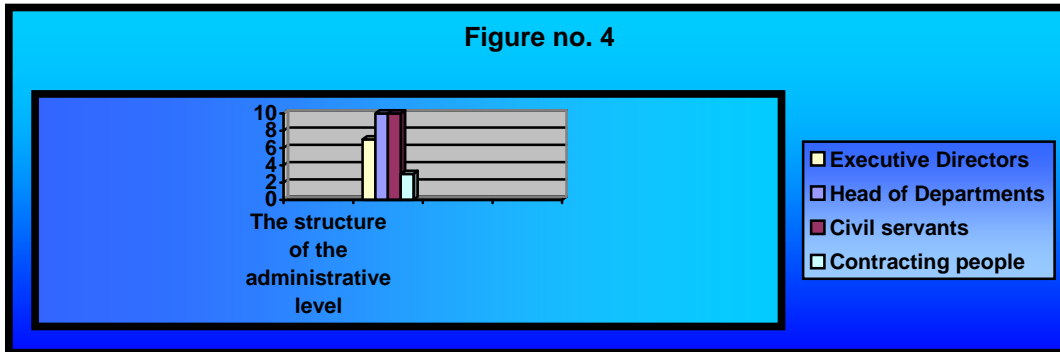
In our survey, we considered the following three factors influencing ethical behavior: the person - family influences, religious values, personal standards, and personal needs; the government body needs - supervisory behavior, peer group norms and behavior, and policy statements and written rules; the environment - government laws and regulations, societal norms and values.

It is found (see figure no.5) that in general most of the people from the administrative level which have been questioned feel a strong influence on their ethical behavior coming from the last two factors. On the opposite part is the opinion of the people from the political level, who consider that their ethical behavior is influenced by other factor related with the first one and their political values supported by all of them.
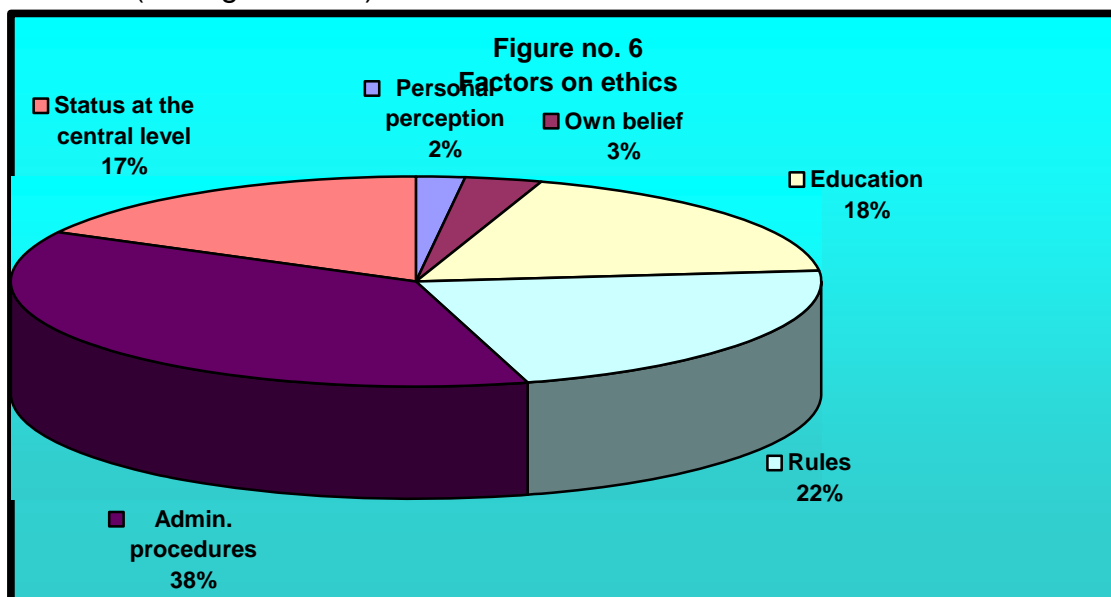
The main values considered in our survey were: political self – interest; individual friendships; team interest; social responsibility; personal morality; rules and standards procedures; laws and professional codes. Concerning the understanding of ethical values and behavior through our survey, we discovered that more then 80% of the investigated people don't know anything about the ethical values and behavior.

