



1st AISPI International Biennial Conference on Science, Technology and Innovation for  
Sustainable Development, 2019

## Ethical Thinking and Project Success in Nigerian Gas Company

A. A. Bakare\* and O. I. Olateju

Department of Management Technology, Lagos State University, Lagos, Nigeria

\*Corresponding author's email address: [akeem.bakare@lasu.edu.ng](mailto:akeem.bakare@lasu.edu.ng)

### ABSTRACT

The study examined the impact of ethical thinking on project success in the Nigerian Gas Company. A review of the literature showed that dimensions of ethical thinking had been used as criteria for project success qualitatively without any empirical piece of evidence. This study filled this gap by considering the project management code of ethics and professional conduct, namely responsibility, respect, fairness and honesty, and its application to the accomplishment of the project within the approved baselines. The study adopted a survey research design. The population of the study comprised the staff of Nigerian Gas Company currently working in the project management office (PMO) of the Gas Transmission Pipeline (OB3) Project. The population consists of one hundred and forty-four (144) employees. The sample size was determined using Survey Monkey Sample Size Determination to obtain a sample of one hundred and five (105) respondents. Primary data were used for the study and were collected using a well-structured questionnaire. The data were analysed using multiple regression analysis in Structural Equation Modelling. The findings from the study revealed that ethical thinking dimensions (such as responsibility, respect, fairness and honesty) have a better effect on both attaining the agreed specification level and the agreed budget when exhibited holistically. The unethical behaviour in organisations costs millions and billions of naira of taxpayers' money every year. The study recommended among others that as a project management professional, it is a responsibility not only to uphold high standards of ethical behaviour at the workplace but also to foster an environment of high ethics in organisations they work.

**Keywords:** Ethics, Project Success, Responsibility, Respect, Fairness and Honesty

## **INTRODUCTION**

In many organisations, a project manager has to execute a lot of tasks being a manager and a leader. As a manager, he has to supervise the initiating, planning, executing, monitoring and controlling and closing phases of a project's life cycle. He also plays a lot of roles as a leader, such as identifying the purpose, direction and vision of a project and motivating the people who are involved in the project. Managing these tasks requires ethical issues which managers must learn because these issues can influence the organisation directly. Helgadottir (2017) claimed that project managers' thinking competencies have three dimensions. The first dimension is creative thinking, the second is logical thinking, and the last dimension is ethical thinking. Ethical thinking is the core issue for project managers during planning, executing and completing a project. Helgadottir (2017) suggested that leaders have to master ethical problems and learn how to manage ethical dilemmas during the projects.

Ethical dilemmas involve situations where it is difficult to determine whether conduct is right or wrong (Puscasu, 2019). Is it acceptable to falsely assure customers that everything is on track when in reality you are only doing so to prevent them from panicking and making matter worse (Puscasu, 2019)? Some common ethical missteps identified in businesses that are equally true in the case of projects (Nixon, 2017) are wired bids and contracts (the winner has been pre-determined), buy-in (bidding low with the intent of cutting corners or forcing subsequent contract changes), kickbacks, covering for team members (group cohesiveness), taking shortcuts (to meet deadlines or budgets), using marginal (substandard) materials, compromising on safety, violating standards, and consultant loyalties (to the employer, client or public).

Many ethical lines can be crossed in project management. The bigger the project, the more opportunities arise for people or companies to compromise their ethics to bring the project in on time, budget, to agreed specification level and to mutually agree on scope changes (Catambay, 2017). However, when project managers and other stakeholders turn a blind eye to questionable activities, the results are often disastrous—blown budgets, legal trouble and even criminal charges are all too common in today's business environment.

### **Statement of the Problem**

Despite the laudable contribution of the different techniques and tools that are useful to manage projects efficiently (such as network activity diagram, bar charts, macro and micro cost estimation approaches and resource scheduling techniques) projects still fail, depending on its success criteria that help to ensure project success. From the study of literature (Bowen 2014; Clancy, 2018; Rafi, 2013), several reasons have been canvassed by different researchers for this.

A review of the literature (Catambay, 2017; Hamilton, 2017; Holderbaum, 2016; Karpe, 2015; 2017; LugoSantiago, 2018; O'Brochta, 2016) showed that the dimensions of ethical thinking are critical criteria for project success without any empirical piece of evidence. However, there is no sufficient empirical information as to how ethical thinking is being used by project managers and team members to orchestrate successful project completion, specifically in the oil and gas industry. This study filled this gap by considering the project management code of ethics and professional conduct, namely responsibility, respect, fairness and honesty, and its application to the accomplishment of the project within the approved baselines (agreed specification level and agreed budget).

