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INSTITUTIONALIZING WORKPLACE ETHICS IN PUBLIC SECTOR ORGANIZATIONS: EVIDENCE FROM THE KENYA ROADS BOARD

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Abstract

This study examines the implementation of workplace ethics and associated challenges at the Kenya Roads Board (KRB), a state corporation responsible for road infrastructure financing and oversight in Kenya. Despite successive legal frameworks designed to promote integrity in public service, evidence of inconsistent ethical enforcement persists. Employing a qualitative case study design, primary data were collected through structured interview guides administered to seven purposively selected senior managers across KRB's key directorates. Data were analyzed through inductive content analysis. Findings reveal that KRB maintains formally articulated ethical policies and codes of conduct; however, their application is inconsistent across departments, creating a discernible gap between espoused and enacted values. Leadership plays a dual and decisive role: where leaders model integrity, employee compliance is strengthened; where favoritism and selective sanctioning prevail, institutional trust erodes. Three principal implementation challenges emerged: resistance to change, inadequate and infrequent ethics training, and weak enforcement of sanctions, particularly involving senior staff. Despite these constraints, employees demonstrated strong ownership of reform, proposing continuous ethics sensitization, transparent enforcement regardless of rank, formal recognition of ethical behavior,

and secure whistleblowing channels. The study concludes that sustainable ethical culture at KRB demands deliberate leadership accountability frameworks, consistent policy enforcement, and institutionalized capacity building. These findings contribute empirically to the limited literature on ethical governance within Kenyan public sector agencies and offer evidence-based recommendations for human resource management practitioners and policy-makers alike
Keywords: Workplace ethics; public sector; Kenya Roads Board; ethical leadership; organizational culture

INTRODUCTION

The demand for ethical governance in public sector institutions has intensified globally, driven by heightened citizen expectations for transparency, accountability, and integrity in the stewardship of public resources. In sub-Saharan Africa, where governance deficits frequently constrain development outcomes, workplace ethics occupy a central position in institutional reform agendas (Transparency International, 2022). Kenya is no exception: successive legislative instruments—including the Public Officer Ethics Act (2003, revised 2021) and the Leadership and Integrity Act (2019) underscore the government's recognition that formal ethical frameworks must undergird public administration.

Human Resource Management (HRM) theory increasingly positions HRM as a steward of organizational ethics. Dessler (2017) argues that HRM should cultivate environments in which employees feel valued, fairly treated, and intrinsically motivated to act responsibly. Armstrong (2020) similarly contends that robust ethical standards reduce workplace disputes, build interpersonal trust, and sustain long-term institutional performance. Yet, despite these imperatives, empirical studies examining how ethics are operationalized within specific public institutions remain sparse, particularly in the Kenyan context.

The Kenya Roads Board (KRB), established under the Kenya Roads Board Act (No. 7 of 1999), manages the Road Maintenance Levy Fund (RMLF) and coordinates the activities of the Kenya National Highways Authority (KeNHA), Kenya Urban Roads Authority (KURA), and Kenya Rural Roads Authority (KeRRA). Its mandate—overseeing substantial public revenues and directing road maintenance across the country—makes ethical governance both strategically essential and publicly consequential. Notwithstanding existing policies, the Ethics and Anti-Corruption Commission (EACC, 2024) has flagged persistent enforcement gaps within KRB, providing the immediate impetus for this study.

This paper addresses two research objectives:

(i) to examine how workplace ethics are implemented at KRB; and

(ii) to determine the challenges that affect implementation of workplace ethics at KRB. The study contributes to the emerging empirical literature on ethical governance in Kenyan public organizations and offers practical, evidence-grounded recommendations for institutional reform.

THEORETICAL STUDY

Ethical Leadership Theory

This research draws principally on Ethical Leadership Theory (ELT), developed by Brown, Treviño, and Harrison (2005), which posits that leaders who consistently model integrity, fairness, and transparency create normative behavioral benchmarks that employees are inclined to emulate. Ethical leaders do not merely observe rules; they proactively communicate moral standards, hold themselves and others accountable, and employ formal reward and discipline systems to reinforce ethical conduct (Treviño, Brown, & Hartman, 2003). Kalshoven, Den Hartog, and De Hoogh (2011) further argue that ethical leadership fosters organizational cultures grounded in trust and collective accountability, which are essential preconditions for sustained institutional integrity.

Within KRB, ELT provides a lens for understanding how senior management practices shape the broader institutional ethical climate. Where leadership is principled and consistent, employees are motivated to align their conduct with organizational values. Where leaders are perceived as hypocritical or partial in enforcement, the ethical culture erodes, even when formal policies remain intact (Brown & Treviño, 2006).

