Enhancing Ethical Orientation through Organizational Rationality: The Case of NAADS Projects in Uganda

Sudi Nangoli1*, Jaaza Mahmood2, Muhammad Ngoma1, Felishana Cherop3, Sophie Namiyingo2, Yunia Musasizi2

1. Senior Lecturer – Department of Business Administration, Makerere University Business School, Uganda
2. Lecturer – Department of Entrepreneurship; Makerere University Business School, Uganda
3. Lecturer – Department of Management sciences Moi University, Kenya School

Abstract
This study aimed at analyzing the relationship between Organizational Rationality and Project Managers’ Ethical Orientation on Poverty Eradication Projects in Uganda. A quantitative research design was adopted. Data was collected from 268 project officials and project beneficiaries attached to selected National Agricultural Advisory Services (NAADS) projects in Uganda. Primary data was captured through administering a questionnaire and analyzed using descriptive statics, correlation and regression analysis. Results revealed a positive relationship between organizational rationality and project managers’ ethical orientation. Also, each of the four dimensions of organizational rationality, thus, Efficiency, Predictability, Control and Calculability are positively related to Project Managers’ Ethical Orientation. These findings in part indicate that, within the project organization, if task related inefficiencies are reduced to a minimum and tasks are handled harmoniously towards the project objectives, project managers will accordingly act in accordance with policy regulations and directives with fairness, and they shall always comply with the law and professional standards over and above other considerations which is an indicator of good ethical orientation. Thus, it is advanced that where standards, rules, regulations and control are an essential part of the daily life of the base organization, this leads to improved Project Managers’ Ethical Orientation.

Keywords: Organizational Rationality, Project Managers, strategy, Ethical Orientation, Poverty Eradication.

1.0 Introduction
Of late, the ethical orientation of project management has increasingly become a key consideration for overall project performance (Verbos and Miller, 2013; Fassin and Drover, 2014) owing to the growing corruption tendencies especially in LDCs (Welsh, and Birch 1997). In Uganda for example, existing evidence shows that managers of most private partner and government funded projects have exhibited an unethical behavior caused by greedy pursuit for quick money (see for example MFPED 2008). There is cosmic evidence indicating that funding meant for the poor is not reaching them and it is instead the non-poor with good political connections, who mainly access these funds (IFPRI 2007, OXFAM and FOWODE 2004, the New Vision, 22nd Nov, 2009). For instance, In Uganda, there are some NAADS officials who selected only rich farmers to benefit from PFA (Prosperity For All) projects while some officials gave themselves some of the inputs meant to be distributed to the poor (New Vision gazette, Friday 26th Feb. 2010). Also, projects like the “Moringa Production” and the “Youth Entrepreneurship Scheme” projects in Uganda saw funds given on sectarian basis and many beneficiaries have since expressed concern of the bureaucratic processes that excessively delay the release of funds. Other studies conducted by (OXFAM and FOWODE, 2004) established that National Agricultural Advisory Services (NAADS) officials were favoring wealthier farmers yet this was clearly against the set values of NAADS. In light of such evidences, practitioners and scholars alike are in the search for means of Enhancing the Ethical Orientation of Project Managers. According to Prasad (2008), Ethical orientations are ideologies and beliefs, skills and tools for individuals to manage difficult and problematic ethical situations, abide by set values, and live up to them in pursuit of their careers. Aloysius (2006) advances that the unethical and often illegal behavior of project managers in Uganda is characterized by discontinuous personal interactions due to selfish interests, work contents, politicking and incompatibility with the routines of base organizations. Thus, it is probable that where standards, rules, regulations and control are an essential part of the daily life of the base organization, this leads to improved Project Managers’ Ethical Orientation. The rest of this paper is laid out as follows; relevant literature is reviewed to inform the study, and then the methodology of the study is stated followed by presentation, analysis and discussion of research findings. Lastly, conclusions and recommendations are made based on the findings and areas for further research proposed

2.0 Literature Review
This section presents a critical review of literature on organizational Rationality and Project Managers’ Ethical Orientation.
2.1 Organizational Rationality and Project Managers’ Ethical Orientation

