The Effects of Work Ethics Practices on Hospital Performance: A Field Study on Public Hospitals

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Abstract
In recent years, ethical issues that are confronted in the business world, and the distrust, instability, and loss of reputation that have emerged from these ethical issues have caused work ethics to gain importance. The principles of work ethics are being considered in decisions, attitudes, and behaviors, as well as in manufacturing and presenting products and services to enhance efficiency, profitability, and quality. Health sector, in which the focus is people and which deems the protection of human health as the most sacred duty, is one of the sectors that mostly need moral principles and rules. The aim of this study is to question the relationship between work ethics and institutional performance in health services. In the model of this study, work ethics was categorized into three aspects: ethical manner of managers, ethical manner of workers, and ethical manner of hospitals. Using questionnaires, the data were gathered from 207 people working in public hospitals in Istanbul. As a result, the positive relationship between these three aspects of work ethics and institutional performance is observed. The aspect that mostly affects the performance of hospitals is the institutional policies followed by the attitudes and behaviors of managers. The study found that the ethical attitudes and behaviors of doctors, nurses, and other medical staff have a clear but less impact on performance. These results indicate that the work ethics practices are important not only in terms of sentimental values, but also in terms of hospital performance and health service sustainability.

Keywords
Work Ethics, Professional Ethics, Business Ethics, Institutional Ethics, Healthcare Sector, Health Personnel, Health Facility Administrators, Institutional Performance

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Work Ethics Concept

In Arabic, the term “ethics” means “temperament, character, nature, habit, virtuousness, spiritual qualification, and gesture” (Yılmaz, 2009, p. 13). In Turkish Language Association (TLA)’s Turkish Dictionary (1998), ethics is the plural form of the term “hulk,” which is defined as “the behavioral methods and rules which should be adopted and obeyed by the people in a society” as well as “good qualifications and beautiful habits.”

Ethics comprise all the ideas, values, norms, relations, and behavioral patterns, which historically or perceptibly make the attitudes for a social constitution, class, and district into a rule for a definite society, country, or a whole society (Aydın, 2001, p. 3). According to another definition, ethics means the behavior pattern and rules that are expected from the members of society with the aim of ensuring a feasible, positive, and fruitful communal living (Tevrûz, 2007, p. 58). In the Koran, the terms “hulk” and “ethics”—which are the core of social ethics in Islam, hadiths, and other Islamic resources—are used to state good and bad manners, virtues, and disgraces in general (Çağrıcı, 2000, p. 25).

The most remarkable approach among psychoanalytic, social learning, and cognitive enhancement, which try to explain moral development, is the cognitive enhancement approach of Kohlberg. For Kohlberg, moral is a cognitive concept that includes the act of taking a decision on what is right or wrong and good or bad, and to act in line with this decision. Moral development comprises three periods, each of which includes two different steps. These are (i) pre-traditional period that represents the childhood stage and includes penalty—avoidance and regulation of mutual relations; (ii) growth age and the traditional period that represents the juvenility and includes being recognized by others and obeying the rules; and (iii) the principal period that represent the adulthood and includes individual rights and universal principles (Ekşi, 2006, p. 30).

Although several writers use the terms “morals” and “ethics” with the same meanings, the content of these terms is different. In general, ethics are considered as a moral philosophy. Moral philosophy (ethics) is the philosophy branch that analyzes the terms such as task, liability, responsibility, necessity,
and virtue, and discusses the ethical judgments regarding the righteousness and wrongfulness, good and bad, which questions the nature of moral action and tries to explain a good life (Cevizci, 1993, p. 18). If there is a need to state a clear distinction between “morality” and “ethics,” we can use “moral” in terms of “morality” and “philosophy of ethics” in terms of “ethics” (Arslan, 2001, pp. 6–8). In brief, “ethics” is defined as “the whole of moral principles which constitute and dominate the behaviors of a person” (Kılavuz, 2003, p. 34). It generally stimulates different perceptions to charge the person acting amorally or unethically. Moreover, the emphasis of this word is decreasing because there is no social meaning of the term “ethics” in Turkey (Eğri & Sunar, 2010, p. 44).

Work ethics, as an under title of the term “ethics” and in line with the general definitions of “ethics,” is defined as “being based on righteousness, legitimacy and effort in business life; observing the moral principles in ensuring the work environment for staff and in paying their wages” (Yılmaz, 2009, p. 13).

