

Indigenous cultures and employee efficiency: the moderating effect of cronyism in state-owned enterprises in Ghana

Indigenous
cultures and
employee
efficiency

345

Fred Awaah

*Department of Business Administration, University of Professional Studies,
Accra, Ghana, and*

Morounkeji Olanrewaju

Directorate of Academic Planning, Lagos State University, Lagos, Nigeria

Received 13 August 2022

Revised 24 March 2023

3 July 2023

Accepted 18 September 2023

Abstract

Purpose – This paper examines the relationship between indigenous cultures and employee efficiency and how cronyism strengthens or weakens the relationship in the Ghanaian state-owned enterprises (SOEs) in response to the employee efficiency.

Design/methodology/approach – This study employs a quantitative approach by a cross-sectional survey to collect data from 400 workers in ten SOEs in Ghana. The analysis is done by using descriptive statistics and hierarchical regression techniques.

Findings – The findings indicate that showing gratitude is the predominant indigenous culture in the SOEs of Ghana while irregularity (absenteeism) is not dominant. Moreover, the practice of cronyism is high. It reveals that the indigenous cultures, except for respect for the elderly, relate negatively to employee efficiency, and cronyism strengthens the relationship between indigenous cultures and employee efficiency.

Originality/value – The paper contributes to the literature by providing empirical evidence that cronyism effectively strengthens the relationship between indigenous cultures and employee efficiency in a developing country. Strategies to discourage cronyism should be the key focus of public administrators, as well as mechanisms to limit the practice of adverse indigenous cultures.

Keywords Cronyism, Employee efficiency, Indigenous culture, State-owned enterprises, Ghana

Paper type Research paper

Introduction

Efficiency in achieving organisational goals is a common research area. Studies have noted that although the public and private sectors have different goals, increasing efficiency is paramount as it influences their ability to achieve stated goals. Their drive for increased efficiency is witnessed in public-private partnerships where their objectives align (Andrews and Entwistle, 2010). Gumah and Aziabah (2020) establish that efficiency in delivering public services is vital to enhancing and improving the quality of life for residents.

Ghana's state-owned enterprises (SOEs) are funded with taxes from the citizens. Thus, the Ghanaian citizenry demands high efficiency in using state funds, particularly in development projects (Arkorful *et al.*, 2022). Literature on Ghana's SOEs is extensive with studies indicating relatively poor employee efficiency (Ohemeng and Akonnor, 2022). Such problem



© Fred Awaah and Morounkeji Olanrewaju. Published in *Public Administration and Policy*. Published by Emerald Publishing Limited. This article is published under the Creative Commons Attribution (CC BY 4.0) license. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this license may be seen at <http://creativecommons.org/licences/by/4.0/legalcode>

Public Administration and Policy
Vol. 26 No. 3, 2023
pp. 345-359
Emerald Publishing Limited
e-ISSN: 2517-679X
p-ISSN: 1727-2645
DOI 10.1108/PAP-08-2022-0096

may be attributable to the Ghanaian indigenous culture (Yeboah-Assiamah *et al.*, 2016). Compared to foreign culture, indigenous culture impedes public sector efficiency thereby weakening argument to institutionalize indigenous culture at the workplace (Awaah, 2022).

Culture plays an essential role in determining attitudes (Hofstede, 2007). When introduced in the public sector, these attitudes influence employee efficiency. In training public servants, studies have proven that cultural teaching methods enhance students' understanding of concepts in public sector management (Awaah, 2020; Awaah *et al.*, 2021). Also, Giordano and Tommasino (2009) discover that historically shaped values and political attitudes continued to influence the quality of the Italian public sector. The Ghanaian scene is no different. Ghanaian indigenous attitudes like gratitude have led to corruption which negatively influences employee efficiency (Yeboah-Assiamah *et al.*, 2016). This influence may be exacerbated by cronyism which is perceived to characterise decision-making in the Ghanaian public service. Coco and Lagravinese (2014) observe that cronyism has been proven to negatively affect growth and productivity. Shaheen *et al.* (2017) note that cronyism breeds employee deviance in the public service which affects efficiency.

Cronyism leads to the appointment of friends and allies to key positions regardless of their credentials. Relationships are prioritised at the expense of ability. It follows that cronyism could adversely influence the effects of indigenous cultural elements on employee efficiency. However, this phenomenon has not been investigated in literature, particularly from the Ghanaian context. Hence, this study examines the relationship between indigenous culture and employee efficiency, using cronyism as moderator.

The study employs Cohen *et al.*'s (2003) hierarchical regression analysis to test the hypotheses by using cross-sectional data. It contributes to the extant literature by providing empirical evidence that cronyism effectively strengthens the relationship between indigenous culture and employee efficiency. Therefore, SOEs managers should endeavour to minimise, if not abort, the practice of cronyism in the employment process to ensure their efficiency. The rest of the paper is structured to include literature review and hypotheses development, methodology, results and discussion, and conclusion.

Literature review and conceptual framework

Hofstede's cultural dimensions theory

Hofstede (1980) proposed four cultural characteristics (power distance, uncertainty avoidance, individualism or collectivism, and masculinity or femininity) that could distinguish how a society's culture influences the actions and values of its people. He later added two more dimensions: long or short-term orientation and indulgence or restraint (Hofstede, 2011). Power distance and collectivism dimensions are relevant to this study, and so they are reviewed as underpinning theory.