Organizational rationality refers to a collection and concerted construction of roles, norms, work order legitimations and controlling mechanisms at the workplace into a common vision. It focuses on roles, responsibilities and overall organizational hierarchy so that work processes are predictable (Dissanayake, 2004). It is believed by some philosophers notably Grayling that a good rationale must be independent of emotions, personal feelings or any kind of instincts. Any process of evaluation or analysis, that may be called rational, is expected to be highly objective, logical and "mechanical". If these minimum requirements are not satisfied, then the analysis may be termed irrational (Mosterin, 2008). In this concept of "rationality", organizational goals or motives are taken for granted and not made subject to criticism, ethical or otherwise (Johnson & Byrne, 1991). Thus, rationality simply refers to the success of goal attainment, whatever those goals may be, and sometimes, in this context, rationality is equated with behavior (Ellis, 2001).

In philosophy, rationality is the characteristic of any action, belief, or desire, which makes organizational stakeholders’ choice a necessity (Habermas, 1984). It is a normative concept of reasoning in the sense that rational people should derive conclusions in a consistent way given the information at disposal (Eagleton, 2003). It also refers to the conformity of one's beliefs with one's reasons to believe, or with one's reasons for action (Etzioni, 1988). The above reviews indicate that rationality is used differently in different disciplines. For this study, a rational decision will be understood as a decision that is not only just reasoned, but is also optimal for achieving a goal or solving a problem. Determining optimality for rational behavior requires a quantifiable formulation of the problem, and the making of several key assumptions (Byrne & Johnson, 2009). Collectively, the formulation and background assumptions are the model within which rationality applies. Illustrating the relativity of rationality: if one accepts a model in which benefiting oneself is optimal, then rationality is equated with behavior that is self-interested to the point of being selfish; whereas if one accepts a model in which benefiting the group is optimal, then purely selfish behavior is deemed irrational (Laird, 1991).

On the other hand, ethical orientation refers to the approach an individual takes to make ethical judgment through ethical perceptions and sensitivity with the ability to recognize the ethical nature of a situation in a profession (Clikeman et al., 2001). Ethics especially with regards to the ethical beliefs of business leaders and managers have received tremendous attention. The ethical behaviors and orientations of business leaders and managers are of major concern to the public (Borkowski and Ugras, 1992; Etzioni, 2002; Jennings, 2004). With many corporate scandals in the west like WorldCom, Enron, and Arthur Andersen as well as transmire in Malaysia, have made Ethical issues more prominent and importance over the last ten years (Jennings, 2004). It is evident that unethical behavior on the part of the base organization can lead to financial failure and also profound impact on its stakeholders and stability of society as a whole (Giacalone and Jurkiewicz, 2003). Crane (2004) found that managers need to be taught skills and tools to help manage difficult and problematic ethical situations due to the fact that unethical behavior is damaging on many levels. At societal level, unethical behavior creates a negative image of organization. For example the unethical behavior of those at Enron not only cost many organizations and people a great deal of money directly but also affected those who had invested in the stock market. At the organizational level, due to the unethical behavior of its managers, Arthur Andersen lost many of its clients. At the individual level, the unethical behavior of former Enron CEO Kenneth Lay and many top executives had resulted in their imprisonment and probably These individuals may never hold high level corporate positions again (Jennings, 2004 and crane, 2004). Therefore, Rationality of the base organization influences the managers’ ethical orientation of the project and helps in assessing and managing anticipated project performance (Ekstedt et al., 1999).

3.0 Methodology

The research design was basically quantitative research that employed a survey research design. Following the tenets of this kind of design, data was collected and analyzed using frequencies, correlations and regressions. Data was collected from 268 project officials and project beneficiaries who were attached to 134 selected projects of NAADS. The projects of concern were mainly from Eastern and Central parts of the Uganda owing to the fact that most of NAADS projects have mainly been implemented in these two regions.

