ROLE OF ETHICAL CULTURE IN CREATING PUBLIC VALUE

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ABSTRACT

The concept of public value is very important for public sector organization and it is considered that there is no more important topic in public administration and public policy than public value. The underlying principle of the pubic value concept is that the value to citizens should guide the operations of public organizations on the delivery of public services. The goal of all sectors of the economy, public and private, is to create or increase the value created by their contribution. The term 'public value' can be defined as what the public values – what they are willing to make sacrifices of money and freedom to achieve, and describes the contribution made by the public sector to economic, social and environmental well-being of a society or nation. The concept of public value has been extended in many different ways but the major focus is on the sources of public value and how to create public value. In this study our main goal is to find the relationship between ethical culture and public value and what is the impact of ethical culture on public value. Ethical culture refers to the ethical quality of a work environment, which is defined as the shared values, norms, and beliefs that can stimulate ethical behavior. Organization's ethical culture is related to its employees' intended responses to observed and ultimately promotes ethical behavior and this ethical behavior is the backbone of public value creation.

Keywords: Public Value, Ethical Culture, Public Organization,

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FULL TEXT:

Creating Credibility: An organization that is believed to be driven by moral values is respected in the society even by those who may have no information about the working and the businesses or an organization. Infosys, for example is perceived as an organization for good corporate governance and social responsibility initiatives. Uniting People and Leadership: An organization driven by values is revered by its employees also. They are the common thread that brings the employees and the decision makers on a common platform. This goes a long way in aligning behaviors within the organization towards achievement of one common goal or mission. Improving Decision Making: A man's destiny is the sum total of all the decisions that he/she takes in course of his life.

ACCOUNTANCY PROFESSION HAS HIGH PUBLIC VALUE The accountancy profession has a key role in delivering public value, the survey findings show. Asked to rate a number of professions or sectors in terms of their public value, 38% of participants give accountancy a 'very high' rating, placing it second only to the medical profession (rated 'very high' by 43%). ETHICS AND TRANSPARENCY ARE KEY TO HIGH PUBLIC VALUE In order to contribute to public value, what values, attributes or behaviours should a global accountancy body demonstrate? Given the high emphasis previously placed on ethical conduct, it is also encouraging that 65% of participants consider the accountancy profession to be ethical in its dealings with stakeholders. The ethical role of managers is broadened beyond fiduciary responsibility when consideration is given to the multiple stakeholders who constitute the organization being managed and to nature, on which human civilization depends for its survival. Business decisions affect both stakeholders and nature; therefore, a logical conclusion is that those decisions have ethical content inherently and that managerial decisions, behaviors, and actions are therefore inherently ethical in nature.