Social Exchange Theory

Complementing ELT, Social Exchange Theory (SET), originating with Homans (1958) and elaborated by Blau (1964), conceptualizes workplace behavior as a reciprocal exchange between employees and their organization. When employees perceive that they are treated fairly—through equitable promotion, transparent sanctioning, and genuine organizational support—they reciprocate with greater loyalty, higher commitment, and sustained ethical conduct (Cropanzano & Mitchell, 2005). Conversely, where fairness is absent or inconsistently applied, employees rationally reduce their ethical investment, which may manifest as withdrawal, lowered performance, or ethical disengagement (Emerson, 1976).

Together, ELT and SET frame ethical behavior as both normatively driven—shaped by top-down leadership influence—and relationally contingent—sustained by organizational fairness

and reciprocity. This dual framework is particularly appropriate for examining KRB, where leadership modeling and perceived organizational justice both feature prominently in employee accounts.

Factors Influencing Workplace Ethics Implementation

Scholars have identified several interconnected factors that determine the effectiveness of workplace ethics programs in organizations. Schein (2010) identifies organizational culture as the foundational variable, describing it as the "software of the mind" that shapes how employees interpret and respond to ethical situations. Empirical evidence from Safaricom Kenya (Mwangi & Njanja, 2013) and MTN Nigeria (Adeniji, Osibanjo, & Abiodun, 2015) demonstrates that cultures promoting integrity and transparency significantly enhance ethical compliance and employee performance.

Clear, codified policies accompanied by consistent disciplinary mechanisms are equally pivotal. Treviño and Nelson (2017) emphasize that successful ethics implementation depends on well-communicated rules supported by internal audits and impartial enforcement. Oghojafor, Olayemi, and Okonji (2010) documented a marked decline in ethical violations at Zenith Bank, Nigeria, following the introduction of a comprehensive, consistently applied code of conduct.

Ethics training equips employees with the moral reasoning tools necessary to identify, assess, and navigate ethical dilemmas (Brusseau, 2012). Scenario-based training at the University Health Network produced measurable behavioral improvements (McDaniel, Shoemaker, & Lyle, 2014), a finding replicated among Safaricom and KCB employees in Kenya (Mwangi & Njanja, 2013; Kiplangat, Muturi, & Kibe, 2017). Interdepartmental collaboration, mutual respect, and whistleblower protection round out the institutional infrastructure for ethical governance (Kaptein, 2011; Valentine & Fleischman, 2008).

Knowledge Gaps

Although the relationship between ethics and organizational performance is well established in corporate and healthcare contexts, empirical investigation within Kenyan public sector agencies particularly state corporations with specific fiduciary mandates remains limited. Prior studies have largely focused on corruption and governance at a macro-institutional level (Ouma & Mburu, 2019; Wanyoike, 2021), rather than examining how specific organizational factors collectively shape ethics implementation at the micro-level. Mwangi (2023) identifies a notable absence of institution-specific, evidence-based studies on KRB. This research addresses that gap.

RESEARCH METHODOLOGY

Research Design

A qualitative case study design was adopted for this study. This approach enables an in-depth exploration of real-world practices, attitudes, and contextual factors without the manipulation of variables (Saunders, Lewis, & Thornhill, 2009). It is particularly suited to examining complex organizational dynamics such as the interplay between ethics policies, leadership behavior, and employee conduct within a single, bounded institutional context (Yin, 2018). The case study design also accommodates multiple data sources, strengthening the credibility of findings through triangulation.

Study Population

The study was conducted at Kenya Roads Board headquarters in Nairobi. Nairobi was selected as the sole study site because KRB's central administrative offices, senior management, and all key directorates are exclusively domiciled at the Nairobi headquarters; no equivalent policy-making or oversight functions are performed at any regional office. Accordingly, the headquarters constitutes the only institutional site at which the research objectives could be meaningfully addressed. Seven participants were purposively selected from KRB's senior management, comprising Heads of Department and Principal Officers representing the following directorates: Policy and Planning, Highways, Urban and Park Roads, Rural and County Roads, Finance and Fund, Corporate Communications, Supply Chain, Legal and Board Services, and Ethics Compliance. Purposive sampling was employed to ensure that all respondents held direct policy-making and oversight responsibilities relevant to ethics implementation (Creswell & Poth, 2018). Respondents ranged in tenure from one to over ten years, and both male and female staff participated, ensuring demographic breadth.