African organisations and communities are characterised by power distance culture (PDC). PDC is "the extent to which less powerful members of institutions and organisations within a society expect and tolerate uneven power distribution" (Hofstede, 1980, p. 28). The idea of power distance demonstrates how cultures deal with inequities among people. It spans in value from zero to hundreds of PDC if less powerful members of organisations and institutions (such as the family) accept and expect unequal power distribution (Hofstede, 1980). Even if there are diverse individuals within a group, the collective philosophy of one group can be homogeneous and vary from one group to the next; thus, Hofstede (2011, p. 17) defines culture as "the collective programming of the mind that distinguishes the members of one group or category of people from others".

Collectivism is how people in a community are integrated into groups. It is a social, not an individual, feature. Individualist societies have loose relationships: everyone is expected to take care of themselves and their immediate family (Hofstede, 1980). Collectivists believe that

people are integrated from birth into strong, cohesive in-groups, frequently extended families (including uncles, aunts, and grandparents) that continue to protect them in return for unquestioning allegiance and oppose others (Hofstede, 2011).

Ghanaian indigenous culture

Indigenous culture represents a particular society's collective views, ideals, and practices. These ideals, traditions and practices are passed down from one generation to the next, ensuring that society maintains its identity (Côté and Levine, 2014). Based on Hofstede's cultural dimension theory, Ghanaian indigenous cultures include high power distance and collectivism (Owusu-Ansah and Louw, 2019). These cultures present characteristics such as respect for the elderly, gratitude, lack of punctuality and irregularity that foster public sector corruption thereby causing inefficiency (Awaah, 2022). These characteristics are reviewed as follows.

a. Respect for the elderly

Respect for the elderly has been ingrained into Ghanaians from childhood. Van der Geest (1997) asserts that respect and reciprocity are the guiding concepts in the Akan culture of Ghana's approach toward old persons and their care. Adama *et al.* (2021) also posit that respect for the elderly and authority is essential in Ghanaian society, and it is used to assess one's upbringing. Disrespect brings disgrace to one's family and community. Thus, the Ghanaian culture has a relatively high power distance as the words and actions of the elderly are accepted as they are usually left unchallenged, reflecting the views of Hofstede (1980).

b. Gratitude

Gratitude is a feeling of emotional indebtedness toward another person, frequently accompanied by a desire to thank or repay the individual for their kindness to you (Baffoe and Asimeng-Boahene, 2012). This feeling of emotional obligation and the desire to repay the person usually leads to gifts. In Ghana, refusing a gift is comparable to open hostility, and failing to express gratitude is equally disrespectful. The recipient may have to thank the donor several times for the same gift or gesture. Expressions of gratitude do not always take a monetary form but are sometimes expressed through reciprocal favours leading to cronyism (Jávor and Jancsics, 2016). This gratitude is a reflection of a collectivist society (Hofstede, 1980).

c. Lack of punctuality

Ghanaian culture does not value punctuality. Appiah-Nyamekye (2015) observes that lateness to meetings and appointments was typical and anticipated among Africans, particularly Ghanaians and Nigerians. This tendency results from Ghanaians' cultural socialisation, which is pervasive in Ghanaian social institutions. Terms like 'Ghana-man time', 'Ghanaian time', and 'African time', have been established in our cultural lexicon and emerge during funerals, festivals, traditional durbars, and other events. Despite the push for increased punctuality in the Ghanaian public sector, the ingrained nature of lateness has led to poor outcome (Abugre, 2017). This ingrained nature demonstrates that the Ghanaian culture is collectivist (Hofstede, 1980).

d. Irregularity

Regularity is defined as one's quality to be consistently present at their post or office. Regularity is closely linked to punctuality. Ghanaian culture has a very loose sense of regularity. Employees may go days without reporting to work. This absenteeism has largely been reduced by implementing time management policies (Abugre, 2017). However, some

employees cover for each other in exchange for favours, leading to conditions that allow cronyism to thrive, resulting from a collectivist society.

Employee efficiency

Employee efficiency is the efficient production and delivery of services (Andrews and Entwistle, 2013). Employee efficiency has four main dimensions (Lukes, 1974), which include: productive efficiency (the maximisation of outputs over inputs), allocative efficiency (the match between service demand and supply), distributive efficiency (the extent to which governments can provide an equitable distribution of services among citizens while staying within their budget constraints), and dynamic efficiency (balances current and future consumption). For this study, the focus is on productive efficiency.

At its most basic level, the idea of productive efficiency essentially relates to the relative inputs necessary to obtain the basic outputs of production (Gumah and Aziabah, 2020). Efficiency indicates the needs to choose options that offer the greatest outcome for resource application (Simon, 1976). This emphasis that productive efficiency encompasses not just conceptions of cost reduction, but also notions of effectiveness that is to maximise outputs. Cost-effectiveness, or the financial cost of producing a given unit of organisational performance, is also included (Ostroff and Schmitt, 1993). Specifically, the problem of efficiency in public organisations is to maximize the production function with the constraint that total expenditure is fixed (Simon, 1976).

Cronyism

Cronyism favours friends or close colleagues in giving employment and other benefits. As a concept, cronyism was first used in 1840 to mean 'the skill or inclination to establish friends' (Khatri and Tsang, 2003). When the Truman administration was accused of promoting cronies to government offices regardless of their credentials in 1952, it became a political term. This technique was defined as cronyism by a writer from the New York Times, changing the word's definition (Khatri and Tsang, 2003). Cronyism has been proven to affect growth and productivity negatively (Coco and Lagravinese, 2014), increase corruption (Roberts, 2010), and employee deviance in the public service (Shaheen *et al.*, 2017). Cronyism thrives in collectivist societies like Ghana's, where individuals are expected to have unquestioning allegiance to the group (Hofstede, 2011). A related concept is nepotism which deals with favouring family members. Cronyism is amplified by the practice of nepotism which cannot be overlooked as they promote bad work culture, ultimately causing inefficiency (Awaah, 2022).

