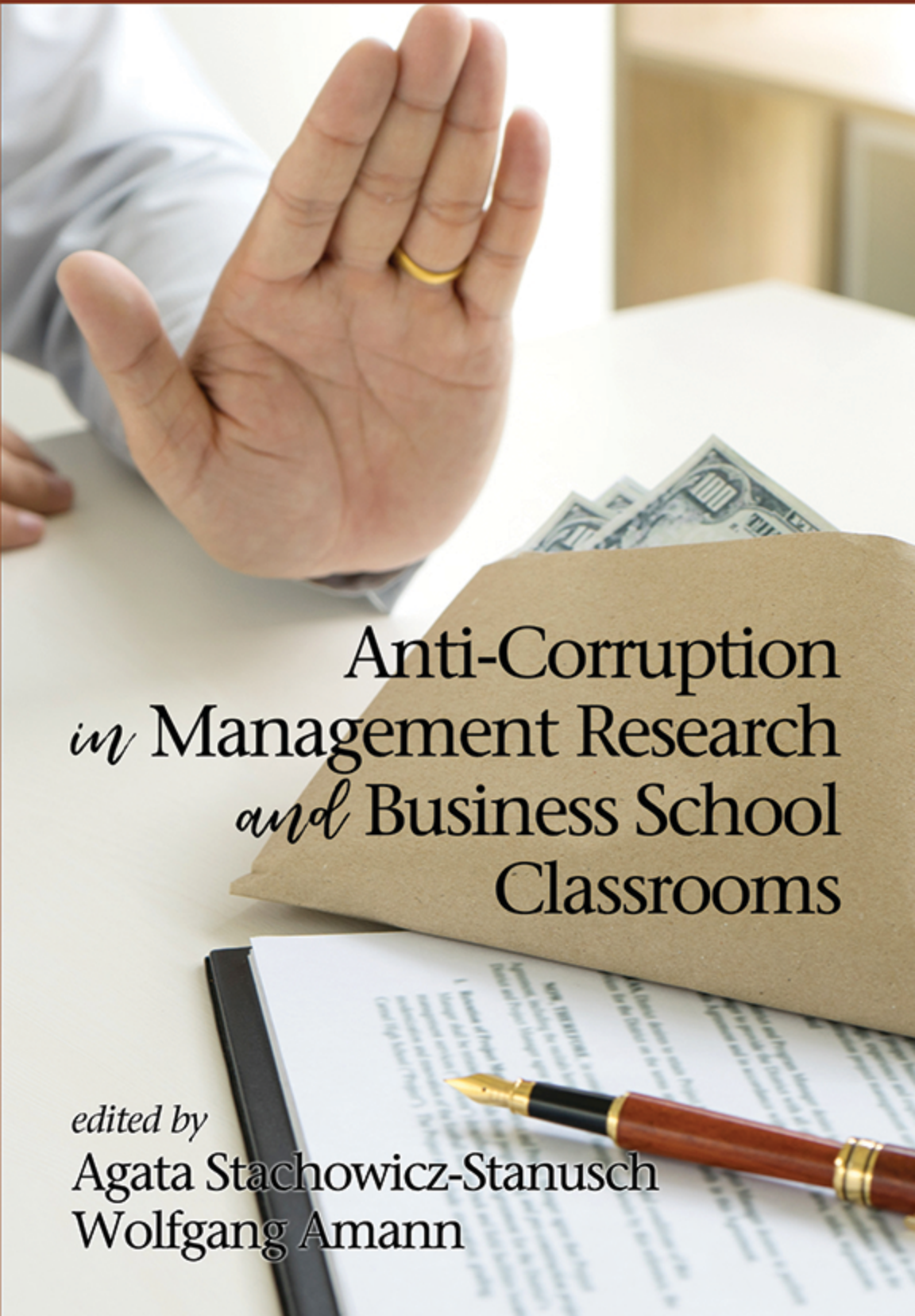
A VOLUME IN **RESEARCH IN MANAGEMENT EDUCATION AND DEVELOPMENT**



Anti-Corruption *in* Management Research *and* Business School Classrooms

edited by

Agata Stachowicz-Stanusch

Wolfgang Amann

Anti-Corruption in Management Research and Business School Classrooms

A volume in
Research in Management Education and Development
Agata Stachowicz-Stanusch, *Series Editor*

This page intentionally left blank.

Anti-Corruption in Management Research and Business School Classrooms

edited by

Agata Stachowicz-Stanusch

Silesian University of Technology

Wolfgang Amann

HEC Paris in Qatar

INFORMATION AGE PUBLISHING, INC.
Charlotte, NC • www.infoagepub.com

Library of Congress Cataloging-in-Publication Data

A CIP record for this book is available from the Library of Congress
http://www.loc.gov

ISBN: 978-1-64113-444-6 (Paperback)
978-1-64113-445-3 (Hardcover)
978-1-64113-446-0 (ebook)

Printed in the United States of America

CONTENTS

PART I

INTRODUCTION

PART II

TEACHING BUSINESS ETHICS AND ANTI-CORRUPTION—ACROSS CURRICULUM AND BEYOND

PART III

FOSTERING INTEGRITY IN HIGHER EDUCATION

PART IV

ANTI-CORRUPTION AS A TOPIC OF RESEARCH

PART I

INTRODUCTION

This page intentionally left blank.

CHAPTER 1

CAN ANTI-CORRUPTION BE TAUGHT AT ALL?

Agata Stachowicz-Stanusch and Wolfgang Amann

Corruption seems to be omnipresent in enterprises, nonprofit organizations, and even in religious organizations. Moreover, corrupt behavior seems to be strongly connected not only to individuals within organizations but also to whole organizations that more often become corrupt entities. That is why corruption concerns not only particular enterprises but also entire business sectors or even nations. Unethical behavior of corporations and individuals has fostered a growing distrust in interpersonal relations, an atrophy of organizational bonds, and a decreasing level of intraorganizational social capital. It seems to be justified to ask a question as to whether higher education and especially business schools have forgotten their prime objective: not only promoting the discovery and exchange of knowledge and ideas but also educating wise people who will be equipped with knowledge and integrity. Questions also rise as to whether the academic environment truly shapes the moral attitudes of young people and creates the appropriate examples for them (Stachowicz-Stanusch, 2012).

As Sarmini and Nadiroh claim (2018) education is very influential in the field of prevention of corruption, by providing anti-corruption education

Anti-Corruption in Management Research and Business School Classrooms, pages 3–10

materials to young people to build anti-corruption culture. As the authors further claim, with increasing awareness of the adverse effects of corruption on development, the strategy to counter it is now a top priority in policies around the world (Sarmini & Nadiroh, 2018). Universities often overlook the need to prepare their graduates to safeguard their integrity in challenging ethical situations and corrupting work environments. When business schools teach only idealized "textbook" models and theoretical constructs on how the business world works, which is not how they function in real life, they may leave out the thorny issues and more realistic practices such as cutthroat tactics and competitive strategies involving the use of bribery and fraud. The universities play a crucial role in society: They have the duty and opportunity to help prepare the future professionals and public officials to work without corruption and live with integrity after graduation (Tan, 2015). The tangible artifact that anti-corruption can be taught and anti-corruption environment and culture can be created is the establishment of International Anti-Corruption Academy (IACA) and anti-corruption studies within it, which provides and facilitates anti-corruption education and training for professionals and practitioners from all sectors (https://www.iaca.int/about-us/guiding-principles.html). As Duong says (2014), the opponents believe that teaching about anti-corruption is just a waste of time. It is only about theory, not practice. There is no guarantee that students who learn about anti-corruption will not be committed to corrupt behaviors in the future. Though anti-corruption education may not equip students with any practical skills overnight, students would become better aware of what entails corruption. They will learn about which behaviors or practices are viewed as being corrupt. This understanding is important because perceptions of corruption vary greatly among different cultures (Duong, 2014). Anti-corruption education is not just a medium for the transfer of knowledge, but also an emphasis on character formation, anti-corruption values, and moral awareness in the resistance against corruption. Anti-corruption education is also an instrument to develop study skills in capturing configuration problems and difficulties of nationality issues that triggered the corruption, the impact, prevention, and resolution (Indawati, 2015). In order to provide effective results anti-corruption education should be strongly supported by governments and respective ministries in all countries around the world (compare: Indawati, 2015; Duong, 2014).

Our book aims at presenting the topic of anti-corruption activities throughout management research as well as in the process of educating future business leaders and practitioners.

The volume consists of four parts and includes three themes. The first theme, "Teaching Business Ethics and Anti-Corruption—Across Curriculum and Beyond" starts with Evelyn T. Money's chapter titled "Teaching Anti-Corruption in Accounting at United States Colleges and Universities:

The First Step in the Accounting Profession's Fight against Corruption." The author affirms that the accounting profession plays an important role in reducing corruption, however, ethics education in U.S. colleges and universities may not be demonstrating this specific role to students. An examination of the current climate of anti-corruption education reveals there are remaining gaps in ethics education although the need and importance of anti-corruption ethics education is supported in research. This chapter examines the current climate of anti-corruption ethics education in accounting at colleges and universities in the United States and demonstrates the importance of and the need for anti-corruption education in U.S. accounting programs. The various challenges to anti-corruption ethics education in accounting may be the cause of those gaps; however the gaps can be overcome by integrating anti-corruption efforts into the best practices of accounting ethics education. Challenges in teaching anti-corruption within the accounting curriculum at U.S. colleges and universities were identified, current methods of teaching anti-corruption were examined, and best practices for accounting ethics education curriculum were identified. Finally, the author presents an example of a tool that can be used to teach anti-corruption within the accounting curriculum.

The next chapter "Anti-Corruption in Nonprofit Management Education: Promoting Ethical Capacity Through Case Study Analyses" by Marco Tavanti and Elizabeth A. Wilp highlights the challenges of teaching and learning ethics through case study analysis. The nonprofit sector, in spite of its inherent social mission, is not exempt from corrupt leaders and illegal/unethical organizational behaviors. A scandal in one nonprofit organization hurts the entire sector's reputation. Therefore, as the authors claim, an effective teaching of ethics in nonprofit management education is crucial to resist corrupt behaviors. The authors suggest that the integration of case study analysis in nonprofit management education can be crucial for advancing positive behavioral ethics and promoting ethical leadership capacity and moral development. The chapter illustrates how the use of cases is perceived as beneficial by the literature and by nonprofit graduate students.

The subsequent chapter, "After the Compliance Comes the Practice: Teaching Business Ethics and Anti-Corruption Research in an AACSB Accredited Business School" by Marie dela Rama looks at the case experience of one institution from compliance to implementation of business ethics in its curriculum. Firstly, it looks at the impact of attaining AACSB accreditation and the business ethics standards incorporated in its undergraduate programs. The compliance environment of the case institution to meet international standards and its strategy of internationalization is then analyzed. The journey to embed and teach business ethics, including the subject of anti-corruption research, to undergraduate business students at

an Australian university is then described. The administrative side included the establishment of an Ethics Working Party to communicate across disciplines the standards and how each subject can comply. Communication regarding AACSB accreditation to faculty, pedagogical tools and assessments are presented as evidence of the institutional process and compliance outcomes. Pedagogical tools and assessments include detailed discussion and evidence of how students were assessed in their ethical reasoning and their understanding of anti-corruption practices through research and guest lecturers. In the appendices, the author includes communiqués, guidance to an interview case study report, and an exam on corruption.

"Can Universities Teach Anti-Corruption in Business Schools?" written by Unsal Sigri is the last chapter of this part. The author claims that teaching of anti-corruption in management and business education programs is an exciting and promising idea but it also presents challenges in the design and delivery of the programs and difficulties in developing educational contents. As the author says, some researchers believe that teaching about anti-corruption is useless just because it is only about theory, not practice. Some researchers say there is a doubt that students who learn about anti-corruption will not display corrupt behaviors in the future. This chapter emphasizes on the teaching of anti-corruption with a focus on the value system in order to achieve the desired outcomes that is business employees that are not corrupted. With the help of an effective anti-corruption education, management and business students will be able to assess the relation between managerial-economic activity and moral values concerning ethics; to establish the role of a professional employee regarding prevention of and fight against corruption in the organization. The approach therefore in this study is "value-based education." This approach is believed to be as effective as in other faculties like business schools. In sum, the author focuses on the teaching anti-corruption and developing course contents on anti-corruption in business schools by adding a case study to be used in educational contexts on anti-corruption education.

The second theme "Fostering Integrity in Higher Education" opens with Enyonam Canice Kudonoo's chapter "Personal Responsibility and Public Accountability Approach to Anti-Corruption Education in Sub-Saharan Africa." The author argues that there is the need to look at corruption from a holistic perspective to identify its root causes from the African standpoint and address it appropriately to reduce conflict in the subregion and promote sustainable development. In this chapter the author proposes that one key way of minimizing corruption in sub-Saharan Africa is to imbibe into undergraduates, ethical knowledge, and ideas that promote anti-corruption behaviors. He discusses how higher educational institutions in sub-Saharan Africa can factor into their syllabuses ethical values that shape undergraduates into responsible individuals who are vanguards of required

action. Theories such as opens systems theory and giving voice to values were used to throw light on how effective ethical education can be carried out. Emphasis is also laid on the creation of the right environment in educational institutions for students to practice what they have learnt regardless the consequences before they graduate. Personal responsibility and public accountability are discussed extensively to throw light on the causes of corruption and its devastating effects, identifying ways of tackling the phenomenon to achieve a lasting solution.

In the subsequent chapter, "Developing an Integrity Diagnostic Tool for the Kingdom of Bhutan," Tay Keong Tan reminds that in 2008 the Kingdom of Bhutan transitioned from an absolute monarchy to a constitutional monarchy with the introduction of new political institutions: a new constitution, an elected Parliament, a Royal Elections Commission, and an anti-corruption watchdog agency—the Anti-Corruption Commission (ACC). Since its inception, the ACC undertook bold measures to promote the development of an ethical environment in Bhutan, amongst which was the introduction of an Integrity Diagnostic Tool for diagnosing and strengthening organizational integrity throughout the entire country. As the author notices, this instrument has been successfully piloted in at least 12 agencies since 2013 and is still in use today. This chapter examines the evidence-based instrument; its design, implementation plans, and early results. It highlights the challenges and lessons learned by the ACC in mainstreaming the tool's integrity-building approach in government agencies, corporations, and civil society organizations throughout the kingdom.

The part closes with the chapter titled "Corruption and Higher Education: Exploring the Effects of Contextual and Individual Characteristics on Students' Corruption Perception and Behaviors" by Andrea Tomo, Gianluigi Mangia, and Lucio Todisco. The aim of this chapter is to provide an analysis of the effects that the perceived corruption has on students' behaviors. In more detail, the analysis will explain how individual and contextual variables influence students' behaviors and corruption perception. The authors employed a structured questionnaire administered to 200 Italian students attending bachelor's and master's degree courses, based on a theoretical background that considers corruption in higher education as the result of the interplay between the various actors and institutions in the field. Findings have both interesting academic and practical implications, since the study advances the literature on corruption in higher education and also advances a framework explaining how contextual and individual characteristics influence students' behaviors and corruption perception.

"Anti-Corruption as a Topic of Research" is the last part of this book. It opens with Jaime Barrera Parra's and Gustavo González Couture's chapter titled "Understanding Corruption?" In this chapter the authors offer an in-depth description of corruption intended to foster methods, approaches,

tools, and cases that may be used for anti-corruption teaching. They base their argument on an innovative approach to human understanding and moral consciousness offered by Bernard Lonergan SJ. Corruption is a human fact that has many forms (faces). As a fact it cannot be denied and so can be empirically checked by sense, represented by imagination, and described by language. However, as object for intelligence and reason it reveals not and intelligent and reasonable action but a product of biased understanding and a lack of reasonability. This is not denying, it is a moral failure too. There is a paradox in the backdrop of their argument; although corruption is a fact that can be accounted for, they demonstrate, they insist, it is all but intelligent action—thus, acting corruptly is not being fully intelligent, and therefore, corruption is ultimately not understandable and worst, unreasonable. At the same time, this is not an excuse to think that elaborating and carrying through all sorts of initiatives that will enhance an anti-corruption education are invalid. The theoretical perspective followed in this chapter, by providing an account of operations of the mind and the will, hopefully will aid better explaining and facing concrete cases in the future.

Yariv Itzkovich and Niva Dolev in the next chapter, "Tit for Tat—Horizontal Solidarity as a Buffer for Micro Level Corruption in the Framework of the Social Exchange Theory" claim that interpersonal interactions underlie organizational reality and take different forms, both dark and bright. Drawing on the social exchange theory (SET), this study assesses the relationship between incivility and property deviance, a manifestation of individual (microlevel) corruption. Moreover, they assessed the relationship between horizontal solidarity toward co-workers and property deviance, as well as the moderating effect of horizontal solidarity as a potential buffer concerning the relations between incivility and property deviance. Specifically, they hypothesized that incivility increases property deviance of employees. Additionally, they hypothesized that horizontal solidarity would decrease employees' property deviance, and that horizontal solidarity would moderate the relationship between incivility and employees' property deviance. Their findings reveal that incivility increases property deviance, horizontal solidarity decreases property deviance, and horizontal solidarity moderates the relationship between incivility and property deviance.

In the subsequent chapter, "Anti-Corruption Initiatives for the Benefit in Research, Science, and Technology," Jessica Mendoza Moheno, Martín Aubert Hernández Calzada, and Carla Carolina Pérez Hernández state that corruption is a complex phenomenon that threatens development and human needs. Higher education institutions, as well as science and technology have not remained immune to corruption. Anti-corruption has been investigated mainly on issues of transparency regime. Advances in science and technology make the difference between developed and underdeveloped countries. From the countries of the OECD, Mexico makes the least

investment in science and technology. As the authors say, it is not easy to define corruption, the definition may vary according to different societies and to the approach with which it is conceptualized. Based on Huberts (2010) in this chapter, corruption problems are classified in personal, higher education institutions, and government administration. At the personal or individual level are included plagiarism, data manufacturing, malversation of resources, and calls with name and surname. At higher education institutions and research centers are included postgraduate programs as a means of business, embezzlement of frauds, endogamia, and blind peer reviews. Likewise, at the government administration level, the main problems are the lack of laws and regulations, lack of clarity in the science and technology indicators, and the lack of monitoring of budgets. Authors underline that there are different anti-corruption measures, but the most important antidote is society's participation. Finally, ten different proposals are made as anti-corruption measures for science and technology.

The next chapter "Perceptual Apparatus and Corruption," written by Vivek Khanna and Prabhjot Dutta Khanna starts by highlighting the subjectivity inherent in the conceptualization of corruption, which is defined as "the abuse of entrusted power for private gain." Since the terming of something as abuse or not depends on the perception of it as being so, the chapter explores whether perception can be a neutral phenomenon or not. The chapter cites instances from critical theory and Plato's Republic to show that perceptions are never neutral. Variations in the perception of corruption across different cultures are explored next. The chapter uses the six dimensions of Hofstede's framework—power distance, uncertainty avoidance, individualism vs. collectivism, masculinity vs. femininity, long-term vs. short-term orientation, and indulgence vs. restraint to analyze the varying perceptions of corruption across cultures across the world. The chapter then explores the variations in the perception of corruption within any given culture. The chapter examines the possibility that the perceptions regarding corruption may be fabricated or engineered. Authors cite a "propaganda model" of media in this regard. In the end, the chapter concludes by making some suggestions for making anti-corruption efforts more effective.

The book closes with the chapter "Phoenix Rising From the Ashes of Corruption: Transforming Leadership Through Inner Work," by Avraham Cohen, Timothy Timur Tiryaki, and Heesoon Bai. This chapter describes corrupted leadership from the perspective of cultural, organizational, and psychological contexts. It identifies the roots of corruption as developmental arrest that traps individuals within limiting and restricted ego-mind structures, and offers ways of preventing or intervening in the process that leads to corruption. Two narratives based on personal experience are used to illustrate the roots of corruption at work. As well, alternative and

preventative ways to work with corruption already in process are offered. Moreover, this chapter emphasizes psychological-mindedness as core to ethical practice that can prevent or intervene into patterns of corruption. A case is made that nurturance in the form of inner work, encouragement, and empowerment creates a thriving organizational culture. Finally, the chapter offers various practical know-hows, including a sample of inner work, for working with corruption and development of its potential for prevention and transformation.

This book is authored by a range of international scientists and experts in management research and management education, with a diversity of cultural and professional backgrounds. We believe that this broad experience and expertise will give the readers the new light for the significance of teaching and researching in the area of anti-corruption.

REFERENCES

Duong, C. (2014, May 6). Anti-corruption education: To be or not to be? *Education Policy Talk: International Perspectives and Debates*. Retrieved from https://education policytalk.com/2014/05/06/anti-corruption-education-to-be-or-not-to-be/

Huberts, L.W. J. C. (2010). A multi approach in corruption research: Towards a more comprehensive multi-level framework to study corruption and its causes. In G. de Graaf, P. von Maravic, & P. Wagenaar (Eds.), *The good cause: Theoretical perspectives on corruption* (pp. 146–165). Opladen, Germany: B. Budrich.

Indawati, N. (2015). The development of anti-corruption education course for primary school teacher education students. *Journal of Education and Practice*, *6*(35), 48–54.

Sarmini, I. M. S., & Nadiroh, U. (2018). The importance of anti corruption education teaching materials for the young generation. *Journal of Physics: Conference Series, 953*(1). doi:10.1088/1742-6596/953/1/012167

Stachowicz-Stanusch, A. (2012). *Academic ethos management: Building the foundation for integrity in management education*. New York, NY: Business Expert Press.

Tan, T. K. (2015). The ethics of teaching anti-corruption and integrity. *Organization and Management Scientific Quarterly, 4*(32), 125–143.

PART II

TEACHING BUSINESS ETHICS AND ANTI-CORRUPTION—ACROSS CURRICULUM AND BEYOND

This page intentionally left blank.

CHAPTER 2

TEACHING ANTI-CORRUPTION IN ACCOUNTING AT U.S. COLLEGES AND UNIVERSITIES

The First Step in the Accounting Profession's Fight Against Corruption

Evelyn T. Money

ABSTRACT

The accounting profession plays an important role in reducing corruption, however, ethics education in U.S. colleges and universities may not be demonstrating this specific role to students. An examination of the current climate of anti-corruption education reveals there are remaining gaps in ethics education although the need and importance of anti-corruption ethics education is supported in research. The various challenges to anti-corruption ethics education in accounting may be the cause of those gaps; however the gaps can be overcome by integrating anti-corruption efforts into the best practices of accounting ethics education.

Anti-Corruption in Management Research and Business School Classrooms, pages 13–30

According to the International Federation of Accountants, the accounting profession plays a major role in reducing corruption (International Federation of Accountants, 2017a, 2017b). Although much work has been done over the past few years to integrate ethics education into the accounting curriculum at U.S. colleges and universities, not much work has been done within the specific area of anti-corruption. This chapter will examine the current climate of anti-corruption ethics education in accounting at colleges and universities in the United States. Next, the chapter will demonstrate the importance of and the need for anti-corruption education in U.S. accounting programs. The chapter will identify the challenges in teaching anti-corruption within the accounting curriculum at U.S. colleges and universities. Then, current methods of teaching ethics education will be examined and best practices for accounting curriculum will be identified. Finally, a comprehensive example of a tool that can be used to teach anti-corruption within the accounting curriculum will be presented.

ANTI-CORRUPTION

Corruption involves misusing one's office for a private gain or an unofficial end (Sampson, 2015). Corruption activities include bribery, extortion, influence peddling, nepotism, scam frauds, and grease money (Sampson, 2015). Corruption limits economic growth, impedes efforts to reduce poverty and negatively affects productivity, investment, and financial stability. Corruption also erodes the public's trust in government, businesses, and the legal system in place and this lack of public trust results in violence and conflict, further impacting the economy and society (International Federation of Accountants, 2017a, 2017b; International Monetary Fund, 2016). Unfortunately, corruption exists in countries at all levels of development and it has been present for centuries, dating back to the world's earliest cities (International Federation of Accountants, 2017a; Sampson, 2015). However, over the past 15 years there has been a significant increase in activities to combat corruption, giving rise to the anti-corruption industry (Sampson, 2015).

Emergence of Anti-Corruption Activities

The increase in the anti-corruption industry is due to several factors. One factor is the renewed commitment to morality due to the transparency and openness in global society (Sampson, 2015). Large multinational companies that were once heavily involved in corruption, now have codes of ethics for their employees and are working with world civil organizations to

fight corruption (Sampson, 2015). Another explanation is that anti-corruption is a natural side effect of a global market capitalistic economy, which seeks to level the playing field. When players in the market are on the same level, barriers to entry such as bribery, extortion, and nepotism are significantly reduced (Sampson, 2015). Coordinated efforts among civil society groups, corporate leaders, and the World Bank also help to reduce corruption. Global enforcement of laws designed to combat corruption combined with the ethical units of major accounting firms are also possible causes of the increase in anti-corruption activities (Sampson, 2015).

Still another reason why anti-corruption efforts have increased is due to corruption's cost and its impact on the world. A recent estimate by the International Monetary Fund (2016) of the cost of bribery to the world's economy was roughly $2 trillion, about 2% of the U.S. gross domestic product. These costs do not include the social and overall economic impacts of corruption. In addition, with major scandals at the forefront of global news, the quantified and unquantified costs of corruption have significantly contributed to the heightened public awareness of corruption and increased outcry for anti-corruption efforts (International Monetary Fund, 2016). At the 2016 United Kingdom Summit on Anti-corruption, the United States committed to several line items to fight corruption including exposing corruption, holding violators accountable, and driving out corruption (United Kingdom Summit, 2016). With this heightened awareness and global spotlight from multiple major players in the global economy, accountants are on the front line, and accounting students need to be aware of the specific concerns regarding anti-corruption ethics education in accounting.

IMPORTANCE OF AND NEED FOR ANTI-CORRUPTION EDUCATION IN ACCOUNTING IN THE UNITED STATES

This section will present evidence to support the idea that anti-corruption education in accounting is important and needed in the United States for various reasons. First, the accounting profession is the leader in the fight against corruption; however, the nature of the accounting industry leaves the profession vulnerable to corruption. In addition, legislation alone is not enough to offset this vulnerability. Finally, the ethics education in the United States is still not enough to prevent corruption.

The Accounting Profession as the Leader

With the increase of anti-corruption activities, many researchers agree that it will take a collaborative effort from businesses, governments,

corporations, as well as the public to eradicate corruption (Sampson, 2015; International Monetary Fund, 2016). Given the nature and role of the accounting profession, the International Federation of Accountants (IFAC) believes that the accounting profession should lead the way in this fight (International Federation of Accountants, 2017b).

Accounting is a profession that exists to serve society and being able to provide services with integrity and without corruption is crucial to providing functional capital markets (Liu, Yao, & Hu, 2012; Bean & Bernardi, 2007). This impact on global capital markets is one of the reasons IFAC has charged the profession with this role. In addition, the profession's comprehensive educational requirements and its international code of ethics and its ongoing monitoring activities are three essential qualities to eradicating corruption (International Federation of Accountants, 2017a).

The incorporation of anti-corruption units in accounting firms and the increase in ethics requirements for the continuing education of certified public accountants provide evidence to support that there have been shifts in the accounting industry to take charge in the anti-corruption fight. The accounting profession begins with education and informing students about their important role in fighting corruption can improve their awareness of that responsibility when it is integrated throughout their educational experience (Liu et al., 2012). However, the question remains, has ethics education in accounting incorporated the importance of anti-corruption?

The Inherent Nature of the Accounting Industry

Although the accounting profession is the first line of defense in the fight against corruption, the very inherent nature of accounting is a breeding ground for ethical issues. There are pressures within the industry that include time and budgeting that may make accountants more likely to commit fraud (Liu et al., 2012). In terms of education, traditionally, accounting is a topic that requires students to focus on numbers and not the people or the story behind the numbers. This dehumanizing effect of accounting can contribute to the increased likelihood of fraud (Money, 2013; Cooper, Leung, Dellaportas, Jackling, & Wong, 2008). Therefore, in many cases, non-equity stakeholders are disregarded in curriculum (Liu et al., 2012). In addition, U.S. Generally Accepted Accounting Principles requires rules based decision-making that is more often encouraged versus principles based decision-making (Liu et al., 2012). Focusing on the rules, and not the principles behind the rules also increases the dehumanizing effect of the accounting education (Money, 2013; Cooper et al., 2008). Researchers have suggested that the moral significance of accounting decisions may be reduced when people are represented in terms of numbers (Cooper et al., 2008). All of

these elements combined could be the underlying source of corruption and the prevalence of ethical issues within the accounting industry.

Legislation Alone Is Not Enough

Although the Foreign Corrupt Practices Act (FCPA) has been in place since 1977, there have been major problems with the enforcement of this act since that time. According to several studies conducted, the FCPA was not enforced by the federal government during its first 28 years of existence (Cragg & Wolf, 2002; Weismann, 2009; Weismann, Buscagalia, & Peterson, 2014). In addition, the Weismann (2009) study further concluded that the FCPA was originally designed to be a self-regulatory model of governance that failed to achieve its goal of stopping global bribery by U.S. companies involved with other countries. Although the FCPA increased its enforcement efforts, the FCPA still remains ineffective in the global market strategy of fighting bribery. This failure results from loopholes in the statues that allowed violators to slip through the cracks and the use of informal depositions, which made any fines or prosecutions seen as a "cost of doing business" (Weismann, 2009). The lack of success from the FCPA along with increasing global perception risks for corruption and integrity issues further support the need for exposure to anti-corruption education for accountants (Weismann, 2009).

Unfortunately, additional legislations alone have not been enough to prevent ethical issues with the accounting profession. There were still increases in the number of financial statement restatements even after the Sarbanes Oxley legislation (Liu et al., 2012). The Lehman Brothers banking industry and mortgage crisis occurred in 2007, after Sarbanes Oxley, and the Foreign Corrupt Practices Act has had over 100 violations in the past 10 years that resulted in large penalties and fines (Securities and Exchange Commission, 2018). Since these credibility crises, there have been an increase in the number of calls by researchers to increase and improve ethics education in undergraduate programs (Amile, 2010; Cooper et al., 2008; Haas, 2005).

Education Is Still Lacking

It is believed that the continuity of accounting scandals is to be blamed on the business curricula of colleges and universities in the United States (Liu et al., 2012). Even with the increased outcries, some programs continue to avoid teaching accounting ethics as a stand-alone course (Amile, 2010; Cooper et al., 2008; Haas, 2005). In 2005, The National Association

of State Boards of Accountancy (NASBA) recommended that a stand-alone course ethics be required as a part of the curriculum of accounting programs. Colleges and universities responded with tremendous kickback, as the majority of them believed that integrating ethics throughout the curriculum was more advantageous than adding another required course for their students. NASBA relented and allowed universities and colleges the option of either a stand-alone course, integrating ethics throughout the curriculum, or both. State boards of accountancy, however recognized the importance of a stand-alone course and implemented additional requirements in order to sit for the CPA exam and for Continuing Professional Education for Licensed Certified Public Accountants (Chawla, Khan, Jackson, & Gray 2015).

CURRENT CLIMATE OF ANTI-CORRUPTION EDUCATION IN ACCOUNTING IN THE UNITED STATES

In researching anti-corruption education in accounting in the United States, there was very little data available on the specific topic of anti-corruption. In one study, of the 29 topics listed that should be included in ethics courses, anti-corruption was not mentioned (Hurtt & Thomas, 2008). Due to the lack of information, ethics education in accounting was examined. This section will present the typical elements of ethics education as well as the tools that are used to teach ethics to accounting students. In addition the topic of stand-alone ethics courses versus integrating ethics throughout the accounting curriculum will also be discussed.

Elements of Ethics Education

Anti-corruption can be viewed as a small element of ethics education. Ethics education usually does not consist of specific types of ethical dilemmas, rather it outlines the frameworks in which to deal with ethical dilemmas. An example of this broad framework is the ethical tool kit. The ethical tool kit was designed as a resource to help members of the International Federation of Accountants implement ethics education programs that focus on professional values, ethics, and attitudes for membership (Cooper et al., 2008). The ethical tool kit includes course outlines, teaching notes, case studies, and video clips and contains eight major topics (Cooper et al., 2008). Corruption could potentially be classified as an example of one of these major topics—ethical threats. However, given the importance of anti-corruption activities and the accountant's role in reducing this threat,

this may need to be highlighted on its own instead of buried deep within a curriculum as a specific example.

Much of the accounting ethics education is built on the work of Kohlberg, Rest, and Thorne (Kohlberg, 1958; Rest, 1983, 1986, 1994; Thorne, 1997). Kohlberg's work established a theory of moral cognitive development. In Kohlberg's theory, moral reasoning, the basis for ethical behavior, has six stages. The stages can be grouped together as pre-conventional, conventional, and post conventional. At the pre-conventional stage, one responds to moral dilemmas based on their own self-interest. At the conventional stage, one responds based on maintaining social norms. At the post conventional stage an individual has developed his own moral compass and internalized the difference between right and wrong, therefore he responds in accordance with that moral compass simply because it is the right thing to do (Kohlberg, 1958; Rest, 1983, 1986, 1994; Thorne, 1997).

According to Kohlberg, children begin in stage one and progression to the next stage occurs when one matures. Maturity occurs when one experiences cognitive dissonance with the dilemma and their current level of moral reasoning. It is believed that moral education can help one progress through the stages (Kohlberg, 1958; Rest, 1983, 1986, 1994; Thorne, 1997). Table 2.1 outlines Kohlberg's stages of moral development in detail.

Rest extended Kohlberg's work through the Neo-Kohlbergian theory which characterizes the judgment of moral development as three schemas rather than six stages of progression. The three schemas are personal interests, maintaining norms, and post conventional thinking. The first schema contains elements of Kohlberg's Stages 2 and 3. The maintaining norms schemas contains elements of Stage 4 and the post-conventional stage contains elements of Stages 5 and 6 (Rest, 1983, 1986, 1994; Thorne, 1997).

TABLE 2.1 Kohlberg's Stages of Moral Development

Pre-Conventional	
Stage 1—Obedience and Punishment	Motivation is based upon rewards and punishments and individual self-interests
Stage 2—Individualism and Fair Exchange	
Conventional	
Stage 3—Living up to expectations and maintaining good interpersonal relationships	Motivation is based upon what is socially and legally acceptable
Stage 4—Maintaining Social Order	
Post-Conventional	
Stage 5—Social Contract and Individual Rights	Motivation is based upon the internalized belief in the difference between right and wrong. An individual does what is right because it is right.
Stage 6—Universal Principles/Justice	

Rest's work developed a model of ethical action. Rest's decision-making model involved identifying a moral issue, making a moral judgment, selecting the right course of action, and carrying out the selected action (Thorne, 1997; Rest, 1986). Rest also developed the Defining Issues Test (DIT) that has been used to measure the ethical reasoning of participants. The resulting work of the DIT was the development of research suggesting there was a positive relationship between cognitive moral development and ethical decision-making. In other words, the stage of moral development can be used to predict or explain individual's behavior (Thorne, 1997; Rest, 1986).

Thorne's work, built upon Rest and Kohlberg, resulted in the Accounting Ethical Dilemma Instrument (AEDI). This instrument measures ethical reasoning using accounting scenarios. The results of Thorne's work has been used in various research to improve ethics education (Thorne, 1997, 2000; Earley & Kelley, 2004).

The combined efforts of these three individuals have been used in ethics education to measure and enhance the cognitive capability of accounting students. In studies, the moral reasoning of accounting students was measured using the AEDI or Rest's Defining Issues Test. On average, most students operated at the pre-conventional and conventional levels when making ethical decisions. Then, students were given interventions such as decision aids, written and video case studies, and exposure to the ethical decision-making model to improve their moral reasoning scores. The results were promising and overall students demonstrated an increase in their moral reasoning (Earley & Kelly, 2004; Thorne, 2000, 1997; Liu et al., 2012; Money, 2013). This is a strategy that can be used to increase the moral reasoning of accounting students as it specifically relates to corruption.

The Association to Advance the Collegiate Schools of Business (AACSB), the top accrediting body for business and accounting schools, encourages four broad themes in which accounting programs should cover. However the accrediting body does not require a stand- alone accounting ethics course. The four broad themes include the (a) responsibility of business in society, (b) ethical decision-making, (c) ethical leadership, and (d) corporate governance (Chawla et al., 2015). Again, anti-corruption could potentially fall in the broad theme of responsibility to business, but there should be more emphasis placed on its importance.

Tools of Ethics Education

Tools of ethics education include helping students recognize all stakeholders, learning how to apply ethical theories, and raising levels of moral awareness (Money, 2013). Studies have been done to show improvement in the moral reasoning scores at the end of an ethics course that use videos,

case study analyses, and group discussions (Earley & Kelly, 2004). Other practices in ethics education include discussions, lectures, real world case studies, ethics and accounting textbooks, and role models (Amile, 2010; Cooper et al., 2008, Esmond-Kiger, 2004; Liu et al., 2012).

Stand-Alone Courses or Integration

In 2003, less than 25% of the top 50 Business Schools in the United States required stand-alone ethics courses (Breaux, Chiasson, Mauldin, & Whitney, 2009). In 2004, only 33% of all accredited business schools required a stand-alone ethics course (Breaux et al., 2009). However, in 2007, 84% of Financial Times Top 50 Global Business Schools required mandatory courses in the areas of ethics, corporate social responsibility, or sustainability (Christensen, Cote, & Latham, 2010). While most schools agree that there should be some ethics education in the accounting curriculum, studies have shown that ethics is not consistently integrated across the curriculum (Gaa & Thorne, 2004; Breaux et al., 2009).

The small number of stand-alone ethics courses in business schools and the belief that integrating ethics into the accounting curriculum is enough to teach students ethics, warranted a deeper investigation into the top accounting programs. In this investigation, a search of the colleges and universities with undergraduate accounting programs accredited by the AACSB was conducted. As of January 2018, there were 175 colleges and universities accredited by the AACSB for both accounting and finance (Association for the Advancement of Collegiate Schools of Business, 2018). Each college's site was visited and curriculum sheets, college catalogs, and program requirements were reviewed to determine if the college required a stand-alone business ethics course or a stand-alone accounting ethics course taught by their own departments. Due to broken links, unavailability of detailed course requirements, and the lack of undergraduate programs in accounting, 25 colleges and universities were not included in the study. Of the remaining 150 institutions, less than half, 47%, required a stand-alone business ethics course or an accounting specific ethics course offered from within the Business School. These findings are consistent with the results of a survey of accounting educators from over a decade ago (Watkins & Iyer, 2006). The majority of colleges requiring a stand-alone ethics course required a business ethics course and not an accounting specific ethics course. See Figure 2.1.

A further investigation of the syllabi and course descriptions of the 13 colleges that required accounting specific ethics courses was completed to determine if there was any mention of corruption and the accountant's professional responsibility. To identify the possibility of corruption related

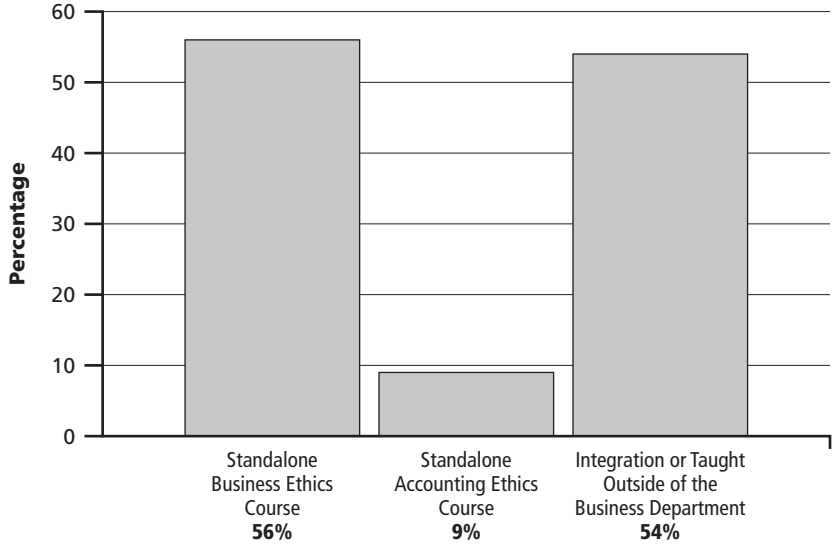


Figure 2.1 Required ethics courses for AACSB accredited colleges and universities.

topics, the key words of global codes of ethics, corruption, and anti-corruption were identified. To identify the possibility of the accountant's professional responsibility, the key words of codes of conduct, professional roles, and professional responsibilities were identified. Seven of the 13 course descriptions and syllabi reviewed revealed the topics of the accountant's professional responsibility. However, only two of the courses examined revealed the topics of corruption or anti-corruption activities. None of the courses explicitly mentioned the accountant's role as it specifically relates to corruption and anti-corruption activities.

Limitations

It is important to note that the lack of an abundance of stand-alone accounting ethics courses is not an indicator that ethics is not being taught. Given the heavy curriculum of the accounting program, to avoid adding extra courses, many universities integrate ethics throughout the curriculum. The requirements of the CPA exam typically drives the accounting curriculum and without the requirement of a stand-alone, accounting specific ethics course, it is no surprise that there are few colleges requiring it.

It is also important to note that only three syllabi were available, therefore the analysis heavily relied on course descriptions. Given the brief nature of course descriptions, it is still possible that these accounting specific ethics courses cover the topics of the accountant's responsibility and anti-corruption. A further examination is warranted.

In examining the current climate of ethics education in accounting in the literature and from the analysis above, it appears as though there is a lack of education that specifically highlights anti-corruption and the accountant's role in eradicating it.

CHALLENGES

This section will examine the challenges to anti-corruption education in accounting and poses reasons for the lack of anti-corruption modules in ethics courses in accounting. The first challenge involves the age old question of the effectiveness of ethics education because, can ethics be truly taught (Liu et al., 2012)? Multiple studies have been done that support that training can increase ethical awareness, business ethics courses can expand students' understanding, moral reasoning can be taught, and that education is a major predictor of one's ability to convey ethical judgment (Earley & Kelly, 2004; Rest, 1986; Liu et al., 2012). The effectiveness of ethics education is true for accounting students as well (Haas, 2005; Liu et al., 2012).

Accounting textbooks and the nature of accounting pose challenges as well. Although accounting textbooks have shifted to integrating accounting vignettes, the technical nature and the volume of information included in the undergraduate education often leaves little room for ethics integration (Cooper et al., 2008). In ethics courses there is generally a fragmented presentation of rules, principles, values, and virtues and this fragmented presentation is often inefficient in helping students analyze various courses of action (Melé, 2005). Ethics books are considered to be too philosophical and not practical (Cooper et al., 2008). Ethics courses often include a case-based approach in the discussion of various topics. Unfortunately, the case-based approach is viewed as too narrow and focused on upper level management (Cooper et al., 2008). Also, it is unknown as to how many cases cover anti-corruption topics.

