

Ethical Issues in Construction Industry of Gujarat

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Abstract— *The Construction sector in India is one of the biggest sector which is play most important role in the growth of nation; but in spite of its contribution there are many Ethical Issues in construction industry of Gujarat. This study therefore examines the major ethical issues in the construction industry of Gujarat. Well-structured questioner was developed and validated by professional bodies and reviewed by construction professionals (government, private companies, contractors, professors). Relative Important Index (RII) was used to analyse the questioner survey. The major issues founded by survey are bribery and virtual corruption, delays in payment and misuse of power of authorities, lack of protection to environment and public health, compromising in qualitative work and safety of labour. And these are largely caused by lack of self-restriction, self-discipline, responsibilities, personal behaviour (habits and attitude), greed, more responsibilities and less accountability. For mitigating these ethical issues there must be Legislative laws that spell out punishment for any unethical practice and take actions on ethical violation and punish offenders. And students might be taught the lessons of values and ethics in institute.*

Keywords - *Ethical issues, Construction industry, Bribery, Corruption, Greed, and Gujarat.*

I. INTRODUCTION

The construction sector in India become the second largest employer next only to agriculture, which employs more than 35 million people. The GDP of construction industry is 2235.39 INR Billion in 2017. Therefore, any improvements in the construction sector affects directly to the Indian economy. In spite of its contribution it consists so many problems. The ethical issues in construction sector are one of the biggest and unnoticed issue in India. It is directly connected to the national growth; so the ethical issues must reduce in construction sector.

Ethics is characterized as “An arrangement of good standards, by which human activities and recommendations may be good or bad, or wrong or right.” Ethics are the ethical standard utilized by individuals in settling on individual and business choice. Morals in business is turning into a characterizing issue of our opportunity, influencing corporate benefits and validity, and also manageability of worldwide economy. Shockingly the Indian construction industry was truly tainted with degenerate and unscrupulous practices, which lay significant snags towards development and profitability of the business.

The involvement of several professionals bodies in construction like Architecture, designer, contractor, project manager, vender, government in a project can invites more unethical practices like bribe, fraud, nepotism, negligence, collusive tendering, illegal award of tender etc.

The ethical issues associated with conflict in interest, client needs and administration, reasonable rivalry and pay, and expert uprightness and duties. To minimize the ethical issue National human right commission has developing codes of ethics for Indian construction industry. The codes of ethics are the guidelines for the professional to take decision with moral standard. The code alone inadequate to guarantee moral direct and should be supplemented with task of utilitarian obligation (e.g. ethics officer) and business preparing. What's more, there are such a significant number of duties of specialist to carry on according to codes of morals.

1.1 NEED FOR STUDY

Now days increasing in unethical practises affects the national economy which has the direct influence to the national growth so it is essential to reduce this practice and establish good culture environment in construction industry.

1.2 OBJECTIVES OF STUDY

- ➔ To identify various ethical issues in the construction industry in Gujarat.
- ➔ To study the reason behind this unethical practices and find out ways to reduce the unethical practice in the construction industry.

II. RESEARCH METHODOLOGY

First the ethical issues are identified from the literature papers and books of ethics and values and from the code of ethics; then the causes behind these ethical issues are identified; which are the drivers for unethical conduct. The 14 Ethical Issues and 14 Causes for Ethical Issues were listed in the well-defined questionnaire.

The questionnaire survey were being done among the professional persons of construction industry in Gujarat; which include project manager, professor, builder & contractor and government bodies. Which consist total (66) review from different agencies like government (12), Contractor (10), Professor (16), Site engineers (7), Private Companies (21).

In order to achieve the objectives of the study, 5-point Likert scale was used to inquire information from respondents where 1= Very Low, 2= Low, 3= Moderate, 4= High, 5= Very High. The identified issues and causes of ethical issues are listed below. The data analysis is done by Relative Important Index (RII) method for giving the ranking to the ethical issues and the causes of it. The analysis by RII method is done in the Excel. And the result of the ranking the ethical issues and the causes of it is given below.

I. Table 1: Ranking of ethical issues

RANK	ETHICAL ISSUES	FREQUENCY
1	Bribery And Virtual Corruption	0.7212121
2	Delays In Payment And Misuse Of Power Of Authorities	0.6575758
3	Lack Of Protection To Environment And Public Health	0.6515152
4	Compromising In Qualitative Work And Safety Of Labour	0.6484848
5	Upholding Of Employee And Human Rights	0.6121212
6	Misinterpretation Of Contract Condition	0.5848485
7	Improper Bidding Practice And BOQ	0.569697
7	Favouritism, Discrimination, And Harassment	0.569697
9	Lack Of Fair Competition And Justice	0.5666667
10	Mishandle Sensitive Information	0.5121212
11	Falsification Of Experience And Expertise	0.4909091
12	Improper Drawing Practice	0.4878788
13	Misrepresentation Of Financial Status, Records, Completed Work And Value Of Work	0.4818182
14	Abuse Of Company And Clients Resources	0.4727273

II. Table 1: Ranking for cause of ethical issues

RANK	CAUSES OF ETHICAL ISSUES	FREQUENCY
1	Lack Of Self-Restriction, Self-Discipline, Responsibilities	0.7878788
2	Personal Behaviour (Habits And Attitude)	0.7424242
3	Greed	0.7272727
4	More Responsibilities And Less Accountability	0.7030303
5	Political And Social Interest	0.6969697
6	Lack Of Transparency	0.6848485
7	Pressure To Meet Unrealistic Business Objective And Deadlines	0.6666667
8	Unethical Conduct Not Taken As Serious Issue	0.6454545
9	Conflict Of Interest	0.6393939
10	Lack Of High Executive Control	0.6363636
11	Poverty And Less Salaries	0.6272727
12	Lake Of Ethical Awareness And Effects Of It Amongst Industry People	0.6181818
13	Poor Decision Making Abilities	0.5848485
14	Barriers To Enter In To Market	0.5333333