Indigenous culture and employee efficiency

From Ghanaian perspective, gratitude indicates a collectivist culture (Hofstede, 2011) where everyone believes gratitude is due him/her. Thus, failure to show gratitude is considered ungratefulness which affects your subsequent engagement with the colleague or superior you owed the gratitude. Empirically, Yeboah-Assiamah *et al.* (2016) reveal that Ghanaians' efforts to demonstrate gratitude impede employee efficiency. They explain that the sentiment of gratitude and reciprocity leads to corruption, negatively influencing employee efficiency. In this study, it is hypothesized that:

H1a: Gratitude will negatively relate to employee efficiency.

Hashimoto (2008) asserts that Japanese society's switch to increased punctuality whilst dealing with Westerners post World War II greatly improved efficiency and helped improve the Japanese standard of living. Abugre (2017) also notes that time management or

punctuality is a driver of productivity. Nonetheless, Ghanaian indigenous culture does not promote punctuality. Lateness to work or appointments is common among Ghanaians (Appiah-Nyamekye, 2015), as they emphasize on terminology such as 'Ghana-man time' or 'Ghanaian time' to justify lateness (Awaah, 2022). These flexible definitions of 'on time' are linked to collectivist values and a short-term orientation (White *et al.*, 2011), yet no available literature in the Ghanaian context confirm the empirical relationship between lack of punctuality and employee efficiency. Therefore, it is hypothesized that:

H1b: Lack of punctuality will negatively relate to employee efficiency.

Studies in Ghana show that power distance culture allows superiors to commit corruption since most subordinates would not question them out of respect (Puni and Hilton, 2020; Hilton and Arkorful, 2021). Subordinates tend to show more respect for their superiors, especially if their superiors are older than them (Adama *et al.*, 2021). In order to reciprocate or reward the silence gesture of employees, superiors lower their standard of supervision and targets. This practice promotes employee inefficiency since supervision is largely ineffective and outcomes do not match against targets in many instances. For instance, Yeboah-Assiamah *et al.* (2016) reveal that unfettered respect for the elderly disrupts employee efficiency. A Ghanaian adage translates to 'even if you are as tall as your father, this does not imply that you are his equal'. This adage connotes that younger superiors in the organisation should not count themselves equal to the older subordinates. However, this thinking disrupts the public sector, where hierarchies and chains of command are vital in operations. There is, however, dearth of precise empirical study to affirm the negative relationship between respect for the elderly and employee efficiency. Hence, it is hypothesized that:

H1c: Respect for the elderly will negatively relate to employee efficiency.

According to Van Oort and Van Nes (2009), transit network planners frequently suggest network topologies that presume a certain amount of regularity or are specifically focused on enhancing service reliability, indicating the relevance of regularity in building efficiency. Absenteeism is closely linked to high collectivism culture, where everyone thinks that in his/her absence, others will work. This does not promote a sense of responsibility among employees so blame is commonly shifted when targets are not achieved, or things go wrong. It follows that such work culture will hinder efficiency. An empirical investigation is essential to underscore the possible negative relationship between irregularity (absenteeism) and employee efficiency. It is, therefore, hypothesized that:

H1d: Irregularity (absenteeism) will negatively relate to employee efficiency.

Indigenous culture, employee efficiency and cronyism

The African collectivist culture leads to corruption and fosters cronyism that impedes employee efficiency (Yeboah-Assiamah *et al.*, 2016). They asserted that the African extended family system placed undue pressure on public officials to provide better opportunities for their family members. This undue pressure often leads them to place family members in places of authority and responsibility even when they do not deserve it. Gyekye (2013) supports this point: "... the extended family system with its web of relatives gives rise to patronage: the official is expected to find jobs for some members of the extended family either his outfit or elsewhere".

Furthermore, the culture of gratitude places the emotional burden on the gift recipients to reciprocate the gesture (Yeboah-Assiamah *et al.*, 2016). The efforts to reciprocate gift gestures usually take the form of underserved favours (cronyism), which impedes employee efficiency. Besides, Coco and Lagravinese (2014) posit that cronyism has been proven to affect growth and productivity negatively. Roberts (2010) also indicates that cronyism increases

corruption, affecting efficiency. [Shaheen et al. \(2017\)](#) observe that cronyism breeds employee deviance in the public service, affecting efficiency. It is, therefore, hypothesised that:

H2a: Cronyism will moderate the relationship between gratitude and employee efficiency.

H2b: Cronyism will moderate the relationship between lack of punctuality and employee efficiency.

H2c: Cronyism will moderate the relationship between respect for the elderly and employee efficiency.

H2d: Cronyism will moderate the relationship between irregularity (absenteeism) and employee efficiency.

Conceptual model

The model in [Figure 1](#) indicates that indigenous cultures will affect employee efficiency, and cronyism will moderate that relationship.

Methodology

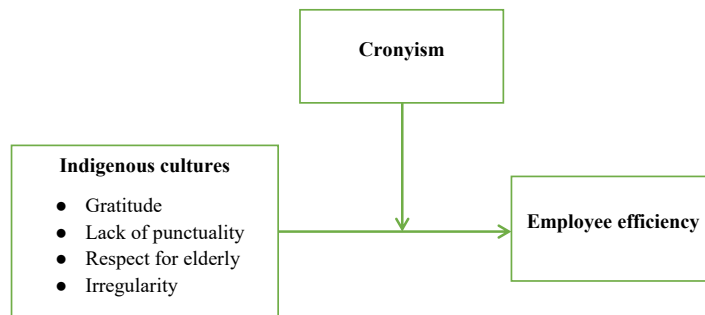
Research design

Explanatory and cross-sectional survey designs were used in this study. Explanatory design helps to explain the association among variables based on statistical inference ([Saunders et al., 2016](#)). Cross-sectional survey design helps to gather data at a particular point in time ([Zikmund et al., 2010](#)) in meeting the research objectives ([Altinay et al., 2015](#)). A quantitative approach was employed to collect numerical data for statistical analyses and conclusion.