Another challenge to anti-corruption ethics education are the factors that drive the accounting curriculum. Accounting curriculum is driven by the needs of the employers who need the accounting students. Findings from one study of accounting recruiters suggested that ethical coverage in accounting programs is not a major consideration in hiring decisions for entry-level accountants (Breaux et al., 2009). Colleges and universities often look to potential employers to decide what should be taught within the accounting curriculum. The accounting curriculum is also driven by the requirements of the CPA exam. Although, the National Association of State Boards of Accountancy recommended the implementation of standalone ethics courses in 2005, the kickback from colleges and universities caused them to revisit their stance and recommend ethics integration or a

stand-alone course or both (Chawla et al., 2015; Breaux et al., 2009). This suggests that although colleges and universities see the importance of ethics, they are also faced with the challenges of balancing ethics and the heavy demands of the rigorous accounting curriculum. Although a large number of states require the completion of an ethics exam and continuing professional education for initial and continuing licensure, not many of them require stand-alone accounting specific ethics courses which may suggest an explanation for the small number of stand-alone ethics courses (American Institute of Certified Public Accountant, 2018). With these disputes and factors, there seems to be little room for an added topic of anti-corruption within accounting ethics education.

Who Should Teach Ethics Courses for Accountants?

There have been discussions about who should teach accounting specific-ethics courses. Should ethics be offered by the Philosophy Department, the Business Law Department, or the Accounting Department? One study of the top nine public colleges and universities found that the number of accounting professors interested in ethics actually decreased from 3.2% in 2000 to 1.6% in 2010 (Eason, Oliveti, & Walsh, 2012). This lack of interest may be due to the lack of research and publication opportunities in ethics and the tenure-granting process is heavily influenced by research and publications (Eason et al., 2012). It is also interesting to note that most ethics education takes place in auditing courses, however, the number of accounting professors interested in auditing research also decreased from 19.7% in 2000 to 16.7% in 2010 (Eason et al., 2012). Given the unique responsibility the accounting profession has as the leader in the fight against anti-corruption, it is important that accounting educators are ethical role models for accountant students in the classroom, especially the ethics classroom. The accounting educator can offer real world examples that relate to the accounting students background in conjunction with ethics. Unfortunately, the lack of interest in ethics research leaves a major gap for accounting ethics instruction by those who may potentially know it best.

BEST PRACTICES

Over time, best practices in ethics education have been suggested and implemented in the development of ethics courses and the integration of ethical topics throughout the accounting curriculum. These best practices can be improved upon further by highlighting and integrating anti-corruption topics. One study suggests that accounting ethics education should include

a broad view of responsibilities and accountabilities, formal training, informal hands-on training, and partnering with industry experts as best practices within the curriculum (Liu et al., 2012).

Roles and Responsibilities

In the review of the syllabi of stand-alone accounting specific ethics courses, the courses typically began with outlining the roles and responsibilities of accounting. In addition, auditing textbooks begin the same way. Anti-corruption efforts and stressing the role of accountants in the fight against anti-corruption should be including in these discussions to raise the awareness of accounting students.

Formal Training Through Stand-Alone Ethics Courses

Although most college and universities integrate ethics throughout the curriculum, stand-alone accounting specific ethics courses offer the comprehensive training accounting students need. These stand-alone courses may help the content delivery to become more systematic and less fragmented. This systematic approach has been found in formal ethics education in medicine and law, and accounting students typically display lower moral development scores than other professions (Bean & Bernardi, 2007). With moral development scores being linked with ethical behavior, it behooves accountants to learn from other professions such as medicine and law (Liu et al., 2012). A more systematic approach to accounting specific ethics courses may leave more room for anti-corruption discussions and these can be integrated throughout the course as well as covered as a separate learning objective.

Research has found that ethics increase with professional certifications, but that may be because of the additional focus and emphasis on ethics to obtain and maintain professional certifications (International Federation of Accountants, 2017b). Passing this requirement down to students as NASBA intended to back in 2005 through the use of a mandatory stand-alone ethics course requirement may help to increase the ethics of accounting students as well.

Partnering With the Accounting Industry

Partnering with the industry in the medical profession through the use of supervising physicians has been found to be beneficial in ethics education

in the medical profession (Liu et al., 2012). The ethics education of accounting students could benefit from having role models and mentors with experience in the fight against corruption (Watkins & Iyer, 2006). Accounting firms with their separate anti-corruption units and corporations that hire ethics officers have policies, trainings, and specific experiences on how to address corruption. These professionals can share their experiences to accounting students to further reinforce the accountant's role in reducing corruption. Partnering with the industry can also be achieved through guest lecturer series.

Informal Hands-On Training

Practical experience opportunities in the medical profession expose students to the real-world pressures and consequences of the professions and help to gain a clear understanding of their roles in society. Accounting students can benefit from these practical experience opportunities as well by completing internships with the corporations and accounting firms the university has partnered with from the previous best practice suggestions. In addition, integrating anti-corruption case studies can also provide a simulation of real-world experience (Liu et al., 2012). A game simulation specific to anti-corruption ethics can potentially be beneficial to learning ethics and applying ethics to real-world situations (Jagger, Sciala, & Sloan, 2016).

SAMPLE PLAN

Of the accounting specific ethics courses listed above, three course syllabi were available for review. These course syllabi appear as though they are making the mark in terms of implementing the best practices of teaching ethics. Guest speakers, class discussions, real-world case studies and a formal stand-alone ethics course are the hallmarks of an effective ethics program and all were found in the syllabi (Texas A&M University, 2018; University of Southern California, 2018; University of Northern Colorado, 2018). The syllabi reviewed begin the course with a discussion of the accountant's professional responsibilities. Two of the three courses end the course with International Financial Reporting: Ethics and Corporate Considerations (Texas A&M University, 2018; University of Northern Colorado, 2018). This is an excellent way to end the course with the reiteration of the accountant's professional responsibility, but as it specifically relates to anti-corruption activities. A game simulating anti-corruption activities can offer the students a real-word experience to enhance the ethics education as a

capstone project. The next section demonstrates a proposal for gamified anti-corruption simulation as it relates to accounting.

Changing learning styles and the realistic nature of interactive games makes this tool a valid method of making ethics more personal and meaningful for today's college student (Jagger et al., 2016). There has been increased research on the effectiveness of the implementation of business strategy games in the curriculum of colleges or universities supporting their use at all different levels (Jagger et al., 2016). The 3-D game simulation proposed for this chapter is similar to what was created by researchers in the United Kingdom entitled *Marketing Mahem* (Jagger et al., 2016). These researchers created an ethics game in the form of a marketing case study that was implemented into an ethics course. In the findings of the research, the majority of the students believed the game helped them develop ethical knowledge and decision-making skills.

In this proposed game, the students will follow an audit manager who needs to complete an audit of a multinational company located in a country that is still rampant with corruption activities. The game will have different levels representing the different phases of the audit process, including planning the audit, obtaining an understanding of the client and its environment, including internal control, assessing risk and designing audit procedures, performing audit procedures, completing the audit, and formulating an opinion and issuing the audit report. The audit manager is met with various ethical dilemmas involving bribery, extortion, nepotism, and other corruption activities on each level. The players will be shown a narrative that will include clues and other characters to help the audit manager make decisions. Each decision made throughout the game impacts the outcome of the audit process. Game participants can earn points for recognizing and using clues that appear in each narrative to help them address the ethical dilemma. The proposed game is still in the early stages of development.

FUTURE RESEARCH

Future research will include research on the effect of gamification and anti-corruption ethics education as this is a fairly new topic. A more in-depth review of the syllabi of accounting ethics courses at the undergraduate and graduate level may be important in revealing additional strategies to teaching accounting students about their role in fighting anti-corruption. In addition, a more in-depth analysis of undergraduate and graduate accounting curriculums may also reveal more evidence of anti-corruption ethics education.

CONCLUSION

In conclusion, the accounting profession plays a major role in reducing anti-corruption. Although the accounting profession begins with education, research reveals that colleges and universities may not have adjusted to the shift in this major role of leading the way in the fight against corruption. Although much work has been done over the past few years to integrate ethics education into the accounting curriculum, there is still much work to be done within the specific area of anti-corruption. This chapter demonstrated the importance of and need for anti-corruption education in accounting programs in the United States. The best practices of ethics education in accounting were adapted to include anti-corruption and challenges to anti-corruption; ethics education were addressed as well. Finally, a proposal for a gamified capstone project was presented as an example of a tool that can be used to teach anti-corruption within the accounting curriculum.

REFERENCES

American Institute of Certified Public Accountants. (2018). *This way to CPA: State and Territory requirements.* Retrieved from https://www.thiswaytocpa.com/exam-licensure/state-requirements/

Association for the Advancement of Collegiate Schools of Business. (2018). *List of member schools.* Retrieved from http://www.aacsb.edu/accreditation/accredited-members/global-listing.aspx

Amile, T. T. (2010). Do as we say, not as we do: Teaching ethics in the modern college classroom. *American Journal of Business Education, 3*(12), 95–103.

Bean, D. F., & Bernardi, R. A. (2007). Accounting ethics courses: Do they work? *CPA Journal, 77*(1), 64–67.

Breaux, K., Chiasson, M., Mauldin, S., & Whitney, T. (2009). Ethics education in accounting curricula: Does it influence recruiters' hiring decisions of entry-level accountants? *Journal of Education for Business, 85*(1), 1–6.

Chawla, S. K., Khan, Z. U., Jackson, R. E., & Gray, A. W., III (2015). Evaluating ethics education for accounting students. *Management Accounting Quarterly, 16*(2), 16–25.

Christensen, A. L., Cote, J., & Latham, C. K. (2010). Unauthorized electronic access: Students' ethics attitudes, and actions. *Advances in Accounting Education, (11),* 247–262.

Cooper, B. J., Leung, P., Dellaportas, S., Jackling, B., & Wong, G. (2008). Ethics education for accounting students—A toolkit approach. *Accounting Education, 17*(4), 405–430.

Cragg, W., & Wolf, W. (2002). The U.S. Foreign Corrupt Practices Act: A study of its effectiveness. *Business and Society Review, 107*(1), 98–144.

Earley, C., & Kelly, P. (2004). A note on ethics educational interventions in an undergraduate auditing course: Is there an "Enron effect"? *Issues in Accounting Education, 19*(1), 53–71.

Eason, P., Oliveti, J. J., & Walsh, R. (2012). Pedagogical inquiry: Are accounting departments committed to auditing and ethics Education—The case of Texas public universities. *Southern Business Review, 37*(2), 39–45.

Esmond-Kiger, C. (2004). Making ethics a pervasive component of accounting education. *Management Accounting Quarterly, 5*(4), 42–52.

Gaa, J. C., & Thorne, L. (2004). An introduction to the special issue on professionalism and ethics in accounting education. *Issues in Accounting Education, 19*(1), 1–6.

Haas, A. (2005). Now is the time for ethics in education. *CPA Journal, 75*(6), 66.

Hurtt, R. K., & Thomas, C. (. (2008). Implementing a required ethics class for students in accounting: The Texas experience. *Issues In Accounting Education, 23*(1), 31–51.

International Federation of Accountants. (2017a). *Accountants offer crucial help in reducing global corruption.* Retrieved from https://www.ifac.org/news-events/2017-02/accountants-offer-crucial-help-reducing-global-corruption

International Federation of Accountants. (2017b). *The Accountancy profession—Playing a positive role in tackling anti-corruption.* Retrieved from https://www.ifac.org/system/files/publications/files/IFAC-The-Accountancy-Profession-Playing-a-Positive-Role-in-Tackling-Corruption.pdf

International Monetary Fund. (2016). *Corruption: Costs and mitigating strategies.* Retrieved from http://www.imf.org/external/pubs/ft/sdn/2016/sdn1605.pdf

Jagger, S., Siala, H., & Sloan, D. (2016). It's all in the game: A 3D learning model for business ethics. *Journal Of Business Ethics, 137*(2), 383–403.

Kohlberg, L. (1958). *The development of modes of moral thinking and choice in the years 10 to 16* (Doctoral dissertation). Retrieved from Dissertations & Theses (Order Number: T-04397).

Liu, C., Yao, L., & Hu, N. (2012). Improving ethics education in accounting: Lessons from medicine and law. *Issues in Accounting Education, 27*(3), 671–690.

Melé, D. (2005). Ethical education in accounting: Integrating rules, values and virtues. *Journal of Business Ethics, 57*(1), 97–109.

Money, E. (2013). Design and evaluation of a decision aid to help accounting students at a Mid-Atlantic college make ethical decisions (Doctoral dissertation). Retrieved from ProQuest Dissertations & Theses (Order Number: 3599542).

Rest, J. R. (1983). Morality. In J. L. Flavell & E. Markman (Eds.), *Manual of child psychology* (4th ed.; pp. 556–629). New York, NY: Wiley.

Rest, J. R. (1986). *Moral development: Advances in research and theory.* New York, NY: Praeger.

Rest, J. R. (1994). *MQW development in the Professions.* Mahwah, NJ: Erlbaum.

Sampson, S. (2015). The anti-corruption package. *Ephemera: Theory & Politics in Organization, 15*(2), 435–443.

Securities and Exchange Commission. (2018). *Foreign Corrupt Practices Act cases.* Retrieved from https://www.sec.gov/spotlight/fcpa/fcpa-cases.shtml

Texas A & M University. (2018). *ACCT430/530: Business ethics for accountants.* Retrieved from http://www.tamuc.edu/academics/cvsyllabi/syllabi/201320/20507.pdf

Thorne, L. (1997). *The influence of social interaction on auditors' moral reasoning* (Doctoral dissertation). Retrieved from McGill University Library and Collections database. (Order Number: NQ30405)

Thorne, L. (2000). The development of two measures to assess accountants' prescriptive and deliberative moral reasoning. *Behavioral Research in Accounting, 12*, 139–169.

United Kingdom Summit. (2016). *United States statement of commitments*. Retrieved from https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522738/United_States_of_America.pdf

University of Northern Colorado. (2018). *BAAC424: Accounting ethics*. Retrieved from http://mcb.unco.edu/pdf/syllabi/BAAC424.pdf

University of Southern California. (2018). *ACCT430: Accounting ethics*. Retrieved from http://web-app.usc.edu/soc/syllabus/20181/14143.pdf

Watkins, A. L., & Iyer, V. M. (2006). Expanding ethics education: Professionals can participate. *CPA Journal, 76*(2), 68–69.

Weismann, M. (2009). The Foreign Corrupt Practices Act: The failure of the self-regulatory model of corporate governance in the global business environment. *Journal of Business Ethics, 88*, 615–666.

Weismann, M., Buscaglia, C., & Peterson, J. (2014). The Foreign Corrupt Practices Act: Why it fails to deter bribery as a global market entry strategy. *Journal of Business Ethics, 123*(4), 591–619.

CHAPTER 3

ANTI-CORRUPTION IN NONPROFIT MANAGEMENT EDUCATION

Promoting Ethical Capacity Through Case Study Analyses

Marco Tavanti and Elizabeth A. Wilp

ABSTRACT

Nonprofit management education (NME) is an academic field of study which focuses on, among other things, the ethical and legal expectations for fund disbursement, report transparency, and cross-sector practices. Anti-corruption capacity development in NME must be embedded into the curriculum to increase student capacity to recognize and analyze ethical practices. There is also a need to integrate the curricula with specific learning outcomes to align managerial organizational practices with leadership values that reflect the social missions of nonprofit organizations. This study presents a model for the promotion of legal practices and ethical decision-making in NME using the curricula guidelines of the Nonprofit Academic Centers Council (NACC) and the Principles of Responsible Management Education (PRME). The authors demonstrate how using a case study pedagogy will provide students the skills to recognize and

Anti-Corruption in Management Research and Business School Classrooms, pages 31–44

address unethical behavior. Researching unethical and illegal nonprofit cases can be instrumental in the development of moral intelligence, preventing corruption, and promoting ethical leadership and moral management practices.

Teaching and learning anti-corruption practices in management education requires more than ethical theories and principles. Studies have shown how the integration of case studies in business ethics courses can give students the opportunity to link theory with practice (Cagle & Baucus, 2006; McWilliams & Nahavandi, 2006). Learning to detect unethical and illegal practices in corrupt situations requires more than moral insights on what constitutes right and wrong (Lovett & Woolard, 2016). Of course, ethical and analytical perspectives are necessary components for any type of course trying to teach anti-corruption, business ethics, and ethical decision-making. However, the complexity of personal responsibility, organizational context, and institutional systems requires students to consider real cases and discern unethical practices. Social norms and national/international regulatory environments are also an essential component. This analysis focuses on the ability of case studies to improve the effectiveness of anti-corruption teaching, making it more relevant to the practices and research in the field.

The following illustrates the relevance and benefits that the integration of case studies into management and nonprofit education has in the development of ethical leaders. Through an examination of the main literature on business ethics and management case study methods, we make a case in support of the integration and adaptation of case studies in nonprofit management education (NME) and in other management centered programs. We first review the evolution of case studies in management education and in relation to business ethics. We then explore the utilization of case study methods in relation to nonprofit ethical leadership education.

CASE STUDIES IN MANAGEMENT EDUCATION

Case studies have been widely used in business ethics and management. Business ethics publications of the late 1970s and early 1980s featured cases about unethical managerial practices and corrupt business behaviors (Beauchamp & Bowie, 1979; Shaw & Barry, 1979; De George, 1982). Today, most students and faculty in management and business programs can access various collections of case studies in textbooks and online. The Association to Advance Collegiate Schools of Business (AACSB International) recognizes that ethical behavior is a fundamental pillar in the delivery of quality business education and that cases are a core element to the teaching and learning. “Learning experiences should expose students to cases and types of ethical issues that they are likely to face in the business world—both to enhance their abilities

to recognize ethical issues and to increase their ethical sensitivity and awareness" (AACSB, 2004, p. 13). The AACSB invites academic and business communities to develop leaders and managers who will value "quality, inclusion and diversity, a global mindset, ethics, social responsibility, and community" (AACSB, 2017, p. 1). Case studies have been recognized as a pedagogical tool to helps students to focus on moral values and social responsibility when studying the complexity of real world cases (Dhar, 2007).

After many business scandals in the 1980s, management and business schools attempted to introduce ethics into their curricula through integration or in specific stand-alone ethics courses. The use of case studies became instrumental for teaching ethics in business and management schools. Kenneth Winston (2000), in his analysis of methods of teaching ethics at Harvard University's John F. Kennedy School of Government, stated how cases hold a unique technique to develop ethical thinking. "Teachers of ethics, and others who attend to ethics in broader policy and management courses, have found that cases are effective vehicles for the development of students' capacity for ethical reasoning and problem solving" (Winston, 2000, p. 154).

The use of cases, especially those more controversial, provide students with the opportunity to analyze the complexity of the real-world situation, instead of a detached perspective. They force the students to ask themselves what they would do if they were in a similar circumstance. Students become aware of varying degrees of responsibilities at the personal, organizational, and systemic levels.

The benefit of using cases to develop students' capacity to perceive unethical situations and develop their moral compass has been examined in several studies (Falkenberg & Woiceshyn, 2008; Sims & Felton, 2006; Richardson, 1993). Using case studies helps students question their "honest" perception of white collar crimes and evaluate their propensity to attempt an illegal act in order to maximize profit (Roderick, Jelley, Cook, & Forcht, 1991). Julie Cagle and Melissa Baucus conducted a pre- and post-survey study on the impact of an in-depth examination of unethical case studies on the ethical business perceptions of finance students (2006). The study demonstrated students' awareness increased through a thorough examination of business scandals, but interestingly, students did not become more cynical toward business people and the business world. Cagle and Baucus proposed this balance originated in the students' admiration for lone heroes, like Sherron Watkins at Enron (p. 223), who stood up against the organization. Studies like these indicate both the complexity and concreteness of how case studies increase students' moral intelligence by creating more sensitivity toward ethical decision-making.

Falkenberg and Woiceshyn (2008) have noted how using cases to teach moral reasoning can be instrumental in enhancing business ethics education with more experiential and real-world situations:

> Thus, students need educational experiences that highlight the moral ambiguities and uncertainties occurring within economic systems and businesses, and in interactions with various stakeholders. They need frameworks and skills for resolving moral dilemmas. Therefore, we suggest that the focus of the debate should be shifted from "can ethics be taught" to "how to make the teaching of business ethics more effective." (p. 213)

The Aspen Institute's Business and Society, CasePlace.org, the Harvard Business School Cases, the Markkula Center for Applied Ethics, the Arthur Andersen Case Studies in Business Ethics, the Stanford GSB Cases, and the *Journal of Business Ethics* are well-known collections of business cases relevant to ethical conduct and anti-corruption practices. The use of these management and business ethics cases facilitate students' development of their deductive, inductive, and critical reasoning skills. Further, they practice the application of moral principles, self-examination and discernment of core personal values, analytical and critical analysis of changing sociopolitical and economic environments, and analysis of short and long-term consequences of personal and organizational decisions. In other words, "cases are a good pedagogical tool for teaching business ethics as they build a halfway house between abstract concepts and real-life experience" (Richardson, 1993 as cited in Falkenberg & Woiceshyn, 2008, p. 213).

ETHICS IN NONPROFIT MANAGEMENT EDUCATION

Nonprofit management education is not exempt from the need to integrate ethics into effective teaching and learning activities (Bies & Blackwood, 2007). Since the emergence of the NME field in the mid-1980s, ethical education has primarily been addressed through fostering proper values in the relationship between leaders, organizations, and stakeholders. The Nonprofit Academic Center Council, in its specialization for NME accreditation, consider ethics to be an essential part of the Curricular Guidelines in Nonprofit Leadership and Nonprofit Sector and Philanthropy (NACC, 2015). The following guidelines apply to both graduate and undergraduate nonprofit education programs:

4.1 Values embodied in philanthropy and voluntary action, such as, trust, stewardship, service, voluntarism, civic engagement, shared common good, freedom of association, and social justice (3.1 for the undergraduate guidelines reflects a similar description).
4.2 Foundations and theories of ethics as a discipline and as applied in order to make ethical decisions including, but not limited to an understanding of measuring impact for social mission outcomes as

an indicator of trustworthiness, transparency, and competence (3.2 for the undergraduate guidelines reflects a similar description).

4.3 Issues arising out of the various dimensions of inclusion and diversity, income inequality, and their implications for mission achievement.

4.4 Trends associated with social responsibility, sustainability, and global citizenship within cross-cultural and global contexts.

4.4 Standards and codes of conduct that are appropriate to paid and unpaid staff working in philanthropy and the nonprofit sector.

3.3 Standards and codes of conduct that are appropriate to professionals and volunteers working in philanthropy and the nonprofit sector.

3.4 How values and ethics are identified and advanced that affect strategic decisions of a nonprofit in meeting its mission (NACC, 2015, pp. 11, 22).

These guidelines are not exclusive to Section 4 of graduate programs and Section 3 of undergraduate programs. Rather, the ethical, legal, governance, and financial responsibilities of organizations and leaders are embedded throughout all other sections of resource development, financial accountability, and financial reporting. This integration of ethical values in all aspects of NME reflects the sector's concern for public reputation and public trust.

Warren Buffett's saying, "It takes 20 years to build a reputation and 5 minutes to ruin it" (Tuttle, 2010) is even more applicable to nonprofit organizations. The unethical behaviors of a few individuals can cast a shadow over the entire reputation of the nonprofit sector. In 2013, a Commonfund Institute study confirmed unethical or illegal practices among American nonprofits, despite their rarity, compromised the public trust of the whole sector (Boucher & Hudspeth, 2013).

Nonprofit students are usually familiar with well-known scandals, like the lavish expenses of Wounded Warriors Project executives, the fraud of the founder of United Way, self-dealing in the Trump Foundation, the broken promises of the American Red Cross in the wake of the 2010 Haiti earthquake, the sexual abuse lawsuits against the Boy Scouts of America of Connecticut, among others. While the perpetrators of these abuses have been brought to justice and the organizations have recovered with appropriate policies and changes, the damage to the reputation of the sector remains. Breaking the trust of the public is among the greatest threats to nonprofits, the lasting effects undermining their sustainability and success of their missions. Conflict of interests and excessive compensation scandals are often pictured in the media's portraits of "nonprofits gone bad." In most cases, the analysis of the individual and organizational unethical or illegal behaviors reflects on the Board of Directors neglected legal, financial, and governance responsibilities (Zhu, Wang, & Bart, 2016).

There are reasons to address the preventing, detecting, and addressing unethical and corrupt behaviors in nonprofit organizations. These include defending the organization's reputation, developing a culture of accountability and transparency around a strong code of ethics (standards of conduct), and internal structures and mechanisms to enforcing the code (policies and procedures). Every organization needs more than its mission and vision statement. It needs a well-written code of ethics with corresponding policies and procedures for preventing and correcting unethical behaviors. Unfortunately, many volunteer organizations and founders of well-intended nonprofits fail to integrate a proper code of ethics which should include specific principles for compensation, conflict of interests, behavior parameters, financial control, and legal compliance (Boucher & Hudspeth, 2013). Nonprofit leaders who receive a formal and specialized education should be able to recognize ethical risks, pitfalls, and blind-spots regarding nonprofit management and decision-making.

That is why ethics in NME should do more than simply reinforce philanthropic values. Ethics in the nonprofit sector cannot be obfuscated by the noble intention of its missions or the moral values of its leaders. Ethics has long been integrated into nonprofits organizations. For example, the Hippocratic Oath of "First, do no harm" was integrated into the AMA Code of Medical Ethics in 1847 (Baker, 1999). The exponential growth in the number and size of nonprofit and third sector organizations since the 1980s has created demand for more competent and specialized organizations and leadership. Coincidentally, the early 1980s were the beginning of specialized graduate program focusing on nonprofit administration, management, leadership, and organizations (O'Neill & Fletcher, 1998).

With the complex developments of the nonprofit sector and its regulatory industry, NME has evolved into a more specific field of education where doing good *and doing it well* are at its core. Public responsibility is no longer only a prerogative of the public sector. The private-business and nonprofit-third sectors share a public responsibility to do no harm and to do good. At the beginning of the 21st century, the private sector realized ethics needed to be central to business and its efforts to develop the corporate citizenship needed to expand to global citizenship (Wood, Logsdon, Lewellyn, & Davenport, 2015). Hence the efforts of numerous academic programs to integrate business ethics, global citizenship, and social responsibility into its management education (Tyran, 2017). Since 2007, the Principles of Responsible Management Education or PRME have been a catalyst for commitment and action toward such value-centered management education aimed at developing leaders and enterprises for sustainable, social, and global values (Tavanti & Wilp, 2015; Haertle, Parkes, Murray, & Hayes, 2017).

Nonprofit education has not been immune to these developments, especially with the expansion of the field of Responsible Management

Education (RME) in the context of Agenda 2030 and the Sustainable Development Goals (Storey, Killian, & O'Regan, 2017). The NGO sector has partnered and actively contributed to the United Nations' agenda for a sustainable, equitable, and peaceful world since the UN's establishment in San Francisco on October 24, 1945. Therefore, the teaching of ethics in nonprofit education encompasses more than philosophical ethics and accounting ethics. It includes the responsibility to develop competent managers with a sustainability mindset and competent skills for social impact (Tavanti & Davis, 2018).

Nonprofit ethical education must move beyond principles and moral philosophies. Leaders in the nonprofit sector, even more than other sectors, are affected by the fundamental question in behavioral ethics: "Why do good people make bad decisions?" Bruce Maxwell (2014) recognized the importance of behavioral ethics in understanding the hidden dynamics that make nonprofit managers and leaders misbehave:

> Behavioural ethics and the field it came from, behavioural economics, have the potential to revolutionise practical and professional ethics education and open up exciting new areas of theory and research in moral education and development. Teachers, researchers or students of practical and professional ethics education will find an excellent introduction to the recent cognitive science of judgement and decision-making in any of these four books and will likely leave convinced, as I was, that it can no longer be ignored in teaching about practical and professional ethics. Learning about the hidden forces that shape ethical judgement and decisions, as the authors of all these books profess, is an important first step in overcoming them. (Maxwell, 2014, pp. 140–141)

Today, the teaching of ethics in NME must no longer be relegated to moral exhortations. Educators must revise their content and methods to include cases that offer more real-world insights and help discern ethical behaviors and avoid ethical blind spots. The education of nonprofit managers as ethical leaders is imperative to forming a new nonprofit workforce that is capable of effectively merging good intentions with good practices. Too many organizations lack the awareness, competency, and capacity to base their performance in ethical and value practices.

CASE STUDIES IN NONPROFIT MANAGEMENT EDUCATION

A growing number of publications collect nonprofit specific cases for ethical and management learning. These real cases provide a quality hands-on opportunity for students to engage in problem-solving and learn good

practices. Their diversity can be helpful in advancing the good governance of boards of directors, addressing the challenges for ethical leadership and strategic decision-making, and have applications in human resources, diversity and volunteer management, financial management, accounting, and fundraising (Budrys, 2013; Libby & Deitrick, 2017). It is not enough to lead a nonprofit organization under its noble mission without the proper policies and checks and balances to manage its risks, responsibilities, and reputation. Case studies offer students the opportunity to advance their moral intelligence, anti-corruption, good governance, and ethical leadership as they enter the sector.

Nonprofit students should strive to reflect Lawrence Kohlberg's third and more advanced stages of moral development (Kohlherg, 1972). Students at Stage 5, labeled "post-conventional," are guided by principles commonly agreed on as essential to the public welfare, and at Stage 6 are guided by self-chosen ethical principles that usually value justice, dignity, and equality (Baxter & Rarick, 1987). Although these advanced moral aspirations are common to the sector, the practices are often not manifested and students present other levels of conventional morality (conformity and authority orientations) and pre-conventional morality (punishment and reward orientations). The apparent disconnect between what one aspires to do and what one does remains mysterious (Kohlberg & Hersh, 1977, p. 54). Theoretical ethical teaching in NME must become more practical, applied, and contextualized in the real practices of organizations and the sector. The proper use of case studies will lead to more effective ethical NME.

The use of cases represents an appropriate pedagogical method for NME. As demonstrated in business management education, the selection and preparation of short cases can be quite helpful in the development of nonprofit ethical leadership and moral intelligence, while also increasing capacity for good governance and anti-corruption.

To evaluate the effectiveness of case study analysis as a pedagogical method, a case study analysis element was integrated into the lesson plan of the required course "Nonprofit Ethical Leadership (NPA601)" at the University of San Francisco's Master of Nonprofit Administration (MNA) program during the academic years of 2014–2018. This element asked students to select, analyze, and report on cases of unethical and corrupt behaviors in organizational decision-making. The requirement assigned students to work in randomly selected small teams of three to four people and prepare a Nonprofit Ethics Case Study chosen from recent news. Presentation of their analysis of the case included a video overview, a description of facts, review of corrupt behaviors in relation to law, compliance, individual and organizational responsibilities, direct and indirect stakeholders' consequences, developments, and alternative solutions to their case. The student teams also prepared three to five questions to facilitate discussion with the entire

class, with references to the moral principles and ethical decision-making models learned during the course.

Table 3.1 highlights the most frequent self-perceived ethical benefits among random nonprofit students who reviewed cases in the program. It

TABLE 3.1 Case Analysis Benefits in Nonprofit Students

Categories of Nonprofit Ethical Leadership Developments	Self-Perceived Benefits of Case Study Analysis Exercises (sorted by frequency)
Moral Intelligence (MI)	1. Increase malpractice awareness 2. Become morally sensitive 3. Develop critical analysis 4. Develop critical-moral standards 5. Develop morality in leadership 6. Solidifies values & beliefs 7. Understand social accountability 8. Understand public beneficiaries 9. Understand external stakeholder 10. Recognize conflicting values
Anti-Corruption (AC)	1. Understand high and low-level corruption 2. Understanding real life contexts 3. Examine organizational complexity 4. Failing of organizational structure 5. Examine of current beliefs 6. Whistleblower policy review 7. Importance of transparency 8. Confidence to speak up 9. Understand organizational responsibilities 10. Recognize cross-cultural issues in corruption
Nonprofit Good Governance (GG)	1. Refocus on board accountability 2. Examine board transparency 3. Analyze board oversight responsibility 4. Examine nonprofit structure 5. Exemplify good governance 6. Exemplify what "not to do" 7. Understand stakeholder board responsibility 8. Understand role of HR in compliance 9. Recognize whistleblower policy integration 10. Implement governance independence
Nonprofit Ethical Leadership (EL)	1. Imagine 2. Be proactive to build an ethical culture 3. Recognize ethical blind spots 4. Apply organizational ethical leadership 5. Start with the principle of *Primum non nocere* "Do no harm" 6. Red flag warning 7. Understanding NP complexities 8. Recognize NP problems in media 9. Model the way of good governance 10. Develop confidence to speak up

is important for the instructor to prepare detailed guidelines for the selection, preparation, and presentation of the cases. The role of the instructor changes from traditional lecturer to facilitator. As Kenneth Winston states:

> In case discussion, therefore, the role of the teacher is not that of expert or source of knowledge; it is that of facilitator and intellectual foil, assisting students in their collaborative deliberations and attempting to nurture in them the ability to handle ethical conflict effectively on their own when the instructor is not around to monitor the conversation. (Winston, 2000, p. 159)

The publications of ethically relevant existing cases is growing in the nonprofit literature (Cnaan & Vinokur-Kaplan, 2015; Libby & Deitrick, 2017; Rowe & Dato-on, 2013). Their integration in NME courses and program requirements is also recognized as significant for the advancement of experiential learning (Carpenter, 2014). However, student-generated cases have an advantage in comparison with utilizing existing case collections. When properly guided, students can work in teams to identify recent unethical practices in the nonprofit sector in a way that can best address the learning outcomes of the course and stimulate their research and analytical capacity. As most NME students are also involved in the field, the exercise can help them to leverage their own knowledge and exchange information with their team and classes. In some instances, the case analyses will not only result in the development of the students' moral awareness but also could result in discussions that drive adjustments or new policies in their own nonprofit networks and organizations.

The critical and analytical discussions associated with case study analysis are crucial for the development of the students' ethical decision-making capacity. The ethical discernment model by Anthony Pagano (1987) can be a simple framework to help students assess the case in question and develop an ethical mindset for future discernments. The Pagano model asks six simple questions:

1. Is it legal?: Basic starting point.
2. The benefit-cost test: Utilitarian perspective of greatest good for greatest number.
3. The categorical imperative: Do you want this action to be a universal standard? (if it's good for the goose, it's good for the gander).
4. The Light of Day Test: What if it appeared on TV? Would you be proud?
5. Do unto others—Golden Rule: Do you want the same to happen to you?
6. Ventilation Test: Get a second opinion from a wise friend with no investment in the outcome (Pagano, 1987).

A simple ethical discernment model like this can be easily applied in the follow up discussions after the presentation of the case. Robyn and Elmore (1986) offer an explanation of the characteristics for selecting a good case. The case needs to be (a) pedagogically useful, (b) conflict provoking, (c) decision forcing, (d) applicable to a general audience, and (e) brief. While longer cases can be helpful in forcing students to distinguish what is relevant and what is not, the presence of too many facts can direct the discussion into particularities causing the students to neglect the important ethical lessons. A longer case can be broken up into chapter type sessions in order to help students focus on specific learning goals (Robyn & Elmore, 1986, p. 295).

CONCLUSION

Case studies are not a silver bullet that guarantee ethical decision-making in real world situations, but they can provide a rich context for analyzing unethical behaviors that promotes behavioral ethical decision-making. Case study analysis can advance student's moral intelligence by developing a higher level of professionalism that integrates ethics with organizational learning, social accountability through self-critical reflection. Specifically, the teaching of cases "can improve students' ethical decision making in a manner that can lead to a more ethical climate in organizations and in society more generally" (Drumwright, Prentice, & Biasucci, 2015, p. 431).

Students, not just scholars and practitioners, can be instrumental in writing cases and increasing the number of ethical cases available for management and nonprofit education. The writing process itself can be a very useful teaching method that can help students to develop their moral sensitivity, ethical discernment, and moral imagination. The concreteness and complexity of real-world case studies can help to bridge the gap between moral imagination and moral judgment (Retolaza & San-Jose, 2017).

The growing use of case study methods in management and nonprofit education is an indicator of the real challenges today's students face, not just on value creation, but on ethical decision-making and moral development. While two decades ago the main question was whether or not to teach ethics in our management programs, today the primary question is how to teach it. The case study method is an important set of tools at the disposal of teachers and students who want to develop their real-world and experiential capacity to make ethical decisions. While many typologies of cases could be helpful to reach these learning goals, the selection, analysis, and writing of simple and live cases can be especially useful for nonprofit and management students in their life long journey for ethical leadership capacity development.

While a number of anti-corruption trainings and capacity development programs are available to current professionals and leaders, the integration of ethical case studies in NME represents an opportunity to develop a cadre of ethical leaders from the beginning. Although participation in an ethics course and a proper completion of case studies analysis does not guarantee ethical decision-making, the adoption of pedagogical tools that foster more real-world and decision-making analysis have demonstrated significant contribution in the development of responsible and ethical leaders.

The case study method helps students discern moral decisions without compromising their deepest values. They can help us to overcome superficial and short-term justifications of unethical and corrupt behaviors based on self-interests, profit maximization, career advancements, corporate greed, and legal impunity. The examination of unethical cases in management and nonprofit education can also address different ways of discerning complex and conflicting interest situations through reflective thinking, critical thinking, and moral thinking.

REFERENCES

AACSB. (2004). *Ethics education in business schools: Report of the ethics education task force to AACSB International's board of directors.* Retrieved from http://www.aacsb.edu/~/media/AACSB/Publications/research-reports/ethics-education.ashx

AACSB (2017). *Eligibility procedures and accreditation standards for business accreditation.* Retrieved from https://www.aacsb.edu/-/media/aacsb/docs/accreditation/business/standards-and-tables/2018-business-standards.ashx?la=en

Baker, R. (1999). *The American medical ethics revolution: How the AMA's code of ethics has transformed physicians' relationships to patients, professionals, and society.* Baltimore, MD: Johns Hopkins University Press.

Baxter, G. D., & Rarick, C. A. (1987). Education for the moral development of managers: Kohlberg's stages of moral development and integrative education. *Journal of Business Ethics,* (3), 243.

Beauchamp, T. L., & Bowie, N. E. (Eds.). (1979). *Ethical theory and business.* Upper Saddle River, NJ: Prentice Hall.

Bies, A. L., & Blackwood, A. B. (2007). Accountability, ethics, evaluation, and governance in nonprofit management education: Trends and treatment. *Journal of Public Affairs Education, 13*(3/4), 519–547.

Boucher, T., & Hudspeth, S. (2013). *Ethics and the nonprofit: Commonfund institute.* Retrieved from https://files.eric.ed.gov/fulltext/ED559285.pdf

Budrys, G. (2013). *How nonprofits work: Case studies in nonprofit organizations.* Lanham, MD: Rowman & Littlefield.

Cagle, J., & Baucus, M. (2006). Case studies of ethics scandals: Effects on ethical perceptions of finance students. *Journal of Business Ethics, 64*(3), 213–229. doi:10.1007/s10551-005-8503-5

Carpenter, H. L. (2014). A look at experiential education in nonprofit-focused graduate degree programs. *Journal of Nonprofit Education and Leadership*, (2), 114–138.

Cnaan, R. A., & Vinokur-Kaplan, D. (2015). *Cases in innovative nonprofits: Organizations that make a difference*. Los Angeles: SAGE.

De George, R. (1982). *Business ethics*. New York, NY: Macmillan.

Dhar, U. (2007). *Case method in management education and training* (Vol. 1). New Delhi, India: Excel Books.

Drumwright, M., Prentice, R., & Biasucci, C. (2015). Behavioral ethics and teaching ethical decision making. *Decision Sciences Journal of Innovative Education*, *13*(3), 431–458.

Falkenberg, L., & Woiceshyn, J. (2008). Enhancing business ethics: Using cases to teach moral reasoning. *Journal of Business Ethics, 79*(3), 213–217. doi:10.1007/s10551-007-9381-9

Haertle, J., Parkes, C., Murray, A., & Hayes, R. (2017). PRME: Building a global movement on responsible management education. *International Journal of Management Education*, *15*(Part B), 66–72. doi:10.1016/j.ijme.2017.05.002

Kohlberg, L., &. Hersh, R. H. (1977). Moral development: A review of the theory. *Theory into Practice,* 2, 53–59.

Kohlherg, L. (1972). A cognitive-developmental approach to moral education. *The Humanist,* 4, 13–16.

Libby, P., & Deitrick, L. J. (2017). *Cases in nonprofit management: A hands-on approach to problem solving*. Los Angeles, CA: SAGE.

Lovett, S. S., & Woolard, N. A. (2016). The toolkit and the carpenter: Teaching the critical distinction between business ethics and personal morals. *E-Journal of Business Education & Scholarship of Teaching*, *10*(2), 35–46.

Maxwell, B. (2014). Review article. *Journal of Moral Education, 43*(1), 136–141.

McWilliams, V., & Nahavandi, A. (2006). Using live cases to teach ethics. *Journal of Business Ethics*, *67*(4), 421–433. doi:10.1007/s10551-006-9035-3

NACC. (2015). Curricular guidelines in nonprofit leadership, nonprofit sector and philanthropy. Retrieved from http://www.nonprofit-academic-centers-council.org/reference-materials/

O'Neill, M., & Fletcher, K. (1998). Nonprofit management education: U.S. and world perspectives. Westport, CT: Praeger.

Pagano, A. (1987, August 1). Criteria for ethical decision making in managerial situations. *UIC College of Business Administration Research Paper No. 10-05*. doi.org/10.2139/ssrn.1708237

Retolaza, J., & San-Jose, L. (2017). Single case research methodology: A tool for moral imagination in business ethics. *Management Research Review*, *40*(8), 890–906. doi:10.1108/MRR-07-2016-0179

Richardson, B. (1993). Why we need to teach crisis management and to use case studies to do it. *Management Education and Development,* 24, 138–148.

Robyn, D., & Elmore, R. F. (1986). What makes a good case? *Journal of Policy Analysis & Management*, *6*(2), 292–295.

Roderick, J. C., Jelley, H. M., Cook, J. R., & Forcht, K. A. (1991). The issue of white collar crime for collegiate schools of business. *Journal of Education for Business, 66,* 287–290.

Rowe, W. G., & Dato-on, M. C. (2013). *Introduction to nonprofit management: Text and cases*. Los Angeles, CA: SAGE.

Shaw, W. H., & Barry, V. E. (1979). *Moral issues in business*. Boston, MA: Cengage Learning.

Sims, R. R., & Felton, E. L. (2006). Designing and delivering business ethics teaching and learning. *Journal of Business Ethics,* 63, 297–312.

Storey, M., Killian, S., & O'Regan, P. (2017). Responsible management education: Mapping the field in the context of the SDGs. *International Journal of Management Education, 15*(Part B), 93–103. doi:10.1016/j.ijme.2017.02.009

Tavanti, M., & Davis, E. B. (2018). Integrating sustainability mindset and impact competencies in management education: Directions, models, and strategies. In A. Stachowicz-Stanusch & W. Amann (Eds.), *Management education for corporate social performance* (pp. 223–241). Charlotte, NC: Information Age.