### **Objectives of the Study**

The overall aim of the study is to determine the impact of ethical thinking on project success of the Nigeria Gas Company. This study aims to achieve the following specific objectives: To examine the extent to which ethical thinking dimensions (responsibility, respect, fairness and honesty) contribute to project completion at the agreed specification level; and to examine the extent to which ethical thinking dimensions (responsibility, respect, fairness and honesty) affect project completion at the agreed budget. The research questions are: Do ethical thinking dimensions contribute to project completion at the agreed specification level to a significant extent? Do ethical thinking dimensions affect project completion at the agreed budget to a significant extent?

## **Research Hypotheses**

- i. Ethical thinking dimensions contribute to project completion at the agreed specification level to a significant extent.
- ii. Ethical thinking dimensions affect project completion at the agreed budget to a significant extent.

## **LITERATURE REVIEW**

### **Conceptual Framework on Ethics**

The word ethics comes from the Greek word ethos, meaning ‘morals’. Ethics is defined as the systematic reflection on what is moral. In this definition, morality is the opinions, decisions and actions with which people express what they think is good or right (Ingason and Jonasson, 2018). So, in short, to think ethically, one needs to reflect on what people think is good or right systematically. Ethics is not a manual with answers on how to act. It is only a search for the right kind of morality. We can distinguish two types of ethics. The descriptive ethics is involved with the description of existing morality. It is about facts. Descriptive judgments are, therefore, true or false.

On the other hand, there is the prescriptive ethics, also known as normative ethics. This branch of ethics judges morality. Normative judgments are therefore, value judgments. They indicate whether something is good or bad. However, this study aligns itself to the ethical values identified as sacrosanct in PMI’s (2013) code of ethics and professional conduct. These are responsibility, respect, fairness and honesty.

### **Responsibility**

According to PMI (2013) “responsibility is our duty to take ownership for the decisions we make or fail to make, the actions we take or fail to take, and the consequences that result”. For project teams to think and act responsibly, they need to take decisions and actions based on the best interests of society, public safety, and the environment. It also means that they accept only those assignments that are consistent with their background, experience, skills, and qualifications. For instance, in the case of a contracting arrangement, they should only bid on work that their organisation and team members are qualified to perform and assign only qualified individuals to complete the job. It is equally important to fulfil the commitments that were undertaken. In case of errors or omissions, team members should communicate them to the appropriate body as soon they are discovered (caused by others), take ownership and make corrections promptly (caused by team members), and also accept accountability for any issues resulting from the errors or omissions and any resulting consequences. Lastly, proprietary or confidential information about clients, customers, colleagues, bidders, vendors that have been entrusted to the project team must be protected (PMI, 2013).

### **Respect**

Respect means that one must accept a decision or a way of approaching a matter even if one disagrees strongly (Schroeder, Chatfield Singh, Chennells, and Herissone-Kelly, 2019). “Respect is the duty to show high regard for ourselves, others, and the resources entrusted to us” (PMI, 2013). These resources may include people, money, reputation, the safety of others, and natural or environmental resources (PMI, 2013). An environment of respect engenders trust, confidence, and performance excellence by fostering mutuality, i.e. an environment where diverse opinions, perspectives and views are encouraged and valued (PMI, 2013).

As a member and leader of a project team, to respect is to inform everyone about the norms and customs of others and avoid engaging in behaviour that may be considered as disrespectful. Similarly, it is listening to others’ points of view, seeking to understand them and approach those persons with conflicting or disagreeing opinions. It is also essential to think and act towards others in a professional manner, even when it is not reciprocated (PMI, 2013).

## **Fairness**

The terms “fairness”, “justice” and “equity” are often used interchangeably. Schroeder *et al.* (2019) preferred the term “fairness” in the belief that it would be the most widely understood globally. “Fairness is our duty to make decisions and act impartially and objectively. Our conduct must be free from competing for self-interest, prejudice, and favouritism” (PMI, 2013).

As a member and leader of a project team, to be fair is to demonstrate transparency in the decision-making process. It is essential to continually reexamine impartiality and objectivity and taking corrective action as appropriate. Research has shown that one of the biggest problems of honesty in project management is not recognising when we have conflicted loyalties and understanding when inadvertently placing people in a conflict-of-interest situation. The project team must proactively search for potential conflicts, help one another by highlighting other’s potential conflicts of interest and insisting that they are resolved. Also, it is essential to provide equal access to information to those who are authorised and make opportunities equally available to qualified candidates.

## **Honesty**

“Honesty is our duty to understand the truth and act truthfully both in communications and in conduct” (PMI, 2013). Honesty is a value that does not need complicated explanations or definitions. In all cultures and nations, “Do not lie” is a fundamental prerequisite for ethical human interaction (Schroeder *et al.*, 2019). The ethical value (honesty) is so essential that its synonyms are often broad ethics terms. For instance, according to Google (2018), synonyms for “honesty” are moral correctness, uprightness, honourableness, honour, integrity, morals, morality, ethics, principle, high principles, nobility, righteousness, rectitude, right-mindedness, upstandingness.

