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Document Version:
Article
Do ethical work climates influence supplier selection decisions in public organizations? The moderating roles of party politics and personal values.
Figure 1: Conceptual Framework

Ethical Work Climates

Party Politics

Personal Values

Suppliers Selection Decisions
Table 1: Means, Standard deviation, and Pearson’s Correlation Coefficients of variables

<table>
<thead>
<tr>
<th></th>
<th>SSD</th>
<th>BEC</th>
<th>REC</th>
<th>IPV</th>
<th>IEC</th>
<th>TPV</th>
<th>POL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Std. Dev.</td>
<td>0.943</td>
<td>0.871</td>
<td>0.706</td>
<td>1.050</td>
<td>0.847</td>
<td>0.711</td>
<td>0.880</td>
</tr>
<tr>
<td>BEC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>REC</td>
<td>0.37**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IPV</td>
<td></td>
<td>0.24**</td>
<td></td>
<td></td>
<td>0.10*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IEC</td>
<td></td>
<td></td>
<td>0.21**</td>
<td></td>
<td>0.12*</td>
<td>-0.22**</td>
<td></td>
</tr>
<tr>
<td>TPV</td>
<td></td>
<td></td>
<td></td>
<td>0.35**</td>
<td></td>
<td>-0.12*</td>
<td>0.22**</td>
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<tr>
<td>POL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.31**</td>
<td>0.19**</td>
<td>-0.22**</td>
</tr>
</tbody>
</table>

Note: **p < 0.01; *p < 0.05 (two-tailed test). SSD - supplier selection decision; BEC - benevolent ethical climates; REC - rules (principled) ethical climates; IEC - instrumental ethical climates; IPV - instrumental (self-enhancement) personal values; TPV - self-transcendence (benevolent) personal values; POL - politics.
<table>
<thead>
<tr>
<th>Independent Variables.</th>
<th>β</th>
<th>t-statistics</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolence/cosmopolitan climate</td>
<td>0.105</td>
<td>2.115</td>
<td>0.035</td>
</tr>
<tr>
<td>Instrumental climate</td>
<td>-0.277</td>
<td>-5.164</td>
<td>0.000</td>
</tr>
<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.131</td>
<td>2.586</td>
<td>0.010</td>
</tr>
</tbody>
</table>

**Note:** Model’s $F$-value = 26.065, Adjusted $R^2 = 0.269$, $p$-value = 0.000

Table 2: Effects of ethical work climates on supplier selection decisions
Table 3: Regression Models for High Moderator Variables Groups

<table>
<thead>
<tr>
<th>Model</th>
<th>Standardised β</th>
<th>t-statistics</th>
<th>p-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>-0.096</td>
<td>-1.626</td>
<td>0.094</td>
</tr>
<tr>
<td>Instrumental climate</td>
<td>-0.326</td>
<td>-6.303</td>
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</tr>
<tr>
<td>Principled/cosmopolitan climate</td>
<td>-0.029</td>
<td>-0.614</td>
<td>0.540</td>
</tr>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>0.085</td>
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<td>0.112</td>
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<tr>
<td>Instrumental climate</td>
<td>-0.289</td>
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<td>0.000</td>
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<tr>
<td>Principled/cosmopolitan climate</td>
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<tr>
<td>Benevolent/cosmopolitan climate</td>
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<tr>
<td>Instrumental climates</td>
<td>-0.117</td>
<td>-2.318</td>
<td>0.021</td>
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<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.101</td>
<td>1.993</td>
<td>0.044</td>
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</tbody>
</table>

Note: Model 1*(high level of politics) F = 28.716, Adjusted R^2 = 0.381, p < 0.01; Model 2*(high level of self-enhancement personal values) F = 24.100, Adjusted R^2 = 0.251, p = 0.01; Model 3*(high level of self-transcendent personal values) F = 14.903, Adjusted R^2 = 0.109, p < 0.05.

Table 3: Regression models for high moderator variables groups
Table 4: Regression Models for Low Moderator Variables Groups

<table>
<thead>
<tr>
<th>Model 1&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Standardised β</th>
<th>t-statistics</th>
<th>p-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>0.029</td>
<td>0.614</td>
<td>0.540</td>
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<tr>
<td>Instrumental climate</td>
<td>-0.144</td>
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<td>Principled/cosmopolitan climate</td>
<td>0.008</td>
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</table>

<table>
<thead>
<tr>
<th>Model 2&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Standardised β</th>
<th>t-statistics</th>
<th>p-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>0.120</td>
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<td>0.019</td>
</tr>
<tr>
<td>Instrumental climate</td>
<td>-0.191</td>
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<td>0.000</td>
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<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.136</td>
<td>2.729</td>
<td>0.005</td>
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</table>

<table>
<thead>
<tr>
<th>Model 3&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Standardised β</th>
<th>t-statistics</th>
<th>p-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>0.015</td>
<td>0.259</td>
<td>0.796</td>
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<tr>
<td>Instrumental climates</td>
<td>-0.180</td>
<td>-3.250</td>
<td>0.001</td>
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<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.099</td>
<td>1.914</td>
<td>0.056</td>
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</table>

Note: Model 1<sup>b</sup> (low level of politics) $F = 21.930$, Adjusted $R^2 = 0.252$, $p < 0.01$; Model 2<sup>b</sup> (low level of self-enhancement personal values) $F = 16.413$, Adjusted $R^2 = 0.125$, $p < 0.01$; Model 3<sup>b</sup> (low levels of self-transcendent personal values) $F = 10.288$, Adjusted $R^2 = 0.099$, $p < 0.05$

Regression models for low moderator variable groups

169x112mm (150 x 150 DPI)
Do ethical work climates influence supplier selection decisions in public organizations? The moderating roles of party politics and personal values.

Abstract

*Purpose* - This study examined the relationship between ethical work climates (EWCs) and supplier selection decisions (SSD), and the moderating roles of party politics and personal values on this relationship.

*Design/methodology/approach* - A total of 600 senior level personnel from 40 Nigerian public organizations were surveyed using structured questionnaires. Multiple regression analysis was used to test the hypotheses developed for the study after assessing construct reliability and validity.

*Findings* - Results show that both high and low levels of external political pressures significantly reduce the perception that organisational SSDs are ruled-based and pro-social in nature. Furthermore, regardless of the level of perception of instrumental personal values by employees, instrumental ethical climates significantly determine SSDs; principled/cosmopolitan climate and benevolent/cosmopolitan climate only become significant perceptible determinants when there is less room for the accommodation of personal goals during SSD processes.

*Research limitations/implications* - This study only examined the relationship between ethical climate perceptions and supplier selection decisions without controlling for the effects of some important possible intervening variables on this relationship. Therefore, the study encouraged future researcher to enhance the generalizability of our findings by incorporate relevant control variables in the model, as well as examining other decision phases in the public buying process.

