



Journal of Public Procurement

Social cohesion, groupthink and ethical behavior of public procurement officers
Joseph Mpeera Ntayi, Warren Byabashaija, Sarah Eyaa, Muhammed Ngoma, Alex Muliira,

Article information:

To cite this document:

Joseph Mpeera Ntayi, Warren Byabashaija, Sarah Eyaa, Muhammed Ngoma, Alex Muliira, (2010) "Social cohesion, groupthink and ethical behavior of public procurement officers", Journal of Public Procurement, Vol. 10 Issue: 1, pp.68-92, <https://doi.org/10.1108/JOPP-10-01-2010-B003>

Permanent link to this document:

<https://doi.org/10.1108/JOPP-10-01-2010-B003>

Downloaded on: 01 March 2018, At: 21:13 (PT)

References: this document contains references to 0 other documents.

To copy this document: permissions@emeraldinsight.com

The fulltext of this document has been downloaded 12 times since 2010*

Access to this document was granted through an Emerald subscription provided by emerald-srm:320271 []

For Authors

If you would like to write for this, or any other Emerald publication, then please use our Emerald for Authors service information about how to choose which publication to write for and submission guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

About Emerald www.emeraldinsight.com

Emerald is a global publisher linking research and practice to the benefit of society. The company manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as well as providing an extensive range of online products and additional customer resources and services.

Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for digital archive preservation.

*Related content and download information correct at time of download.

SOCIAL COHESION, GROUPTHINK AND ETHICAL BEHAVIOR OF PUBLIC PROCUREMENT OFFICERS

Joseph Mpeera Ntayi, Warren Byabashaija, Sarah Eyaa,
Muhammed Ngoma and Alex Muliira*

ABSTRACT. Whereas social cohesion has been widely studied and researched by sociologists and psychologists, its application to public procurement is sparse. This study explores the connection between social cohesion, groupthink, ethical attitudes and ethical behavior of procurement officers. The study is based on a survey of 405 public procurement officers in central government. A cross-sectional survey design was used and a response rate of 58.5% attained. Self report items were used to study all the constructs. All the hypothesized relationships were found to be significant. Social cohesion, groupthink, and ethical attitudes were all significant predictors of ethical behavior, accounting for 56% of the variance. The strength of this prediction suggests the need for concerted policy intervention for dealing with unethical conduct and behavior of the procurement professionals.

INTRODUCTION

The concept of social cohesion has been widely studied and researched in sociology and psychology (Albert, 1953; Cartwright,

* *Joseph M. Ntayi, Ph.D., and Warren Byabashaija, Ph.D., are Senior Lecturers, Faculty of Computing and Management Science, Makerere University, Uganda. Dr. Ntayi's teaching and research interests are in procurement, business ethics, industrial marketing, purchasing and supply chain management. Dr. Byabashaija's teaching and research interests are in entrepreneurship and business statistics. Ngoma Mohammed, MSc, is a Lecturer, Department of Business Administration, Makerere University. His teaching and research interests are in international business, strategic management, marketing management and public procurement. Sarah Eyaa, MBA., is a Lecturer, Department of Procurement & Logistics Management, Makerere University. Her teaching and research interests are in procurement, purchasing and supply chain management. Alex Muliira, BSc, is a Research Assistant to the Dean, Faculty of Computing and Management Science, Makerere University Business School. His research interests are in work psychology and marketing.*

1968; Durkeim, 1951; McPherson & Smith-Lovin, 2002). However, its application to procurement in the public sector remains sparse. The few studies that are available such as Ntayi et al. (forthcomin) which suggests that Uganda's public procurement officers' deviant behaviors are socially constructed require corroboration. Additionally, although two meta-analytic reviews conducted by Evans and Dion (1991) and Mullen and Copper (1994) concluded that there exists a small but positive relationship between social cohesion and performance related behaviors, subsequent studies (e.g., Langfred, 1998; Podsakoff, MacKenzie & Ahearne, 1997) dismissed these meta-analyses for failure to test for the moderating influence of confounding factors such as group norms. Additionally, critics of the social cohesion research have pressed for the consistent use of multidimensional measurement scales of social cohesion (Cota, Evans, Dion, Kilik, & Longman, 1995; Mudrack, 1989; Carron, Widmeyer & Brawley, 1985). This study adopts multidimensional measures of the social cohesion construct to predict the ethical behavior of public procurement officers in Uganda, while at the same time testing for the mediating effect of groupthink. Details of the conceptual model are presented in Figure 1.

Social cohesion has been conceptualized as the field of conditions through which group members' attitudes and behaviors shape, is shaped by their environment (Festinger, 1950; Festinger, Schachter & Back, 1950). For his part, Heuser (2005) perceives the construct of social cohesion as a socio-economic phenomenon in which group values and ethics play a significant role in influencing behavior. In his perception, social, moral, and economic values form the delicate matrix by which the worth of a society is determined. This view is consistent with Bandura, Barbaranelli, Caprara and Pastorelli (1996) who used the social cognitive theory (Bandura, 1991) to demonstrate that individuals construct moral standards based on the influence of others who may be morally or economically motivated.

There are at least two somewhat contradictory spurs to contemporary interest in social cohesion. Heuser (2005) posited that social cohesion helps organizations to understand the potentially *positive* nature of group solidarity, the power that flows from moral conviction, and at the same time, how these dynamics can be socially constructed to *destroy* organization (*italics added*). The Ugandan

media is fraught with reports of corporate malfeasance much of which, we suggest, can be attributed to groupthink. Public bodies reportedly flout procurement regulations at various stages of the procurement process despite the establishment of a regulatory body - the Public Procurement and Disposal of Public Assets Authority (PPDA). As a consequence of questionable behaviors by procurement officers, public bodies do not get value for money on procurements. At the community level, procurement malfeasance impacts negatively on the quality of social services that are intended to benefit the poor. ADR, Inc. (2006) has indicated significant losses of public funds through mishandled procurements. This is further supported by Nyanzi and Luggya (2006), who reveal that the Ogoola commission of inquiry implicated central government officials in a loss of between 25 and 27 million US dollars through fund mismanagement and outright graft but also through the exploitation of procurement loopholes. PPDA (2007, August) as well as compliance reports by the PPDA (2005, June) indicate high levels of non-compliance with the procurement guidelines and regulations in public organizations. It is the contention of this paper that social cohesion is a contributory factor to much of this unethical behavior through its effect on groupthink and ethical attitudes.

