CUSTOMERS PERCEPTION TOWARDS PRINCIPLES OF ORGANIZATIONAL ETHICS AS A DETERMINANT OF ORGANIZATIONAL PRODUCTIVITY

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ABSTRACT

The extent with which organizations adhere to ethical standards, largely, determines the well-being of all the stakeholders, the organization’s productivity and the subsequent profitability, as well as the macroeconomic growth and development of the nation. It is in this light that this study examines customer’s perception towards organization’s disposition to ethical principles and how it goes to affect organizational productivity among pharmaceutical companies in Nigeria. Questionnaires were administered online to 389 respondents categorized as stakeholders in the pharmaceutical sector. The study employed regression technique to investigate the significance, strength of relationship among the variables. Findings from the study reveal that ill-driven performance management stunts on ethical practice. Also, customer’s ethical perception on transformational leadership and organizational commitment to ethics positively influence the productivity. The study concludes that customer’s perception towards the organizational ethics (through loyalty intentions) significantly influence the productivity of Pharmaceutical companies in Nigeria. Based on the findings from the study, recommendations were made.

Keywords: Customer, Perception, Stakeholder, Productivity.

INTRODUCTION

The extent with which organizations adhere to ethical standards, largely, determines the well-being of all the stakeholders, the organization’s productivity and the subsequent profitability, as well as the macroeconomic growth and development of the nation. Hence, the preponderance of attention has been given to business ethics of big corporations in both the developed and underdeveloped world context (Rambe & Ndofrepi, 2017). The driving force behind such interest are the reliance by these entities on relationships of trust with their customers (Martínez & Del Bosque, 2013), print and electronic media’s obsession with ethical disappointments and scandals of large, publicly traded corporations (Fassin et al., 2010; Huimin & Ryan 2011). Incidents of unethical practices in organizations have been on the increase making it vital for researchers to deeply study and develop a better understanding of the impact of ethics has on organizational results (Ayatse, 2012).

Ethics, in broad terms are principles that explain what is good and right and what is bad and wrong and that prescribe a code of behavior based on such practical definitions (Parboteeah & Cullen 2013; Ugoani, 2019). On the other hand, business ethics provide standards or guidelines for the conduct and decision-making for the guidance of management and stakeholders. Ugoani (2019) describes the stakeholders to include employees, customers, and shareholders. An organization would endanger or stunt its productivity, if ethical principles are
not effectively upheld (Yatich & Musebe, 2017). It could plunge the organization into heavy losses emanating from inadequate service delivery, leading to customer displeasure and lawsuits with consequences like paying heavy fines or outright ban, which concomitantly affects productivity.

For the most part, it has been assumed that organizations would do what was right for both their customers and their employees in the interest of long-term positive relationships (McMurrian & Matulich, 2006). Particularly in this era of globalization and multinational competition, ethical practices in business are assuming importance as relationships with various suppliers and customers are shaped by ethical practices and mutual trust. Suffice to say that ethical driven consumption undoubtedly influenced traditional business norms, procedures, and objectives. Different academic papers have been written on ethical perceptions and habits of consumers around the world. Because it has emerged as a significant indicator of success in the recent business world, as it has enhanced the shareholders worth and gratified the expectations of society (Shah et al., 2019). This portends that the survival of an organization which is anchored on its productivity emphasis on the concept of shared values, which requires that companies will have to develop in a broader sense what value means to the society as a whole (Ugoanli, 2019).

Since the relationship between a customer and a firm exists because of mutual expectations built on trust, good faith, and fair dealing in their interaction (Rambe & Ndofrepi, 2017). It is the mutual expectation that translates into purchase decisions and consequently into the organization’s productivity. Many studies have been carried out on ethics in relation to organization. Also, customer’s perception in relation to other variable has been researched, but in the Nigerian context, much has not really been done in the area of ethical consumerism. It is in view of paucity of literatures in this regard that this study seeks to contribute to the body of knowledge. The main objective of the study is to evaluate the effect of customer’s perception towards the organizational ethics and organizational productivity in the pharmaceutical industry.

