Vol.6, No.5, pp. 62-83, October 2018

Published by European Centre for Research Training and Development UK (www.eajournals.org)

THE INFLUENCE OF ETHICAL WORK CLIMATES ON PUBLIC SECTOR SUPPLIER SELECTION DECISIONS

Essien Eyo Emmanuel (PhD)

Department of Marketing, Faculty of Management Sciences, University of Calabar, Calabar - Nigeria.

ABSTRACT: 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. A total of 600 senior level personnel from 40 Nigerian public sector organizations were surveyed. 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 goals during SSD processes. We conclude that the EWC dimensions do really reflect the Nigerian public sector SSD outcomes. Important implications for theory and practice are also presented.

KEYWORDS: Ethical Work Climates, Supplier Selection Decisions, Public Sector, Nigeria, Party Politics, and Personal Values.

INTRODUCTION

For many decades now, both academics, industry practitioners and policy makers have sought to understand and shed light on how ethics and ethical issues shape organizational decision processes and outcomes (Newman, Round, Bhattacharya, & Roy, 2017). Although several studies have highlighted the importance of ethics in determining attitudes and behavior in organizational contexts (e.g., Mulki, Jaramillo, & Locander, 2008; Raile, 2013; Shafer, Poon, & Tjosvold, 2013; Simha & Stachowicz-Stanusch, 2013; Tsai & Huang, 2008), the need for further research on how procurement processes are affected, especially supplier selection decisions, has been emphasized in the relevant literature (Ehrgott, Reimann, Kaufmann, & Carter, 2011; Goebel, Reuter, Pibernik, & Sichtmann, 2012; Lindskog, Brege, & Brehmer, 2010; Parboteeah, Seriki, & Hoegl, 2014; Roman, 2017). This need becomes even more apparent in the light of recent global corporate scandals, and a wide variety of ethical transgressions involving various organizational types (both in developed and industrialized countries). Indeed, continued global media coverage and exposure of corporate sleaze have made the ethical 'climate' and 'culture' of organizations a 'hot' topic (Martin & Cullen, 2006; Mulki et al., 2008; Simha & Cullen, 2012)

One of the most prominent streams of studies on the relationship between ethics and organizational outcomes is based on the Ethical Work Climate (EWC) theory developed by Bart Victor and John Cullen in 1987 and 1988 (Martin & Cullen, 2006; Newman et al., 2017; O'Fallon & Butterfield, 2005; Simha & Cullen, 2012). EWC describes the "prevailing

Vol.6, No.5, pp. 62-83, October 2018

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

perceptions of typical organizational practices and procedures that have ethical content"(Victor & Cullen, 1988, p. 101). When the interpretation or perception of what constitute 'right' (and condonable behavior) or 'wrong' (and detestable behavior) is shared among the members of an organization, such feelings feed into their attitude/behavior towards work-related issues, thus forming the psychological prism through which they evaluate and consider ethical decision situations in the organization (Martin & Cullen, 2006, p. 177). Indeed, the past twenty years has witnessed an increase in studies which examine the consequences and antecedents of EWC in organizations, mainly because of their ability to explain decision-making and the likely response to ethical issues arising from such decisions (Simha & Cullen, 2012). Nevertheless, there are several gaps in the pertinent literature that are yet to be filled, and important unanswered research questions.

Firstly, although 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 et al., 2008); accountability (Laratta, 2011); job satisfaction and commitment (Okpara & Wynn, 2008; Shafer et al., 2013); marketing employees' job satisfaction and behavior (DeConinck, 2010); and managerial success (Simha & Stachowicz-Stanusch, 2013); no previous study has considered the relationship between EWC perception and public sector supplier selection decisions. This gap is important given the conclusions of various research which observe that different organizational contexts (i.e., profit versus non-profit and government sectors) encourage different EWC types (e.g., Brower & Shrader, 2000; Malloy & Agarwal, 2010; Martin & Cullen, 2006; Raile, 2013; Rasmussen, Malloy, & Agarwal, 2003; Venezia, Venezia, & Hung, 2010).

Secondly, there is a glaring paucity of theory-based studies on the antecedents of EWCs (Newman et al., 2017). Although various studies have examined a broad range of possible moderators of ethical work climates (e.g., (Newman et al., 2017; O'Fallon & Butterfield, 2005; Simha & Cullen, 2012), to the best of our knowledge no existing study has explored the potential moderating roles of personal values and party politics on the relationship between EWC perceptions and supplier selection decisions. There is ample evidence showing that the values held by individuals drive their attitude and behavior in organizations (Roman, 2013, 2017; 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). Furthermore, 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. Given that "politics is one of the key determinants of a country's institutional landscape" (Khemakhem & Dicko, 2013, p. 118), it is possible that its pervasive influence will be particularly felt in public organizations because of the embedded ties between public sector organizations and government institutions (Lindskog et al., 2010; Roman, 2013).