Tavanti, M., & Wilp, E. A. (2015). Globally responsible management education: From principled challenges to practical opportunities. In D. E. Palmer (Ed.), *Handbook of research on business ethics and corporate responsibilities* (pp. 196–220). Hershey, PA: IGI Global.

Tuttle, B. (2010, March 1). Warren Buffett's boring, brilliant wisdom. *Time Magazine*. Retrieved from http://business.time.com/2010/03/01/warren-buffetts-boring-brilliant-wisdom/

Tyran, K. L. (2017). Transforming students into global citizens: International service learning and PRME. *International Journal of Management Education, 15*(Part B), 162–171. doi:10.1016/j.ijme.2017.03.007

Winston, K. (2000). Teaching ethics by the case method. *Journal of Policy Analysis & Management, 19*(1), 153–160.

Wood, D. J., Logsdon, J. M., Lewellyn, P. G., & Davenport, K. S. (2015). *Global business citizenship: A transformative framework for ethics and sustainable capitalism*. Hoboken, NJ: Taylor and Francis.

Zhu, H., Wang, P., & Bart, C. (2016). Board processes, board strategic involvement, and organizational performance in for-profit and non-profit organizations. *Journal of Business Ethics, 136*(2), 311–328.

CHAPTER 4

AFTER THE COMPLIANCE COMES THE PRACTICE

Teaching Business Ethics and Anti-Corruption Research in an AACSB Accredited Business School[1]

Marie dela Rama[2]

ABSTRACT

In the wake of the corporate and global financial crises of the early 2000s, there was a need for AACSB-accredited business schools to incorporate business ethics in their curriculum. This chapter takes the top-down approach to show how the need to incorporate business ethics through the imprimatur of AACSB standards filtered down to the institution, then to subject level.

Firstly, this chapter discusses the debate surrounding AACSB accreditation and business ethics standards. The compliance environment of the case institution to meet international standards and its strategy of internationalization is then analyzed. The journey to embed and teach business ethics, including the subject of anti-corruption research, to undergraduate business students at an Australian university is then described. Communication regarding AACSB accreditation to faculty, pedagogical tools and assessments are presented as evidence of the institutional process and compliance outcomes.

Anti-Corruption in Management Research and Business School Classrooms, pages 45–73

The impact of the 2002 corporate crisis and global financial crisis (GFC) reverberated through the classrooms of business schools as unethical and corrupt business behavior by managers of multinational corporations plunged the world into its worst economic crisis since the Great Depression.

For business schools such as the author's own institution, response to the crisis and the implications for teaching took on a methodical way. This chapter discusses and describes one such journey and how financial crises in the 2000s catalyzed business ethics in a more formal manner and with it, the acceptance of business ethics teaching in the classroom in both research and practice by students. Firstly, this paper discusses the largely northern hemisphere debate over incorporating business ethics in the curriculum. Secondly, the process by which the author's own school incorporated business ethics into the curriculum in a top-down approach is recounted. This paper shows the different assessments to undergraduate business ethics students and how anti-corruption research and practice is incorporated into the assessments.

CRISES IN MANAGEMENT EDUCATION

In 2002, the corporate scandals and subsequent bankruptcies of Enron, WorldCom, Parmalat, and Andersen (to name a few) provoked debate on the responsibility of higher education institutions and their teaching methods on the future managers of global corporations.

The late Sumantra Ghoshal (2005) thundered at the reprehensibility of our own profession and failures to overcome the shareholder-value orientation and *homo economicus* ideas that produced such selfish and self-centered actions that have proliferated since Milton Friedman's (1970) treatise:

> By propagating ideologically inspired amoral theories, business schools have actively freed their students from any sense of moral responsibility. (2005, p. 76)

Ghoshal argued that through our professional (and with it institutional latency) to teach ethical problems, we have lost our influence to guide how our students can deal with the overwhelming moral dilemmas of our time in a manner that does not conclude with zero-sum outcomes. Our ability to teach ethical issues in the classroom must not come with the whiff of tokenism.

Windsor (2004), who critiqued the AACSB accreditation standards over its narrow definition of ethics and virtue signalling, pointed out ethical teaching must be embedded in the fabric of our curricula. Not because it has to be seen to be done but the implications outside the classroom are enormous—managers must see their role as stewards (Donaldson & Davis,

1991), rather than as self-interested servants with ongoing running agency issues with shareholders:

> The leitmotif of moral, legal, and political education of business managers is their responsibility for social stewardship in the public interest (Downs, 1962). The public interest lies in the unswervingly positive contribution to the commonwealth of business enterprises directed by moral leadership. The public interest is not simply an aggregation of or competition of private interests. Stewardship goes well beyond mere compliance with laws and regulations. (Windsor, 2004, pp. 141–142)

Indeed, Windsor's article mentions an anecdote involving the CEO of Enron, Jeffrey Skilling, who as a student in a Harvard Business School class, had told fellow classmates that profit maximization has no limits unless government intervention arrived (2004, p. 145). This lackadaisical approach echoed the bifurcation reductionism of Enron principals that saw the world as a game between markets and governments (Swartz & Watkins, 2003)—with society hardly considered.

The debate over the 2004 AACSB ethical standards provoked a strong response from the Washington DC based Ethics Resource Center Fellows with a Cassandran warning of the failure to act was a failure to mitigate future unethical behavior:

> American business draws many of its leaders, managers and employees from the undergraduate and graduate students of schools of business. If these individuals do not sufficiently appreciate the broad range of ethical behavior expected of them as business managers and leaders. American business and society, as a whole, will suffer the consequences . . . A solid ethical foundation must be the basis upon which one's business career is built. (Hartman & Hartman 2004, Exhibit K)

In 2007, a bigger crisis unfolded. It was a global crisis triggered by American business. The lessons from the 2002 scandals were not learnt and ultimately, it took the strong arm of governments worldwide to discipline business behavior. The causes, argued Giacalone and Wargo (2009), were to be found in the business schools for their collective failure to teach business ethics to students.

Australian business school academics were not mere bystanders as its northern hemisphere counterparts grappled with these dilemmas. The GFC was seen as a catalyst to change in the higher education arena. Since university deregulation reforms were introduced in 1996 (Jackson, 2003), public universities in Australia had seen decreases in operational funding from government. In the aftermath of the GFC, the confluence of reduced government spending, increasing stakeholder pressure to improve

educational quality outcomes (White, 2007) and the legitimization of external ranking systems (Marginson, 2008) saw a corporate strategic management agenda (Sharrock, 2012) and the managerialist university (Grierson, 2016) become formalized in the area.

The next sections illustrate the above experience in an Australian business school and the AACSB outcomes on ethics teaching.

THE UNIVERSITY OF TECHNOLOGY SYDNEY (UTS) AND ITS BUSINESS SCHOOL

The previous section provides the context in which the author's institution, located in Australia, responded internally to the external pressures and crises in management education.

Established in 1988 as result of the amalgamation of several higher education institutions, UTS is a publicly funded metropolitan university located in Australia's largest city, Sydney. It has 44,753 students and 14,148 international students. It has 1,759 full-time academic staff and 1,873 support or administrative staff. It has a diverse student population with nearly half born overseas and speaking a language other than English (UTS, 2017b).

UTS Business School is the largest faculty at UTS with the most enrolled students. In 2017, it had 10,941 enrolled students comprised of 7,243 undergraduates (of these 2,503 were international students), 3,566 postgraduates (of these 2,404 international students), and 132 PhD students (of these 55 were international students; UTS, 2017b).

AACSB Accreditation and the Australian Academic Labour Market

The debate on whether the existing AACSB standards had done enough to highlight deficiencies in ethical business teaching (Bowie, 2004) in the wake of the 2002 corporate scandals was not the fundamental matter for consideration in the author's institution. As a recipient, rather than an active shaper of how accreditation standards should be, UTS Business School had a compliant-based approach in ensuring the institution met the AACSB standards. The university itself also had an "internationalization" strategy as stated below which the business school adhered to:

> The UTS Internationalization Strategy outlines the University's internationalization objectives, and practical initiatives to meet those objectives. It ensures inter-cultural and global perspectives are integrated into all aspects of university life, so that staff and students are well-equipped to operate in an

international environment . . . The strategy identifies the following "internationalization focus areas" for UTS over the next 3 years.

- Develop high quality strategic international research linkages through the Key Technology Partnership Program.
- Enhance student mobility through an international leadership program, and develop new opportunities for high quality, short term study options as well as international volunteering and internships.
- *Continue to internationalize the curriculum by developing new inclusive teaching pedagogies, and by establishing key graduate attributes that reflect the global skills our students will need in the future* [emphasis added].
- Enhance the classroom, campus, and community experience of our international students through multi-layered learning support.
- Contribute to development projects in the university's key strength areas in partnership with local institutions to fulfil the university's global civic responsibility.
- Foster our international alumni to develop a strong network of UTS graduates around the world contributing to and benefiting from their close connection with the university. (UTS, 2017a)

For the business school to meet bullet point 3 of the above strategy, one aspect, among many, was to apply for international accreditation standards. Meeting the AACSB standards was actively chosen to globalize teaching pedagogy. While globalization, convergence and harmonization of standards can be a double-edged sword (indeed in the corporate governance arena, the convergence and diversity of standards are an ongoing dialogue; cf. Clarke & dela Rama, 2006) with specific local teaching aspects that may have been unique to that particular domestic market, being removed in favor of courses that would be transferable anywhere.

There were two issues within the business school—one an internal factor, the other an external factor; which made it more imperative for it to meet to AACSB standards:

1. UTS business school attracted a high proportion of international students (45% enrolled across all business school courses, rising to 67% for postgraduate courses; see UTS, 2017b) and so an AACSB-ratified course was important for its target market to have their courses recognized internationally; and
2. The Australian federal government deregulated the higher education sector opening it to small and big private sector players—with unintended consequences—with the business school and its cohort, seeing AACSB accreditation as a way to distinguish their existing and well-established programs from these new entrants, their enrolment practices, fee-raking strategies, and dubious courses (Aird & Branley, 2014; Knott, 2015; Mulgan, 2016; Cook & Jacks, 2017).

The internationalization of AACSB accreditation meant that for UTS Business School to be recognized internationally, one had to jump through the institutional hoops of the accreditation process. This was a drawn-out process which meant structural adjustments within existing courses, and indeed, existing staff on whether they met the professional standards required of scholarly academics.

Internally, the journey to accreditation was not simple nor was it without its problems (which is beyond the scope of this chapter). Meeting AACSB accreditation ensured the viability and long-term future of the school as the email from the then UTS Business School dean signalled despite the plentiful cynicism at the time over the process (see Appendix A) and a 2017 update on the continued successful compliance of the institution to meet the AACSB standards (see Appendix B). These appendices highlight the disconnection between what strategic managerial oversight wanted and hoped for, and the compliance and implementation at the coalface. The tensions in the institution occurred mainly on the strategic level where there were concerns over the willingness of the current workforce to meet the AACSB accreditation standards.

However, the nature of the Australian higher education academic market (Cuthbert & Molla, 2015), and the global nature of the sector, meant there was a greater supply—compared to demand—of PhDs and postdoc qualified members in Australia especially from Europe and North American institutions who were fleeing their home markets after the GFC (Turner, 2015; European Commission, 2013) and were hired to implement and support the new strategic agenda in a post-AACSB accredited environment. Staff members who were unwilling to continue to support the direction of the institution were offered voluntary redundancy in 2016 (see Appendix C). Chronic high casualization and job insecurity (May, Peetz, & Strachan, 2013; McCarthy, Song, & Jayasuriya, 2017) in the Australia higher education environment remains a hallmark at this case institution (UTS, 2017c) and its peer group.

In the end, the means by which AACSB accreditation was achieved saw UTS Business School programs and courses recognized globally as being one of only 29 institutions in the Australia-New Zealand region to have this certification (see Appendix C).

From Standards to Implementation: Program Learning Objectives (PLOs)

The culture within the institution can be described as oscillating between bureaucracy and adhocracy. The latter is notably present when resources such as time and people are scarce. Once AACSB accreditation came through, the bureaucratic culture of the faculty executive gave way to

effective implementation by the adhocratic nature and collegiate response from faculty members.

Compliance with specific standards fell to the individual discipline groups or schools within the faculty echoing the ambiguity mentioned by Medeiros, Watts, Mulhearn, Steele, Mumford, and Connelly (2017, p. 246) where a variety of approaches were present as a result. Medeiros et al. also provide nine characteristics that are key in business ethics teaching: criteria, study design, quality, general instructional parameters, course content, delivery methods, processes, training development, and trainee characteristics (2017, p. 47).

For the teaching staff, embeddedness of ethical teaching was integrated in the AACSB reporting of Assurance of Learning (AoL) through its Program Learning Objectives (PLOs) but the interpretation was left to the discretion of the instructors.

To illustrate, in this particular case, the author was deployed as subject coordinator, to teach an undergraduate subject from 2012–2015, entitled 21513 Business Ethics and Sustainability (BES).

21513 BES was a core subject for those undertaking the management major in the Bachelor of Business program—nominally a 3-year course. The following three PLOs that this subject contributed to were:

- *PLO 4.1* Demonstrate an awareness of conflicting ethical demands of various stakeholders within business and related professional environments.
- *PLO 4.2* Evaluate business responses to ethical issues and dilemmas.
- *PLO 4.3* Critically analyze the core professional obligations, values, and operations of organizations, including sustainability.

These PLOs guided the forms of assessment that students were required to do in this subject (see later in this chapter, section on "Assessments") and governed how the course was shaped and delivered.

Ethics Working Party

An Ethics Working Party within the business school was also set up from 2012–2013 which had participants from other discipline groups such as finance, marketing, and economics, guided by a member of the teaching and learning unit of the university. This working party shared experiences of ethics teaching and compliance with the requirements. Three other working parties were established—research, sustainability, and internationalization—to meet the new realities of AACSB accreditation.

Common to all four working parties was the requirement to have a "template to map out the discipline [school] specific contributions being made from each party" (D. Waller, personal communication, September 25, 2013). A framework was established to assist with the ongoing assurance, teaching, and creation of operational rubrics for student assessment.

Table 4.1 shows the framework template given to all working parties to help formulate continued assurance.

The framework above was then distilled into the responsible decision-making Table 4.2 which guided how each subject would establish operational rubrics for each student assessment. From a top-side level view, the

TABLE 4.1 Framework for UTS Business School Ethics Working Party

SECTION 1: Working Party Definition		
1. In your own words, contextualise the definition above into your discipline/school.		
SECTION 2: Graduate Outcomes (the "Know") and Activities (the "Do")		
2a. What do you want your students to *know* in the context of your disciplinary definition by the end of the course (for the moment this is the Bachelor of Business)? Specifically, what do you see as essential and ideal (i.e., would be good to have) knowledge?		
Essential Knowledge: *Ideal Knowledge:*		
2b. What do you want your students to *do* to demonstrate an understanding of the *Essential Knowledge* you have listed above? In your response, consider how you might cultivate judgment in this essential knowledge. Cultivating judgment can be interpreted here as the process whereby students are given the opportunity to be presented with scenarios where they can formulate their own judgment on a particular outcome or issue and reflect on it.		
SECTION 3: Development of Essential Knowledge		
In this section, we would like you to consider the development of the essential knowledge in three stages. The three progressive stages are as follows: **Stage 1: Expose—**provide the student with a broad awareness of origins and content related to essential knowledge **Stage 2: Engage—**provide the student with an opportunity to explore diverse dimensions of essential knowledge **Stage 3: Immerse—**provide the student with an opportunity to discern distinctions in order to make judgments regarding the application of essential knowledge		
For one item of Essential Knowledge above (in Section 2a), illustrate how you would expose, engage and immerse the student to develop their capability in this Essential Knowledge. Your response could also take into account your responses in Section 2b.		
Stage 1: Expose	**Stage 2: Engage**	**Stage 3: Immerse**
How is the student exposed to the essential knowledge?	How is the student engaged using essential knowledge?	How is discernment and judgment cultivated in essential knowledge?

Source: Adapted from UTS Business School Ethics Working Party (2013).

TABLE 4.2 Responsible Decision Making in Business		
PLOs—Accreditation Level		
Introduce	Develop	Assure
Issue—Business School Level		
Expose	Engage	Immerse
Operational Rubrics—Subject Specific		
How each assessment in a subject fits into the PLO requirements.		

Source: Adapted from UTS Business School Ethics Working Party (2013).

PLOs are the AACSB requirements, the issues are business school related, while the operational rubrics are subject-specific or within the domain of the subject coordinator.

Tables 4.1 and 4.2 demonstrate how the Ethics Working Party tried to operationalize the requirements so there was a common theme in how ethics was being taught across the different discipline groups of the business school. These were developed as the then business school's associate dean of teaching explained:

> AACSB does not provide any guidance on what to do on assurance of learning. Each university has to come up with its own system and they (AACSB) examine its robustness and effectiveness on delivering student learning and how we then "close the loop." (C. Bajada, personal communication, March 17, 2018)

The next section looks at the subject-specific implementation of these through assessments in the subject.

THE SUBJECT: 21513 BUSINESS ETHICS AND SUSTAINABILITY

The 21513 BES subject, which was coordinated by the author for 4 years, was introduced in 2011. As mentioned, the adhocratic nature of the school meant initial deployment of the author was rather haphazardly done with a week's notice to take over the subject at its first iteration in 2012 after a staff member had abruptly resigned. Subsequently, it was in the 2013 semester that the subject outline reflected the vision the author had for the subject's formulation and assessment.

The subject explored the breadth and depth of ethical issues confronting contemporary organizations. The delivery method was through a weekly 90-minute lecture followed by a 90-minute tutorial. Students were exposed to the philosophical conceptualization of ethics and the subject

used Crane and Matten (2010) as the required textbook for theoretical knowledge and cases of research in practice. Theories from the corporate governance area such as institutional, stakeholder, stewardship, and agency theories were also used to supplement knowledge to broaden their understanding of organizations.

The students were mostly in their 2nd or 3rd year of the nominally 3-year Bachelor of Business course. As UTS has cross-disciplinary and cross-faculty degrees, some students enrolled were also from science, engineering, law, and others. The course content in the lectures were based on theoretical content while tutorials were more hands-on and students were required to reflect on contemporary issues of real-life ethical dilemmas and case studies.

Unethical Behavior

In teaching business ethics, it is ironic that studies have shown that undergraduate business students are disproportionately represented as engaging in academic dishonesty through cheating and plagiarism (McCabe & Treviño, 1995; Chapman & Lupton, 2004).

In the Australian experience, Bretag, Harper, and Siddiqui (2017) surveyed 15,000 students and found that 1 in 4 have provided others with completed assignments and that the majority of students who cheated in assessments comprised those whose first language was not English, international students, and engineering students. This concurred with the author's own personal experience as around 5% of students enrolled in her subject were detected to have plagiarized using the online software Turnitin. UTS, with a high proportion of international students, have also been subject to impersonators and paper mills—the latter tending to advertise their wares around the campus in the students' native language (Potaka & Huang, 2016; Bagshaw, 2016).

With this in mind, assessments were formulated so that cheating and plagiarism were minimized as much as possible within the resources and time limitations of each semester. While it was disappointing, 100% cheating was not prevented in this subject, the majority of students enrolled in this course did act with honesty and integrity.

Assessments

Three assessments were given to the students over a 14-week period. The first was a group presentation worth 20%, an individual case study worth 50%, and an open-book written exam worth 30%.

The group presentation required students to study a weekly academic article published in the *Journal of Business Ethics*, a publication outlet where

the author has previously published. The group presentation covered a weekly theme in the subject from individual and collective ethical decision-making, corporate power, ethical blindness, multinational tax avoidance, social media to different forms of corruption, corporate social responsibility, supply chain, and greenwashing among other issues. The use of the journal was to ensure consistency in terms of format and structure.

Between 3–4 students formed a group and their 10-minute presentation required them to interpret the article on the essence of business ethics and sustainability in modern-day organizations. Issues that arose in the group formation were reflective of the student populace—international students tended to be grouped together and as a result, interaction with the rest of the class could be somewhat difficult as oral and presentation skills were not at the same level as a local student. UTS has implemented programs to improve the international student experience through the program UTS HELPS.[3]

The second assessment was an individual case study worth 50% of their assessment in this subject. It required students to go out in the field and contact any organization (be it for-profit, not-for-profit, government body, etc.) over an ethical or sustainability issue. There were two parts to this assessment: an interview transcript with a key decision maker from the organization (worth 15%) and an academic report based on the interview conducted worth 35%. Guidelines on how to conduct the interview were outlined in both lectures and tutorials. A consent form was mandatory and anonymity requirements to protect the interviewee and their data was emphasized.

This assessment allowed the students to experience qualitative research by interviewing people who had to deal with ethical dilemmas. For most students, this was the most compelling assessment of the subject and for some, this was the first real-life experience they had of what modern organizations and managers in them had to face. Students were able to access key decision makers from small business owners to CEOs of corporations and this assessment resulted in compelling rich sources of data (see later section on anti-corruption research in the classroom). This assessment addressed PLOs 4.2 and 4.3. Adam Aitken, formerly of the UTS Institute for Interactive Media and Learning, provided further support to students with a written guidance to address this assessment and the marking criteria is included as Appendix D.

For this particular assessment, self-reflection was key. Students were asked to critically reflect on the attitudes toward the ethical dilemmas (through themselves or through their interviewee data), their own moral reasoning and how the grey area of real life ethical decision-making could be explained by individual and group behavior and any institutional response especially when it came to whistleblowing. A basic set of instructions or 10 commandments are provided in Table 4.3—an excerpt from the subject outline.

TABLE 4.3 Assessment 2 Instructions, Spring 2015

Assessment Task 2: Individual Report

Objective(s): This addresses subject learning objective(s): 1, 2, 3 and 4

This addresses program learning objectives(s): 4.2 and 4.3

Weight: 50%

Task:

This task is an individual academic case study report of an ethical and/or sustainability issue in an organization. Please manage your time well in completing this Assessment. This Assessment cannot be done at the last minute.

There are two parts to this Assessment. Part A is an interview transcript worth 15%. Part A comprises of Appendix A Consent Form and Appendix B Interview Transcript. The consent form is available on UTS Online. Part A is due at the beginning of your tutorial in Week 8 (14th of September)

Part B is an academic report based on the interview conducted and it is worth 35%. Please attach your Appendices with this report (Appendix A: Consent Form; Appendix B: Interview Transcript; Appendix C: Peer Review Feedback). Part B is due at the beginning of your tutorial in Week 13 (26th of October)

Instructions:

1. Interview a key-decision maker from any organization—whether it be a family or small business (sole proprietorship, partnership etc.), a company (private or listed), a non-profit, a government department, local or international—regarding ethical and/or sustainability dilemmas/issues they have faced. You may interview a family member or friend as long as you receive their consent. You may wish to interview more than one person. Make sure you have a contingency plan if your first interviewer decides not to proceed with the interview. Plan ahead when selecting people to interview! Please refer to the weekly lectures, tutorials and group presentations for examples of ethical dilemmas and sustainability issues. The interview is key to the case study of your report. Be mindful of confidentiality issues—a consent form must be attached to your report which will form Appendix A of your report. Confidential or sensitive material should not be published without explicit permission from the interviewee. Appendix A must be submitted as part of your Part A submission.
2. Please provide an interview transcript. Your interview transcript will be Appendix B of your report. You will submit Appendices A and B as Part A. The interview transcript must be legible and clear. Interviews can be conducted face-to-face, by email, by phone or Skype (in the case of overseas-based organizations). If interviewing a person overseas or from a non-English speaking background, please provide an English version of the interview transcript. Your transcript will be marked on its clarity and relevance. An exemplar will be provided of an interview transcript. Students may wish to video/audio record their interviews (only with the express approval of the interviewee) to help them write up the transcript. No matter how tempting it might be, please do not make up your interview material. If material has been found to be made-up, an automatic 0 mark will be given to the report. You are allowed to anonymize the interviewee and organization in the body of the report but the consent form must contain their details for the purpose of verification.

(continued)

TABLE 4.3 Assessment 2 Instructions, Spring 2015 (continued)

3. In Part B of your report, use the interview transcript to apply the academic readings that are relevant to the issues this organization has faced. Write about the main ethical/sustainability issues the organization has faced. Who and what are the key stakeholders involved? How have they been affected by these issues? Are the issues mentioned organization-specific or are they industry/sector-wide?
4. In Part B of your report describe the background and organizational context of the issue—what was the trigger or the catalyst? Are the issues internal or external? What are the strengths and weaknesses that you can see in the organizational response? Has the issue been resolved or is it ongoing? What role did leadership and organizational culture play in this issue?
5. In Part B of your report apply the relevant academic readings in this subject outline, textbook or *Journal of Business Ethics*; evaluate the approach of the organization and make suggestions (if any) on how things could be improved. If you think the organization has done well, justify your reasoning. Similarly, if you think they have not performed, justify this view with evidence and appropriate analysis. You must formally assess (with the help of your academic readings) how the organization has responded to the challenge of its dilemmas.
6. Maximum of 2,500 words (+/– 100 words) for Part B of your report excluding Appendices and References. Citations and referencing must follow the UTS Harvard or APA Style Guide.
7. At a minimum, the textbook, *Journal of Business Ethics* (*JBE*) articles and/or lectures must be cited and referenced. At least five *JBE* articles must be cited with a maximum of 50 references apply. Please ask your tutor for permission if you wish to use other sources such as trade journals. If you do not receive permission to use non-authoritative sources, please do not use them as a default 0 mark will be given to the referencing component of this assessment. No Wikipedia, blogs, or derivative articles must be used.
8. The lectures and tutorials will provide further guidance on this assessment. Please see UTS HELPS for advice on writing academic reports. Alternatively, bring your drafts to your tutorials so your tutor can provide personalized guidance.
9. This assessment must be planned several weeks in advance. Have a clear, time management sequence for the completion of this assessment. There will be no extensions or resubmissions allowed for this assessment. A late penalty of 10%/day will apply in most circumstances excepting illness.
10. The assessment will ask for a peer review feedback of your report prior to submission. Your peer review will form Appendix C of your report. The more personalized the feedback, the better your final report. In the past, students have sought their peer review feedback from their interviewees, (older) family members, or friends. Ideally, you should seek a peer review feedback from a UTS Business graduate or professional familiar with academic report writing. UTS HELPS may provide some guidance in whom to ask for peer review feedback. The peer review feedback ensures that you do not submit a draft report as your final report. Please see UTS Online for Assessment 2 materials and checklist for the report criteria.
Length: 2,500 words (+/– 100 words) excluding Cover Sheet, Table of Contents, Appendices and References.

(continued)

TABLE 4.3 Assessment 2 Instructions, Spring 2015 (continued)
Due: Your interview transcript is due on the 14TH OF SEPTEMBER. Your report is due on the 26TH OF OCTOBER. Please hand in a hard-copy of both parts of your Assessment 2 at the BEGINNING of the tutorial. Please ensure you have submitted your Assessment the day before on Turnitin. Please ensure both hard-copy and Turnitin soft-copy are the same. A late penalty of 10%/day applies.
Further information: Do not plagiarize.
Proofread your TRANSCRIPT and REPORT at least three times prior to submission. If you are from a non-English speaking background, ask a native English speaker to proofread your work. If you are a native English speaker, please check your grammar and spelling. Have a table of contents and clear headings in the structure of your report. Submit the report through Turnitin on UTS Online the day before it is due. The summary report showing the originality % from Turnitin must be handed in with this assessment at the BEGINNING of the tutorial.

The final assessment was an open-book exam on campus during the formal exam period. It was made open book so there was to be no possibility of cheating and the integrity of the student was at the fore (see CBS, 2012). This exam covered a specific and current issue that was discussed during the semester and therefore no online resources could have been consulted beforehand. It relied on the ability of the student to demonstrate to their markers their understanding and learning of the subject throughout the semester. An example of an open-book exam on corruption can be found in Appendix E. This assessment addressed PLO 4.1.

ANTI-CORRUPTION RESEARCH AND PRACTICE IN THE CLASSROOM

The beginning of wisdom is found in doubting; by doubting we come to the question and by seeking we may come upon the truth.

—Pierre Abelard (1079–1142)

The importance of recognizing corruption in business practice and ways to counter such behavior is an ongoing issue (dela Rama & Rowley, 2017). While it is difficult to ever see corruption eradicated, as it is symptomatic of underlying dysfunctionality within individuals and/or the organizational culture (Ashforth & Anand, 2003), recognizing what it is, how it is, and why it is detrimental to the function of society was an important ethical issue for the subject coordinator. Other business subjects had not, did not, or would not cover corruption at all whether by choice or design. This was seen as a deficiency given its strong presence in public-private sector interactions. Corruption is an ongoing research interest and embedding corruption awareness, demystifying the language around this issue and promoting anti-corruption practice was a vital inclusion in the subject content.

Guest lectures on anti-corruption were brought in to discuss ways that organizations mitigate corrupt behavior whether through the formal ways of policies and procedures or informal behaviors such as creating a transparent culture that rewarded good behavior. These guest lecturers included representatives from the Australian Stock Exchange surveillance team who discussed insider trading and prevention and the CEO of an internal audit government department who discussed preventing corruption in public sector bodies and a UN Global Compact representative who discussed the 10th principle on anti-corruption. Other guest lecturers nominally included NGO representatives that covered labour conditions in the supply chain and private sector representatives on the importance of corporate social responsibility and good corporate behavior.

The exposition of the discourse and language of corruption and corrupt behavior is key in disseminating knowledge to undergraduate students. When students recognize corrupt behavior, there are preventative measures for them to not involve themselves or if compelled to, know what ways to mitigate its cancerous effect. Ignorance is no longer an excuse when it comes to corrupt behavior. Case studies and role plays were conducted in tutorials so students could actively participate how they saw corrupt acts take place and the impact on the corruptor and corruptee.

For some of the author's students from developing countries, the issue of corruption and bribery is more vivid and aggressive which reflects existing academic ethnographic research (cf. dela Rama, 2012). International students with home contacts generally interviewed a relative or friend. In their Assessment 2 case study reports, interview data reaped issues of government and regulatory corruption, private-to-private sector corruption and petty bribery. Cross-cultural comparisons were weaker in the sense corruption is known by its many faces across different countries but it is the degree of tolerance towards it (backed by weak regulatory enforcement) that becomes the issue for these students.

For the author's local students, corruption was more prevalent in several industries such as construction, real estate, local government, mining, and finance. For students who worked in the retail and hospitality sectors, their experience of inappropriate behavior were centered around bullying and harassment.

Students Reflecting and Interviewees Reflecting Back

On a more poignant point, students who interviewed close relatives and friends were able to empathize with the problems and situations of their interviewees and were able to critically reflect on the balance between personal principles and the realities and pressures of earning a living. Especially where the situation involved corrupt practices, students were generally able

to capture the ramifications of this particular dilemma (whether the interviewee was a witness to the act, the whistleblower, or participant by necessity). Better papers demonstrated how their theoretical research into corruption was being reflected in their analysis and assessment of a real-life case.

This was made clear in the transcript and the peer feedback form that all students had to submit. Interviewees were similarly affected especially those who were asked to provide a peer review feedback of the student's report prior to submission. In this instance, interviewees who proofread the student's report—principally to ensure they were not misquoted and their rendition of the interview was accurate—also were reflecting on their own experience and how it came across and placed in a "theory as practice" context. There were multiple accounts of how they or their own institution could have handled their own ethical dilemma in a better way. For a few papers, follow-up interviews were conducted. Though a second transcript was not required nor marked, these follow-ups were almost always initiated by the interviewee who had reflected back on their own words as analyzed by the student, thus fulfilling—on one level—the notion of the qualitative interview as a form of therapy (see Birch & Miller, 2000). This self-reflection where the students analyzed and the interviewee reflected back was key to the success of this assessment.

The Assessment 2 component in this subject allowed students to experience first hand as an observer, in reality, of how the theories taught in business ethics are relevant, current, and that they will inevitably experience an ethical dilemma in their careers. It is their behavior and their response to undesirable activities and issues that will shape their contribution to any organization they become part of.

Addressing Corruption in an Exam

In 2008, the global Australian mining company, BHP, entertained several foreign government officials as part of its sponsorship of the 2008 Beijing Olympics. In 2013, both the U.S. Department of Justice and U.S. Securities and Exchange Commission opened an investigation into this form of hospitality (BHP Billiton, 2013).

This incident formed the basis of the subject's exam in 2013 (see Appendix E). Leading up to the exam, students were asked to consider the ethical issues and dilemmas involved, from the perspective of the company, and from the perspective of an external consultant. Ethical theories and ethical decision-making were asked to be part of the response to the questions in the exam. Consideration was asked of the relationships of all the stakeholders involved and the global and local ramifications of the incident to wider society. Perhaps, most important of all, students were required to critically reflect on how diametrically positions can be assessed through an ethical lens.

CONCLUDING REMARKS: FROM HOMO ECONOMICUS TO HOMO RECIPROCANS?

This chapter showed the transition of a business school to meet its AACSB obligations as part of its internationalization strategy. This chapter also showed the processes that were part of that journey from compliance at the faculty executive level to subject-level implementation.

The author's coordination of the 21513 BES subject ended in the middle of 2016 and replaced by a higher-level academic appointment to comply with continued AACSB standards and "institutional compliance" (Medeiros et al., 2017, p. 268).

Throughout the author's stewardship of the subject, business ethics had been introduced and became embedded within the undergraduate courses of the business school. Explicit subjects in business ethics across different discipline groups were introduced and other subjects such had embedded ethics PLOs. In the management issues of business corruption were not going to disappear. Business ethics had become part of the norm, at least in undergraduate business studies. While Medeiros et al.'s (2017) study show that professionals, rather than undergraduate or MBA students learn more from ethics education (p. 269), it would be worthy of further research by conducting a longitudinal study on how, or if, an ethics subject in an undergraduate course had an effect on the ethical decision making of former students 10 or 20 years after their completion of this course.

This chapter showed a particular case institution's curriculum changes and the ramifications and impact on the teaching of ethics and corruption and the learning by the students. Perhaps in the future a stand-alone corruption subject might be possible, especially from a multi-disciplinary approach. Nevertheless, the ability to discuss, teach, and research corruption in the classroom in a methodical way shows the generational inroads that have been made in being able to address a formerly taboo subject (Brademas & Heimann, 1998).

On the postgraduate level, inroads are being made with the inclusion of the ethics PLOs in some subjects and subsequent assessments. However, there is no stand-alone ethics course in postgraduate coursework. Whether or not embeddedness of ethics in a stand-alone subject is required on the postgraduate level remains a decision for the faculty executive, taking into account the constraint of resources on the business school.

For a broader picture, there is some optimism to see this transition of business ethics teaching embeddedness and this may be the crest of a wave that slowly but surely, undermines the dominant *homo economicus* paradigm towards the more inclusive *homo reciprocans*. If this is so, then there might be positive outcomes yet to averting or minimizing the impact of future corporate misbehavior from the very people who may very well prevent it.

NOTES

1. This chapter benefited from the constructive comments provided by two anonymous reviewers. The author is particularly grateful to the encouraging comments provided by the first reviewer who helped address and refine this chapter.
2. Dr. Marie dela Rama is a management academic at UTS Business School, Sydney, Australia. Her most recent book is *The Changing Face of Corruption in the Asia-Pacific* (Elsevier, 2017) with Professor Chris Rowley.
3. UTS HELPS: English Speaking Practice. https://www.uts.edu.au/current-students/support/helps/english-speaking-practice accessed 22nd January 2018

APPENDIX A
Email From UTS Business School Roy Green to UTS Staff on AACSB Maintenance of Accreditation, May 16, 2012

Dear Colleagues,

I am extremely pleased to report that the visiting AACSB Peer Review Team [PRT] will recommend to the Maintenance of Accreditation Committee that our accreditation be renewed for another period of five years. This is not yet 'official' and cannot be publicised at this stage, but the PRT felt that given the amount of time to the next MAC meeting (December) it would be appropriate to let everyone know the outcome of the visit.

I would like to take this opportunity to thank each and every one of you who have supported and assisted the Business School on its AACSB Maintenance journey. The PRT were very impressed with our continuous improvement achievements and the collegiate way in which we have embraced the key tenets of our Mission driven strategy. In particular, our Assurance of Learning (AoL) system was deemed 'best practice', and special thanks for this must go to Romy Lawson for her tireless work in this area. Also, our appreciation to all the academics and professional staff who contributed to setting up and delivering on the various aspects of AoL from rubric writing to data entry and reporting, and closing the loop.

The team were also very complimentary about our preparations and documentation for the visit. Special mention should be made of Jenny Edwards' work in this regard, and the DGs for continually supplying us with data, especially the casual staff cvs and teaching schedules. Dennis Tramacco's production of the required statistics was of great assistance for the reporting dimension. We demonstrated significant gains in Standards 9 and 10—and credit must be given to the DGs and their staff who have worked with us to ensure that improvements were made in research outputs and in supporting academics to either gain or maintain their AQ/PQ status. I am also very appreciative of the leadership of this process by Tracy Taylor and members of the Executive team, another aspect noted by the PRT.

It was particularly pleasing to hear that the PRT felt the 'collaborative and integrative ethos' at the heart of our Mission was embraced by everyone

they spoke with—staff, students and members of our new Business School Advisory Board—and that it would be reinforced by the design of our exciting new building. So final thanks to all those who participated in the various sessions over the past two days and provided the team with a whole of Business School perspective on our strategic vision, programs and operations. There will be further detail on the PRT report to follow.

Best regards,

Roy

Professor Roy Green
Dean
UTS Business School
University of Technology, Sydney
PO Box 123 Broadway NSW 2007 Australia

Appendix B
AACSB Accreditation Update, UTS Business School Newsletter, August 9, 2017

Ratification From AACSB's Board of Directors

The School has received the official decision letter from the AACSB Board of Directors confirming our accreditation for another 5 years. The comments of the Peer Review Team and Committee are also summarized in the letter. In particular, it is noted:

- Under our current leadership we have raised our research standards, established effective international partnerships and have hired high quality faculty—they encourage us to continue to make the hiring of quality research faculty a budget priority.
- We should consider benchmarking our faculty qualification guidelines with those adopted by top research business schools and universities—a recommendation that endorses our current review of the School's *Scholarly Academic* (SA) definition.
- We should consider undertaking a comprehensive MBA review and as part of that review consider integration/articulation of the various MBAs as a means of raising both quality and efficiency of delivery.
- The School has a unique opportunity to chart a course to achieve its next strategic aspirations.

We should congratulate ourselves on this outcome, but remember this is a continuous improvement process with a 5-year review cycle. Our next onsite review will be in the fifth year (i.e., 2021–2022). Furthermore, as early as 2019 we have to submit a CIR application that outlines the progress we have made in addressing the concerns identified in 2017.

Appendix C
Excerpt From Vice-Chancellor's In-Brief, UTS
VC Attila Brungs, November 10, 2015

"The UTS community, of staff, students, alumni and partners are core to success and will be the fundamental enabler to UTS becoming a world-leading university of technology. To take the next step in our transformation we need a focused increase in our academic scale and as you know we are committed to increasing our academic staff numbers to approximately 1900. This will help us achieve a significant boost in the vibrancy and critical mass of our teaching and learning, our research performance, and establish new innovative partnerships with industry—all of which will have positive impact here in Australia and beyond. The faculties have already started discussing and identifying areas of potential growth to support teaching and research objectives and funding for the first wave of appointments has been earmarked in the 2016 budget.

"We are also supporting current academic staff achieve excellence by providing an environment that increasingly supports our academics' career development goals in line with the University's strategic objectives—which is why initiatives including academic leadership programs have been implemented.

"The University also recognises that the current era at UTS will in many ways be different to the last as we make the necessary step change in performance to be genuinely 'world-leading', and that some academic staff may feel their career goals no longer align to the University's ambition, vision or expectations. As such the University has received approval from the Australian Taxation Office to offer an Academic Voluntary Exit Program to certain eligible academic staff in the faculties of Business, Engineering & IT and Science. The University has sought approval of this program as it provides eligible staff with a financial package with preferential tax treatment assisting them should they chose to pursue other options outside UTS."

Source: Staff Intranet: https://staff.uts.edu.au/hub/attilabrungs/Pages/Post.aspx?pid=40 (accessed February 25, 2018)

Appendix D
Abridged Assessment 2 Guidance by Adam Aitken (2015)
Academic and Language Learning Team, UTS IML

Task Objectives: This first task asks you to demonstrate that you fulfill the Subject Objectives:

1. Identify core ethical issues, conflicts, and dilemmas facing contemporary organizations.
2. Apply relevant theoretical/philosophical understandings of ethics to critically appraise organizational responses to ethical issues.
3. Demonstrate an ability to develop, and clearly articulate in written texts, an informed ethical position on business issues.
4. Demonstrate awareness of the implied and explicit ethical positions in their own, others' and organizations' words and practices.

Before doing this report yourself check the relevant parts of the marking criteria and then read the exemplar. Make sure you really understand the concept of ethical and unethical business practices and have some knowledge of real business cases. This requires you to do the readings for this subject, and to attend tutorial discussions on the topic.

This is *a case study*, which means that the focus of the report is *real data derived from your interview of a manager in a real company. A case study is more that a description of a company*. The data from the interview are used to reveal principles of good and bad, or unethical business practice. In the essay you will be moving from general theoretical principles to actual examples from the business. The reasons for unethical business practice, and the effects on stakeholders, are explained. General principles can be summarized after examined the real world data. General principles also explain why things occur in the real case. General principles are also used to provide suggestions on how to improve ethical business practice and sustainability.

Marking Criteria for Written Part (Highlighted)			
Criteria	Below Expectations (Z)	Meets Expectations (P–C)	Exceeds Expectations (D–HD)
Engaging, clearly articulated and transcribed interview transcript			
Organization's ethical and/or sustainable issues and dilemmas identified and discussed during the interview (see subject outline)			
Identification of stakeholders and industries involved in the issues			

Marking Criteria for Written Part (Highlighted) (continued)			
Criteria	Below Expectations (Z)	Meets Expectations (P–C)	Exceeds Expectations (D–HD)
Well-structured, well-formatted interview transcript (see checklist)			
Logical, analytical flow of report. Statements are substantiated,* not conjecture**			
Australian spelling, punctuation, capitalization and grammar; sentences and paragraphs made sense			
Consent form provided			
Proper formatting e.g., page numbers, clear identification of interviewer and interviewee, etc.			

* Substantiate: Provide evidence for your statements. Prove the truth of something using evidence.
** A guess or an opinion based on incomplete information.

Commentary and Annotations—Contents Page: Includes Numbered Sections With Headings, References List, Appendices

1. Introduction—Paragraphs 1–3

Paragraph 1: Include a description of the type of business you are studying, and the name and position of the person interviewed. Identify the case study. Use personal pronouns (I, we) to describe who you interviewed.