Population and sampling

The study's population includes employees of SOEs in Ghana. According to the 2020 State Ownership Report, there are forty-seven (47) SOEs in Ghana ([Ministry of Finance, 2022](#)). The target population consisted of operational personnel from ten (10) randomly selected SOEs in Accra, the capital city of Ghana. The rationale for choosing Accra stems from the fact that most of Ghana's state-owned companies have headquarters and branches in Accra, making Accra a good representation of the public employees. Only 10 SOEs were selected because of resources constraint and lack of consent from some SOEs.

The SOEs were chosen randomly while the employees were purposively sampled. Only offices with approval and employees willing and accessible to participate in the survey were



Source: By authors

Figure 1. Conceptual model for indigenous cultures, cronyism and employee efficiency

chosen. Applying Patton (2002) rule, 48 respondents from each SOE were chosen to participate in the survey, making a total sample size of 480. To avoid biased selection, a purposive sampling method was employed to select the respondents. The investigation lasted for five weeks. The questionnaires were administered face to face, where respondents were given about a week to complete while some completed the questionnaire on the first engagement. 400 valid questionnaires were collected from the 480 expected respondents. The analyses were conducted as the percentage of valid questionnaires (83.3 percent) is considered acceptable.

Instrumentation

A questionnaire was used to collect the data. The Dimensions of Questionnaire and Hofstede’s PDC instrument were adopted to measure the indigenous culture characteristics (Bochner and Hesketh, 1994). This helped to enhance cultural insight and to adopt understanding of diverse cultures to foster appreciation of the study. The questionnaire includes items that centred on leader-subordinate and coworker-coworker connections to determine how power distance and collectivist culture are prevalent in the organisations. High PDC replies were more likely to show respect for the elderly, but low PDC responses were less likely to do so. High levels of collectivism were associated with more thankfulness, a relaxed attitude toward punctuality, regularity, and cronyism. Low collectivist replies had a lower chance of doing so. Cronyism was measured with adapted items from Khatri and Tsang (2003). Sample items include: “I have strong unofficial relationships in the workplace”, “I leverage my unofficial relationships in the workplace for favours”, “There are strong cliques and groups in my workplace”, “I am more likely to enjoy favours in my workplace if they belong to the manager’s clique”, “I am loyal to my manager than my organization”.

Employee efficiency was measured with adapted items (Merry, 2013). Sample items include: “in our organisation, each employee’s output is contributing to company’s goals and targets”, “quality of the task completed is also measured in our organisation”, “employee productivity is determined by recording how they use their work time”, “employee’s productivity is directly linked to profit of the organization”, and “most of the employees here consume less resources than are normally required for the same output”. All the items were given a five-point Likert scale answer, with the options: (1) strongly disagree, (2) disagree, (3) somewhat agree, (4) agree, and (5) strongly agree.

Predictive validity and reliability tests were performed to ensure that the instrument accurately and consistently measured the research variables. Cronbach’s alpha was calculated to evaluate the reliability, while the inter-construct correlation was utilised to assess the predictive validity. According to Fields (2009), both tests aid in confirming if an instrument accurately measures what it is supposed to measure, but the reliability test focuses specifically on the internal consistency of the measuring scales. Table 1 shows that

Variables	α	1	2	3	4	5	6
1. Lack of punctuality	0.74	1					
2. Respect for elderly	0.88	0.68**	1				
3. Gratitude	0.91	0.60**	0.69**	1			
4. Irregularity	0.76	0.57**	0.52**	0.46**	1		
5. Cronyism	0.83	0.29**	0.33**	0.37**	0.30**	1	
6. Employee efficiency	0.87	-0.31**	0.22*	-0.36**	-0.29**	-0.38**	1

Note: ** $p < 0.01$ and * $p < 0.05$

Source: By authors

Table 1.
Cronbach’s alpha and
inter-construct
correlation

the instrument is predictively valid and reliable as the Cronbach's alpha coefficients range from 0.74 to 0.91, which is over the 0.70 suggested level for this sort of study (Cooper and Schindler, 2008).

Data analysis

Descriptive statistical analysis was done to report the mean, standard deviation, skewness, and kurtosis. A Pearson correlation analysis was used to evaluate the links. A hierarchical regression analysis investigated the associations and the moderating effect of cronyism. This regression technique recommended by Cohen *et al.* (2003) has been widely applied in moderation studies (Puni and Hilton, 2020; Hilton *et al.*, 2021; Martins, 2022).

Results and discussion

Table 2 indicates that the sample has more males (61 percent) than females (39 percent). 45 percent of respondents are aged between 31 and 40 years, 30 percent of them are aged between 41 and 50 years, 19 percent of them are aged between 20 and 30 years, and 6 percent of them are aged between 51 and 60 years. Regarding marital status, more than half of the respondents are married (68 percent), followed by those who hold a master's degree (24 percent), then those holding other certificates (18 percent), and holders of diploma (17 percent), with the least possessing professional certificate (13 percent).