**LITERATURE REVIEW**

**Pharmaceutical Industry in Nigeria and Ethics**

Drug manufacturing in Nigeria started in 1944 with May & Baker Nigeria Plc as the first Nigeria pharmaceutical company. And ever since then to this present time, the pharmaceutical industry in Nigeria has become vibrant with over 120 pharmaceutical manufacturers and predominantly indigenous owned (Pharma Approach, 2020). The estimated population of 600 million in the Economic Community of West African States (ECOWAS), has given the country’s pharmaceutical industry the latitude to provide 60 per cent of the health products consumed in the ECOWAS (United Nations Industrial Development Organization (UNIDO), 2011).

Pharmaceuticals are an integral part of health care framework all around the world, in this way thus, regulatory shortcomings in governance of the pharmaceutical system negatively impact health outcomes particularly in developing countries (Baghdadi-Sabeti & Wondemagegnehu, 2006). As such, it is imperative that countries adhere to the highest standards of quality in drugs manufacturing, regulation, and distribution. The several steps involved in drug regulation process, has inadvertently exposed the pharmaceutical system to unethical and corrupt practices (Akinyandenu, 2013; Klantschnig & Huang, 2019). Like the Nigerian situation, in many developing countries, these are weaknesses taken advantage of, and compliance to the regulatory standards is subverted by absence of transparency, inadequate regulatory control, and the preponderance of corruption in the public pharmaceutical sector impacts negatively the
health outcomes, which consequently weakens the nation's economy, and decrease public trust in the government (UNIDO, 2011). However, corruption in the pharmaceutical industry is not peculiar to Nigeria alone, but in all countries due to the transnational nature of the pharmaceutical sector (Ikweazu, 2016). Nigeria is one of a number of countries corruption has impacted its pharmaceutical system and has struggled to put in check production and trafficking of substandard drugs (Garuba et al., 2009). The issue of unethical pharmaceutical marketing practice has received a great deal of attention in recent years, making it necessary for many doctor’s associations, pharmaceutical industrial associations, and individual corporations to engage with the issue (Sasirekha, 2018).

Customer Perception

According to Business Dictionary, it is a marketing concept that encompasses a customer’s impression, mindfulness and awareness around a company or its offerings. In other words, it can be defined as the person’s meaningful encounter with the service or product of the company. In some cases, the experience can merely be mental pictures when the real experience is missing. It involves all the perspectives of sensory input, meaning the information received from the eyes, ears, nose, tongue, or skin. Consumer can hence be influenced through numerous channels on how he or she sees or perceives a certain offering. Advertisement, reviews, public relations social media, personal encounters and other channels typically affects customer’s perception.

Principles of Organizational Ethics

In order to gain a better understanding into the concept of organizational ethical principle, it is imperative that we understand what the idea of the ethics is about.

Ethics, as a philosophical discipline, was first structured and systematized in ancient Greece, most particularly by Aristotle (Neves, 2016). The term “Ethics” can be put to use in so many ways, and there have not been a consensus definition of what exactly it is. Although, it is a philosophical word that has its root traced to the Greek term “ethos”, meaning custom, character, or conduct. Shaw (2014) defines ethics as principles or values guiding behaviour. Ethics is concerned with how a moral person should behave, whereas values are the inner judgments that determine how a person actually behaves. Values concern ethics when they pertain to beliefs about what is right and wrong (Sunanda, 2018). Because of the heavily contested definition of ethics, the views about it have become shaky (Patrick & Nwibere, 2014). Raymond Baumhart, a sociologist asked people in the business community what ethics mean to them and found out that many of them equate ethics with their feelings. Someone following his or her feelings could refrain from doing what is right. Ethics should also not be identified with religion, because most religions advocate high ethical standards (Velasquez et al., 2010). However, if ethics were restricted to religion, then it would be applicable to religious people alone. But it applies as much to the conduct of the atheist, just as to that of the saints. Religions can set high ethical guidelines or standards and can provide intense inspirations for ethical behaviour. Ethics, however, cannot be limited to religion nor is it the same as religions. Being ethical does not mean the same as following the law. Oftenly, the law incorporates ethical standards which are subscribed to by most. But laws, just like feelings, can veer off from what is ethical. Ethics as a concept has four major dimensions or branches viz.
Meta Ethics is the study that centers on moral thought and moral language. In other words, it is the study of the nature, scope and definition of moral judgement.