As a member and leader of a project team, to be honest is to seek to understand the truth earnestly, to be truthful in our communications and our conduct. The provision of timely, accurate information is essential (PMI, 2013). These provisions imply that taking appropriate steps to ensure that the information that is provided or the decisions that it will be based upon is accurate, reliable, and timely. This includes having the courage to share bad news even when it may be poorly received. Also, when results are negative, we avoid burying information or shifting blame to others. When results are positive, we avoid taking credit for the achievements of others. These will reinforce the commitment to being both honest and responsible. Project team members make commitments and promises (implied or explicit) in good faith and strive to create an environment in which others feel safe (to be honest).

## **Theoretical Review**

The study adopted the classical theories of ethics as identified by Jonasson and Ingason (2013) and Ingason and Jonasson (2018). They described the four classical ethical theories to assess ethical risks in projects and argued that, by viewing the theories in terms of ethical opportunities and risks, ethical dilemmas in project management could be reduced to asking a series of simple but fundamental questions.

## **Ethical Egoism**

Teleological or consequentiality theory measures morality based on the consequences of actions. Ethical egoism focuses exclusively on maximising the good for the moral agent (Ingason and Jonasson, 2018; Jonasson and Ingason, 2013). There are a few variations of the theory, but two forms of egoism are the most dominant: psychological egoism and ethical egoism. Psychological egoism is a descriptive theory of human behaviour that holds that people are naturally programmed to behave only in their self-interest. Ethical egoism is the normative theory, whereby people ought to act exclusively in their self-interest (Ingason and Jonasson, 2018; Jonasson and Ingason, 2013; Jones *et al.*, 2017). Thus, the moral principle of ethical egoism suggests that an act is ethical when it promotes the individual's long-term interest (Shultz and Brender-Ilan, 2014; Jones *et al.*, 2017). Note that it is possible for people to help others, follow the rules of society, and even grant gifts if they believe that those actions are in their own best interest.

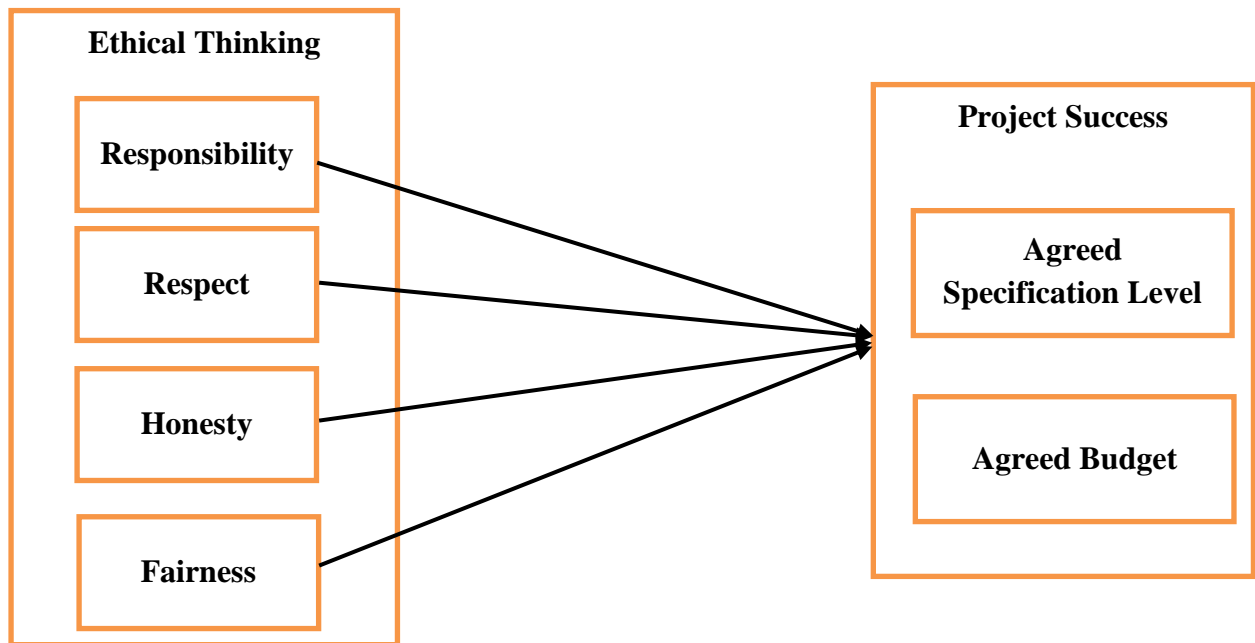


Figure 1: Conceptual Model

### Utilitarianism

Utilitarianism represents the dominant and most influential normative teleological or consequential ethical philosophy, and its different forms incorporate various concepts of utility (Ingason and Jonasson, 2018; Jonasson and Ingason, 2013). According to the utilitarian moral principle, an act is morally acceptable if it produces the most significant net benefit to society as a whole, where the net social benefit equals social benefits minus social costs (Rachels, 2009; Schumann, 2011). Utilitarianism regards the welfare of any single individual more or less important than the welfare of any other individual, but it does not assume that all individuals should be treated in the same way. For example, it would endorse unequal treatment that maximises the general welfare (Lyons, 2004). Research generally distinguishes between two forms of utilitarianism: act utilitarianism, which includes maximising benefits relative to costs for a specific decision at hand, and rule utilitarianism, which involves following rules designed to achieve the enormous net positive consequences over time (Premeaux, 2014). Utilitarian decision makers are required to estimate the effect of each alternative on all parties concerned and to select the one that optimises the satisfaction of the majority (Ingason&Jonasson, 2018; Jonasson&Ingason, 2013).