*Originality/value* – This study is original to the extent that only a few studies in the literature are devoted to perceptions of EWCs in African organizations, and no previous studies have examined this phenomenon in relation to SSDs in Nigerian public firms.

*Key Words*: Ethical Work Climates, Supplier Selection Decisions, Public Sector, Nigeria, Party Politics, and Personal Values.
Introduction

Described as the ‘prevailing perceptions of typical organizational practices and procedures that have ethical content’ (Victor & Cullen, 1988, p. 101), EWCs have attracted great scholarship in recent years, mainly because of their ability to explain decision-making and the likely response to ethical issues arising from such decisions (Newman, Round, Bhattacharya, & Roy, 2017; Simha & Cullen, 2012). Indeed, EWC theories have been applied to examine a broad range of organizational outcomes and behaviors including, but not limited to, ethical behavior (Wimbush, Shepard, & Markham, 1997), unethical behavior (Peterson, 2002), turnover intention (Mulki, Jaramillo, & Locander, 2008); accountability (Laratta, 2011); job satisfaction and commitment (Okpara & Wynn, 2008; Shafer, Poon, & Tjosvold, 2013), marketing employees’ job satisfaction and behavior (DeConinck, 2010), and managerial success (Simha & Stanusch-Stanusch, 2013). However, no previous study has considered the relationship between the EWC dimensions and supplier selection decisions in public sector organizations.

Supplier selection decision (SSD) describes the later stages in the buying decision (or procurement as it is often referred to in government/public administration literature) process where a decision to choose one (or a few) suppliers from a list of pre-qualified potential suppliers is made (Lindskog, Brege, & Brehmer, 2010). Ordinarily, supplier selection decisions are not so straightforward because of the multiple criteria and goals (both subjective and objective) that have to be taken into consideration (Akenroye & Aju, 2013; Carter, Maltz, Maltz, Goh, & Yan, 2010; Creyer, 1997; Ehrgott, Reimann, Kaufmann, & Carter, 2011; Kisly, Tereso, & Carvalho, 2016). More so, SSD ‘is a particularly important area of strategic decision-making when it comes to sustainability and ethical behaviour’ (Goebel, Reuter, Pibernik, & Sichtmann, 2012, p. 7), and because of its pro-social nature, governments often employ public procurement and supplier selection exercises as vehicles for promoting a broad range of social policy programs and ethically-responsible corporate governance agenda aimed at enhancing public welfare (Akenroye, 2013; Malloy & Agarwal, 2010). Hence, the supplier evaluation and selection decision stage is a very important phase in the public procurement process, not least because the contractor choices made may significantly affect goals attainments (Akenroye, 2013). To guide against irrational favoring, as well as to ensure that pre-qualified or chosen suppliers meet the minimum compulsory and non-compulsory requirements often included in published request for proposals (RFPs), the public procurement process is usually constrained by strict rules (Lindskog et al., 2010). These rules are meant to enhance transparency, equity, fairness, accountability, value-for-money, and due process in government procurement.

Despite these rules however, scholars and practitioners have reported that public sector SSDs are marred by questionable ethical practices (Achua, 2011; Lindskog et al., 2010; Nwapi, 2015). In Nigeria, for example, a Minister has the discretion to waive a contractor’s obligation to meet some of the important requirements for a public works project (Nwapi, 2015), and about 7 out of 10 enterprises vying for government contracts have reported being asked to pay some form of bribe worth between 1-15 percent of the given contract value (Achua, 2011, p. 323).
More so, the informal negotiations that often precede public SSDs (Lindskog et al., 2010) and the outcry that often follow the selection of certain suppliers makes the process and outcome suspicious in the eyes of most stakeholders (Achua, 2011; Osisioma, 2001; World Bank, 2017). Therefore, the theoretical utility of investigating public employees’ perception of their organizations’ policies, procedures, reward/punishment systems and behaviour during SSDs will add to our understanding of the challenges of public sector reforms, especially in emerging markets.

Furthermore, there is a glaring paucity of theory-based studies on the antecedents of EWCs (Newman et al., 2017). Although various studies have suggested a broad range of possible moderators of ethical work climates (e.g., Newman et al., 2017; O’Fallon & Butterfield, 2005; Simha & Cullen, 2012), researchers have largely neglected the potential moderating roles of personal values and party politics on the relationship between EWCs and organizational outcomes. There is ample evidence showing that the values held by individuals drive their attitude and behavior in organizations (Roman, 2013; Sousa, Ruzo, & Losada, 2010; Suar & Khuntia, 2010). In the same vein, trait activation theory (TAT) also suggests that organizational situation or context may provide cues for the activation of certain kinds of personality trait or values during decision-making (Tett & Guterman, 2000). On the other hand, institutional theory (DiMaggio & Powell, 2000; Scott, 2008) and resource dependence theory (Davis & Adam Cobb, 2010; Hillman, Withers, & Collins, 2009) both suggest that organizations and their actors will always act in tandem with the rules, norms, values and expectations dictated by the larger institutional/societal framework from which they derive their legitimacy, if they are to continue to survive. Although the foregoing-cited studies may give some indications of the nature of the relationship between EWCs and organizational outcomes, some important questions, especially as relates to these antecedents and public sector SSDs, may still need to be answered. For instance, will high (low) levels of party politics be associated with the feeling by employees that their organizations promote inordinate self-interest (pro-public) values during SSDs? Will decision-makers with high (low) instrumental (benevolent) value orientation perceive public sector SSDs as being unethical (rule-based)?

Aiming to make a modest contribution to the literature, the present study has two main research objectives: a) to explore the influence of EWC on supplier selection decisions in the Nigerian public context and b) to investigate the potential moderating effects of party politics and decision makers’ personal values on the aforementioned relationship. The next part of this paper presents a detailed review of the literature around EWC theory as well as the arguments that underpin our research hypotheses. This is then followed by the description of our research methodology and data analysis results. In the last two parts, we present a discussion of the findings, followed by the study’s main conclusions, limitations and direction for future research.
Literature review

Ethical Climate Theory

The literature generally acknowledges that it was Victor and Cullen (1987, 1989) who conceptualized EWC theory in its current form by combining elements of moral philosophy (also referred to as the ethical criterion) and organizational sociological referent group theories (also known as loci of analysis) to develop the construct (Dinc & Huric, 2017; Newman et al., 2017; O’Fallon & Butterfield, 2005; Simha & Cullen, 2012). Based on the ethical criteria or moral philosophy dimension, Victor & Cullen (1988) categorized EWC types into three: egoism, benevolence and principle climates. Egoism explain behaviors hinged on self-interest. Benevolence is based on utilitarian philosophy and it is concerned with decision behaviors aimed at arriving at the maximum benefit for the greatest number of people (Simha & Cullen, 2012). Principle or deontology climates encourage workers’ actions and behaviors to comply with extant rules, laws and code (Martin & Cullen, 2006; Victor & Cullen, 1988).