It is also possible to define work ethics as a science, which investigates the targets directed to work and activities, duties, and responsibilities that are conducted with the aim of achieving these targets, as well as the attitudes and behaviors that are shown by the shareholders (Bolat & Seymen, 2003). In addition, it questions the attitudes and behaviors as right or wrong in line with the ethical norms and rules (Özdemir, 2009, p. 307).

While there are several differences between work ethics and business ethics concerning content, reference, qualification, scope, and starting point, they serve the same purpose, such as in regulating business relations, creating safety in work environment, ensuring integrity and peace, developing righteousness, respect and equality, and auditing of staff (Gök, 2008, p. 15). Thus, there is no problem in using these two terms synonymously (Özdemir, 2009, p. 304).

**Development of “Work Ethics” Concept**

Work ethics concept has been affected by political, economic, and managerial developments that lead to social change and transformation. While the
philosophers of Ancient Greek and Rome were relating the commercial activities with greed and lies, and evaluating them negatively (Berkman & Arslan, 2009, p. 45), almost all the religions have stated several moral/ethical judgments on business life, and these judgments have played an important role in shaping the economic life (Zaim, 2012, p. 30). Work ethics concept went beyond the religious framework at the end of 19th century.

The emergence of ethical issues in business life has been accelerated by the desire and passion of individuals and businesses to gain more, by placing self-interest before everything, and by turning highly competitive environment into struggle for life (Özdemir, 2009, p. 302). This was further induced by selling of unworthy products even in institutions that are accepted as leaders, causing negative impacts of businesses on natural environment, spreading of bribery practices in national and international stages, and deeming ethics as equal to money and power in the business world and in general (Bolat & Seymen, 2003, p. 5). Because of scandals in big companies, such as Enron, Tyco, WorldCom, Adelphia, Ahold, and Parmalat, since the beginning of the 21st century, the social responsibility concept has developed with public pressures to conduct work ethically. The idea that there may be positive impacts of ethical decisions on company profitability, quality, and perfection (Özgener, 2009) has caused more discussions in the business world and academic environment on work ethics. Nowadays, there are ethical principles, ethical committees, and ethical programs created in businesses. Moreover, there are several postgraduate and doctorate theses and courses about work ethics in universities.

The work ethics approach and literature that have emerged since the beginning of the 20th century can be categorized as follows (Torlak, 2013, p. 11):

- Period of ethics emerging in business world (1900–1920)
- Period of professionalism and work ethics in business world (1920–1950)
- Period of growing scales in business world and complexity in work ethics (1950–1970)
• Period of preventive and regulative work ethics (1970–1990)

• Period of global business and global work ethics (1990 - )

**Relation Between Work Ethics and Performance**

There are several studies regarding work ethics and performance. In general, people who have ethical principles have higher performance (Zaim, 2013, p. 194). The ethical features that impact the organizational results in business life are honesty, reliability, fairness, equality, objectivity toward everybody, responsibility, dependency on laws and rules, and independence (Ergün & Kudret, 2005; Uzunçarşılı, Toprak, & Ersun, 2000; Zaim, 2013).

The ethical practices that may increase the business quality are efforts such as ensuring workers’ occupational safety, designing work environment conforming to health conditions, applying a satisfactory wage policy, respecting union activities, paying attention to workers’ privacy rights, and, considering merits when selecting and promoting personnel. Additionally, avoiding sexual harassment and insulting acts toward workers’ vocational competencies and reliability, avoiding race and gender discrimination, avoiding exploitation of women and children, preventing sexual abuses, and ensuring various social rights, are among the main conditions for increasing business reliability and productivity (İlhan, 2009, pp. 263–264). Likewise, ethical attitudes and behaviors of workers, such as attending and leaving work on time, finishing work on time, avoiding the use business materials for personal purpose, not passing the buck on others, avoiding behaviors that may disturb or delay others’ works (Aras, 2001, p. 44) contribute to organizational results.

According to studies conducted in Korean and Japanese companies, work ethics contribute significantly to profitability in the long run (Lee & Yoshihara, 1997). The annual survey of admired companies range by “Fortune” magazine has shown that ethical behavior and social responsibility defined as social performance strengthen companies’ reputation. Work satisfaction is also higher in organizations where ethical degree is perceived high (Babin et al., 2000;
Organizations that have ethical understanding give more importance to social responsibility activities and workers in such organizations are more active, and they have higher performances in terms of market share and profitability (Jin & Drozdenko, 2009). Leadership that is respectful about ethical values increases workers' productivity, satisfaction, and their dependence on companies (Kerns, 2005). They are required to move in line with the ethical principles to gain advantage in sustainable competence (Hitt & Collins, 2007).

