# Organizational Trust, Collectivism and **Goal Congruence**

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#### **Abstract**

**Purpose:** The study addresses the building blocks of goal congruence among local governments by presenting a conceptual **study** on the impact of collectivism on the organizational trust goal congruence relationship.

**Methodology:** We apply structural equation modeling (AMOS) to **test** the hypotheses.

Findings: The study finds that organisational trust and collectivism are positively and significantly associated. The study also finds that collectivism is positively correlated with goal congruence. The study did not find a direct significant association between organizational trust and goal congruence, except through collectivism.

**Implications:** This study demonstrates that organizational trust on its own may not influence goal congruence among local government except through collectivism.

**Originality:** The results provide initial evidence that enrich stewardship studies by confirming that variations in organizational trust enhance collectivism for goal congruence in the delivery of public services.

Keywords: Collectivism, Goal Congruence, Local Government, Organization Trust, Public Sector, Service Delivery

## Introduction

In a dynamic business environment, organisations strategically pursue multiple goals in order to survive. Hence organisations are increasingly attaching greater emphasis to goal congruence (Wood & Michalisin, 2010) as a way to achieve their goals. Extant literature indicates that goal congruence helps organizations to reduce administrative and supervisory costs, enjoy outcomes of collective responsibility and achieve targeted goals (Cohen & March, 2010; Powell & Yalcin, 2010). Powell and Yalcin further argue that goal congruence helps organisations to share workplace interests and greater performance achievement. Furthermore, literature indicates that goal congruence helps organizations to enjoy outcomes of collective responsibility (Cohen & March, 2010).

Goal congruence has become imperative for local governments if they are to achieve their targets (Golooba-Mutebi, 2005). In Uganda the local governments to date have not fully realized their mandated goals and functions despite technical, financial and administrative support from central government (Office of the Auditor General-OAG Report, 2012). The Makerere Business Journal local government continues to suffer from an unclear mechanism for goal harmonization Vol. 13, Issue 1 2017 pp.27-46 between politicians, government bureaucrats and technocrats (Golooba-Mutebi, 2005).



27

Multiple constituents, divergent and competing interests of politicians and technical staff work to stifle goal priorities which paralyse service delivery (Kakumba, 2010). This gesture has resulted into failure on the part of the local governments to effectively manage their mandate (OAG Report, 2012). Relentless conflicts and disputes paralyse performance causing public distrust and dissatisfaction with government. Consequently, these inconsistencies have eroded the local public service's main aim of achieving targeted goals (Cohen & March, 2010) such as infrastructure development, medical facilitation and provision of adequate education services. As a result, delivery of cost-effective quality services in a dynamic environment becomes unattainable (Kagaari, Munene and Ntayi, 2010). Despite its importance, there appears to be lack of a systematic frame-work for achieving goal congruence (Locke & Latham, 2009) as is evidenced in the public service sector. The key question, though, is why some local governments are not achieving goal congruence?

The question has been answered partially by development of trust which has been proven by some researchers such as Wood and Michalisin (2010) to improve goal congruence in developed countries. According to Wood and Michalisin, there is necessity for individuals within the organization to trust each other if they are to achieve goal congruence. However, research conducted to assess what stakeholder behaviour such as trust helps to build goal congruence in the public service is limited; yet the public's expectations of public service acting congruently in the pursuit of its goals is on the increase (Billsberry, 2010). However, there are a few studies that link organizational trust and goal congruence (Kagaari et al., 2010; Golooba-Mutebi, 2005) that have been carried out in developing countries. Various scholars have examined organizational trust as one party's instinctive unquestioning belief in and reliance upon another party that what the other party will decide will be in favour of the first party (Ba & Pavlou, 2002). As Bachmann and Inkpen (2011) and Caldwell and Karri (2005) indicate, effective organizational trust may lead to a better goal congruence through certain innovations. Such innovations local governments may consider include the collectivism.

Collectivism is the collective responsibility, team work and shared efforts to create synergy and environment where employees participate in major decisions and activities and plans designed for overall success of the organisations (Gómez, Kirkman & Shapiro, 2000) that local governments can use for deciding what to center on in order to improve goal congruence and make it yield results. This means that in order for goals to be achieved employees should be involved in many work processes; they should also participate and should be given opportunity to support goals. These studies by Gómez, Kirkman and Shapiro (2000) have unreservedly argued that collectivism contributes to achievement of goal congruence. The importance of collectivism has been articulated by Kakumba (2010) with a focal point on the private sector where the researchers use the term collectivism to suggest that successful organizations have applied collectivism to predict unity of command.