The sociological reference group dimension (i.e. individuals’ source of cues concerning condonable or unacceptable behavior) also consist of three loci of analysis (Simha & Cullen, 2012; Victor & Cullen, 1988): individual, local, and cosmopolitan dimensions. Where individuals make decisions based on their personal convictions, beliefs and values, the referent or locus of analysis is said to be ‘individual’, but if the cues for such decisions comes from organizational policies, practices or procedures, the referent is said to be ‘local’ (Victor & Cullen, 1988). The referent or locus of analysis is said to be ‘cosmopolitan’ when decisions are based on factors external to both the individual and organization (e.g., the Constitution, professional associations, and the Bible) (Victor & Cullen, 1988). The combination of these two broad dimensions resulted in nine EWC types: Self-interest, efficiency, company profit, personal morality, social responsibility, rules, procedures, law, and professional codes. Victor & Cullen (1988) did concede that their nine climates typology was only a framework and not all nine climate types may be found in a single organizational. However, recent empirical studies reported the prevalence of five types of EWC across a broad range of organizations: instrumental, independence, caring, rules, and law & code climates. (Malloy & Agarwal, 2010; Martin & Cullen, 2006; Newman et al., 2017; Shafer et al., 2013; Simha & Cullen, 2012; Simha & Stachowicz-Stanusch, 2013; Tsai & Huang, 2008)

Instrumental climates describe egoistic self-seeking behaviour, and it is associated with both the individual (personal interest) and local (organization’s or firm’s interest) loci of analysis. Workers operating under such a climate view their work environment as having norms that promote ‘ethical decision-making from an egoistic perspective’ (Simha & Cullen, 2012, p. 21). Decision-makers operating under this climate type take their personal interest into consideration when making decisions, not minding whether others would be disadvantaged by their behaviour. Instrumental climates contrast with the caring types of climate whereby employees ‘perceive that their decisions are, and should be, based on an overarching concern for
the well-being of others’ (Simha & Cullen, 2012, p. 21). Also associated with both the individual and local loci of analysis, caring climates are derivatives of benevolence (utilitarian) philosophy which advocate behaviour that result in the greatest good for the majority (Martin & Cullen, 2006; Newman et al., 2017).

Independence, rules, and law & codes climates are all associated with the principled construct (Victor & Cullen, 1988). Associated mainly with the individual locus of analysis, employees operating under independence climates base their decisions on strong personal convictions rooted in personal moral beliefs. Such individuals are driven by deep convictions about ethics, so much so that they are not easily influenced by external forces (Roman, 2013; Simha & Cullen, 2012). In rule-controlled work environments, the locus of analysis is local; employees feel a strong perception that decisions are guided by a strict and pervasive set of local rules and protocols (Martin & Cullen, 2006). Within a work environment where principled adherence to external codes of conduct is prevalent, employees perceive that decision-making is, and ought to be guided by, external codes of ethics and standards. Such climate types are also associated with the cosmopolitan locus of analysis (Simha & Cullen, 2012; Victor & Cullen, 1988).

**Conceptual framework and hypotheses**

The conceptual framework developed to be tested in this study is presented (Figure 1). While the EWC theory by Victor and Cullen (1987, 1988) forms the ‘base’ theory for the framework, other auxiliary theories including institutional theories and personal values theories are incorporated to develop the framework. The proposed hypotheses as well as the logical reasoning preceding them are discussed in the proceeding sub-sections.

**Figure 1: Conceptual Framework**
EWCs and public sector SSDs

Context-specific studies of EWCs seems to suggest that certain climate types fit well with particular types of organizations. For example, organizations requiring adherence to a visible set of rules and guidelines (e.g. medical practices, public organizations, law firms, etc.) or those which pursue non-profit and humanitarian/pro-social goals (e.g. government and non-governmental organizations) are most likely to be associated with principled and benevolence climates, including rules climate, law & codes climates, independence climates and caring climates (Malloy & Agarwal, 2010; Martin & Cullen, 2006; Newman et al., 2017; Shafer et al., 2013; Simha & Cullen, 2012). Conversely, firms whose operating environment is characterized by encouragement of individual success, firm profitability, market uncertainty & volatility, competition, and corruption are most likely to be associated with instrumental/egoistic climate types. It follows, therefore, that because public sector organizations espouse pro-social objectives, and their decision activities are and ought to be constrained by strict rules so as to ensure the success of government policies (Akenroye, 2013; Lindskog et al., 2010), their SSDs will be associated with the perception of principled and benevolence climates. Furthermore, given the expectation that public sector employees are to imbibe ethical orientations geared towards the protection of public interest and maximization of social benefits for the general public in terms of fairness, equity, transparency and accountability (Akenroye, 2013; Akenroye & Aju, 2013; Lindskog et al., 2010; Raile, 2013), it is plausible to find or expect benevolence/cosmopolitan and principled/cosmopolitan types of climates during public procurement decisions.

However, there are studies which have found strong evidence of egoistic/individual and egoistic/local climates (i.e. instrumentalism) in rule-controlled public sector work settings, despite their universalistic utilitarian objectives. For example, Venezia et al. (2010) found that public sector employees perceive their work environment as encouraging of behaviours hinged on rules/codes, social responsibility, caring for others’ welfare and instrumentalism (including self-interest). In the same vein, Malloy & Agarwal (2010) demonstrated the existence of five types of climates in government organizations: individual caring, efficiency, instrumental, law and code, and independence. This is not completely surprising because studies have also shown that government activities, especially in developing countries, provide fertile grounds for corrupt practices (Okpara & Wynn, 2008; Parboteeah et al., 2014; Tanzi, 1998), and public procurement and supplier selection activities are particularly prone to these vices (Achua, 2011; Lindskog et al., 2010; Nwapi, 2015). In the specific case of Nigeria, Achua (2011, p. 323) contends that ‘corruption is the single most important cause of waste and inefficiency in Nigeria’s public sector’. In fact, cases of contract sum inflation, double-debiting, payment for contracts not executed, outright demands for gratifications, leaking of privileged bid information by procurement officials, blatant violations of financial regulations, contract ‘splitting’, conflicts of interest resulting from awards of contracts to unqualified friends and relations, etc. have been widely reported in the Nigerian public procurement system (Achua, 2011; Osisioma, 2001;
Parboteeah et al., 2014; World Bank, 2017). This is despite the presence of a large and pervasive body of both external laws/codes (e.g. The Nigerian Public Procurement Act, 2007, and the Nigerian Local Contents Act, 2010) and several internal organizational rules and due process mechanisms aimed at ensuring ethicality and best practices in public procurement (Nwapi, 2015; Williams-Elegbe, 2015).