As we can see the the figure no. 5 it has been identified the following percent for each factor considered that influence the ethical behavior at the center of the Romanian government : political self-interest – 30%; individual friendships – 15%; team interests – 5%; social responsibility – 5%; personal morality – 10%; rules and standard procedures – 30%; laws and professional codes – 5%.

Figure no. 5

Values that influence ethical behaviour
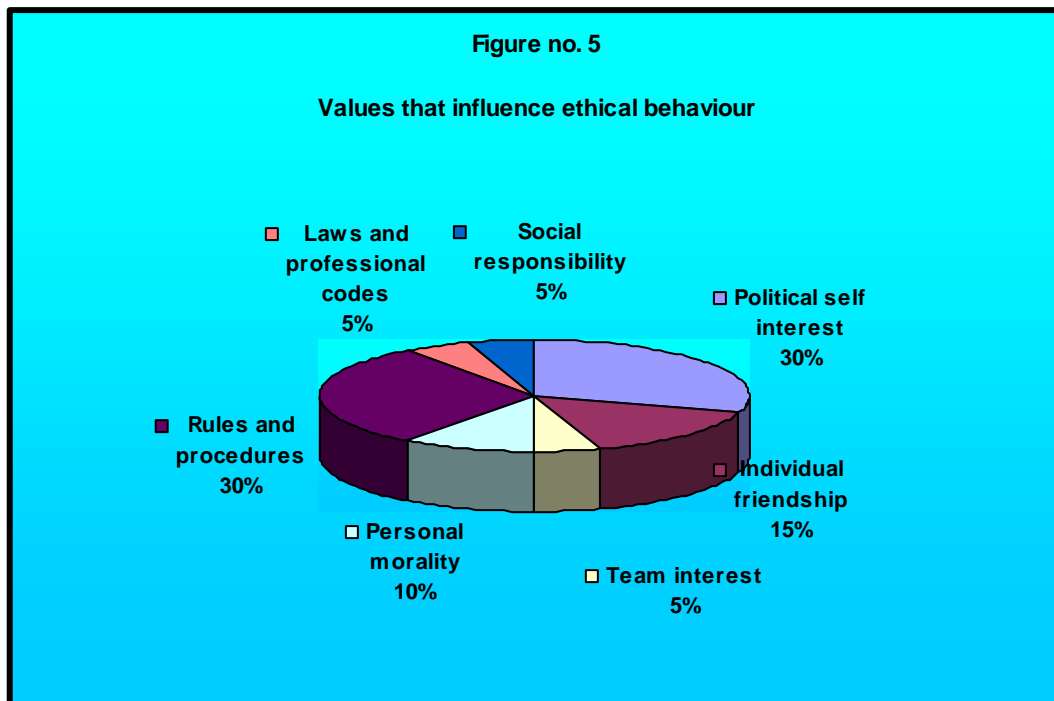
More then 90% of the people involved in the survey mentioned that both categories of values are strongly influenced by the following factors: personal perceptions, own belief, education, rules, administrative procedures and the status in the central public administration (see figure no. 6).

Figure no. 6
Factors on ethics

- Personal perception 2%
- Own belief 3%
- Education 18%
- Rules 22%
- Admin. procedures 38%
- Status at the central level 17%

All the people from the political level considered the first and the second factors like the most important for influencing their ethical behavior. The rest of the investigated people appreciated that their ethical values and the behavior are strongly influenced by the administrative procedures, which had the highest rank followed by rules and education. Only 5% from the administrative level considered that their ethical behavior is influenced by their personal perceptions and beliefs. As is demonstrated by the survey there is a strong difference between the political and the administrative level from the prospective of ethical values. Nobody refer to the clear system of ethical values for the people who are working at the level of the government. More then 90% of the investigated people declared that they feel ethical values and follow them in their daily activities because they understand how important are in their relations with others and for the image of the institutions where they are working.