### Deontology

Deontology is associated mostly with Immanuel Kant, who argued that the highest good was the goodwill, and morally right actions are those carried out with a sense of duty (Ingason and Jonasson, 2018; Jonasson and Ingason, 2013). Thus, it is the intention behind an action rather than its consequences that make that action good (Bowie, 2012). Kantian moral philosophy is based on the categorical imperative: "Act only on that maxim by which you can at the same time will that it should become a universal law." Kant's second formulation of the categorical imperative dictates that human beings should be treated not merely as a means to one's ends but also as ends in themselves (Bowie, 2012; Ingason and Jonasson, 2018; Jonasson and Ingason, 2013). It follows that people in business relationships should not be used, coerced, or deceived, and that business organisations and practices should be arranged so that they contribute to the development of human rational and moral capacities (Bowie, 2012). The third Kantian rule requires that one should act as if he were a member of an ideal "kingdom of ends," in which he is both king and sovereign at the same time. In the organisational arena, this means that the rules that

govern an organisation must be such that can be endorsed by every member of the organisation. Moreover, a person who adopts a Kantian point of view sees the organisation as a moral community within which each member of the organisation stands in an ethical relationship with all others (Bowie, 2012).

### **The Ethics of Care**

The ethics of care emerged out of feminist literature. Gilligan (2012), Dillon (2012), and others have objected to the impersonal, male-dominated view of ethics that ignores the importance of the special relationship between individuals. The ethics of care is related to virtue theory but emphasises virtues that are important to personal relations, such as compassion, sympathy, empathy, and loyalty (Budd, 2014).

The ethics of care argues that a person's moral obligation is not to follow impartial principles but rather to care for the good of the particular individuals with whom the person has unique concrete relationships. Each of us must attend to our own needs as well as to those of the people in our web of contacts, which includes the people with whom we have close relationships as well as those in the larger communities in which we live (Ingason and Jonasson, 2018; Jonasson and Ingason, 2013; Schumann, 2011).

According to the perspective of the ethics of care, an ethical dilemma is not an abstract problem with only one ethically correct solution that can be agreed on by impartial observers and by applying universally accepted principles. Instead, solutions should emerge from relationships of mutual care and from the context in which the problems are embedded (Jones *et al.*, 2017). When applying the ethics of care to business, some situations may be more challenging than others. There may be situations, in which our desire to express care for individuals with whom we have a personal relationship conflicts with the care we wish to manifest for others. For example, a manager making a hiring decision may want to favour a friend over strangers for the job, but this desire conflicts with the desire to hire the best-qualified candidate, which follows from his care for his relationships with other employees, customers, and stakeholders of the organisation. Managers can resolve the conflict by disqualifying themselves from making a hiring decision that involves a friend (Velasquez, 2008).

### **Rights theory**

According to the theory of moral rights, human beings have certain fundamental rights that should be respected in all decisions: the right to free consent, privacy, freedom of conscience, free speech, and due process (Ingason and Jonasson, 2018; Jonasson and Ingason, 2013; Jones *et al.*, 2017). A right is a capacity, a possession, or condition of existence that entitles either an individual or a group to enjoy some object or state of being. For example, the right to free speech is a condition of existence that entitles one to express one's thoughts as one chooses (Jones *et al.*, 2017). Rights theories distinguish between negative and positive rights. In the case of negative rights, the duty is to allow the party to act freely within the domain covered by the right. In the case of positive rights, the obligation is to provide the party with a benefit of some type. The moral force of a right depends on its strength to other ethical considerations applicable to the context in question (Ingason and Jonasson, 2018; Jonasson and Ingason, 2013; Jones *et al.*, 2017). The morally correct action is the one that a person has the moral right to do, that does not infringe on the moral rights of others, and that furthers the moral rights of others (Schumann, 2011, Jones *et al.*, 2017).