Some scholars (e.g. Nwapi, 2015) even seem to suggest that government policies and laws/codes meant to enhance integrity and equity in government supplier selection processes appear to contain some corruption vulnerabilities which may lead to the activation of self-seeking and instrumental tendencies by organizations and their members. For instance, the Local Contents Act of 2010 allows members of the Content Monitoring Boards, in facilitating their duties, to accept gifts of money, land and other properties from bidding organizations. In some cases, a minister or procuring entity can waive a bidding organization’s obligation to meet the requirement of the Nigerian Local Content Law for a project. Given these provisions and loopholes in the law, Nwapi (2015, p. 94) reasoned that ‘it is [not] [in]conceivable that the Board, which is manned by human beings, will more readily grant approvals to companies that have given gifts than to those that have not’. Against the background of the foregoing discussions, we hypothesize as follow:

**H1:** The EWC dimensions will all be significantly associated with public SSDs.

**Party Politics and EWCs**

According to Institutional Theory, an entity will always act in a manner that is deemed acceptable or agreeable within a socially constructed system. In the case of public sector organizations, this is best reflected in their dependent relationship with the government and political structure, a phenomenon described as coercive isomorphism (DiMaggio & Powell, 2000; Mason, 2012). Among the various government-cum-political elements that is likely to influence supplier selection process in public organizations, politics is one of the most cited in the pertinent literature (Khemakhem & Dicko, 2013, 2013; Peng & Luo, 2000; Roman, 2017; You & Du, 2012). Generally described as decision activities supportive of narrow political interests, regardless of public interest, party politics is the main mechanism through which most governments are established and run, and hence their impact on the decisions related to supplier selection cannot be discounted (Faccio, 2010; Roman, 2017).

Party politics has been reported to have both positive and negative effects on organizational processes (Faccio, 2010; You & Du, 2012). For example, although the undue influence brought to bear on organisational decision-makers by politicians can lead to decisions that undermine corporate governance and engender corrupt practices, organizations and their members continue to court and cultivate political affiliations with ‘political stakeholders’ as a means of mitigating hostility from the business environment, as well as ensuring favourable considerations on policy and regulatory matters (Faccio, 2010; Lindskog et al., 2010; Sun,
Mellahi, & Wright, 2012; You & Du, 2012). Therefore, we reasoned that because politicians are known to exhibit ‘opportunistic behaviour’ by commanding or obliging firms to undertake actions with low social but high private returns (Sheng, Zhou, & Li, 2011, p. 3), it is most likely that high levels of party politics in internal public organizational processes may be associated with greater perception of egoistic climates than the other climate types by employees. Specifically, we hypothesize as follow:

\[ H_2: \text{Party politics (a) moderates positively the relationship between instrumental EWCs and SSDs; and (b) moderates negatively the relationship between the non-instrumental (i.e., principled/benevolent) climates and SSDs.} \]

**Personal values and EWCs**

Schwartz (1992) argues that all kinds of values can be explained in terms of three requirements which are fundamental to human existence: (i) biological needs; (ii) the requirement of orderly co-ordinated social interactions; and (iii) the demand of group functioning and survival. The theory as postulated by Schwartz (1992) further derives ten (10) value types organized into two opposing bi-polar orientations: (i) openness-to-change (stimulation, hedonism and self-direction) versus conservatism (security, conformity and tradition); (ii) self-enhancement values (power and achievement) versus self-transcendence values (universalism and benevolence). The moral dimensions of individual behaviour are usually captured by self-enhancement versus self-transcendence values, which have also been described as ‘higher-order’ values (Fu, Tsui, Liu, & Li, 2010; Schwartz, 2006). It is also interesting to note the similarities among the constructs (e.g. self-enhancement values reflect instrumental EWCs while benevolence values correspond with benevolence and caring climates).

Although EWCs are essentially a group-level phenomenon, while personal values are elements of individuals’ personality and cognitive structure, they are both shaped by elements of the society’s culture and values through the learning process of socialisation (McGuire, Garavan, O’Donnell, Saha, & Cseh, 2008; Schwartz, 2006). While some scholars (e.g. McGuire et al., 2008) seem to contend that the socialization process in organizations is responsible for shaping decision-makers’ value orientation, it is generally agreed that organizational contexts only provide the platform and opportunity for individuals to express/activate the values which are already innate in them (Sagiv & Schwartz, 2007). Several empirical studies appear to lend some credence to the foregoing line of argument. In a study meant to determine whether employees behave differently in public versus private organizations, Baarspul & Wilderom (2011) concluded that though differences exist between public and private sector organizations, these differences do not translate to the individual level. Similarly, the study by Roman (2013) found a distinct and powerful difference between how on-the-job (or professional) values and off-the-job (or personal) values explain how procurement decisions are made, and how issues of accountability are assessed. The study demonstrated that procurement officers perceive certain decisions as ‘correct’ within the context of their work environment yet reject or condemn similar
decisions within the domain of their private life. These findings are consistent with the observation that the dynamics of personal values are contingent on societal and organizational cultures; that the manifest behaviour of individuals can be explained in the enculturation (socialisation) process which the organization’s ethical work climate permit (Fu et al., 2010; McGuire et al., 2008; Schwartz, 2006). Based on the above discussion, the following hypothesis is put forward to be tested:

\[ H_3: \text{Personal value will moderate the relationship between EWCs and SSDs.} \]

**Research Methodology**

**Sample and data collection**

In order to fulfil the study’s research aims, we conducted a quantitative survey. In doing so, data were collected with the use of a structured questionnaire, which was addressed to senior level employees at 40 different federal public organizations/corporations in Nigeria. The study’s sampling frame included all organizations that are either listed on the Adjusted Schedule to the Nigerian Fiscal Responsibility Act of 2007 (Omoya, 2016) or created by Nigerian Federal Executive Fiats/Parliamentary Acts. The two main criteria for an organization to be included in our sampling frame were: a) to have been established with the aim to provide affordable (subsidised) goods and services for the public, and b) to engage in income-generating commercial activities (though not-for-profit). The organization types range from manufacturing, transportation, to health and education service providers.