Table 3 shows the mean, standard deviation, skewness and kurtosis of the constructs of the study. The mean results show that all indigenous cultures are eminent in the selected organisations, with gratitude being the predominant indigenous culture and regularity being the least. Meanwhile, the mean score for cronyism shows that the cronyism level in the selected organisations is quite high. The mean score for employee efficiency indicates that the workers' efficiency in the selected SOEs is above average. As per Tabachnick *et al.*'s (2001)

Variables	Frequency (<i>n</i> = 400)	Percent
<i>Gender</i>		
Male	244	61
Female	156	39
<i>Age</i>		
20-30	76	19
31-40	180	45
41-50	120	30
51-60	24	6
<i>Marital status</i>		
Single	104	26
Married	272	68
Divorced	24	6
<i>Educational level</i>		
Diploma	68	17
First degree	112	28
Master's	96	24
Professional certificate	52	13
Others	72	18
Source: By authors		

Table 2.
Demographic characteristics of respondents

criterion, the data is parametric since the values of the skewness and kurtosis fall between -1 and $+1$, indicating that regression analysis can be carried out (Hilton *et al.*, 2021).

Table 4 presents the summary of the hierarchical regression analysis. The table contains three blocks. Each block contains three steps where step 1 relates to the individual entry of the indigenous cultures; step 2 relates to the entry of both indigenous cultures as independent variables and cronyism as a controlling variable; and step 3 relates to the inclusion of the interactive term of the indigenous culture and cronyism. The three-step procedure is followed to test the following: the distinct effect of the indigenous culture on employee efficiency (i.e., step 1), the augmentation effect of cronyism (i.e., step 2), and the moderating effect of cronyism on the relationship between indigenous cultures and employee efficiency (i.e., step 3). The unstandardised beta coefficients and t-statistics have been presented in three models, where model 1 relates to step 1; model 2 relates to step 2; and model 3 relates to step 3. The R-square, adjusted R-square and F-statistics are all significant, implying that both the indigenous cultures and cronyism contribute significantly to change in employee efficiency.

From Table 4, the unstandardised beta coefficients in model 1 for the indigenous cultures are significant, suggesting that the indigenous cultures have a significant relationship with employee efficiency. However, gratitude, lack of punctuality, and irregularity are negatively associated with employee efficiency, while respect for the elderly has a positive association with employee efficiency. Specifically, gratitude has the highest association (with coefficient of -0.32), followed by regularity (-0.30 coefficient), with punctuality being the least (-0.25 coefficient). These results imply that enhancement in these indigenous cultures will more likely lead to a significant decrease in employee efficiency by the magnitudes of their various coefficients. Hence, *H1a*, *H1b*, and *H1d* are supported. On the other hand, the relationship between respect for the elderly and employee efficiency suggests that enhancement in the culture of respect for the elderly will more likely lead to significant improvement in employee efficiency by the magnitude of the coefficient (0.19). Therefore, *H1c* is not supported since there is an inverse relationship between the two variables contrary to the stated *H1c*. (See Table 5)

The above findings confirm existing studies which reported that these indigenous cultures negatively affect employee efficiency (Hashimoto, 2008; Giordano and Tommasino, 2009; Van Oort and Van Nes, 2009; Yeboah-Assiamah *et al.*, 2016; Abugre, 2017). In supporting the prior research, this study demonstrates that the indigenous cultures (gratitude, lack of punctuality, irregularity, and respect for the elderly) have distinct effects on employee efficiency and have a combined effect on employee efficiency, except that respect for the elderly will produce a positive effect. This study further identifies that the predominant indigenous culture (gratitude) has the highest effect on employee efficiency. However, in contrast with Yeboah-Assiamah *et al.*'s (2016) findings that unfettered respect for the elderly disrupts employee efficiency. Therefore, this study has provided empirical evidence from a developing country's perspective on how unfavourable indigenous cultures can influence employee efficiency. This study further illustrates that the predominant indigenous culture (i.e., gratitude) should be a great concern to public policymakers to improve employee efficiency.

Variables	Mean	SD	Skewness	Kurtosis
Gratitude	4.07	0.82	-0.12	0.88
Lack of punctuality	3.72	0.87	-0.62	-0.07
Respect for elderly	3.47	0.84	-0.12	0.91
Irregularity	3.37	0.70	-0.41	0.80
Cronyism	3.84	0.78	0.57	0.32
Employee efficiency	3.28	0.63	-0.89	0.77

Source: By authors

Table 3.
Descriptive statistics
for study variables

Table 4.
Regression results for
employee efficiency

Block	Step	Predictors	Model 1			Model 2			Model 3			R^2	ΔR^2	F	P
			B	t		B	t		B	t					
1	1	Gratitude	-0.32	-8.27**	-0.27	-7.66**	-0.30	-8.23**	0.21	0.20	101.22	0.00			
	2	Cronyism			-0.25	-6.40**	-0.24	-6.27**	0.28	0.28	56.89	0.00			
	3	Gratitude × Cronyism					-0.20	-4.14**	0.30	0.29	54.57	0.00			
2	1	Lack of punctuality	-0.28	-6.73**	-0.24	-6.75**	-0.23	-6.69**	0.16	0.15	76.21	0.00			
	2	Cronyism			-0.21	-5.40**	-0.19	-4.32**	0.26	0.25	70.60	0.00			
	3	Lack of punctuality × Cronyism					-0.15	-2.77*	0.26	0.25	47.40	0.00			
3	1	Respect for elderly	0.19	4.11**	0.14	2.73**	0.12	2.56*	0.13	0.11	62.53	0.00			
	2	Cronyism			-0.20	-4.45**	-0.19	-4.38**	0.22	0.23	56.46	0.00			
	3	Respect for elderly × Cronyism					-0.17	-3.14*	0.23	0.21	37.75	0.00			
4	1	Irregularity	-0.30	-9.27**	-0.27	-7.66**	-0.25	-6.23**	0.21	0.20	99.62	0.00			
	2	Cronyism			-0.23	-5.40**	-0.21	-6.27**	0.28	0.28	58.89	0.00			
	3	Irregularity × Cronyism					-0.18	-3.36**	0.30	0.29	56.57	0.00			