Groupthink is a phenomenon in which, as a result of in-group pressures, a group prematurely, and often erroneously, comes to a consensus over a key issue or strategy despite evidence that points to the existence of ill-debated alternative courses of action. According to Janis (1983, p.9), groupthink engenders deterioration of mental efficiency, reality testing, and moral judgments. During procurement processes that include assessment of user needs, preparation of bid documents, solicitation and evaluation of bids, and awarding of contracts, procurement officers succumb to the manipulation of their peers at the expense of rational debate and principled positions (Ntayi et al., forthcoming).

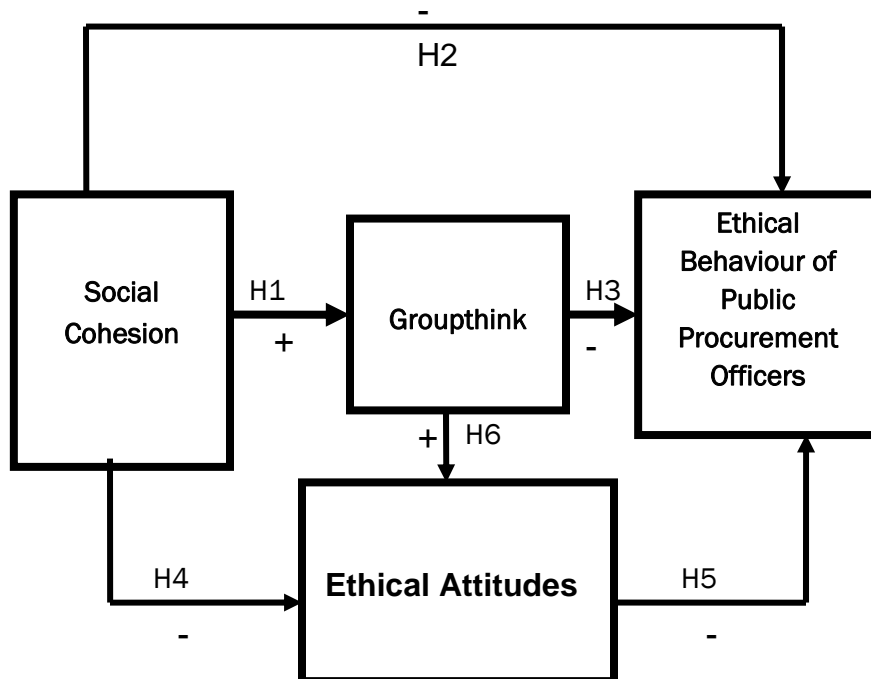
When groups are cohesive, their desire for consensus is so strong that it diminishes the power of individual members to independently assess the pertinent circumstances and express personal opinions. Group morality inheres. It is common for groups to feel that what they are doing is best for everyone. Consistent with Adams and Ingersoll (1990). Ntayi et al. (forthcoming), contends that public procurement officers in Uganda, lack institutional integrity and that this may

explain why procurements in the public sector have to be governed by strong sanctions.

CONCEPTUAL FRAMEWORK

The conceptual framework that guided this study is largely influenced by the works of Festinger (1950), Festinger, Schachter and Back (1950), Durkeim (1951), Hirschi (1969), Janis (1983), Ajzen (1991), and Ajzen and Sexton (1999). The emphasis is on the potential of social cohesion, groupthink, and ethical attitudes to predict the ethical behavior of procurement officers. The hypothesized relationships between the study variables are presented in Figure 1. This study in a way attempts to corroborate the

FIGURE 1
Conceptual Model Relating Social Cohesion, Group Think, Ethical Attitudes and Ethical Behaviours



work of Ntayi et al. (forthcoming) who argued that the ethical behaviors of public procurement officers in Uganda are socially constructed.

Anecdotal evidence clearly shows that the PPDA (2003) Act is inadequate in regulating behavior of public procurement officers. The study suggests that this is because the embeddedness of the social structures in economic transactions (as explicated by Granovetter, 1985) was ignored when the Act was promulgated. Although the central theme of the embeddedness argument is that networks of social relations keep a check on malfeasance, Granovetter acknowledges that social relations are not a sufficient condition for the absence of malfeasance and may in fact create more opportunities for it. In part, this study hypothesizes that this is the case among procurement officers in Uganda.

We argue that ethical attitudes are shaped by social relations that prevail in the procurement decision-makers groups. Following this line of argument, the more cohesive these groups are, the greater their influence on individual behavior. We further argue that cohesion engenders groupthink because social relations breed normative conformity (Goldstein, 1977; Goldstein, Heller & Sechrest, 1966; Isenberg, 1986). In turn, normative conformity or groupthink erodes independent thinking and behavior or what has been defined as the de-individuation effect (Goldstein, Heller & Sechrest, 1966; Isenberg, 1986). We hypothesize that groupthink and ethical attitudes predict the ethical behavior of procurement officers.

LITERATURE REVIEW AND HYPOTHESES

Social Cohesion, Groupthink and Ethical Behavior

Social cohesion has been a focus of inquiry in sociology and psychology using specific groups like families, schools, military units and sports teams. Social psychological conceptualization of social cohesion has tended to concentrate on individual member's attitudes and behaviors (Moreno & Jennings, 1937; Festinger, 1950; Festinger, Schachter & Back, 1950). Their concern has been largely on the forces which attract members to a group and act on members to stay in that group. In this sense, Festinger, Schachter and Back (1950) and Janis (1982) conceptualize social cohesion as interpersonal attraction (see also Lott and Lott [1965]). This conceptualization that

attempts to equate social cohesion to interpersonal attraction has attracted criticism from scholars (Hogg, 1993; Mudrack, 1989). For example, Carron et al. (1985, p. 248) have argued that the construct of social cohesion is multidimensional composed of “a member’s perceptions of the group as a totality” [group integration] and “a member’s personal attraction to the group” [individual attraction to group]. This is contrary to Moreno and Jennings (1937) and Festinger (1950) who regarded social cohesion as a uni-dimensional variable.