All the respondents were identified by their designation/explicit responsibilities in their respective organizations. Initial physical contacts with the prospective respondents were made by the first author and four other experienced researchers who were recruited and by the authors of this study for the purpose of administering the research instrument. In all cases, the purpose for the research was explained to the respondents, and written assurances of anonymity and confidentiality of responses (in the form of cover letters) were also given. A total of 600 questionnaires were given to 15 purposely selected participants in each of the 40 organizations surveyed. After repeated visits and reminders (using text messages and telephone calls) to the participants, 365 completed questionnaires were retrieved, representing a response rate of 60.8%. After checking for completeness of responses, 31 questionnaires were found unsuitable for inclusion in the study, resulting in an adjusted sample size of 324. It is important to note that distribution of competed questionnaires per organization used in the final analysis range from 33.3% (i.e., 5 out of 15 potential participants) to 80% (i.e., 12 out of 15 participants). This suggests that a broad cross-section of opinion per organization is represented in the sample.

The final sample was made up of 201 (62.04%) male and 123 (37.96%) female respondents, and the average age of respondents was 40.2 years (\( S.D. = 8.46 \)). On average, the
participants had worked in the public sector for 17.6 years ($S.D = 6.9$) and had been in their current position for 3.8 years ($S. D = 1.97$). With respect to participants’ level of education, 51 (15.74%) respondents had equivalent of a university diploma, 198 (61.11%) are holders of a first degree or equivalent certificates, 60 (18.52%) have a master’s degree or equivalent, and 15 (4.63%) hold doctoral degree certificates or equivalent.

**Instrument and scale development**

The literature on ECs report a great variation in the instrument and scales used in measuring/assessing the EC construct, ranging from two-item measures (e.g. Stewart, Volpone, Avery, & McKay, 2011) to 36-item scale questionnaires (e.g. Cullen, Victor, & Bronson, 1993; Peterson, 2002). Furthermore, differences in the Likert scales used in some of these studies (four-, six- or seven-point scales), as well as the use of diverse construct indicators in different studies to measure the same construct has resulted in inconsistent factor loadings across various studies (Newman et al., 2017; Simha & Cullen, 2012). These inconsistencies may be attributed to the fact that some of these studies did not capture the EWC construct as conceptualized by Victor and Cullen (Simha & Cullen, 2012). Given the foregoing discussion, as well as the need to enhance result generalizability, we adapted the modified Ethical Climate Questionnaire proposed by Cullen et al. (1993), as applied by Shafer et al. (2013) in investigating EWC perceptions in Singaporean public accounting firms. The EWC scale is made up of 20 items, with each of the five theoretical climate types being measured by four statements.

Items from the Schwartz’s Values Survey (SVS) instrument were used to measure personal values. Because this study was only interested in the self-enhancement versus self-transcendent components of Schwartz’s value theory, we only used the scales that related to these constructs. This sub-scale consists of 15 items meant to capture values that emphasize personal success (achievement), power (prestige, social status, dominance over others), concern for the welfare of associates (benevolence), and the welfare of all people (universalism). The scale for party politics is made up five items adapted from the works of Roman (2017), You & Du (2012), and Khemakhem & Dicko (2013). The scale captures the degree to which employees perceive that decision processes in their organization are influenced or controlled by external political party considerations and stakeholders in terms of different parties expressing competing preferences, exerting pressure to accommodate their interests, and appointments of politically-connected directors. The scale used in measuring supplier selection decision comprises four items adapted from Ehrgott et al. (2011) and Kannan & Tan (2002). The scale captures employee’s perception of the degree to which their organization attaches importance to supplier selection in terms of both quantitative and qualitative criteria.

To assess the unidimensionality and reliability of the measures used, exploratory principal component analyses was performed. The EWC and personal value measures were
analysed as a single group. In all cases, a minimum threshold value of 0.4 was used. An analysis of the EWC and personal value measures resulted in five distinct factors: (1) a six-item instrumental EWC factor representing egoistic (individual/local) climates ($\alpha = 0.87$); (2) a three-item benevolent/cosmopolitan EWC factor with $\alpha = 0.78$ (one item significantly cross-loaded on self-transcendent personal values, and had to be deleted); (3) a six-item principled cosmopolitan/individual EWC with $\alpha$ value of 0.75; (4) a four-item self-enhancement personal value scale with an $\alpha$ coefficient of 0.74; (5) a three-item self-transcendent value scale with $\alpha = 0.81$. Thus, the initial five-factors 20-item EWC was reduced to three composite dimensions: instrumental ethical climates, benevolent/cosmopolitan climates, and principled/cosmopolitan climates. The significant cross-loadings observed between/among some of the measures for both EWCs and personal value is neither unexpected nor surprising. This is because, though theoretically distinct, they are both related to the moral drivers of decision-making.

Four of the five items meant to measure party politics all loaded significantly on a single dimension ($\alpha = 0.77$); one of the items was deleted because it caused variance inflation (thus indicating cross-loading tendency). All the four items in the supplier selection decision scale loaded significantly on a single dimension ($\alpha = 0.94$). The entire item pool was further subjected to a multicollinearity test to ensure that none of the items was redundant. The analysis shows that none of the items in the final item pool has a variance inflation factor exceeding 5.73. To further assure ourselves of the unidimensionality and independence of the construct measures, we performed a confirmatory factor analysis (CFA) for all the items after the initial exploratory analysis. The resulting six-factor model provided strong fit for the data: GFI = 0.89, AGFI = 0.83, CFI = 0.91, and RMSEA = 0.052.

To test for data normality, the Kolmogorov-Smirnov/Shapiro-Wilk and skewness/kurtosis tests were applied. The Kolmogorov-Smirnov/Shapiro-Wilk tests returned $p$-values less than 0.01, thus suggesting that the data may not be normally distributed. However, it is quite common for these tests to return significant results when applied to large samples ($n>200$), even when the scores are fairly normally distributed. A more appropriate test in this situation is to use the skewness and kurtosis tests and other graphical methods including histograms and normal Q-Q graphs (Pallant, 2016). The asymmetry values of our variable scores had a range of -0.103 and -0.378, while the kurtosis coefficients had a range of -0.301 and -0.785. These coefficients are within the conventional cut-off range of -1 and +1, thus indicating that our data have no non-normality issues (Pallant, 2016).

Furthermore, we recognized that the use of a single instrument/source to gather data on both the dependent and independent variables may result in common method variance, a situation that may bias our findings (Podsakoff, MacKenzie, & Podsakoff, 2012). To test for common method bias, we estimated the partial correlation for all the variables using a conceptually irrelevant measure (time pressure perception) which was included in the questionnaire as a control variable. Consistent with the criteria that a control variable must satisfy (Lindell & Whitney, 2001), the scale is reliable (Cronbach’s $\alpha = 0.792$), it is not
conceptually similar to the other variables being examined, and it is not conceptually correlated to the other variables. All partial correlations were found to be very similar to the correlations without the control variable (Table 1), hence there is no indication of common method variance.