Despite the contribution of various studies, the extent to which collectivism mediates the relationship between organizational trust and goal congruence remains indistinct (Wood & Michalisin, 2010), especially in the local government sector of Uganda. Consequently, the study examined the mediating effect of collectivism on the organizational trust – goal congruence relationship. We aim to contribute one explanation of how collectivism transmits the effect of organizational trust into goal congruence. In undertaking this study we aimed to contribute the following;

- To enable scholars and practitioners to have a more definite and direct understanding of the implication of collectivism in the association between organizational trust and public service sector goal congruence.
- To adduce, more explanation for an outcome as to how collectivism transmits the effect of organizational trust to public-service-sector goal congruence.

This paper is organized in four sections. The first section was the brief overview of the research and contribution of the study. The second section is the literature review on previous studies on organizational trust, collectivism and goal congruence and hypothesis development. The third section presents the methodology. The fourth section concentrates on results discussion, conclusion, implications, limitations and suggestions for further research.

#### Literature review

# Organizational trust and goal congruence

According to Ba and Pavlou (2002), trust is the subjective assessment of one party that another party will perform a particular transaction according to his or her confident expectations, in an environment characterized by uncertainty. Studies have shown that high - trust organizations outperform low - trust organizations (Dirks & Ferrin, 2001). Similarly, these findings are supported by other scholars who suggest that high - trust organizations earn more than four times the returns of the broader market than low-trust organizations (Schoorman et al., 2007). According to Raab (1998), trust helps reduce complexity and gain efficiencies in public sector administration. Tyler (1998) argues that trust allows governments to benefit from the voluntary compliance of citizens rather than through more resource costly mechanisms of coercion and control. Without trust, citizens may withdraw voluntary compliance of public demands and regulations, or even actively resist public policy (Levi, 1998, Nye et al., 1997) making the public service incapable of performing the tasks required of it (Nye et al., 1997) hence failure to fulfill common goals. The level of trust within an organization is often positively associated with the level of goal congruence (Dirks & Ferrin, 2001; Schoorman, Mayer, & Davis, 2007). Organizations become effective moreso when they depict fulfillment of the common goal (Schoorman et al., 2007). Organizations that exhibit high-trust reap in terms of increased value, accelerated growth, enhanced innovation, improved collaboration, stronger partnering, better execution and heightened loyalty and achievement of mutual goals (Schoorman et al., 2007). We hence hypothesize as follows:

*H*<sub>i</sub>: Organizational trust is positively associated with goal congruence

## Organizational trust, collectivism and goal congruence

According to Locke and Latham (2002) trust is not merely an attitude held by the leader or the follower toward another; rather it exists in the parties' relationship. A dynamic perspective of trust is posited in the stewardship model (Hernandez, 2012) where ongoing experiences can escalate interdependence; attachments based on reciprocated interpersonal care and concern (McAllister, 1995) as well as potentially change negative beliefs (Jensen & Meckling, 1976). So, the implementation of organizational trust practices helps to achieve goal collectivistic tendencies (Gómez et al., 2000).

This requires paying attention to employee collective tendencies that improve the team working between the employers and employees (O'Relly, Chatman & Caldwell, 1991). O'Relly et al. (1991) argue that these tendencies include task participation, team spirit and social support. Additionally, Adsit, London, Crom and Jones (1996) argue that those managers who encourage trust tend to yield higher levels of collective participation in their departments. Jaramillo, Mulki and Locander (2006) provided information that it may be difficult for organizations to achieve goal congruence without considering collectivistic tendencies.

The implementation of organizational trust practices not only helps to achieve goal collectivistic tendencies (Gómez et al., 2000), but also goal congruence framed as organizational goals, individual goals and team goals (O'Relly et al., 1991). In addition, Adsit et al. (1996)

30 Makerere Business Journal

Vol. 13, Issue

argue that where collective participation is promoted, there is the tendency for employees to align their goals with those of the organizations hence achieve high performance. Furthermore, Manz (1992) found out that setting team goals either too high or too low can have adverse effects on employee satisfaction; which is a cornerstone for achieving goal congruence.

O'Relly et al., (1991) argue that people with high trust generally exhibit specific behaviours including team spirit and social support. Laszlo, Johnson, Hoskisson and Hitt (2003) found that there was a significant positive relationship between concern for and trust in employees and team spirit. This concern tended to yield tendencies of members often helping each other whenever necessity arose.

Also Smith (2010b), found out that organizational endeavours to improve employee's trust often influenced how employees collectively perceived the support they received from their leaders; which eventually turned into working to achieve a common goal. Research has shown that employees' perception of trust at work such as that from coworker, supervisor and organisation has an influence on employee work behaviour particularly through the reciprocity process (Barbuto & Hayden, 2011) including collective effort (Chelte & Tausky, 1986). A number of studies have also suggested and indicated that organizational trust practices (openness and employee concern) make significant and positive contributions to collective task participation (Laszlo et al., 2003). Also Schoorman *et al.* (2007) has linked high trust organizations to achievement of collective goals. They argue that such organizations earn more than four times the returns of the broader market than low-trust organizations; therefore implying that a link could exist between trust, collectivistic tendencies and goal congruence.