Note. ** $p < 0.01$ and * $p < 0.05$; Initial entry of cronyism: beta = -0.34 and t -value = -8.26

Source: By authors

Table 5.
Summary of hypotheses results

Hypotheses	Coefficient	t-value	Decisions
H1a	-0.32	-8.27**	Supported
H1b	-0.28	-6.73**	Supported
H1c	0.19	4.11**	Rejected
H1d	-0.30	-9.27**	Supported
H2a	-0.20	-4.14**	Supported
H2b	-0.15	-2.77**	Supported
H2c	-0.17	-3.14*	Supported
H2d	-0.18	-3.36**	Supported

Note: ** $p < 0.01$ and * $p < 0.05$

Source: By authors

Theoretically, this study underscores the relevance of Hofstede's cultural dimension theory, precisely the high power distance and collectivism as underpinning cultures to the Ghanaian indigenous culture. The results are consistent with the empirical findings of Puni and Hilton (2020) that Ghana has a high PDC, which breeds some of her indigenous cultures (i.e., respect for the elderly). Likewise, this study's result is consistent with Hofstede's collectivist dimension of culture, which is empirically confirmed in Ghana by Owusu-Ansah and Louw (2019). Thus, Hofstede's high collectivism principles are evident in Ghanaian indigenous cultures including gratitude, lack of punctuality and irregularity (absenteeism). According to Hofstede's earlier findings, this study provides that indigenous cultures are pervasive in the public sector, particularly among African countries. Understanding these indigenous cultures offers the opportunity to adopt the strategies to minimise their practice at the workplace in promoting employee efficiency. Additionally, this study fills the gap in the literature by applying the Hofstede's cultural dimension theory to Ghanaian indigenous cultures, which may be pervasive in other African countries, which received little attention from scholars.

Under model 2, the controlling effect of cronyism in step 2 is significant, meaning that cronyism contributes to explaining the variance in employee efficiency. Again, the initial entry of cronyism as a predictor shows significant unstandardised beta coefficients of -0.34 (see note to Table 4). Comparing this coefficient to the coefficients in model 1, it can be concluded that cronyism could augment all the indigenous cultures and not vice versa.

Moderating effect of cronyism

Applying the moderating analysis procedure by Cohen *et al.* (2003), multiplicative interaction terms were created. The variables were centred on a mean of 0 to reduce the correlation between the interactive term and the variables comprising the interaction to prevent the possibility of high multicollinearity. The results under model 3 in Table 4 depict the interaction effect. Cronyism has a significant moderating effect on the association between the indigenous cultures and employee efficiency. This result demonstrates that increasing the moderator (cronyism) would increase the negative effect of the indigenous cultures on employee efficiency. Hence, H2 is supported.

This moderation result provides empirical support to the observation of Yeboah-Assiamah *et al.* (2016) that culture leads to corruption, particularly the African collectivist culture, which fosters cronyism that impedes employee efficiency. This result further supports the earlier assertion that the efforts of public workers to reciprocate gift gestures usually take the form of underserved favours (cronyism), which impedes employee efficiency. Moreover, the result validates Coco and Lagravinese's (2014) claim that cronyism affects growth and productivity (efficiency) negatively. Lastly, this moderation result justifies Roberts' (2010) postulation that cronyism increases corruption, which in turn affects efficiency.

This study focused on the interaction effect of cronyism and indigenous cultures in relation to employee efficiency and has demonstrated that cronyism increases the negative influence of unfavorable indigenous cultures on employee efficiency. This is consistent with extant study that discovers cronyism breeds employee deviance in the public sector which affects efficiency (Shaheen *et al.*, 2017). It implies that, while it is appropriate to control the practice of these inimical cultures, the inclusion of cronyism in the control mechanisms is necessary to reduce the overall impact of these indigenous cultures on employee efficiency.

Conclusion

The findings suggest that the indigenous cultures are highly practiced in the selected SOEs. It implies that SOEs managers and policymakers should strive to identify and implement strategies that will minimize the practice of such adverse cultures in the workplace. Secondly, except for respect for the elderly, indigenous cultures have a significant negative association with employee efficiency. Therefore, the implementation of the recommendation above is essential to reduce the impact of such cultures on employee efficiency. Additionally, cronyism is an effective augmentor and moderator of all the indigenous cultures. It means that cronyism is a bad practice which can affect organizations adversely. Therefore, specific strategies (such as enactment or amendment of regulations or formulation of public policy and strict enforcement of same) to regulate and guide public recruitment and promotion processes have to be commissioned. Such policies or regulations should prohibit the recruitment of friends and relations in the same institution. This will contribute to the control of the adverse cultures and ultimately reduce their negative effect on employee efficiency.

Socially, government and other stakeholders such as civil society organisations, churches, community leaders and schools would have to make conscious efforts to shape the culture of the citizens by insisting on appropriate cultures with no room to condone adverse cultures. When public officials are found guilty of violating cultural regulations or policies, these groups or individual citizens should be empowered to take reasonable steps to seek appropriate redress.