Finally, despite the growing intensity in cross-cultural context studies (Laratta, 2009), only a few studies focus on African organizations (Newman et al., 2017; Okpara & Wynn, 2008; Parboteeah et al., 2014), and no existing study focuses on EWC related to supplier selection behavior of the Nigerian public organizations. For example, Parboteeah, Seriki, and Hoegl

Vol.6, No.5, pp. 62-83, October 2018

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

(2014) observe that only a negligible number of studies devoted to ethical issues in African organizations can be found in the major business ethics journals. In a qualitative study conducted to determine the relationship among ethnic diversity, corruption and ethical climate in the human resources management practices of South African and Nigerian organizations, they concluded that national contexts is a determinant of ethical climates in African organizations (Parboteeah et al., 2014). Similarly, using a random sample of 409 managers drawn from the business directory of companies in Nigeria, Okpara & Wynn (2008) investigated the effect of ethical climates on job satisfaction and commitment. Their study found significant relationships existing between the dimensions of ethical climates and both job satisfaction and commitment, with 58 percent of variation in job satisfaction being accounted for by the facets of EWCs (Okpara & Wynn, 2008). The gap in empirical research on the Nigerian public sector is both crucial and surprising, given the relative role/position of Nigeria on both the African and global business scenes, as well as ethical issues that trail most public procurement decisions in Nigeria (Achua, 2011; Oguonu, 2007; Osisioma, 2001).

Aiming to close the aforementioned gaps in 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

EWC theory has received notable attention by scholars during the past two-three decades (Agarwal & Malloy, 1999; Martin & Cullen, 2006; O'Fallon & Butterfield, 2005; Qualls & Puto, 1989; Raile, 2013; Schneider, 1981; Simha & Cullen, 2012). 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 and organizational sociocultural theories (Dinc & Huric, 2017; Newman et al., 2017; O'Fallon & Butterfield, 2005; Okpara & Wynn, 2008; Parboteeah et al., 2014; Simha & Cullen, 2012). EWC is defined as "the shared perception of what is correct behavior and how ethical situations should be handled in an organization" (Victor & Cullen, 1987, p. 51). In a later paper where they further developed the theory to cover a broad range of perceived prescriptions, proscriptions, and permissions (condonable behavior) during organization decision situations, they describe EWC as the "general and pervasive characteristics of organization, affecting a broad range of decisions" (Victor & Cullen, 1988, p. 101). Because these perceptions by employees are based on organizational norms and conventions gleaned from extant organizational procedures and practices (Martin & Cullen, 2006; Victor & Cullen, 1988), they serve as the psychological lens through which workers assess and understand decision situations (Simha & Cullen, 2012).

The EWC framework consists of two broad dimensions hinged on moral philosophy (also referred to as the 'ethical criteria') and sociological reference groups (or the loci of analysis).

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

Based on the ethical criteria or moral philosophy dimension, Victor & Cullen (1988) categorized EWC types into three: egoism, benevolence and principle climates. Egoism concerns behaviors based mainly on self-interest. Benevolence is based on utilitarian philosophy and it is concerned with decision behavior aimed at arriving at the most optimal 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). In developing the EWC theory framework to explain sources of ethical reasoning within organizations, Victor & Cullen (1988) combined the components of these two broad dimensions to advance nine typologies of EWCs: Self-interest, efficiency, company profit, personal morality, social responsibility, rules, procedures, law, and professional codes.

Although the organizational climate typology framework developed by Victor & Cullen (1988) suggests the existence of nine EWC types, they noted that their typology was only meant as a framework, and that not all the nine climate types may be found in a single organizational type. Therefore, although several previous studies have applied the nine original typologies of Victor & Cullen (1988) in analyzing EWC issues in various organizational situations, most of these studies reported finding no evidence for the prevalence of all nine climate types; rather, an analysis of empirical studies in the literature suggest that five EWC types are most likely to occur (Malloy & Agarwal, 2010; Martin & Cullen, 2006; Newman et al., 2017; Simha & Cullen, 2012; Simha & Stachowicz-Stanusch, 2013; Tsai & Huang, 2008): instrumental, independence, caring, rules, and law and code climates.

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. They do not mind if 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).

Both independence, rules, and law and codes climates formed part of Victor and Cullen's (1987, 1988) original typology of climate types; and they are all associated with the principled construct. 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; employees are purist who hold deep convictions about ethics, so much so that

Vol.6, No.5, pp. 62-83, October 2018

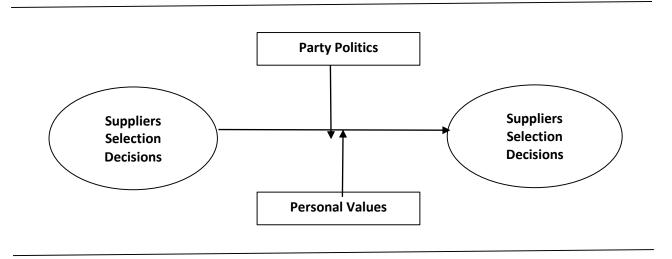
Published by European Centre for Research Training and Development UK (www.eajournals.org)

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 Supplier selection decisions in the Public Sector

Since it was first introduced, EWC theory has been applied in examining several organization decision process and outcomes. Nevertheless, very few studies have explored the theory's implications for public sector supplier selection behaviour. Although the buying decision process in the public sector is not too dissimilar to the processes obtainable in either private sector organizational buying or individual consumer buying realms (Wilson, 2000), the buying criteria/objectives and motives (Akenroye & Aju, 2013; Goebel et al., 2012; Lindskog et al., 2010; Raile, 2013; Roman, 2017), as well as the use of 'strict rules' during public sector buying decisions (Lindskog et al., 2010; Malloy & Agarwal, 2010), distinguishes the public sector process from the others.