From another perspective, Hackman (1990) provided a comprehensive framework to link social cohesion to group performance. An effective work group should be able to sustain organizational systems, promote efficiency and effectiveness and promote professional growth. The creation of a group bond results in the social glue that creates equilibrium within the social groups. This social cohesion leads to reduced conflict as a result of the group members’ desire not to “rock the boat.” This desire promotes groupthink and is in agreement with Bernthal and Insko’s (1993) view that groups with high social cohesiveness experienced groupthink. Invariably, groupthink introduces symptoms of overestimation of the group’s power and morality, close mindedness, and pressures toward uniformity (Mohamed & Wiede, 1996) in the group’s decision- making processes.

Dyaram and Kamalanabhan (2005) contend that most of the studies involving social cohesiveness have tended to reveal a positive causal effect. However not as much attention has been paid to the possibility that social cohesiveness can be detrimental to group outcomes. Extant literature on self-impression management emphasizes the importance of the self as a target of favorable identities (Eisenberg, Cialdini, McCreath, & Shell, 1987). This means that individuals have valued self-images and tend to behave in a manner that will promote these images. Narayanan, Ronson, and Pillutla (2006, p. 133), have argued that social cohesion can facilitate unethical action either by influencing views about whether an action is ethical or by providing a sound justification for performing an unethical act. In other words, social cohesion influences both judgments about the ethicality of actions and justifications for unethical behaviors. This is consistent with the social bond theory (Hirschi, 1969). All the elements that enhance social bonding: attachment, commitment, involvement, and belief exist in

procurement groups and as the proponents of the theory assert, bonding leads to replication of behaviors. We therefore hypothesize that:

H1: Social cohesion and groupthink will be significantly associated;
and

H2: Social cohesion and ethical behavior will be significantly associated.

Despite the above theoretical exposition, it is paradoxical that even where social bond exists, unethical conduct has tended to surface. ADR, Inc. (2006) found that unethical conduct in Uganda's public procurement could be explained by cultural factors. This means that unethical conduct is a shared, learned, and symbolic system of values, beliefs and attitudes that shapes and influences perception and behavior of procurement officers. As explained by Hofstede (1980), culture creates an abstract "mental blueprint" or "mental code." This conceptualization appears to infer that there is a group socialization process that impacts the ethics of the procurement officers. We therefore hypothesize that:

H3: Groupthink will mediate the relationship between social cohesion and ethical behavior.

Social Cohesion, Ethical Attitudes and Ethical Behavior

According to Schein (1968), individuals learn and hold attitudes similar to others in an organization through a socialization process. Somers (2001) found that the formal socialization process which exposes employees to a code of ethics generally ensures the highest standards of behavior and restrains unethical conduct. However organizational experiences have shown that formal codes of conduct are often undermined by work place group influences. Groups socially shape the attitudes of their group members contrary to Hirschi (1969) who contends that internalization of accepted norms and awareness and sensitivity to the needs of others promote conformity in society. Hirschi (1969) further suggests that an individual who is not sensitive to the expectations of others and feels no bonds to abide by the norms of society will be more at risk of criminal behavior. According to Ajzen (1988), "a person's intention to perform [or not perform] a behavior is the immediate determinant of that action; barring unforeseen events, people are expected to act in accordance

with their intentions” (p.117). It is common for firms to signal a particular ethical attitude and behavior, while peers and managers act as role models transmitting different ethical norms (Kantor and Weisberg, 2002). We therefore hypothesize that:

H4: Social cohesion and ethical attitudes will be significantly associated; and.

H5: Ethical attitudes and ethical behavior will be significantly associated.

Groupthink and Ethical Attitudes

According to Janis (1972), groupthink may occur in both big and small groups as well as in sub-committees of larger groups. In public procurement, subcommittees are common and recognized by the PPDA Act (2003). These are in the form of contract and evaluation committees. Members of these groups cohesively work together, like each other, and do not want to leave, be forced out, or be ignored by other members. Janis (1972) provides a series of statements that collectively define groupthink as “...a deterioration of mental efficiency, reality testing, and moral judgment that results from in-group pressures.” (p. 9). These pressures, which are common in procurement processes, cause committees to fail to exhaustively consider all the information that the group has or might reasonably obtain that is relevant to the decision. Moreover, members will ignore or discount information that would render particular decisions untenable if such information negates the group view. All the decisions of these committees are arrived at by consensus (Hutter-Pishgahi, 2005). In contract evaluation, it is acceptable for members to have dissenting comments. However as Janis (1972, p. 3) asserts, these committee members fail to fully and forcefully argue their point when it differs from the chairman’s or the committee’s opinion. Not only are members not assertive in dissent but the rest of the group will often disregard dissenting views even if expressed. Therefore, the opportunity for what Janis calls critical evaluation is lost and groupthink will most likely occur (Hutter-Pishgahi, 2005, p. 5). The desire for consensus forces the committees to ignore moral values and vital information in their decision making. Loyalty to these committees is the highest form of morality. Members adhere to and continue to advocate for decisions even after there is evidence that

the decisions are faulty (Hutter, 2005, p.6). As Janis (1972, p. 9) reports

I was looking for instances in which a defective decision was made in a series of meetings by a few policy-makers who constituted a cohesive group. By defective decision, I mean one that results from decision-making practices of extremely poor quality. In other words, the fiascos that I selected for analysis deserved to be fiascos because of the grossly inadequate way the policy-makers carried out their decision-making tasks.

This situation is similar to that of a public body in Uganda that recently purchased a tract of land at a cost that was between 32 and 57 per cent higher than the valuations recommended by three experts hired by the same corporation. However, even after the fiasco was exposed by the media, the group of decision makers, in a show of solidarity continued to defend the purchase. From the foregoing we hypothesize that:

H6: Groupthink and ethical attitudes will be significantly associated.

METHODOLOGY

Research Design and Setting

A cross-sectional survey design was used for data collection on procurement officers' perceptions on social cohesion, groupthink, ethical attitudes, and ethical behavior. All 405 persons from central government were targeted following the guidelines of ADR, Inc. (2006, p. 15). We specifically selected accounting officers, members of contract and technical evaluation committees, officials working in procurement, disposal, and inspection units, and others performing functions related to procurement. These employees were selected because they make key procurement decisions, are exposed to all kinds of ethical scenarios, and experience comparable kinds of working conditions. Of the 405 individuals requested to respond to the questionnaire, 237 returned completed questionnaires, representing a 58.5% response rate. This response rate was possible due to regular call-backs. In order to reduce social desirability bias (McKendell, DeMarr, & Jones-Rikkens, 2002; Podsakoff, Mackenzie, Lee & Podsakoff, 2003), all respondents were assured of confidentiality and of no reprisals resulting from candid responses.