To measure Project Managers’ Ethical orientation, we used Ethics Position Questionnaire (EPQ) or Moral Philosophy Measure developed by Forsyth (1980). The responses to the questions were in the form of agreement or disagreement using a 5-item Likert-type scale. This tool has been commonly utilized by recent researchers like Brown (2003). Specifically, the questionnaire identified four basic distinct dimensions of Ethical Orientations namely: Egoism, Utilitarianism, Justice, and Rights. The internal consistency, stability and construct and predictive validity of this measure, had been well established in prior research (Kohlberg, 1984; Kant, 1994; and Gilligan, 1982). The EPQ also contained a number of demographic items and items relating to the individuals organization. Organizational rationality was measured using a rationality questionnaire developed by (Georgepoulos and Mann, 1962; Hage and Aiken, 1968 and 1969; Inkson, Pugh and Hickson, 1970), and was originally presented in Olmez et al. (2004). We adopted various items assessing four dimensions of rationality.
proposed by Ritzer (1995) within an organizational context including (efficiency, calculability, predictability and control). Each measure contains items that constituted them. For each of the items, we added “in the organization I work for”. This was also done in Olmez et al. (2004) and it is a proper reminder of what the items are dealing with.

As regards the data collection tools and types of data, Primary data related to Organizational Rationality and Project Managers’ Ethical Orientation was captured through administering a Questionnaire. Questionnaires contained structured questions to enable the reader understand the questions before responding which was then used to investigate the feelings of the respondents using the Likert scale. Organizational rationality was measured using the rationality questionnaire developed by the first author on the basis of available literature (Georgepolous and Mann, 1962; Hage and Aiken, 1968 and 1969; Inkson, Pugh and Hickson, 1970), and was originally presented in Olmez et al. (2004). The questionnaire included various items assessing the four dimensions of rationality proposed by Ritzer (1995) within an organizational context (efficiency, calculability, predictability and control) and the items that constituted them. For each of the items, we added “in the organization I work for”. This was done in Olmez et al. (2004) and it is a proper reminder of what the items are dealing with.

4. FINDINGS
This section presents results from the field study in trying to examine the relationship between organizational rationality and project managers’ ethical orientation.

4.1 Period for which the Project has been running
The results in the Table 1 below present the period for which the various projects have been running.

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 2yrs</td>
<td>59</td>
<td>47.0</td>
</tr>
<tr>
<td>2 - 5 yrs</td>
<td>55</td>
<td>43.9</td>
</tr>
<tr>
<td>6 - 8 yrs</td>
<td>2</td>
<td>1.6</td>
</tr>
<tr>
<td>More than 8 yrs</td>
<td>9</td>
<td>7.5</td>
</tr>
<tr>
<td>Total</td>
<td>126</td>
<td>100.0</td>
</tr>
</tbody>
</table>

It was observed in as seen in Table 1 that most projects had been running for less than 2 years while only 7.5% of them have been operating for over 8 years. Least represented were the projects that have been in operation for some 6 – 8 years. Finally, only 43.9% of the sampled projects had operated for 2 – 5 years. This allows the research to consider the experiences accumulated in various years of the project even when captured from a cross sectional point of view.

4.2 Category of Stakeholders
The results in Table 2 show the category of the various respondents who participated in the study.

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beneficiary</td>
<td>168</td>
<td>66.4</td>
</tr>
<tr>
<td>Project Managers</td>
<td>85</td>
<td>33.6</td>
</tr>
<tr>
<td>Total</td>
<td>253</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Results in Table 2 indicate that 66.4% of the respondents were the Beneficiaries of the project activities while some 33.6% were the Project managers as shown in the table above.

4.3 Relationships between the Variables
Correlation analysis method was used to determine the relationship between Organizational Rationality and Project Managers Ethical Orientations. Table 4.3 below presents the results from primary data.
Table 4: Relationships between Variables

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficiency-1</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Predictability-2</td>
<td>.283**</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control-3</td>
<td>.193**</td>
<td>.381**</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Calculability-4</td>
<td>.452**</td>
<td>.331**</td>
<td>.262**</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Rationality-5</td>
<td>.550**</td>
<td>.549**</td>
<td>.675**</td>
<td>.621**</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Egoism-6</td>
<td>-.363**</td>
<td>-.320**</td>
<td>-.249**</td>
<td>-.416**</td>
<td>-.471**</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilitarianism-7</td>
<td>.224**</td>
<td>.334**</td>
<td>.272**</td>
<td>.322**</td>
<td>.393**</td>
<td>-.390**</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Justice-8</td>
<td>.129*</td>
<td>.190**</td>
<td>.362**</td>
<td>.169**</td>
<td>.346**</td>
<td>-.170**</td>
<td>.184**</td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rights-9</td>
<td>.148*</td>
<td>.144*</td>
<td>.221**</td>
<td>.199**</td>
<td>.316**</td>
<td>-.132**</td>
<td>.283**</td>
<td>.237**</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>Project Managers Ethical Orientations-10</td>
<td>.283**</td>
<td>.410**</td>
<td>.414**</td>
<td>.368**</td>
<td>.544**</td>
<td>-.461**</td>
<td>.523**</td>
<td>.555**</td>
<td>.477**</td>
<td>1.000</td>
</tr>
</tbody>
</table>

