# Public Service Motivation and Ethical Behavior amid Challenge Stressors

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#### **Abstract**

This study aims to investigate the relationship between Public Service Motivation (PSM) and ethical or unethical behaviors in the context of work stressors. A survey was conducted on 300 public sector employees in Nepal using structured questionnaires with a seven-Likert scale. The study used a deductive approach to examine the association between PSM and ethical behavior in situations of challenge stressors at work. The research found that high levels of PSM are linked to high levels of ethical behavior intentions, and this relationship is further strengthened in the presence of challenge stressors as a positive moderator. The study also highlights the challenges of self-reported measures and social desirability bias when observing ethical or unethical behavior. The primary variables observed in the public sector of Nepal were PSM, ethical behavior, and challenge stressors, with only three variables and a limited sample size being the major limitations. Overall, this study suggests that the use of PSM as a tool and creating workplace challenges may contribute to improving ethical conduct among public sector employees.

**Key words**: Public Service Motivation (PSM), Ethical Behavior, Challenge Stressors, Hindrance Stressors, Public Service Employees

## I. Introduction

It is central concern of public administration to understand how ethical behavior intent can be enhanced among public servants (Christensen & Wright, 2018). Either developing or developed countries are severely facing unethical behavior like corruption by public servants who are supposed to serve for the wider benefits of the general public. According to Transparency International Nepal Report 2021, Nepal is ranked 117<sup>th</sup>corrupt country among 180, based on Corruption Perceptions Index. Such alarming level of corruption may undermine the public trust on government and further flourish the environment for corruption (van Roekel & Schott, 2022).

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In what ways can public sector institutions encourage public servants behave ethically? Activating public servants' Public Service Motivation (PSM), that is their desire to serve

people with a purpose to benefit to society, is one potential lever (Caserta et al., 2022). Moreover, PSM has been extensively investigated as a way of explaining employee attitudes and behavior (Ritz et al., 2021). It is argued by the scholars that a person with higher level of PSM is expected to behave ethically and pro-socially due to his/her underlying consistent values and ideals (Piatak & Holt, 2020). As an example, both ethical behavior and PSM are defined in terms of advancing public interest, helping others, and addressing issues of social equity (Vogel & Willems, 2020). PSM not only encourages ethical behavior, but also reduces the attractiveness and likelihood of unethical behavior.

Similarly, researchers have shown that employees with high levels of PSM may behave ethically for the society's well-being, and job stressors may affect such relationship positively or negatively (Yang et al., 2021). Among may job stressors, challenge stressors are considered the positive ones, which promotes the belief that adhering to ethical behavior may support career development and growth even if it is difficult (Abbas & Raja, 2022). Hence, challenge stressors are rewarding and challenging for the employees and have positive influence on the Public Service Motivation and ethical behavior relationship.

Despite the centrality of exploring the association between Public Service Motivation (PSM) and ethical behavior with moderating effect of challenge stressors, research on these issues remains very low in Nepalese context. Furthermore, most of the researches have sought the extrinsic motivational aspects to shape the behaviors of employees, despite its nature to be intrinsic(Dahal et al., 2022). Therefore, the evidences about ethical behavior in the public sector and causal implications of PSM amid challenge stressors remain limited. This article aims to fulfill this gap by enhancing our understanding of these two core concepts – PSM and ethical behavior, and the moderating impact of challenge stressors as a positive influence on the relationship of these variables in public administration.

### II. Review of Literature

In this study, researcher examines the relationship between ethical behavior and Public Service Motivation (PSM) among public sector employees. This study is based on a brief literature review on the key variables — ethical behavior and public service motivation.

Ethical behavior has been defined variously across the fields of study and mainly three approaches are common to describe what ethical behavior is. First, deontological approach defines it as the minimum duty of employees at work (Prebble, 2018). Public servants that behave according to generally accepted norms are known to display ethical behavior.