As is demonstrated by our empirical research, people look at their leader and say, 'should I follow this person? One very important attribute is the integrity. When the leader loses legitimacy, the entire basis of an effective body comes down – fairness, equality and long lasting values. The proper governmental culture will collapse, and that is something no public manager or politician can afford.

If one government are known to be a corrupt structures with a bad image and non-ethical behaviour of their politicians and public managers and the politicians might be able to escape the hand of the law, but no great talent will work for them, no one would like to co-operate with such government and in the longer run, citizens and the business environment do not want to be associated with such structures. Once a government or the public management representatives are regarded as corrupts, their level of legitimacy declines.

The corollary is that, in a system when one government subverts the law, it becomes that much harder for other public organizations to operate cleanly. This is why ethical behaviour and ethical leadership are a necessity. Only if public managers and politicians set clear, unequivocal policies and controls stipulating zero tolerance, can public management ensure good practices in the central public administration.

Following the results of our empirical study, credible leaders and politicians challenge the process by experimenting and taking risks in their work as a means to finding new and better ways of doing things. They inspire a shared vision among employees by envisioning the future and enlisting others to bring about that vision. They enable others to act by fostering collaboration and strengthening others.

Around 30% from the people investigated, especially the public managers model the way by setting the example and helping people achieve "small wins." Some of the public managers, approximately half from total number, are credible leaders encourage the heart by recognizing individual contributions and by celebrating accomplishments. That means an ethical behavior based on ethical values and morality. Most of the subjects considered that ethical behavior is absolutely necessary when leaders attempt to implement reforms that are transformational in nature.

The survey pointed out that there are 2 categories of leadership competences related with the public managers and the politicians: one category called soft skills and the second called strong/technical skills. It has been demonstrated that there are some critical leadership competencies confirmed like a baseline for promoting ethical behavior inside the centre of the government: understanding other departments; understanding the ministries and its environment; building relationships and networks; managing change; managing the public; managing the media; influencing, motivating, developing, retaining talent and creative human resources; managing conflict and dealing with problem employees.

According to the survey results, "Many public managers are so focused on their department that they don't see its connection with other departments and also to the society as a whole." Leaders need to fully understand how their departments: (1) fit into and support the larger government and (2) enable their jurisdiction/agency to serve stakeholders.

We conclude that the ethical behaviors and the performance expectations are strongly influenced by the leadership knowledge, skills, attitudes, and abilities individuals. We try to group these leadership competences into three broad categories: self, working with others, and performance, although some competencies overlap categories. Together, these leadership competencies are keys to success of the center of the government based on the ethical behavior.

Most of the investigated people mentioned that there is a special code containing the main ethical values, but the problem is how to create an internal mechanism for taking it into account. The code of ethics for the civil servants has been approved with more the 3 years ago following the Governmental Decision promoted by the National Agency for the Civil Servants, but the effect is worthless. The public managers and the civil servants are much more motivated to follow the legal framework and the job description then to make an effort for integrate the ethical values in their daily activities. Most of them said that if their initiatives are legally, that means that are ethically too. Nobody explained or trained them about what is the difference between rules, legal framework and ethical values and how could be possible to integrate all of this in their ethical behavior. Majority of our individuals pointed out that there are no internal mechanisms related with ethical standards for public sector.

Another important conclusion identified by us during the survey was that there is no clear definition of civil servants rights and obligations, except the Status of Civil Servants, which is the general legal framework for this category of employees. These is why they feel frequently injustice, especially concerning their rights. They know the obligations from the job descriptions, but most of these documents are very similar. So most of them have the same rights and obligations.

Concerning the political commitment for the ethical values it depends on the politicians, Cabinet Directors and also the personal counselor of the ministers. Some of them, in a very empirically way, try to have an ethical behavior, but it not happened all the time. They are politicians and they feel public institutions like a temporary framework for their political job carrier, and because of that, they are not very interested to build a consistent and effective commitment to ethics to reinforce ethical conduct of people who are working in public institutions from the central public administration and not only.