### **Empirical Review**

Müller, Andersen, Kvalnes, Shao, Sankaran and Turner (2012) conducted a study on the interrelationship of governance, trust, and ethics in temporary organisations. The study addresses the variety of ethical decisions that managers in temporary organisations (special purpose vehicle) must make. The study investigates how these decisions are influenced by the governance structures of the organisations that provide the framework for the governance of special purpose vehicles such as projects. The management of these special purpose vehicles provides a basis for ethical decision-making. One of the links between governance and ethical decision-making is trust. The study investigated the roles of personal trust and system trust as a mechanism to steering ethical decision-making in different governance settings for

temporary organisations. Nine case studies were conducted in Europe, Asia, and Australia. The findings of this qualitative studies show that ethical decision-making is contingent on trust, which, in turn, is contingent on the fulfilment of personal expectations within a given governance structure. The study provided a related model and several propositions. The study considered just an ethical value as a linking that foster ethical decision making in a special purpose vehicle. This finding of the study may not be able to be generalised as there several ethical dimension that drives ethical decision making in special purpose vehicles.

Holderbuam (2016) examined the relationship between the PMI Code of Ethics and Professional Conduct and rules for civil conduct put forward in the 2002 publication by P.M. Forni, *Choosing Civility: Twenty-Five Rules of Considerate Conduct*. The study highlighted the alignment of *The Twenty-Five Rules of Considerate Conduct* to the aspirational standards of the PMI Code of Ethics and Professional Conduct. Also, the study explored the connection between the Twenty-Five Rules of Considerate Conduct and the Project Communications Management Knowledge Area of *A Guide to the Project Management Body of Knowledge (PMBOK® Guide) – Fifth Edition*. Based on the value of the Twenty-Five Rules of Considerate Conduct to the PMI Code of Ethics and Professional Conduct and the overall project management process, the study proposed that the project manager can put the Twenty-Five Rules of Considerate Conduct into practice. This study reached its conclusion and recommendation without empirical evidence.

## RESEARCH METHODOLOGY

The study adopted a survey research design. The population of the study comprises the staff of Nigerian Gas Company currently working in the project management office of the Gas Transmission Pipeline (OB3) Project. The population consists of one hundred and forty-four (144) employees. The sample size was determined using Survey Monkey Sample Size Determination tool to give a sample of one hundred and five (105) respondents. Primary data were used for the study and were collected using a well-structured questionnaire. The data were analysed using multiple regression analysis in Structural Equation Modelling (Structural Regression Model) using a two-step analysis.

## RESULTS AND DISCUSSION

### Test of Goodness of Fit

In the first step of the analysis, the study tested the overall fit, i.e. the Goodness of Fit (GoF) index by using fit indices that are considered to be the most commonly reported by Hooper, Coughlan and Mullen (2008) and Parry (2017). These are the model chi-square-degree of freedom ratio, root mean square error of approximation (RMSEA), comparative fit index (CFI), (standardised) root mean square residual ((S)RMR), Parsimony-adjusted measures and the goodness of fit index (GFI) as they have been found to be the most insensitive to sample size, model misspecification and parameter estimates.

The CMIN table (Table 1) shows the chi-square-degree of freedom ratio (CMIN/DF) to be 2.202 which is considered a good fit in this dimension as the recommended range are identified by Hooper *et al.* (2008) and Parry (2017) to as low as 2.00 and as high as 5.00.

**Table 1: CMIN**

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	74	860.883	391	.000	2.202
Saturated model	465	.000	0		
Independence model	30	1339.244	435	.000	3.079

Table 2 shows an RMR value of 0.184 which is considered a bad fit as from the dimension as Hooper *et al.* (2008) and Parry (2017) recommend a cut-off point of RMR value less than 0.08.

**Table 2:** RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.184	.633	.564	.532
Saturated model	.000	1.000		
Independence model	.350	.406	.365	.380

The CFI value from the baseline comparisons table is 0.480 which is considered a bad fit as the recommended cut-off point by Hooper *et al.* (2008), and Parry (2017) is a CFI value of at least 0.95.

**Table 3:** Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.457	.285	.504	.422	.480
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

The Parsimony-Adjusted Measures (PRATIO) and Parsimonious Normed Fit Index (PNFI) values from table 4 are 0.899 and 0.532, respectively. These values are considered fit as the recommended cut-off point by Hooper *et al.* (2008), and Parry (2017) for both values is at least 0.50.

**Table 4:** Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.899	.421	.532
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

The RMSEA from the model fit summary table is 0.077 which is also considered good fit from the dimension as the recommended cut-off point by Hooper *et al.* (2008), and Parry (2017) is an RMSEA value less than 0.08.

However, it is essential to note that this model can be considered parsimonious and plausible. Hooper *et al.* (2008), Kline (2005) and Parry (2017) pointed that by strictly adhering to the cut-off criteria of the indices moves the research process away from the original, theory-testing purpose of structural equation modelling and may lead to the commission of type 1 error ((the incorrect rejection of an acceptable model).



**Table 5: RMSEA**

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.077	.066	.087	.000
Independence Model	.054	.044	.063	.000

**Testing of Hypothesis One**

*Research Question One:* Do ethical thinking dimensions contribute to project completion at the agreed specification level to a significant extent?

*Research Hypotheses One:* Ethical thinking dimensions contribute to project completion at the agreed specification level to a significant extent.