According to this approach, ethical conduct is simply to adhere to the rules, regulations, code of conduct and norms and standards of an organization (Moon & Christensen, 2022). Second, result-based or teleological approach holds the view that an action is right or wrong depending on its consequences, so that is an ethical behavior insofar as it contributes to good ends (Shihadeh, 2021). So, good conduct is only those actions that have purposes, good ends and desirable consequences. Third, virtue or character based approach argues that ethical behavior is the personal choice of an individual to be a good person (Proctor, 2019). This approach emphasizes actors rather than action itself. All these approaches are similar to the extent that each approach emphasizes on doing public good whether following rules and regulations, setting goals or being person o a good character. In public sectors, ethical conduct of public servants may ensure the public welfare and fair service delivery.

Public Service Motivation (PSM) has been defined indifferent ways across disciplines and fields. PSM is defined as an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations (Perry & Wise, 1990). The meaning of PSM may vary across the field of study, but the common emphasis is on motives and action of employees in public domain to do public good and enhance public well-being of society. Most of the researchers agree to Perry and Wise (1990) that PSM has multidimensional constructs comprising — attraction to public policy making, commitment to the public interest, compassion and self-sacrifice as the core premise of PSM. It is generally an altruistic motivation to server the common interest of general public, so it is theoretically related to pro-social behavior and ethical behavior (Perry & Ritz, 2022).

PSM has been investigated in relation to ethical behavior in a subset of this literature, emphasizing its importance in the field of public administration (Wright et al., 2016). PSM's four primary components — self-sacrifice, commitment to public values, attraction to public service and compassion are linked to ethical behavior by several theoretical rationales (Vandenabeele & Schott, 2020). Furthermore, these theoretical rationales suggest that PSM activation may influence ethical attitudes and behavior. It is also argued by scholars that individuals who are less focused on their own selfishness may tend to act more honestly. Hence, public service motivation is a set of values which influences the choice of behavior to be good to the public or not, and therefore acceptance of ethical behavior is inline with high level of PSM (Weißmüller et al., 2022). Most of the characteristics of PSM are positively associated with that of ethical behavior, which are based on personal principles rather than external standards, but it has a dark side also, which means it may lead to both

ethical and unethical outcomes (Perry & Ritz, 2022). Hence, PSM is considered as the predictor of un/ethical behavior of employees at workplace, and so this research examines why a high level of PSM leads to ethical behavior or outcomes in light of PSM theory.

## Hypothesis 1:

Public Service Motivation has significantly positive association with ethical behavior.

Past empirical research has shown that perceiving, evaluating and responding to the challenging job demands may lead to positive outcomes of the employee performance. To be specific, challenge stressors like higher responsibilities, time pressures at work, and increasing work-loads may be considered as good stressors at workplace (Webster et al., 2010). Researchers have found job stress such as challenge stressors are positively associated with behavioral responses caused by emotional commitment, which motivates employees to be involved in the wider benefits of the organization or the society(González-Morales & Neves, 2015). In literature, challenge stressors increase expectations for ethical behavior because they promote a belief that adhering to ethical behavior may support career growth and development even if it is hard to do (Prem et al., 2017). Employees are rewarded, challenged, and encouraged further to behave ethically by challenge stressors. Therefore:

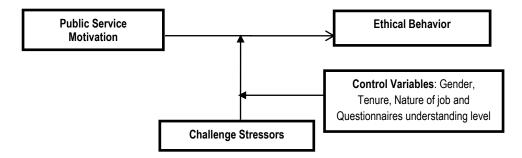
## **Hypothesis 2:**

Increasing levels of challenge stressors positively moderate the relationship between public service motivation and ethical behavior, such that it influences ethical behavior more strongly with the increasing levels of challenge stressors.

The following figure depicts further the concept of positive association between Public Service Motivation and ethical behavior amid the influence of challenge stressors as a moderator.