Example: *I have interviewed ––––––––––, CEO of ––––––––––– and a number of smaller interrelated businesses, including ––––––––––– and ––––––––––, all of which revolve around real estate investment.*

P2, P3: More details about the business, including functions, departments, or sections. Important to *identify* and give some detail on how the business operates at an overall level.

2. Body: Central Issues—Paragraphs 4–10

BODY—P4: *"A consistent problem that the company faces…"*

Use theoretical principles to support your interpretation of the real case: *As Crane and Matten write "developments towards closer stakeholder relationships are not without their problems."*

Identify a cause of the main problem: *"The root cause of this discrepancy…"*

P5: Elaborate (give more detail) on the problem: "Complicating this scenario is the fact that . . ." More theoretical commentary relevant to the case: "Crane and Matten (2010, p. 371) outline the great number of ethical concerns that surround negotiation, not limited to lies, puffery, and deception. . . ." Follow this with an example from your case.

Note: The author's ethical position is based on experts like Crane and Matten (2010)

BODY—P6, 7, 8, 9, 10: More details of ethical problems in the case. Each paragraph describes one ethical problem in detail.

BODY—Paragraphs 11, 12, 13, 14:

Identify and describe the main stakeholders and the effects of ethical problems on stakeholders. Topic sentence: "When problems like the above arise [the poor business practices], the stakeholder that is most affected is often the investor."

BODY: The effect on stakeholders (paragraphs 15–20)

Notice in this section you need to be clear on the causes and effects of bad business practices, and explain clearly why each example is unethical, and describe what the result of this practice is:

Topic sentence: (highlighted) "Crucially, when such issues arise, an investor does not receive what they had paid for, or thought they had paid for, either as a consequence of nuances in their contract or through direct deception."

Orange highlight: This identifies the core ethical issue and refers to the writer's ethical position.

Notice cause and effect of unethical business actions: The cause of an ethical issue is, for example: "nuances in their contract or through direct deception."

Explain *the effect* of unethical business practice: For example: "An investor does not receive what they paid for."

8. Discussion

The topic of this section is: preventative procedures help avoid recurrences of problems. The writer uses research to argue that business needs to provide a good strategic approach to dealing with unethical business. The discussion is supported by the example of the case study strategy: [The company] does not deal with developers once they have been discovered to act unethically, or once trust has been broken.

To support the argument and reinforce an ethical position, the writer presents Mamic's (2005) and Lyster's (2013) research into theoretical strategy:

> Mamic's article (2005, p. 98) illustrates a "Code of Conduct" that is implemented across a supply chain in order to make the chain more sustainable. This approach appears to be the most sensible and appropriate approach for these issues. Further, this kind of business supply chain is increasingly expected of businesses by consumers, according to Lyster (2013).

9. Leadership and organizational structure

This section deals with the need for leaders to be careful (diligent) in creating an ethical business culture. This section could be more developed and supported by research.

Conclusion

This conclusion succinctly sums up the main content of the whole essay—The causes, effects, and solutions in the form of better ethical approaches to business. The sequence of information is roughly:

1. the causes and effects of bad business behavior;
2. the main reason for problems: different values (ethical relativism); and
3. state the positive solution and strategies of the case study company and why they have chosen ethical approaches and procedures.

Language Point 1: Expressing a Theory or a General Principle

While not always illegal, most of these instances can be said to be unethical, or at least to be bad business practices. This also often *leads to* higher maintenance costs . . .

The general principle is: Unethical business practices lead to higher maintenance costs. Future court cases, unsustainable relationships with other businesses.

A theory can be expressed

1. as a general issue—and the case study "illustrates" the general issue;
2. in the words of a research scholar:

After stating general principles above, connect and illustrate the principles with an example from the actual case study.

Theory or general principle	**Example for case study**
"When issues such as these arise . . ." "An issue such as this . . ."	Deception of the investor
Example	**Theory**
In contrast, developers that are professional and ethical often enjoy a profitable and ongoing relationship with [the company].	according to Crane and Matten, (2010, p. 361) is a "widely touted . . . effective business strategy for improving performance and achieving win-win solutions."
[The company] will often cover the costs of the issue in order to fulfill the "spirit of their contract."	As stated by Lewis and Juravle (2010, p. 493), "Morals do matter but there must be a business case."

Language Point 2: Summary of Causes and Effects

Cause	Connecting words	Effect
A direct result of cutting costs or omitting information in order to make more money in the short term.	is	Threatens its relationships with the organization they are working with, and other members of their supply channel.
An investor does not receive what they paid for.	This may lead to	Court cases.
Unethical business practices.	lead to	Higher maintenance costs. Future court cases, unsustainable relationships with other businesses.
Effect		**Cause**
Deception of the investor.	may be a consequence of . . .	Nuance in a contract.

Appendix E
Assessment 3: 2013 Open Book Exam—BHP Corruption

START OF EXAM

Instructions: Read the media release below and answer all the questions that follow the release:

MEDIA RELEASE

As previously disclosed BHP Billiton received a request for information in August 2009 from the U.S. Securities and Exchange Commission (SEC). As a result the Group commenced an internal investigation and disclosed to relevant authorities including the U.S. Department of Justice (DOJ) evidence that it uncovered regarding possible violations of applicable anti-corruption laws involving interactions with foreign government officials. As has been publicly reported, the Australian Federal Police has indicated that it has commenced an investigation. The Group is fully cooperating with the relevant authorities as it has since the U.S. investigations commenced.

As a part of the U.S. process, the SEC and DOJ have recently notified the group of the issues they consider could form the basis of enforcement actions and discussions are continuing. The issues relate primarily to matters in connection with previously terminated exploration and development efforts, as well as hospitality provided as part of the Company's sponsorship of the 2008 Beijing Olympics.

In light of the continuing nature of the investigations it is not appropriate at this stage for BHP Billiton to comment further or to predict outcomes. BHP

> Billiton is fully committed to operating with integrity and the group's policies specifically prohibit engaging in unethical conduct. BHP Billiton has what it considers to be a world class anti-corruption compliance program.
>
> *Source:* BHP (August 13, 2013). Update on continuing regulatory investigation. Retrieved from https://www.bhp.com/media-and-insights/news-releases/2013/08/update-on-continuing-regulatory-investigations

Question 1: What is corruption? (worth 5 marks). Refer to your readings in your response. Suggested length: 1 page

Question 2: Short-answer questions. Answer both 2a and 2b. Each question is worth 5 marks to give a total of 10 marks.

Passage 2a: Read the passage below and answer the question:

> *You are an external sustainability consultant* hired by BHP to ensure the company is meeting its obligations under the United Nations' Global Compact. You are traveling to a remote province of China to assess the environmental impact of the operations of a BHP subsidiary (jointly owned between the company and a Chinese state-owned enterprise). You have been reading the reports written by your predecessor and you are concerned that the operations are detrimentally impacting a nearby national park. You have also noted some anomalies in the financial statements especially with substantial amounts listed under "marketing fee," "consulting fee," "hospitality," and "miscellaneous gifts."

Question 2a: What do you do and what do you write in your report to BHP? (worth 5 marks). You may add, if you wish, what further information you may need and why. Suggested length: 1 to 1.5 pages

Passage 2b: Read the passage below and answer the question:

> *You are the Chair of BHP*. Your company has issued a media release regarding possible violations of anti-corruption legislation in Australia, United States, and the United Kingdom due to questionable transactions of hospitality, gifts and bribery that involve your employees. You are preparing for a board meeting to be held in a hotel in Beijing, China to discuss the repercussions raised in the media release and possible strategies to deal with the outlined regulatory actions, when you receive a phone call from your CEO. Your CEO explains that BHP's internal security team has raised issues of possible commercial espionage. The team has checked the conference hotel room where the meeting will be held and they have found bugging or listening devices.

Question 2b: As BHP chair, what do you do and what is your formal advice to board members? (worth 5 marks). You may add, if you wish, what further information you may need and why. Suggested length: 1 to 1.5 pages

Question 3: This question is worth 15 marks. Suggested length 3–5 pages.

> *As a student in business ethics and sustainability,* you have been given the report from the sustainability consultant and the board minutes of BHP in questions 2a and 2b above.

Examine and explain the business ethics and sustainability issues involved in passages 2a and 2b and the range of issues raised by the report and minutes by the consultant and the company in your answers for Questions 2a and 2b.

Refer to your readings throughout the semester and provide a formal list of references that you have used in the exam at the end of your response.

END OF EXAM

REFERENCES

Aird, C., & Branley, A. (2014, October 10). Unregistered training colleges target disadvantaged, sign them up to expensive government loans. *ABC News.* Retrieved from http://www.abc.net.au/news/2014-10-06/unregistered-training-colleges-target-low-income-earners/5793246

Ashforth, B. E., & Anand, V. (2003). The normalization of corruption in organizations. *Research in Organizational Behavior*, 25, 1–52.

Bagshaw, E. (2016, April 25). Sydney University, University of NSW and UTS crack down on cheating students. *Sydney Morning Herald.* Retrieved from http://www.smh.com.au/national/education/universities-crack-down-on-cheating-students-20160421-gobq1m.html

BHP Billiton. (2013, August 16). *Update on continuing regulatory investigations.* Media release. Retrieved from https://www.bhp.com/media-and-insights/news-releases/2013/08/update-on-continuing-regulatory-investigations

Birch, M., & Miller, T. (2000). Inviting intimacy: The interview as therapeutic opportunity. *International Journal of Social Research Methodology. 3*(3): 189–202.

Bowie, N. (2004). Special issue: The stand alone course in business ethics. *Journal of Business Ethics Education, 1*(2): 135–136.

Brademas, J., & Heimann, F. (1998). Tackling international corruption—No longer taboo. *Foreign Affairs. 77,* 17.

Bretag, T., Harper, R., & Saddiqui, S. (2017). Contract cheating and assessment design. University of South Australia. Retrieved from https://cheatingandassessment.edu.au/

CBS. (2012, August 30). *125 Harvard students investigated in possible cheating scandal* [television broadcast]. Boston, MA: Columbia Broadcasting System.

Chapman, K., & Lupton, R. (2004). Academic dishonesty in a global educational market: A comparison of Hong Kong and American university business students. *International Journal of Educational Management, 18*(7): 425–435.

Clarke, T., & dela Rama, M. (2006). *Corporate governance and globalization, Volume 3: Convergence and diversity.* London, England: SAGE

Cook, H., & Jacks, T. (2017, May 27). Careers Australia collapses leaving 15,000 students in limbo. *Sydney Morning Herald*. Retrieved from http://www.smh.com.au/national/we-were-told-it-was-all-over-careers-australia-collapses-leaving-15000-students-in-limbo-20170526-gwdmc6.html

Crane, A., & Matten, D. (2010). *Business ethics: Managing corporate citizenship and sustainability in the age of globalisation* (3rd ed.). Oxford, England: Oxford University Press.

Cuthbert, D., & Molla, T. (2015). PhD crisis discourse: A critical approach to the framing of the problem and some Australian "solutions." *Higher Education, 69*(1), 33–53

dela Rama, M. (2012). Corporate governance and corruption: Ethical dilemmas of Asian business groups. *Journal of Business Ethics, 109*(4), 501–519.

dela Rama, M., & Rowley, C. (2017). *The changing face of corruption in the Asia-Pacific: Current perspectives and future challenges*. Amsterdam, Netherlands: Elsevier.

Donaldson, L., & Davis, J. H. (1991). Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of Management, 16*(1), 49–64.

Downs, A. (1962). The public interest: Its meaning in a democracy. *Social Research, 29*(1), 1–36.

European Commission. (2013). *Funding of education in Europe 2000–2012: The impact of the economic crisis; Eurydice Report*. Luxembourg: Publications Office of the European Union. Retrieved from http://eacea.ec.europa.eu/education/eurydice/documents/thematic_reports/147EN.pdf

Friedman, M. (1970, September 13). The social responsibility of the corporation is to increase its profits. *New York Times Magazine, 122–126*

Ghoshal, S. (2005). Bad management theories are destroying good management practices. *Academy of Management Learning & Education, 4*(1), 75–91.

Giacalone, R. A., & Wargo, D. T. (2009). The roots of the global financial crisis are in our business schools. *Journal of Business Ethics Education, 6*, 147–168.

Grierson, E. M. (2016). Trust and fiduciary relationships in education: What happens when trust is breached? *Educational Philosophy and Theory, 50*(2), 203–211.

Hartman, L. P., & Hartman, E. M. (2004). How to teach ethics: Assumptions and arguments. *Journal of Business Ethics Education, 1*(2), 165–212.

Jackson, K. (2003). *Higher education funding policy*. Australian Parliamentary Library. Retrieved from https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/Publications_Archive/archive/hefunding#budget96

Knott, M. (2015, August 21). Private colleges with high drop-out rates getting millions in subsidies. *Sydney Morning Herald*. Retrieved from http://www.smh.com.au/federal-politics/political-news/private-colleges-with-high-dropout-rates-getting-big-subsidies-20150820-gj42fv.html

Marginson, S. (2008). Global university rankings: Implications in general for and for Australia. *Journal of Higher Education Policy and Management, 29*(2): 131–142.

May, R., Peetz, D., & Strachan, G. (2013). The casual academic workforce and labour market segmentation in Australia. *Labour and Industry, 23*(3), 258–275.

McCabe, D. L., & Treviño, L. K. (1995). Cheating among business students: A challenge for business leaders and educators. *Journal of Management Education*, *19*(2), 205–218.

McCarthy, G., Song, X., & Jayasuriya, K. (2017). The proletarianisation of academic labour in Australia. *Higher Education Research and Development*, *36*(5), 1017–1030.

Medeiros, K. E., Watts, L. L., Mulhearn, T. J., Steele, L. M., Mumford, M. D., & Connelly, S. (2017). What is working, what is not, and what we need to know: A meta-analytic review of business ethics instruction. *Journal of Academic Ethics*, *15*(3), 245–75.

Mulgan, R. (2016, October 31). VET fee-help fiasco: Public money, private profits, inevitable rorts: Outsourcing and privatisation require more regulation, not less. *Canberra Times*. Retrieved from http://www.canberratimes.com.au/national/public-service/vet-feehelp-fiasco-public-money-private-profits—and-moral-failure-20161025-gsanub.html

Potaka, E., & Huang, C. (2016, January 8). Pens for hire: How students cheat, and how they get away with it. *SBS: The Feed*. Retrieved from https://www.sbs.com.au/news/thefeed/article/2015/11/05/pens-hire-how-students-cheat-and-how-they-get-away-it

Sharrock, G. (2012). Four management agendas for Australian universities. *Journal of Higher Education Policy and Management*, *34*(3), 323–337.

Swartz, M., & Watkins, S. (2003). *Power failure: The inside story of the collapse of Enron*. New York, NY: Doubleday.

Turner, S. E. (2015). The impact of the financial crisis on faculty labour markets. In J. R. Brown, & C. M. Hoxby (Eds.), *How the financial crisis and great recession affected higher education* (pp. 175–207). Chicago, IL: University Chicago Press and National Bureau of Economic Research. Retrieved from http://www.nber.org/chapters/c12863

UTS. (2017a, August 31). *Internationalisation strategy*. Retrieved from https://www.uts.edu.au/partners-and-community/initiatives/internationalisation/internationalisation-strategy

UTS. (2017b, November 27). *Facts, figures and rankings*. Retrieved from https://www.uts.edu.au/about/university/facts-figures-and-rankings

UTS. (2017c). *2016–17 Public report to the Workplace Gender Equality Agency*. Retrieved from https://www.wgea.gov.au/sites/default/files/public_reports/tempPublicReport_flsw7rkhcc.pdf

White, N. R. (2007). The customer is always right? Student discourse about higher education in Australia. *Higher Education*, *54*(4), 593–604.

Windsor, D. (2004). A required foundation course for moral, legal and political education. *Journal of Business Ethics Education*, *1*(2), 137–164.

This page intentionally left blank.

CHAPTER 5

CAN UNIVERSITIES TEACH ANTI-CORRUPTION IN BUSINESS SCHOOLS?

Unsal Sigri

ABSTRACT

Teaching of anti-corruption in management and business education programs is an exciting and promising idea but it also presents challenges in the design and delivery of the programs and difficulties in developing educational contents. Some researchers believe that teaching about anti-corruption is useless just because it is only about theory, not practice. Some researchers say there is a doubt that students who learn about anti-corruption will not display corrupt behaviors in the future. This study will emphasize on the teaching of anti-corruption with a focus on the value system in order to achieve the desired outcomes, that is, business employees that are not corrupted. With the help of an effective anti-corruption education, management and business students will be able to assess the relation between managerial-economic activity and moral values concerning ethics; to establish the role of a professional employee regarding prevention of and fight against corruption in the organization. The approach therefore will be "value-based education" in the study. This approach will also be as effective as in other faculties like business

Anti-Corruption in Management Research and Business School Classrooms, pages 75–91

schools. This study will focus on the teaching anti-corruption and developing course contents on anti-corruption in business schools by adding a case study to be used in educational contexts on anti-corruption education.

Although widespread implementation of anti-corruption reforms is in place, many countries do not have a significant decrease in corruption levels for some time and this fact brings the idea that a new approach in dealing with anti-corruption is needed. Many international institutions' studies have recently demonstrated the effects of corruption on the well-being of a wide variety of social determinants of a society.

A successful approach to prevent corruption and morally questionable behavior, it is likely that, in addition to punishment and institutional measures, we also need to understand and challenge the determinants of corrupt behavior. It is important to highlight that, at university level, curricula typically may lack components that would contribute to a non-tolerance of such conduct. There are good reasons for higher education to take on these challenges. First, on a global level, corruption is considered one of the major obstacles for meaningful democracy, economic wealth, and human well-being. Second, apart from direct costs, corruption erodes social trust and contributes to reinforcing dysfunctional norms in a society in which social trust is needed for a collective action on anti-corruption. Third, societies governed by corrupt systems and unethical norms provide a breeding ground for economic crisis (Tannenberg, 2014).

Previously corruption was mainly the concern of domestic agencies, like the police or auditors. Now it appears on the agenda of many international organizations and it appears to be an international issue in today's world. Secondly, "it is an economic issue," the lead in research is being taken by economists instead of lawyers looking at the costs of corruption, and its effect on economic development. Third, corruption is less based on cultural explanations in today's world. Previously, corruption in developing countries might be explained by traditions of gift giving, or the obligations of kinship. Now, many people in these countries are less tolerant of such excuses (Larmour & Wolanin, 2013).

Corruption is in everyday life. It happens across the private sector as well as the public service in the realms of housing, education, health, agriculture, and other areas. Its influence reaches dangerously further, by directly threatening sustainable development of the economies. Because the corruption takes many forms, this makes it almost impossible to definitively calculate its cost, though one estimate suggests that corruption amounts to more than 5% of the global GDP in the world. Corruption also makes it difficult for societies and economies to develop. Some challenges in fighting with anti-corruption brought the need for an updated version of dealing with anti-corruption. In this regard, it is studied by some experts that,

education could be a valuable tool in the fight against corruption (Tripathi & Nyamsogoro, 2015).

WHAT IS CORRUPTION?

Corruption has been treated as a pure legal issue previously and consequently as a problem for the public sector to solve through lawmaking and law enforcement. This approach has failures, just because it undermines economic and human development. In here, universities can play a major role in fighting corruption, both in their capacity as institutions of higher education that touch the lives of future leaders and as large organizations with substantial economic footprints (Lanteri, 2017).

At some point in time, the word "corruption" was given the meaning moral deterioration and an abuse of public power for personal gain. There are many definitions of corruption and they are constantly subject to change with the changing perception of this phenomenon. Therefore, it is easier to identify corruption by its characteristics, rather than by its definition (Modern Didactics Center, 2006). Comparison of various concepts of corruption shows that actions considered as corruption generally comprise the following elements:

1. a person with the authority to adopt decisions that are relevant to society;
2. legal norms—like legislation, principles, criteria, procedures—regulating decision-making;
3. a person seeking a decision that is favorable to self;
4. mutually beneficial exchange between a decision maker and a person seeking this decision; and
5. violated decision-making norms, damage caused to society (Van Duyne, 2001).

The existing literature shows that corruption is prevalent in many countries and that it causes serious damage at different levels. The fact that corruption has significant negative effects and leads to the inefficient allocation of limited resources has led to increased national and international efforts to prevent bribery and corruption, particularly in recent years (Becker, Hauser, & Kronthaler, 2013). As one of the main factors hindering economic and social development, the combat of corruption has become a top priority in the agendas of public and private actors, including academia.

ANTI-CORRUPTION EDUCATION

Anti-corruption education at universities at the formal level, can be achieved by including into the curricula of general education. At the informal level, initiatives of extracurricular activities like civil campaigns, conferences, and other events should be promoted. Since the key target of anti-corruption education is increasing awareness on the issue, the most favorable environment for that is social disciplines, including business management, history, political science, and ethics. But, it is important to redesign programs at any of the universities or any other faculties in addition to social sciences-focused programs. The link with law, political science, and business management is unavoidable because the problem of corruption is discussed using legal, political, and economic terms. The integration of anti-corruption education into the course of general education is impossible without putting it into a certain context. But this anti-corruption education context should not be taught separately from other disciplines (Modern Didactics Center, 2006). A special problem of anti-corruption education is how to prevent it from becoming a course of teaching corrupt behavior. The purpose of anti-corruption education is to build values and develop capacities necessary to form the civic position of pupils against corruption.

Anti-corruption education is considered as a deliberate effort to realize the learning process critical of the anti-corruption values. In this process, the anti-corruption education is not just a medium for the transfer of knowledge, but also an emphasis on character formation, creating and disseminating anti-corruption values and moral awareness in the resistance against corruption within the organizations of a society. Anti-corruption education is also an instrument to develop study skills in capturing configuration problems and difficulties of nationality issues that triggered the corruption, the impact, prevention, and resolution. The education system participating to combat corruption is the education system that departs from simple things, such as not cheating, discipline, and others (Wibowo & Nanang, 2011).

Anti-corruption education emphasizes more on the moral formation of anti-corruption efforts than the transformation of knowledge and the ins and outs of anti-corruption theory to students. Wibowo and Nanang (2011) explain that the purpose of anti-corruption education is to create a young generation that is morally good and has anti-corruptive behavior that is to build an exemplary character that children do not engage in corruption early with the goal of creating a young generation of good moral behavior and building character to no corruption early. It is done through more effective education because education is a process of changing in the mental attitude that occurs in a person.

Most anti-corruption awareness and education activities discussed in the literature focus on anti-corruption generally rather than on specific sectors. However, anti-corruption awareness activities should be implemented in different sectors, whether through specific modules or embedded in subjects such as moral education. It may allow students to reflect upon experiences of corruption in different sectors they are familiar with, and it offers a unique opportunity for discussing corrupt practices in the education sector and how they affect students' education rights (United Nations Development Programme, 2011).

DIFFICULTIES OF TEACHING ANTI-CORRUPTION

Teaching anti-corruption courses at the university level is not only meant to make the future professionals resistant to corruption or anti-corruption political activists but rather to become aware of the need to uphold the acknowledged cultural and legal anti-corruption values and norms. Teaching anti-corruption courses which will include both legal and sociological/political science dimensions will bring about a comparative understanding of the phenomenon and assist in appreciating the importance of international approach and cooperation (Stephenson, 2015).

There are some skeptical points about the effectiveness of ethics, at best it seems like they're in a position to shape how one thinks about cases on the margins/in the grayest of gray zones, and much less able to actually persuade someone to do something they already have a sense is wrong in some legal or moral way. To a large extent, such courses seem like they boil down to trying to convince someone that s/he should not do something in their immediate self-interest because it does not align with bigger-picture values (The Global Anti-Corruption Blog, 2017).

The anti-corruption education may be reinforced by additional educational activities besides formal university training like the organization in India called "Lead India 2020" which is strictly focused on anti-corruption and on ethics generally. They do this by working closely with youth through workshops that are conducted in urban and rural areas which are aimed at local university youth or older high school children, and contain leadership sessions, critical thinking and teamwork exercises, and small group discussions on combating local problems that most effect development in their areas. After the workshop, the youth are officially enrolled in the program and complete certain practical steps such as leading a local organization in a social movement, organizing a fundraiser, participating in community service, reporting a bribe, and so on (Stephenson, 2015).

One other example of an anti-corruption education program was established in Croatia, under the government's anti-corruption sector. This

office led anti-corruption education among both government and citizens, including awareness-raising media campaigns, youth education within the schools, and more advanced seminars for public servants, police officers, judges, and executives of state-owned enterprises. This program found local-level public officials especially needful of clarifications about conflict of interest, a troublesome issue in Croatia's many small, insular communities (Kuris, 2015).

The goal in both anti-corruption education programs in India and Croatia is not a university professor lecturing to students about corruption and its damages, rather, the goal is to cultivate certain leadership skills, ethics, a sense of obligation to their communities, and get students to discuss these issues under the protection and legitimacy of something like a classroom setting. These kinds of programs that have educational and practical components, if tailored more to fighting corruption, might be different from the formal university programs.

University students and certainly graduate students, are sometimes inclined to push back on their professors than accept teachings at face value, a point that the original post touches upon in the discussion of hypocrisy. In this situation, the quality of the trainer gains more importance to convey the effective message to the audience. The effective combating of corruption requires a complex web of interlocking laws and citizen engagement to create a culture which encourages the effective enforcement of laws (The Global Anti-Corruption Blog, 2017). The passage of laws, and the establishment of institutions, aimed at reducing corruption, are only effective if there is, among the human beings who inhabit the institutions, the will to enforce the laws and other codified procedures such as accounting standards.

The opponents believe that teaching about anti-corruption is just a waste of time. It is only about theory, not practice. There is no guarantee that students who learn about anti-corruption will not be committed to corrupt behaviors in the future. Moreover, civic education has been repeatedly claimed to be one of the most unimportant and boring subjects at school. In fact, most students see it as a noncore subject (Education Policy Blog, 2017). They have invested little in this subject as they believe it has no role in their academic success. Meanwhile, the subject's contents and teachers' lack of appropriate pedagogical strategy further contribute to making the subject ineffective. Obviously, with the old way of rote learning and lack of practical application, anti-corruption education might eventually become a redundancy in students' study. Though anti-corruption education may not equip students with any practical skills overnight, students would become better aware of what entails corruption. They will learn about which behaviors or practices are viewed as being corrupt (Duong, 2014).

ROLE OF UNIVERSITIES IN ANTI-CORRUPTION EDUCATION

Universities are economic actors and have an important economic impact in the communities where they operate. The first way they can fight corruption is internally, by implementing anti-corruption initiatives, for example, by ensuring competitive procurement of school resources, opposing nepotism in the hiring of teachers and preventing the skewing of research results for personal gain. In this way, universities can increase the efficiency of their operations by improving outcomes and cutting unnecessary costs (Lanteri, 2017).

The idea of promoting anti-corruption norms through education is quite exciting and that university education could make a big difference could be real as well. The "value-based education" envisioned by the Poznan Declaration is often difficult to nail down the proponents of anti-corruption education especially at the university level to specify exactly what an anti-corruption curriculum would attempt to teach, and how. The Poznan Declaration on whole-of-university promotion of social capital, health and development, is a formal statement aimed at mainstreaming ethics and anti-corruption in higher education. It is a declaration endorsed by a wide set of universities and a global network university professor (Poznan Declaration, 2014).

The Poznan Declaration aimed at mainstreaming ethics and anti-corruption in higher education is a first important step for higher education in joining governments, businesses, and civil society in the global fight against corruption. The Poznan Declaration (2014) tries to sketch out the elements of such a curriculum that the declaration says that the curriculum "could comprise complementary educational approaches, such as the dissemination of hard data, seminars discussing basic values and ethics, and case studies" (p. 4), and suggests more specifically (a) presenting data on the strong relationship between levels of corruption and health and development, (b) raising awareness of domestic anti-corruption legislation and international treaties, and (c) holding discussion seminars on which values and norms we want to govern our social interactions, and what they mean in particular situations (Poznan Declaration, 2014).

The Poznan Declaration states that if most university graduates receive training in anti-corruption, it is possible that social trust and social capital will be promoted. University education is not like magic—it's not like faculty members will stand up and transfer knowledge effectively to our students. The Poznan Declaration itself supplies an example, in that it emphasizes repeatedly the importance of teaching student's corruption and lack of social trust are bad for development of the humanity (Poznan Declaration, 2014).

As the Poznan Declaration (2014) puts it, universities need to take action by ensuring impartiality in teaching, student assessment, research, and ensuring that matters regarding awards of degrees, employment, and promotions are based on legitimate, transparent, and objective criteria. University students, tend to be hyper-aware of hypocrisy in all its forms. Therefore, universities should set as an example to anti-corruption educational curriculums, otherwise it's counterproductive, to push an anti-corruption curriculum in a university which is corrupt itself in the first place (Poznan Declaration, 2014).

But what happens, if an educational system—who is to deliver anti-corruption education—is corrupt? The Istanbul Report's (2014) survey shows the perception people have about the level of corruption in different institutions in each of the countries surveyed. Again, the results are quite amazing. Political parties, police, parliament and public officials, and educational institutions are viewed as the most corrupt institutions worldwide. To make things worse, those bodies which are at the top of the "corruption list" are considered as the pillars of a democratic society (Anti-Corruption Group Istanbul Paper, 2014).

Setting an example of correct behavior for students is an important first step. The social function of universities is educating and equipping students with tools and experiences that make them successful professionals and citizens. This requires a strong commitment to teaching professional ethics across curricula. Ethics education is known to reduce selfish behavior among students and their inclination to cheat. The advantages are (Lanteri, 2017):

- improved achievement of educational goals;
- long-term benefits in their career;
- easier to manage universities, because lengthy committee meetings are reduced due to decreased number of corrupt behaviors;
- superior reputation of high-quality educational programers equipped with anti-corruption education; and
- ethics education in universities positively inspiring and motivating university graduates to do the right thing. Incidentally, the growing focus on compliance and anti-corruption might create new sources of revenues for universities that teach such courses.

A "whole-of-university" approach is needed. From the numerous interactions from which we infer our trust in others, it is clear that reaching out only to students of law and public policy will fail to have the desired effects (Poznan Declaration, 2014). For universities to optimize their roles as drivers of change towards social capital, health, and well-being, a "whole-of-university" promotion is needed. Through this initiative, higher education

can play its part in the global fight against corruption. Recognizing the university sector's potential, as well as its responsibility to help shape the moral contours of society for the better, we ask institutions of higher education to:

- Endorse a cross-faculty approach to include components of ethics and anti-corruption in curricula.
- Motivate professors to encourage and facilitate the incorporation of ethics issues within their classes.
- Appreciate the opportunity to shape professional identities, which set the boundaries of future acceptable behavior.
- As agents providing some public good universities themselves should act accordingly (Tannenberg, 2014).

The conference on "Redesigning the State: Political Corruption in Development Theory and Practice" organized by the Global Poverty Research Group at the University of Manchester in 2005 (the proceedings of which form the basis of this volume, was both relevant and stressed the importance of anti-corruption education at universities (Bracking, 2007).

The design of a curriculum on anti-corruption is an important issue. The courses that may be placed in an anti-corruption course are: legal systems, legislation on corruption-related practices, international legal instruments concerning corruption, codes of conduct and professional ethics, economic crimes and corruption, sociological and social psychological perspectives on corruption, public procurement, corruption and social norms, corruption and the role of mass media, and sample study visits to related institutions (https://www.lunduniversity.lu.se).

Business cases may also be used to reinforce course contents. Business cases against corruption may pave the way for economic decision makers to make more rationalized decisions. The decision-making exercises are important on anti-corruption because the decision to engage in corruption is affected by several factors, but rationalizations of corrupt behavior invariably follow the application of standard business decision-making procedures, inspired by cost-benefit models which assume selfishness, perfect information, and full rationality. We know, however, that these assumptions are not customary in the real world. Real decisions are instead flawed by incomplete information and biased perceptions of risks and probabilities. The so-called business case against corruption gives future managers and professionals better grounds on which to make informed decisions by exposing several relevant sources of risks and costs, which managers have every reason to avoid (Lanteri, 2017).

FUTURE OF ANTI-CORRUPTION EDUCATION: "RESPONSIBLE MANAGEMENT EDUCATION" APPROACH

The major challenge for anti-corruption education lies in its integration with existing curricula. Students enroll for higher education seeking knowledge and the skills they'll need to follow a particular career path. They will respond best to being taught about anti-corruption measures if they know this will be useful in their working lives. If businesses want to minimize corruption, they must emphasize ethical values and skill sets when recruiting business school's graduates. Beating corruption will require a collective effort from more than just business schools and corporate leaders. But anti-corruption education has an important role to play in this fight and it must become a priority in classrooms (Nyamsogoro, 2015).

Those curricula contents should be reinforced by a strong citizenship that will support collective actions against corruption. The business case against corruption underpins reasonable refusals to perpetrate corruption, but it is insufficient. Research has found that the belief that corruption harms business is not related to the willingness to engage in corrupt behavior. Yet, the same research shows that belonging to an industry network substantially reduces corruption. Therefore, collective action initiatives are important steps in fighting corruption. Universities should actively partner with other organizations to enforce broad anti-corruption initiatives.

Instead of continuing with an educational system that produces individuals towards narrow self-interests, higher education should adopt a more holistic approach, with an emphasis on ethics and anti-corruption in an attempt to promote social capital. Trust should be viewed as a social capital springing from the understanding that it is closely connected with economic efficiency and growth and this slogan should be emphasized within the curricula to facilitate cooperation and collective action (studentsagainstcorruption.blogspot.com).

To start promoting social capital we need to address "the causes behind the causes"—that is, the determinants of corrupt behavior. It seems likely that such behavior has its roots in the value systems of decision makers at various levels within the public and private sector, many of whom have been educated at universities.

Traditional approaches to fighting corruption tend to focus on rules, compliance, and enforcement. Regulations are passed and organizations are formed to root out graft. These efforts may provide part of the solution, but are often ineffective in places where opacity and patronage are ingrained, and where there is a gap between legal frameworks and everyday behaviors. To truly build systems and societies with integrity we need to rethink these approaches and close these gaps through reimagining education. A starting point is moving beyond the traditional compliance

and ethics courses, which tend to quickly become checkbox exercises that students or employees find uninteresting or token. This means looking at approaches like values round tables, targeted and creative accountability campaigns, and ethical dilemmas. Moreover, traditional classroom-based learning may allow for information transfer, but does not generally support the shifts in behaviors we need to build cultures of accountability. So this makes a shift on using interactive materials, group-based work, and action-learning initiatives in anti-corruption education.

Technology is, of course, transforming the ways that education can be delivered and an incredible opportunity for mass learning. But the content provided has to be tailored to address the specific needs of participants, particularly around issues of integrity and anti-corruption, where dynamics can vary greatly across contexts. Using blended learning, interactive tools, and an online and offline approach, the curriculum will focus on lessons, practices, and ideas from a variety of domains and contexts. Topics will range from public sector reform issues to information systems innovations, and will aim to build a learning agenda that can revolutionize anti-corruption approaches. It will create an active community of responsible leaders that have the relevant skills, policy ideas, and strategies to fight corruption in the modern era.

As the political space for reformers seems to be shrinking globally, we need to find ways to make sure we are building societies with integrity, supporting values-based leadership, and ensuring that advocates for positive change have the skills and knowledge they need. Now is the time for us to reimagine education to fight corruption. This future explanation of anti-corruption education brings "Principles for Responsible Management Education" (PRME) in which anti-corruption approach was developed by a wide group of management scholars from around the world. The project was funded by the Siemens Integrity Initiative and the first draft was launched in 2012 and since tested and refined at 14 business schools all over the world. It offers case studies and research about corruption which can be introduced into a classroom for discussion and also a section dedicated to teaching methods, which helps to guide lecturers on anti-corruption education (PRME, 2012).

As explained in the PRME document, any meaningful and lasting change in the conduct of corporations towards societal responsibility and sustainability must involve the institutions that most directly act as drivers of business behavior, especially academia (U.N. Global Compact, 2007). Thus, the PRME were introduced as a set of voluntary principles to which business schools and programs agree to adhere for the purpose of developing future leaders with the necessary insights, skills, and competencies to deal with the complex issues that businesses and other institutions face in the 21st century. Principle 3, Method, speaks to the creation

of "educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership" (PRME Document, 2007, p. 1).

The PRME initiative (Adams & Petrella, 2010) is promising in the way it places the values of global awareness, social responsibility, and sustainability on the agenda for management education. The initiative might not serve as a code for accreditation, but rather as an opportunity for engagement, growth, learning, and experimentation in incorporating principles of responsible management education. The PRME initiative builds upon the ten principles of the United Nations' Global Compact in the fields of human rights (the need of businesses to protect and respect internationally proclaimed human rights), employment and labor (freedom of association, collective bargaining, and elimination of all forms of discrimination and child labor), environment (responding to environmental challenges by developing and diffusing environmentally friendly technologies and promoting environmental responsibility), and anti-corruption (working against all forms of corruption including extortion and bribery; Rasche, 2009). Although PRME principles are applied in business schools at the curriculum level, it is not clear how instructors can incorporate these principles for skill development in management and leadership courses.

Olsen (2010) pointed out that the companies that are most successful in deterring corruption violations usually done the following with regard to anti-corruption education. They educate employees about laws, regulations, and internal policies. Employees being sent to manage foreign operations needed to fully understand the corruption issue. Best-practice companies develop detailed training with interactive case material. They often require that employees sign an annual statement stating that they understand the act. This also documents that the company has been proactive in communicating that it will not tolerate improper business practices (Olsen, 2010).

The corruption problems in organizations and societies will keep the importance in the designing of the educational programs in universities. The business schools should take it into consideration to emphasize the importance of the ethics in corruption problems. The business school students as the future managers of the firms should be educated with the consideration that their fault on ethics issues will not only affect the organizational structure but also the economic, social, and legal systems of the nations in sum. A case study as an example for inclusion to curricular programs is given as the following:

CASE STUDY:
EXAMPLE ON TEACHING ANTI-CORRUPTION

A is the chief procurement officer of a world-wide leader organization on soft drinks. The factory is responsible of 1,000 workers with 10 different factories in seven different countries. A is responsible for all kind of procurement of materials within the firm. He is giving monthly reports to the CEO. But he is not reporting the correct and detailed reports to the CEO and hiding or manipulating some information about the procurement operations.

The reason for A that manipulating reports was an outcome of some recent developments. B who is a sales representative of one of the main suppliers of A's firm one day came to A and explained a detailed plan to make both of them very rich in the near future. The plan was on the sales and procurement of non-existing goods. B proposed A to share the money in half for those non-existent materials.

Discussion Questions:

(1) Explain the ethically questionable actions of A by business ethics theory.
(2) Explain the situation of A and B related to this case.
(3) What kind of control mechanism should be built up to prevent corruption problems in the A's factory?
(4) Discuss the possible results of this given corruption case in terms of ethics and business values which could be taught in business schools.

Assessment:

Weak: The answers just giving the facts based on theoretical background of typical ethical issues on corruption problems would be a "weak" resolution of the corruption case.

Moderate: The resolutions bridging the anti-corruption actions and the case weakly would be a "moderate" resolution of the corruption case.

Sufficient: A strong linkage between the anti-corruption perspectives and the case would be a "sufficient" handling of the corruption problem.

Excellent: Novel and creative resolutions—bringing new perspectives and the ways to look at the corruption issue with the fresh eyes—would be assessed as "excellent" resolution of the case.

CONCLUSION AND RECOMMENDATIONS

The hope on anti-corruption is not lost because global governance encompasses the activities of states and non-state actors for addressing common global concerns. The social and ethical issues corporations face are examples of such global concerns. Global governance in today's world is leading to improved corporate behavior. It focused on the impact of international organizations such as the UNODC, World Bank, IMF, WTO, TI, and so on, in the fight against corruption. These actors have a major impact on developing countries. They are useful for providing the necessary consensus required in global governance; they are also able to strengthen and reform institutions and coordinate collaborative efforts (Adeyeye, 2012).

The world we face today demands leaders having a different set of skills than the linear, analytic problem-solving skills that were adequate in past eras. The world needs responsible leaders capable of integrating its complexity, seeing the linkages, and interconnectedness that exists among the peoples, ecosystems, and societies of the world. As management educators, we need to replace the prevalent mechanistic, materialist, and profit-oriented paradigm with an integrated and dynamic vision of a sustainable learning community that reflects universal human values and global consciousness (Karakas, Sarigollu, & Manisaligil, 2013). In this regard, we need to reconsider the meaning and rethink the future of management education. To apply principles of responsible management education, we need to allow for experimentation and innovation to find new ways of engaging our students. We need to fill these principles with meaning and vitality through forming lifetime relationships with our students. We need to visualize a larger vocabulary of leadership which is enriched and nurtured by different traditions and disciplines of humanity; conceptualizing leadership through much broader goals; such as legacy, fulfillment, contribution, positive impact, and service.

The approach studied in this chapter will also be as effective as in other faculties like business schools. Therefore, the program of any university or any other faculty in the field of anti-corruption education should comprise the characteristics as follows:

1. introduction of anti-corruption topics or issues into general and special courses;
2. selection and mastering by students of optional courses in law and management, forming the competences of administration, ethics, critical thinking, human rights protection, teamwork, holding negotiations, and so on;

3. offering special optional courses on preventing and combating corruption to law and management students;
4. development and implementation of the anti-corruption program of the university;
5. ensuring anti-corruption training of teaching and managerial academic staff during advanced training programs;
6. declaration and demonstration by teachers and other staff of high standards of professional ethics, rejection of corruption, and its unacceptability in university;
7. implementation of high-level transparency in university activities in all fields (teaching, scientific, business, and other activities); and
8. inclusion of the issues on preventing and combating corruption into the advanced training programs for civil servants and local government officials, employees of the state, and municipal enterprises and organizations performed by the postgraduate education departments.

REFERENCES

Adams, C., & Petrella, L. (2010). Collaboration, connections and change: The UN Global Compact, the Global Reporting Initiative, Principles for Responsible Management Education and the Globally Responsible Leadership Initiative. *Sustainability Accounting, Management and Policy Journal*, *1*(2), 292–296.

Adeyeye, A. O. (2012). *Corporate social responsibility of multinational corporations in developing countries: Perspectives on anti-corruption.* Cambridge, England: Cambridge University Press.

Anti-Corruption Group Istanbul Paper. (2014). *Legal regulation of combating corruption. Report to LSGL's Research Group*, Istanbul, Turkey. doi.org/10.2139/ssrn.2461487

Becker, K., Hauser, C., & Kronthaler, F. (2013). Fostering management education to deter corruption: What do students know about corruption and its legal consequences? *Crime Law Social Change*, 60, 227–240.

Bracking, S. (2007). *Corruption and development: The anti-corruption campaigns.* New York, NY: Palgrave Macmillan Press.

Duong, C. (2014, May 6). Anti-corruption education: To be or not to be? *Education Policy Talk.* Retrieved from https://educationpolicytalk.com/2014/05/06/anti-corruption-education-to-be-or-not-to-be/

Education Policy Blog. (2017). *International Perspectives and Debates on Education.* Retrieved January 20, 2018 from https://educationpolicytalk.com

Karakas, F., Sarigollu, E., & Manisaligil, A. (2013). The use of benevolent leadership development to advance principles of responsible management education. *Journal of Management Development*, *32*(8), 801–822.