Results and Findings

Correlation analysis.

Bi-variate correlation coefficients were estimated and tested to determine the pattern and significance of the relationships between pairs of variables (Table 1). The correlations are largely consistent with prior expectations. In line with $H_1$, all the EWC measures were strongly and significantly associated with SSD. However, while a significantly negative relationship was observed between instrumental ethical climate and SSD, supplier selection decision was positively associated with both REC and BEC. Given the negative connotations often associated with the IEC construct, the negative relationship between its measures and SSD indicates that the perceived prevalence and preponderance of parochial and self-serving norms in public sector organizations is associated with sub-optimal supplier selection decisions. In the same vein, the positive relationships between SSD and both REC and BEC will suggest that public sector organizational environments are highly supportive of rule-based procurement practices and pro-social considerations which will lead to greater importance being attached to supplier selection criteria. Although all three composite EWC measures were significantly correlated with SSD ($p<0.01$), consistent with $H_1$, the correlation coefficient of IEC was the largest. This indicates that inordinate self-interest predominates public sector SSDs, despite existing rules and the pro-social objectives/outlook of these organizations.

A highly significant positive correlation was observed between the measures of IEC and IPV. As expected also, self-transcendence personal values (TPV) were significantly positively associated with measures of BEC and REC. Taken together, these results support $H_{3a}$. It suggests that work environments that are supportive of self-serving values will encourage the activation and exhibition of self-aggrandisement tendencies by employees; conversely, where employees believe organizational decisions to be strictly rule-based and always in the best interest of the majority, they are most likely to act in tandem with the prevailing conditions by curtailing/minimizing their self-interest and projecting pro-social utilitarian values.

Table 1 also shows some important correlations worth mentioning. Although not hypothesized, instrumental ethical climate was significantly and negatively correlated with all the variables, except IPV and politics (POL) where the relationship was positive and significant. This is not surprising because, as discussed previously, both IPV, IEC and POL are often connoted in a negative light (on account of their perceived emphasis on narrow/parochial interest), while the other independent variables are more associated with positive outcomes. Surprisingly however, the correlations between POL and both REC, BEC and SSD were found to
be positive (only REC was significant). These may suggest that the pressure exerted by external political interests/stakeholders during organizational decision processes leads to a heightened awareness of the need to invoke and follow extant rules during SSDs. It should be noted that this is only a speculation that requires further investigation.

Table 1: Means, Standard deviations, and Pearson's Correlation Coefficients of Variables.

<table>
<thead>
<tr>
<th></th>
<th>SSD</th>
<th>BEC</th>
<th>REC</th>
<th>IPV</th>
<th>IEC</th>
<th>TPV</th>
<th>POL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Std. Dev.</td>
<td>0.943</td>
<td>0.871</td>
<td>0.706</td>
<td>1.050</td>
<td>0.847</td>
<td>0.711</td>
<td>0.880</td>
</tr>
<tr>
<td>BEC</td>
<td>0.25**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>REC</td>
<td>0.37**</td>
<td>0.24**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IPV</td>
<td>0.20**</td>
<td>0.21**</td>
<td>0.10*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IEC</td>
<td>-0.42**</td>
<td>-0.35**</td>
<td>-0.12*</td>
<td>0.22**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TPV</td>
<td>0.28**</td>
<td>0.27**</td>
<td>0.31**</td>
<td>0.19**</td>
<td>-0.22**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POL</td>
<td>0.01</td>
<td>0.11*</td>
<td>0.04</td>
<td>0.13*</td>
<td>0.11*</td>
<td>-0.02</td>
<td></td>
</tr>
</tbody>
</table>

Note: **p < 0.01; *p < 0.05 (two-tailed test). SSD - supplier selection decision; BEC - benevolent ethical climates; REC - rules (principled) ethical climates; IEC - instrumental ethical climates; IPV - instrumental (self-enhancement) personal values; TPV - self-transcendence (benevolent) personal values; POL - politics.

Regression analysis

Regression analysis was used to test hypotheses $H_2$ and $H_{3b}$. The claims of these hypotheses could not be verified by just examining the correlations between variables. First, we estimated a regression model of the effect of the EWC measures (the independent variables) on SSD (the dependent variable) using the whole sample (Table 2). The resultant model was highly significant, and it explains approximately 27 percent of the variation in SSD.

Table 2: Effects of ethical work climates on supplier selection decisions

<table>
<thead>
<tr>
<th>Independent Variables.</th>
<th>Standardised $\beta$</th>
<th>t-statistics</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolence/cosmopolitan climate</td>
<td>0.105</td>
<td>2.115</td>
<td>0.035</td>
</tr>
<tr>
<td>Instrumental climate</td>
<td>-0.277</td>
<td>-5.164</td>
<td>0.000</td>
</tr>
<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.131</td>
<td>2.586</td>
<td>0.010</td>
</tr>
</tbody>
</table>

Note: Model’s $F$-value = 26.065, Adjusted $R^2 = 0.269$, $p$-value = 0.000

The results shown in Table 2 indicates that each of the three dimensions of EWC is a significant determinant of SSDs, but instrumental ethical work climate has a particularly strong influence. This result which also provides strong support for $H_1$ suggests that the inordinate pursuit of personal gratification rather than pro-social utilitarian goals seem to be the most significant consideration during public sector supplier selection decisions.

To determine the moderating roles of politics and personal values on the relationship between EWC perceptions and SSD, we split the whole sample into ‘low’ and ‘high’ groups, and
then used these groups to estimate a series of regression models. For the politics group (for instance), we first determined the median score for the whole politics subsample, and then use this median value to sort the scores on the respective independent variables as either being above the median (i.e. high level of political pressure) or below the median (i.e. low level of political pressure). This process was also applied to the other moderating variables. Tables 3 and 4 presents the regression models for the high and low groups of moderators respectively.

Table 3: Regression Models for High Moderator Variables Groups

<table>
<thead>
<tr>
<th>Model 1(^a)</th>
<th>Standardised (\beta)</th>
<th>(t)-statistics</th>
<th>(p)-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>-0.096</td>
<td>-1.626</td>
<td>0.094</td>
</tr>
<tr>
<td>Instrumental climate</td>
<td>-0.326</td>
<td>-6.303</td>
<td>0.000</td>
</tr>
<tr>
<td>Principled/cosmopolitan climate</td>
<td>-0.029</td>
<td>-0.614</td>
<td>0.540</td>
</tr>
<tr>
<td>Model 2(^a)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>0.085</td>
<td>1.525</td>
<td>0.112</td>
</tr>
<tr>
<td>Instrumental climate</td>
<td>-0.289</td>
<td>-5.416</td>
<td>0.000</td>
</tr>
<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.036</td>
<td>0.776</td>
<td>0.442</td>
</tr>
<tr>
<td>Model 3(^a)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>0.210</td>
<td>4.242</td>
<td>0.000</td>
</tr>
<tr>
<td>Instrumental climates</td>
<td>-0.117</td>
<td>-2.318</td>
<td>0.021</td>
</tr>
<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.101</td>
<td>1.993</td>
<td>0.044</td>
</tr>
</tbody>
</table>

Note: Model 1\(^a\) (high level of politics) \(F = 28.716\), Adjusted \(R^2 = 0.381\), \(p < 0.01\); Model 2\(^a\) (high level of self-enhancement personal values) \(F = 24.100\), Adjusted \(R^2 = 0.251\), \(p = 0.01\); Model 3\(^a\) (high level of self-transcendent personal values) \(F = 14.903\), Adjusted \(R^2 = 0.109\), \(p <0.05\).