Related with the decision making process, the surveys identified that there is a very low level of consultations. Usually, the dialog between the politicians, executive public managers and the civil servants at the centre of the government is very poor, most of the time the people from the administrative level are very much involved in the public policies implementation not in the decision-making process. In this context the ethical values are not part of the politician working life, they consider these subject like secondary and because of that they are not interested for investing time in designing a functional mechanism for ethical values. There is a clear division between politicians, public managers and other employees from the public administration. The people from the administrative level are interested in having an ethical values system and they want to follow them together with the representatives from the political levels. In conclusion, the people which were directly implicated in the CRG are far away to have a vision in general on these ethical values and behavior, sometimes not even understanding them. This state could have many explanations, but some of them are: the weak training of these people and the low interest and support of the politicians.

Taking into account the results of our empirical survey and the EU framework related with the ethical behavior in public organizations, we identified some recommendations for increasing the ethical behavior at the centre of the Romanian government.

3.   Recommendations for increasing ethical behaviour at the centre of the Romanian government

One of the greatest challenges confronting any leader in this twenty first century is bridging the gap between strategy and getting people to execute. Leaders (politicians, executive public managers) direct people to focus on the right strategic issues. Too often people cannot identify with an government's strategy and likewise, too often leaders are disconnected from the realities that people must face within the organization. If the leaders can properly bridge this gap (strategy vs. organizational capacity), then they should be able to create value.

The centre of the government must be managed in such a way that a strong dialogue takes place between the leaders and its people. If the right people are engaged, then everyone should be able to cut their way through the strategic jungle. If leaders fail to engage people in strategic execution, then creating value through leadership will be exceedingly difficult. Although it is true that most people are not good strategic thinkers, it is also true that people want to contribute to a larger purpose that only the leader can convey. Therefore, communication is at the cornerstone of creating value through leadership. And given great communication, leaders from the center of the government can close the gap between strategy and strategic execution.

Although governments have different cultural, political and administrative environments, they often confront similar ethical challenges, and the responses in their ethics management show common characteristics. Member countries need to have a point of reference when combining the elements of an effective ethics management system in line with their own political, administrative and cultural circumstances.

We take into account the problems identified through the empirical survey inside the centre of the Romanian government and environment, already mentioned in the previous section, the main reasons discovered and the new modern leadership theory. We appreciate that these is a very crucial subject not only for Romania, but for other CEEC and other regions from over the world. We believe that is needed to have a consensus concerning the content of the ethical values and to accept that *leaders, the politicians and the public managers, must be very flexible in implementing these, depending on the particular internal and regional environments.*

Taking into account the reasons identified through the empirical survey and also the general principles for managing ethics in public administration, we can recommend several ways for increasing the ethical behaviour of the leaders from the Romanian public organizations, and especially from the centre of the Romanian government.

3.1 Training on the specific values concerning ethic and ethical behavior

The training programs must be structured to help participants to understand ethical aspects of their work, their status and also the ethical aspects of the decision making process inside the public institutions. It must help people to know how to incorporate high ethical standards into daily life. During the training program people must learn how to deal with ethical issues under pressure, and other relevant ethical behavior, being convinced that it represents a real need for the Romanian public administration at all.

Professional socialization should contribute to the development of them necessary judgment and skills enabling people to apply ethical principles in concrete circumstances. Training facilitates ethics awareness and can develop essential skills for ethical analysis and moral reasoning. Impartial advice can help create an environment in which people are more willing to confront and resolve ethical tensions and problems. Guidance and internal consultation mechanisms should be made available to help public people apply basic ethical standards in the workplace.

3.2. Promoting the organizational methods for overcoming whistle blowing barriers

Related with this suggestion we can propose setting up the ethics staff units who serve as ethics advocates and also a special groups for discussions and solutions related with the ethical behaviors. The name of this special team could be "moral quality circles" and can work at the center of the Romanian government based on the same principles like "management quality circles".

3.3 Design and implement of a special ethical accounting mechanism inside the center of the Romanian government and also the ministries and other public organizations

The internal mechanism must be based on the following values:

- Respect for human dignity. That means: to create culture that values employees, citizens, politicians; to produce safe public policies;
- Respect for basic rights. That means: to protect rights of employees, public managers, citizens, and communities; to avoid anything that threatening safety, health, education, and living standards;
- Be good public leader. That means: to support social interest; to work inside the government and institutions to support and protect the public interest.