Descriptive Ethics, another name for it is comparative ethics, which examines people’s belief about morality. It is in a way an experimental investigation into the attitudes of individuals or group of people. Typically done by inquiring questions with regards to morality.

Applied Ethics as given by the Oxford Bibliographies, it is a branch of ethics committed to the treatment of moral problems, practices, and policies in personal or individual life, professions, technology and government.

Normative Ethics, also known as Prescriptive ethics. It is that part of ethical theory which deals with the systematic enunciation and justification of moral instincts. It is that branch of ethics examining the questions arising with respect to how one ought to behave in a moral sense. The normative ethics has three major facets: deontological ethics, consequentialist (teleological) ethics and virtue ethics.

Organizational Productivity

It might be a bit challenging to give the concept of organizational productivity a definite definition that covers all of its facets, because productivity varies from organization to organization, and it is subtly used to mean organizational performance. According to Tokarcikova (2013), productivity is the ratio to measure how well an organization converts factor input (land, labour, machine and capital) into goods and services. Rollos (1997) as cited in Green (2016) defines productivity as that which people can produce with the least effort. Olusanya et al. (2012) defines organizational productivity as the degree of how proficiently and effectively managers put resources into use to attain the predetermined goals of the organization. A wide range of factors come together to define what organizational productivity is, where some are quantitatively evaluated, others demand a qualitative, logical and methodical approach (Dechert Hampe Consulting (DHC), 2009). When productivity is to be assessed, it is imperative to have a full grasp of each of the major propelling force or variables that impact productivity. Along with these evaluations of the propelling force individually, it is needful to determine the wellness of their working as a single whole, as changes to one might affect the other (negatively or positively). For an evaluation to be effective, it requires understanding the manner and level of contribution by each of these variables to the overall productivity (DHC, 2009). These variables include goals and objectives, strategy, structure, process, staffing, controls and reporting, planning and programs, motivation and incentives, training and development, system and tools, communications, culture.

Stockholder Theory

The stockholder theory also known as shareholders theory was proposed by Milton Friedman which postulates that profit making/increase remains the sole responsibility of a corporation. Traditionally, this is the view of the purpose a corporation exists for; hence people buy shares in a company in order to earn maximum returns of the funds in form of dividends or an appreciation in the share price. Thus, the manager is ethically obliged by duty to deliver value significantly to the owners of the company, using the resources of the company to increase the wealth of the shareholder by looking for profit. According to the theory, if such is done within the ambits of the law devoid of fraud or deception, would benefit the society as a whole. The theory defines corporate social responsibility in purely profit-making terms (Jackson, 2011). Under this theory, a corporation cannot engage in any kind of philanthropy given that it is not its purpose of existence. Instead, the corporation could deliver dividends to its shareholders who may now decide to donate for a philanthropic course. However, it was criticized for encouraging
short term managerial thinking and condoning unethical behavior. The stockholder theory was criticized on the ground that it does not balance the interest of shareholders against those of the employees, customers and other stakeholders when making business decisions.

Hypothesis

\[ H_0 \] Customer’s perception does not have significant effect on organizational ethics and organizational productivity in the pharmaceutical industry.

METHODODOLOGY

Research Methods

As drawn from Saunders et al. (2012), this current study employed the deductive approach to research. The rationale behind this choice of the approach was to ensure that casual relationships among variables were explained clearly, that quantitative data was made use of, the operationalization of concepts were done to guarantee clear definition, the organized nature of the research, the autonomy of the researcher from the beginning of the entire process of research and the selection of sizable samples to ensure generalization of conclusions.

Research Design

Research design is an important element in the research process, and it would tell how the research was operationalized in terms of what was done in the research, how it was done, and why it was done in that particular way. For the sake of this study, quantitative survey technique was considered. The questionnaire as a research instrument provides correspondents answers and the numerical data would be generated from such responds. The basis for the study was shaped by the information derived through questionnaire method. In the use of questionnaires, the variables involved in the research can be observed at one or more points in time as they are without making any attempt to control them.