Ha, Park and Cho (2011) argue that affective trust has a significant influence on collaboration in information sharing and benefit/risk sharing, whereas trust in competency affects collaboration in joint decision making and benefit/risk sharing. Benefit sharing implies that there is competitive advantage yet Schoorman et al. (2007) have linked organizational trust to having an advantage in business competiveness. This may imply that organizational trust which improves collectivistic actions may lead to goal congruence. Furthermore, trust building is essential to develop competitive advantages (Gentry, 1996; Jap, 2001).

According to Child (2001) and Lewicki and Bunker (1996) trust is an essential constituent for developing global collaboration. Locke and Latham (2002) argue that goals are both outcomes to attain standards for judging one's accomplishments. For instance, Locke and Latham (2009) found that people are more satisfied when they attain their goals or make meaningful progress towards them than when they fail, make little or no progress. Hence according to Locke and Latham (2002), there is a need to investigate goal-setting procedures and generalisation in the achievement of goal congruence. This is more crucial in the public sector where empirical evidence on goal congruence is inconclusive (Verbeeten, 2008). From the literature, it was hypothesised that:

*H*,: Organizational trust has a positive relationship with collectivism.

 $H_{2}$ . Collectivism has a positive relationship with goal congruence.

 $H_{\bullet}$ . Collectivism mediates the relationship between organizational trust and goal congruence.

# Methodology

#### Research design

The study adopted a cross-sectional survey design. We undertook a survey of a large scale and comprehensive survey of employees examining organizational trust, collectivism and goal congruence in selected district local governments (LGs) in Uganda in 2014. We used a structured questionnaire to obtain the respondent's attitude on the study variables.

## Population, sample size and Sampling procedure

The employees formed the unit of analysis. The study population was 1,595 employees in 55 selected district local governments in Uganda (Ministry of Local Government Report, 2014). Uganda has a total of 112 district local governments. Each district local government has two committees; the technical and planning committee (22 members) and the administrative committee (7 members). In this study, 1,210 formed the population for the technical committees while 385 formed the population for the administrative committees. In this survey we sought 95 percent confidence level and computed a sample of size of 310 (Kreijcie & Morgan, 1970). To get the actual respondents, the researchers used proportional simple random sampling. Proportionately the sample size was 235 respondents from the technical and administrative committee and 75 from the administrative committee members. Out of 310 employees, 225 usable questionnaires were obtained giving a response rate of 72.6 percent.

#### Measurement of variables

Organizational trust was measured in terms of openness, benevolence, acceptance and employee concern (Dyer & Chu, 2000; Joshi & Stump, 1999; Faust & Svensson, 2001; Laszlo et al., 2003). A sample item for this scale was "My organization has concern for its employees". Collectivism was measured in terms of task participation, team spirit and social support (O'Relly et al., 1991). A sample item for this scale was "Employees identify themselves as members of this organization". Goal congruence was measured in terms of organizational goals, individual goals and team goals (Jensen & Meckling, 1976). An example of a sample item in this scale was "Goals of this organization are similar to my own goals". The questionnaire was anchored on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

## Control of common methods Bias(CMB) & Control of common methods Variances(CMV)

CMB is a problem in cross-sectional data. The researchers tried to address this trend by using methodological separation of measurement variables and protecting respondent anonymity (Podsakoff, MacKenzie & Podsakoff, 2003). The researchers also applied the marker variable approach as a post hoc statistical technique (Richardson, Simmering & Sturman, 2009; Lindell & Whitney, 2001) to detect CMB. Using recapitalization as an ideal marker, the resulting "corrected" correlations became closer approximations to true relationships than were the uncorrected correlations; implying that common methods variance (CMV) present in this data set was insufficient to bias results (Choi & Chen, 2007). The challenge with this approach is that even though multiple statistical detection and correction techniques have been proposed and used in published work, there is no systematic empirical evidence regarding their accuracy. However, the strengths of the approach is that a marker variable should be theoretically unrelated to one of the substantive variables, any observed correlation between the two cannot be due to a true relationship and, thus, must be due to something else the variables have in common (i.e., CMV).