Figure 1

Conceptual Framework



## III. Research Methodology

Methods and design are selected considering the main research questions and objectives to be answered and fulfilled at the end of this research work. Before justifying the research design and approach, understanding researcher's ontological and epistemological orientation and rationale is the first step in identifying how philosophical foundations influence the research (Hutchings, 2022). Examining the literature revolving around ethical behavior, most of them are qualitative in nature and follows a social constructionist epistemology (Held, 2022). A social constructionist believes the view that people are the outputs of social events, historical moments and the ideology, which means the nature of being of ethical behavior is determined by social properties (Diaz-Leon, 2015). While examining the literature of PSM, the majority is quantitative in nature and origins from critical realist philosophy. A critical realist believes that the reality is independent of what we perceive exists, and that our knowledge of social institutions is transitive (Bhaskar, 2020).

Quantitative survey strategy has been used in this dissertation which follows the deductive approach, so that it's been easy for the researcher to describe and generalize the inferences. Moreover, the nature of this research is explanatory as it probes the relationship between public service motivation (PSM) and ethical behavior in Nepalese public sector organizations.

## **Survey and Data**

This study has focused on the respondents who are either civil service employees or employees of public corporations or even local level politicians who have to work for the greater benefits of general public. Structured 7 Likert scale questionnaires were distributed to 321 respondents both online and physical, of which only 241 (n = 241) completed the survey, that is 75% response rate only. For the authorization of survey, questionnaires were delivered in-person by the researcher in the year 2021 and 2022.

Table 1

Demographics

	Gender		<u>Tenure</u>					
Items	Freq.	%	Items		Freq.	%		
Male	169	70.1	1- 3 yrs	1	21	8.7		
Female	72	29.9	3-6 yrs		43	17.8		
-	-	-	7-10 yrs		65	27		
-	-	-	10 yrs or abov	е	112	46.5		
	Education	Level	Nature of Job					
Items		Freq.	%	Items	Freq.	%		
High School			2 0.8	Admin	184	76.3		
Bachelors		7	9 32.8	Technical	46	19.1		
Masters		15	3 63.5	Other	11	4.6		
PhD			7 2.9	-	-	-		
Total		24	1 100	Total	241	100		

To ensure measurement validity, questionnaires were pre-tested prior to its implementation by providing it to some of the civil servants, and the revisions of survey items were done accordingly based on feedback. Originally, questionnaire was developed in English. Later, all survey questions were translated into Nepali, which was assigned to an expert to avoid the translation issues and ensure congruence between the meaning of translated questions in Nepali and the existing literature in English. Among respondents, 70.1% are male whereas only 29.9% are female. 46.5% have more than 10 years of experience and 76.3% of respondents are working administrative jobs. Similarly, most of the respondents (63.5%) have Master's Degree level of education.

## Measures

Seven Likert scale structured questionnaire are prepared based on the constructs of variables. To ensure the measurement validity, questionnaires are borrowed from previous

research works. Ethical behavior (Wright et al., 2016) and Public Service Motivation (Piatak & Holt, 2020) constructs are developed even considering the Nepalese context. Answer options to this end of question items are on a seven points Likert scale (7-1) ranging from 7- strongly agree, 6- agree, 5- somewhat agree, 4- neither agree nor disagree, 3- somewhat disagree, 2- disagree to 1- strongly disagree.. A survey research is conducted to measure the relationship between PSM and ethical behavior.

## IV. Results and Analysis

First brief overview of outcomes descriptive statistics is presented in Table 2 below, to show the descriptive for the variables used in the regression estimation as causes and indicators. Total 241 respondents are observed to test the relationship between PSM and Ethical Behavior (EB), and moderating effect of Challenge Stressors (CS).