To provide answers to research question one, a structural model of ethical dimensions (responsibility, respect, honesty and fairness) and project success dimension (agreed specification level) was constructed using the SEM approach. The output from the model was used to test the hypothesised paths of ethical thinking dimensions and project completion at the agreed specification level.

Table 6 shows the path coefficients (estimates) of the structural model under investigation, which indicate the strength of the relationship between the dimensions. These results indicate that the proposed model has 72.3% of explanatory power for project completion at the agreed specification level with  $R^2 = 0.723$ . However, based on the proposed model, the strongest determinant of project completion at agreed specification level was respect ( $\beta = 0.453, p < 0.05$ ), followed by honesty ( $\beta = 0.712, p < 0.05$ ), responsibility ( $\beta = 0.658, p < 0.05$ ), and lastly, fairness ( $\beta = 0.642, p < 0.05$ ) with a significant and positive influence. Therefore, the research hypothesis is accepted. The findings from the study suggest that if ethical thinking and values are appreciated and exhibited, they will bring about project completion at the agreed specification level.

**Table 6: Hypothesis One Assessment Using Path Analysis**

			Estimate	S.E.	C.R.	P	R <sup>2</sup>
ASL	<---	RESPONS	.658	.142	1.110	.027	
ASL	<---	RESPE	1.010	.722	1.399	.016	
ASL	<---	FAIRNESS	.642	.377	.377	.006	
ASL	<---	HONESTY	.712	.415	.270	.008	
ASL							0.723

**Testing of Hypothesis Two**

*Research Question Two:* Do ethical thinking dimensions affect project completion at the agreed budget to a significant extent?

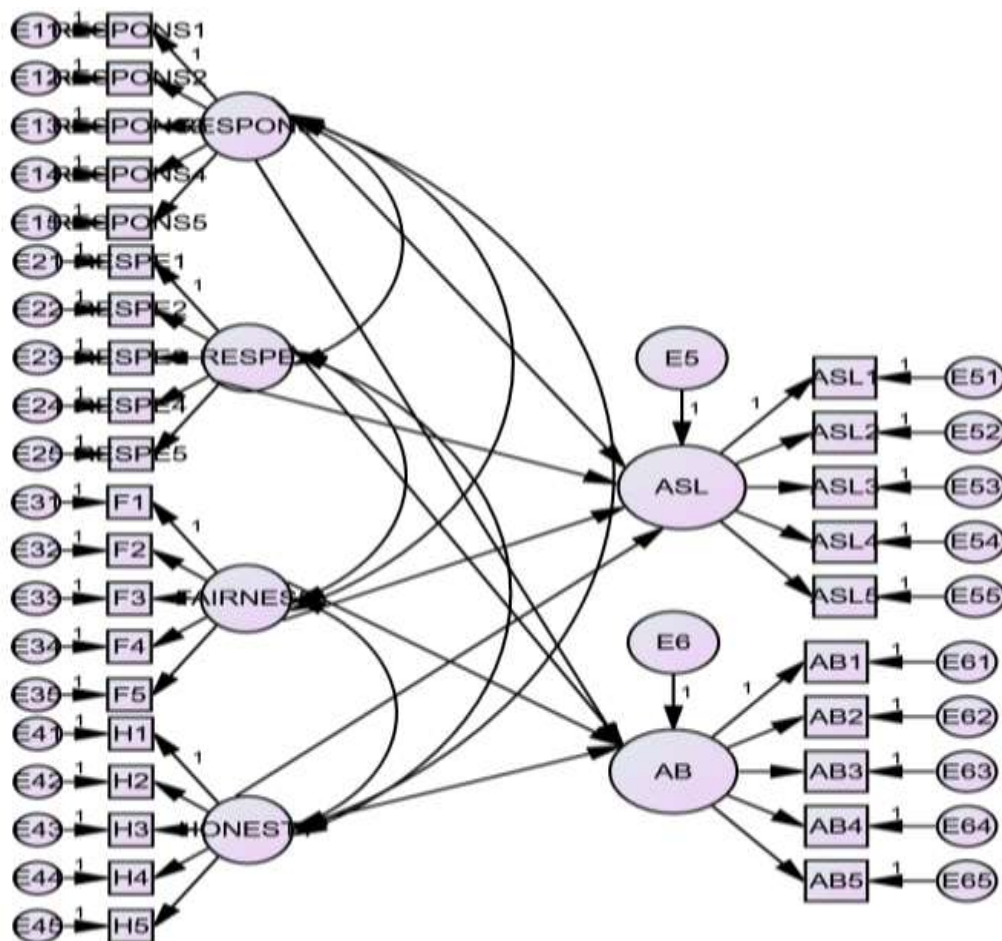
*Research Hypotheses Two:* Ethical thinking dimensions affect project completion at the agreed budget to a significant extent.