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 et al., 2010). Ordinarily, supplier selection decisions are not so straight-forward because of the multiple criteria and objectives (e.g. cost/price considerations,

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

quality requirements, delivery time, flexibility, ethicality in supply chain components, international best practices, sources sustainability, local content and local industry protection, etc.) that have to be taken into consideration (Akenroye & Aju, 2013; Carter, Maltz, Maltz, Goh, & Yan, 2010; Creyer, 1997; Ehrgott et al., 2011; Kisly, Tereso, & Carvalho, 2016). Given the observed differences between public and private sector firms (Baarspul & Wilderom, 2011; do Monte, 2017), it is reasonable to suggest that the public sector procurement process, particularly the SSD phase, is fraught with even more complexities. For example, it has been observed that SSD "is a particularly important area of strategic decision-making when it comes to sustainability and ethical behaviour" (Goebel et al., 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).

Several studies in the existing literature have explored the differences in EWC dimensions in different organizational contexts. A majority of this literature generally suggests the existence of perceptual differences in employees with respect to EC types, depending on whether they are public, private or non-profit sector workers (see Agarwal & Malloy, 1999; Laratta, 2011; Malloy & Agarwal, 2010; Martin & Cullen, 2006; Parboteeah et al., 2014; Raile, 2013; Rasmussen et al., 2003; Shafer et al., 2013; Venezia et al., 2010). For example, in their study which examined differences in perceptions in EWCs using a sample of accountants drawn from both public and private for-profit firms in Singapore, Venezia et al. (2010) found statistically significant differences in perception of ECs between the two groups. Their findings shows that while 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), private sector workers rated their work environment higher in terms of promoting efficiency and personal morality (Venezia et al., 2010). They concluded that standardised rules and procedures derived from constitutional laws and civil ethics form the core values common to most government establishments around the world (Venezia et al., 2010). In the same vein, Malloy & Agarwal (2010) investigated the existence and differences in EC perceptions in Canadian government and non-profit establishments, using a sample of 1000 employees equally drawn from various organizations in the two sectors. Their study demonstrated the existence of five types of climates in government organizations: individual caring, efficiency, instrumental, law and code, and independence, with individual caring emerging as the most dominant (Malloy & Agarwal, 2010). The result on EC types in nonprofit organizations show individual caring, rules and procedures, efficiency, independence, and social caring as the most visible (Malloy & Agarwal, 2010). Similarly, Rasmussen et al., (2003) identified law and code, and social caring as the climate types most prevalent in government organizations.

A further analysis of the literature on 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 and 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

Published by European Centre for Research Training and Development UK (www.eajournals.org)

profitability, market uncertainty and 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 procurement decisions 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, in spite of their universalistic utilitarian objectives (Martin & Cullen, 2006; Parboteeah et al., 2014; Shafer et al., 2013). 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; Parboteeah et al., 2014). The Nigerian public sector procurement system seems to match this description. It is believed that 20-30 percent of public spending on procurement-related activities in developing countries is lost to leakages and corrupt practices (Osisioma, 2001); 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); and 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), 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, this study applies the theoretical lenses provided by Victor and Cullen's (1987, 1988) five organizational EWC typologies to empirically x-ray Nigerian public workers'

Vol.6, No.5, pp. 62-83, October 2018

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

attitudinal orientation vis-à-vis supplier selection behaviour. Based on the above discussion, we posit that:

*H*₁: The Ethical Climate types, namely "rules," "law and codes," "caring," and "independence," will be positively associated with public sector supplier selection decisions, but "instrumental" climates will have a negative association.

The role of Party Politics in Public Organisations' Supplier Selection Process

According to Institutional Theory, an entity will always act in a manner that is deemed acceptable or agreeable within a socially constructed institutional system. In the case of public sector organizations, this is best reflected on 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 system dimensions that influence the supplier selection process in public organizations, party politics is one of the most cited in the pertinent literature (e.g. Khemakhem & Dicko, 2013; Peng & Luo, 2000; 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; Khemakhem & Dicko, 2013; Sheng, Zhou, & Li, 2011).

Party politics has been reported to have both positive and negative effects on organizational processes (Faccio, 2010; You & Du, 2012). For example, it has been observed that the undue influence brought to bear on organisational decision-makers by politicians can lead to decisions that undermine corporate governance and engender corrupt practices (Faccio, 2010; Lindskog et al., 2010; You & Du, 2012). Despite the known negative influences though, organizations and their members continue to court and cultivate political affiliations with 'political stakeholders' as a means of mitigating any hostility from the business environment, as well as ensuring favorable considerations on policy and regulatory matters (Faccio, 2010; Sun, Mellahi, & Wright, 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 et al., 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 in such firms. Specifically, we hypothesize as follow:

 H_2 : Party politics (a) moderates positively the relationship between instrumental EWCs and supplier selection decisions and (b) moderates negatively the relationship between the other four climate types (i.e. independence, rules, law-and-codes, and caring climates) and supplier selection decisions.