Public leaders should be accountable for their actions to the public. Accountability should focus both on compliance with rules and ethical principles and on achievement of results. Accountability mechanisms can be internal or can be provided by civil society. Mechanisms promoting accountability can be designed to provide adequate controls while allowing for appropriately flexible management.

The main steps for creating such mechanism are:

- Clarifying the vision and mission statement, setting goals and objectives;
- Present the principles and design the core ethical values and the ethical standards in the workplace;
- Disseminating, motivating and communicating the ethical standards and values;
- Building teams oriented on ethical values and results;
- Measuring performance;
- Developing human resources;
- Increasing the participative management;
- Preparing for transition to the new public management model based on ethical values and competitive leadership in public organizations.

3.4   Create a code of moral principles

That means to establish a set standards of "good" and "bad" as opposed to "right" and "wrong." Public servants need to know what their rights and obligations are in terms of exposing actual or suspected wrongdoing within the public service. These should include clear rules and procedures for politicians and executive public managers to follow, and a formal chain of responsibility. Civil servants and some of the politicians also must know what protection will be available to them in cases of exposing wrongdoing.

3.5   Create an ethical role models

Following the experiences from other developed countries, usually top public managers and the politicians serve as ethical role models. All public managers and politicians can influence the ethical behavior of people who work for and with them. The practice raised that the excessive pressure can foster unethical behavior. Because of that public managers should be realistic in setting performance goals for others. They also must observe the ethical values through their daily life inside the public organizations. In this way they can become models for others around them. Political leaders are responsible for maintaining a high standard of propriety in the discharge of their official duties. Their commitment is demonstrated by example and by taking action that is only available at the political level, for instance by creating legislative and institutional arrangements that reinforce ethical behavior and create sanctions against wrongdoing, by providing adequate support and resources for ethics-related activities throughout government and by avoiding the exploitation of ethics rules and laws for political purposes.

3.6   Create a special codes of ethics for all people who are working for the center of the government and also for other public organizations

That means a formal statement of the center of the government and also an organization's values and ethical principles regarding how to behave in situations susceptible to the creation of ethical dilemmas. It must be reflected in the legal framework.

The Public Management Committee and the OECD Council recommended that the member countries must take actions to ensure well-functioning institutions and systems for promoting ethical conduct in the public service. This can be achieved by:

- developing and regularly reviewing policies, procedures, practices and institutions influencing ethical conduct in the public service;

- promoting government action to maintain high standards of conduct and counter corruption in the public sector;

- incorporating the ethical dimension into management frameworks to ensure that management practices are consistent with the values and principles of public service;

- combining judiciously those aspects of ethics management systems based on ideals with those based on the respect of rules;

- assessing the effects of public management reforms on public service ethical conduct;

- using as a reference the Principles for Managing Ethics in the Public Service to ensure high standards of ethical conduct.

The idea of this approach is to create a set of HR practices that work together to identify, develop, and advance talented people through the essential ethical values and the leadership competencies. For example, if decision making and problem solving is a key leadership competency, an integrated leadership development system ensures that the organization assesses, selects, evaluates, advances, trains, develops, and compensates managers on this competency (along with other critical competencies, of course).

4. Conclusion

We take into account the problems identified through the empirical survey inside the Romanian center of government and the environment, already mentioned in the previous section, the main reasons discovered and the new modern leadership theory. We appreciate that these is a crucial subject not only for Romanian public organizations, but for all CEEC and other regions of the world. We believe that is needed to have a consensus concerning the profile and the role of the leaders, public managers and the politicians related with the ethical behavior.

As we can see in this paper, the absortion of the ethical values should happened in different ways, depending on the environment and the organizational culture and the particular characteristics of the human resources. An effective leader is one who makes a demonstrable impact on one or more of the ethical value presented in a positive way by influencing the behavior and the performance of others.

In the new era of *rapid changes* and *knowledge-based organization*, managerial work becomes increasingly a leadership task based on the ethical behavior. Leadership is the primary force behind successful change. Leaders empower human resources to act on the vision based on their core values.

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