To provide answers to research question two, a structural model of ethical dimensions (responsibility, respect, honesty and fairness) and project success dimension (agreed budget) was constructed using the SEM approach. The output from the model was used to test the hypothesised paths of ethical thinking dimensions and project completion at agreed budget.

Table 7 shows the path coefficients (estimates) of the structural model under investigation, which indicate the strength of the relationship between the dimensions. These results indicate that the proposed model has 72.9% of explanatory power for project completion at the agreed budget with  $R^2 = 0.729$ . However, based on the proposed model, the strongest determinant of project completion at agreed budget was respect ( $\beta = 3.114$ ,  $p < 0.05$ ), followed by fairness ( $\beta = 1.197$ ,  $p < 0.05$ ), responsibility ( $\beta = 0.490$ ,  $p < 0.05$ ), and lastly, honesty ( $\beta = 0.398$ ,  $p < 0.05$ ) with a significant and positive influence. Therefore, the research hypothesis two is accepted. The findings from the study suggest that if ethical thinking and values are appreciated and exhibited, they will bring about project completion at the agreed budget.

**Table 7:** Hypothesis Two Assessment Using Path Analysis

			Estimate	S.E.	C.R.	P	R <sup>2</sup>
AB	<---	RESPONS	.490	.311	1.573	.116	
AB	<---	RESPE	3.114	1.765	1.765	.078	
AB	<---	FAIRNESS	1.197	1.121	1.068	.286	
AB	<---	HONESTY	.398	.699	.570	.569	
AB							0.729



**Figure 2:** The Structural Model (Source: Research, 2019)

## RESULTS AND DISCUSSION

It is evident from the finding above that ethical thinking dimensions (responsibility, respect, honesty and fairness) account for 72.3% and 72.9% directional changes in the project completion at agreed specification level and budget respectively. This suggests that if PMI's ethical standards are adhered to (taken as duty) in the project management processes, they will result in project success (at least to specification and budget). The findings are in line with that of the theory of ethical egoism which states that acts (such as fairness, honesty, respect and responsibility) are considered ethical when it promotes the individual's long term interest (such as the project manager's interest in completing a project successfully). The theory of utilitarianism supports the findings such that fairness, honesty, respect and responsibility can be considered ethical values as they all influence project success (especially, completion of a project to specification and budget). Similarly, the findings of the study have a convergence view with the deontology theory which posits that honesty, fairness, respect and responsibility are considered morally right since the project team see them as sacrosanct and obligatory in the project management process (carried out with a sense of duty). Also, the right theory supports the view of the findings such that the project team has some fundamental rights and duties to be responsible to one another and other stakeholders, to treat one another and other stakeholders respectfully, fairly and honestly, and when these are carried out will yield a positive outcome (project success).

The findings of the study are supported by the submission of several studies such as Catambary (2017); Hamilton (2017); Holderbaum (2016); Karpe (2015; 2017); LugoSantiago (2018); O'Brochta (2016). In addressing ethical dilemmas in project management, project managers and teams can use resources from normative ethics, which contain conceptual tools to analyse ethical challenges systematically, giving the energy to drive to process, outcome, and character. The increasing pressure within project management to deal with ethical dilemmas and to justify choices and priorities to various stakeholders will only heighten the relevance of concepts and ideas from ethics.

## CONCLUSION

Unethical behaviour can be extremely profitable in the short run. But a project is supposed to create long-term value for its clients and other stakeholders, and these tricks will not last for that long. It is the responsibility of a project management professional not only to uphold high standards of ethical thinking and behaviour at the workplace but also to foster an environment of high ethics in organisations. We hope that this paper will increase awareness of the importance of ethics in organisations in general, and project management in particular. We also hope that this paper will stimulate some useful discussions on the topic and other professionals will share their views and experiences on this issue of concern to the general public as well as commercial and government organisations and individuals.

## REFERENCES

- Bowen, S. A. (2014). Organizational factors encouraging ethical decision making: an exploration into the case of an exemplar. *Journal of Business Ethics*, 52(1), 311-324.
- Bowie, N. (2012). A Kantian Approach to business Ethics. In Frederick, R. E. *A Companion to Business Ethics*, Blackwell, UK.
- Budd, J. (2014). *Employment with a Human Face Balancing Efficiency, Equity, and Voice*. Cornell University Press.
- Catambay, A. (2017, June 13). *Ethical Issues in Project Management (& How to Deal with Them)*. Retrieved June 3, 2019, from <https://www.clarizen.com/ethical-issues-project-management-deal/>
- Clancy, T. (2018). *The Standish Group Report*. Retrieved May 22, 2019, from <http://www.projectsmart.co.uk/reports.html>
- Dillon, R. (2012). Care and Respect. In E. Browning Cole, & S. Coultrap-MCQuin (Eds), *Explorations in Feminist Ethics: Theory and Practice*. Bloomington, IN: Indiana University Press.
- Gilligan, C. (2012). *In a Different Voice: Psychological Theory and Women's Development*. Cambridge, MA: Harvard Univ. Press.