Population of the Study

A population can be defined as all elements, components or observations that are of major interest to a research study. The concept of population may refer to totality of resources (tangible/intangible) such as number of people in a community. Population is a set of objects (units) or observations about which conclusions will be drawn. It refers to an aggregate of things (which may or may not represent individuals) about which one wants to draw inferences by sampling. The population of this research study consist of all primary stakeholders of the pharmaceutical companies in Nigeria. Thus, the population of this study is infinite because the aggregate number is difficult to determine.

Sample Size Determination

The number of population elements that are selected for study is the sample size. In this research study, sample size determination is an aspect vital to examine due to the difficulty in studying the entire population; there are different methods in determining sample size. This study adopts stratified sampling technique. Stratified Sample technique is used in order to obtain a
representative sample since the population from which the sample is to be drawn consists of homogeneous group. This study employed Cochran (1977) formula for calculating sample size with infinite population. Cochran (1977) developed a formula to calculate a representative sample from infinite population which is; 

\[ n^* = \frac{z^2pq}{e^2} \]  

Where, \( n^* \) = sample size, \( z \) = critical value of desired confidence level, \( p \) = estimated proportion of an attribute that is present in the population, \( q = 1 - p \) and \( e \) is the desired level of precision.

\[ P = 0.5; q = 1 - 0.5 = 0.5; e = 0.05 \text{ (95\% confidence level)} \] Therefore,

\[ n^* = \frac{(1.96)^2(0.5)(0.5)}{(0.05)^2} = 384.16 \approx 384 \]

Data Collection Methods

In order to save cost, the author of this study towed the line of parsimony by narrowing down the targeted respondents some primary stakeholders in the pharmaceutical industry. The respondents consist of customers of pharmaceutical company which comprises of pharmaceutical company suppliers, consumers (end users), doctors, and nurses. Data was collected using online questionnaire. In total, the structured questionnaire had twenty-three (23) questions, which were sub-divided into three distinctive sections. Sections included were labeled “Section A” for Biographical Data. This section had nine (5) questions, covering areas such as respondent’s gender, respondent’s age, respondent’s marital status, respondent’s number of dependents, and respondent’s highest educational qualification. The second section was labeled “Section B” that dealt with the independent variable of the study, which was organizational efficiency. It included nine (9) Likert scale type statements from which respondents were to describe their opinion by ticking the appropriate options from strongly disagree (1) to strongly agree (5) with regards to the measures of organizational effectiveness. Finally, the third section was “Section C”, which dealt with the dependent variable of the study, which was organizational ethics. It included nine (9) Likert scale type statements from which respondents were to describe their opinion by ticking the appropriate options from strongly disagree (1) to strongly agree (5) with respect to the measures for organizational ethics.

Validity of Research Instrument

Validity is meant for discovering whether an instrument captures the intended data (Viswanathan, 2005). The aim of validity test is to guarantee that the data gathered conforms to intended objectives and purpose of the research. Validity can be defined as the degree/extent to which the research instrument (questionnaires) measures what it was designed/expected to measure. For this study, the face validity of this research instrument is to prove that the questionnaire is valid enough to achieve the results it is meant to achieve.

Model Specification

This study adapts the model by Khalter & Moon (2019). Their model assessed impact of management of ethics and performance, transformational leadership on organizational

Organizational performance = f(formal and informal ethic management, performance management, transformational leadership, ethical performance and organizational commitment) 

(1)

This study modified equation (1) by including a variable for examining customer awareness of ethical standard in the pharmaceutical companies in Nigeria. Also, organizational performance can be in terms of productivity or efficiency, thus, organizational performance was change to organizational productivity. Therefore, the model for this study is specified in equation (2)

ORP = f(FEM, INFEM, PERM, TRALE, ETHPERM, ORGCOM, CUSTAW) 

(2) ORP = β0+ β1 FEM + β2 INFEM + β3 PERM + β4 TRALE + β5 ETHPERM+β6 ORGCOM + β7 CUSTAW

(3)

Where ORP= Organizational Productivity, FEM= Formal Ethic Management, INFEM= Informal Ethic Management, PERM= Performance Management, TRALE= Transformational Leadership, ETHPERM= Ethical Performance, ORGCOM= Organizational Commitment, CUSTAW= Customer Awareness, β1-7= parameter estimates of the independent variables

Aprior Expectation

β1 >0;β2 > 0;β3 > 0;β4 > 0;β5 > 0;β6 > 0; β7 > 0

When organizational ethics and performance are adequately managed, all the independent variables are expected to increase organizational productivity.