Measurements

The **social cohesion** construct was operationalized using Carron et al. (1985) measures, which consisted of four unique indicators: group integration (task), group integration (social), individual attraction to group (task), and individual attraction to group (social). Specific items were derived from the Group Environment Questionnaire (GEQ) and adapted to the public procurement officer's work place setting (Chang, Bordia & Duck, 2003). The GEQ items needed to be modified to apply to the Ugandan work setting. This was necessary because committees are commonly used to perform procurement tasks. To achieve this modification, GEQ items that made reference to a group's playing time, game winning, and playing seasons were changed to refer to work committee's assigned task, working hours, and specific procurement outcomes. This scale was anchored on a five-point Likert scale ranging from 5 (strongly agree) to 1 (strongly disagree). The mean value for the social cohesion construct was 3.4 with standard deviation of 0.78. This means that public procurement officers were integrated to the group procurement task, socially integrated to the group, individually attracted to the group (task), and individually attracted to the social group. The internal consistency coefficient of the scale for the present study was 0.84.

The **groupthink** construct was measured by combining modified items from Janis (1972; 1982). A groupthink index was derived from the 40 items, five items for each of the eight components of groupthink (Ahlfinger & Esser, 2001). The responses of group members were averaged in order to give a group score. Scales were anchored on a five point rating scale ranging from 5 (this is always true of our institution) to 1 (never true of our institution). The average score for this construct was 3.00 with a standard deviation of 0.96. This implies that at the time of study, public procurement officers in the same institution worked cohesively together, they liked each other and they did not want to leave, be forced out, or be ignored by other members. They conformed to the groupthink concept. This scale was reliable with a Cronbach alpha coefficient of 0.77.

Ethical attitudes and ethical behavior were measured using scales available in literature. We used the validated ethical attitudes and ethical behavior scales developed by Newstrom and Ruch (1975) and used by Ferrell and Weaver (1978). This scale consisted of 102

questions. The scales were compared against scales used by Kantor and Weisberg (2002) and Ntayi (2005). We preferred to modify the Newstrom and Ruch items because they were more comprehensive and more specific. Respondents were asked to respond on a five point anchored Likert scale ranging from 1 (very ethical) to 5 (very unethical) for each negatively phrased attitude item. The measurement for each positively phrased behavior ranged from 1 (very unethical) to 5 (very ethical). Ethical attitudes had a mean of 3.49 and a standard deviation of 0.79, while ethical behavior had a mean of 2.53 and standard deviation of 0.56. Both of these are middling averages with ethical attitudes tending towards the unethical. The Cronbach alpha coefficient for ethical attitude was 0.89 while that of ethical behavior was 0.93.

Multicollinearity

We further tested for collinearity by running the Variance Inflation Factor (VIF) and the tolerance levels. According to Motulsky (1995) multicollinearity could create difficulties as it might increase the confidence intervals of the regression coefficients and may even change the signs of the coefficients. Hair, Anderson, Tatham and Black (1998, pp. 191-193) suggested that a tolerance value of less than 0.10 is problematic. Myers (1990), Bowerman and O'Connell (1990) held that if the largest VIF is greater than 10 then there is cause for concern or if tolerance is below 0.2, this indicates a potential problem (Menard, 1995). Using all three independent variables from the planned regressions, each variable was analyzed as a criterion by regressing it on the other three. The tolerance value for social cohesion was 0.72, those for the groupthink behavior and ethical attitudes were 0.76 and 0.71, respectively, and those for the five demographic variables ranged from 0.84 to 0.95. As none of the tolerance values fell below the 0.10 cutoff, multicollinearity was not considered to be a problem in these data. VIF results were satisfactory (all close to 1.00). We further tested for the tenacity of the assumption of independent errors using Durbin-Watson statistic and obtained a value of 2.084. According to Field (2005), values less than 1 or greater than 3 should raise an alarm. The closer to 2 the value is, the better. Our value of 2.084 is close to 2 and therefore justifies the assumption of independent errors.

RESULTS AND DISCUSSION

Sample Characteristics

Data from 237 respondents of the 405 targeted individuals from Central Government were received, representing a 58.5% response rate. Of these, 74.68% (177) were male and 25.32% (60) were female. The average organizational tenure was 6 years. In terms of annual income, the study revealed that 16% of the sample earned less than US \$3000, 70% earned between US \$ 001 – 5400, 11% earned between US \$5401 - 9200, while the remaining 3% earned above US \$ 9200. On the level of education, 88.7% had attained university education, leaving only 11.3% with less than college education.

Correlation Analysis

Table 1 presents the means, standard deviations and zero order correlations among the study variables. Bivariate correlation among the four constructs ranged from $r = .32$ to $r = 0.61$. All correlations were statistically significant with p-values less than 0.01.

More specifically, an examination of the table reveals that social cohesion ($r=-0.61$ $p<0.01$), ethical attitudes ($r=-0.59$ $p<0.01$), and groupthink behavior ($r=-0.49$ $p<0.01$) were all inversely correlated with ethical behavior. This means that positive changes in social cohesion, unethical attitudes, and groupthink behavior reflect an increase in unethical behavior.

Our finding of social cohesion being inversely correlated with ethical behavior contradicts Evans and Dion (1991), Schachter, Ellertson, McBride and Gregory (1951) Mullen and Copper (1994), and Gully, Devine and Whitney (1995) who found a positive relationship between social cohesion and performance-related behavior. However, the finding is in agreement with Narayanan, et al. (2006) who found that social cohesion can facilitate unethical action. This is in agreement with social control theory and the ADR, Inc. (2006), which point to social cohesion promoting unethical conduct. In the same line of argument, Bernthal and Insko (1993) also revealed that groups with high social cohesiveness experienced groupthink.