The Role of Personal Values in Public Organizations' Supplier Selection Process

Personal values are "stabilized beliefs about personality or socially preferred modes of conduct or end-state of existence" (Suar and Khuntia, 2010, p.446). 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

Vol.6, No.5, pp. 62-83, October 2018

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

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 or explained by the self-enhancement versus self-transcendence values, which have also been described as 'higher-order' values (Fu, Tsui, Liu, & Li, 2010; Schwartz, 2006).

Although EWCs are essentially group-level phenomena 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). 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). Some scholars (e.g. McGuire et al., 2008) seem to suggest that the socialization process in organizations is responsible for shaping decision makers' value orientation. However, most previous researchers agree that organizational contexts only provide the platform and opportunity for individuals to express/activate their values, since the latter are innate to individuals (Sagiv & Schwartz, 2007).

The study by Baarspul & Wilderom (2011) lends some credence to the foregoing line of argument. In a study meant to determine whether employees behave differently in public versus private organizations, they conclude 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 demonstrates 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 values are contingent on societal and organizational cultures; that the manifest behaviour of individuals can be explained in the enculturation (socialisation) process that 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_{3a} : The perception of instrumental ethical values will be more closely associated with the shared perception of instrumental EWCs than the other EC types (i.e., caring, rules, independence, and law-and-codes); conversely, the personal value types underlying self-transcendence will be more closely associated with principled and benevolence climates

(i.e., independence, rules, law-and-codes, and caring climates) than instrumental EWCs. H_{3b} : Personal value orientations will moderate the relationship between EWCs and supplier selection decisions.

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

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

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 general 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. The initial contact with the prospective respondents was made by a fellow researcher. 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 randomly selected participants in each of the 40 organizations surveyed. After repeated visits and reminders 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.

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

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

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 ensure the unidimensionality and reliability of the measures used in the various sub-scales, exploratory principal component analyses were performed. The EC measures, and the personal value measures, were analyzed as a single group. In all cases, a minimum threshold value of 0.4 was used. An analysis of the EC and personal value measures shows 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 α value of 0.75; (4) a four-item selfenhancement personal value scale with an α coefficient of 0.74; (5) a three-item selftranscendent 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 (i.e. while EWCs are group-level phenomena, personal values are individuals' unique orientations), they are both related to the moral drivers of decision-makings.

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 = 0.67, CFI = 0.91, and RMSEA = 0.052. Therefore, although several of the independent variables are significantly correlated (see Table 1 below), our results were not affected by multicollinearity-induced bias.

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 reports the correlation coefficients and their associated p-values. The correlations were 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_I the correlation coefficient of IEC was the largest. This indicates that inordinate self-interest predominates during public sector supplier selection decisions, despite existing pervasive 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 in the table, except IPV and politics (POL) where the relationship is 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. Therefore, while the 'negative' constructs go in the same direction, they are expected to go in diametric positions to the others. 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 supplier selection decisions. It should be noted that this is only a speculation that requires further investigation.

	SSD	BEC	REC	IPV	IEC	TPV	POL
Mean	3.659	3.051	3.910	3.872	3.341	3.510	3.429
Std. Dev.	0.943	0.871	0.706	1.050	0.847	0.711	0.880
BEC	0.25**						
REC	0.37**	0.24**					
IPV	0.20**	0.21**	0.10*				
IEC	-0.42**	-0.35**	-0.12*	0.22**			
TPV	0.28**	0.27**	0.31**	0.19**	-0.22**		
POL	0.01	0.11*	0.04	0.13*	0.11*	-0.02	

Published by European Centre for Research Training and Development UK (www.eajournals.org)

Note: ** $\rho < 0.01$; * $\rho < 0.05$ (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 supplier selection decision.

Table 2: Effects of ethical work climates on suppl	lier selection decisions
--	--------------------------

Independent Variables.	Standardised β	<i>t</i> -statistics	ρ-value	
Benevolence/cosmopolitan climate	0.105	2.115	0.035	
Instrumental climate	-0.277	-5.164	0.000	
Principled/cosmopolitan climate	0.131	2.586	0.010	
Note: Model's <i>F</i> -value = 26.065, Adjusted $R^2 = 0.269$, ρ -value = 0.000				

The results shown in Table 2 indicates that each of the three dimensions of EWC is a significant determinant of supplier selection decisions, 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. To determine the moderating role of politics (for instance), we first determined the median score for the whole politics subsample, and then use this median value to sort the observations (i.e. scores on the respective independent variables) as either being above the median (i.e. high level of political pressure)

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

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

	Standardised β	t-statistics	ρ-values
Model 1ª			
Benevolent/cosmopolitan climate	-0.096	-1.626	0.094
Instrumental climate	-0.326	-6.303	0.000
Principled/cosmopolitan climate	-0.029	-0.614	0.540
Model 2 ^a			
Benevolent/cosmopolitan climate	0.085	1.525	0.112
Instrumental climate	-0.289	-5.416	0.000
Principled/cosmopolitan climate	0.036	0.776	0.442
Model 3 ^a			
Benevolent/cosmopolitan climate	0.210	4.242	0.000
Instrumental climates	-0.117	-2.318	0.021
Principled/cosmopolitan climate	0.101	1.993	0.044
Note: Model 1^{a} (high level of politics) $F = 28.716$, Adjusted $R^2 = 0.381$, $\rho < 0.0$	1; Model 2 ^a (hig	h level of self-
enhancement personal values) $F = 24.100$, Adju	usted $R^2 = 0.251$, $\rho = 0.01$;	Model 3 ^a (high	level of self-
transcendent personal values) $F = 14.903$, Adjuste	ed $R^2 = 0.109$, $\rho < 0.05$.		