The main areas that business managers rely on ethical decisions are the sector in which the company is active, business environment, organizational culture, and managers’ personal experiences, whereas the main reason for failure in taking ethical decisions is the lack of law enforcement by senior managers (Yurtsever, 1997).

**Work Ethics in Health Services**

Medical ethics, which is the sub-branch of work ethics regarding ethical issues in medical practices, considers mentalist approaches that are effective in decision-making processes and behaviors. Four such approaches are the code of ethics, consequentiality, principlism, and morality. Code of ethics includes behaviors that are accepted as absolute right or absolute wrong. Consequentiality puts the ethical decisions on the best results. Principlism uses ethical principles to reach the ethical decisions. These are determined as not to harm, being helpful, respect to self-determination, and justice. Morality focuses on the character of the decision maker as he/she reflects on the behavior (Türk Tabipler Birliği [Turkish Medical Association], 2005). The principle of not to harm means avoiding redundant acts that may worsen the patient's condition, and the principle of being helpful means considering the patient's benefit. Likewise, the principle to respect to self-determination means showing respect on the patient's ability to take his/her own decisions, providing information, and getting approval for planned interventions. Lastly, justice means distributing medical service fairly (Kantarci, 2007).
The quality of service provided in any health institution should be evaluated in terms of the ethics. Traditional medical ethics, in which the doctor has responsibility only for the patient with a narrow sense called “privacy,” is not satisfactory from the perspective of scientific and technological development, increasing medical knowledge, and complexity of medical practices. Doctors, who have to take decisions about abortion, assisted reproductive therapy, dismissal of treatment, euthanasia transplantation, life-extending therapy, genetic research, experimental research, and recording of data should show great care not to harm patients. Moreover, they should be helpful to protect patients’ autonomy, and should think of sharing the limited resources and needs of society (Aydın, 2001; Fox, 2014; Güngören & Kurutkan, 2013; Sayım, 2011).

Health sector has a structure where there are uncertainties. Uncertainty means the condition that is not possible to estimate who, when, and how a disease would be diagnosed and whether the medical treatment will be effective (Hussmann, 2011). The concerned parties cannot have enough information about costs and timing because of the nature of disease (Dolan & Olsen, 2002). It is almost impossible to make a budget for health sector, which is the main reason for the existence of insurance companies. However, the parties are not on equal footing in terms of uncertainties. Information asymmetry in the health sector is higher in comparison with other fields. The limited knowledge of patients on efficiency and quality of medical care, ignorance about medical investigation and treatment required, or unfamiliarity with the appropriateness of various alternatives (Civan, 2009) cause them to let the doctor to take a decision (Avcı & Teyyare, 2012). However, the doctor may use this data for his/her self-interest or at his/her own will. In contrast, a patient’s inability to define the balance between the quality of health service and its price creates the possibility of determining whether to have insurance or not (Sayım, 2011). The patient with insurance may demand to take all the medical examinations, whereas the patient without insurance who has to pay out of pocket may demand to take minimum medical examinations.

Because of the implementation of redundant transactions for earning points or monetary gains, a hospital would recommend stay for generating income for the
hospital, and create a situation in which a serious patient is referred to another hospital to avoid being sued, making access to quality health service. Performance-based payment system violates the patient’s rights and the responsibility of doctors, and thus conflicts with the principles of not harming the patient and being helpful. This system shortens the time for the patient and makes the condition difficult, in which the patient is included in the decision-making process following the principle of respect to self-determination, informed about the process, and also his/her approval is taken, thus increasing medical errors (TTB-UDEK Etik Çalışma Grubu [TTB-UDEK Ethics Study Group], 2011). In order to ensure that the informed consent conforms with the ethical principles, the risks of suggested medical intervention should not be hidden, the benefits of suggested intervention should not be exaggerated, the disadvantages which may emerge due to lack of medical intervention should not be exaggerated, and there should be no pressure.

Another area in which the doctor may tend towards inappropriate ethical behavior is regarding drug applications. There are some ethical issues, such as prescribing a drug without seeing the patient, making bargain with pharmaceutical representative on the drugs to be prescribed, and taking sponsorship from drug companies for prescribing the drugs.

Several academic studies are conducted by Ethical Sensitivity Survey and similar scales to determine the ethical issues in health sector (Tosun, 2005; Yıldırım, 2008). In these studies, it was observed that the doctors may show behaviors which are out of social norms because of the fallacy that ethics are limited to the laws (Yürütücü & Gürbüz, 2001). A study that investigates the ways of income generation and the impacts of drug industry on doctors shows that some doctors may act unethically (Sur & Çekin, 2009).