Kuris, G. (2015). How a resurgent antigraft bureau helped Croatia turn a corner on corruption. In Y. Zhang & C. Lavena (Eds.), *Government anti-corruption strategies* (pp. 188–216). Boca Raton, FL: CRC Press.

Lanteri, A. (2017, March 16). Five ways universities can join the fight against corruption, *World Economic Forum*. Retrieved from https://www.weforum.org/agenda/2017/03/5-ways-universities-can-join-the-fight-against-corruption/

Larmour, P., & Wolanin, N. (2013). *Corruption and anti-corruption*. Canberra, Australia: The Australian National University Press.

Modern Didactics Center. (2006). *Anti-corruption education at school: Methodical material for general and higher education schools*. Vilnius, Lithuania: Garnelis.

Nyamsogoro, G. D. (2015, August 5). How education can help tackle corruption in Africa? *World Economic Forum*. Retrieved from https://www.weforum.org/agenda/2015/08/how-education-can-help-tackle-corruption-in-africa/

Olsen, W. P. (2010). *The anti-corruption handbook: How to protect your business in the global marketplace*. Hoboken, NJ: Wiley.

Poznan Declaration. (2014, September 26). *Whole-of-university promotion of social capital.,* 26 September, 2014. Retrieved January 20, 2018, from http://www2.usc.es/export9/sites/www2/gcompostela/en/descargas/ENThe_Poznan_Declaration.pdf

Principles for Responsible Management Education. (2012, July). *Anti-corruption guidelines (Toolkit) for MBA curriculum change*. Retrieved from http://www.unprme.org/resource-docs/ComprehensiveAntiCorruptionGuidelinesforCurriculumChange.pdf

Rasche, A. (2009). Toward a model to compare and analyze accountability standards—The case of the UN Global Compact. *Corporate Social Responsibility and Environmental Management*, *16*(4), 192–205.

Stephenson, M. (2015, March 17). Can universities teach people not to be corrupt? Reflections on the Poznan Declaration. *The Global Anticorruption Blog*. Retrieved from www.studentsagainstcorruption.blogspot.com

Tannenberg, M. (2014, November 14). Role of universities in the fight against corruption, *University World News*, 343. Retrieved from http://www.universityworldnews.com/article.php?story=20141113110707222

Tripathi S., & Nyamsogoro, G. D. (2015, August 3). Africa's business schools must champion anti-corruption education. *The Conversation*. Retrieved from http://theconversation.com/africas-business-schools-must-champion-anti-corruption-education-44380

United Nations Development Programme. (2011). *Fighting corruption in the education sector methods: Tools and good practices*. New York, NY: Author. Retrieved from http://www.undp.org/content/dam/undp/library/Democratic%20Governance/IP/Anticorruption%20Methods%20and%20Tools%20in%20Education%20Lo%20Res.pdf

U.N. Global Compact. (2007). Retrieved January 20, 2018 from https://www.unglobalcompact.org/what-is-gc/mission/principles

Van Duyne, P. (2001). Will "Caligula" go transparent? *Forum on Crime and Society*, *1*(1).

Wibowo, A. P. P., & Nanang, T. (2011). The development of anti-corruption education course for primary school teacher education students. *Journal of Education and Practice, 6*(35), 48–54.

This page intentionally left blank.

PART III

FOSTERING INTEGRITY IN HIGHER EDUCATION

This page intentionally left blank.

CHAPTER 6

PERSONAL RESPONSIBILITY AND PUBLIC ACCOUNTABILITY APPROACH TO ANTI-CORRUPTION EDUCATION IN SUB-SAHARAN AFRICA

Enyonam Canice Kudonoo

ABSTRACT

This chapter explores how anti-corruption education at the undergraduate level could be employed to make undergraduates accountable and take personal responsibility of their (in)actions to combat corruption. It postulates that one key way of minimizing corruption is to imbibe into undergraduate students, ethical knowledge and ideas that promote anti-corruption behaviors. Accordingly, I review extant literature on practices that promote corruption and describe an approach that addresses the situation. The approach is informed by Open Systems Theory (OST) and "Giving Voice to Values" (GVV) framework. Employing focus group discussions with 176 undergraduates and interviews with 10 of the same undergraduates from 10 African countries in two universities, I examine aspects of actions students link to anti-

Anti-Corruption in Management Research and Business School Classrooms, pages 95–115

corruption practices and suggest ways educational institutions can produce sound graduates who may be vanguards of required action to crusade the battle against corruption in sub-Saharan Africa for sustainable development. The chapter concludes with suggestions for future research.

In an ideal world, people are nurtured to have collective positive interests that serve as a binding force enabling them to work together for sustainable progress. In the process, they are sensitive to each other's needs, selfless, trustworthy, and transparent, leading to the advancement of personal responsibility and public accountability practices. In such a world, individuals are mindful of their (in)actions, and are eager to work towards a common goal. Moral value systems are active, leading to a good way of life according to reason. Instead, quest for power and its abuse; "get rich quick" attitudes; making wealth an end; and misdirecting the pursuit for happiness to be measured by power and wealth, quick fixes, greed, selfishness, unreasonable family demands, nepotism, ethnicity, personal hidden agendas, among others override the common good. There is a tug-of-war between persons and collective interests, leading to lack of personal responsibility and public accountability practices (Kinicki & Kreitner, 2006; Nduku & Tenamwenye, 2014). These vices have laid a strong foundation for corruption to thrive in sub-Saharan African (SSA) countries, resulting in unprecedented conflicts and unsustainable development.

Extant literature shows the effects of corruption with suggestions concerning how it could be minimized for sustainable development in SAA (Aboagye, 2005; Bamidele, Olaniyan, & Ayodele, 2016; Nyendu, 2017; Cooper, Leung, Dellaportas, Jackling, & Wong, 2008; Doig, Watt, & Williams, 2007; Torsello & Venard, 2016; Yeboah-Assiamah, & Alesu-Dordzi, 2016; Werlin, 1972). These suggested solutions fail to include two fundamental approaches that can potentially tackle some of the fundamental root causes of corruption. They include: (a) the role of formal education in developing a new crop of undergraduates to become ethical leaders with characteristics of responsible citizenship and personal accountability propensities that promote anti-corruption practices in SSA, and (b) the role of the home (family) in molding future leaders to become good citizens.

The aim of this chapter therefore, is to explore an approach that can address the above gaps in literature. The approach suggests a type of education that could nurture undergraduates to be personally responsible and publicly accountable in all their actions and inactions in SAA. Accordingly, the chapter pays attention to the following research questions.

1. How can higher educational institutions factor into their syllabuses ethical values that shape undergraduates into responsible individuals who are vanguards of required action?

2. What environment should educational institutions create to imbibe into students the ability to stand for universally accepted norms such as honesty, respect, responsibility, fairness, and compassion regardless the consequences?
3. What role must the family (home) play in contributing to their wards' ability to have the above universally acceptable values that affect the way they make choices or decisions that promote social cohesion, the right partisan behavior, and economic development?

To address the above research questions, this chapter suggests the Open Systems Theory (OST) is merged with Gentle's (2010) Giving Voice to Values (GVV) framework to provide a useful methodology that might serve the purpose of developing a new crop of ethically sound graduates who may stand in the gap to fight the battle against corruption. The need to combine the two theories is because SSA countries operate as open systems that interact with their external environments (other countries globally) and try to improve on their activities by using feedback received from these external environments. One of such feedbacks is that most SSA countries are claimed to be the most corrupt in the world (Ekwueme, 2014). Another feedback is new information concerning GVV, a framework with a great potential of imbibing into undergraduates, the tendencies of personal responsibility and public accountability that promote anti-corruption practices.

PERSONAL RESPONSIBILITY AND PUBLIC ACCOUNTABILITY

Personal Responsibility

Personal responsibility in the perspective of this chapter means individuals who are mature enough to do the right things the right way at the right time and accept resulting consequences for their (in)actions. It has to do with a kind of experience that enables one to be disciplined enough to initiate, examine and decide as much as possible to meet all moral and legal obligations in society for the common good, and at the same time be assertive enough to give feedback to significant others in the same disposition. It is the ability of individuals to be dedicated in doing good, respect everyone, demonstrate basic human values in all their undertakings, be law-abiding citizens that meet human rights expectations as well as promotes them. Personal responsibility includes individuals' ability to strike a balance between internal and external locus of control, self-motivated enough to promote freedom and the capacity to experience and manifest the good (Bivins, 2012; Mergler & Patton, 2007; Nduku & Tenamwenye, 2014).

The concept of personal responsibility has been discussed in professional fields including anthropology, sociology, economics, accounting, politics, health, business, and legal among others. In these fields, personal responsibility is generally understood as acknowledging one's actions, being accountable, and ready to face the consequences (Doherty, 1998; Evans, 1994; Lupton, 1998; Reeves, 2004; Schulz & Cheng, 2002; Torsello & Venard, 2016; Winston, 2003). However, there is no mention of the role formal education can play in making people personally responsible, as a result, making public accountability easier for them. The ability to be personally responsible enables one to become publicly accountable. If we expect people to be personally responsible, it is imperative that we determine how people comprehend, internalize knowledge gained, and apply it in all their endeavors, which also enables them to be publicly accountable. The next section throws light on what is perceived as public accountability.

Public Accountability

There is a litany of explanations of public accountability in literature (Bovens, 2006; Smyth, 2007), out of which one is selected for this chapter. First, Bovens (2006), explained accountability as demonstrating qualities *of trustworthiness, fidelity, and justice* to keep critics away (p. 7). Hunt's definition of public accountability as cited in Bivins (2012) states that it is:

> The readiness to have one's actions judged by others and where appropriate, accept responsibility for errors, misjudgments, negligence and recognition for competence, conscientiousness, excellence, and wisdom. It is a preparedness to change in the light of improved understanding gained from others. (p. 21)

In explaining accountability, Bovens (2006), put a spotlight on the need for people to exhibit three main qualities—*trustworthiness, fidelity,* and *justice*—to ward critics off. This can only happen if such qualities come from within people (internalization), which makes it easy for them to act them out in any situation. Internalization can occur if individuals learn in school, supported by the home, and are encouraged to practice over a period, making the learned traits their way of life. Hunt's definition cited by Bivins (2012) on the other hand expands on Boven's by showing how one can acquire the three traits. Furthermore, Hunt's assertion that to be publicly accountable, people should be prepared to change using the understanding they have gained from others means learning to use feedback and new knowledge to change one's behavior. Accordingly, this chapter suggests that public accountability does not only rest on the shoulders of public office holders alone as indicated in the literature. On the contrary, it behooves on

everyone to be publicly accountable in all one's endeavors, be it at home, office, or at any social gathering (Mergler & Patton, 2007; Smyth, 2007). Society points accusing fingers at public officials for not being publicly accountable to the neglect of the role the same society is playing to aggravate the situation. Examples abound. For instance, what about employees who use office resources including time for their own gain, destroying or using office property carelessly with the mentality that it belongs to government and government will replace it, littering the environment because it is the government's duty to employ people to clean after them. What about inpatient individuals who refuse to wait in queues but jump them to receive services without an iota of guilt? What about people who occupy positions they are not qualified for, yet they confidently make uninformed decisions, creating more problems for others? Are those who do these things not the same people who join others in society to point accusing fingers? What about parents who tell their children to tell their debtors or visitors they do not want to see, that they are not at home, what lessons are these children learning from such parents and what manner of people are these children going to be in adulthood? The home has an important role to play in producing responsible and accountable people that promote anti-corruption behaviors (Mergler & Patton, 2007). Nduku and Tenamwenye's (2014) assertion, that "the fight against corruption is a moral responsibility of every citizen" (p. 14) says it all. Every citizen means everybody including parents. If the adage, charity begins at home holds, then, what about spouses who are unreliable, dishonest, deceitful, and disloyal to one another? What about spouses who are irresponsible towards their nuclear families? How trustworthy and just can such people be since the seed of infidelity has already taken root in them. Such people are prone to the vices that corrupt them leading to for instance, embezzling public funds entrusted to them to meet their extra marital activities. The good news here is that people can learn about and be encouraged to exhibit anti-corruption practices and specifically, it can be taught effectively to undergraduates in higher educational institutions. When people are educated (knowledge + practice) to become good leaders, public accountability practices may prevail.

Personal responsibility and public accountability are seen in the perspective of this chapter as closely intertwined. One cannot be publicly accountable if that person is not personally responsible first. This is so because to be personally responsible, one ought to have certain character traits that propels that individual to do the right things right, be disciplined and bold enough to speak out when the need arises and share with others the essence of being upright in character. If one has these qualities, then it will be easy to stand for one's values and resist being socialized into inertia.

The rationale for contributing to the discourse of anti-corruption practices is to draw attention to the need to address the situation from a holistic

perspective. It is important to lay the right foundation to build on. Suggesting solutions such as, good governance structures, political will, policy reforms, legislative and institutional reforms (Lumumba, 2014) although good, address the symptoms and fall short of tackling the issue from the root. A critical analysis of corrupt practices show that it is an outcome, pointing to a problem that lies deep inside individuals. The root causes of the phenomenon within the acting person may be effectively dealt with through education, where new knowledge is acquired with a subsequent change in behavior. The objective is to create the need for SSAs to chart a new direction that pays attention to addressing corruption from the root causes leading to the reduction of conflict and advancement of sustainable development.

The remaining part of the chapter is structured as follows. First, I outline the nature of corruption, its root causes, and its effect on people. Secondly, I explore the OST and GVV. Thirdly, the methodology employed for the research is discussed, followed by interview and focus group discussion outcomes. The fourth part of the chapter deliberates on how OST and GVV can be woven into courses for internalization and practice. The fifth pays attention to implications for educational institutions and concludes with suggestions for future research.

CORRUPTION

Corruption is a global phenomenon that has bedeviled nations and dethrone governments across the world. Its presence brings about political, economic, and social vices (Lawal, 2007; Lumumba, 2014). It is an age-old practice dating back to ancient times (Hager, 1973). It is very subtle to deal with and has become "a way of life" in SAA (Bamidele, Olaniyan, & Ayodele, 2016, p. 107). It is a clandestine practice that only became visible when institutions of governance were established, throwing light on the effect of the phenomenon on the progress of mankind (Glynn, Kobrin, & Naim, 1997; Nyendu, 2017; Shabbir & Anwar, 2007). Extant literature shows several researches undertaken from different perspectives concerning the phenomenon of corruption in SSA with suggestions showing how the menace could be tackled (Bamidele, Olaniyan, & Ayodele, 2016; Doig, Watt, & Williams, 2007; Harsch, 1993; Torsello & Venard, 2016; Yeboah-Assiamah & Alesu-Dordzi, 2016), but with less success. According to Torsello and Venard (2016), corruption has two sides namely, negative (social destruction) and at the same time positive (social cohesiveness), as a result must not be seen from one angle. However, considering its devastating effect on society, the need to curb its existence cannot be overemphasized.

Much is being said about corruption every day in the print and electronic media in SSA, but the more it is discussed, the more people engage in it.

The question that one may ask is why corruption is not curbed despite the numerous institutions, laws, and research recommendations (Lumumba, 2014; Yeboah-Assiamah & Alesu-Dordzi, 2016). Are attempts being made just scratching the surface of issues concerning corruption or addressing the symptoms rather than the root causes. It is evident that to be able to adequately address a teething problem, the first thing to consider is to identify what exactly the root cause of the problem is. Defining a problem in different perspectives of foreign cultures that are inconsistent to prevailing cultures of specific people bring about solutions that fail to holistically solve or minimize the problem. This has led to the need to tackle corruption holistically.

What is Corruption?

Corruption is a complex phenomenon that is difficult to define. Several scholars offer varying definitions based on the angle they perceive the phenomenon (Torsello & Venard, 2016). Following, are a few such definitions by African scholars. Sebahene (2016) defines corruption in simple terms as "the betrayal of trust" (p. 335). Nduku and Makinda (2014) sees it as "the abuse of entrusted power for private gain at the expense of others or the society" (p. 286). Lawal (2007) defines the phenomenon in broader terms as

> a systematic vice in an individual, society or a nation which reflects favoritism, nepotism, tribalism, sectionalism, undue enrichment, amassing of wealth, abuse of office, power, position and derivation of undue gains and benefits. Corruption also includes bribery, smuggling, fraud, illegal payments, money laundering, drug trafficking, falsification of documents and records, window dressing, false declaration, evasion, underpayment, deceit, forgery, concealment, aiding and abetting of any kind to the detriment of another person, community, society or nation. (pp. 2–3)

Earlier on, Osoba (1996) defined corruption as

> a form of antisocial behaviour by an individual or social group, which confers unjust or fraudulent benefits on its perpetrators, is inconsistent with the established legal norms and prevailing moral ethos of the land and is likely to subvert or diminish the capacity of legitimate authorities to provide fully for the material and spiritual well-being of all members of society in a just and equitable manner. (p. 372)

A critical analysis of these four definitions show a consistency in views concerning the phenomenon in SSA. The first and second definitions see the phenomenon through the lens of trust, and abuse of power, which is

unfaithfulness in dealings or exploitation of what is entrusted to one for personal gain. Lawal's (2007) definition is quite exhaustive in the sense that he spelt out as many signs and symptoms (acts) of corruption as possible. Osoba (1996) explains the phenomenon as an antisocial behavior that is against the acceptable moral norms of a specific society. He sees it as everyone in society's responsibility to address it because it affects all as a result, enjoins all to adhere to the tenets of society. Tenamwenye (2014), on the other hand emphasized on the moral connotation of the phenomenon. He asserts that

> the term corruption takes its root from the Latin word corrumpere, which literally means to lose value, to become putrid and useless, to ruin, to break, to destroy or to pervert. Corruption therefore may simply mean to lose purity or integrity. (p. 406)

Corruption thus, is demonstrating immoral behavior, which denies society of its rights and inhibits sustainable progress. Hence, the need to address it from the roots by striving for transparency and honesty and thereby, eschew corrupt practices.

Causes of Corruption

The causes of corruption in SSA are discussed in literature with the conviction that in addressing them, it will be minimized or totally eradicated. Nyendu (2017) opined that "informal relations, family connections, favoritism, cronyism, and nepotism are very pronounced in public and private life" (p. 225) in SSA and thereby making it difficult to address the menace. A list is generated from six authors to showcase the principal causes of corruption in SSA (see Table 6.1). Werlin (1972) mentioned in his research five major causes of corruption paying attention to bureaucratic systems of governance, local cultural practices, and individual self-seeking agendas. Bamidele, Olaniyan, and Ayodele (2016), and Lumumba (2014) contributed to the discourse by paying attention to shortfalls in governance. According to Yeboah-Assiamah and Alesu-Dordzi (2016) corruption is caused by poverty, inequalities in society, individual selfish and inward-looking desires of having power to control others. Torsello and Venard (2016), linked the causes of corruption to local culturally constructed practices which is making corruption a generally accepted way of life. Interestingly, Doig, Watt, and Williams, (2007) paid attention to what is happening in non-governmental organizations. They discussed how donor international agencies from developed countries immensely contribute to the growth of corruption by paying attention to aspects of projects they embark on in SSA but neglect other areas of the same project, leaving room for corrupt activities

TABLE 6.1 Root Causes of Corruption in Africa

Authors Who Define Statements	List of Root Causes of Corruption	Focus
Werlin, 1972	1. Slow, costly, and inflexible administrative practices leading to excessive bureaucratic inflexibility, sluggishness and bungling (p. 249) 2. Inadequacy of controls 3. Nepotism: Expectations from known and unknown family members of successful individuals in society. That is sharing one's good fortune with kinsmen (p. 253) 4. The desire of individuals to get satisfaction and prestige from dependents (p. 253) 5. Elements of culture: achievement through clan co-operation 6. Inability to draw the line between the "customary drink" under African traditional practices and bribery and corruption of public officers and others holding positions of trust" (p. 247)	• Bureaucratic systems of governance • Some cultural practices • Personal characteristics.
Bamidele, Olaniyan, & Ayodele, 2016	1. High unemployment rate 2. Deficiencies in infrastructure 3. Governments' failure to introduce much need reforms 4. The growth and dynamics of the informal economy (p. 104)	• Governance
Yeboah-Assiamah, & Alesu-Dordzi, 2016	1. Discrimination and disparities among people in various ramifications be it political, economic and juridical 2. Human tendency towards selfishness 3. The lust for power and material wealth (p. 203)	• Inequality • Human characteristics

(continued)

TABLE 6.1 Root Causes of Corruption in Africa (continued)

Authors Who Define Statements	List of Root Causes of Corruption	Focus
Lumumba, 2016	1. Negative colonial legacy 2. Poor leadership 3. Politics of the belly (spending government resources insatiably leading to becoming metaphorically fat) 4. Omnipotent state 5. Greed and selfishness 6. Clientelism and patronage 7. Nepotism 8. Absence of popular participation in government 9. Weak institutions of governance 10. Lack of accountability and transparency 11. Lack of political will 12. Weak ethical values 13. Concentration of state power 14. Weak judicial system 15. Constant insecurity and conflicts (p. 27)	• Governance • Judicial system • Conflicts
Torsello & Venard, 2016	1. Gift giving 2. Brokerage 3. Solidarity networks 4. Predatory authority 5. Redistributive accumulation (pp. 40 & 50)	• Culturally structured practices
Doig, Watt & Williams, 2007	1. Donors focus on high-level anti-corruption investigations to the neglect of provision of the right organizational and management framework needed to cater for backroom infrastructure 2. Priorities remain determined by donors through their funding preferences (p. 253) 3. Importation of models and procedures developed in foreign countries with different cultures that are unsuitable and unsuccessful in application (p. 254)	• Donor activities • Import of unsuitable models and procedures developed in Western cultures

to thrive. They went on further to identify the importation of unsuitable models and procedures that are not applicable in SSA countries and therefore, produce no results or make successes achieved unsustainable.

Effects of Corruption on People

The negative nature of corruption leads to several devastating effects on society. According to Aboagye (2005), corruption (a) alters government spending by gratifying the desires of the dishonest at the expense of the honest and efficient; (b) distorts government policy intentions; (c) causes loss of government revenue and thereby reduces confidence of the governed; (d) negatively impacts the welfare of society; (e) brings about wrong distribution of resources; (f) discourages private investment; (g) demotivates entrepreneurship activities; (h) undermines the veracity of socio-legal foundations of authority, leading to a dysfunctional maintenance of an impartial social order; (i) destabilizes countries; (j) slows down development; (k) makes democratic institutions non-valid; (l) inflates cost of public services; and finally (m) undermines meritorious rewards systems (p. 38–39). This list is not exhaustive. The negative effects of corruption supersede its positive effect of social cohesion because they inhibit solidarity. Considering the causes of corruption and its negative effects, it is expedient to tackle the menace from its roots and the most efficient and effective approach is through a type of education that empower individuals to be well disciplined enough to eschew the vices of corruption. Accordingly, OST theory in conjunction with GVV framework may provide a useful methodology for educating ethically sound graduates for future leadership positions.

THEORY

Open Systems Theory

Open systems theory is one of the offshoots of general systems theory (GST). According to Greenwood and Levin (1998), GST sees the world as

> a complex, interacting array of systems and system processes, bumping into each other in a variety of ways. The only hope of understanding any particular thing is by placing it in the appropriate system context and following the processes by which it acts. (p. 49)

Accordingly, it is important therefore, to place corrupt activities in the appropriate systems and processes within which they occur to effectively address them.

The OST states that organizations are open systems with permeable boundaries existing in external environments that supply their raw materials and use their finished products and services. They then receive feedback to improve upon their goods and services (French, Bell, & Vohra, 2011). Relatedly, countries in SSA are open systems with permeable boundaries that promote the inflow and outflow of goods, services, and information. One of the feedbacks received from SSA's external environment is that most of its countries are the most corrupt in the world (Ekwueme, 2014). Therefore, accessing ideas from GVV, developed in a foreign culture (external environment) and adapted to address the needs of SSA countries to promote anti-corruption practices is in place.

Giving Voice to Values

According to Gentle, Lawrence, and Melnyk (2015), the GVV framework proposes that most people have values they would want to adhere to, but they want to "feel they have a reasonable chance of doing so effectively" (p. 1). The framework focuses on developing students' "capabilities and confidence to enact their values effectively" (p. 1). They went on further to explain that, ethics education should comprise what they termed the three "A's," namely *awareness* (identifying an ethical issue or dilemma and preparing students to meet such challenges), *analysis* (introducing learners to ways of ethical reasoning), and *action* (educating students to act by making good decisions; Gentle, Lawrence, & Melnyk, 2015, p. 2). They further explained that traditional business ethics education curriculum falls short of the third "A," which is "Action," of which SAA countries are inclusive because they are open systems with permeable boundaries interacting with other countries globally. As a result, the traditional ethical and moral education offered in educational institutions seems not to be adequate to nurture individuals into images of uprightness. GVV fills this gap by emphasizing on education for action, which enables undergraduates to act appropriately in most, if not all situations. The GVV framework has seven principles covering (a) values, (b) choice, (c) normalization, (d) purpose, (e) self-knowledge and alignment, (f) voice, and (g) reasons and rationalization (Gentle, 2010). These pillars show how ethical knowledge can be practicalized in teaching and learning to embolden individuals to speak-out in situations where their good values are infringed upon. However, this chapter suggests that knowledge of OST (interactive nature of systems and subsystems with feedback for improvement), factored into the GVV framework (the seven

principles) will be more effective in educating undergraduates for action in SAA. The views of undergraduates also play an important role in the design of the suggested form of education.

METHODOLOGY

Accordingly, data were generated from a sample of 176 undergraduates in two universities (one prominent public university and an esteemed private university) in Ghana. The names of the universities are withheld due to the promise of anonymity and confidentiality made to the university authorities before embarking on the data collection. Participants were from 10 African countries (Ghana, Nigeria, the Gambia, Uganda, Tanzania, Kenya, Burundi, Sudan, DR Congo, and Benin). Using qualitative tools such as interviews and focus group discussions, specific data were collected for analysis. Structured interview questions were used to ensure data collection control as well as make room for comparison of interview responses and focus group discussion outcomes leading to the generation of common themes for analysis (Vanderstoep & Johnston, 2009). Participation in the research was voluntary. As a result, there was no uniformity in the numbers of participants from the two institutions. There was a total of 136 undergraduates from the private university volunteering, whereas in the public university, 40 undergraduates all in their final years volunteered to participate. Participants were between the ages of 19 and 25 years. Timing had an impact on the numbers because students were engaged in several campus activities including preparation for end of semester exams, project works, and graduation during the period of the research. In all, a combination of participants from the two universities amounted to 22 focus groups of eight participants each, out of which one-to-one interviews were conducted with five participants each from the two universities using the questions listed below, followed by the focus groups discussions. The purpose of the one-to-one interviews was to obtain individual views of corruption and how to address them without group influence and to compare findings to identify commonalities and differences if any, of views. Each participant was interviewed for 1 hour, and with their permission answers were handwritten, since they were not comfortable with tape recording where their voices could be identified. Four research assistants helped in writing out the responses. Interviewees had their responses read to them to ensure they were well captured. The questions used to generate data were:

1. What is your view about corruption?
2. Tell me about a situation in your university where you saw someone cheat?

3. Tell me about a situation at home where you saw someone cheat?
4. How did you feel?
5. Why did you feel that way?
6. What do you think your university authorities must do to address the situation?
7. What must parents do to address the situation?

These questions were meant to elicit the views of undergraduates about corruption and the role educational institutions and parents should play to nurture ethically sound undergraduates for future leadership positions. Answers to the above questions contributed to addressing the chapter's three research questions stated earlier on. Data were analyzed manually by comparing and contrasting perspectives of students and identifying commonalities for discussion in this chapter. This was done by carefully reading the notes taken during the interview and focus group discussion sessions and analyzing responses question by question.

RESULTS

The objective of the first question—"What is your view about corruption?"—is to find out participants' understanding of corruption. This is very important because knowledge of what corruption is, and its devastating effects helps to address the root causes of the phenomenon. The pattern that emerged in their responses showed that 170 out of 176 viewed it as a negative phenomenon that is conflicting to the ideals of society and progress. They referred to it as activities undertaken in darkness that need to be exposed and dealt with. Words such as untruthfulness, cheating (during exams), dishonesty, unfaithfulness, stealing, greed, lust for power to control others, unequal treatment of people, extortion of money for goods and services already paid for, partiality, forgery, hypocrisy, impersonation (during exams), bad parenting, and favoritism came up prominently in both the interviews and focus group discussions. These words are in consonance with the contents of Table 6.1. A striking observation from all the focus groups is the enthusiasm with which participants talked about forgery. They shared their primary school experiences about doing homework and the following is what came up in the discussion.

> In primary school class 1 to 6, we were often assigned homework by our teachers with strict instructions that our parents should help us do them and sign in our homework books to show they supervised the work. There were instances when some of our friends forgot to show the homework to their parents as a result failed to do it. Such children adopted the strategy of copying their friends work in school before the homework submission time and forge

> their parent's signature to avoid being punished by the class teacher. Unfortunately, because they were our friends, and we also thought it was a good thing to help them out in class, we were unable to report them as a result. Such children were also seldom caught.

The purposes of assigning homework include making students ready for the next lesson, help them practice what they have learnt in class, and to encourage outside classroom learning to develop their independent learning abilities (Danielson, Strom, & Kramer, 2011). Copying and forging one's parent's signature to avoid being punished defeats these purposes. Moreover, if not checked could lead children into more serious corrupt practices in the future. This calls for vigilance on the part of teachers and the need to educate students to voice out their ethical values regardless the situation and who is involved.

The combined responses of all the participants to the second statement—"Tell me about a situation where you saw someone cheat in any way"—is as follows: cheating during exams; people eat other people's food put in the fridge in the hostel kitchenette; a policeman taking a bribe from a driver for falling foul to traffic regulations; someone taking something from another's bag without the owner's consent; it is normal; and verybody does it, and as a result, has become a way of life. One striking response from an interviewee, which featured prominently in all focus group discussions that call for effective ethics education for a change in behavior is as follows:

> I have seen my roommate take my other roommate's deodorant spray from her locker without telling her. I didn't think it was a problem because my roommate was in need and wanted to use the spray. However, I think taking people's belongings without permission is wrong. To stop corruption, I think people should be disciplined. Stealing and other forms of cheating comes out of disrespect for others, therefore, people need to respect each other. People should be educated about ethics and its importance to address these issues.

Stealing of all sorts including embezzling money, cheating during exams, using someone else's belonging without prior permission from the owners, and greed, were seen by participants as corrupt practices.

Following, are the combined responses to the statement "Tell me about a situation at home where you saw someone cheat." The outstanding response that cropped up was the popular story of parents who told their children to tell a visitor they were not around because they were not ready to see them. Other responses were paying bribes to policemen for falling foul to traffic regulations, pretending someone was sick in the car as a result, blowing horns for other road users to give way to beat traffic when late for work. Over burdening house helps while children were idling about at home. Not discipling children when they go wrong, making them think and

feel they were superior than their counterparts and therefore show signs of disrespect, wasting resources on children through superfluity.

Responses to the question "How did you feel when the negative incidence occurred?" were: angry, upset, felt bad, irritated, devastated, inconvenienced, "last semester I had two of my ear pieces stolen. I felt like I had lost a part of myself because they are very essential to me." It's no big deal. It's normal because everybody's doing it, and I also do it at times. The responses to the question "Why did you feel that way?" were summarized under two main categories namely, because it was (a) "unethical," and (b) "it's normal, almost everybody is doing it," and "I also do it at times so it's no big deal."

The sixth and seventh questions, state: "What do you think must be done by university authorities to address the situation?" and "What role must parents also play?" The following are a summary of the answers. The laws of the land must be made to work, those who do good must be rewarded to encourage others to continue to do so. People should be made to police each other, personal declaration to be upright, religious bodies must prioritize teachings in that respect, educational institutions should make effective ethics education one of their learning goals. Moreover, faculty who teach ethics should be ethically sound, and serve as models worthy of emulation. Parents and the elderly at home should be role models doing the right things for children to emulate. Parents should eschew displaying unethical behavior in the presence of their wards. Moreover, parents must be vigilant in the supervision of their wards' homework.

Participants' responses to the questions show that they really understand what corruption is as indicated in literature. They see it as unethical behavior that needs to be addressed. They discussed the negative feelings they experienced when they see people in the act. Out of the 176 participants, only 6 of them thought corruption is a normal phenomenon because they see a lot of people engaging in it, daily and moreover, it helps people fix things quickly. There were suggestions for curbing the situation, which addressed the chapter's research questions and confirms the need for a type of ethical education that can bring about change in attitude regarding corrupt practices.

ANTI-CORRUPTION EDUCATION IN SUB-SAHARAN AFRICA

The raison d'être of good education is to enable individuals (graduates) to have positive attitudes that bring about sustainable progress in society. As a result, it is suggested that a combined OST with GVV, factored into courses offered in universities in SSA can bring about the needed change. In as much as OST stresses the need to understand issues pertaining to life by

placing them in the right system context and ensuring that the processes by which they act are adhered to (Greenwood & Levin, 1998), it is expedient to place the seven principles of GVV in the African perspective. Gentle's (2010) first principle: "values," focuses on universally accepted norms such as honesty, respect, responsibility, fairness, and compassion. These values are equally acceptable norms in SSA and are also characteristics of anti-corruption practices. Accordingly, considering the extent to which some people are engaging in corruption in SSA countries, I suggest they are woven into all courses offered in universities with opportunities for practice.

The second principle: "choice," has to do with one's free will. Choice gives people the freedom to speak out or to keep quiet. In SSA cultures, titles, formality, and prestige are not compromised. Respect for hierarchies, titles, and age are not taken lightly (Nnadozie, 2001). Therefore, it is easy for an African youth to decide to keep quiet rather than speak out in situations where adults or superiors are involved. Bearing the local culture in mind, this principle could be factored into syllabuses to enable undergraduates have the desire to speak-out by thinking through and using the right choice of words to create best worlds.

The third principle: "normalization," encourages individuals to respond rather than react in values conflict situations. To respond in this perspective simply means to think through, weighing the pros and cons before taking the next step (Kudonoo, 2017). It's not an easy thing to stand alone especially in situations where majority are on the other side of the divide, and you stand alone for the truth. According to Gentle (2010), values conflict is a normal phenomenon as a result, one needs to be skillful and confident when dealing with such situations. In SSA, it is easy to have factions standing for and against opposing views. Here, teachers could factor in their syllabuses lessons that may help undergraduates to learn to take the right stand regardless the consequences.

The fourth principle: "purpose," here, Gentle (2010) encourages individuals to identify the personal values that undergird their actions. In the perspective of this chapter, individuals are encouraged to adopt universally shared values such as respect, responsibility, compassion and honesty as their own because if they are armed with them, they will not fall foal with any law.

The fifth principle: "self-knowledge and alignment" encourage individuals to know who they really are, their personality types, and strengths and weaknesses. Knowing oneself goes a long way to help one not to only give voice to one's values but to also work towards self-actualization. It enables one to have an inner confidence that leads to taking calculated risks to achieve desired goals for the common good. Syllabuses that incorporate this principle promote the building of confidence into undergraduates who may promote anti-corrupt practices.

The sixth principle is "voice." According to Gentle (2010), voice is the ability of individuals to speak about their values in the presence of peers they hold in high esteem. This brings to bear the ability to practice till one becomes experienced in speaking up to respectfully challenge what one disagrees with. Experience comes with boldness to act out one's views. However, the emphasis here is experience in doing the right thing the right way. Ability to respectfully voice out one's views bearing in mind the thin line between assertiveness and rudeness and makes one assertive.

The seventh and last principle is "reasons and rationalization." People have myriad reasons for their corrupt behaviors. When caught in the act, they rationalize, trying to put the blame on someone else or a situation. Sometimes, reasons given are so emotionally packaged that, it is easy to be won over or confused. This principle admonishes individuals to be prepared and be on the lookout for such actions. Explaining an evil act away does not make it good. Therefore, prior knowledge about possible ways of reasoning and rationalizing may prepare undergraduates to address issues pertaining to ethics correctly without being socialized into inertia.

IMPLICATIONS FOR EDUCATIONAL INSTITUTIONS AND SUGGESTIONS FOR FUTURE RESEARCH

The seven principles discussed above have the potential to improve ethical behaviors of undergraduates if factored into syllabuses in universities in SSA countries coupled with the right environment to carefully nurture a new crop of future leaders who are ethically sound to champion the cause against corruption for sustainable development. If universities in the subregion incorporate into all the courses they offer, clearly stated GVV principles adapted to suit their culture, and encourage staff and faculty to practice and promote them on their campuses, then, a conducive environment may be created for undergraduates to not only conform but be transformed through learning and practice. When theory and practice merge great results are achieved. That is, ethically sound graduates will be released into the various systems in SSA, who may resist being socialized into partaking in corrupt practices and thereby, project their positive image making them the most sought after. Based on the principles of OST, universities must follow-up for feedback from employers of their graduates and use the feedback to improve their courses.

The suggested approach to ethic education in SSA universities is new in the sense that most often, traditional educational systems fall short of application of knowledge (practice) in live organizations. Theories are emphasized (abstract learning) to the detriment of the realities on the ground. It is believed that a follow-up on graduates' performance on the job will help

improve the design of syllabuses. In addition, this research was conducted in only two universities with 176 participants. Future research could involve more universities and more participants for comparative results. Lastly, a longitudinal study is suggested to find out how applicable the suggested approach is in the African context, and whether graduates who have gone through this new approach to education are making any strides in curbing corruption in the subregion.

CONCLUSION

This chapter has argued that there is the need to look at corruption from a holistic perspective, identify the root causes from the African standpoint and address it appropriately to reduce conflict in the subregion and promote sustainable development. The chapter discussed the causes of corruption, its negative effects on society, and explored how anti-corruption education at undergraduate level could be employed to make undergraduates accountable and take personal responsibility of their (in)actions to curb the phenomenon. The OST in conjunction with GVV framework was used to show how syllabuses can be designed for effective teaching and learning of ethics education for sustainable conflict reduction and sustainable development in SSA countries. Areas of future research including a longitudinal study are suggested for the improvement of the approach.

REFERENCES

Aboagye, A. Q. Q. (2005). Corruption in Ghana: Evidence, analysis of corporate procedures and suggestions to minimize its evidence. *Review of Human Factor Studies Special Edition 11*(1), 33–52.

Bamidele, O., Olaniyan, A. O., & Ayodele, B. (2016). Culture, corruption, and anti-corruption struggles in Nigeria. *Journal of Developing Studies, 32*(2), 103–129.

Bivins, T. (2012). *Responsibility and accountability.* Retrieved from http://homepages.se.edu/cvonbergen/files/2012/12/Resonsibility-and-Accountability1.pdf

Bovens, M. (2006). Analysing and assessing public accountability. A conceptual framework. *European Governance Papers (EUROGOV)* No. C-06-01. Retrieved from https://www.ihs.ac.at/publications/lib/ep7.pdf

Cooper, B. J., Leung, P., Dellaportas, S., Jackling, B., & Wong, G. (2008). Ethics education for accounting students—A toolkit approach. *Accounting Education, 17*(4), 405–430.

Danielson, M. L., Strom, B., & Kramer, K. (2011, September). Real homework tasks: A pilot study of types, values and resource requirements. *Educational Research Quarterly,* 17–32

Doherty B. (1998). Blame society first. *Reason, 30*(2), 8. Retrieved from http://www.naturalism.org/applied-naturalism/politics/libertarianism/blame-society-first

Doig, A., Watt, D., & Williams, R. (2007). Why do developing country anti-corruption commissions fail to deal with corruption? Understanding the three dilemmas of organizational development, performance expectation, and donor and government cycles. *Public Administration and Development, 27,* 251–259.

Ekwueme, E. O. (2014). What am I doing when I am being corrupt? An epistemology of corruption. In E. Nduku & J. Tenamwenye (Eds.), *Corruption in Africa: A threat to justice and sustainable peace* (pp. 49–67). Geneva, Switzerland: Globethics.net.

Evans, M. K. (1994). Accept responsibility. *Industry Week, 243*(4), 72.

French, W. L., Bell, C. H., & Vohra, V. (2011). *Organization development: Behavioral science interventions for organization improvement* (6th ed.). Tharamani, India: Pearson India.

Gentle, M. C. (2010). *Giving voice to values: How to speak your mind when you know what's right.* New Haven, CT: Yale University Press.

Gentle, M. C., Lawrence, A. T., & Melnyk, J. (2015). What is giving voice to values case? *Case Research Journal, 35*(2), 1–10.

Glynn, P., Kobrin, S. J., & Naim, M. (1997). The globalisation of corruption. In K. Elliot (Ed.), *Corruption and the global economy* (pp. 7–27). Washington, DC: Institute for International Economics. Retrieved from http://www.adelinotorres.info/economia/a_globalizacao_da_corrupcao.pdf

Greenwood, D. J., & Levin, M. (1998). *Introduction to action research: Social Research for social change.* Thousand Oaks, CA: SAGE.

Hager, L. M. (1973). Bureaucratic corruption in India legal control of maladministration. *Comparative Political Studies, 6*(2), 197–219.

Harsch, E. (1993). Accumulators and democrats: Challenging state corruption in Africa. *The Journal of Modern African Studies, 31*(1), 31–48.

Kinicki, A., & Kreitner, R. (2006). *Organizational behaviour: Key concepts, skills and best practices* (2nd ed.). Irwin, PA: McGraw-Hill.

Kudonoo, E. C. (2017). *The PEACE model: A sustainable approach to conflict prevention and resolution in Afric*a. Accra, Ghana: Sonlife.

Lawal, G. (2007) Corruption and development in Africa: Challenges for political and economic change. *Humanity and Social Sciences Journal, 2*(1), 1–7.

Lupton, D. (1998). A postmodern public health. *Australian and New Zealand Journal of Public Health, 22*(1), 3.

Lumumba, P. L. O. (2014). Corruption: The bane of Africa. In E. Nduku & J. Tenamwenye (Eds.), *Corruption in Africa. A threat to justice and sustainable peace* (pp. 17–46). Geneva, Switzerland: Globethics.net.

Mergler, A., & Patton, W. (2007, June). Adolescents talking about personal responsibility. *Journal of Student Wellbeing, 1*(1), 57–70.

Nduku, E., & Tenamwenye, J. (Eds.). (2014). *Corruption in Africa: A threat to justice and sustainable peace.* Geneva, Switzerland: Globethics.net.

Nduku, E., & Makinda, H. (2014). Combating corruption in society: A challenge to higher education in Africa. In E. Nduku & J. Tenamwenye (Eds.), *Corruption*

in Africa. A threat to justice and sustainable peace (pp. 281–301). Geneva, Switzerland: Globethics.net.

Nnadozie, E. (2001). Managing African business culture. In F. M. Edoho (Ed.), *Management challenges for Africa in the twenty-first century theoretical and applied perspectives* (pp. 52–62). Westport, CT: Praeger.