The result shows that parochial self-interest (instrumental ethical work climate) 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

	Standardised β	<i>t</i> -statistics	ρ-values		
Model 1 ^b					
Benevolent/cosmopolitan climate	0.029	0.614	0.540		
Instrumental climate	-0.144	-2.725	0.007		
Principled/cosmopolitan climate	0.008	0.154	0.878		
Model 2 ^b					
Benevolent/cosmopolitan climate	0.120	2.311	0.019		
Instrumental climate	-0.191	-3.667	0.000		
Principled/cosmopolitan climate	0.136	2.729	0.005		
Model 3 ^b					
Benevolent/cosmopolitan climate	0.015	0.259	0.796		
Instrumental climates	-0.180	-3.250	0.001		
Principled/cosmopolitan climate	0.099	1.914	0.056		
Note: Model 1 ^b (low level of politics) $F = 21.930$, Adjusted $R^2 = 0.252$, $\rho < 0.01$; Model 2 ^b					
(low level of self-enhancement personal values) $F = 16.413$, Adjusted $R^2 = 0.125$, $\rho < 0.01$;					
Model 3 ^b (low levels of self-transcendent per	sonal values) $F = 10.2$	88, Adjusted	$R^2 = 0.099,$		
ho < 0.05					

Vol.6, No.5, pp. 62-83, October 2018

Published by European Centre for Research Training and Development UK (www.eajournals.org)

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 how 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 et al., 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, this finding shows that instrumentalism is a climate feature in most public sector organizations (Venezia et al., 2010), and it can even be the most prevalent climate type in such organizations (Shafer et al., 2013). Therefore, our finding suggests that although public organizational decisions in Nigeria is constrained by a pervasive set of laws/rules, and these organizations still espouse the ideals of public service/interest (as captured by benevolent/cosmopolitan climates), the inordinate desire to accommodate/satisfy selfish parochial goals during decision processes is a prominent feature of these establishments. This result further implies that despite the proliferation of procurement rules and the pro-social intensions that often inform public sector needs, the general feeling by public employees is that the process is rigged to favour a few people, and this may impact on attaining supplier selection objectives. This is because governments' ability to meet set goals depends, to a large extent, on the attitude of its employees (Raile, 2013).

Our result also indicates 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 only 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

Vol.6, No.5, pp. 62-83, October 2018

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

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 supplier selection decision, 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.

Our result also shows that 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 and sensitive 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 selftranscendent personal values. This result indicates that where the decision-making unit comprise 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 will 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 supplier selection decisions; under this condition, procurement rules and ethos are set aside, and the pursuit of the public service ideal is 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, the findings of the current study provide some evidence-based explanations of the attitude of Nigerian public employees vis-à-vis contractor selection decisions. There is a generally strongly-shared perception among Nigerian public employees that supplier selection decisions are largely based on the satisfaction of a few connected cabals, rather than public interest. Indeed, public supplier selection outcomes in Nigeria are often controversial, and marred by outcry and allegation of corruption. Not even the enshrined public service objective to be transparent in serving the public nor the proliferation of guiding principles seem to have any assuaging effect on these unethical tendencies. Our finding also shows that pressure from the political establishment is particularly responsible for the ascendency of unethical practices (and the relegation of ethos and public service ideals) during supplier selection activities. This

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

is consistent with the observation that corruption is very rife in the Nigerian public procurement system, and contractors look towards politicians in power to secure/guarantee their awards (Achua, 2011).

These findings also imply that the 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 experience and empirical finding 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 instrumental (benevolent/cosmopolitan (encourage) the primacy of and principled/cosmopolitan) climates and 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 eprocurement structures which can automatically shortlist/select suppliers based on predetermined criteria, and the timely and transparent adjudication of contractors selectionrelated 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. This attitude generally feeds into a wide range of organizational life including supplier selection decisions. 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 (thus, giving room for individuals to factor-in their interests).

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

Vol.6, No.5, pp. 62-83, October 2018

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

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 extant studies have shown that these variables, and several others, influence the effect size of ethical climate perceptions on organizational outcomes (Newman et al., 2017; O'Fallon & Butterfield, 2005; Shafer et al., 2013). The second limitation which is related to the first one is that this study was mainly designed to measure association, rather than causality. Thus, qualitative and experimental designs can be applied in future to establish *a prior* relationship among these variables; only then can a case for causality be made.

Third, as previously discussed, supplier selection decision is only one stage (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 supplier selection decisions 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 supplier selection decision 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 bipolar dimensions of Schwartz's value theory, researchers can investigate how personal values shape/relate to ethical climate perceptions or how this value types influence supplier selection decisions in public sector organizations in developing country contexts.