RESULTS & DISCUSSION

Table 1

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.740(a)</td>
<td>0.547</td>
<td>0.538</td>
<td>1.16818</td>
</tr>
</tbody>
</table>

Note: a Predictors: (Constant), CUSTAW, FEM, TRALE, ORGCOM, PERM, INFEM, ETHPERM

Table 2

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>611.420</td>
<td>7</td>
<td>87</td>
<td>64.006</td>
<td>0.000(a)</td>
</tr>
<tr>
<td></td>
<td>506.282</td>
<td>371</td>
<td>0.346</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1117.702</td>
<td>378</td>
<td>1.365</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: a Predictors: (Constant), CUSTAW, FEM, TRALE, ORGCOM, PERM, INFEM, ETHPERM

This study employed regression to estimate to the plausible effect of customer’s perception towards the organizational ethics on the productivity of Pharmaceutical companies in Nigeria. The results of the estimation are presented in Tables 1-3. The Model Summary table indicates that Formal Ethic Management (FEM), Informal Ethic Management (INFEM),
Performance Management (PERM), Transformational Leadership (TRALE), Ethical Performance (ETHERM), Organizational Commitment (ORGCOM) and Customer Awareness (CUSTAW) jointly contribute to 74 percent changes in the productivity of the Pharmaceutical companies (ORG) in Nigeria (As shown in Table 1). Table 2 (ANOVA table) reveals that F-significant value of 0.00 is more than the critical significant value of 0.05 (that is 5%). Hence, accept null hypothesis. This study then concludes that customer’s perception towards the organizational ethics significantly influence the productivity of Pharmaceutical companies in Nigeria at 5 percent significant level.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>B</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>4.77E-016</td>
<td>0.060</td>
<td>0.000</td>
<td>1.000</td>
</tr>
<tr>
<td>FEM</td>
<td>0.500</td>
<td>0.289</td>
<td>0.358</td>
<td>1.730</td>
</tr>
<tr>
<td>INFEM</td>
<td>0.215</td>
<td>0.271</td>
<td>0.150</td>
<td>0.792</td>
</tr>
<tr>
<td>PERM</td>
<td>-0.509</td>
<td>0.133</td>
<td>-0.395</td>
<td>-3.827</td>
</tr>
<tr>
<td>TRALE</td>
<td>0.513</td>
<td>0.130</td>
<td>0.332</td>
<td>3.953</td>
</tr>
<tr>
<td>ETHPERM</td>
<td>-0.018</td>
<td>0.289</td>
<td>-0.013</td>
<td>-0.062</td>
</tr>
<tr>
<td>ORGCOM</td>
<td>0.670</td>
<td>0.089</td>
<td>0.452</td>
<td>7.528</td>
</tr>
<tr>
<td>CUSTAW</td>
<td>-0.009</td>
<td>0.265</td>
<td>-0.006</td>
<td>-0.035</td>
</tr>
</tbody>
</table>

Note: a Dependent Variable: ORG

Specifically, customer’s ethical perception on transformational leadership (TRALE) and organizational commitment to ethics (ORGCOM) positively influence the productivity of Pharmaceutical companies in Nigeria at 5 percent significant level (as shown in Table 3). This suggests that customer’s view on Pharmaceutical Company’s transformational leadership and commitments to ethical practices influence their purchase intentions which in turn raise organizational productivity. In fact, customers expect Pharmaceutical Company to discourage drug abuse, self-medical and be committed to improved drug quality and ethical practices. However, this study found that customer’s ethical perception towards performance management (PERM) exerts inverse effect on productivity of Pharmaceutical companies in Nigeria at 5 percent significant level (as shown in Table 3). Customers view performance management as a distraction from ethical practice. They perceived that employee usually circumvents ethical practice in order to achieve their sales targets. This study found that customer’s perception towards the organizational ethics significantly influence the productivity of Pharmaceutical companies in Nigeria. Specifically, customer’s ethical perception on transformational leadership (TRALE) and organizational commitment to ethics (ORGCOM) positively influence the productivity of Pharmaceutical companies in Nigeria.