The finding that ethical attitudes are correlated with unethical behavior is revealing of the situation in Uganda. Public procurement

TABLE 1
Means, Standard Deviations, and Zero Order Correlations (N = 237)

Variable	Mean	SD	Sex	Age	Education Level	Tenure	Income	Ethical Attitudes	Groupthink	Social Cohesion
Ethical Behavior	2.53	0.56	0.03	0.07	0.02	-0.08	-0.03	-0.59 ^a	-0.49 ^a	-0.61 ^a
Sex	0.49	0.50	1.00	0.11 ^b	0.01	-0.11 ^b	0.03	0.01	0.11 ^b	-0.04
Age	2.17	0.57	0.11 ^b	1.00	-0.28 ^a	0.21 ^a	0.22 ^a	-0.05	-0.06	-0.06
Education Level	2.67	0.53	0.01	-0.28 ^a	1.00	-0.10 ^b	-0.02	0.04	0.03	0.01
Tenure	1.57	0.50	-0.11 ^b	0.21 ^a	-0.10 ^b	1.00	0.26 ^a	-0.03	0.06	0.02
Income	1.77	0.83	0.03	0.22 ^a	-0.02	0.26 ^a	1.00	-0.02	-0.01	-0.07
Ethical Attitudes	3.49	0.79	0.01	-0.05	0.04	-0.03	-0.02	1.00	0.32 ^a	0.46 ^a
Groupthink	3.00	0.96	0.11 ^b	-0.06	0.03	0.06	-0.01	0.32 ^a	1.00	0.36 ^a
Social Cohesion	3.40	0.78	-0.04	-0.06	0.01	0.02	-0.07	0.46 ^a	0.36 ^a	1.00

Notes: ^a < .01, ^b < .05.

officers in Uganda are notorious for unethical behavior. Such unethical behaviors include underhand payments, bribery and kickbacks, favoritism, conflict of interest, and unprincipled exclusion. The Country Procurement Assessment Report (2004) alludes to the unethical attitudes towards procurement which have resulted in the unethical behavior. The bad reputation has deterred the erudite professionals and instead attracted the more unscrupulous types (CPAR, 2004). People rush into the procurement jobs because they think it is where they can make quick money.

Another revealing finding was between social cohesion and groupthink ($r=0.36, p<0.01$). This indicates that as hypothesized (H1), a change in social cohesiveness is positively associated with a change in groupthink. This finding corroborates the work of Turner, Pratkanis, Probasco and Leve (1992) who found a positive relationship between cohesiveness and groupthink. As Janis (1983, p. 245) put it, the greater the cohesiveness of a group “the greater the danger that independent critical thinking will be replaced by

groupthink, which is likely to result in irrational and dehumanizing actions...”

Conversely, the study found a significant negative correlation between social cohesion and ethical attitudes ($r = -0.46$, $p < 0.01$) implying that the more cohesive a group is, the higher the likelihood of unethical attitudes. This is perhaps not surprising given that we have argued that social influence on individual attitudes and behaviors increases with tight intra-group relationships. Group members like each other, want to continue working with each other, and therefore adopt attitudes and behaviors that support their continued inclusion in the group. This pattern of results lends preliminary support to all our hypotheses.

Mediating Effect of Groupthink

We further tested for the effect groupthink may have on the relationship between social cohesion and ethical behavior. We used the procedure developed by Baron and Kenny (1986) and modified by Kenny (2008). The results are reported in Table 2.

TABLE 2
The Mediating Effect of Groupthink on the Relationship between Social Cohesion and Ethical Behavior (n = 237)

Predictor	Dependent Variable							
	Groupthink		Ethical Behavior					
			Model 1			Model 2		
	B	SE	B	SE	Beta	B	SE	Beta
Intercept	1.34 ^a	0.41	3.92 ^a	0.20		4.17 ^a	0.19	
Sex	0.27	0.09	-0.01	0.04	-.01	0.04	0.04	.04
Age	-0.11	0.08	0.07	0.04	.07	0.05	0.04	.05
Education Level	0.02	0.09	0.04	0.04	.04	0.05	0.04	.05
Tenure	0.15	0.09	-0.06	0.05	-.06	-0.04	0.04	-.03
Income	0.00	0.06	-0.05	0.03	-.07	-0.05	0.03	-.07
Social Cohesion	0.44 ^a	0.06	-0.43 ^a	0.03	-.61	-0.35 ^a	0.03	-.50
Groupthink						-0.18 ^a	0.02	-.31

Notes: ^a $p < .01$. B = unstandardized Beta coefficient, denoted as B to distinguish it from the standardized Beta. SE = Standard Error associated with the respective B coefficient

The first three of Baron and Kenny's (1986) conditions for mediation are met. First, there is an effect to be mediated ($B = -0.43$, $p < .01$). Second, there is a significant relationship between social cohesion and the mediator ($B = 0.44$, $p < .01$), and third, the coefficient of the mediator is significant in regression three ($B = -0.18$, $p < .01$) with both social cohesion and groupthink as predictors. Additionally, the absolute effect of social cohesion on ethical behavior is less in regression three (Standardized beta = -0.50) than in regression two (Standardized beta = -0.61).

The Wald test shows that the difference between the coefficients is different from zero. The fact that the effect of social cohesion on ethical behavior is not reduced to zero when groupthink is introduced in the model implies that there is partial rather than full mediation. These results provide support for Hypothesis three (H3).

Control Variables and the Regression Model

Shaw and McKay (1969), Bursik (1988), Bursik and Grasmick (1993), Kornhauser (1978), and Sampson and Groves (1989), have argued that sample characteristics such as income, age, sex, ethnic heterogeneity disrupt the social organization in a way that reduces the organization's capacity to exercise social control. In this study we controlled for the confounding influence of the above variables using hierarchical regression. The control variables did not have any significant effects on ethical behavior. Results are displayed in Table 3.

Model 1 included only the classification variables: age group, highest education level attained, organizational tenure, and monthly income. None of these variables was statistically significant. The model had only a 2% explanatory power. On the other hand, multiple regression of ethical behavior on the various independent variables yielded statistically significant results, as shown in models 2, 3 and 4 of Table 3.

The hierarchical procedure was used with a view to determining the contribution of the independent variables to the explanatory power of the model. Model two added the ethical attitude variable. The beta coefficient of this variable was statistically significant ($B = -0.42$, $p < .001$). The change in R^2 was $.35$ ($\Delta F = 219.91$, $p < .001$).