Nyendu, M. (2017). Fighting the cancer of corruption and "hostage-taking" in the district assemblies in Ghana. *Journal of Asian and African Studies, 52*(2), 217–231.

Osoba, S.O. (1996). Corruption in Nigeria: Historical perspectives. *Review of African Political Economy*, 69, 371–386.

Reeves, R. (2004). Why everyone is talking about responsibility. *New Statesman, 17*, 33–35.

Sebahene, A. W. (2016). Rethinking church and the war on corruption in Tanzania: The quest for durable solutions. In E. Nduku & J. Tenamwenye (Eds.), *Corruption in Africa. A threat to justice and sustainable peace* (pp. 329–351). Geneva, Switzerland: Globethics.net.

Shabbir, G., & Anwar, M. (2007). Determinants of corruption in developing countries. *The Pakistan Development Review, 46*(4), 751–764.

Schulz, A. K. D., & Cheng, M. M. (2002). Persistence in capital budgeting reinvestment decisions—Personal responsibility antecedent and information asymmetry moderator: A note. *Accounting and Finance, 42*(1), 73.

Smyth, S. (2007). Public accountability: A critical approach. *Journal of Finance and Management in Public Services, 6*(2), 27–45.

Tenamwenye, J. (2014). Politics and corruption in Africa: A moral challenge. In E. Nduku & J. Tenamwenye (Eds.), *Corruption in Africa. A threat to justice and sustainable peace* (pp. 403–438). Geneva, Switzerland: Globethics.net.

Torsello, D., & Venard, B. (2016). The anthropology of corruption. *Journal of Management Inquiry, 25*(1), 34–54.

Yeboah-Assiamah, E., & Alesu-Dordzi, S. (2016). The calculus of corruption: A paradox of 'strong' corruption amidst 'strong' systems and institutions in developing administrative systems. *Journal of Public Affairs, 16*(2), 203–216.

Vanderstoep, S. W., & Johnston, D. D. (2009). *Research methods for everyday life: Blending qualitative and quantitative approaches.* San Francisco, CA. Wiley.

Werlin, H. H. (1972). The roots of corruption—The Ghanaian Enquiry. *The Journal of Modern African Studies, 10*(2), 247–266.

Winston, P. (2003). Laws can't protect you from yourself. *Business Insurance, 37*(38), 6.

This page intentionally left blank.

CHAPTER 7

DEVELOPING AN INTEGRITY DIAGNOSTIC TOOL FOR THE KINGDOM OF BHUTAN

Tay Keong Tan

Bhutan is a small landlocked country in the Himalayan region of South Asia with about 717,000 population scattered across a mountainous territory of 47,000 square km (18,147 square miles), at a high altitude (over 7,000 meters above sea level in most places).[1] A mainly agrarian society, the Bhutanese economy has its mainstay in agriculture, hydroelectric power, and tourism. Since its emergence out of economic isolation from the world in the 1960s, it has gradually transformed its economy and society through rapid catch-up economic growth and industrial development.[2] Over the past 5 decades, it has improved its per capita income from one of the lowest in the world in the 1960s, but many of its people remained in poverty.

In 2008, the fourth King of Bhutan abdicated his throne in favor of his son. He signed into law a new constitution and introduced democratic reforms—a bicameral legislature, autonomous public agencies, and a multiparty system with regular electoral contests. With these watershed events, profound changes took place in the political, economic, and sociocultural landscapes

Anti-Corruption in Management Research and Business School Classrooms, pages 117–132

in Bhutan. The monarch transferred most of his power to a newly established bicameral parliament in 2007. Executive power was devolved to a cabinet consisting of a council of ministers. Local elections of community leaders and mayors in districts, blocks, and municipal centers, and continuing devolution of power and resources to local governments commenced in 2007.

Bhutan's new constitution, ratified by the new king on July 18, 2008 provided the mandate for the parliamentary elections. The parliament comprises the king and two houses of parliament—the National Council and the National Assembly. Democratic elections were held in early 2008 and the first democratically elected prime minister was sworn in on April 9, 2008. In March 2008, open and competitive elections for the National Assembly were held. Two leading parties, the People's Democratic Party and the Druk Phuntsum Tshogpa Party (DPT) competed and the winning DPT party took some 95.7% of the votes, and 45 of 47 parliamentary seats.

A few years before the democratic reforms, the fourth king has also already begun to put in place systems and laws to prepare for the transition. On December 31, 2005, he decreed that an Anti-Corruption Commission (ACC) be established. The Royal Decree states:

> With the rapid pace of economic development in our country, there have been changes in the thinking of the people with the influence of self-interest leading to corrupt practices taking place in both the government and the private sector. If appropriate steps are not taken now to stop this trend, it will lead very serious problems in the future, for both the government and the people, in our country with a very small population. In this regard, it is the responsibility of every Bhutanese to act against corruption in our country. At a time when we are establishing parliamentary democracy in the country, it is very important to curb and root out corruption from the [very] beginning. Therefore, it is imperative to establish the Office of the Anti-Corruption Commission before the adoption of the Constitution and build a strong foundation for the Commission to effectively carry out its functions and responsibilities. (n.p.)[3]

Corruption is known to erode the public trust in government institutions, which are important drivers of the new democracy in Bhutan. The ACC is particularly concerned about high-level corruption as new political actors (new political parties, neophyte politicians) get ensnared in influence-peddling, kickbacks, bribery, and other corrupt practices that would discredit the new democratic processes. As the private sector is a key driver of growth in the country, the effects of private sector corruption is also not to be overlooked. They include obstacles to doing business, prevention of new entry, overpricing, regulatory capture, resulting in poor quality or dangerous products, environmental damage, cost inflation, and other threats to the public interest.

Like most fledgling anti-corruption agencies, the ACC struggle to fulfill its mandate in society with many organizations and individuals who are wary of its investigative and prosecution powers. Public, private, and civil society organizations prefer to keep it at an arm's length. To fulfill its mandate of root out corruption, conducting investigations and prosecution of corrupt activities is not enough. The ACC must also build public confidence and trust through a gamut of public education and prevention activities. The work of fighting high-level organized corruption is especially hard because there is potential backlash from powerful forces in society that were used to enjoying "special treatment" under the law. Bhutanese society has traditionally had few checks on government power, and the citizenry is used to patronage and is deferential to authority. The nascent watchdog agency, ACC, is a young organization still building its capacity and shoring up its legitimacy.

How did the Bhutan ACC, a fledgling agency fighting for resources and building its legitimacy in the new democracy, went about establishing a foothold in the polity with many new and powerful political headwinds? The Bhutanese corruption fighters built the ACC's capacity and legitimacy on the three-pronged strategy of (a) corruption investigation and enforcement, (b) public education, and (c) prevention activities. This chapter focuses on the development of an evidence-based integrity diagnostic tool, an integrity-building tool specifically developed for the ACC to promote integrity awareness and organizational integrity building. It became an important tool for the prevention and public education prongs of the ACC's tripartite strategy.

What Are the ACC's Experiences and Early Results?

This chapter analyzes some of the challenges faced by the ACC in introducing and instituting a system for integrity diagnostics and anti-corruption education among key public, private, and civil society organizations. The analysis is made in the context of the early success of Bhutan's national integrity strategy in the midst of profound political, economic, and social changes in the kingdom.

Corruption is often sustained by entrenched dysfunctional institutions and long-standing organizational practices in a society. Changes and reform may only happen at a glacial pace. There is often a significant time lag for anti-corruption reforms to take effect after their inception, and even longer for the people at the "street level" to notice any real changes to practices and behaviors that affect them. Anti-corruption efforts in countries around the world, hence, have major obstacles to their effectiveness and typically yield dismal results. A U4 report on national anti-corruption efforts stated that "explicit anti-corruption policies or strategies to date have often ended

up paying lip-service and . . . they not only consume large resources but also produce few results."[4] The international anti-corruption NGO, Transparency International (TI), for instance, in its annual reports and publication of corruption indices, have often sounded the alarm of countries failing to address egregious cases and even backsliding in their efforts in corruption control. For instance, in its 2016 Report, *Fighting Corruption, Demanding Justice*, TI lamented that while "[a]ccountability and transparency are now enshrined in law, expected of leaders and demanded of business . . . yet, grand corruption continues to devastate the lives of millions. Criminals who loot states continue to enjoy elite positions and jet set lives of luxury.[5] Its many reports and surveys suggest that public officials, business leaders, and citizens are aware of the corruption in their country.[6] However, there is widespread perception that the problem is beyond them and they are powerless to stop it.

THE ANTI-CORRUPTION STRATEGY

In its uphill battle against graft, Bhutan has faced several unfavorable circumstances and disadvantages. First, the landlocked country carries out most of its trade with countries in South Asia that are plagued with endemic corruption. Second, its political and civic institutions are young and lack the capacity to provide effective checks on abuse of power in high places. It has very few civil society organizations (none of them has a mandate directly related to addressing corruption). Third, the society has traditional values conducive to corrupt practices such as unquestioned exercise of authority, lack of a strong understanding of political rights and civil liberties, deference to authority, and conditions conducive to nepotism and patronage. Finally, Bhutan is a poor country (per capita GDP is $2,655, which ranked the country in the same category as Honduras, Bolivia, and Papua New Guinea in 2015 by the International Monetary Fund). A national program to fight corruption requires significant financial resources and personnel expertise, and Bhutan has little public resources to fight corruption and enforce the laws like in Hong Kong and Singapore. On Bhutan's anti-corruption and governance situation, some indicators show that the country is relatively corruption-free compared to neighboring countries in South Asia. In 2013, Bhutan ranked 31 out of 177 countries in Transparency International's Corruption Perception Index (CPI). The chairperson of the ACC, Neten Zangmo, in late 2013 declared a vision of "20th by 2020"—Bhutan to attain the rank of 20th in the CPI by the year 2020 (Royal Audit Authority & Anti-Corruption Commission, 2014).[7]

Facing these challenges and constraints, the ACC has to strategically focus its efforts on priority areas using its limited resources.[8] Its strategy, as discerned from its programs and activities in enforcement, education, and

prevention, was premised on three factors: (a) engage the key organizations in Bhutan as the locus of its enforcement and education activities instead of just focusing on individuals in cases reported to the commission; (b) address grand corruption in the political leadership and mid-level corruption in the bureaucracy, apart from tackling small, street-level corruption; and (c) institute a broad-based process of building integrity rather than simply fighting corruption. Towards operationalizing this strategy, the ACC used a number of programs and activities, including public education talks to key organizations in all sectors throughout the country, corruption risk assessment in the larger government agencies and those facing significant corruption risks,[9] proactive outreach to media houses, and integrity seminars for high-level public and private sector leaders.

For instance, The ACC commemorated the International Anti-corruption Day on December 9, 2012 followed by the observance of the National Anti-corruption Week. One of the programs for the event is recording of individual pledge against corruption. To publicize the cause and to advocate collective responsibility in fighting corruption, the commission also produced an "integrity badge" with the ACC logo, as well as a pin with the king's portrait with his pronouncement "I will not be corrupt and I will not tolerate corruption in others." These publicity materials are shown in Figures 7.1 and 7.2.

A new instrument used by the ACC in addressing corruption in its national integrity strategy is an evidence-based integrity diagnostic tool for evaluation of integrity practices in organizations. This tool was developed in the course of a project funded by an international financial institution to strengthen the ACC of Bhutan. The author led a team of four consultants in a multinational technical assistance team to undertake the project

Figure 7.1 (left) and 7.2 (right) Designs of pins and badges for anticorruption publicity in Bhutan.

between July 16, 2012 and March 31, 2013. Specifically, it draws from the experiences of integrity measurement tools in several countries and companies, including the Corruption Resistance Review by the government of New South Wales in Australia; the Corporate Integrity Systems Assessment Questionnaire by the Malaysian Institute of Integrity; the Integrity Assessment Tools of the Anti-Corruption & Civil Rights Commission of the Republic of Korea; and various tools used by private sector consulting groups such as Deloitte and KPMG.

It was targeted at organizations, able to address mid-to-high level corruption, and focused on integrity building. This tool is strongly based on the concept of integrity as the antithesis to corruption in a society. Different definitions of integrity have differing focuses, and little consensus exists on a true or universal definition.[10] One dictionary defines it as "the quality or state of being of sound moral principle; uprightness, honesty, and sincerity."[11]

In order to construct an integrity diagnostic tool, the concept of integrity has to be defined in such a way as to have clarity, utility, and relevance in the Bhutanese social, cultural, and organizational contexts. The concept of integrity used in the development of the instrument is derived from interviews with Bhutanese officials and intellectuals, and review of the literature, and studies of integrity and anti-corruption tools from around the world. The integrity construct is represented by the framework: *Organizational Integrity = Compass + Character + Conscience + Controls.* The composite measure of four key dimensions of an organization's integrity is based on the idea that integrity is a multifaceted construct with dimensions that are observable in organizational life.[12] A diagrammatic representation of the construct of integrity used in the development of the integrity diagnostics is in Figure 7.3.

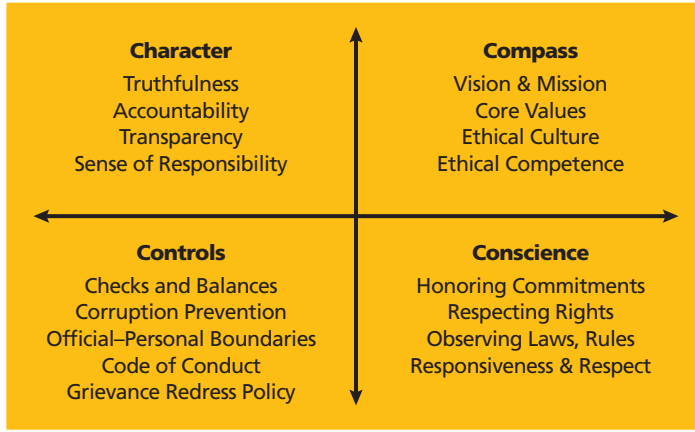


Figure 7.3 The Pillars of Integrity.

THE INTEGRITY DIAGNOSTIC TOOL

The Integrity Diagnostic Tool (IDT) instrument was developed for organizational self-assessment by public and private sector organizations in Bhutan. It provides organizations with a blueprint for diagnosing their integrity gaps and corruption risks, presents some general indicators of the organization's overall integrity, and offers suggestions for areas of improvement. The development of this instrument, was part of the mandate of the consultant team in a technical assistance project funded by an international financial institution to strengthen the ACC. The tool was created based on discussions with the ACC during a technical assistance mission by the author from July 23, 2012 to August 4, 2012.[13]

This tool was developed for organizational self-assessment; it was designed to be easy-to-understand, user-friendly in its administration, applicable to integrity concerns at different levels of an organization, and focused on strengthening integrity rather than addressing corruption issues. The IDT was designed to have simple, parsimonious findings, and its results were visually presentable in a graphical form for public review and discussion. It presented data on the strengths and weaknesses of existing integrity systems and measures as well as the present and emerging risks of corruption or abuse.

The results of the IDT survey generated an organization's current integrity profile that highlighted its integrity assets and gaps. The profile could be compared with those of other organizations in the same country and sector. It also created a baseline for organizational integrity interventions to track progress and demonstrate integrity gains in the same organization. Benchmarks could be set against the current (or baseline) profile or a target threshold. Changes in the profile, as indicated by data from future surveys, could illustrate gains or relapses in integrity development over time.

An illustration of the integrity profile of an organization is represented by Table 7.1 (Integrity Chart of Agency X) and Figure 7.4 (Integrity Diamond of Agency Y).

Table 7.1 gives the aggregate scores for the four constructs of integrity: compass, character, conscience, and controls and the overall organizational integrity score in a single numerical score. Changes to this number reflects over

TABLE 7.1 The Integrity Score of Agency X

Pillars of Integrity	Score
Compass	19.31
Character	18.45
Conscience	17.19
Controls	19.02
Organizational Integrity Score	73.97

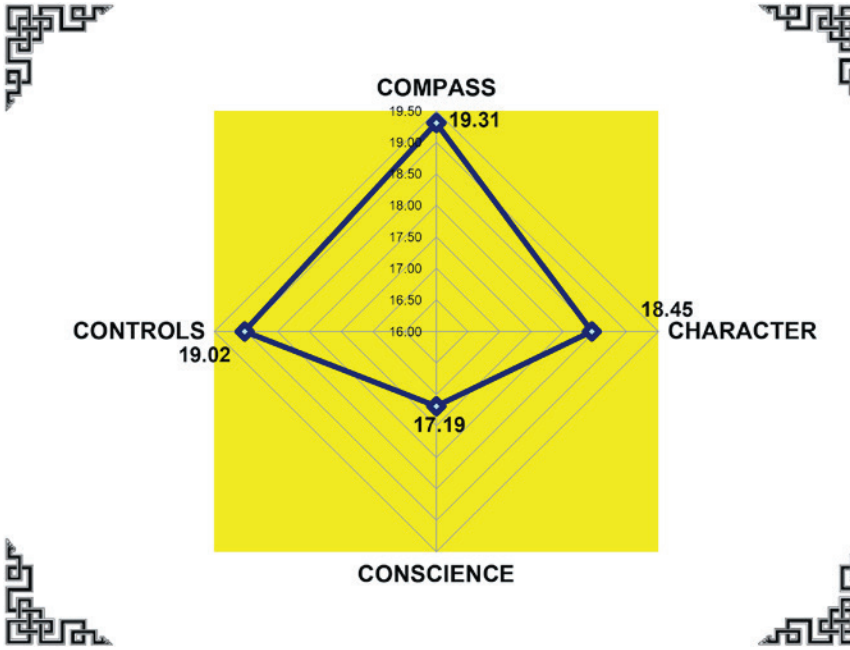


Figure 7.4 The Integrity Diamond of Agency Y.

time in regular surveys can give an indication of advance and backsliding in organizational integrity practices. Figure 7.4, on the other hand, depicts the same information more visually in the form of an integrity diamond for the agency.

Diagnosis alone will not bring about change. Following diagnosis, further work was needed to strategize and develop actionable programs to address the weak links in the ethical infrastructure of organizations, particularly in the form of an integrity building program that permeates the structure, culture, and processes of organizations concerned. Data from the IDT survey were supplemented with further analysis from structured interviews, focus group discussions, and the personal integrity self-assessment by leaders of the organizations.[14]

This instrument was administered in the format of a facilitated self-assessment by a significant segment of the stakeholders with knowledge of the organization. A minimum of 30 respondents was typically recommended, the sample size to be determined on a case-by-case basis from the size and complexity of the organization. Hard copies of the questionnaire were distributed and the questions carefully explained to the respondents in an environment with safeguards for privacy and confidentiality. All the respondents' total scores were averaged to derive an integrity score for the organization being assessed. The data was further analyzed to determine the organization's integrity profile. Representations of the data collected from the pilot implementation of the IDT are presented in Figures 7.5 and 7.6.

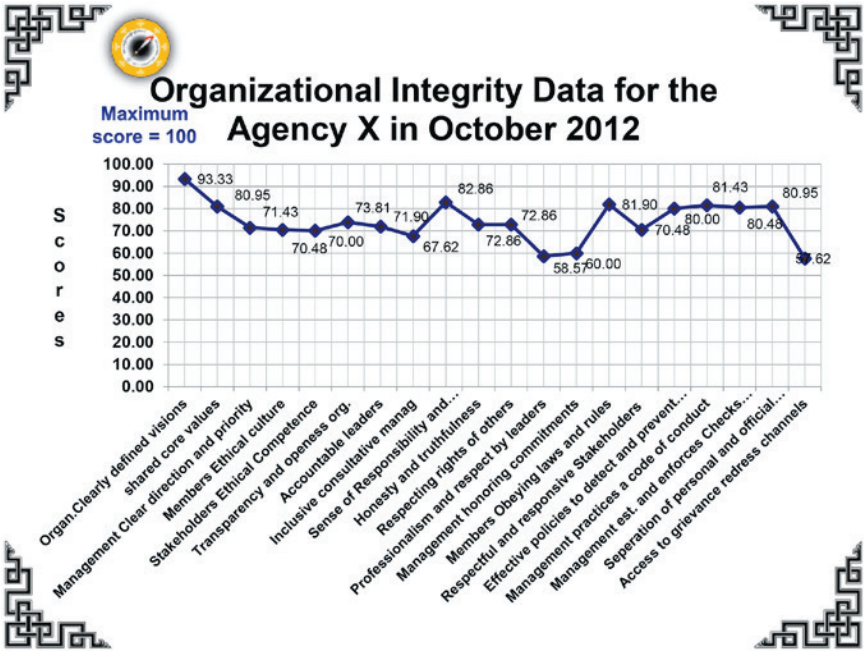


Figure 7.5 Line graph of the results of an integrity diagnostic test of Agency X.

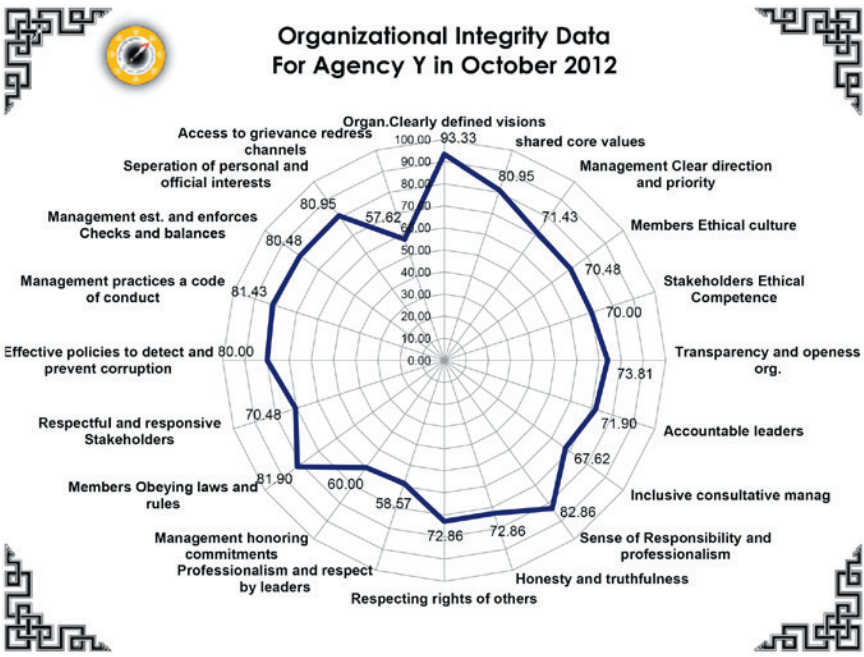


Figure 7.6 Polygon chart of the results of an integrity diagnostic test of Agency Y.

Figures 7.5 and 7.6 depict the results of integrity scores in a more desegregated manner, offering data on each survey question in a line graph and polygon chart respectively. They offer more specific data for more targeted action to address shortfalls and problems revealed by the survey responses.

ANALYSES OF RESULTS AND INTEGRITY BUILDING PLANS

While the findings of the standardized questions of the IDT could point to areas of strengths or weakness in the organization, they could not shed more light on deeper questions about the causes of weakness or the reasons behind differences in scores across levels or subdivisions of an organization. This required follow-up interviews or focus group discussions with a selection of stakeholders. The findings enabled organizational leaders to assess the extent to which each aspect of the construct may have changed, and how the changes in each may have contributed to the overall organizational integrity score. This information visually demonstrates an organization's integrity risk profile and highlights the integrity assets and gaps of the organization.

The tool has been used in different sectors and industries in the public agencies, private corporations, and nonprofits in Bhutan. It takes a broad macro-perspective of the corruption risks and integrity problems in organizations rather than use industry-specific questions and criteria for analyses. The scores of the different organizations can be compared with one another and within an organization across time. While this approach may not enable organizations to elicit highly industry- or sector-specific information through the survey data, this information may be extracted through in-depth interviews as a follow-up on issues highlighted in the survey.

The IDT was piloted in the ACC on October 15, 2012 with *all* staff members taking the integrity diagnostic questionnaire, following a public education talk on corruption and integrity by the author of this paper. It was subsequently piloted in the Royal Civil Service Commission (RCSC), the *Kuensel* Corporation (largest English media house in Bhutan), and the National Council Secretariat of Bhutan (administrative arm of the upper house of Parliament).

Following analysis of the data from the piloting process, the results of the questionnaire were presented to the management and staff of the pilot agencies. Its results were confirmed by a validation process involving *all* ACC staff at a retreat at a resort location an hour's drive from the capital city on October 30, 2012. Upon the plenary presentation of the ACC test results, staff members were organized into focus groups to discuss the findings and draw recommendations on how the organization should respond to them. ACC staff members also gave some feedback on the organization's

integrity practices as well as on how the IDT might be used in their day-to-day operational work.

Arising from the discussions at the validation meeting, a few ideas and recommendations emerged to inform the next steps for the ACC to address the issues raised by the IDT findings. These measures, categorized under three main headings, were to form the integrity action plan of the ACC, and they were accepted by the ACC leadership for implementation in 2012/2013. For instance, in the case of the ACC, following its IDT assessment, the organization's complaints and grievance procedure was reviewed and overhauled (e.g., responsibility for inquiry into complaints and reporting assigned). A task force on grievance redress, consisting of two ACC staff members and an external consultant was formed to develop a new grievance and complaint redress mechanism for the organization.

Resulting from the publication of the IDT findings, leadership training and team building were being given significantly more emphasis. The ACC leadership paid more attention to positive reinforcement than criticism/censure of staff. Other measures included the training of mid-level managers to lead cross-functional teams and set good examples for staff members. Another measure to honor staff members of the ACC is the celebration of the first ACC Foundation Day on December 31, 2012 to commemorate the founding of the organization on that day in 2006 and celebrate its accomplishments over the past 6 years.

Finally, the ACC's integrity action plans include clear and regular communications from management to all ACC staff on policies and changes, town hall meetings for dialogue, setting ground rules for open and yet respectful dialogue, and paying attention to feedback from staff members. In the months of November and December 2012, the ACC management adopted and instituted new internal communication channels to explain the basis of its decisions and strengthen internal communication. The most important channels of information for ACC staff (according to staff feedback) were: division-level weekly staff meetings, monthly meetings with the top management team, internal email communications, and town hall meetings with senior leaders in ACC.

The keys to effective integrity diagnoses and interventions are clear action steps, a system for monitoring, and ongoing commitment by top management to implement the measures. An integrity action plan with provisions for assigning responsibility and timelines for completion of tasks served to track progress in the implementation of the integrity interventions.[15] Like most anti-corruption policies, the early results of the IDT could not be attributed to accident or happenstance. They are the outcomes of hard-won battles that are the direct results of deliberate policies and thoughtful measures that are put in place and methodically implemented.

CONCLUDING REMARKS

What has the fledgling democracy done to weed out the roots of corruption and plant the seeds of a national integrity system, when so many other countries have failed? A few lessons stand out from the perspective of the planners and implementers of the IDT.

First, the development of this instrument, aimed at mainstreaming corruption prevention in Bhutanese public and private organizations, is consistent with the mandate of the ACC of Bhutan, which included integrity testing and promotion, in addition to investigation and prosecution of corruption cases. This gives legal and moral authorization to the entire initiative in getting important partners on board at the onset of the program. This imprimatur engendered much needed formal support or approval from within the Bhutanese government and with collaborating agencies. Although it was novel in the focus on the preventive work of integrity building, and the use of untested and newly developed integrity diagnostic tools to assess the strengths and weaknesses of organizations.

Second, the IDT promises a path towards higher integrity after diagnosing the integrity practices within an organization. This gives the organizational leaders some assurance that it is not just to rate and rank organization without giving them the tools for improvement and addressing integrity risks. The tool's evidence-based and results-oriented approaches for designing integrity reforms, training programs and policies to address integrity failures and corruption risks in corporations, public agencies, and nonprofit organizations give it credence, or help to neutralize or reduce the likely resistance from agencies.

Third, to facilitate adaptation of self-diagnosis, the IDT is designed to be easy-to-understand, user-friendly in its administration, applicable to integrity concerns at different levels of an organization, and holistically focused on strengthening integrity rather than addressing corruption issues. In addition, the IDT strives to have simplified analytical approaches to its findings, and its results will be visually presentable in a graphical form for public demonstration and discussion. To build confidence in this new tool, the development of the IDT is informed by research into the current and emerging practices in organizational integrity diagnostics, governance risk management, and corruption prevention from around the world. The tool, in its draft form, was shared with the participating organizations/executives for feedback and finalization before its implementation. It is a novel tool but one that strives to do for Bhutanese organizations what Transparency International's CPI has done in its annual ranking and rating of countries—set standards, measure advances and results, and direct high-level attention and galvanize organizational resources for positive change.

Fourth, the results of the IDT survey were used to generate an organization's current integrity profile that highlights its integrity assets and gaps. This is the snapshot of the agency's integrity practices as assessed by representative stakeholders of the organization. The profile can then be compared with those of other organizations in the same country and sector. It also creates a baseline for organizational integrity interventions to track progress and demonstrate integrity gains in the same organization. Benchmarks can be set against the current (or baseline) profile or a target threshold, allowing gradual improvement through the introduction and implementation of integrity measures in the organization, with the help of ACC.

The fifth point is that diagnosis alone will not bring about change. Following diagnosis, further work was needed to strategize and develop actionable programs to address the weak links in ethical infrastructure in organizations, particularly in the form of an integrity building program that permeates the structure, culture, and processes of organizations concerned. Data from the IDT survey were supplemented with further analysis from structured interviews, focus group discussions, and the personal integrity self-assessment by leaders of the organizations. This provided additional information regarding the effectiveness of existing oversight, preventive, and enforcement measures and it will further inform the design of new measures.

What can we learn from the Bhutanese experience? And what practical lessons can be drawn from this initiative for the fight against corruption? Three key lessons can be elicited from Bhutan's experiment with a new national integrity system. The first is need for a strong conceptual framework for systematically promoting integrity nationwide that is consistent with the national development goals and values of the prevalent social culture. For a new system of assessing organizations and strategizing reforms to take root, its theoretical foundations in "conceptualizing integrity" must resonate with the values of the society and contribute to the overarching national goals and development philosophy. Culturally-appropriate strategies and politically acceptable concepts will help win over stakeholders who might be wary of the organizational risks, human costs, and reputational consequences from an anti-corruption drive. These are often played out in anti-corruption campaigns by new regimes that seeks to "sweep clean and wipe out" the corrupt malefactors. Developed from broad-based consultation with local leaders and agencies, it is no mistake that Bhutan's IDT are created with strong adherence to the GNH national philosophy and is specifically articulated to strengthen good governance in the fledgling national institutions.

The second lesson is the focus on diagnosing, monitoring, and strengthening integrity as opposed to detecting and punishing corruption in its institutions and society. Such a positive focus on integrity promotion (as opposed to a punitive approach) attracts collaborators and supporters

who are interested in addressing corruption risks within organizations and communities. There is less risks of backlash from those who are seeking to protect their power and interests that might be threatened by an anti-corruption campaign spearheaded by investigations and prosecutions. This is especially important in starting a new political order, when "old ways and systems" must be unlearned and more transparent and accountable approaches must be learned and institutionalized. It is also beneficial for the fledgling anti-corruption watchdog to build coalitions within the polity and establish its credibility, and not create powerful enemies and influential detractors during its formative years.

Third, the development of a national integrity system is accomplished not with a "magic bullet" that somehow could bring about a new order in one fell swoop. The system is built "brick by brick" with the winning over of one organization or community at a time. It involves the integrity champion (ACC) advocating to organizational leaders, educating members of the organizations, assisting organizations in the implementation of the integrity assessment, helping them interpret results of diagnoses, offering advice on integrity improvements, and the monitoring of reforms. These require a long-term vision, and commitment in sustaining an integrity system that extends beyond political term limits and organizational planning cycles.

NOTES

1. World Atlas. (January 1, 2018). Retrieved from https://www.worldatlas.com/
2. See for example, Berthelsen, 2013. The author used data from the International Monetary Fund's 2012 report: *World economic outlook: Coping with high debt and sluggish growth*. Washington, DC.
3. Anti-Corruption Commission. (January 1, 2018). Retrieved from https://www.acc.org.bt/
4. Hussmann, K. (Ed.). (2007). "Anti-corruption policy making in practice: What can be learned for implementing Article 5 of UNCAC? Report of six country case studies: Georgia, Indonesia, Nicaragua, Pakistan, Tanzania and Zambia," U4 report: 46.
5. Transparency International. (2016). "Fighting corruption, demanding justice." Retrieved from file:///C:/Users/ttan2/Downloads/2015_ImpactReport_EN.pdf, accessed November 1, 2017.
6. See for instance, Transparency International. (2017). "Corruption Perceptions Index, 2016." Retrieved from file:///C:/Users/ttan2/Downloads/2016_CPIReport_EN.pdf, accessed November 1, 2017. In this report focusing on corruption and inequality, TI documented "the vicious circle between corruption, unequal distribution of power in society, and unequal distribution of wealth" (p. 2).

7. In 2016, the country has inched towards this goal by being ranked 27 out of 157 countries in Transparency International's Corruption Perception Index. See https://www.transparency.org/research/cpi
8. Conversations between the author and the ACC chairperson and commissioners in October 2012 in the ACC Offices in Thimphu.
9. A National Integrity Assessment (NIA) adapted from the Republic of Korea's Anti-Corruption Agency, has been implemented by the ACC since 2009. It was a diagnostic survey that covers 43 corruption-prone services provided by 27 public organizations.
10. The construct may also include a firm adherence to codes of moral or artistic value, incorruptibility, or the quality of being complete and undivided. On a personal level, integrity requires one's behaviors to be upright and adhering to moral principles; and actions to be based on good judgment. In addition, a person of integrity is considered to be trustworthy; diligent in honoring personal obligations and professional commitments. In social discourse, one has to adhere to truth-telling, promise-keeping, and respecting the rights of others and rules of society. The concept is conceived with widely differing meanings from culture to culture and from time to time.
11. Yourdictionay.com. (2017). Retrieved from http://www.yourdictionary.com/integrity, assessed November 1, 2017.
12. While fighting corruption has its place in organizations, it cannot reform integrity practices in an organization or significantly change integrity competencies of its members. Integrity building (as opposed to combating corruption), is analogous to the phenomenon that fighting disease does not necessarily build health. It is through strengthening integrity systems that organizations are able to sustainably improve their resistance to corruption and raise ethical standards.
13. The development of the IDT was informed by research into the current and emerging practices in organizational integrity diagnostics, governance risk management, and corruption prevention from around the world.
14. When integrity testing reveals a pattern of behavior that presents a special or severe risk to the organization, or if findings tell of a serious systematic deficiency (e.g., gross disregard of organizational policies and laws), follow-up interviews may be needed. More can always be done to uncover the true nature and circumstances surrounding suspected serious ethical violations and corruption risks.
15. To ensure that the IDT tool has ownership and is well implemented and monitored within an organization during the critical phase of roll-out immediately following its piloting phase, specials task forces were recommended to be set up in all participating organizations. The task forces are responsible for the monitoring and implementation of the IDT.

REFERENCES

Berthelsen, J. (2013). Booming Bhutan: The happiest place on earth? Washington, DC: Foreign Affairs.

Hussmann, K. (2007). *Anti-corruption policy making in practice: What can be learned for implementing Article 5 of UNCAC?* Report of six country case studies: Georgia, Indonesia, Nicaragua, Pakistan, Tanzania and Zambia. Retrieved from http://www.u4.no/publications/anti-corruption-policy-making-in-practice-what-can-be-learned-for-implementing-article-5-of-uncac-2/

Transparency International. (2016). *Corruption perceptions index*. Retrieved from https://www.transparency.org/research/cpi

Transparency International. (2017). *Corruption perceptions index, 2016*. Retrieved from https://www.transparency.org/news/feature/corruption_perceptions_index_2016

Verhezen, P. (2008). The (ir)relevance of integrity in organizations. *Public Integrity, 10*(2), 133–149.

CHAPTER 8

CORRUPTION AND HIGHER EDUCATION

Exploring the Effects of Contextual and Individual Characteristics on Students' Corruption Perception and Behaviors

Andrea Tomo, Gianluigi Mangia, and Lucio Todisco

Corruption is generally considered as a behavior adopted in situations where it is possible to gain benefits through the use of discretionary power, influenced by personal values and moral views (e.g., Amann et al., 2015; Klitgaard, 1988; Melgar, Rossi, & Smith, 2010). Additionally, corruption and corruption perception can also be considered as cultural phenomena because they depend on how a society understands the rules and what constitutes a deviation (Melgar et al., 2010). For instance, while a person would adopt a corrupt behavior, someone else may act as corrupt because he/she considers this action as justifiable. The willingness to behave or not in a corrupt way is likely to be positively correlated to people's perception of corruption in a specific context (Melgar et al., 2010).

Anti-Corruption in Management Research and Business School Classrooms, pages 133–155

Corruption is a particularly sensitive theme, considering the impact it has on the economic and social life of countries (Anand, Ashforth, & Joshi, 2004; Ashforth & Anand, 2003; Thomas, Schermerhorn, Dienhart, & Bartles 2004; Trevino & Brown, 2004). In the education context, corruption may additionally have a non-economic effect in terms of deterioration of professional skill levels, social inequality, and ethical loss (Weidman & Enkhjargal, 2008).

Heyneman (2004) argues that "because education is an important public good, its professional standards include more than just material goods: Hence the definition of education corruption includes the abuse of authority for personal as well as material gain" (Heyneman, 2004, p. 637).

The dangerousness of corruption in education is recognizable in the fact that it can be an insidious factor undermining moral authority of and transparency in governments and political systems (Melgar et al., 2010), but even more in the role that education plays in forming young students, the future of a society.

While literature has largely debated the theme of corruption, inside and outside the education context (e.g., Aguilera & Vadera, 2008; Devine & Maassarani, 2011; Huang, 2008; Miceli, Near, & Dworkin, 2008; Osipian, 2007; Rothschild & Miethe, 1994), we are unaware of any studies devoting attention to how students perceive the corruption characterizing their educational system as actors directly involved in the field.

Aiming at filling this gap in literature, this study will provide insights in students' corruption perception in higher education. We additionally provide an analysis of the effects that the perceived corruption has on students relatively to the tendency to adopt corrupt or negative behaviors, such as paying to pass exams, paying for courses admittance, asking for recommendations.

To reach the aim of the study, we employ a structured questionnaire administered to Italian students attending bachelor's and master's degree courses. The questionnaire has been built following the core elements of higher education discussed by Weidman and Enkhjargal (2008), taking into consideration the complex interrelationships among educational institutions, national and local government institutions, and stakeholder communities.

The study contributes to the literature on higher education by providing an interesting and different point of view on perceived corruption within the education context.

The remainder of the chapter is structured as follows. The second section assesses previous literature on corruption and higher education. The third section presents the theoretical framework and sets the hypotheses informing this study. The fourth section describes the research design. The fifth section shows the findings of the study. The last sections will provide discussion and conclusion.

PREVIOUS LITERATURE ON CORRUPTION AND HIGHER EDUCATION

Corruption is emerging as a central issue in the management literature as the recent corporate scandals raised the awareness about the effects that it produces, both from the economic and social point of view (Anand et al., 2004; Ashforth & Anand, 2003; Manz, Joshi, & Anand, 2005; Thomas et al., 2004; Trevino & Brown, 2004). The theme of corruption is generally discussed on two main levels: individual and organizational. At an individual level, corruption might generally be defined as the misuse of a position of authority for private or personal benefit (Doh, Rodriguez, Uhlenbruck, Collins, & Eden 2003; Shleifer & Vishny, 1993; Tanzi, 1998), where misuse typically constitutes a breach of legal norms (Johnston, 1986; Kaufmann, 1997) or ethical beliefs (Taft & White, 2007). Corruption is expected to occur where someone has control over economic benefits and costs and, thus, the potential to extract economic rents, and where persons in positions of authority have discretion over the allocation of such benefits and costs (Mauro, 1996). On these grounds, corruption reflects rational and self-interested behavior by persons using their discretion to direct allocations to themselves or to other social actors who offer rewards in return for favorable discretionary treatment (Rose-Ackerman, 2001).

Given the social impact of corruption, corruption perception assumes a central role in the debate on issues affecting social interactions. Melgar et al. (2010) argue that, even when corruption perception may strongly differ from the current level of corruption, the latter influences the former. The authors contend that "*High levels of corruption perception could have more devastating effects than corruption itself; it generates a 'culture of distrust' towards some institutions and may create a cultural tradition of gift giving and hence, raising corruption*" (Melgar et al., 2010, p. 120). Hence, high levels of corruption perception are enough to cause negative effects in the economy, in terms of growth of institutional instability and deterioration of the relationships among individuals, institutions, and states (Melgar et al., 2010).

Corruption in higher education may assume different forms relative to different social, cultural, and geographical factors (Heyneman, 2011). Osipian (2007) defines corruption in higher education as "a system of informal relations established to regulate unsanctioned access to material and nonmaterial assets through abuse of the office of public or corporate trust" (Osipian, 2007, p. 315). This definition is interesting because it considers education corruption from a systemic point of view, by extending the boundaries of corruption in education to both public and private higher education institutions. The concept by Osipian (2007) allows a view of education corruption under an institutional lens, where many institutions participate in different ways to determine or affect the education corruption

level or its perception. Again, under an institutional view, Weidman and Enkhjargal (2008) provided an interesting framework including the various actors influencing the structure and dynamics of corruption in higher education. In more detail, they recognize that various types of corruption occur in different ways, depending upon the particular country, culture, and organizational/ regulatory structure. Additional to structural/organizational dimensions (local governments, national agencies, other domestic and external agencies, and educational institutions), the framework considers an individual level where corruption also occurs through exchanges of cash and favors among stakeholders at various levels of the system.

In the same way, Chapman and Lindner (2016) consider higher education particularly susceptible to corruption because key decisions in this context are in the hands of a high number of people across the education structure: Individual instructors, student services personnel, and administrators each make decisions that can have important consequences for both students and colleagues.

Heyneman (2011) reports some examples of episodes related to higher education corruption, such as student and faculty plagiarism and cheating on examinations, the misconduct of research, ethical questions surrounding fundraising and sports, admissions and testing, academic governance, as well as classroom improprieties—showing up late for class, unfairly assessing homework assignments, and showing preference to specific genders, nationalities or opinions. Again, other episodes are represented by corruption for monetary gain—the propensity to seek bribes in exchange for higher grades, accreditation, and entrance to selective programs of study.

Chapman and Lindner (2016) provide some examples of different episodes within the education field. Administrators may be involved in episodes such as embezzlement; misappropriation of funds; changing students' grades for money or favors; basing promotions on inappropriate criteria; running sham journals; allowing donors to have undue influence in academic decision-making; nepotism/cronyism/favoritism in hiring, promotions, assignments, salaries; awarding degrees in return for favors; running or collaborating in the operation of degree mills or awarding sham degrees. Faculty and staff are associated with episodes such as selling admissions, examination scores, or grades; falsifying data; plagiarism; gift and ghost authoring; withholding research data needed for replication and paying for non-merit based publication. Finally, students may be involved in episodes such as giving payments, bartering, or other incentives for admission; advanced copies of tests, grades, graduation, preferential, and special treatment; plagiarism; and cheating.