- Hamilton, G. (2017, November 8). *Contributing Factors to Ethical Violations: What Makes Otherwise Ethical Project Managers Make Poor Decisions*. Retrieved June 4, 2019, from <https://www.projectmanagement.com/articles/417267/Contributing-Factors-to-Ethical-Violations--What-Makes-Otherwise-Ethical-Project-Managers-Make-Poor-Decisions>
- Helgadottir, H. (2017). The ethical dimension of project management. *International Journal of Project Management*, 26(1), 743–748.
- Holderbaum, K. (2016, September 15). *Rules of Considerate Conduct and the Aspirational Standards of the PMI Code of Ethics and Professional Conduct*. Retrieved June 6, 2019, from <https://www.projectmanagement.com/articles/344151/Rules-of-Considerate-Conduct-and-the-Aspirational-Standards--of-the-PMI-Code-of-Ethics-and-Professional-Conduct>
- Holderbaum, K. (2016, September 15). *Rules of Considerate Conduct and the Aspirational Standards of the PMI Code of Ethics and Professional Conduct*. Retrieved June 6, 2019, from <https://www.projectmanagement.com/articles/344151/Rules-of-Considerate-Conduct-and-the-Aspirational-Standards--of-the-PMI-Code-of-Ethics-and-Professional-Conduct>
- Hooper, D., Coughlan, J., & Mullen, M. R. (2008). Structural equation modelling: Guidelines for determining model fit. *Electronic Journal of Business Research Methods*, 6(1), 53-60.
- Ingason, H. T. & Jónasson, H. (2018). The Relevance of Ethical Theory for Ethical Risk Assessment in Projects. Presented at the 22nd IPMA World Congress in Rome
- Jonasson, H. I., & Ingason, H. T. (2013). *Project ethics*. Lund Humphries: Gower Publishing, Ltd.
- Jones, T., Felps, W., & Bigley, G. (2017). Ethical theory and stakeholder – related decisions: The role of stakeholder culture. *Academy of Management Review*, 32(1), 137-155.
- Karpe, A. (2015, August 3). *Being Ethical is Profitable*. Retrieved June 6, 2019, from <https://www.projectmanagement.com/articles/300210/Being-Ethical-is-Profitable>
- Karpe, A. (2017, March 23). *Fostering Ethics in Organizational Culture*. Retrieved June 6, 2019, from <https://www.projectmanagement.com/articles/373433/Fostering-Ethics-in-Organizational-Culture>
- LugoSantiago, J. (2018, January 16). *Ethics, Culture and Project Management in 21st-Century Organizations*. Retrieved June 6, 2019, from <https://www.projectmanagement.com/articles/431347/Ethics--Culture-and-Project-Management-in-21st-Century-Organizations>
- Lyons, D. (2004). *Rights, Welfare, and Mill's Moral Theory*. New York: Harper Collins.
- Müller, R., Andersen, E. S., Kvalnes, Ø., Shao, J., Sankaran, S., & Turner, J. R. (2012). The interrelationship of governance, trust, and ethics in temporary organizations. Paper presented at PMI® Research and Education Conference, Limerick, Munster, Ireland. Newtown Square, PA: Project Management Institute.
- Nixon, M. (2017). Legal lights: business ethics. *Project Management Journal*, 10.
- O'Brochta, M. (2016, August 17). *I'm Ethical...Are You? It Depends on How You Look At It*. Retrieved June 6, 2019, from <https://www.projectmanagement.com/articles/340478/I-m-Ethical-Are-You--It-Depends-on-How-You-Look-At-It>
- Project Management Institute (2013). *Project Management Professional Code of Ethics*. USA: PMI
- Project Management Institute. (2017). *Project Management Body of Knowledge* (6th ed.). USA: PMI.
- Rachels, J. (2009). *The Elements of Moral Philosophy* (3rd ed). Boston: McGraw-Hill.
- Rafi, A. (2013). *Ethics in Project Management*. IEEE Canadian Review-fall/Automne
- Schroeder, D., Chatfield, K., Singh, M., Chennells, R., & Herissone-Kelly, P. (2019). The four values framework: Fairness, respect, care and honesty. In D. Schroeder, K. Chatfield, M. Singh, R. Chennells, & P. Herissone-Kelly, *Equitable Research Partnerships: A Global Code of Conduct to Counter Ethics Dumping* (pp. 13-25). Cham, Switzerland: Springer.
- Schumann, P. (2011). A moral principles framework for human resource management ethics. *Human Resource Management Review* 11(1), 93-111.
- Shultz, T., & Brender-Ilan, Y. (2014). Beyond justice: Introducing personal moral philosophies to ethical evaluations of human resources practices. *Business Ethics: A European Review*, 13(4), 302-316.
- Velasquez, M. (2008). *Business Ethics: Concepts and Cases* (4th Ed). Upper Saddle River, NJ: Prentice-Hall.