III. Table 2: Top 7 Issues ranked by the Government respondents.

RANK	ETHICAL ISSUES (Government)	FREQUENCY
1	Compromising In Qualitative Work And Safety Of Labour	0.583333
2	Delays In Payment And Misuse Of Power Of Authorities	0.566667
3	Lack Of Protection To Environment And Public Health	0.55
3	Bribery And Virtual Corruption	0.55
5	Misinterpretation Of Contract Condition	0.533333
6	Upholding Of Employee And Human Rights	0.5
7	Favouritism, Discrimination, And Harassment	0.466667

IV. Table 3: Top 7 Issues ranked by the Contractor respondents.

RANK	ETHICAL ISSUES (Contractor)	FREQUENCY
1	Bribery And Virtual Corruption	0.9
2	Delays In Payment And Misuse Of Power Of Authorities	0.84
3	Upholding Of Employee And Human Rights	0.66
4	Lack Of Protection To Environment And Public Health	0.64
4	Misinterpretation Of Contract Condition	0.64
4	Improper Bidding Practice And BOQ	0.64
7	Favouritism, Discrimination, And Harassment	0.58

V. Table 4: Top 7 Issues ranked by the Private Companies respondents.

RANK	ETHICAL ISSUES (Private Companies)	FREQUENCY
1	Bribery And Virtual Corruption	0.6285714
2	Delays In Payment And Misuse Of Power Of Authorities	0.6190476
3	Misinterpretation Of Contract Condition	0.6095238
4	Lack Of Protection To Environment And Public Health	0.6
5	Improper Bidding Practice And BOQ	0.5714286
6	Favouritism, Discrimination, And Harassment	0.5619048
6	Lack Of Fair Competition And Justice	0.5619048

VI. Table 5: Top 7 Issues ranked by the Professors respondents.

RANK	ETHICAL ISSUES (Professors)	FREQUENCY
1	Bribery And Virtual Corruption	0.875
2	Compromising In Qualitative Work And Safety Of Labour	0.8
3	Lack Of Protection To Environment And Public Health	0.75
4	Lack Of Fair Competition And Justice	0.6875
4	Upholding Of Employee And Human Rights	0.6875
6	Delays In Payment And Misuse Of Power Of Authorities	0.675
7	Favouritism, Discrimination, And Harassment	0.6375

III. CONCLUSION

Despite the various laws and ethical guidelines there are still ethical issues in our construction industry; and the major issues are bribery and virtual corruption, delays in payment and misuse of power of authorities, lack of protection to environment and public health, compromising in qualitative work and safety of labour, upholding of employee and human rights. These are largely caused by lack of self-restriction, self-discipline, responsibilities, personal behaviour (habits and attitude), greed, more responsibilities and less accountability, political and social interest.

As result of these issues, we loss the trust of public and the causes dissatisfaction to the clients. The poor qualitative work results in collapse of building and bridges and we loss people's life and money. By this ethical issues we decrease the growth of construction industry and the growth of nation too.

The conclusion for the ethical issues in any industry is that not one individual is responsible for the ethical issue; but every individuals are responsible who are not taking these issue as seriously and not taking step towards this big ethical issues. Each and every person must raise their voice against any unethical conduct.

For minimize the ethical issues there must follow the guidelines for the ethics in business and follow the all rules and regulations. And all the people must be aware by himself regarding ethical issues in construction industry.

The scope for the future work can include the survey for the harmful effects of these ethical issues in overall country. And finds more different ways to reduce the ethical issues in the India. And there is also scope to suspect that in which department the unethical practices are high or in which profession of construction industry the level of ethical issues are high and how to minimise it.

3.1 RECOMMENDATIONS FOR MITIGATION OF ETHICAL ISSUES:-

1. Teach the values and ethics to students in institute. It is highly recommended by the all the professionals in construction industry. By teaching student about ethics and values; it creates good behaviour of student and made him aware about what is right and wrong.
2. There must be Legislative laws that spell out punishment for any unethical practice and take actions on ethical violation and punish offenders.
3. Establish the annual business ethics training for employee.
4. Follow inspiring moral leadership and think creatively.
5. Develop honest and ethical culture in the organization and at field.
6. Monitor, review, report ethical behaviour in proper manner.
7. There should be Good whistle blowing mechanism and effective communication system.
8. Constant supervision of ethics should be done. There must be one person or inspector of ethics.
9. Review the results of past business decisions and learn from mistakes.
10. Strictly implements code of ethics developed by India and international standards for organization (ISO).
11. Implementation of ethical guideline, policies and all the Rules.
12. Consult other when decision making for better judgement on what is right and wrong.
13. Not allowing negative interpersonal to erode trust and recruit the right personal.
14. Awareness should be bring for use digital & paper less system.
15. Concept of Ease of doing business (EOSB) should be followed. In online permit system there are low possibilities for unethical conduct.

So for mitigating the ethical issues there must be Legislative laws that spell out punishment for any unethical practice and take actions on ethical violation and punish offenders. And students might be taught the lessons of values and ethics in institute. And all the people must be aware by himself regarding ethical issues in construction industry.

There could be many more ways to mitigate the ethical issues by thinking creatively to solve the issues and all must have to step forward and raised voice to the every unethical practices.

At last, all are doing unethical practice for fulfilment of their temporary desires which gives them temporary pleasures; but ultimately we harm our own self and our nation which is biggest barrier to growth of nation.

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