TABLE 3
Hierarchical Regression Analysis with Ethical Behaviour as the
Dependent Variable (N = 237)

Variable	Model 1		Model 2		Model 3		Model 4	
	B	SE	B	SE	B	SE	B	SE
Intercept	2.39 ^a	.22	3.86 ^a	.20	4.16 ^a	.19	14.58 ^a	.18
Sex	.01	.06	.02	.05	.06	.04	.04	.04
Age Group	.10	.06	.08	.04	.05	.04	.05	.04
Education Level	.04	.06	.06	.04	.06	.04	.06	.04
Tenure	-.10	.06	-.11 ^b	.05	-.07	.04	-.06	.04
Income	-.02	.04	-.02	.03	-.03	.03	-.04	.02
Ethical Attitude			-.42 ^a	.03	-.34 ^a	.03	-.25 ^a	.03
Groupthink					-.20 ^a	.02	-.15 ^a	.02
Social cohesion							-.26 ^b	.03
Model F	1.24		38.25 ^a		49.20 ^a		62.60 ^a	
R	.12		.61		.68		.74	
R ²	.02		.36		.47		.56	
Adjusted R ²	.00		.36		.47		.55	
ΔR ²			.35		.10		.09	
F Change			219.91 ^a		73.24 ^a		84.20 ^a	

Notes: ^a $p < .001$; ^b $p < .05$.

implying that the explanatory power of the model increased by 35% owing to the inclusion of the ethical attitudes variable. This finding provides support for Hypothesis 5 (H5).

Model three added the groupthink variable to the previous model. The effect of variable was statistically significant ($B = -.20$, $p < .001$). The resultant change in R^2 was .10 ($\Delta F = 73.24$, $p < .001$) meaning that the inclusion of the groupthink variable added a further 10% to the explanatory power of the model. This finding provides preliminary support for Hypothesis 3 (H3)

The social cohesion variable was added in the fourth model. The coefficient of the social cohesion variable was statistically significant ($B = .26$, $p < .001$). The inclusion of the social cohesion variable added a further 9% change in R^2 ($\Delta F = 84.20$, $p < .001$) to the explanatory power of the independent variables in the model. The finding also offers support to Hypothesis 2 and preliminary support

for Hypothesis 3 (H3). The overall explanatory power of the model was fairly high ($R^2 = .56$, Adjusted $R^2 = .55$).

The results of the multiple regression analysis provide support for the study's hypotheses. While greater social cohesion appears to enhance groupthink behaviors, the study shows that, for the Ugandan sample, it is harmful to ethical attitudes and ethical behavior. These findings are in agreement with Granovetter's (1985) caution that while greater social relations may keep a check on malfeasance, they may in some respects, provide opportunities for ill behavior. Rather ironically, this may be because social cohesion breeds normative conformity and the need for group members to be accepted by others in the group (Goldstein, Heller & Sechrest, 1966; Isenberg, 1986). The study also corroborates recent studies which contended that social cohesion may have negative tendencies (Dyaram & Kamalanabhan, 2005) and can facilitate unethical actions (Narayanan et al., 2006).

CONCLUSION

Overall, the results support our hypotheses. This study revealed a significant correlation between social cohesion, groupthink, ethical attitudes and the ethical behavior of public procurement officers. Further, social cohesion, groupthink behavior, and ethical attitudes all contribute significantly to the explanation of ethical behavior. These findings are important because they identify independent variables that contain considerable explanatory power. The strength of the predictive power found in this study is suggestive of the need to understand and tackle the unethical behavior of procurement officers from unconventional perspectives.

MANAGERIAL IMPLICATIONS

The managerial implications of this study are two folded. The study dealt with an issue – ethical behavior – that continues to plague many nations. Not only did the regression for all the independent variables yield statistically significant results, but the prediction potential of the model is considerable. As regulatory bodies encourage greater cohesion among the procurement teams, they need to be cognizant of the negative consequences it may entail. Measures need to be put in place to ensure that independent critical

thinking is not suppressed by the groupthink behavior. In this way conformity related de-individuation will be reduced. The results suggest that social cohesiveness should not be so high to promote unethical behavior through increased groupthink behavior and socially induced unethical attitudes. There is need to control the degree of cohesiveness in the procurement teams as a way of reducing close mindedness and pressures towards conformity.

Limitations

Although the study provides some interesting findings and makes important contributions to the social cohesion literature, several potential limitations are worth noting. Firstly, we undertook a cross-sectional approach to data collection, which prohibits studying the sequential aspects of social cohesion. Moreover, measures for social cohesion and groupthink are not yet robust. Scholars are yet to agree on their construction and measurement.

Secondly, although respondents were assured of confidentiality, social desirability bias may still have occurred due to the sensitivity attached to ethical issues.

Lastly, empirical studies in the area of procurement, more so of ethical practices, are just beginning to take root. This limited the researchers' sources of local scholarly literature on which to base the development of this study.

Future Research

The unethical behavior of procurement officers in Uganda has led to a number of government sanctions to govern procurement, which has in a way contributed to increased transaction costs. Most of these transaction costs, such as under-specification, delayed supplies, unreliable quality of delivered supplies, and over-invoicing among others, have been associated with human interactions in social settings and are to some degree a corollary of ethical attitudes. Further research should consider studying the relationships between social cohesion, ethical attitudes and transaction costs in procurement.

Future research should also explore how we can control the degree of cohesiveness and how to encourage independent critical

thinking in the procurement teams as a way of reducing close mindedness and pressures towards conformity.

ACKNOWLEDGEMENTS

The authors of this paper wish to thank Professor Waswa Balunywa, Principal of Makerere University Business School (MUBS) for the financial support extended to the research team. Special thanks go to Professor Jan Telgen, Professor Gerrit Rooks and Ms. Ter-wiel Astrid who have been helpful in spearheading procurement reforms in Uganda under the NPT project funded by the Netherlands government through the Netherlands Organization for International Cooperation in Higher Education (NUFFIC).