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

REFERENCES

- Achua, J. K. (2011). Anti-corruption in public procurement in Nigeria: Challenges and competency strategies. *Journal of Public Procurement*, *11*(3), 323–333.
- Agarwal, J., & Malloy, D. C. (1999). Ethical work climate dimensions in a not-for-profit organization: An empirical study. *Journal of Business Ethics*, 20(1), 1–14.
- Akenroye, T. O. (2013). An appraisal of the use of social criteria in public procurement in Nigeria. *Journal of Public Procurement*, *13*(03), 364–397.
- Akenroye, T. O., & Aju, O. (2013). A TAXONOMY OF APPROACHES FOR PROMOTING SMEs ACCESS TO PUBLIC PROCUREMENT MARKET. Journal of Enterprising Culture, 21(03), 335–357. https://doi.org/10.1142/S0218495813500143
- Baarspul, H. C., & Wilderom, C. P. M. (2011). Do Employees Behave Differently In Public-Vs Private-Sector Organizations?: A state-of-the-art review. *Public Management Review*, 13(7), 967–1002. https://doi.org/10.1080/14719037.2011.589614
- Brower, H. H., & Shrader, C. B. (2000). Moral reasoning and ethical climate: Not-for-profit vs. for-profit boards of directors. *Journal of Business Ethics*, 26(2), 147–167.
- Carter, J. R., Maltz, A., Maltz, E., Goh, M., & Yan, T. (2010). Impact of culture on supplier selection decision making. *The International Journal of Logistics Management*, 21(3), 353–374. https://doi.org/10.1108/09574091011089790
- Creyer, E. H. (1997). The influence of firm behavior on purchase intention: do consumers really care about business ethics? *Journal of Consumer Marketing*, *14*(6), 421–432. https://doi.org/10.1108/07363769710185999
- Cullen, J. B., Victor, B., & Bronson, J. W. (1993). The ethical climate questionnaire: An assessment of its development and validity. *Psychological Reports*, 73(2), 667–674.
- Davis, G. F., & Adam Cobb, J. (2010). Chapter 2 Resource dependence theory: Past and future. In *Stanford's organization theory renaissance*, 1970–2000 (pp. 21–42). Emerald Group Publishing Limited.
- DeConinck, J. B. (2010). The influence of ethical climate on marketing employees' job attitudes and behaviors. *Journal of Business Research*, 63(4), 384–391. https://doi.org/10.1016/j.jbusres.2008.11.009
- DiMaggio, P. J., & Powell, W. W. (2000). The iron cage revisited institutional isomorphism and collective rationality in organizational fields. In *Economics Meets Sociology in Strategic Management* (pp. 143–166). Emerald Group Publishing Limited.
- Dinc, M. S., & Huric, A. (2017). The impact of ethical climate types on nurses' behaviors in Bosnia and Herzegovina. *Nursing Ethics*, 24(8), 922–935. https://doi.org/10.1177/0969733016638143
- do Monte, P. A. (2017). Public versus private sector: Do workers' behave differently? *EconomiA*, *18*(2), 229–243. https://doi.org/10.1016/j.econ.2017.01.001
- Ehrgott, M., Reimann, F., Kaufmann, L., & Carter, C. R. (2011). Social Sustainability in Selecting Emerging Economy Suppliers. *Journal of Business Ethics*, 98(1), 99–119. https://doi.org/10.1007/s10551-010-0537-7
- Faccio, M. (2010). Differences between politically connected and nonconnected firms: A cross-country analysis. *Financial Management*, *39*(3), 905–928.
- Fu, P. P., Tsui, A. S., Liu, J., & Li, L. (2010). Pursuit of whose happiness? Executive leaders' transformational behaviors and personal values. *Administrative Science Quarterly*, 55(2), 222–254.
- Goebel, P., Reuter, C., Pibernik, R., & Sichtmann, C. (2012). The influence of ethical culture on supplier selection in the context of sustainable sourcing. *International Journal of Production Economics*, 140(1), 7–17. https://doi.org/10.1016/j.ijpe.2012.02.020

Published by European Centre for Research Training and Development UK (www.eajournals.org)