# **Exploratory factor analysis**

The Exploratory Factor Analysis (EFA) performed to identify patterns in data and to reduce data to a manageable level (Field, 2006) yielded acceptable Content Validity Indices of above 0.86 (Bartlett, Kotrlik & Higgins, 2001). The analysis produced two factors for organizational trust i.e. openness and employee concern. They both accounted for **62.522** percent of variance in organizational trust (**Table 1**). **EFA dropped the factors benevolence and acceptance.** Furthermore, the analysis yielded two factors for collectivism namely task participation and

team spirit. These two factors explained 62.034 percent of variance in collectivism (Table 2). EFA dropped the factor social support. Furthermore, EFA for goal congruence yielded three factors namely; organizational goals, individual goals and team goals. All the three factors were retained (Table 3). The three factors accounted for 65.614 percent of the variance in goal congruence.

(	Component
Openness	<b>Employee Concern</b>
.858	
.746	
.658	
.648	
	.807
	.779
	.732
2.315	2.062
33.068	29.454
33.068	62.522
.785	
444.983	
21	
.000	
.133	
	2.315 33.068 33.068 .785 444.983 21 .000

**Table I:**Rotated
Component
Matrix for
Organisational
Trust

	Component	
	Task Participation	Team Spirit
CLV1_1: Employees identify themselves as members of this organization	.798	
CLV2_1: I am deeply involved tasks of this organization	.766	
CLV3_1: I prefer to work within the others in a group rather than working alone	.741	
CLV4_1: I am the kind of person who often supports others	.672	
CLV6_1: I can rely on my fellow employees to support me in difficult times		.805
CLV5_1: Team members often help each other when there is need		.769
Total	2.262	1.460
%ge of variance	37.704	24.330
Cumulative %	37.704	62.034
KMO	.791	
Chi-Square	288.975	
df	15	
Sig.	.000	
Determinant	.271	

Table II: Rotated Component Matrix for Collectivism

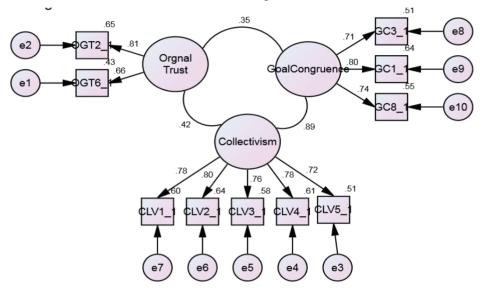
Goal	Congruence
Our	Congi ucnec

		Component	nt
	Organi- zational Goals	Individual Goals	Managerial Goals
GC2_1: Achieving this organization's goals also means attaining my personal goals	.763		
GC1_1: The goals of this organisation are similar to my work-related aspirations	.741		
GC4_1: My supervisor's work-related goals are fully aligned with mine	.732		
GC3_1: I feel a sense of loyalty to this organization	.728		
GC5_1: My supervisor and I think alike on most issues with respect to the organization	.604		
GC8_1: Goals of this organization are similar to my own goals		.816	
GC6_1: My personal goals are compatible with this district goals		.803	
$GC10\_1$ : My supervisor and I have a similar vision regarding how things should be done in the district			.844
GC9_1: My supervisor and I are enthusiastic about pursuing the same goals for the district			.622
GC7-1: My supervisor's work-related goals are fully aligned with mine			.557
Total	2.964	1.823	1.774
%ge of variance	29.644	18.228	17.742
Cumulative %	29.644	47.872	65.614
KMO	.883		
Chi-Square	837.108		
df df	45		
Sig.	000.		
Determinant	.022		

**Table III:**Rotated Component
Matrix for Goal
Congruence

Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM)

We followed guidelines by Anderson and Gerbing (1988) to construct the CFA and SEM Models. We used only those dimensions and respective items that were retained by EFA (using SPSS) for each of the variables (organizational trust, collectivism & goal congruence) to carry out a CFA using Analysis of Moment Structures (AMOS) version 22. Indeed CFA threw out some items that had been retained by EFA for the model to fit. Out of the 7 items, organizational trust retained 2; of the 7 items goal congruence retained 3 while all the 5 items for collectivism were retained. The measurement model yielded acceptable fit indices i.e.  $x^2$ =42.50, df=32, p=0.102,  $x^2$ /df=1.33, GFI=0.96, AGFI=0.94, NFI=0.96, TLI=0.99 and RMSEA=0.04 AVE=0.574 (Hu & Bentler, 1999) (Fig. 1).