It is worthy of note that uncertainty is inevitable in dynamic and complex industry like the Pharmaceutical industry. Ethical issues are always present in the uncertain conditions because of conflict of interest among various stakeholders, interest groups and unclear laws. These factors make decision making a challenging job for managers in Pharmaceutical companies who face ethical dilemmas because of conflicts of interests among various stakeholders. Decision making in Pharmaceutical companies affect lives and wellbeing of others particularly for consumers, communities and employees. Their decisions and actions can
generate tremendous social consequences. Hence, Pharmaceutical commitment to ethical practice would influence customers’ patronage and subsequently increase productivity.

CONCLUSION

Although relatively, there is a dearth of literature on the subject undertaken by this study, especially in the Nigerian context. However, having observed a sizeable proportion of respondents that could be categorized as stakeholders in the pharmaceutical sector in Nigeria, the empirical works points that: performance management (as viewed by customers) could stunt ethical practices if not well managed. Because, in the bid to hit sales targets, employees could circumvent ethics to keep their job in the massive unemployment rate in the country. Also, customer’s ethical perception on transformational leadership and organizational commitment to ethics positively influence the productivity of Pharmaceutical companies in Nigeria. Majority of the respondents perceived that Pharmaceutical companies in Nigeria embrace transparency and welcome third-party evaluations of their clinical trials, and ultimately factoring the safety of customers in drug production. This portends that the drugs sold at the Pharmaceutical companies can be trusted for their genuineness and quality, and the perception of safety of Pharmaceutical drugs by the customers’ influence their purchase decision. This has demonstrated the strength of ethical behaviour in creating positive social consequences by providing greater satisfaction to stakeholders. On this note, this study concludes that customer’s perception towards the organizational ethics (through loyalty intentions) significantly influence the productivity of Pharmaceutical companies in Nigeria.

Recommendations

Going by the findings flowing from this study suffice it to say that ethics and business are two inseparable worlds. Ethical issues in the pharmaceutical sector are exceptionally complex, and this may be happening on all the stages, from manufacturing, distribution, and down to the point of dispensing. And because ethics will be a major factor for customers’ decision making, it is therefore imperative that ethics be integrated in all aspects of individual and organization working in pharmaceutical industry. This study therefore recommends that, for pharmaceutical companies in Nigeria to enjoy an unwavering loyalty from customers, they will need to:

- See ethics as an end in itself. This will make the leadership of these organizations invest significantly in creating and maintaining an ethical workplace (i.e training, socialization, leader involvement), and on routine basis discuss ethics by using moral vocabulary, and swiftly punishing any form of misbehavior among its employees at any level.
- Lay emphasis on adherence to shared values, which will propel employees of these pharmaceutical organizations to be receptive towards for the organizational values and make significant effort to sustain their relationship with the organization. In this light, the awareness for individual and collective ethical responsibility should be on the high side.
- The ethical concerns of consumers shout not only considered at the corporate strategy formulation level but also aligned with marketing plans at operational level to improve repurchase intentions and word of mouth.
- The right to health should be seen from the angle of ethical imperativeness, and not economic or financial equation seeking solely after profits at the expense of those who need access to essential life-saving medicines is ethically off-base. If the costs of healthcare continue to rise and the populations of people they exist to serve cannot pay for their needed medications, makes no sense to humanity. Hence, it is unacceptable for the pharmaceutical industry to pointlessly spend on deceptive marketing practices.
• High concern for the stakeholders, society and the global environment should be shown through Corporate Social Responsibility (CSR) policies and actions. Actions like this would naturally cause an increment in customers’ perception of value, which will concomitantly be rewarded by a customer who is satisfied and loyal to the brand. Suffice it to say that implementation of CSR policies by pharmaceutical companies, designed towards meeting the needs of consumers generates competitive advantage.

• Given that the pharmaceutical sector is a subset of the total health system, and at some instances, players within it has brought bad reputation to it. In order to restore lost or increase public confidence in the sector, the government through the regulatory bodies may need to conduct a meticulous reappraisal of the sector and enforce strict regulatory restraint that would put at bay the ethically compromised, uncontrolled practices within the medical and pharmaceutical sectors.

• Above all, business organizations must recognize the fact that ethical business practice is the key to sustained growth in top and bottom line.

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