Literature has generally analyzed the impact of the level of corruption on educational outcomes (e.g., Huang, 2008). Indeed, looking at specific

educational corruption, studies mainly focused on providing theoretical contributions (Chapman & Lindner, 2016; Heyneman, 2011; Osipian, 2007; Tanaka, 2001; Temple & Petrov, 2004) rather than providing analyses on corruption or corruption perception related to the different roles played or actions taken by the actors in the field.

From the analysis of the literature, three gaps emerge. First, there is a general lack of studies on corruption in higher education. A brief research on the ISI Web of Knowledge reveals that only 97 articles exist at the first stage; thus, it is expected that key contributions are still less. Second, there is a lack of studies providing insights into the individual corrupt behavior in the education context and on the individual characteristics possibly explaining these behaviors. Third, there is a specific gap of analyses on how students, as those directly involved in the field, perceive the level of corruption within the educational system.

On these grounds, we try to fill these gaps by employing an institutional view that considers all the actors involved in the educational field.

THEORETICAL FRAMEWORK AND HYPOTHESIS

We adopt an institutional view of the education system, by taking into consideration the complex interrelationships among educational institutions, national and local government institutions, and stakeholder communities (Chapman & Lindner, 2016; Heyneman, 2011; Weidman & Enkhjargal; 2008). In this regard, we integrate the views provided by Weidman and Enkhjargal (2008), Chapman and Lindner (2016), and Heyneman (2011) to analyze the core elements and actors influencing the higher education context.

According to these authors, it is expected that individual behaviors, that is the students' orientation to adopt corrupt behaviors, is influenced by the perception of the corruption level within the education context.

In more detail, we first consider the influence that socio-demographic variables may have on individual behaviors (Melgar et al., 2010), then we consider the influence of the different corrupt practices that the various actors in the context—teachers, administrative staff, local and central governments, education institutes—may carry out (Chapman & Lindner, 2016; Heyneman, 2011; Weidman & Enkhjargal; 2008). Finally, we consider the relationship between the overall perceived corruption in the education context and individual characteristics, individual behaviors, and the perceived corruption of the various actors.

Considering sociodemographic variables, we aim to understand the effects that variables such as age, sex, family members, family income, father and mother education, and work experiences may have on individual behavior.

Following Weidman and Enkhjargal (2008) and Heyneman (2011), we consider as corrupt practices enacted by teachers giving private lectures for extra-rents, selling exams, and accepting recommendations for exams or admissions. It is expected that students perceiving teachers as corrupted according to these practices, will be more willing to adopt corrupt behaviors. Thus, we hypothesize that:

H1: *Students' perception of corrupted teachers is positively correlated to students' corrupt behavior.*

Following Weidman and Enkhjargal (2008) and Chapman and Lindner (2016), we consider as corrupt practices enacted by administrative staff pursuing personal targets, seeking for extra rents, enacting opaque procedures. Even in this case it is expected that students perceiving administrative staff corrupted according to these practices, will be more willing to adopt corrupt behaviors. Thus, we hypothesize that:

H2: *Students' perception of corrupted administrative staff is positively correlated to students' corrupt behavior.*

Following Weidman and Enkhjargal (2008), we consider as corrupt practices enacted by local and central governments the influence exerted in allocating resources, individual appointments through solicitation, and services selected through solicitation. It is expected that students perceiving local and central governments as corrupted will be more willing to adopt corrupt behaviors. Thus, we hypothesize that:

H3: *Students' perception of corrupted local and central government is positively correlated to students' corrupt behavior.*

Following Weidman and Enkhjargal (2008), we consider as corrupt practices enacted by education institutes services selected through solicitation, individual appointment through solicitation, and limit students' participation. It is expected that students perceiving education institutes as corrupted will be more willing to adopt corrupt behaviors. Thus, we hypothesize that:

H4: *Students' perception of corrupted education institutes is positively correlated to students' corrupt behavior.*

Finally, we aim to understand how the corruption perception is influenced by individual characteristics, individual behaviors, and corruption perception of the different actors within the education context.

RESEARCH DESIGN

The questionnaire has been built considering the various actors and corrupt practices individuated by Weidman and Enkhjargal (2008) and Heyneman (2011). The questionnaire has been structured in five sections with 32 questions concerning individual characteristics, individual behaviors, actors in the field, the perception of the general corruption level in Italy, and the perception of specific corruption level in public sector, education, private sector, political institutions, press, and media.

Individual characteristics have been individuated through 10 questions, with multiple choice answers, concerning sociodemographic and cultural aspects, family composition and incomes, parents' level of education, and city size.

Individual behaviors have been individuated through four questions, with a five–item scale, regarding corruptive behaviors to accelerate administrative processes, to pay for passing an exam or to be admitted to a selection, and to study from digests instead from books to pass an exam.

Questions regarding the level of perceived corruption of actors in the field have been structured with a five–item scale as follows: teachers, three questions (the tendency to do private lectures, the tendency to sell exams, the tendency to accept recommendations for exams); administrative staff, three questions (pursuing personal targets instead of the institutional ones, trying to take extra rents aside from their job, recurring to opaque procedures); local and central government, three questions (the discretion to allocate resources, to accept soliciting for individual appointment, to accept soliciting for selecting services); and educational institutions, three questions (to accept soliciting for individual appointment, to accept soliciting for selecting services, to limit students participation). These questions aimed at understanding how students perceive and accept corruptive behaviors from the different actors involved in the education field.

The questionnaire has been administered to 200 students attending the bachelor's degree and the master's degree in Business and Management in a University of Naples.

The role of individual sociodemographic characteristics on individual behavior and on the perception of corrupt practices within the higher education field has been tested through the Pearson's correlation test. The analysis has been done through the statistical program SPSS 17.

Individual characteristics have been labeled as shown in Table 8.1.

TABLE 8.1 Individual Characteristics Labels for the Correlation Test

Variable	Value	Label
Age	Number	As it is
Sex	Male	1
	Female	0
Family members	Number	As it is
Father education	Degree or Master	2
	High school diploma	1
	Secondary school diploma or less	0
Mother education	Degree or Master	2
	High school diploma	1
	Secondary school diploma or less	0
Family income	Less than 20,000 euro	0
	Between 20,000 and 50,000 euro	1
	Between 50,000 and 100,000 euro	2
	More than euro 100,000	3
City size	Less than 10,000 inhabitants	0
	Between 10,000 and 50,000 inhabitants	1
	Between 50,000 and 100,000 inhabitants	2
	More than 100,000 inhabitants	3
Work experiences	0	0
	Between 1 and 3	1
	More than 3	2

FINDINGS

Descriptive statistics (see Table 8.2) show that the mean of age is 23.15 (SD 1.68), meaning that a high percentage of students is outside prescribed time. The percentage of males and females is quite balanced (respectively 53% and 47%), while the percentage of students in master's degree courses is clearly higher (73%) than that of students in bachelor's degree courses (27%).

Most of the participants reported being part of families with at least four members, quite typical in the Southern part of Italy.

An interesting data is that a relevant percentage of students reported that their parents have a low education level: 25% reported a secondary high school diploma or less both for their fathers and mothers.

Another interesting data is related to participants' family income—70% of participants reported a family income lower than 50,000 euro.

TABLE 8.2 Descriptive Statistics and Socio-Demographic Variables

Variable	Value		
Age	Mean	23.15	
	SD	1.68	
Sex	Male	105	(53%)
	Female	95	(47%)
Degree attending	Bachelor	53	(27%)
	Master	147	(73%)
Family members	≤ 3	34	(17%)
	4	117	(59%)
	≥ 5	49	(24%)
Father education	Degree	57	(29%)
	High school diploma	92	(46%)
	Secondary school diploma or less	51	(25%)
Mother education	Degree	53	(27%)
	High school diploma	97	(48%)
	Secondary school diploma or less	50	(25%)
Family income	Less than 20,000 euro	53	(27%)
	Between 20,000 and 50,000 euro	87	(43%)
	Between 50,000 and 100,000 euro	28	(14%)
	More than euro 100,000	32	(16%)
City size	Less than 10,000 inhabitants	19	(10%)
	Between 10,000 and 50,000 inhabitants	62	(31%)
	Between 50,000 and 100,000 inhabitants	35	(17%)
	More than 100,000 inhabitants	84	(42%)
Work experiences	0	68	(34%)
	Between 1 and 3	119	(60%)
	More than 3	13	(6%)

We finally asked participants to indicate the number of their previous work experiences, if any. Most of the participants (60%) reported between one and three work experiences, while only 6% indicated more than three experiences.

The Effect of Sociodemographic Variables on Individual Behaviors

Aiming at understanding the effects that variables such as age, sex, family members, family income, father and mother education, and work

experiences may have on individual behavior, we run a correlation test among these variables.

Table 8.3 shows the results of the correlation test.

Table 8.3 shows no significant correlations among the majority of the variables selected. Indeed, some correlations have been found with the willingness to pay to pass the exams. The first interesting result is that the number of exams already passed has a strong positive correlation (0.189 with $p < .01$) with the willingness to pay for exams. This correlation means that as the number of exams increase, the more the student will be willing to pay to pass the exams.

Again, there is a strong positive correlation between male sex and seeking for facilitate practices (0.222 with $p < .01$).

Another finding is the negative correlation (–0.155 with $p < .05$) between the number of family members and the willingness to pay for exams. This

TABLE 8.3 The Effect of Socio-Demographic Variables on Individual Behaviors

Variable		Studying from lecture notes	Pay for exams	Seek for facilitate practices	Seek for facilitate admission
Age	Correlation	–0.022	0.017	–0.100	–0.003
	Significance	0.760	0.815	0.160	0.962
Sex	Correlation	0.111	–0.085	0.222**	0.06
	Significance	0.118	0.231	0.002	0.395
Number of Exams	Correlation	–0.058	0.189**	0.069	0.012
	Significance	0.415	0.007	0.333	0.865
Work Experience	Correlation	–0.091	–0.067	0.059	–0.043
	Significance	0.198	0.348	0.403	0.545
City Size	Correlation	0.032	0.016	0.016	0.008
	Significance	0.652	0.825	0.818	0.914
Family Members	Correlation	0.063	–0.155*	0.027	–0.036
	Significance	0.373	0.028	0.700	0.613
Father Education	Correlation	0.018	0.082	0.008	0.026
	Significance	0.804	0.250	0.912	0.710
Mother Education	Correlation	0.045	0.123	0.028	0.026
	Significance	0.530	0.084	0.697	0.712
Family Income	Correlation	0.064	0.159*	0.076	0.123
	Significance	0.365	0.024	0.282	0.084

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

means that the student will be more willing to pay as the number of his/her family members decreases. This result might be commented with the fact that family expectations on the only son/daughter are greater than in the case of families with more than one son/daughter.

An interesting finding is the positive correlation (0.159 with $p < .05$) of family income and the willingness to pay for exams. This means that students are more willing to pay for exams as their family income increases. This result is interesting because it puts in evidence a social problem related to the fact that students belonging to richer families may tend more to "pretend" to pass exams, also arriving to pay for it.

The Effect of Teachers' Corruption Variables on Individual Behaviors

This subsection explores the results related to the effect of teachers' corruption variables on individual behaviors to verify the following hypothesis:

H1: *Students' perception of corrupted teachers is positively correlated to students' corrupt behavior.*

Table 8.4 shows the results of the correlation test. The table shows how almost all the teachers' corruption variables are correlated to students' behaviors, with the only exception of "students willing to study from lecture notes."

The first result to be commented, is the strong positive correlation of "teachers giving private lectures" with students willing to pay for exams (0.212

TABLE 8.4 The Effect of Teachers' Corruption Variables on Individual Behaviors

Variable		Studying from lecture notes	Pay for exams	Seek for facilitate practices	Seek for facilitate admission
Teachers giving private lectures	Correlation	.108	.212**	.221**	.245**
	Significance	.129	.003	.002	.000
Teachers selling exams	Correlation	.123	.191**	.205**	.253**
	Significance	.082	.007	.004	.000
Teachers accepting recommendations	Correlation	.048	.150*	.150*	.213**
	Significance	.498	.034	.034	.002

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

with $p < .01$), to seek solution for facilitate practices (0.221 with $p < .01$), and to seek solution for facilitate course admissions (0.245 with $p < .01$).

Again, "teachers selling exams" also has a strong positive correlation of "teachers giving private lectures" with students willing to pay for exams (0.191 with $p < .01$), to seek solution for facilitate practices (0.205 with $p < .01$), and to seek solution for facilitate course admissions (0.253 with $p < .01$).

Finally, "Teachers accepting recommendations" has a positive correlation with students willing to pay for exams (0.150 with $p < .05$) and to seek solution for facilitate practices (0.150 with $p < .05$), while it shows a strong positive correlation with students seeking solution for facilitate course admissions (0.213 with $p < .01$).

These results show that as the students perceive a higher level of corruption between their teachers, they will be more willing to adopt corrupt behaviors toward paying for exams and seeking shortcuts to facilitate administrative practices and courses admissions.

Given that studying from lecture notes probably represents the less grave case of corruption, results show that

H1 is verified.

The Effect of Administrative Staff Corruption Variables on Individual Behaviors

This subsection explores the results related to the effect of administrative staff corruption variables on individual behaviors, to verify the following hypothesis:

H2: *Students' perception of corrupted administrative staff is positively correlated to students' corrupt behavior.*

Table 8.5 shows that only few variables have a positive correlation with individual behaviors: Results show that the most influencing case is the administrative staff seeking for extra rents. This variable has a strong positive correlation with students willing to study from lecture notes (0.195 with $p < .01$) and with paying for extra rents (0.208 with $p < .01$). By extending $p < .10$, it is possible to consider also the positive correlation with students willing to seek for facilitate course admission (0.118 with $p < .10$).

Indeed, administrative staff enacting opaque procedures has a very strong positive correlation with students willing to seek for facilitate course admission (0.303 with $p = .00$). By extending $p < .10$, it is possible to consider also the positive correlation with students willing to pay for exams (0.134 with $p < .10$).

TABLE 8.5 The Effect of Administrative Staff Corruption Variables on Individual Behaviors

Variable		Studying from lecture notes	Pay for exams	Seek for facilitate practices	Seek for facilitate admission
Pursuing personal targets	Correlation	.080	.129	.079	.066
	Significance	.261	.069	.265	.354
Seeking for extra rents	Correlation	.195**	.208**	.005	.118
	Significance	.006	.003	.943	.095
Enacting opaque procedures	Correlation	.063	.134	.100	.303**
	Significance	.373	.058	.159	.000

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).

Results show that only two of the three variables selected influence students' behavior. This means that

H2 is not verified

Anyway, considering that administrative staff "pursuing personal targets" is one aspect that is less perceived by students as a variable influencing their study careers, the other two variables show interesting results that indicate an important influence of administrative staff's behavior on students' behavior.

The Effect of Local and Central Government Corruption Variables on Individual Behaviors

This subsection explores the results related to the effect of local and central government corruption variables on individual behaviors, aiming at verifying the following hypothesis:

H3: *Students' perception of corrupted local and central government is positively correlated to students' corrupt behavior.*

Table 8.6 shows the results from the correlation test.

The perception that students have on the fact that local and central government may influence resource allocation has a positive correlation with students willing to seek for facilitate practices (0.175 with $p < .05$).

Indeed, the fact that local and central government make individual appointment on solicitation shows a positive correlation with three variables

TABLE 8.6 The Effect of Local and Central Government Corruption Variables on Individual Behaviors

Variable		Studying from lecture notes	Pay for exams	Seek for facilitate practices	Seek for facilitate admission
Influence resource allocation	Correlation	–.043	.043	.175*	.104
	Significance	.545	.549	.013	.141
Individual appointment solicited	Correlation	.099	.172*	.182**	.153*
	Significance	.162	.015	.010	.031
Services selected through solicitation	Correlation	.141*	.185**	.110	.128
	Significance	.046	.009	.121	.070

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).

on four. This variable has a strong positive correlation with students willing to seek for facilitate practices (0.182 with $p < .01$), and a positive correlation with students willing to pay for exams (0.172 with $p < .05$) and to seek for facilitate course admission (0.153 with $p < .05$).

Finally, the fact that services are selected by solicitation has a positive correlation with students willing to study from lecture notes (0.141 with $p < .05$) and a strong positive correlation with students willing to pay for exams (0.185 with $p < .01$). By extending $p < .10$, it is possible to consider also the positive correlation with students willing to seek for facilitate course admission (0.128 with $p < .10$).

These results mean that also the corruption perception of local and central government influences students' behaviors. Given that all the three variables, even if in different ways, show correlations with students' behaviors, it is possible to assert that

H3 is verified.

The Effect of Education Institutes Corruption Variables on Individual Behaviors

This subsection explores the results related to the effect of education institutes corruption variables on individual behaviors, aiming at verifying the following hypothesis:

H4: *Students' perception of corrupted education institutes is positively correlated to students' corrupt behavior.*

TABLE 8.7 The Effect of Education Institutes Corruption Variables on Individual Behaviors

Variable		Studying from lecture notes	Pay for exams	Seek for facilitate practices	Seek for facilitate admission
Services selected through solicitation	Correlation	.092	.046	–.022	.047
	Significance	.196	.517	.762	.505
Individual appointment solicited	Correlation	.119	.131	–.060	.100
	Significance	.094	.064	.399	.161
Limit students' participation	Correlation	.030	.184**	.115	.182**
	Significance	.677	.009	.105	.010

** Correlation is significant at the 0.01 level (2-tailed).

Table 8.7 shows only two significant correlations between "education institutes limiting students' participation" and students willing to pay for exams (0.184 with $p < .01$) and seeking for facilitate course admission (0.182 with $p < .01$).

Indeed, by extending $p < .10$, also other correlations might be considered: the correlation between individual appointment by solicitation and studying from lecture notes (0.119 with $p < .10$), and between individual appointment by solicitation and students willing to pay for exams (0.131 with $p < .10$).

On this ground, we might assert that

H4 is not verified.

Students Perceived Corruption Overall and Within the Different Sectors

The last subsection aims at understanding students' perceived corruption overall and within the different sectors. We also aim at understanding how the corruption perception is influenced by individual characteristics, individual behaviors, and corruption perception of the different actors within the education context.

To this aim, Table 8.8 shows the descriptive statistics about students perceived corruption overall and across the different sectors on a 5-point scale.

Table 8.8 shows a quite high perceived corruption across all the various sectors. The education sector shows one of the lowest values, even if by looking at Table 8.9, it results the sectors with most of variable influencing its level of perceived corruption.

TABLE 8.8 Students Perceived Corruption

Corruption	Mean	SD
Overall	4.260	0.96
Public Administration	4.100	1.01
Education	3.575	0.99
Private sector	3.520	1.08
Political Institutions	4.530	0.83
Media & Press	3.960	1.02

In fact, while in other cases it is possible to observe two or three significant correlations, the education sector is correlated with seven variables.

In more detail, these variables are: age, number of exams, local and central government influencing resource allocation, local and central government doing individual appointments by solicitation, local and central government selecting services by solicitation, education institutes doing individual appointments by solicitation, education institutes selecting services by solicitation, and education institutes limiting students' participation.

Age is negatively correlated with the perceived level of corruption in education (–0.147 with $p < .05$), probably meaning that older students perceive education institutes as not corrupted differently from their younger colleagues.

The number of exams is positively correlated (0.168 with $p < .05$), meaning that students perceive the education context as corrupted as their number of passed exams increases.

The level of perceived corruption is then strongly positively correlated to the local and central government variables such as influencing resource allocation (0.149 with $p < .05$), individual appointments by solicitation (0.213 with $p < .01$), and selecting services by solicitation (0.214 with $p < .05$).

The level of perceived corruption is then strongly positively correlated to the education institutes variables such as individual appointments by solicitation (0.253 with $p = .000$) and limiting students' participation (0.140 with $p < .05$).

Finally, by extending $p < .10$, it is possible to include the positive correlation with students willing to pay for exams (0.135 with $p < .10$). This means that there is a relationship between the two variables indicating that the more the level of perceived corruption, the more students will be willing to pay for exams. This concept might be also extended by reasoning at the opposite, meaning that the more the students are willing to pay for exams, the more the system will be corrupted.

TABLE 8.9 Factors Influencing Students Perceived Corruption

	Corruption											
	Overall		PA		EDU		Private Sector		Political Institution		Media & Press	
Variable	Cor.	Sig.	Cor.	Sig.	Cor.	Sig.	Cor.	Sig.	Cor.	Sig.	Cor.	Sig.
Age	–.092	.194	–.023	.742	–.147*	.038	.030	.672	–.038	.598	.158*	.025
Sex	.007	.918	.035	.624	–.004	.957	–.061	.390	.101	.153	–.037	.600
Number of Exams	.056	.432	.060	.398	.168*	.017	.059	.406	.058	.412	.146*	.039
Work Experience	–.016	.827	.048	.503	–.083	.244	.126	.076	.044	.537	.127	.074
City size	.066	.356	.036	.613	.011	.881	–.003	.966	.095	.180	–.064	.370
Family Members	–.048	.497	.061	.392	–.026	.720	.006	.931	.059	.406	–.056	.434
Education father	–.118	.096	–.106	.136	–.058	.412	–.152*	.032	–.068	.342	–.145*	.040
Education mother	–.020	.776	–.071	.315	–.104	.143	–.152*	.032	–.039	.585	–.109	.126
Family income	–.059	.408	–.020	.783	.090	.206	.001	.990	.047	.512	.051	.471
Studying from Lecture notes	–.061	.390	.068	.340	.081	.256	–.075	.290	.037	.601	–.034	.636
Pay for exams	–.139	.050	–.037	.602	.135	.056	.130	.066	.033	.646	.020	.775
Seek for Facilitate Practices	–.108	.129	.022	.760	–.033	.643	–.027	.708	.053	.458	–.139*	.049
Seek for Facilitate admission	–.201**	.004	–.076	.282	.047	.506	.007	.917	–.083	.242	–.073	.303
Teachers giving private lectures	–.019	.787	.091	.201	.115	.104	–.015	.836	.054	.451	.018	.806
Teachers selling exams	–.212**	.003	.033	.640	.001	.984	.004	.957	–.079	.268	–.018	.800
Teachers accepting recommendations	–.178*	.012	.002	.974	.017	.809	–.020	.779	–.112	.115	–.086	.224

(continued)

TABLE 8.9 Factors Influencing Students Perceived Corruption (continued)

	Corruption											
	Overall		PA		EDU		Private Sector		Political Institution		Media & Press	
Variable	Cor.	Sig.	Cor.	Sig.	Cor.	Sig.	Cor.	Sig.	Cor.	Sig.	Cor.	Sig.
Administrative staff pursuing personal targets	.009	.896	.070	.328	.082	.248	.009	.904	–.105	.139	–.010	.889
Administrative staff seeking for extra rents	–.044	.538	.067	.346	.099	.163	.027	.705	.018	.804	.113	.112
Administrative staff doing opaque procedures	–.120	.091	–.052	.462	.045	.528	.048	.498	–.189**	.007	–.003	.962
LCG influence resource allocation	.064	.371	–.004	.958	.149*	.035	–.031	.659	–.020	.781	–.049	.492
LCG individual appointment by solicitation	–.011	.879	–.030	.671	.213**	.002	.010	.887	–.041	.562	–.076	.287
LCG selecting services by solicitation	–.001	.989	.034	.635	.214**	.002	.059	.408	.102	.150	.028	.698
EDU institutes selecting services by solicitation	.104	.142	.076	.283	.065	.364	.161*	.022	.085	.232	.090	.203
EDU institutes individual appointment by solicitation	.055	.443	–.034	.634	.253**	.000	.167*	.018	–.003	.971	.119	.093
EDU institutes limiting students' participation	.015	.837	–.171*	.015	.140*	.048	.208**	.003	–.143*	.044	.116	.101

DISCUSSION AND CONCLUSION

The aim of this study was to provide an analysis of the effects that the perceived corruption has on students relatively to the tendency to adopt corrupt or negative behaviors, and to understand how students perceive the corruption characterizing their educational system as actors directly involved in the field.

By analyzing the literature on corruption in higher education, while it has largely debated the theme of corruption, inside and outside the education context (e.g., Aguilera & Vadera, 2008; Devine & Maassarani 2011; Huang, 2008; Miceli et al., 2008; Osipian, 2007; Rothschild & Miethe, 1994), we found no studies (or at least we are unaware about them) devoting attention on how students perceive the corruption characterizing their educational system as actors directly involved in the field.

To reach the aim of our study, we started our analysis considering an integrated framework based on the contributions of Chapman and Lindner (2016), Heyneman (2011), Melgar et al. (2010), and Weidman and Enkhjargal (2008), that analyze corruption in higher education as the result of the influence exerted by actors and institutions from different contexts, not only from those directly involved in the educational system. Then, we administered a questionnaire to 200 Italian students attending bachelor's and master's degrees in Business and Management. Data gathered from the questionnaires have been analyzed with a correlation test to understand the effects that sociodemographic variables may have on individual behavior, to understand students' perceived corruption overall and within the different sectors, and to verify the following hypotheses:

H1: *Students' perception of corrupted teachers is positively correlated to students' corrupt behavior.*

H2: *Students' perception of corrupted administrative staff is positively correlated to students' corrupt behavior.*

H3: *Students' perception of corrupted local and central government is positively correlated to students' corrupt behavior.*

H4: *Students' perception of corrupted education institutes is positively correlated to students' corrupt behavior.*

In testing H1 and H3, we found that all the variables selected to represent teachers and local and central government are correlated with the variables representing students' behaviors, H1 and H3 have been verified. Indeed, in testing H2 and H4 not all the variables considered have been found correlated with students' behaviors. Thus, H2 and H4 have been not verified.

Again, in understanding the effects of sociodemographic variables on individual behavior, we found no significant correlations, with the exception of the number of family members and family income on the students willing to pay for exams.

In understanding students' perceived corruption overall and within the different sectors, we found the educational system as the one with most influencing variables, as shown in Table 8.9.

However, an important transversal finding to be commented is that the individual behavior found as the most affected by other variables is the willing to pay for exams (12 significant correlations on 21 measures).

Even if corruption in the education context shows no significant correlations on individual behavior, our study confirms the view by Chapman and Lindner (2016), Heyneman (2011), Melgar et al. (2010), and Weidman and Enkhjargal (2008), that the perceived corruption in the higher education context is not only influenced by the perceived corruption within the sector itself, but also from some contextual and individual variables and conditions. The fact that various contextual and individual variables may influence students in adopting corrupt behaviors, means that, in turn, the educational system might become corrupted.

Our findings allow us to present a different framework (see Figure 8.1) explaining the influence that the various actors directly and indirectly have in affecting students' behaviors towards corruption.

The framework shows how the perceived level of corruption associated by the students to the different actors in the field, affects their individual behavior. While individual characteristics have been found having a weak (or null) correlation with individual behavior, the perceived corruption of local and central government, teachers, and education institutes have been found having a strong correlation with individual behavior. Indeed, even if teachers and students' behaviors show no significant (direct) correlation with the perceived corruption in the educational system, they might have an indirect effect due to the influence that teachers' corruption has on students' behavior, thus meaning that the systems might be considered as corrupt if teachers and students are themselves corrupt.

This study has manifold interesting implications. First, we contribute to the literature on corruption in higher education by integrating different views on perceived corruption in the field. Second, we aim to fill the gap in literature on empirical studies showing the effects of corruption and perceived corruption on students' behaviors, based on data gathered from students as actors directly involved in the field. Third, we advance a theoretical framework showing the influence that the different actors have on individual behaviors and on how corruption is perceived by the students.

Limitations of this study might be found in the influence that the specific context and culture might have on findings. The study has been conducted

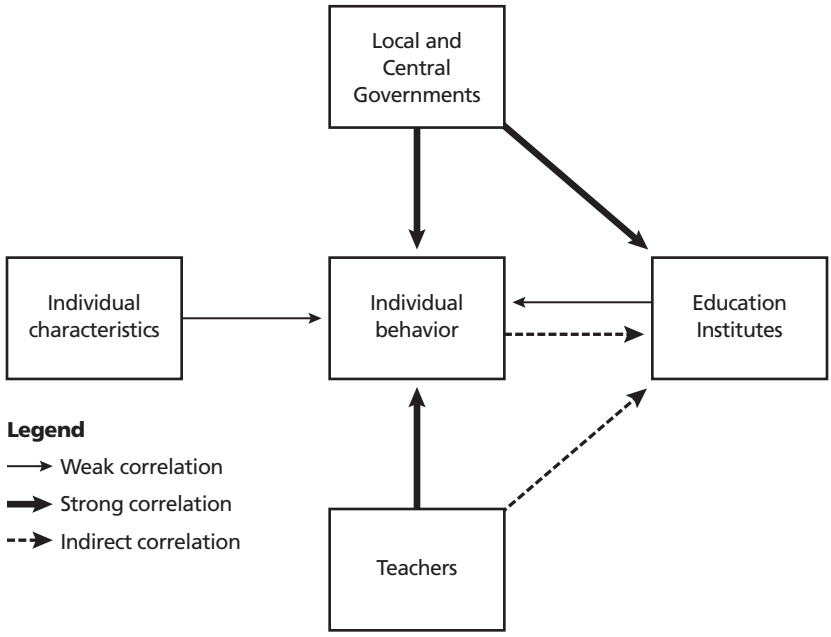


Figure 8.1 Context influence on students' corrupt behaviors.

in a country that has been over the last 20 years involved in various corruption scandals: This might have influenced a whole generation on how corruption is perceived, accepted, or legitimized.

Future research might repeat this study in different contexts and cultures to verify its potential in explaining students' behaviors.

REFERENCES

Aguilera, R. V., & Vadera A. K. (2008). The dark side of authority: Antecedents, mechanisms, and outcomes of organizational corruption. *Journal of Business Ethics, 77*(4), 431–449. doi:10.1007/s10551-007-9358-8

Amann, W., Berenbeim R., Keong Tan T., Kleinhempel M., Lewis A., Nieffer R., Stachowicz-Stanusch A., & Tripathi S. (Eds.). (2015). *Anti-corruption: Implementing curriculum change in management education.* Abingdon, England: Routledge.

Anand, V., Ashforth, B. E., & Joshi, M. (2004). Business as usual: The acceptance and perpetuation of corruption in organizations. *Academy of Management Executive, 18*(2), 39–53.

Ashforth, B. E., & Anand, V. (2003). The normalization of corruption in organizations. *Research in Organizational Behavior, 25*, 1–52.

Chapman, D. W., & Lindner, S. (2016). Degrees of integrity: The threat of corruption in higher education. *Studies in Higher Education, 41*(2), 247–268. doi:10.1080/03075079.2014.927854

Devine, T., & Maassarani, T. (2011). *The corporate whistleblower's survival guide: A handbook for committing the truth.* San Francisco, CA: Berrett-Koehler.

Doh, J. P., Rodriguez, P., Uhlenbruck, K., Collins, J., & Eden, L. (2003). Coping with corruption in foreign markets. *Academy of Management Executive, 17*(3), 114–129.

Heyneman, S. P. (2004). Education and corruption. *International Journal of Educational Development, 24*, 638–658. doi:10.1016/j.ijedudev.2004.02.005

Heyneman, S. P. (2011). The corruption of ethics in higher education. *International Higher Education, 62*, 8–9.

Huang, F. L. (2008). Corruption and educational outcomes: Two steps forward, one step back. *International Journal of Education Policy & Leadership, 3*(9), 1–10.

Johnston, M. (1986). The political consequences of corruption: A reassessment. *Comparative Politics, 18*, 459–477.

Kaufmann, D. (1997). Corruption: The facts. *Foreign Policy, 107*, 114–131.

Klitgaard, R. E. (1988). *Controlling corruption.* Berkeley: University of California Press.

Manz, C. C., Joshi, M., & Anand, V. (2005). The role of values and emotions in newcomers' socialization into organizational corruption. In *Academy of Management Proceedings* (Vol. 2005, No. 1, pp. J1–J6). Briarcliff Manor, NY: Academy of Management.

Mauro, P. (1996). The effects of corruption on growth, investment, and government expenditure. IMF working paper No. 96/98. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=882994

Melgar, N., Rossi M., & Smith T. W. (2010). The perception of corruption. *International Journal of Public Opinion Research, 22*(1), 120–131. doi:10.1093/ijpor/edp058

Miceli, M. P., Near J. P., & Dworkin T. M. (2008). *Whistle-blowing in organizations.* New York, NY: Routledge.

Osipian, A. L., (2007). Corruption in higher education: Conceptual approaches and measurement techniques. *Research in Comparative and International Education, 2*(4), 313–332.

Rose-Ackerman, S. (2001). Trust and honesty in post-socialist societies. *Kyklos, 54*, 415–443. doi:10.1111/1467-6435.00161

Rothschild, J., & Miethe T. D. (1994). Whistleblowing as resistance in modern work organizations. In J. M. Jermier, D. Knights, & W. R. Nord (Eds.), *Resistance and Power in Organizations* (pp. 252–273). London, England: Routledge.

Shleifer, A., & Vishny, R. W. (1993). Corruption. *Quarterly Journal of Economics*, 108, 599–617.

Taft, S. H., & White, J. (2007). Ethics education: Using inductive reasoning to develop individual, group, organizational, and global perspectives. *Journal of Management Education, 31*(5) 614–646.

Tanaka, S. (2001), Corruption in education sector development: A suggestion for anticipatory strategy. *International Journal of Educational Management, 15*(4), 158–166.

Tanzi, V. (1998). Corruption around the world: Causes, consequences, scope, and cures. *IMF Staff Papers, 45*, 559–594.

Temple, P., & Petrov, G. (2004). Corruption in higher education: Some findings from the state of the former Soviet Union. *Higher Education Management and Policy, 16*(1), 83–99.

Thomas, T., Schermerhorn J. R., Dienhart J. W., & Bartles D. L. (2004). Strategic leadership of ethical behavior in business [and executive commentary]. *Academy of Management Executive, 18*(2), 56–68.

Trevino, L. K., & Brown, M. E. (2004). Managing to be ethical: Debunking five business ethics myths. *Academy of Management Executive, 18*(2), 69–81.

Weidman, J. C., & Enkhjargal A. (2008). Corruption in higher education. In D. P. Baker & A. W. Wiseman (Eds.), *The worldwide transformation of higher education: International perspectives on education and society*, Vol. 9 (pp. 63–88), London, England: Emerald.

This page intentionally left blank.

PART IV

ANTI-CORRUPTION AS A TOPIC OF RESEARCH

This page intentionally left blank.

CHAPTER 9

UNDERSTANDING CORRUPTION?

Jaime Barrera Parra and Gustavo González Couture

ABSTRACT

In this chapter, we offer an in-depth description of corruption intended to foster methods, approaches, tools, and cases that may be used for anti-corruption teaching. We base our argument on Bernard Lonergan's approach to human understanding and moral consciousness. There is a paradox in the backdrop of our argument; although corruption is a fact that can be accounted for we demonstrate it is all but intelligent action—thus, acting corruptly is not being fully intelligent, and therefore, corruption is ultimately not understandable. At the same time, this is not an excuse to think that elaborating and carrying through all sorts of initiatives that will enhance an anti-corruption education are invalid. The theoretical perspective followed in this chapter, by providing and account of operations of the mind and the will, hopefully will aid better explaining and facing concrete cases in the future.

The Principles for Responsible Management Education (PRME) initiative of the Global Compact and its Anti-Corruption Toolkit constitute the equivalent of an open-source enterprise inviting management professors to contribute to its development. A book on anti-corruption (Amann et al.,

Anti-Corruption in Management Research and Business School Classrooms, pages 159–180

2015) calls for situated learning theory teaching, offers examples of curricula design, and even provides a syllabus of a course titled "Corruption Development and Democracy: Theories, Policies and Best Practices." This course "exposes students to relevant theories and analysis of the impact of corruption and its interactions with democracy and development" (Amann et al., 2015, p. 61).

Previously, we offered the description of a course with the objective of sensitizing students to the meaning of work provided by authors with several worldviews and their ethical consequences (Barrera & Gonzalez, 2018). There, we searched for the character strengths needed for a student to face the integrity challenges that today's complex business world manifests. In this chapter, we aim to contribute an account of human action that describes the source of individual and group corruption, albeit at such a general level that we hope it will be of some service to the abovementioned PRME curricula, if not yet to the course.

The context in which we discuss this account is that of a triple-accredited management school in an emerging economy in Latin America. Accreditation agencies have been observing our approach, which focuses on reasoning with principles, debating, and using the executive experience of students when appropriate, rather than focusing on laws, rules, and regulations. We also agree with Amann et al. (2015) in terms of the need to prepare students for the "make-or-break" situations that arise in confronting daily ethical dilemmas and desire to offer them knowledge, activities, and reflective challenges that will not only advance them in their self-knowledge, but also in their living values beyond simply paying lip service to them.

Another of Amann et al.'s (2015) suggestions, which we also support, is that the teaching effort cannot stop at transferring knowledge and principles; rather, it also needs to impart skills and competences. What we argue here is that combating corruption is more demanding than imparting skills and competences;[1] while efforts toward skill and competence development are necessary, they are not sufficient. Apprehending and *living values* is not only a decision based on knowledge, understanding, discerning, judging, and deciding, but as we intend to show, it involves carrying out the decision as well. Even more, it must be performed habitually, which is what "living a value" entails. This takes willpower, self-control, and self-determination. The will requires training—or better, educating—just as is done for the mind.[2]

A WORKING NOTION OF CORRUPTION

Accordingly, we propose to start not from a definition, but instead from considering any concrete case of the so-called basic forms of corruption (bribery, fraud, money laundering, extortion, kickbacks, peddling influence,

cronyism/clientelism, nepotism, patronage, insider training, speed money, embezzlement, and abuse of public property), and from there, ask the relevant question: "What is the meaning of… (say) political patronage?" In other words, we propose to change the approach to the study of corruption from a question of what corruption is to one about "the meaning of corruption," and in accordance with this approach, build a basic viewpoint to reach an understanding not of an abstraction called corruption but of the "biased understanding" underpinning the forms of corruption. Such understanding will allow us to posit corruption not only as a moral failure but as stupid action.

Corruption is certainly real. It is a real fact. It cannot be denied. It is highlighted by the headlines of everyday media, massively affirmed by powerful statistical numbers, dramatically illustrated by the names of the personalities involved in acts of corruption, an object of admiration when clever schemes are uncovered, and painfully lamented due to its devastating effects.

Among academics, there does not appear to be a universally agreed-upon definition of corruption; nevertheless, corruption is well known by an ordinary citizen like pornography is well known by an ordinary parent. In this chapter, we use the UNDP meaning, where "corruption is the misuse of entrusted power for private gain." (United Nations Development Program, 2008).

Today, social media reveals corruption in private organizations, whereas in the past, this was often hidden from conventional media and the public. Privacy was a sort of "right" of private companies. We speak of this in past tense because all the Global Compact principles manifest an expected transparency from companies' dealings, to the point that this privacy is increasingly diminishing.

Another meaning for a "corrupt person" refers to actions that mainly injure the agent—being an addict, selfish individual, miser, and so on. However, a better description for such personal moral failure is what was called up to modernity the seven capital or deadly sins—wrath, envy, greed, sloth, lust, gluttony, and pride. Of course, in this era of religious vacuum and politically correct psychological and sociological discourse, these are no longer spoken of. It is too shocking for modern men and women to think they are prone to such "gross" behavior. Thus, we will not delve into these matters, and instead, adhere to our characterization of corruption as actions that mainly affect negatively the public interest, groups of individuals, and sets of citizens.

The conventional notion of corruption is that it is a moral flaw on the part of certain individuals. But the striking fact is that most renowned recent corruption cases have been perpetrated, first, by university graduates, and second, in business and related fields of training.

This general perception has motivated management and business schools to emphasize curricula, courses, and activities related to ethics and socially responsible conduct. One does not find similar initiatives in other schools. What is assumed by the standpoint based on these two perceptions is that the conventional source disciplines (economics and psychology) are morally neutral and flawless, in that their growing research is considered fundamental research—replicating the experimental sciences, and somehow, if well learned and applied, leading to adequate results. In contrast, applied research specific to management functional areas (finance, marketing, organizational behavior, logistics, and more recently, social network analysis), when considered in specific contexts of organizations, cultures, places, and times are value laden and prone to ethical dilemmas.

Conventional thought, we insist, is that the misbehavior of highly successful executives, usually coming from elite schools, with high IQs, is not intellectually related, but it may be ethically explained. We contend that this is the reason for charging ethics, leadership, and social responsibility courses with being accountable for the whole moral development of students, while the supposedly "morally aseptic" disciplines of the social sciences and hard sciences have complied with their corresponding part of training the mind for intelligent behavior.

What happens, however, if one takes the stance of viewing the corruption that concerns us as attributable to antecedent intellectual biases that account for what is not only unethical behavior, but also stupid action? Indeed, a person's willing to risk of spending life in jail, despite a high IQ or having been trained at a reputable business school, does not seem to be either a desirable or intelligent outcome. To approximate such a standpoint, we draw on Bernard Lonergan's account of knowledge, which allows us to better understand the close interrelations between the person's intellectual world and his/her moral world (Lonergan, 1990).

AN ACCOUNT OF KNOWLEDGE AND CONSCIOUSNESS

First, it is important to distinguish the world of immediacy from the world mediated by meaning. For Lonergan (1990), the world of immediacy is that of the infant's experiences: It is the sum of what is seen, heard, touched, tasted, smelled, and felt. A world mediated by meaning allows us to clarify "the myth where knowing is reduced to looking; objectivity to seeing to what is there to be seen and not seeing what is not there; and reality is what is out there to be seen" (Lonergan, 1990, p. 238).

Such a world mediated by meaning is where *knowing* is not reduced to sense experience but involves the internal and external experience of the culture of a community and its continuous checking and rechecking of its

judgments over time. Knowing, then, is not just looking or experiencing, but it is understanding, judging, and believing.[3] Furthermore, objectivity is more than criteria on how to see; it is the compounded criteria of experiencing, understanding, judging, and believing. Finally, "reality is not just what is looked at, it is the given experience, organized, and extrapolated by understanding posited by judgments and belief" (Lonergan, 1990, p. 238).

This interrelatedness of operations—experiencing, understanding, judging, and deciding—corresponds to increasing degrees of awareness acquired by our implicit or explicit inquiry on what is being operated on. When we ask, "What is this?"—when we experience with our senses—we are performing an operation, that of understanding, but we are also being aware of the existence of what we have experienced. When we further ask, "Is this truly what I think it is?" questioning what we have understood, we judge and inquire about the nature of the thing to which our understanding refers. Moreover, when we answer that question in the affirmative, we may further ask, "Is it worthwhile living it?" In other words, we apprehend a value and decide to live up to it; we have acquired a higher degree of consciousness up to the point of taking an existential stance toward it. In contrast, if this question is answered in the negative, then one may decide to reject it, and this is also an existential stance.