Chi-square (CMIN)=42.498; Degrees of Freedom (df)=32;
Probability (p)=0.102;
Chisquare-Degrees of Freedom Ratio (CMIN/df)=1.328;
Goodness of Fit Index (GFI)=0.963;
Adjusted Goodness of Fit Index (AGFI)=0.937;
Normed Fit Index (NFI)=0.960; Tucker Lewis Index (TLI)=0.985;
Root Mean Square of Approximation (RMSEA)=0.038

Fig 1: CFA Model for Organisation Trust, Collection & Goal Congruence

## Validity and reliability

The NFI (> 0.95) results indicate acceptable convergent validity while the average variance extracted [AVE] (>0.5) indicates acceptable discriminant validity (Brown & White, 2009) (**Fig. 1**). The findings confirmed the validity of the final model with excellent model fit statistics for this construct measure as reported above. The composite reliability for all variables under study is greater than .70 (Table 1), which is within the acceptable level (Bartlett et al., 2001). For discriminant validity, the results indicate that the construct's reliability were

Anderson, Tatham & Black, 2010). Furthermore, the AVE (0.574) (Fig. 1) was greater than all corresponding construct correlations (Tables 4), thus providing additional evidence of discriminant validity of the constructs.

greater than the correlation coefficients (Table 4), thus indicating the measurement scales'

ability to discriminate between measures that are supposed to be distinct (Gaski, 1984; Hair,

**Goal Congruence** 

## Respondents' profile

More than half (76.4%) of respondents were male. The female gender accounted for 23.6% of the respondent population. 57.8% of the respondents were in their middle age (i.e. 29-49 years) indicating that the majority of employees in the districts are of middle age. 77.3% of the employees held either a diploma or a degree. Overall, 62.7% of the employees had worked with the districts for between 4 to 6 years.

## **Descriptive Statistics**

From results of table 2 below, all mean scores for the items range from 3.19 to 3.68 (show the goodness of fit of the data) with the standard deviations from 0.94 to 1.29 (indicate the extent to which the means represent the data) (Field, 2009). Because of the small standard deviations compared to mean values, it is clear that the data points are close to the means and hence calculated means highly represented the observed data (Field, 2009; Saunders, Lewis & Thornhill, 2006). Furthermore, the aggregate means range from 2.87 to 3.55 while the standard deviations range from .57 to .83. This is in line with Field (2009), who asserts that small standard deviations relative to the mean values indicate that the data points are close to the means which is a manifestation that the mean represents the data observed.

	1	2	3
Organizational Trust (1)	.78		
Collectivism (2)	.365**	.87	
Goal Congruence (3)	.424**	.356**	.83

**Table IV:** Inter-correlations

**Note**: The diagonals display the reliabilities

Given the fact that CFA is a higher order statistical analysis, we did not go back to use EFA results, to construct a SEM. We proceeded to use CFA results to construct a SEM to test our hypotheses (Fig. 2). The model yielded acceptable fit indices (Hu & Bentler, 1999) implying that the model fit the data acceptably.

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed)

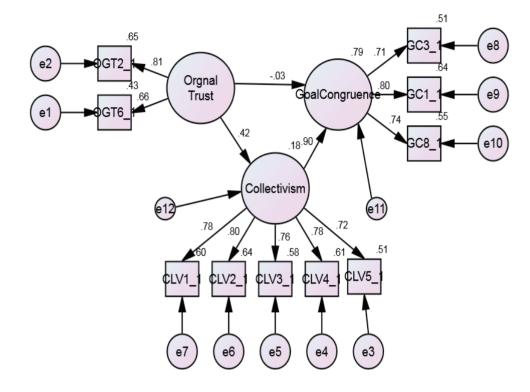


Fig 2: SEM for Organisation Trust, Collectivism & Goal Congruence

Chi-square (CMIN)=42.498; Degrees of Freedom (df)=32;
Probability (p)=0.102;
Chisquare-Degrees of Freedom Ratio (CMIN/df)=1.328;
Goodness of Fit Index (GFI)=0.963;
Adjusted Goodness of Fit Index (AGFI)=0.937;
Normed Fit Index (NFI)=0.960; Tucker Lewis Index (TLI)=0.985;
Root Mean Square of Approximation (RMSEA)=0.038

#### Results and Discussion

Variables	Mean	Std. Deviation	37
Organizational trust			
My organization has concern for its employees	3.68	.914	
In my organization there is openness at all levels	3.48	.835	Goal Congruence
Aggregate mean and SD for Organizational trust	2.87	.64	
Collectivism			
I am deeply involved in the tasks of this organization	3.26	1.093	
I prefer to work with others in a group rather than working alone	3.45	.914	
Employees identify themselves as members of this organization	3.28	1.006	
Team members often help each other when there is need	3.32	1.232	
I am the kind of person who often supports others	3.28	1.084	
Aggregate mean and SD for collectivism	3.55	.83	
Goal congruence			
Goals of this organization are similar to my own goals	3.45	1.296	
I feel a sense of loyalty to this organization	3.19	1.015	Table V:
The goals of this organisation are similar to my work-related aspirations	3.42	1.159	Descriptive Statistics
Aggregate mean and SD for goal congruence	3.42	.57	Statistics