The result shows that parochial self-interest (Instrumental EWC) is a highly significant determinant of public sector supplier selection decisions irrespective of the level of external political pressure. Furthermore, the non-significant beta values of benevolent and rules (principled) ethical climates at both high and low levels of external political pressure indicate that politics reduces the perceptible role of these climate types during supplier selection decisions, thus confirming \(H_2\). Similarly, the perception that organizational decisions are based on egoistic/narrow interest is significantly related to supplier selection decision, notwithstanding whether decision-makers project a high or low desire for achievement, recognition, personal wealth, prestige, power/dominance and/or self-importance.
Table 4: Regression Models for Low Moderator Variables Groups

<table>
<thead>
<tr>
<th>Model 1&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Standardised β</th>
<th>t-statistics</th>
<th>p-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>0.029</td>
<td>0.614</td>
<td>0.540</td>
</tr>
<tr>
<td>Instrumental climate</td>
<td>-0.144</td>
<td>-2.725</td>
<td>0.007</td>
</tr>
<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.008</td>
<td>0.154</td>
<td>0.878</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model 2&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Standardised β</th>
<th>t-statistics</th>
<th>p-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>0.120</td>
<td>2.311</td>
<td>0.019</td>
</tr>
<tr>
<td>Instrumental climate</td>
<td>-0.191</td>
<td>-3.667</td>
<td>0.000</td>
</tr>
<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.136</td>
<td>2.729</td>
<td>0.005</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model 3&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Standardised β</th>
<th>t-statistics</th>
<th>p-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benevolent/cosmopolitan climate</td>
<td>0.015</td>
<td>0.259</td>
<td>0.796</td>
</tr>
<tr>
<td>Instrumental climates</td>
<td>-0.180</td>
<td>-3.250</td>
<td>0.001</td>
</tr>
<tr>
<td>Principled/cosmopolitan climate</td>
<td>0.099</td>
<td>1.914</td>
<td>0.056</td>
</tr>
</tbody>
</table>

**Note:** Model 1<sup>b</sup> (low level of politics) $F = 21.930$, Adjusted $R^2 = 0.252$, $p < 0.01$; Model 2<sup>b</sup> (low level of self-enhancement personal values) $F = 16.413$, Adjusted $R^2 = 0.125$, $p < 0.01$; Model 3<sup>b</sup> (low levels of self-transcendent personal values) $F = 10.288$, Adjusted $R^2 = 0.099$, $p < 0.05$

Interestingly, all the ethical climate types had significant effects for decisions based on individuals’ value-sets related to high levels of universalism and concerns for public welfare, but the effects was insignificant for low levels of benevolent and principled climates; the exception here was that the perception of self-interest-based decision-making was also significantly associated with the opinion of employees who perceive that decision makers are driven by less concern for societal good than by individualistic goals (i.e. low levels of self-transcendent values). Thus, $H_{3b}$ is partially supported.

**Discussion and Implications**

The purpose of this study was to investigate Nigerian public employees’ perception of the ethical values prevalent in their organizations, and to determine the extent to which external political pressures and decision-makers’ personal value orientation shape these perceptions relative to supplier selection decisions. Only a few studies in the literature are devoted to perceptions of ethical work climates in African organizations (Newman et al., 2017; Parboteeah et al., 2014), and fewer studies still have considered these perceptible work conditions/attitudes relative to public sector supplier selection decisions in Nigeria. This is despite the globally reported issues associated with public procurement in Nigeria (World Bank, 2017). Thus, our study extends and supports extant research on the consequences and antecedents of ethical climates in public sector organizations in Africa.
Our study shows that benevolent/cosmopolitan climates, instrumental ethical climates, and principled/cosmopolitan climates are all significantly associated with supplier selection decisions, although public employees perceived the prevalence of self-centred decision-based conditions and tendencies to be the most overriding climate. Contrary to some findings (e.g., Rasmussen, Malloy, & Agarwal, 2003) which seem to suggest that law and code (principled/cosmopolitan) climate and social caring (benevolent/cosmopolitan) are the most prevalent climate types in government organizations, but consistent with the conclusions of other studies (e.g., Venezia et al., 2010), our study shows that instrumentalism is a climate feature in pro-social organizations, and it can even be the most prevalent climate type in such organizations (Shafer et al., 2013). Our result indicates that despite the presence of strict procurement rules/law, as well as the social/public welfare goals often espoused and pursued by public sector organizations during SSDs, employees feel that the process leaves enough room for decision-makers to accommodate/satisfy their selfish/parochial interest. This result further implies that government may find it very difficult to attain its procurement goals because the current level of enforcement of procurement regulations is inadequate to prevent malpractices in the process.

Our result also shows that both high and low levels of external political pressures significantly reduce the perception that organizational supplier selection decisions are ruled-based and pro-social in nature. However, neither of these pressure levels significantly diminished employees’ perception that decisions are based on narrow interests: higher levels of politics amplify this attitude, and lower levels lessens it only marginally. Employees who felt that high consideration is given to external political interests during supplier selection decisions also felt that such decisions are based more on self-interest than on selfless service to the public and compliance to laid-down ethos. Even when external political pressure is relatively low, employees still feel that the need to satisfy parochial interests remains paramount during supplier selection decisions. This finding is interesting because in the sample as a whole, all three climate types were significantly associated with SSD, but these significant relationships vanished when these climates interacted with high or low levels of political pressure. The only exception here was instrumental ethical climate which still had a significant effect regardless of the political pressure level. Thus, our finding implies that any form of external political interference in internal organizational decisions may result in the circumvention of rules and the minimisation of public benefits to the advantage of a few.