This study has identified that indigenous cultures such as showing gratitude, lack of punctuality, and irregularity (absenteeism) are detrimental to employee efficiency. The findings suggest that all other things being equal, a positive overturn of these indigenous cultures is crucial in enhancing public workers efficiency. Gratitude is the most prevalent indigenous culture in the Ghanaian SOEs, so mechanisms have to be introduced to discourage such practices. Cronyism significantly moderates the association between the indigenous cultures and employee efficiency. Even respect for the elderly that positively associated with employee efficiency will turn negative. Thus, special attention has to be paid to cronyism in the SOEs recruitment process to get the right persons for the job to promote employee efficiency.

This study focuses on Ghanaian SOEs, but it would be interesting to know if the moderating effect of cronyism on the association between indigenous cultures and employee efficiency is country-specific or holds true in other developing countries with similar cultures. Therefore, future studies are suggested to examine the phenomenon to see if the same results would be evident in other developing countries with similar cultures, and whether these relationships are sector specific.

References

- Abugre, J.B. (2017), "A phenomenological study of time concept and management and productivity in a sub-Saharan African context", *International Journal of Cross Cultural Management*, Vol. 17 No. 2, pp. 197-214.

- Adama, E.A., Sundin, D. and Bayes, S. (2021), "Sociocultural practices affecting the care of preterm infants in the Ghanaian community", *Journal of Transcultural Nursing*, Vol. 32 No. 5, pp. 458-465.
- Altinay, L., Paraskevas, A. and Jang, S.S. (2015), *Planning Research in Hospitality and Tourism*, Routledge, London.
- Andrews, R. and Entwistle, T. (2010), "Does cross-sectoral partnership deliver? An empirical exploration of public service effectiveness, efficiency, and equity", *Journal of Public Administration Research and Theory*, Vol. 20 No. 3, pp. 679-701.
- Andrews, R. and Entwistle, T. (2013), "Four faces of public service efficiency: what, how, when and for whom to produce", *Public Management Review*, Vol. 15 No. 2, pp. 246-264.
- Appiah-Nyamekye, J. (2015), "Communication among students in a multi-cultural learning environment: a case study of students of the international students' hostel", unpublished doctoral dissertation, University of Ghana, Accra.
- Arkorful, H., Hilton, S.K. and Awaah, F. (2022), "Community engagement in development projects: government versus private funded projects in Ghana", *Journal of Enterprising Communities: People and Places in the Global Economy*, Vol. 17 No. 3, pp. 708-727.
- Awaah, F. (2020), "Indigenous (cultural) knowledge related to the concept of politics as a difficult topic in public administration", Okebukola, P.A. (Ed.), *Breaking Barriers to Learning: The Culturo-Techno-Contextual Approach*, Sterling Publishers, Slough, pp. 182-192.
- Awaah, F. (2022), "Indigenous – foreign culture fit and public employee performance: the case of Ghana", *Journal of Economic and Administrative Sciences*, ahead of print, doi: [10.1108/JEAS-08-2022-0182](https://doi.org/10.1108/JEAS-08-2022-0182).
- Awaah, F., Okebukola, P., Shabani, J., Raheem, K., Ahofo, M., Onowugbeda, F. and Agbanimu, D. (2021), "Will cultural teaching methods influence student understanding of politics and bureaucracy in the public administration curriculum of African countries within the COVID-19?", *Teaching Public Administration*, Vol. 4 No. 1, pp. 41-58.
- Baffoe, M. and Asimeng-Boahene, L. (2012), "Using billboards as medium of communication, projection, and expression of African cultural values: the case of Ghanaian sign boards", *Society AI & Society: Knowledge, Culture and Communication*, Vol. 27 No. 4, pp. 491-499.
- Bochner, S. and Hesketh, B. (1994), "Power distance, individualism/collectivism, and job-related attitudes in a culturally diverse work group", *Journal of Cross-cultural Psychology*, Vol. 25 No. 2, pp. 233-257.
- Coco, G. and Lagravinese, R. (2014), "Cronyism and education performance", *Economic Modeling*, Vol. 38, pp. 443-450.
- Cohen, J., Cohen, P., West, S.G. and Aiken, L.S. (2003), *Applied Multiple Regression/Correlation Analysis for the Behavioral Sciences*, Lawrence Erlbaum Associates, Mahwah, NJ.
- Cooper, C.R. and Schindler, P.S. (2008), *Business Research Methods*, McGraw-Hill, Boston.
- Côté, J.E. and Levine, C.G. (2014), *Identity, Formation, Agency, and Culture: A Social Psychological Synthesis*, Psychology Press, New York, NY.
- Fields, A. (2009), *Discovering Statistics Using SPSS*, Sage, London, Thousand Oaks, New Delhi and Singapore.
- Giordano, R. and Tommasino, P. (2009), "Behind public sector efficiency: the role of culture and institutions", APSA 2009 Toronto Meeting Paper, Toronto.
- Gumah, B. and Aziabah, M.A. (2020), "Our lives are affected by government agencies: citizens' perception survey as a measure of public service efficiency in Ghana", *SAGE Open*, Vol. 10 No. 2, pp. 1-10.
- Gyekye, K. (2013), *Philosophy Culture and Vision: African Perspectives: Selected Essays*, Sub-Saharan Publishers, Legon.
- Hashimoto, T. (2008), "Japanese clocks and the history of punctuality in modern Japan", *East Asian Science, Technology and Society: An International Journal*, Vol. 2 No. 1, pp. 123-133.

