Chapter 2

Ethics Impact on Knowledge Management in Organizational Development: A Case Study

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ABSTRACT

This study aims to examine the impact of ethics in the knowledge management in organizational development in Botswana. Importance of ethics in knowledge management is growing at a faster pace of late; still some employees tend to be unethical. As organization consists of different people with different ethical cultures, it is essential that organizations should make their employees follow ethical principles while creating, sharing and using both explicit and tacit knowledge to have optimum organizational development. Respecting ethics by human resources helps to improve implementation of knowledge management. The chapter main focus is on Management of ethics in an organization which influences knowledge management processes and subsequently influence organizations development. To locate ethics impact on knowledge management for organizational development, the scholars employed a survey strategy where respondents indicated that there is a significant impact of ethics in knowledge management for organizational development.

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INTRODUCTION

The purpose of this study is to examine the need for knowledge management through ethics for organizational development in Botswana. Segaetsho (2012) stated that for an economy long destined for progressive take off, Botswana’s knowledge management of work ethics remain poor. The problem of diminishing productivity and poor knowledge management of work ethics decried by authorities in Business and the public service cannot be effectively tackled until all the stakeholders come to recognize that it has its origins beyond just the workplace (Toka, 2013). This poor management of work ethics continues to affect knowledge management and also the organizational development and thereby the economic growth of the country.

This study is influenced by the accounting irregularities which occurred at Botswana International University of Science & Technology (BIUST). BIUST cooked its books of accounts and obscured an expenditure of P14 million by not recording it in Balance Sheet. This has put BIUST under a shadow of loss due to lack of knowledge management of ethics. The lack of proper knowledge management of ethics in BIUST leads to some of the employees losing their posts and tarnishing the organization name (Ontebetse, 2016). Hence there is a need for further research to appraise effects of knowledge management of ethics in the organizational development in Botswana. The past studies conducted postulated that business ethics (moral code of conduct) is vital in every organization. An individual’s own moral standards in the context of the political and cultural environment in which the organization is operating, primarily determine business ethics which equate to business morality. Immoral actions are illegal, regardless of whether or not a business individual has committed them. This is found in the past few years where the global economic sector has seen countless business wrongs, for instance, inside trading, fraudulent and bribery. Organizations with strong knowledge management of business ethics are most often making prolific profits and growing tremendously. On the other hand, firms with poor knowledge management of business ethics always find themselves running for their lives as they will be accompanied by losses. Hence, failing to pay their expenses which will lead those organizations to retrench its employees and even going to the extent of closing down. The benefits that can be derived from proper knowledge management through ethical standards in a workplace are ‘improvement in the society, helps in maintaining moral course in turbulent times, creates strong workforce and improve the productivity, supports employee growth, works like insurance for the future lawsuits for unethical workforce, acts against criminal act, assists in quality knowledge management, promotes strong public image, legitimizes managerial action and is a right thing to do’. (McNamara, 2010). Further, Gardiner Centre (n.d) was of the view that ethics knowledge management helps individuals and organization as well. Individuals are benefitted by value creation to the stakeholder, managing individual’s ethical knowledge management, understanding ethics and the related legal issues, managing conflict of interest and to understand the code of conduct whereas at organizational level knowledge management of ethics will help the organization in creation of organizational culture, integration of ethics and values, creation of framework for ethical decision making and establishing in the organization sound code of conduct.

According to the Botswana Quality Workforce study conducted by Botswana National Productivity Centre (Farole, 2010), factors which contribute to the poor management of work ethics include poor labor practices, meagre work conditions, pitiable leadership, weak supervision and unfortunate attitude towards work by Batswana in general (Segaetsho, 2012) which subsequently influences Knowledge