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

As seen in Table 4.3 above, the researchers observed a positive relationship between organizational rationality and project managers’ ethical orientation ($r = .544**$, $p < .01$). It is evident that Efficiency, Predictability, Control, and Calculability are positively related to Project Managers’ Ethical Orientation ($p < .01$).

This is a clear indication that if task-related inefficiencies are reduced to a minimum and tasks are handled harmoniously toward the project objectives, project managers shall always act in accordance with policy regulations and directives with fairness, and they shall always comply with the law and professional standards over and above other considerations which is an indicator of good ethical orientation.

4.4 Regression Model

The regression model below shows the extent to which the Organizational Rationality can predict Project Managers’ Ethical Orientations. Table 4.4 presents the regression model.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td>.393</td>
<td>.201</td>
</tr>
<tr>
<td>Organizational Rationality</td>
<td>.538</td>
<td>.059</td>
<td>.523</td>
<td>9.133</td>
</tr>
</tbody>
</table>

Based on the results in Table 4.5, it is clear that the Organizational Rationality accounts for 44.5% of the changes in and the Project Managers Ethical Orientations (Adjusted R Square = .445). Other than indicating that the regression model is significant, (sig. < .01), and (Beta = .523, sig. < .01).

5. DISCUSSION OF FINDINGS

This section presents a discussion of findings on Organizational Rationality and Project Managers’ Ethical Orientation and related concepts in relation to literature.

5.1 Organizational Rationality and Project Managers’ Ethical Orientation

Findings in the previous chapter indicated that the Organizational Rationality is positively related to the project managers’ ethical orientation. Properly managing Interdepartmental coordination and avoidance of the Communication breakdowns, laying measures to minimize erroneous communication, will ultimately help the institution get managers who are not unethical in their pursuits but show concern for what is best for other people. In other words, managers will always look out for what is best for each employee and stakeholder in the organization. These results are consistent with the works of (Baecker, 2006), whose research work shows that many managers have continued to take the rational approach which views people as building blocks and the organization as a machine leaving little scope for flexibility and adaptability to changes in the external environment but strict to what is just and in line with policy.

This relationship is further enhanced by the fact that the development of organizations in the 20th century has been such that many of them have established tight structures with clearly defined hierarchies, command and control bureaucracies (Boxall & Purcell, 2003). This enables managers to take an approach that is mechanistic in nature and which thrives on formalization and standardization (Scott & Davis, 2007). Since this kind of organizational structure was the norm across industries and sectors, many managers of the “old school” of management pioneered by Taylor, Weber and others preferred a rational approach which eschews uncertainty
and embraces efficiency and predictability (Beardwell, 2010).

6. CONCLUSION AND RECOMMENDATIONS

The behavior of a project manager is affected by the organizational rationality; being part of an organization means that the behavior of the individual is modified by the thinking, ideas and values of the organization. Consequently, the organizational rationality influences the individual behavior of project managers. This is taken even further when the organization introduces rules, standards and procedures that govern the work and the decision-making, what other scholars refer to as the formal organizational rationality.

It is recommended that Project managers ought to have proven expertise in the management of firms or projects. This will increase the likelihood of having successful projects. The specific recommendation is that the project officials should undergo competence profiling so as to ensure that the persons with the best competences are nominated to head the projects and others are

REFERENCES


52


**Acknowledgements**
The authors would like to extend their appreciation to Makerere University Business School that provided the enabling environment for this study, the MUBS Principal, Professor Balunywa Wasswa for his enabling leadership that natures research efforts of staff. We also thank Professor Joseph M Ntayi, Dr kabagambe Levi and Prof Mayoka Geoffrey for their contribution towards making this work a success.