The results indicate that organizational trust was not significantly associated with goal congruence ( $\beta$ = -0.03, C.R. <1.96) (Table 6). This implies that among local government employees, changes that occur in organizational trust may not be associated with changes that occur in goal congruence. These findings do not support hypothesis 1. As for this study, the relationship between organizational trust and goal congruence is not significant, inspite of the correlational results indicating a significant relationship (r= 0.35; p < 0.01). Scholars such as Field (2009) state that in an attempt to establish whether hypotheses have been supported or rejected, researchers should rely on regression analysis results rather than correlation. The regression results suggest that organizational trust in the presence of the collectivism is not be significantly related to goal congruence. Incidentally collectivism is a significant predictor of goal congruence. This implies that in the local government sector, organizational trust is important only if collectivism is exhibited based on the subjective assessment of one party that another party will perform a particular transaction according to his or her confident expectations, in an environment characterized by uncertainty.

38 Makerere Business Journal Vol. 13, Issue 1

			Unstandardized Estimate	S.E.	C.R.	Ь	Label	Standardized Estimate
Collectivism	>	Orgʻnal_Trust	.37	.10	3.87	* *	par_9	.42
Goal Congruence	>	Org'nal_Trust	03	.07	44	99.	par_8	03
Goal_Congruence		Collectivism	.92	.11	8.72	* *	par_10	96.
GC3_1	>	Goal_Congruence	1.00					.71
$GC1_1$		Goal_Congruence	1.43	.13	10.84	* *	$par_{-1}$	.80
GC8_1		Goal_Congruence	1.18	.12	88.6	* *	par_2	.74
$CLV5_1$	>	Collectivism	1.00					.72
$CLV4_1$	>	Collectivism	1.20	.11	11.10	* *	par_3	.78
CLV3_1	>	Collectivism	1.26	.12	10.84	* *	par_4	.76
$CLV2_1$	>	Collectivism	1.51	.13	11.31	* *	par_5	.80
$CLV1_1$		Collectivism	1.29	.12	10.95	* *	par_6	.78
OGT2_1	>	Orgʻnal_Trust	1.00					.81
OGT6_1	>	Org'nal_Trust	.75	.18	4.27	* *	par_7	99.

SE, standard error; CR, critical ratio, P, Probability, \*\*\* P< 0.001

**Table VI:**Regression coefficients for the hypothesized paths

The results indicate that a significant and positive association exists between organizational trust and collectivism ( $\beta$  =0.42, C.R. >1.96). This shows that variations that occur in organisational trust lead to variations in collectivism of employees in local governments. These findings lend support to hypothesis 2. As such, our research supports earlier organizational scholars' claims that institutional trust can serve as a foundation for the development of institution-based interpersonal (Rousseau, 2001) and inter-organisational trust (Bachmann & Inkpen, 2011) that result into employee cohesion. When the public service executive committees show concern for their employees there is a likelihood that employees will collectively get deeply involved in tasks of their organization. The study demonstrates that for public servants to rely on their fellow employees to support them in difficult times there is necessity for local government officials to create an element of trust in terms of showing concern for them. Similarly for employees to identify themselves as members of the organization and hence work together as a team, the public service must not only show concern for employees but also be open in their daily endeavours. Openness at all levels will increase the practice for team members to often help each other whenever there is need. This will also result into social support at all times.

In H<sub>2</sub>, the results indicate that collectivism was positively and significantly related to goal congruence ( $\beta$  =0.90, C.R. >1.96) (Table 6). This means that changes that occur in collectivism may be associated with changes that occur in goal congruence of employees in local governments. The results lend support to hypothesis 3. This shows that if variations are introduced in collectivism, they may be related to changes that occur in goal congruence. This finding is in line with earlier scholars such as Beekun, Stedham and Yamamura (2003) who argued that the pursuit of common goal is related to collectivism since it is characteristic of the common good of the group. The findings also support Gomez et al. (2000) who found that collectivism had a positive relationship with the evaluation toward goal achievement. Local governments can therefore rely on changes created in employee collectivism to introduce changes in goal congruence. Therefore the practice for employees getting deeply involved in tasks of their organization creates the perception that goals of this organization are similar to employee own goals among workers in local governments hence work towards them. This study demonstrates that for public servants to feel a sense of loyalty to their organization there is necessity for employees to support each other in difficult times. Similarly when public service employees identify themselves as a team, the goals of the public service and those of the individual are fulfilled. The practice for team members to often help each other when there is need will not only create a feeling of a sense of loyalty to the public service but also elicit the feeling that team concerns are addressed. From this study we also learn that local governments can rely on providing changes in social support to public service employees in order for the employees to perceive a sense of feeling that the public service addresses team concerns, hence portray elements of loyalty to the public service.