- Hilton, S.K. and Arkorful, H. (2021), "Remediation of the challenges of reporting corporate scandals in governance", *International Journal of Ethics and Systems*, Vol. 37 No. 3, pp. 356-369.
- Hilton, S.K., Arkorful, H. and Martins, A. (2021), "Democratic leadership and organisational performance: the moderating effect of contingent reward", *Management Research Review*, Vol. 44 No. 7, pp. 1042-1058.
- Hofstede, G. (1980), *Culture's Consequences: International Differences in Work-Related Values*, Sage, Beverly Hills, CA.
- Hofstede, G. (2007), "Asian management in the 21st century", *Asia Pacific Journal of Management*, Vol. 24 No. 4, pp. 411-420.
- Hofstede, G. (2011), "Dimensionalising cultures: the Hofstede model in context", *Online Readings in Psychology and Culture*, Vol. 2 No. 1, pp. 1-26.
- Jávor, I. and Jancsics, D. (2016), "The role of power in organisational corruption: an empirical study", *Administration & Society*, Vol. 48 No. 5, pp. 527-558.
- Khatri, N. and Tsang, E.W. (2003), "Antecedents and consequences of cronyism in organisations", *Journal of Business Ethics*, Vol. 43 No. 4, pp. 289-303.
- Lukes, S. (1974), *Power: A Radical View*, Macmillan, New York, NY.
- Martins, A. (2022), "Dynamic capabilities and SME performance in the COVID-19 era: the moderating effect of digitalization", *Asia-Pacific Journal of Business Administration*, Vol. 15 No. 2, pp. 188-202.
- Merry, J. (2013), "Aon Hewitt's 2013 trends in global engagement: where do organizations need to focus attention", *Strategic HR Review*, Vol. 13 No. 1, pp. 24-31.
- Ministry of Finance (2022), "2020 state ownership report", Republic of Ghana, available at: <https://mofep.gov.gh/news-and-events/2022-04-01/2020-state-ownership-report#:~:text=The%202020%20Report%20is%20based,to%20enhance%20context%2Ddriven%20assessment> (accessed 9 September 2023).
- Ohemeng, F.L. and Akonnor, A. (2022), "The new public sector reform strategy in Ghana: creating a new path for a better public service?", *Public Organization Review*, Vol. 23 No. 2, pp. 839-855.
- Ostroff, C. and Schmitt, N. (1993), "Configurations of organisational effectiveness and Efficiency", *Academy of Management Journal*, Vol. 36 No. 6, pp. 1345-1361.
- Owusu-Ansah, M. and Louw, L. (2019), "The influence of national culture on organisational culture of multinational companies", *Cogent Social Sciences*, Vol. 5 No. 1, pp. 623-648.
- Patton, M.Q. (2002), "Two decades of developments in qualitative inquiry: a personal, experiential perspective", *Qualitative Social Work*, Vol. 1 No. 3, pp. 261-283.
- Puni, A. and Hilton, S.K. (2020), "Power distance culture and whistleblowing intentions: the moderating effect of gender", *International Journal of Ethics and Systems*, Vol. 36 No. 2, pp. 217-234.
- Roberts, J.M. (2010), "Cronyism: undermining economic freedom and prosperity around the world", *Background*, Vol. 2447 No. 9, pp. 1-12.
- Saunders, M., Lewis, P. and Thornhill, A. (2016), *Research Methods for Business Students*, Pearson Education, New York, NY.
- Shaheen, S., Bashir, S. and Khan, A.K. (2017), "Examining organisational cronyism as an antecedent of workplace deviance in public sector organisations", *Public Personnel Management*, Vol. 46 No. 3, pp. 308-323.
- Simon, H.A. (1976), *Administrative Behavior: A Study of Decision-making Processes in Administrative Organization*, Macmillan, London.
- Tabachnick, B.G., Fidell, L.S. and Osterlind, S.J. (2001), *Using Multivariate Statistics*, Pearson Education, London.

-
- Van der Geest, S. (1997), "Between respect and reciprocity: managing old age in rural Ghana", *Southern African Journal of Gerontology*, Vol. 6 No. 2, pp. 20-25.
- Van Oort, N. and van Nes, R. (2009), "Regularity analysis for optimising urban transit network design", *Public Transport*, Vol. 1 No. 2, pp. 155-168.
- White, L.T., Valk, R. and Dialmy, A. (2011), "What is the meaning of "on time"? The sociocultural nature of punctuality", *Journal of Cross-Cultural Psychology*, Vol. 42 No. 3, pp. 482-493.
- Yeboah-Assiamah, E., Asamoah, K., Bawole, J.N. and Musah-Surugu, I.J. (2016), "A socio- cultural approach to public sector corruption in Africa: key pointers for reflection", *Journal of Public Affairs*, Vol. 16 No. 3, pp. 279-293.
- Zikmund, W.G., Babin, B.J., Carr, J.C. and Griffin, M. (2010), *Business Research Methods*, Cengage Learning, Mason, HO.

About the authors

Fred Awaah holds a PhD in Public Administration from the University of Burundi and a second PhD in ICT Education from the Lagos State University, Nigeria. He is a Lecturer at the Department of Business Administration of the University of Professional Studies, Ghana. His research interests include public administration and education management. Fred Awaah is the corresponding author and can be contacted at: akaphari@yahoo.com

Morounkeji Olanrewaju holds a Doctorate degree in Public Administration (DPA) and a Master's degree in Public Administration (MPA) from Lagos State University, Nigeria. She is the Director of Academic Planning in Lagos State University for over 15 years. Her research interests include public administration, human resource planning and curriculum development.

For instructions on how to order reprints of this article, please visit our website:

www.emeraldgrouppublishing.com/licensing/reprints.htm

Or contact us for further details: permissions@emeraldinsight.com