Regardless of the level of perception of instrumental personal values by employees, instrumental ethical climates significantly determines supplier selection decisions; however principled/cosmopolitan climate and benevolent/cosmopolitan climate only become significant perceptible determinants when there is less room for the accommodation or activation of personal ambitions/desires in the decisions. This finding seems to suggest that public servants are particularly aware of the corrupting nature of their work environment, and this awareness is even more heightened when the decision-making unit is characterized by individuals who value
power, recognition, achievement/accomplishment, wealth, enjoyment, respect and prestige above other qualities.

With respect to the moderating influence of self-transcendent personal values, our result indicates that employees perceived the presence of all the climate types when decision makers act/behave in line with the ideals of public service, but this perception is attenuated when employees feel that decision makers are unable to project their concerns for nature and the society at large during decision-making. Again, the only exception here was that there was a pervasive presence of instrumental ethical climate at both high and low levels of self-transcendental personal values. This implies that where the decision-making unit is made up of personnel who imbibe utilitarian values as their guiding principles in life, public employees will share a tangible feeling that decisions are and ought to be guided by both strict rules and the concern for public interest, even when the pursuit of narrow personal gains persist. Furthermore, where the decision makers are personnel who care less about universal/collectivist ideals, the emphasis will be on the pursuit of narrow suboptimal goals during public SSD. Under such a condition, procurement rules and ethos are set aside, and the pursuit of public service ideals are almost impossible. This explanation is plausible and consistent with the theory which argues that all individuals possess the same value types to different degrees; which value type is activated/expressed at any given time will depend on the decision context (Roman, 2013).

Taken together, our findings further imply that government’s current effort at reducing the influence of politics (and other negative influences including instrumentalism) in public procurement processes may not significantly improve or encourage the perception of beneficial climates (such a reduction is almost impossible given the embedded fiduciary link between government/political establishments and public firms). Current efforts are mainly aimed at enacting more laws and/or repealing/amending existing ones. Our findings suggest that the problem is not a shortage of rules/laws - there is a strong significant perception of the existence of a pervasive body of rules/law. The problem appears to be the ineffectiveness of these rules in the face of a thriving instrumental culture. To mitigate (encourage) the primacy of instrumental (benevolent/cosmopolitan and principled/cosmopolitan) values in public organisations, extant laws must be seen to be working. Therefore, government reform efforts should include the encouragement of ‘whistle-blowing’, the publication of all contract bidding/awarding criteria and the open publication of the proposal/bid documents of both winning and losing contractors, the permanent black-listing/delisting of erring contractors, the institutionalization of e-procurement structures which can automatically shortlist/select suppliers based on predetermined criteria, and the timely and transparent adjudication of contractors selection-related cases. It has been observed by the World Bank that delay tactics by Nigerian lawyers and judges leads to the cost of adjudication tripling those of the O.E.C.D countries, with cases dragging in court for five years or more (World Bank, 2017).

Furthermore, a national cultural reorientation programme aimed at changing peoples’ value orientation needs to be put in place. Most Nigerian people today celebrate personal wealth
and wealthy people, irrespective of how this wealth is acquired. The campaign may involve the
naming, shaming and prosecution of public servants who ostensibly live above their legally
allowable income limits, and the gratification, promotion, protection and motivation of personnel
who either expose incidences of sleaze or advance the public service ideals by their actions.
Granted that this may not eliminate the perceptions of egoistic climates in public organizations
(at least, not in the short run), it may encourage the activation of pro-social centred values while
discouraging ego-centric values. This recommendation is premised on our findings which also
shows that perceptions of pro-social and principled work climates are positive and significant
when self-transcendent values are high, but such perceptions become negligible when the work
condition discourages the activation of pro-social values.

Conclusions and suggestion for further research.

Our study arrived at some conclusions worth highlighting here. First, the
inordinate pursuit of self-interest, the ideals of public interest/service, and the perceived presence
of guiding rules are all significantly associated with public sector supplier selection decisions.
Within the Nigerian public sector context, employees generally perceive that more emphasis is
given to the pursuit of narrow self-centred goals than either adherence to procurement rules or
consideration for public welfare. Second, given the unethical self-serving tendencies often
associated with partisan politics, as well as the proximate dependent relationship between public
sector organisations and political establishments, the presence of egoistic-based decision-making
conditions will be more particularly felt by employees, compared to either rules-controlled or
public-centred decision conditions. This feeling will persist irrespective of whether the political
pressure is high or low. Third, public sector organizations which consist of employees and
decision-makers who place high (low) values on the pursuit of personal gains will pay less
(more) attention to adherence to rules/laws and the ideals of public service, while those with low
(high) levels of self-centred personnel will emphasize the application of extant rules and the
pursuit of public interest objectives. It appears, however, that the association of instrumental
ethical climate and decision processes in the Nigerian public sector will persist, irrespective of
the level of instrumental value orientation of the decision-makers.

Important as the findings and conclusions of this study are to both academics and policy
makers, we suggest that caution be applied when interpreting the results because of certain
limitations. First, this study only examined the relationship between ethical climate perceptions
and supplier selection decisions without controlling for the effects of some important possible
intervening variables on this relationship. Future research may incorporate such control variables
as ethnicity, position in the organization, educational level, gender, and level of professional
commitment into the model. This is because the literature suggests that these variables influence
the effect size of ethical climate perceptions on organizational outcomes (Newman et al., 2017;
O’Fallon & Butterfield, 2005; Shafer et al., 2013). Second, this study was mainly designed to
measure association rather than causality. Thus, qualitative and experimental designs may be

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applied in future to establish a prior relationship among these variables. Only then can a case for causality be made.

Third, SSD is only one decision phase in the public procurement process. The process ranges from needs recognition decisions to contract administration/evaluation decisions (Lindskog et al., 2010). Therefore, it is very possible that ethical climate perceptions relative to these different stages may vary significantly. Future researchers may consider examining the relationship of ethical climate perceptions relative to these distinct decision phases.

Fourth, this study only considered the moderating roles of party politics and personal values on supplier selection decisions. While these factors are important, their direct effects on public sector supplier selection decision stages can be explored in further studies. In the current study, the correlation between politics and SSD was positive, though very negligible. Does this suggest that the relationship between party politics and organizational process is more indirect and subtle as some authors seem to suggest (Sun et al., 2012; You & Du, 2012)? Or does this mean that politics may have more effect at the pre/post SSD stages? These are questions that may be incorporated into future studies. Finally, as desirable goals and principles that serve as guide in peoples’ lives, personal values are important predictors of attitudes and behaviour within organisations (Schwartz, 2006; Sousa et al., 2010). The current study only examined the self-enhancement versus self-transcendent dimensions of personal values as proposed by Schwartz (1992). Using the two bi-polar dimensions of Schwartz’s value theory, researchers may investigate how personal values shape/relate to ethical climate perceptions or how this value types influence SSDs in public sector organizations in developing country contexts.

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