- Hillman, A. J., Withers, M. C., & Collins, B. J. (2009). Resource dependence theory: A review. *Journal of Management*, 35(6), 1404–1427.
- Kannan, V. R., & Tan, K. C. (2002). Supplier selection and assessment: Their impact on business performance. *Journal of Supply Chain Management*, *38*(3), 11–21.
- Khemakhem, H., & Dicko, S. (2013). Directors' political connections and compliance with board of directors regulations: The case of S&P/TSX 300 companies. *International Journal of Business and Management*, 8(24), 117–125.
- Kisly, D., Tereso, A., & Carvalho, M. S. (2016). Multiple Case Study of the Supplier Selection Decision Process. In *New Advances in Information Systems and Technologies* (pp. 973–982). Springer, Cham. https://doi.org/10.1007/978-3-319-31232-3_92
- Laratta, R. (2009). Ethical climate in nonprofit organizations: a comparative study. *International Journal of Sociology and Social Policy*, *29*(7/8), 358–371. https://doi.org/10.1108/01443330910975678
- Laratta, R. (2011). Ethical Climate and Accountability in Nonprofit Organizations. *Public Management Review*, *13*(1), 43–63. https://doi.org/10.1080/14719037.2010.501620
- Lindell, M. K., & Whitney, D. J. (2001). Accounting for common method variance in crosssectional research designs. *Journal of Applied Psychology*, 86(1), 114.
- Lindskog, H., Brege, S., & Brehmer, P.-O. (2010). Corruption in public procurement and private sector purchasing. *Journal of Organisational Transformation & Social Change*, 7(2), 167–188. https://doi.org/10.1386/jots.7.2.167_1
- Malloy, D. C., & Agarwal, J. (2010). Ethical Climate in Government and Nonprofit Sectors: Public Policy Implications for Service Delivery. *Journal of Business Ethics*, 94(1), 3– 21. https://doi.org/10.1007/s10551-008-9777-1
- Martin, K. D., & Cullen, J. B. (2006). Continuities and Extensions of Ethical Climate Theory: A Meta-Analytic Review. *Journal of Business Ethics*, 69(2), 175–194. https://doi.org/10.1007/s10551-006-9084-7
- Mason, C. (2012). Isomorphism, social enterprise and the pressure to maximise social benefit. *Journal of Social Entrepreneurship*, *3*(1), 74–95.
- McGuire, D., Garavan, T. N., O'Donnell, D., Saha, S. K., & Cseh, M. (2008). Managers' personal values as predictors of importance attached to training and development: a cross-country exploratory study. *Human Resource Development International*, 11(4), 335–350.
- Mulki, J. P., Jaramillo, J. F., & Locander, W. B. (2008). Effect of Ethical Climate on Turnover Intention: Linking Attitudinal- and Stress Theory. *Journal of Business Ethics*, 78(4), 559–574. https://doi.org/10.1007/s10551-007-9368-6
- Newman, A., Round, H., Bhattacharya, S., & Roy, A. (2017). Ethical Climates in Organizations: A Review and Research Agenda. *Business Ethics Quarterly*, 27(4), 475– 512. https://doi.org/10.1017/beq.2017.23
- Nwapi, C. (2015). Corruption vulnerabilities in local content policies in the extractive sector: An examination of the Nigerian Oil and Gas Industry Content Development Act, 2010. *Resources Policy*, 46, 92–96. https://doi.org/10.1016/j.resourpol.2015.09.001
- O'Fallon, M. J., & Butterfield, K. D. (2005). A Review of The Empirical Ethical Decision-Making Literature: 1996–2003. *Journal of Business Ethics*, 59(4), 375–413. https://doi.org/10.1007/s10551-005-2929-7
- Oguonu, C. N. (2007). Due process and procurement in the Nigerian public sector. *African Renaissance*, *4*(1), 91–99.
- Okpara, J. O., & Wynn, P. (2008). The impact of ethical climate on job satisfaction, and commitment in Nigeria: Implications for management development. *Journal of*

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

Management Development, 27(9), 935–950. https://doi.org/10.1108/02621710810901282

- Omoya, O. (2016, July 9). Nigeria's Fiscal Responsibility Act 2007 in Layman's terms. Retrieved August 8, 2018, from https://www.linkedin.com/pulse/nigerias-fiscal-responsibility-act-2007-laymans-terms-omoya
- Osisioma, B. C. (2001). Financial ethics: the issues of identifying and eliminating wasteful practices in the public sector. *The Nigerian Journal of Banking and Finance*, 4(1), 1–15.
- Parboteeah, K. P., Seriki, H. T., & Hoegl, M. (2014). Ethnic diversity, corruption and ethical climates in sub-Saharan Africa: recognizing the significance of human resource management. *The International Journal of Human Resource Management*, 25(7), 979– 1001. https://doi.org/10.1080/09585192.2013.815251
- Peng, M. W., & Luo, Y. (2000). Managerial ties and firm performance in a transition economy: The nature of a micro-macro link. *Academy of Management Journal*, 43(3), 486–501.
- Peterson, D. K. (2002). The relationship between unethical behavior and the dimensions of the ethical climate questionnaire. *Journal of Business Ethics*, *41*(4), 313–326.
- Podsakoff, P. M., MacKenzie, S. B., & Podsakoff, N. P. (2012). Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology*, 63, 539–569.
- Qualls, W. J., & Puto, C. P. (1989). Organizational climate and decision framing: An integrated approach to analyzing industrial buying decisions. *Journal of Marketing Research*, 26(2), 179.
- Raile, E. D. (2013). Building ethical capital: Perceptions of ethical climate in the public sector. *Public Administration Review*, 73(2), 253–262.
- Rasmussen, K., Malloy, D., & Agarwal, J. (2003). The ethical climate of government and non-profit organizations Implications for public-private partnerships. *Public Management Review*, 5(1), 83–97. https://doi.org/10.1080/1461667022000028825
- Roman, A. V. (2013). The politics of bounded procurement: Purists, brokers and the politicsprocurement dichotomy. *Journal of Public Procurement*, *13*(4), 447–475.
- Roman, A. V. (2017). Tracing the effects of politicization on public procurement specialists' decision-making through values: A structural equation model of the broker-purist lens. *Journal of Public Procurement*, 17(1), 53–88.
- Sagiv, L., & Schwartz, S. H. (2007). Cultural values in organisations: insights for Europe. *European Journal of International Management*, 1(3), 176–190.
- Schneider, B. (1981). Work Climates. An Interactionist Perspective. MICHIGAN STATE UNIV EAST LANSING DEPT OF PSYCHOLOGY.
- Schwartz, S. H. (1992). Universals in the content and structure of values: Theoretical advances and empirical tests in 20 countries. *Advances in Experimental Social Psychology*, 25, 1–65.
- Schwartz, S. H. (2006). A theory of cultural value orientations: Explication and applications. *Comparative Sociology*, *5*(2), 137–182.
- Scott, W. R. (2008). Approaching adulthood: the maturing of institutional theory. *Theory and Society*, *37*(5), 427.
- Shafer, W. E., Poon, M. C. C., & Tjosvold, D. (2013). An investigation of ethical climate in a Singaporean accounting firm. *Accounting, Auditing & Accountability Journal*, 26(2), 312–343. https://doi.org/10.1108/09513571311303747
- Sheng, S., Zhou, K. Z., & Li, J. J. (2011). The effects of business and political ties on firm performance: Evidence from China. *Journal of Marketing*, 75(1), 1–15.