Data Collection

Primary data were collected through a structured interview guide comprising open-ended questions administered during face-to-face interviews. The interview guide was self-designed by the researchers, drawing on the theoretical frameworks and thematic areas identified in the literature review; no pre-existing validated instrument was adopted. The instrument was designed to capture respondents' perceptions across six thematic areas: (a) organizational culture; (b) policy clarity and enforcement; (c) training effectiveness; (d) leadership role modeling; (e) implementation challenges; and (f) proposed reforms. Open-ended questions were favored to afford thematic consistency while preserving sufficient flexibility for reflective and context-rich elaboration (Patton, 2015).

Data Analysis

Data were analyzed using inductive content analysis, a systematic technique for identifying recurring patterns and deriving thematic categories from qualitative text (Krippendorff, 2018). Responses were transcribed verbatim, independently coded, and organized into emergent themes grounded in participants' lived experiences rather than pre-specified categories (Elo & Kyngäs, 2008). To enhance credibility, the study employed triangulation across respondents from different hierarchical levels and directorates, and applied member-checking to verify the accuracy of thematic interpretations (Lincoln & Guba, 1985).

RESULTS AND DISCUSSION

Organizational Culture and Ethical Identity

Respondents consistently described KRB as an institution that formally espouses integrity, accountability, and transparency as its foundational values. Codes of conduct, human resource manuals, and procurement regulations were widely recognized as the central pillars of the ethical framework. One senior manager stated: *"Integrity is our core value. Our recruitment process is very transparent and procurement follows clear procedures."*

A second participant affirmed that *"KRB has a strong ethical foundation that promotes professionalism and adherence to the law."* These accounts indicate that ethical values are deeply embedded in the organizational narrative and broadly internalized across staff.

Despite this positive ethical identity, several respondents identified a persistent gap between stated values and enacted behavior. Selective application of policies across departments was cited as a critical fracture point: *"While policies exist and are uniformly applied in certain areas, in others their enforcement appears selective."* This finding resonates with Schein's (2010) distinction between espoused and enacted organizational values, suggesting that KRB's ethical culture remains aspirational in parts of the institution rather than uniformly practiced.

Policy Enforcement and Accountability

All participants confirmed the existence of written policies governing ethical conduct, including disciplinary procedures, procurement regulations, and HR manuals. Accountability mechanisms such as performance evaluations and compliance reporting systems were valued. However, consistent enforcement was widely reported as uneven. Participants expressed concern that responses to ethical breaches were sometimes delayed, or applied differentially on the basis of seniority: *"Sanctions are applied inconsistently. Some cases, especially involving senior staff, go unpunished."*

These findings corroborate Treviño and Nelson's (2017) argument that consistent reinforcement mechanisms are indispensable to sustaining ethical practice. Where sanctions are perceived as selective, the credibility of the entire ethical framework is undermined, and employees lose confidence in the fairness of institutional governance. The data also align with Oghojafor et al. (2010), who demonstrated that transparent and uniform enforcement is among the strongest predictors of reduced ethical violations.

Leadership as Both Enabler and Barrier

Leadership emerged as the most consequential factor shaping the ethical environment at KRB. Employees under principled, consistent leadership reported higher motivation and stronger alignment with organizational values: *"KRB leaders act as ethical role models by demonstrating integrity, fairness, and accountability. They lead from the front, reminding us of our duty to act ethically."*

However, leadership was simultaneously identified as a potential source of ethical erosion. Favoritism in promotion decisions, selective application of sanctions, and inconsistent role modeling were each cited as significant barriers: *"Majority are role models, but some leaders show favoritism, and this undermines the ethical culture."* This dual characterization aligns with Brown et al.'s (2005) central insight that leader consistency is the critical mediating variable between ethical intent and ethical outcomes. When leaders are inconsistent, the implicit message to employees is that ethics are situationally negotiable.

From a Social Exchange Theory perspective, leadership inconsistency also disrupts the reciprocal dynamic that sustains ethical behavior. When employees perceive that their ethical commitment is not matched by fairness from management, they rationally reduce their investment in institutional ethics (Cropanzano & Mitchell, 2005). This dynamic was evident in employee accounts of demotivation following perceived favoritism.

Ethics Training and Capacity Building

Ethics training at KRB was described as periodic and broadly appreciated, but participants consistently advocated for greater frequency, interactivity, and contextual specificity. One respondent observed: *"Training is only occasional, and while useful, it is not enough to change long-standing behavior."* Another added: *"Management needs to set a good example by practicing what they teach during training sessions."*

This finding echoes McDaniel et al. (2014), who demonstrated that the behavioral impact of ethics training is substantially amplified when leadership modeling reinforces training content in daily practice. At KRB, the gap between training content and leadership behavior appears to

dilute training impact, leaving employees uncertain about whether the values taught are genuinely endorsed by the institution.