Studies conducted by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) of U.S. focusing on redundant surgeries and hospital stay time (despite the standards related to patient rights and organizational ethics), and those conducted by the American College of Physician Executives (ACPE) in 2005 determine that there are approximately 54% unethical practices (Desphande & Joseph, 2009). This shows the importance of ethical act for health organizations (Şahin & Dündar, 2010).
An increase in the number of ethical problems in health sector affects patients, health professionals, lawmakers, and insurance companies (Olson, 1998). The decision to establish ethical committees was taken in the beginning of the 1960s and was revised in Helsinki Declaration in 1975 (Walanj, 2014). Ethical Committees in Turkey were established with Regulations on Drug Researches, which became effective in 1993. Ethical committees have important roles in compliance of clinical researches with ethical principles (Desai, 2012). The decision of clinical investigation ethical committee is the precondition for initiating the investigation; however, this decision has no cohesiveness in terms of law. The existence of ethical committee may be helpful in spreading ethical behaviors (Weber, 2000). In addition to the competencies of health personnel on medical information and skills, they should have deep information about compliance of practices with ethical and legal rules (Lawson, 2011; Unnikrishnan et al., 2014).

Societies may ensure sustainable success, welfare, and happiness by applying the ethical principles in every life stages. On one hand, business world acts only in line with “productivity” and “profitability” and thus, this cause a big cost on society and business life in the long run. On the other hand, ethical issues are increasing because health sector puts productivity in the core due to development in the business world. The need for ethical principles invokes new understandings and demands answers on “how” in addition to “how many.” It is very important in health services to measure the ethical principles, attitudes, and behaviors, and to promote health institutions to become more sensitive on this issue.

Method

In the literature, although there are conceptual studies about the importance of business ethics on health services, empirical studies that investigate the organizational results are insufficient. Therefore, in this study, the relationship between work ethics in health services and institutional performance is questioned with the aim of contributing to the field.
Model and Hypothesis

In the model used in this study, work ethics are categorized into three aspects: ethical attitudes of managers, ethical attitudes of staff, and ethical attitudes of hospitals. The main hypothesis is that there is a linear and positive relationship between the above-mentioned three factors and institutional performance (see Figure 1).

Data

The questionnaire used in the study was developed by Zaim (2012). Following a comprehensive literature review regarding work ethics, the draft scale was developed after a focus group discussion, including human resources managers, senior managers, academicians, and experts on the issue. Two different field studies were used after the pilot study (Zaim, 2012, 2013), and it took its final
shape in 2013 after the required amendments were made.

The scale included 48 questions about work ethics. The questions were classified as the ethical attitudes of managers, ethical attitudes of staff, and ethical attitudes of hospitals. A Likert scale was used in the survey, where 5=absolutely agree, 4=agree, 3=doubtful, 2=disagree, and 1=absolutely disagree. Question 48 was a fill-in-the-blank question in order to decrease the response bias, which was not considered for scoring. The score of the scale was calculated over 46 questions by exempting 6\text{th} and 48\text{th} questions. The reliability of scale (Cronbach’s alpha) is calculated as 0.98. The scale is provided in Annex 1.

**Work Group and Analysis**

The research was conducted in 2013–14. A total of 500 questionnaires were distributed via random sampling method to different levels of managers, doctors, nurses, and other health staff from İstinye State Hospital, Paşabahçe State Hospital, Taksim First Aid Training and Research Hospital, Ümraniye Training and Research Hospital, Şişli Etfal Training and Research Hospital, and Haydarpasa Numune Training and Research Hospital. Of the total, 255 questionnaires were returned; 48 were excluded because of inadequate data. Finally, 207 questionnaires completed by managers and workers were evaluated. In the first stage of evaluation, a factor analysis was performed and the reliability of assumed factors was tested. In the second stage, the positive linear relationship (supposed to be between the mentioned factors and institutional performance) was tested using regression analysis.

**Findings**

**Regression Analysis**

A regression analysis was performed using ordinary least squares method by creating a linear model with the aim of testing the validity of the research hypothesis. The dependent variable (Y) is institutional performance and the independent variables are ethical attitudes of managers (X$_1$), ethical attitudes
of workers (X_2), and ethical attitude of hospital (X_3). β_1, β_2, and β_3 are factors in model that shows the impact of one unit of increase in X_1, X_2, and X_3 on Y. Before performing the multiple regression analysis, all the assumptions of linear regression were tested (Lind, Marchal ve Mason, 2001, s. 510–512), and no problem was found.