Table 2

Descriptive Statistics

					Std.				
	N	Minimum	Maximum	Mean	Deviation	Skewness		Kurtosis	
							Std.		Std.
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Error	Statistic	Error
EB1	241	4.00	7.00	5.8382	.69128	156	.157	141	.312
EB2	241	4.00	7.00	6.0747	.77097	349	.157	637	.312
EB3	241	4.00	7.00	5.8257	.72652	181	.157	229	.312
EB4	241	4.00	7.00	5.9253	.74346	124	.157	606	.312
HS1	241	1.00	7.00	3.7967	1.24338	.025	.157	875	.312
HS3	241	1.00	7.00	3.8423	1.39046	.098	.157	-1.054	.312
HS4	241	1.00	7.00	3.7178	1.90045	052	.157	-1.359	.312
HS5	241	1.00	6.00	3.5270	1.87536	.011	.157	-1.554	.312
PS1	241	3.00	7.00	5.9917	.83662	716	.157	.386	.312
PS3	241	4.00	7.00	6.1286	.77194	828	.157	.709	.312
PS4	241	3.00	7.00	6.0083	.73025	984	.157	2.355	.312
PS5	241	4.00	7.00	6.0041	.66769	682	.157	1.343	.312
Valid N	241								
(listwise)									

The result obtained from the descriptive study shows that mean value for Ethical Behavior (EB) is in the range from 5.82 to 6.07 with standard deviation value between 0.77 and 0.68, which implies that most of the respondents are inclined towards positive responses to this construct with minimum standard deviation. In addition, Public Service Motivation (PS) is a positive construct, whose mean value ranges from 5.99 to 6.12 with standard deviation ranges from 0.66 to 0.83. Finally, Challenge Stressors (CS) mean value ranges from 5.17 to 5.49, which indicates positive responses with standard deviation range only from 0.72 to 0.98.

Moreover, Exploratory Factor Analysis is done to test the fitness of data for the further analysis.

Table 3

KMO and Bartlett's Test

NIVO and Bartlett's Test		
	KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Samplin	g Adequacy.	.762
Bartlett's Test of Sphericity	Approx. Chi-Square	1980.845
	Df	105
	Sig.	.000

The appropriateness and suitability of the sample data were checked using KMO and Bartlett's Test of Sphericity during the factor analysis. In the above table, we can see that KMO value is 0.762 which is greater than 0.5 values which indicate that factor analysis is useful with our data and the data doesn't have any issues of reliability and validity. It was articulated that there is sufficient connection among the components using the Kaiser-Meyer-Olkin Measure of Sampling Adequacy for individual variance. On the other hand, for Bartlett's test of sphericity the data is also significant because the value is 0.000 as it is less than 0.05 which indicates that factor analysis is useful with this data fit further process. In this table 4, all of the communalities are high, indicating that the extracted components accurately describe the variables.

Table 4

Commonalities and Cronbach's Alpha

	Communalities		CROANBACH'S ALPHA
	Initial	Extraction	
EB1	1.000	.795	0.905
EB2	1.000	.818	
EB3	1.000	.728	
EB4	1.000	.791	
PS1	1.000	.708	0.836
PS3	1.000	.791	
PS4	1.000	.548	
PS5	1.000	.693	
CS1	1.000	.746	0.854
CS2	1.000	.695	
CS3	1.000	.644	
CS4	1.000	.817	
Extraction M	Method: Principal Compo	nent Analysis.	

The communalities between the measured items loaded on the EFA model in this study ranged from 0.644 for CS3 to 0.818 for EB2. As a result, we can use all of these variables in our factor analysis. Here, our finding revealed that the value of Cronbach's alpha is greater than 0.80 which represent good internal consistency among constructs of variables.

Table5 rotated component matrix has presented Ethical Behavior related items – EB1, EB2, EB3 and EB4 as component 1, Public Service Motivation items PS1, PS3, PS4 and PS5 as component 3, and Challenge Stressor construct items CS1, CS2, CS3 and CS4 as component 2. Factor loadings, or the coefficient of correlation between statements and a factor, were found to be greater than 0.50 for all of the items.

Table 5

Rotated Component Matrix

		Component							
	1	2	3						
EB1	.888								
EB2	.902								
EB3	.851								
EB4	.888								
PS1			.835						
PS3			.880						
PS4			.732						
PS5			.826						
CS1		.838							
CS2		.827							
CS3		.783							
CS4		.901							
Rotation Meth	thod: Principal Component nod: Varimax with Kaiser N								
<ul> <li>a. Rotation co</li> </ul>	nverged in 5 iterations.								