Collaboration, Transparency, and Whistleblowing

Interdepartmental collaboration and open management communication were identified as meaningful contributors to the ethical environment at KRB. Regular briefings from management on key organizational decisions were noted as improving transparency and reducing interpersonal suspicion among staff. However, limited cross-departmental trust and underutilization of whistleblower channels were also reported. Several employees doubted the confidentiality and impartiality of internal reporting systems: *"Confidential reporting channels need to be strengthened to protect whistleblowers."* This reluctance to use reporting mechanisms is consistent with Kaptein's (2011) finding that perceived retaliation risk is the primary barrier to ethical reporting in organizations with weak whistleblower protections.

Challenges in Implementing Workplace Ethics

Three principal and interrelated challenges were identified from the data:

First, resistance to change was a recurring theme. New appointments and entrenched work habits generated skepticism among staff about whether reforms would be applied fairly and consistently. As one respondent noted, "With the highest number of new appointments being recent, some staff are resistant to change," reflecting anxiety about whether ethical standards would be uniformly upheld or selectively enforced depending on one's position or connections.

Second, inadequate training was widely cited as a structural barrier. Infrequent and insufficiently practical training sessions failed to durably alter behavior, particularly in the absence of corresponding leadership modeling. Employees did not merely want more training; they expected leadership to embody the principles discussed, reinforcing learning through visible example.

Third, weak enforcement and perceptions of favoritism undermined institutional trust. Selective sanctioning especially when involving senior staff communicated to employees that ethical accountability was rank-dependent rather than universal. This perception acted as a structural driver of ethical disengagement, consistent with SET's prediction that perceived inequity reduces reciprocal ethical commitment.

CONCLUDING REMARKS

Conclusions

This study establishes that although KRB possesses a formally articulated ethical infrastructure—comprising codes of conduct, procurement regulations, and HR policies—the institutionalization of workplace ethics remains incomplete. The central challenge is a gap between policy design and policy practice, sustained by leadership inconsistency, inadequate training, and selective enforcement. Sustainable ethical culture at KRB requires moving ethics from the domain of organizational rhetoric into the domain of lived, consistently enforced experience.

Ethical Leadership Theory and Social Exchange Theory together explain how this gap persists: where leaders fail to model the values they espouse, and where enforcement is perceived as unfair, employees disengage from ethical reciprocity. Yet the study also reveals that KRB's workforce is not ethically apathetic. Employees actively identified problems, proposed solutions, and expressed genuine investment in institutional reform. This "active reform ownership" is a significant institutional asset that leadership should deliberately harness.

Recommendations for Practice

Recommendation 1: Strengthen Consistent Policy Enforcement. KRB should adopt a zero-tolerance framework for selective sanctioning, with clearly defined disciplinary pathways applicable equally across all levels of staff. An independent Ethics Review Committee—comprising both board-level representation and external oversight—should be constituted to adjudicate cases involving senior management, thereby eliminating perceptions of institutional impunity.

Recommendation 2: Prioritize Leadership Ethics Development. Regular, competency-based ethics training must be made mandatory for all managers and directors. Leadership ethics should be explicitly embedded in performance appraisal criteria, and managerial promotion and recognition should be linked to demonstrable evidence of ethical role modeling and departmental ethical climate outcomes.

Recommendation 3: Institutionalize Continuous Ethics Sensitization. Ethics training should transition from periodic events into a continuous, embedded learning framework. Scenario-based modules calibrated to KRB's specific operational contexts—including procurement processes, financial management, and interdepartmental coordination—would enhance both relevance and behavioral transfer. Co-delivery of training by senior leaders would reinforce alignment between instruction and institutional practice.

Recommendation 4: Strengthen Whistleblowing Infrastructure and Recognition Systems. Confidential, technology-enabled reporting channels—such as anonymized digital reporting platforms—should be introduced to reduce the fear of retaliation that currently discourages use of existing systems. Simultaneously, a formal recognition program that publicly acknowledges employees who exemplify integrity would reinforce ethical behavior as organizationally valued, rewarded, and actively celebrated.

Suggestions for Further Research

This study is confined to a single public institution, which limits the generalizability of findings. Future research should employ comparative designs across multiple state corporations and government agencies to identify sector-wide patterns and institutional best practices. Longitudinal studies tracking the behavioral impact of ethics reforms over time would substantially enrich the evidence base and help determine whether current interventions sustain ethical culture over the longer term. Additionally, the potential of digital technologies—including anonymized reporting platforms and AI-assisted ethics compliance monitoring—in supporting ethics implementation merits dedicated empirical investigation. Finally, future research could examine the direct relationship between workplace ethics and organizational performance outcomes in Kenyan state corporations, providing stronger justification for sustained investment in ethics governance.

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