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 \]

The hypothesis for the ANOVA test that was conducted with the aim of measuring the significance of model are as follows:

- \( H_0: \beta_1 = \beta_2 = \beta_3 = 0 \)
- \( H_1: \) At least one of \( \beta_1, \beta_2, \beta_3 \neq 0 \)

The results of the test are shown in Table 1. As the significance level is below 0.05, the model in meaningful.

<table>
<thead>
<tr>
<th>Model</th>
<th>Total of Squares</th>
<th>df</th>
<th>Average</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.00</td>
<td>Regression</td>
<td>51.52</td>
<td>3.00</td>
<td>17.17</td>
<td>62.55</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>37.61</td>
<td>137.00</td>
<td>0.27</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
<td>89.13</td>
<td>140.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Next, the ability of independent variables in explaining the dependent variable is investigated. As is seen in Table 2, 57% (\( R^2 = 0.57 \)) of the variation of the dependent variable is explained by the independent variables. This rate is very high for institutional performance.

<table>
<thead>
<tr>
<th>Summary of the Model</th>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
<th>Column 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>R</td>
<td>R-square</td>
<td>Adjusted R-square</td>
<td>Estimated Standard Error</td>
</tr>
<tr>
<td>1.00</td>
<td>0.76</td>
<td>0.58</td>
<td>0.57</td>
<td>0.52</td>
</tr>
</tbody>
</table>

Finally, the results of \( t \)-test are evaluated. The results in Table 3 show that the factors are meaningful. The Beta values indicate that the ethical attitude of institution is the top factor that affects the institutional performance of hospitals (0.35). Ethical attitudes of managers are almost at par in affecting the
institutional performance (0.34). The impact of ethical attitudes of workers on institutional performance is relatively low.

<table>
<thead>
<tr>
<th>Model</th>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
<th>Column 4</th>
<th>Column 5</th>
<th>Column 6</th>
<th>Column 7</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non-standard factors</td>
<td>Standard factors</td>
<td>t</td>
<td>Sig.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.00</td>
<td>Stable</td>
<td>1.07</td>
<td>0.22</td>
<td>0.34</td>
<td>4.99</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Manager ethic</td>
<td>0.27</td>
<td>0.07</td>
<td>0.34</td>
<td>3.91</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Worker ethic</td>
<td>0.16</td>
<td>0.08</td>
<td>0.16</td>
<td>2.00</td>
<td>0.04</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutional ethic</td>
<td>0.29</td>
<td>0.07</td>
<td>0.35</td>
<td>4.29</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a Dependent variable: Institutional performance

**Discussion**

In recent years, public hospitals are going through significant changes both in terms of physical and administrative structures. These changes are initially aimed at increasing the productivity and quality. However, in addition to productivity parameters, attention should be given to ethical issues with the aim of offering efficient health services and ensuring that the required results are met for patients and health personnel. If ethical issues are ignored, serious problems will result in terms of hospital performance as well as quality and sustainability of health services in the long run.

The reason for ignoring work ethics in hospitals is due to the uncertainty of the relationship between work ethics and hospital performance. The main aim of this study is to show the relationship of work ethics practices with hospital performance, supported by the data.

The analysis of the data shows a linear positive relationship between work ethics practices and hospital performance. This result implies that work ethics practices are important not only for sentimental values, but also for hospital performance and sustainability of health services.

The result that work ethics practices in public hospitals generally affect hospital performance positively corresponds with the findings of Zaim (2013, p. 194) and Ergün and Kudret’in (2005) who demonstrate the relationship of work...
ethics practices and performance in various sectors. Hussmann (2011) and Dolan and Olsen (2002) asserted the difficulty of measuring the uncertainty level of work ethics and performance. The results taken from this research are important for health sector in defining the relationship of work ethics practices with performance in a measurable way.

It is seen that institutional policies come first among work ethics aspects that affect the hospital performance, followed by the attitudes and behaviors of managers. These results are similar to the results of Foglia, Pearlman, Bottrel, Altemose, and Fox (2009) who investigated the ethical attitudes of patients in addition to the three aspects that we covered in our study. Kanji and Moura (2003) also focused on the importance of senior management on hospital performance. They found that the ethical attitudes and behaviors of doctors, nurses, and other staff have a clear but lower impact on performance.

Although the mentality based on productivity and quality is a positive development in public hospitals, more attention should be directed to the main dynamics of health services and people-oriented ways without ignoring ethical aspects. Sustainable success is possible only by effectively using human resources and by positioning vocationally competent and well-behaved people in the right environment for productive works.
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