_Published by European Centre for Research Training and Development UK (www.eajournals.org)

- Simha, A., & Cullen, J. B. (2012). Ethical climates and their effects on organizational outcomes: Implications from the past and prophecies for the future. *The Academy of Management Perspectives*, 26(4), 20–34.
- Simha, A., & Stachowicz-Stanusch, A. (2013). The Link Between Ethical Climates and Managerial Success: A Study in a Polish Context. *Journal of Business Ethics*, 114(1), 55.
- Sousa, C. M., Ruzo, E., & Losada, F. (2010). The key role of managers' values in exporting: Influence on customer responsiveness and export performance. *Journal of International Marketing*, 18(2), 1–19.
- Stewart, R., Volpone, S. D., Avery, D. R., & McKay, P. (2011). You support diversity, but are you ethical? Examining the interactive effects of diversity and ethical climate perceptions on turnover intentions. *Journal of Business Ethics*, 100(4), 581–593.
- Suar, D., & Khuntia, R. (2010). Influence of personal values and value congruence on unethical practices and work behavior. *Journal of Business Ethics*, 97(3), 443–460.
- Sun, P., Mellahi, K., & Wright, M. (2012). The contingent value of corporate political ties. *The Academy of Management Perspectives*, 26(3), 68–82.
- Tanzi, V. (1998). Corruption around the world. IMF Staff Papers, 45(4), 559.
- Tett, R. P., & Guterman, H. A. (2000). Situation trait relevance, trait expression, and crosssituational consistency: Testing a principle of trait activation. *Journal of Research in Personality*, 34(4), 397–423.
- Tsai, M.-T., & Huang, C.-C. (2008). The Relationship among Ethical Climate Types, Facets of Job Satisfaction, and the Three Components of Organizational Commitment: A Study of Nurses in Taiwan. *Journal of Business Ethics*, 80(3), 565–581. https://doi.org/10.1007/s10551-007-9455-8
- Venezia, G., Venezia, C. C., & Hung. (2010). A Comparative Study Of Ethical Work Climates Among Public And Private Sector Asian Accountants. *International Business* & *Economics Research Journal*, Vol 9, Iss 4 (2010), (4). https://doi.org/10.19030/iber.v9i4.555
- Victor, B., & Cullen, J. B. (1988). The organizational bases of ethical work climates. *Administrative Science Quarterly*, 101–125.
- Williams-Elegbe, S. (2015). A comparative analysis of the Nigerian Public Procurement Act against international best practice. *Journal of African Law*, 59(1), 85–98.
- Wilson, D. F. (2000). Why divide consumer and organizational buyer behaviour? *European Journal of Marketing*, *34*(7), 780–796.
- Wimbush, J. C., Shepard, J. M., & Markham, S. E. (1997). An Empirical Examination of the Relationship Between Ethical Climate and Ethical Behavior from Multiple Levels of Analysis. *Journal of Business Ethics*, 16(16), 1705–1716. https://doi.org/10.1023/A:1017952221572
- World Bank. (2017). world bank Nigeria country report 2017. Retrieved February 6, 2018, from https://www.google.co.uk/search?client=firefox-bab&dcr=0&biw=1366&bih=631&ei=Gth5WvDmD4ycgAb4i5ugCQ&q=world+bank+n igeria+country+report+2017&oq=world+bank+nigeria+country+report+2017&gs_l=ps y-ab.3...51848.61983.0.68136.11.11.0.0.0.0.182.1468.2j9.11.0...0...1.1.64.psyab..0.2.349...0i13k1.0.XeVL9SBY2_U
- You, J., & Du, G. (2012). Are political connections a blessing or a curse? Evidence from CEO turnover in China. *Corporate Governance: An International Review*, 20(2), 179– 194.