Table 6
Summary of Test of Relationship between PSM and EB

Hypothesis	Regression	Regression Beta R-sq		F	P-value	Hypothesis
	Weights	Coefficient				
H1	$PSM{\to}EB$	0.688	0.218	66.679	0.000	Accepted

Note. \*p 0.001, PSM: Public Service Motivation, EB: Ethical Behavior

Beta coefficient value (B = 0.688) notifies that a unit of change in PSM may cause 0.688 unit of change in ethical behavior. Similarly, R-square explains 21.8% change in ethical behavior is solely caused by PSM and this relationship is statistically significant (p value = 0.000) at 99% confidence level.

Moreover, the effect of Challenge Stressors (CS) is supposed to be positive – more the challenge stressors (CS), so is the ethical behavior intent of employees. Challenge stressors positively motivate employees to achieve something within the constraint, which further intensifies public service motivation and leads to higher ethical behavior intent.

Table 7

Model Summary for Challenge Stressor

F	}	R-sq	MSE	F	df1	df2	р	
.83	79	.7020	.3441	186.1013	3.0000	237.0000	.000	

Model summary depicts the changes due to moderator – challenge stressors. The correlation (R value = 0.8379) between PSM and EB has been further stronger than that of without the effect of challenge stressor (R value in the Table is 0.467). Similarly, R square value is 0.7020, which means 70.20% change in ethical behavior is accounted by these three exogenous variables – PSM, CS and interaction term. Overall P value (p = 0.000) at 95% confidence level also supports that the effect of challenge stressors as a moderator on relationship between public service motivation and ethical behavior is statistically significant.

Table 8

Interaction Model for Challenge Stressor

interaction Model for Challenge Stressor									
coefficient	t se	t	р	LLCI	ULCI				
constant	5.9522	.0392	151.9775	.0000	5.8750	6.0293			
PSM	.0070	.0234	.2996	.0000	.0391	.0531			
CS	.6727	.0473	14.2295	.0000	.5795	.7658			
Int_1	.9612	.0823	21.2367	.0000	.8051	.9173			

Similarly, coefficient value of CS and interaction term is increasing and positive trend (CS = 0.6727 and interaction term = 0.9612). This indicates that CS does moderate the relationship between PSM and EB positively. As challenge stressor increase, ethical behavior intent of employees also increases in a similar way, which is apparently indicating that challenge stressors are influencing the relationship between Public Service Motivation and ethical behavior further as a positive moderator.

### V. Discussion and Limitations

The results are moderately showing the relationship between PSM and ethical behavior as R value = 0.467 > 0.40, which shows the correlation between these two variables while R-square value = 0.218, which is interpreted as the change in ethical behavior due to public service motivation. F value is 66.679 with beta value (B = 0.688). These results indicate that Public Service Motivation (PSM) and ethical behavior intent of Nepalese civil servants and other public sector employees are positively associated as other scholars have suggested in their studies in the different contexts. Self-reported ethical behavior is mostly focused by the scholars and highlighted the positive association between Public Service Motivation and ethical behavior (Heine et al., 2022). Nevertheless, some studies have failed to link the relationship between these variables positively (Wright et al., 2016).

In addition, past studies show the challenge stressors have positive influence on the association between PSM and ethical behavior (Deng et al., 2021). The findings of this study also present the similar influence of challenge stressors on these variables. Due to presence of challenge stressors between PSM and EB, association has further enhanced (R = 0.8379 and R-square = 0.7020) and coefficient value of interaction term has also increased, which indicate that challenge stressor is significantly positively associated with PSM and EB relationship even in the context of Nepalese civil servants and other public sector employees.

Although additional studies are needed to further verify the findings of this research, it has contributed some important implications for scholars and practitioners in the public administration field. This study is limited to cover only three variables – PSM, ethical behavior and challenge stressors, and survey based sampling. However, potentially other variables could be explored with different methodologies such as experimental research.

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