In  $H_4$ , the researchers sought to establish whether collectivism mediates the organizational trust – goal congruence relationship. In table 7 we gather that the total effect of both organizational trust and collectivism on goal congruence was positive and significant ( $\beta$ =.347, p>1.96). Furthermore, the direct effect of organizational trust on goal congruence was negative and insignificant ( $\beta$ = -0.31, p<1.96); while the indirect effect was positive and significant ( $\beta$ =.377, p>1.96). The results show that the total effect of the exogenous variables on to the endogenous variable was different from the direct effect indicating presence of mediation. Since with the introduction of collectivism in the association between organizational trust and goal congruence, organizational trust lost all its predictive potential on goal congruence (B= -0.03, C.R. <1.96) and became insignificant; then the implication is that a full mediation effect exists.

Table 7:	
Mediation	results

		Organizational Trust	Collectivism	Goal Congruence
C. 1 1 1 1 T 1 T T	Collectivism	.419	.000	.000
Standardized Total Effects	Goal Congruence	.347	.900	.000
C4 44: 4 D:4 Eff4-	Collectivism	.419	.000	.000
Standardized Direct Effects	Goal Congruence	031	.900	.000
O. 1 1 11 1 .FM .	Collectivism	.000	.000	.000
Standardized Indirect Effects	Goal Congruence	.377	.000	.000

This shows that collectivism takes all the variations that occur in organisational trust and transmits them into variations in goal congruence in the service delivery of local governments. These findings lend support to hypothesis 4. The results show that the role of organizational trust is significant in predicting goal congruence through collectivism in the delivery of public services in local governments in Uganda. These results are in line with the works of Schoorman et al. (2007) who linked high - trust organizations to collectivism in order to achieve goal congruence. Therefore, organizational trust may influence goal congruence through collectivism in the public service delivery in local governments in Uganda. This implies that collectivism is critical to building organizational trust for goal congruence in the public service. It is hence strongly argued that the public service needs to create variations in collectivism on the reliance of organizational trust in order to improve goal congruence. This creation of collectivism should be built on the appreciation of the differing organizational trust elements such as concern for employees and openness that impact goal congruence. This research's findings therefore posit that collectivism take the inputs from organizational trust and translates them into goal congruence; meaning that the process of collectivism (deep involvement in tasks, reliance on support to and from fellow employees) translates organizational trust (openness and concern for each other) into goal congruence. In this study the results imply that for organizational trust to have an effect on goal congruence, you need collectivism so that organizational trust becomes more effective in predicting goal congruence. If the public service engages into organizational trust, then collectivism will strengthen the bond between stakeholders which could result into achievement of collective goals.

## Theoretical implications

These results address the gaps in previous research from public service that argue that the success of planned strategies and programmes is eluded by lack of a systematic frame-work for achieving goal congruence (Locke & Latham, 2009). The results of this study provide theoretical evidence of the link between organizational trust and collectivism, collectivism and goal congruence and the mediation effect of collectivism on the organizational trust – goal congruence relationship. The study contributes to our understanding of the stewardship theory (Hernandez, 2012). In emphasizing the element of organizational trust, the study takes further the stewardship theory by demonstrating an ethical culture (Laszlo et al., 2003) that balances the interests of multiple constituents (Wright & Cropanzano, 2004). In employees of local government acting collectively, the stewardship theory's assumption that key organizational players surrender personal goals and interests for the sake of common work place interests and collective good for a greater number of stakeholders is demonstrated (Hernandez, 2012). The study addresses the concerns within the stewardship theory (Meek, et al **Davis-Sramek, Baucus & Germain,** 2011) by exalting the role of collectivism in the association between organizational trust and goal congruence. The study provides empirical evidence of the link

between organizational trust and goal congruence through collectivism in a comprehensive model which has not been previously covered in literature. The study also extends knowledge in a new context by testing this model in a developing country's local government sector where limited empirical work has been undertaken to identify factors that enhance goal congruence.

#### Conclusion

This study looked at the mediating consequence of collectivism in the organizational trust goal congruence relationship. The results of this study disclose some lessons that contribute to the discourse on organizational trust and endogenous variables such as collectivism and goal congruence. An important learning point is that in the absence of collectivistic tendencies, local governments in Uganda may not build goal congruence. Second, is that without collectivistic tendencies, organizational trust among local governments in Uganda may not build the perception that goals of their organizations are similar to employee own goals hence work towards them. An additional learning point is that organizational trust remains a significant factor for collectivism to influence certain outcomes such as goal congruence; because there is necessity for trust in order to build collectivisim such that individuals work collectively. Overall, we find that organizational trust alone does not directly influence goal congruence except through collectivism. The major contribution of this study is the proof that collectivism is a powerful mediator in the organizational trust – goal congruence relationship. As such, local governments in Uganda experience incongruence in their work, to some extent due to limitations in working collectively and lack of trust.