REFERENCES

- Adams, G. B., & Ingersoll, V. H. (1990). "Culture, Technical Rationality and Organizational Culture." *American Review of Public Administration*, 20 (4): 285-302.
- Ahlfinger, N. R., & Esser, J. K. (2001). "Testing the Groupthink Model: Effects of Promotional Leadership and Conformity Predisposition." *Social Behavior and Personality*, 29 (1): 31-422.
- Ajzen, I. (1991). "The Theory of Planned Behavior." *Organizational Behavior Human Decision Process*, 50: 179-211.
- Ajzen, I. (1988). *Attitudes, Personality, and Behavior*. Milton Keynes, UK: Open University Press.
- Ajzen, I., & Sexton, J. (1999). "Depth of Processing, Belief Congruence, and Attitude-Behavior Correspondence." In S. Chaiken, and Y. Trope (Eds.), *Dual-Process Theories in Social Psychology* (pp. 117-38). New York: Guilford.
- Albert, R. (1953). "Comments on the Scientific Function of the Concept of Cohesiveness." *American Journal of Sociol.* 59:231-34

- Bandura, A., Barbaranelli, C., Caprara, G.V., & Pastorelli, C. (1996). "Mechanisms of Moral Disengagement in the Exercise of Moral Agency." *Journal of Personality and Social Psychology*, 71 (2): 364-374.
- Bandura, A. (1991). "Self-Efficacy Conception of Anxiety." In R. Schwarzer & R. A. Wicklund (Eds.), *Anxiety and Self-Focused Attention*. (pp. 89-110). New York: Harwood Academic Publishers.
- Baron, R. M., & Kenny, D. A. (1986). "The Moderator-Mediator Variable Distinction in Social Psychological Research: Conceptual, Strategic and Statistical Considerations". *Journal of Personality and Social Psychology*, 51: 1173-1182.
- Bernthal, P. R., & Insko, C. A. (1993). "Cohesion without Group Think: The Interactive Effects of Social and Task Cohesion." *Group and Organizational Management*, 18 (1): 66-87.
- Bowerman, B.L., & R.T. O'Connell. (1990). *Linear Statistical Models: An Applied Approach* (2nd ed.). Belmont, CA: Duxbury.
- Bursik, R. (1988). "Social Disorganization and Theories of Crime and Delinquency: Problems and Prospects." *Criminology*, 26:519-552.
- Bursik, R. J., & Grasmick, H. (1993). *Neighborhoods and Crime: The Dimensions of Effective Neighborhood Control*. New York: Lexington.
- Cartwright, D. (1968). "The Nature of Group Cohesiveness." In D. Cartwright & A. Zander (Eds.), *Group Dynamics: Research and Theory* (3rd ed., pp. 91-109). New York: Harper & Row.
- Chang, A., Bordia, P., & Duck, J. (2003). "Punctuated Equilibrium and Linear Progression: Toward a New Understanding of Group Development." *Academy Of Management Journal*, 46 (1): 106-117.
- Carron, A.V., Widmeyer, W. N., & Brawley, L. R. (1985). "The Development of an Instrument to Assess Cohesion in Sport Teams: The Group Environment Questionnaire." *Journal of Sport Psychology*, 7: 244-266.
- Cota, A. A., Evans, C. R., Dion, K. L., Kilik, L., & Longman, R.S. (1995). "The Structure of Group Cohesion." *Personality and Social Psychology Bulletin*, 21: 572-580.

- CPAR (2004). "Main Findings and Recommendations." *Country Procurement Assessment* (Report, Vol. 2 of 3). Kampala, Uganda: World Bank Report.
- Durkheim, E. (1951). *Suicide: A Study in Sociology*. New York: The Free Press.
- Dyaram, L., & Kamalanabhan, T. J., (2005). "Unearthed: The Other Side of Group Cohesiveness." *Journal of Social Science*, 10 (3): 185-190
- Eisenberg, N., Cialdini, R. B., McCreath, H., & Shell, R. (1987). "Consistency-based compliance: When and why do children become vulnerable?" *Journal of Personality and Social Psychology*, 52: 1174-1181.
- Evans, C. R., & Dion, K. L. (1991). "Group Cohesion and Performance: A Meta-Analysis." *Small Group Research*, 22 (2): 175-186.
- Ferrell, O. C., & Weaver, K. M. (1978, July). "Ethical Beliefs of Marketing Managers." *Journal of Marketing*, 42: 69-73.
- Festinger, L. (1950). "Informal Social Communication." *Psychology Review*, 57 (1): 271-82.
- Festinger, L., Schachter, S., & Back, K. (1950). *Social Pressure in Informal Groups*. New York: Harper & Row.
- Field, A. (2005). *Discovering Statistics Using SPSS*. (2nd ed.). London < UK: Sage Publications.
- Goldstein, H. (1977). *Policing a Free Society*. Cambridge, MA: Ballinger Publishing.
- Goldstein, A. P., Heller, K., & Sechrest, L. B. (1966). *Psychotherapy and the Psychology of Behavior Change*. New York: Wiley.
- Granovetter, M. (1985). "Economic Action and Social Structure: The Problem of Embeddedness." *American Journal of Sociology*, 91 (3): 481-510.
- Gully, S. M., Devine, D. J., & Whitney, D. J. (1995). "A Meta Analysis of Cohesion and Performance: Effects of Level of Analysis and Task Interdependence." *Small Group Research*, 26 (4): 497-520.

- Hackman, J. R. (Ed.). (1990). *Groups That Work (And Those That Don't): Creating Conditions For Effective Teamwork*. San Francisco, CA: Jossey-Bass Publishers.
- Hair, J. F., Anderson, R. E., Tatham, R. L., & Black, W. C. (1998), *Multivariate Data Analysis* (5th ed.). Upper Saddle River, NJ: Prentice-Hall.
- Heuser, B. L. (2005). "The Ethics of Social Cohesion." *Peabody Journal of Education*, 80 (4): 8-15.
- Hirschi, T. (1969). *The Causes of Delinquency*. Berkeley and Los Angeles, CA: University of California Press.
- Hofstede, G. (1980). *Culture's Consequences: International Differences in Work Related Values*. Thousand Oaks, CA: Sage Publications, Inc.
- Hogg, M.A. (1993). "Group Cohesiveness: A Critical Review and Some New Directions." In W. Stroebe, M. Hewstone (Eds.), *European Review of Social Psychology* (Vol. 4, pp. 85-111). New York: Wiley.
- Hutter-Pishgahi, L. (2005). *Welcoming All Children*. [Online]. Available at www.lidc.indiana.edu/Ecc/Documents/lhetsregisform_000.pdf. (Retrieved December 07, 2008).
- Isenberg, D. J. (1986). "Group Polarization: A Critical Review and Meta-Analysis." *Journal of Personality and Social Psychology*, 50: 1141-1151.
- Janis, I. (1972). *Victims of Groupthink*. Boston, MA: Houghton-Mifflin
- Janis, I. (1982). *Groupthink* (2nd ed.). Boston, MA: Houghton-Mifflin
- Janis, I. (1983). *Groupthink*. Boston, MA: Houghton Mifflin Company.
- Kantor, J., & Weisberg, J. (2002). "Ethical Attitudes and Ethical Behaviour: Are Managers Role Models?" *International Journal of Manpower*, 23 (8): 687-703
- Kenny, D, A. (2008). "Mediation." [Online]. Available at <http://davidakenny.net/cm/mediate.htm>. (Retrieved on September 12, 2008).
- Kornhauser, R. (1978). *Social Sources of Delinquency*. Chicago, IL: University of Chicago Press.

- Langfred, C. W. (1998). "Is Group Cohesiveness a Double-Edged Sword? An Investigation of the Effects of Cohesiveness on Performance." *Small Group Research, Group Cohesion*, 29 (1): 124-143.
- Lott, A.J., & Lott, B.E. (1965). "Group Cohesiveness as Interpersonal Attraction: A Review of Relationships with Antecedent and Variables." *Psychological Bulletin*, 64: 259-309.
- Mckendell, M., Demarr, B., & Jones-Rikkens, C. (2002), "Ethical Compliance Programs and Corporate Illegality: Testing the Assumptions of the Corporate Sentencing Guidelines." *Journal of Business Ethics*, 37 (4): 367-83.
- Mcperson, M., & Smith-Lovin, L. (2002). "Cohesion and Membership Duration: Linking Groups, Relations and Individuals in an Ecology of Affiliation." *Advanced Group Process*, 19: 1-36
- Menard, S. (1995). "Applied Logistic Regression Analysis." *Quantitative Applications in the Social Sciences*. Thousand Oaks, CA: Sage Publications, Inc.
- Mohamed, A.A., & Wiebe, F. A. (1996). "Toward a Process Theory of Groupthink." *Small Group Research*, 27 (3): 416-431.
- Moreno, J., & Jennings, H. (1937). "Statistics of Social Configurations." *Sociometry*, 1: 342-374.
- Motulsky, H. (1995). *Intuitive Biostatistics*. New York: Oxford University Press.
- Mudrack, P. (1989). "Defining Group Cohesiveness: A Legacy of Confusion." *Small Group Research*, 20 (1): 37-49.
- Myers, R. (1990). *Classical and Modern Regression with Applications* (2nd ed.). Boston, MA: Duxbury.
- Mullen, B., & Copper, C. (1994). "The Relation between Group Cohesiveness and Performance: Integration." *Psychological Bulletin*, 115: 210-227.
- Narayanan, J., Ronson, S., & Pillutla, M. (2006). "Groups as Enablers of Unethical Behavior: The Role of Cohesion on Group Member Actions." *Research on Managing Groups and Teams* 8 (8). Bingley, UK: Emerald Group Publishing Limited.

- ADR, Inc. (2006). *National Public Procurement Integrity Baseline Survey: Final Report*. (A Study Conducted under the Auspices of the Public Procurement and Disposal of Public Assets Authority and the Office of the Inspectorate of Government with the support of the United States Agency for International Development). Kampala, Uganda: Author.
- Newstrom, J. W., & Ruch, W. A. (1975). "The Ethics of Management and the Management of Ethics." *MSU Business Topics*, 23: 29-54.
- Ntayi, J. M (2005). *Career Resilience and Sales Force Performance*. (Unpublished Ph.D. Thesis). Kampala, Uganda: Makerere University
- Ntayi, J. M, Ahiauzu, A., Eyaa, S., Lumbuye, R., Muliira, A., & Mujabi, S. (Forthcoming). "Psychological Climate, Catharsis, Organizational Anomie, Psychological Wellness and Ethical Procurement Behaviour in Uganda's Public Sector." *Journal of Public Procurement*.
- Nyanzi, P., & Luggya, J. (2006). "Ministers Quizzed on Global Fund Money." *The Monitor*. [Online]. Available at <http://allafrica.com/stories/200603201100.html>.
- Podsakoff, P. M., Mackenzie, S. B., & Ahearne, M. (1997). "Moderating Effects of Goal Acceptance on the Relationship between Group Cohesiveness and Productivity." *Journal of Applied Psychology*, 82: 974-983.
- Podsakoff, P. M., Mackenzie, S. B., Lee, J. Y., & Podsakoff, N. (2003). "Common Method Bias in Behavioral Research: A Critical Review of the Literature and Recommended Remedies." *Journal of Applied Psychology*, 88: 879-903.
- PPDA (2005, June). *Procuring and Disposing Entities' Compliance Assessment* (Monthly Report). Kampala, Uganda: Author.
- PPDA (2007, August). *A Report on the Compliance and Performance Indicators for the Uganda Procurement System*. (Final Draft Report). Kampala, Uganda: Author.
- Public Procurement and Disposal of Public Assets Act (2003). Printed by UPPC, Entebbe, by Order of the Government

- Sampson, R. J., & Groves, W. (1989). "Neighborhood Structure and Crime: Testing Social Disorganization Theory." *American Journal of Sociology*, 94: 774-802.
- Schachter, S., Ellertson, J., McBride, D., & Gregory, D. (1951), "An Experimental Study of Cohesiveness and Productivity." *Human Relations*, 4 (1): 229-38.
- Schein, E. H. (1968). "Organization Socialization and the Profession of Management." *Industrial Management Review*, 9: 1-16.
- Shaw, C., & McKay, H. (1969). *Juvenile Delinquency and Urban Areas* (2nd ed.). Chicago, IL: University Of Chicago Press.
- Somers, H. (2001). "EBMT Seen as Case-Based Reasoning." *MT Summit VIII Workshop on Example-Based Machine Translation* (pp. 56-65). Manchester, UK: Centre for Computational Linguistics, UMIST.
- Turner, M. E., Pratkanis, A. R., Probasco, P. & Leve, C. (1992). "Threat, Cohesion, and Group Effectiveness: Testing a Social Identity Maintenance Perspective on Groupthink." *Journal of Personality and Social Psychology*, 63 (5): 781-796.