# Managerial implications

The results suggest that public service employers need to create a sense of trust among employees if they (employees) are to act collectively. In line with our prediction, collectivism emerged as a predictor of goal congruence suggesting that enhancing collectivism should be a focus for local government managers, as this leads to goal congruence. There is, therefore, a need for public service employers to introduce appropriate mechanisms for building collective thinking and working in order for employees to exhibit goal congruence tendencies. Furthermore, public service employers need to carry out organizational trust and collectivism audits in a bid to determine organizational trust and collectivism return on investment. This may help local governments and other organizations to measure the value addition of organizational trust and collectivism activities in the local government. Lastly, local governments in Uganda should guard against initiating avenues to build trust only hoping to enhance goal congruence, because as results indicated this won't be achieved without promoting collectivistic tendencies.

# **Policy implications**

One of the practical implications of this study is that leaders in local governments should enhance goal congruence by designing effective programmes that build trust within the organization. The government can design a policy that requires all local governments to provide conducive environments for employee trust. Such policy should provide guidelines on how to create excellent interpersonal relations between employees and employers. Furthermore, there is need for a national goal congruence policy that is geared towards promoting goal congruence practices among stakeholders. Such policy should guide the identification and elimination of obstacles to achievement of goal congruence. The goal congruence policy should encourage all local governments and other organizations to design and operationalise goal congruence enhancing practices. At the local government or organizational level, policies that provide avenues for employee exhibition of goal congruence practices should be designed and operationalised. The goal congruence policy should consider collectivism as a critical

resource for local governments and organizations to achieve common goals and as such provide for enhancement of organizational trust and collectivism. In terms of human resource management, officials in the local government and other organizations can measure the level of goal congruence based on enhancement of organizational trust and collectivism practices. For instance they can design, execute and evaluate goal congruence programmes which may have objectives such as enhancing organizational trust and collectivism. Such objectives can be used to determine the level of goal congruence.

# Limitations and recommendations for future research

The findings of this study are subject to some limitations that provide the proposals for future research. One of the probable causes for the wide-ranging outcomes of the study is the methodology used for measuring goal congruence. Although the constructs have been defined as precisely as possible by drawing relevant literature and validated by practitioners, the measurements used may not perfectly represent all the dimensions.

The present study is cross-sectional; it is possible that the views held by individuals may change over the years. Future studies could use the same basic hypotheses, but implement the study in terms of a longitudinal rather than a cross-sectional design. The longitudinal study would need to correct changes in data relative to time element. Despite possible limitations of using single-period data, the results of the present study provide valuable insights into the effect of organizational trust on collectivism and collectivism on goal congruence in the delivery of services in local governments.

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46

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# **Appendix**

# **Results of CMV**

Lindell and Whitney propose using the following equation to remove shared variance between the marker and other variables: rYi.M = (rYi - rS)/(1 - rS), where rYi.M is the partial correlation between Y and Xi controlling for CMV, rYi is the observed correlation between Y and Xi suspected of being contaminated by CMV, and rS is the smallest observed correlation between the marker variable and one of the substantive variables with which it is expected to be theoretically unrelated. The resulting "corrected" correlations should be closer approximations to true relationships than are the uncorrected correlations.

**Table 8:** Uncorrected correlations

	Organizational Trust	Collectivism	Goal Congruence	Recapitalization
Organizational Trust	1			
Collectivism	.284**	1		
Goal Congruence	.350**	.274**	1	
Recapitalization	035	128	044	1

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

$$rYi.M = (rYi - rS)/(1 - rS)$$

# OT and CLV

Partial Correlation	= (0.284 0.128)/ (1+0.128)
	= (0.284 + 0.128)/(1+0.128)
	=0.412/1.128
	= 0.365
OT and GC	
Partial Correlation	= (0.350 0.128) / (1+0.128)
	= (0.350 + 0.128) / (1+0.128)
	=0.478/1.128
	= 0.424
CLV and GC	
Partial Correlation	= (0.274 0.128) / (1+0.128)
	= (0.274 + 0.128) / (1+0.128)

=0.402/1.128= 0.356

**Table 9:** Resulting Corrected correlations

	1	2	3
Organizational Trust (1)	.78		
Collectivism (2)	.365**	.87	
Goal Congruence (3)	.424**	.356**	.83

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