This account allows us to see how a not-well-understood or not-well-judged situation arouses a mistaken decision. Of course, one never intentionally decides mistakenly. It is erroneous understanding and judging that furthers wrong decisions. This is what is essentially posited in Lonergan's (1990) account of knowledge and consciousness. A clear mind and a trained will—self-mastery—enhance proper thinking, judging, deciding, and doing.

A moral value—what the classics called a virtue—can be formulated and named, but it will remain an abstraction until being embodied by the person. The requirement of embodying the value to make it operative is scantly mentioned in the business ethics literature; this may be because such an endeavor requires not only intellectually apprehending, wanting, and desiring the value, but also living it. Moreover, it necessitates not only living it on some occasions, but as a habitual practice, that is what is meant by "living a value."

We have briefly posited how Lonergan's account of knowledge is tied to the development of a moral consciousness. We now offer a further set of notions, also raised by Lonergan, that will allow us, first, to approach higher education from a novel perspective, and second, understand the stringent requirements for educating not only business persons, but all professionals in the positive moral intelligence and behavior needed to face the lures of a global market, with all the enticements that a growing ethical relativism is brewing.

COMMON-SENSE UNDERSTANDING AND INTERSUBJECTIVITY

Common Sense

For Lonergan (1990), common sense is a form of knowledge that contrasts with scientific knowledge, while at the same time, both assist each other. The former deals with the concrete and, the latter with theory and universals. To do so, it uses the scientific method, which allows for replicating findings in different settings and times, thereby building consensus about the validity of these findings. It establishes relations between things that derive in laws and allows an ever-growing mastery of life and nature. It is the foundation of contemporary technology.

The scientific method was developed in the West and in the last millennium, but we know that humanity has been on earth for tens of thousands of years, surviving and improving its livelihood, instruments, dwellings, communal organizations, and so on. Thus, forms of knowledge that somehow explain humans' capacity to intervene in nature and its surroundings existed even before recorded history.

Talking is a basic human trait. Lonergan refers to it as an art. However, doing is more impressive than talking, since it not only serves survival, but also stirs admiration and emulation. To imitate, experiment, correct, and pass on to others is the basis for a spontaneous collaboration among individuals in the family and tribe, and today, a variety of groups that may include a country.

Humans are born then with a native urge to inquire and understand. An individual is born into a community that has a fund of tested answers from which she draws a measured share according to her capacity, interests, and energy. The individual's intellectual endowment is what motivates his self-correcting process of learning that, once shared with other communal members, represents the achievements of one generation offered as the starting point for the next (Lonergan, 1992, pp. 196–199).

Let's refer to this native urge to inquire and understand as spontaneous inquiry, which in turn gives rise to the spontaneous accumulation of related insights, and spontaneous collaboration in communication, all of which enable common sense as an intellectual development. On one side are the definitions, postulates, and inferences of general knowledge that regard the universal and abstract concepts developed by the sciences. On the other are the tenets of common-sense knowledge—It is a specialization of intelligence in the concrete, common without being general, a set of insights that remain incomplete until a further insight is added concerning the situation at hand, but once added, the previous common sense reverts to a new state of incompleteness. As Lonergan (1992) explained,

> It may seem to generalize, but does so, in a different sense than science [which offers premises from which correct deductions can be drawn], rather it communicates pointers that ordinarily are well to bear in mind [...] They aim to express, not the set of rounded insights of the scientist that either hold in every instance or in none at all, but the incomplete set of insights which is called upon in every concrete instance but becomes proximately relevant only after a good look around has resulted in the needed additional insight. (p. 199)

The contrasting, but complementary, forms of knowledge—science and common sense—pose a problem, especially for management and business schools and curricula. On the one hand, disciplines like economics, finance, marketing, supply chain management, and business history base their findings in statistical and probability methods, deriving hard data from facts and events (censuses, trading statistics, accounting records, surveys, etc.). On the other, social disciplines, like organizational behavior, courses in social responsibility, and ethics, derive their data from observations, perceptions, narrations, and reflections. The former is more keenly drawn to the scientific method, and thus, it has theoretical aspirations. This is not to say that the latter does not have such aspirations, but its findings are more keenly inclined to common-sense knowledge that speaks to persons and only about the concrete. Any management professor is aware of the different demands of diverse audiences—those of doctoral students and those of executives and managers. Thus, these schools' challenge is to educate students in the adequacy of each form of knowledge according to the nature of the problem at hand. Some management situations may be amenable to contributions from the sciences, while others, being concrete, are amenable to the practical ideas of common sense.

Any newly hired management student or MBA lives the tension of having been trained in the methods of science—social sciences—and having to deal with common-sense knowledge in the workplace. Common-sense knowledge is embodied in the individual, and it is only relevant to the environment she deals with. This explains why any individual adapts to the work he has chosen or that has fallen on her. He has lived

> through the cycle of eventualities that occur in his milieu [...]; his intelligence has been alert to them [...]; he has made mistakes and learnt from them [...]; he notices movements away from the familiar [...]; and is aware of the resourcefulness needed that hits upon the response meeting a new issue. (Lonergan, 1992, p. 203)

The common-sense form of knowledge is what "generates all those minute differences of viewpoint and mentality that separate men and women, old and young [...] all the cumulative differences and mutual incomprehension of different strata of society, different nations, civilizations and

epochs of humanity" (Lonergan, 1992, p. 203). Nevertheless, in humans, there is a spontaneous endowment by which they relate to others, offsetting the abovementioned differences and incomprehension. This is what we now consider.

Intersubjectivity

Lonergan offers a penetrating description and analysis of interrelations among individuals that contributes to a better understanding of the social order. He draws on Thomas of Aquinas's observation about how the spontaneity of raising our hands to defend our head against a blow from an exterior object can be carried over to the fact of a spontaneous relation among human beings. He calls this spontaneous relation "intersubjectivity." This antecedes—precedes—the distinction between the I and Thou. Moreover, it is definitely prior to the "we" from mutual love. In addition, such spontaneity can be observed when we reach out to aid somebody who is about to fall, which can be referred to as an "intersubjective field" with which we all are endowed (Lonergan, 1992, p. 198).

A further dimension of such spontaneous relations is the perception of an intersubjective meaning in "the person's countenance, in the movement of his eyes, of his lips, of his facial muscles, of his head, his fingers, arms, torso, legs. Meaning can be communicated in a manner that, as it were, escapes notice" (Lonergan, 1992, p. 198). Lonergan offers two excellent examples of this intersubjective meaning—an employee going into the boss's office, and just by seeing his bad humored expression, deciding to postpone the big inquiry for a better occasion, or a student walking into a professor's office and seeing her so disturbed that the student cuts short any conversation that might have transpired.

We quote Lonergan's description of the "intersubjective situation" at some length, as it challenges some of the tenets of contemporary communications, which suppose that social media and other virtual artifacts aid all aspects of communication among persons:

> The conceptual meaning refers [...] to a meant. But the intersubjective meaning is part of the constitution of the intersubjective situation. It presupposes the situation, the meetings, the presence, the previous relations one has had with another. It acknowledges the interpersonal situation. It determines the situation. It rather betrays the subject than describe the subject. One reveals oneself in a spontaneous fashion by these intersubjective manifestations of meaning. It is, as it were, a transparency of the person. The meaning of the smile is antecedent to any distinction between soul and body. It is a manifestation of the other person in which the other person is, as it were, immediately manifested, manifesting, self-revealing to the other.

> [. . .] One knows what intersubjective meaning is in the measure in which one attends to one's apprehension of intersubjective meanings in the way others behave and deal with us, and one attends to one's own self-revelation intersubjectivity. (Lonergan, 1992, p. 201)

It is this spontaneous intersubjectivity that is at the origin of

> the bond between mother and child, man and wife, father and son, clan, tribe, or nation [. . .] [and offers] a sense of belonging together [that] provides the dynamic premise for common enterprise, for mutual aid and succor, for the sympathy that augments joys and divides sorrows." (Lonergan, 1992, p. 212)

Many of our students, spending a good deal of their time on social media or text messaging to communicate with others, seem to show an erosion of social skills when a face-to-face situation demands their attention. In some way this is quite far from spontaneous intersubjectivity and the understanding of its implications as we have just mentioned. These notions then require that those disciplines and themes of the management curricula pertaining to theories of society, state, and organizations in general be discussed in depth by uncovering the presupposed worldview implicit in those theories. Worldviews and views of the person play the role of controlling meaning and contribute, once thought through by the student, to realize the relativity of his own worldview and so open herself to that of others. Lonergan complies with this requirement in the assumption that the reason for "men being social, and the primordial basis of their community is not the discovery of an idea but spontaneous intersubjectivity" (Lonergan, 1992, p. 237). This is a notion of such compelling force that "[. . .] finally, as intersubjective community precedes civilization and underpins it so also it remains when civilization suffers disintegration and decay. The collapse of imperial Rome was the resurgence of family and clan, feudal dynasty and nation." (Lonergan, 1992, p. 238).

To summarize then, intersubjectivity is the experience of the physical presence of another. As when one is riding in a train or a bus, and a new passenger comes in through a door we are not facing. So, the fact of always being concentrated on the screen of a cell phone plus connected to earphones that deafens one to exterior noises and movements robes one of the intersubjectivity with another and hence to the experience of the "we." An experience and awareness indispensable in all present leadership theories.[4]

The Social Order

Another notion that aids our description of the biases that jeopardize adequate intelligent behavior is that of the social order. This order is made of

a pattern of relations whose dynamic realization constitutes the myriad of groups that constitute society. Aspects of this order include the technological—where distinctions and complementarity are established among trades and professions, including scientists, engineers, workers, managers, skilled and unskilled workers; the economic—where different means of capital formation intermingle with the production of goods and services; and the political—which builds a relative consensus amongst groups via its legislative, judicial, and executive branches.

Any organization develops an ethos of practical expectations (what members can expect of others) manifested in codes of behavior, habits that ascribe a reputation to each individual member, appealing to his past behavior. This concerted action attains a maximum of precision and reliability among the group's members. As Lonergan notes, "The social order not only gathers men together in functional groups but also consolidates its gains and expedites its operations by turning to its own ends the vast resources of human imagination and emotion, sentiment and confidence, familiarity, and loyalty" (Lonergan, 1992, p. 248).

Two factors hinder this ideal development of the social order. First, since human sensitivity is not human intelligence, the dictates of the latter imply an adaptation of the former, and new dictates require a fresh adaptation before the previous sensitivity ceases resisting the new dictates of intelligence. In other words, change in groups is not as smooth as expected by the ever-new dictates of intelligence; an inertial force present in the group is followed by another inertial force that retards change. Second,

> Social progress is a succession of changes. Each new idea gradually modifies the social situation to call forth further new ideas and bring about still further modifications. New ideas are practical and apply to concrete situations to those engaged in the situation. However, while the practical common sense of a whole community may be a single whole, its parts reside separately in the minds of members of social groups, and its development occurs as each group intelligently responds to the succession of situations with which it immediately deals. Were all the responses made by pure intelligences continuous progress might be inevitable. But, in fact, responses are made by intelligences that are coupled with the ethos and interests of the groups, and while intelligence heads for change, group spontaneity does not regard all changes in the same cold light of the general good of society. Just as the egoist puts further questions up to a point, but desists before reaching conclusions incompatible with his egoism, so also the group is prone to having a blind spot for insights that reveal its well-being to be excessive or its usefulness at an end. (Lonergan, 1992, p. 248)

Common-sense knowledge, intersubjectivity, and the social order are notions that will allow us to delineate the harm that corruption inflicts not only

on individual and groups of citizens, something that is well known, but on society in general. To clarify this, we still must elaborate on further notions, namely "horizon," "freedom," and "dialectic" which will contribute to a novel perspective of higher education. Second, with this new perspective in mind, we describe our view of individual and group corruption in such a way that what we consider to be stringent conditions for anti-corruption education can be met. Finally, a brief note of conclusion calls for explicating the human dimension of action to face the mounting worry concerning the deviant moral behavior of students when manifested as corrupt practices. Otherwise, such practices would not be a growing international concern requiring measures as the Global Compact and PRME.

The Horizon, Freedom, and Dialectics

Lonergan's definition of a horizon refers to all that lies within it as an object of our interest and knowledge, while all that lies beyond it, we say, is outside our range of interest and knowledge, and so, out of our care. As we will see below, this notion allows for a better understanding of the overt or latent conflicts that Lonergan (1990, p. 235) encompasses in his further notion of dialectics. Both notions are crucial and need to be considered in management education. Organizational life is replete with conflicts of all sorts; their complexity usually unsettles novice graduates at work. Not all work situations can be fitted into the well-intended management cases studied in class.

First, not all opposition is dialectical; that is, by uncovering fresh data, the opposing parties may come to an agreement. Second, other differences arise from different perspectives, as happens with the complexity of historical reality—that is, the polarities that past or contemporary politicians can excite in citizens. Finally, dialectical differences emerge instead from explicit or implicit cognitional theories, ethical stances, or religious outlooks.

Now, differences in individuals' horizons may be characterized as follows:

1. They are complementary, as happens in any organization where workers and managers have different trades, skills, and practices, which means that different interests and knowledge, but need each other's knowledge and competence to accomplish common goals;
2. They are genetically different, as when they are part of a process that takes place in time, with early and later stages, as in a biography or in single history; and
3. They are dialectically opposed, when what is found to be intelligible for one is unintelligible for another, what is true for one is false

> for another, what is good for one is evil for another (Lonergan, 1990, p. 236).

The last situation is what demands the most of an authentic leader, since it challenges her conflict resolution capacity—something lacking in many contemporary politicians. Moreover, although each differing party may have some awareness of the other, this usually involves negating or rejecting the other by classifying his standpoint as wishful thinking, acceptance of myth, ignorance or fallacy, blindness or illusion, backwardness or immaturity, and so on (Lonergan, 1990, p. 237). Somehow, in our interpretation, higher education strives to offer its students tools—outlooks, data, information, knowledge—when possible to surpass and transcend such dialectical oppositions. People's horizons are not always susceptible to an incontrovertible fixation. In contrast, despite being the

> structured resultant of past achievements and, as well, both the condition and limitation of further development [. . .] and boundaries that limit our capacities for assimilating more than we already have attained [. . . They] may too be [a] fertile source of further knowledge and care. (Lonergan, 1990, p. 237)

These notions will allow us a novel view of higher education in relation to the challenges that an education for anti-corruption demands.

CONVERSIONS

Intellectual Conversion

We can think of decisions and choices that occur within an established horizon as a "horizontal exercise of freedom." However, when our decisions and judgments move us from one horizon to another, we can refer to a "vertical exercising of freedom." Here, we can live two situations: The new horizon,

> though deeper, broader, and richer none the less is consonant with the old one and is a development out of its potentialities [. . .] or the new horizon comes out of the old by repudiating its characteristic features; it begins a new sequence that can keep revealing ever greater depth, breath, and wealth. (Lonergan, 1990, pp. 237–238)

For Lonergan, such a new beginning constitutes an *intellectual conversion*.

Although higher education is not usually referred to in these terms, they are not far from the reality of what such education purports—to open new horizons for students and professors alike. The latter's constant mission

is to explore and find those new horizons and share them with the former. The term "conversion" is not usually employed for such endeavors, in which students are offered new data, information, and knowledge that will provide greater depth, breath, and wealth to their existing horizon. Nevertheless, we think it provides a reliable stepping stone for understanding the challenges of higher education's purpose of facilitating the moral development of its students. In our reading, this purpose is what motivates the PRME initiative and others for improving ethical management education.[5]

The notion of conversion is closely associated with religious experience. Religious conversion is usually seen to involve the reformation, regeneration, and rebirth of a believer, independent of the religion or philosophical school to which he belongs. However, between intellectual conversion—a radical change of horizon—and religious conversion—a radical change of the person's spiritual dimension—there is a middle ground. This will help us in understanding the deep challenge of contemporary higher education in its well-intended purpose of educating professionals who are shielded against corruption in some way.

Moral Conversion

Complementing the conventional management and business curricula by offering courses in ethics and related to corporate social responsibility and performance needs further consideration for curricula and course syllabi to be as pertinent as possible. These represent laudable attempts, but they are still part of the context of the intellectual conversion of university education described above. The middle ground we refer to is Lonergan's notion of *moral* conversion. We argue then that intellectual conversion needs to be complemented by moral conversion if we truly want to provide a moral shield to our students.

If intellectual conversion entails a change of direction of our cognitive intentionality, then moral conversion is too a change of direction of our moral intentionality. Cognitive change implies reorienting our intentionality in three dimensions: with respect to knowing; secondly, in that of objectivity—that is, in our relation to the reality of what is known; and thirdly, to reality. Carrying through such analysis of intentionality to the moral realm then the relations amongst judging, believing and deciding can be posited as: judging referring to value and judgments of fact. Deciding is neither judging nor believing, it is choosing what judgment has asserted as being a valuable project worth pursuing. Finally, believing is not choosing a value but judging motivated by the chosen value.

We can follow now the tenets of intellectual conversion and refer, in similar fashion, to a moral conversion. For Lonergan, this happens when we change the criteria of our decisions and choices from satisfactions to values.

Our parents and mentors guide us to arrive at the early stage in life where true authenticity takes place—that moment when we discover that our decisions affect us no less than the objects chosen or rejected. This has to do with the exercise of vertical freedom, where we opt for what is truly good, even for a value against satisfaction when they conflict.

In Lonergan's theory of knowledge and mounting consciousness, as we exercise operations of understanding, judging, and deciding, this latter operation—when referring to the moral realm, choosing and deciding for what is good—is not sufficient for acting. Here, deciding is not doing. Our will needs training, just as our mind does (Lonergan, 1990, p. 240). In higher education, we content ourselves with training the mind and assuming that intellectual virtues—carefulness, open-mindedness perseverance, honesty, humility, attentiveness, thoroughness—automatically carry moral virtues with them, including truthfulness, prudence, temperance, fortitude, and justice. The behavior that we repudiate in corrupt persons of high intellectual caliber precisely proves that intellectual virtues do not translate into moral virtues.

For the intellectually savvy to check their moral vulnerability, they need to uncover the roots of their individual, group, and general biases. For Lonergan, these biases are what hinder a person's intellectual and moral development.

If these efforts are to be successful, they require a moral conversion of all concerned, both students and faculty. This is quite a bold statement, but it is worthy of discussion.

BIASED UNDERSTANDING

Individual Bias

Although few would disagree that the corrupt person is an egoist, describing egoism will aid our argument. First, it is important to clarify what egoism and altruism do not refer to. In the animal world, survival requires a carnivorous beast to stalk and kill its prey to feed its young. Stalking is not egoistic behavior, nor is feeding the young altruistic behavior; it is the way nature behaves, and we may call it instinct. Similarly, in the human world, a person's spontaneous behavior aimed at satisfying his appetites and helping others to satisfy theirs is neither egoistic nor altruistic. In both worlds, it is legitimate to take care of oneself and contribute to others' wellbeing. This is a necessary premise for the social order to be possible (Lonergan, 1992, pp. 244–247).

Second, let us view humankind as living in a tension between sensitive spontaneity and detached intelligence. The former refers to fears and

desires that are present, immediate, and palpable; they radiate from the self as from a center, and thus, their efficacy diminishes rapidly with distance in place or time. In contrast, the latter is "a principle of universalization and synthesis, understanding similars in the same manner and giving rise to further questions on each issue until all relevant data are understood" (Lonergan, 1992, p. 245).

> This view of the tension present in every person allows egotistic behavior to be posited as an interference of spontaneity in the development of intelligence. The egoist does not indulge in dreaming; on the contrary, she faces issues squarely and thinks them through, but stops when needing to answer questions that might expose her deceiving behavior to herself. The type of questions he will not consider are of the following type: Can his solutions to problems be generalized? Are the solutions compatible with the existing social order? Or any social order primarily or remotely possible? [. . .] The egoist is a schemer, shrewd calculator, and hard-headed self-seeker who does not allow the full development of his intelligence, stopping at the self-deceiving inquiry. Although this individual has the boldness to strike out and think for himself, he fails to pivot from the initial and preliminary motivation provided by desires and fears (spontaneous sensitivity) to the self-abnegation involved in allowing complete free play to intelligent inquiry. This inquiry is reinforced by spontaneous desires and fears; by the same stroke, it is restrained from consideration of any broader field. (Lonergan, 1992, pp. 245–246)

The egoist's initial motivation allows him to be partially aware of the self-deception; thus, he "devotes his energies to sizing up the social order, ferreting out its weak points and discovering devices that give access to its rewards while evading its demands for proportionate contributions" (Lonergan, 1992, p. 246). However, she arrests the ongoing drive to further understand, something that is in the essence of intelligence, at the point where her self-deception would be impossible to bear.

We contend then that an acceptable description for the corrupt person is that of being an egoist in the first place—a condition where the spontaneous intersubjective individual interferes with the further development of his intelligence. This is done in such a manner that, at some point, the individual's understanding is blinded to further questioning that might reveal the futility and barrenness of his situation. A condition that gives origin to "biased understanding" and our contention of corrupt behavior not only being moral failure but stupid behavior.

Understanding is the result of cumulative and progressive related insights. That growth in time results in an orientation that might have different and diverse directions. Scientific understanding is not a perfect achievement but an ongoing process with each new hypothesis advancing through experiments and verifications to new questions, new discoveries and new hypotheses. Similarly, common sense understanding is a self-correcting

process where the direction of the movement might become biased and deflected by the nature of its dynamism. Since the intentional understanding of a group emerges from the unstructured common-feeling of a confused "we," the ignorance, repression, by passing or manipulation of that spontaneous inter-subjectivity by understanding, might result in the "biased understanding" of an individual or a definite group. It is our contention in this chapter that it is "biased understanding" that lies at the root of the many faces of "corruption." Or, in other terms, any form of "corruption" is the situation where the cumulative and massive outcome of a misdirected common sense where both individuals as well as groups pursue intelligent schemes deviated away from the good of order.

We argue that the interference of spontaneity (fears and desires) with intelligence explains to some extent why the premise of higher education—educating the mind and fostering intellectual competencies—does not suffice to deter egoistic behavior. Educating the will is also needed.

To educate the will means, first, needing to accept the possibility of erring intellectually, not grasping a problem adequately, providing a wrong solution, and so on. This requires humility to accept being mistaken and having the willingness to learn from and correct such erring. Second, accepting our moral vulnerability in terms of falling prey to enticements, being allured by false rewards, presuming that we are all-powerful, and so on. While erring intellectually is about "making mistakes" that could harm others and oneself, failing morally is about doing wrong to others and oneself—physically, mentally, emotionally, and spiritually. Treading the road of self-knowledge, self-control, self-determination—educating the will—requires recognition of our moral vulnerability; otherwise our pride will always get in the way of accepting such an assailable condition.

Educating the will also requires a moral conversion somewhere down the road. Not being able to leave satisfactions that mainly relate to sensitive spontaneity (fears and desires), and deciding for values instead, will direct the person's intellectual energy toward elaborating sophisticated rationalizations aiming to justify her egoistic behavior.[6]

The corrupt individual seldom acts in isolation; he usually requires others who will also gain from the group's concerted actions. Therefore, we turn to the second bias that Lonergan considers describing egotistic behavior at the group level.

Group Bias

Just as what operates with the individual's experiences—the dialectic between sensitive spontaneity and intelligence—operates at the communal level as a dialectic between the sensitive spontaneity present in the dynamic relations of human intersubjectivity and common-sense knowledge.

Furthermore, it allows for the interference of the former with the latter, with the negative consequences of impeding the development of an expected social order, not just the gain for corrupt individuals or groups over and against a limited number of others.

Such group bias affects the general development of a society and involves a serious distortion. The advantage of one group implies the disadvantage of another, and thus, rather than add new practical common-sense ideas to the whole, groups waste their energies devising offensive and defensive mechanisms (Lonergan, 1992, p. 249). Since groups differ in their possession of native talent, opportunities, initiatives, and resources, those in favored circumstances find success the key to further success. If this happens, leaving other disadvantaged groups with meager possibilities for social development, society becomes stratified:

> The course of development has been twisted. The social order that comes into being does not correspond to any coherently developed set of practical ideas. It represents the fraction of practical ideas that were made operative by their conjunction with power, the mutilated remnants of once excellent schemes that issued from the mill of compromise, the otiose structures that equip groups for their offensive and defensive activities. Again, ideas are general, but the stratification of society has blocked their realization in their proper generality. Ideas possess retinues of complementary ideas that add further adjustments and improvements; but these needed complements were submitted to the sifting of group interests and to the alterations of compromise. (Lonergan, 1992, p. 249)

One of the consequences is the blockage of general ideas in their realization and generality. The ideas that are blocked would contribute positively to the development of the social order:

> The sins of group bias may be secret and almost unconscious. But what originally was a neglected possibility, in time becomes a grotesquely distorted reality. Few may grasp the initial possibilities, but the ultimate concrete distortions are exposed to the inspection of the multitude. Nor has the bias of social development revealed the ideas that were neglected without also supplying the power that will realize them. For the bias generates unsuccessful as well as successful classes; and the sentiments of the unsuccessful can be crystallized into militant force by the crusading of a reformer or a revolutionary. [. . .] The dominant groups may be reactionary or progressive or any mixture of the two. As far as they are reactionary, they are out to block any correction of the effects of group bias, and they employ for this purpose whatever power they possess in whatever manner they deem appropriate and effective. On the other hand, as far as they are progressive, they make it their aim to correct existing distortions and to find means that will prevent their future recurrence [. . .] Reactionaries are opposed by revolutionaries. Liberals meet progressives. In the former case the situation heads towards violence. In the latter case, there is a general agreement about

> ends with disagreement about the pace of change and the mode and measure of its execution. (Lonergan, 1992, p. 250)

Considering group bias is what allows us to better focus on the actions needed at management schools to educate for anti-corruption. As argued above, curricula and activities that educate the student's intellect, self-control, and determination are necessary for their personal moral survival, as well as the knowledge and alertness to avoid falling prey to groupthink and other influences that will make the individual a member of groups deteriorating society and its future. Thus, we argue then that the consideration of biases—individual and group—allows us to surpass reducing corruption to just moral failings of individuals. It illustrates the need to make students aware of how social development can be seriously impeded by the practices of privileged groups that take such privileges for granted. In this way, we can hopefully introduce them to the possibility of affecting dominant groups in their conversion from being reactionary to being progressive.

The general question, "What is the meaning of . . . corruption?" moves the mind of the researcher out of the effort to gather data, look for similarities and common elements, box the similarities into labeled compartments, use the classifications to speculate about causes, formulate policies to remove the causes, design programs, and execute actions. The acceptance of the question about meaning leads the mind to discern the value of understanding from the counter-value of biased understanding, intelligence from stupidity, and by this simple stroke, transform (convert) the corrupt situation from the decline and fall of progress to the recovery of progress and a renaissance. Thus, management education needs not only to train its different publics in the conventional sciences and disciplines of said education, but also offer activities (courses and practices) that will open the student's mind and heart (will) to his moral vulnerability and the fact that her intellectual skills—hopefully embodying intellectual virtues—are a necessary condition, but they are not sufficient for the development of his positive character strengths—moral virtues.

CONCLUSION: MANAGEMENT EDUCATION FOR HUMAN ACTION

Corruption is a not the name given to a recent human phenomenon. The English term, corruption, is a transliteration from the Old French, which came from the Latin corruption. The modern word has the denotation of "unsound, rotten, debased, venal" (Onions, 1976, p. 218). The Latin noun, *co-ruptio*, was used to point out "alteration" (Dauzat, 1971, p. 151), but the verb, *co-rumpere*, went further to mean "break utterly into pieces," and thus, "destroy" and "annihilate," as well as "hurt, deteriorate, falsify,

corrupt, pervert." At its limit, the verb was used to mean "to buy somebody's collaboration with money" (*corrumpere aliquem pecunia*). Therefore, corruption is extremely "human." As action, corruption is not so much an isolated event, but rather an aggregate of actions. However, as human, it is an estate of actions charged with a certain meaning that constitutes the aggregate, although it is certainly a meaning gone astray, and as chosen, an unauthentic value perverting the goodness of the humanity of the actions.

Human Action

It is a fact that human actions are recurrent, and their recurrence makes them accumulate, group, and adapt to new situations, resulting in observable change. First, human actions *as actions* can be described and explained by classical laws. However, *as recurrent* events they can be recorded in frequencies, and such frequencies be compared with ideal frequencies. It follows that human actions can be described and explained by combinations of both classical and statistical laws. Lonergan proposed the term "emergent probability" to describe the intelligibility attained by the combination of the classical and statistical methods of science. Accordingly, understanding human action is not a matter of learning necessary laws, but rather of discovering an intelligibility that is not a given but an emergence in aggregates of events of different kinds.

The path of human action, as differentiated concretely in different situations that happened according to schedules of probability, is not to be described and explained by the formulations of the results of applying classical and statistical methods alone, but also by genetic accounts—histories, processes, and so on—that link groups of differences in a sequence. To indicate the end of this endeavor heuristically, modern science has coined the word "development."

Second, human actions *as human* ask for further consideration: recurrent—transformed, differentiated actions can result in different standpoints, namely horizons. The oppositions can give way to confrontations, and the confrontations to conflicts, and when these are unresolved, they culminate in violence and destruction. This can be addressed using of a dialectical method that deals with the concrete dialectic of the human action *as human*, requiring us to aim "ultimately at a comprehensive viewpoint, and proceeding to that goal by acknowledging differences, seeking their ground real or apparent, and eliminating superfluous oppositions" (Lonergan, 1990, p. 130). This method will attempt to discern the values inherent to each stance; it will objectify the differing horizons and establish meeting grounds, fostering commitments to new courses of action.

Management Education

In managing concrete situations at work, it is not possible to avoid facing differences that could be complementary or genetically understood as innovations, adaptations, updating, and so on, but also meeting conflicting differences that would be dialectically explained and creatively integrated by comprehensive and higher viewpoints. Management education accordingly cannot be reduced to approaching the study of human action only *as action*, as behavior explained by the formulation of laws of the classical or statistical type. Rather, management education should include the dynamic understanding of sequences of differentiations of human institutions (political, economic, technological) that have been schematized by the social sciences (economics, law, anthropology, sociology, psychology) and described by the different departments of human studies (literature, history).

Management education will remain not only incomplete, but also truncated, if its program does not aim at developing a self-appropriation of the intentionality of both cognitive processes and moral development in the student. The latter includes the identification of individual and group biases in a person's understanding and consequent articulation of meaning. To accomplish such an educational feat is all but easy; but it has been lived in the past. Yes, what the Classics (Greece and Rome) succeeded in, with their notion of education (*paideia* in Greek and *humanitas* in Latin)—contributing to bringing out of the student his best intellectual and moral qualities—was to cultivate the intellect together with positive character strengths. Reducing education to training of the intellect only leaves out dimensions of the human being that explains why, not only management alumni, but university graduates in general, are so vulnerable to the enticements of the world.

NOTES

1. "He has, indeed, done it very well; but it is a foolish thing well done": A quotation from Samuel Johnson found in Collins English Dictionary (Competence, n.d.), referring to synonyms for "competence." In the bleak world of corruption, it is possible to find extremely competent individuals engaged in harmful chicaneries.
2. The Latin etymology for "educatio" relates to drawing out and unfolding the powers of the mind and will. The Spanish educational tradition in Latin America offers a subtleness that is not consonant with a literal translation of the word "education" as used in English. Following the history and etymology of the word, we will use the Latin American meaning in our chapter. The word "education" was first recorded in the English language rather recently (16th century). The verb "to educate," in the sense of "to bring up, provide

schooling or tuition for" was used a century earlier (15th century). Other related terms are late linguistic formations; so "educationary" is from the 17th century, while "educative," "educationist," and "educationalist" emerged in the 19th century (Onions, 1976, p. 301). "Education" as activity was a word imported from the Latin "educare" through its transformation in the Old French "éduquer" (12th century)—a term that was rarely used before Voltaire (Dauzat, 1971, p. 240). The Latin "educatio" pointed to the "growth of animals and plants," and by extension, the "instruction and formation of the spirit" (Gaffiot, 1989, p. 198). It is interesting to trace the origin of "education" to the Indo-European root *DEUK, to lead, a root that, by way of other peoples, gave birth to English terms like "tug," "tow," "tie," "team," and "teem" (Watkins, 2011, p. 17).

3. The world mediated by meaning, accordingly, includes belief. Believing is not restricted to a religious heritage. The appropriation also of one's social and cultural meanings is largely a matter of belief. Our common sense, everyday judgments, rests on the trust we have on the judgment and knowledge of others. That confidence is not the result of any indoctrination or ignorance. "The fact of the matter is that belief plays as large a role in science as in most other areas of human activity" (Lonergan, 1990, p. 42). The exploration of the universe, the delicate relationships of the evolution of the species, the recovery of what happened in history, research in medicine, drugs, food look for discovery and innovation but the ever-increasing body of evidence that shows that hypotheses are satisfactory, "is operative only slightly as immanently generated knowledge but overwhelmingly as belief" (Lonergan, 1990. p. 43).
4. In a future chapter we will delve on this fact that we consider essential to the education of leaders, an end aspired to by most management schools. Max Scheler and Bernard Lonergan after him considered four stages from the originating experience of a "we" to the increased differentiated experience of the I and Thou.
5. In the last decade, under the auspices of the United Nations' Global Compact, initiatives like the Principles for Responsible Management Education (PRME), and more recently, the Anti-corruption Working Group (ACWG) have been developing "ethics and anti-corruption curriculum for global use in the business environment of actors with fundamentally different cultural, enterprise, and functional business conduct standards" (Amann et al., 2015, p. 3).
6. The testimonies by the CEOs of several banks that caused the 2008 meltdown, given to Congress's Investigation Committee, are a case in point, as are those of a few executives—in Colombia's case—that pleaded guilty and asked for forgiveness from society.

REFERENCES

Amann, W., Berenbeim, R., Keon Tan, T., Kleinhempel, M., Lewis, A., Nieffer, R., . . . A., Tripathi, S. (2015). *Anti-Corruption*. Sheffield, England: Greenleaf.

Barrera, J., & Gonzalez, G. (2018). Can character strengths be taught in a school of management? In A. Stachowicz-Stanusch & W. Amann (Eds.), *Fostering*

sustainability by management education (pp. 13–32). Charlotte, NC: Information Age.

Competence. (n.d.). In *Collins English online dictionary*. Retrieved from www.collinsdictionary.com/dictionary/english/competence

Dauzat, A. (1971). *Nouveau dictionnaire étymologique et historique*. Paris, France: Librairie Larousse.

Gaffiot, F. (1989). *Dictionnaire latin-français abrégée*. Paris, France: Hachette.

Lonergan, B. J. F. (1990). *Method in theology*. Toronto, ON: University of Toronto Press.

Lonergan, B. J. F. (1992). *Collected works, Volume 3: Insight: A study of human understanding*. Toronto, Canada: University of Toronto Press.

Onions, C. T. (Ed.). (1976). *The Oxford dictionary of English etymology*. Oxford, England: Clarendon Press.

United Nations Development Program. (2008). *Corruption and development: Anti-corruption Interventions for poverty reduction, realization of the MDG's, and promotionsing sustainable development*. Retrieved from http://www.undp.org/content/undp/en/home/librarypage/democratic-governance/anti-corruption/corruption.html

Watkins, C. (Ed.). (2011). *The American heritage dictionary of Indo-European roots*. Boston, MA: Houghton Mifflin Harcourt.

CHAPTER 10

TIT FOR TAT

Horizontal Solidarity as a Buffer for Micro Level Corruption in the Framework of the Social Exchange Theory

Yariv Itzkovich and Niva Dolev

ABSTRACT

Interpersonal interactions underlie organizational reality and take different forms, both dark and bright. Drawing on the social exchange theory (SET), this study assesses the relationship between incivility and property deviance, a manifestation of individual (micro-level) corruption. Moreover, we assessed the relationship between horizontal solidarity toward co-workers and property deviance, as well as the moderating effect of horizontal solidarity as a potential buffer concerning the relations between incivility and property deviance. Specifically, we hypothesized that incivility increases property deviance of employees. Additionally, we hypothesized that horizontal solidarity would decrease employees' property deviance, and that horizontal solidarity would moderate the relationship between incivility and employees' property deviance. Data was collected from 409 employees working in organizations of various types using an online questionnaire. Data was analyzed using smartPLS3. Our findings reveal that incivility increases property deviance, horizontal soli-

Anti-Corruption in Management Research and Business School Classrooms, pages 181–205

darity decreases property deviance, and horizontal solidarity moderates the relationship between incivility and property deviance. Practical and theoretical implications are discussed.

Rapid changes throughout the last decades, among them technology, globalization, extensive regulation, the emergence of Generation Y and Z, fragile sustainability, higher demands, and growing competition for clients have challenged organizations and employees. These changes enforced new forms of relationships between employees and organizations, which became more complex, stressful, temporary, and for the most part, unstable (Niesen, Van Hootegem, Vander Elst, Battistelli, & De Witte, 2018). As a result, they are saturated with different types of conflicts between managers and employees, and yet are anxious for organizational solidarity and positive relations. In the framework of this chapter, and in light of the growing importance of relationships in a changing world in which knowledge is becoming a commodity and soft skills are highly required, we intend to explore the relationships between horizontal solidarity, incivility, which represents hostile and sociable relationships, and deviant behavior as a potential outcome. When placing solidarity at one pole of a continuum and incivility at the other pole, they constitute two ends of organizational behaviors—dark and bright—which ultimately are founded upon soft skills. We would then expect employees' deviant behavior, a manifestation of micro-level corruption, to be positively correlated with incivility and negatively correlated with solidarity. We also expect that solidarity will moderate the relations between incivility and micro-level corruption. Examining the role of horizontal solidarity as an antecedent as well as a moderator of micro-level corruption is important, since there is a lack of knowledge as to the impact of incivility (Schilpzand, De Pater, & Erez, 2016), and specifically its correlation to workplace deviance, which can cause much damage to the organization (Itzkovich & Heilbrunn, 2016). Additionally, the role of organizational solidarity as part of the equation was explored although it may mitigate incivility as well as employee deviance to some extent (Itzkovich & Heilbrunn, 2016), benefiting organizations and the individuals within them.

The broad theoretical framing of this paper is the classical social exchange theory (Thibaut & Kelley, 1959), which can offer a link between the three concepts. Indeed, more than a theory, social exchange theory was noted to be a frame of reference within which theories, both micro and macro, can speak with one another (Emerson, 1976). Social exchange theory assumes that individuals are rational and engage in cost and benefit calculations in all social exchanges. The theory postulates that the exchange of social and material resources is a fundamental form of human interaction. Rational assessment of self-interest in human social

relationships is the focus of the theory, with people choosing behaviors that maximize their likelihood of meeting self-interests; therefore, an interaction that prompts approval from another person is more likely to be repeated than one that causes disapproval (Cook, Cheshire, Rice, & Nakagawa, 2013). Satisfaction, or approval, is primarily influenced by the economic and social outcomes of these exchanges (Priporas, Stylos, Rahimi, & Vedanthachari, 2017).

Cropanzano and Mitchel (2005) enhanced the utilization of social exchange theory (SET) by noting that although the norms of reciprocity are used originally for explaining interpersonal relations between two individuals, it can well be applied to social interactions between various groupings of actors including the relationship between individuals and organizations (Emerson, 1976; Cropanzano & Mitchel, 2005; Masterson, Lewis, Goldman, & Taylor, 2000). This extended approach to interpersonal relationships in organizations was later adopted by scholars using SET framing in different contexts such as Aryee, Walumbwa, Mondejar, & Chu (2015), who investigated the impact of justice perceptions of employees on performance; Paillé, Grima, and Dufour (2012), who investigated the impact of support on intentions to leave; and Singh, Kaur, and Vidyarthi (2017), who investigated the effect of idiosyncratic deals on employee outcomes. Yet, a recent review on incivility indicated that such a wider perspective is missing in the research arena of incivility, which primarily focuses on interactions between individuals (Schilpzand, Leavitt, & Lim, 2016).

In line with the wider perspective of SET, it is possible that individuals estimate their exchange with the organization similarly to their other exchange relationships. Once these exchanges are perceived as valuable, individuals reciprocate in a manner that is valuable to the organization (Aryee et al., 2013; Paillé et al., 2012). This constitutes the bright side of organizational behavior. This line of thought is well developed in the research of organizational citizenship behavior (Cropanzano & Mitchel, 2005; Paillé et al., 2012) but can also be applied to organizational solidarity (Itzkovich & Heilbrunn, 2016). Alternatively, if one of the parties perceives the transaction as negative, on the grounds of the same but now negative norm of reciprocity, such as in the case of experiencing incivility, the other partner to the exchange reacts negatively (Cropanzano & Mitchel, 2005). This alternate line of argumentation refers to the dark side of organizational behavior and can be manifested through micro-level corruption behaviors.

While SET takes a rational perspective, the success or failure of the outcome produces an emotional response (Sierra & McQuitty, 2005). Indeed, it is acknowledged that emotions are an integral part of cognitive processes and mitigate between appraisals and actions (Lazarus, 1990). Thus, looking at SET from an emotional perspective, interactions which are appraised as

positive or beneficial, elicit positive emotions, which drive positive action tendencies or actual action towards the other. Negative appraisal of the encounter, on the other hand, such as in the case of incivility, may stimulate negative response. Furthermore, as human interactions are multifaceted, it could be that while experiencing negative stimuli as in the case of incivility, a positive perception and inclination, as expressed through horizontal solidarity, would serve as a defence shield and protect from choosing the dark side, manifested through acts of micro-level corruption.

Drawing on this line, researchers found that frequent experiences of incivility are related to increased adverse feelings and decreased work effort (Sakurai & Jex, 2012) as well as tendencies to harm the organization through vindictive behaviors. These findings demonstrate the darker path of SET, but also indicate that the impact of co-workers' support (or lack of support) goes beyond the boundaries of dyadic interactions.

Taken together, it is plausible to expand the micro level "tit for tat" principle presented by Andersson and Pearson (1999) concerning incivility, to a combined micro-macro level. It allows drawing adverse reciprocity relationships between individuals and organizations, which are based on initial negative exchange between co-workers. Andersson and Pearson used the term to explain the dyadic adverse relationships between individuals in the context of incivility. We suggest that the same principle can be expanded to describe deviant relationships between individuals and organizations.

By doing so, to some extent, this chapter responds to Schilpzand, De Pater, and Erez (2016), who called for investigating incivility implications beyond the dyadic relationships of the two parties to the conflict.

The study presented in this chapter contributes to the literature by presenting extended tit for tat relationships, manifested through a linkage between horizontal solidarity, perceptions of incivility at the micro level, and deviant organizational outcomes at the organizational level. To date, such linkage between co-workers' solidarity (a manifestation of horizontal solidarity) and incivility was introduced only by Itzkovich and Heilbrunn (2016), yet they focused on co-workers' solidarity (being a recipient of solidarity) while overlooking horizontal solidarity (active solidarity toward co-workers) and its potential as a moderator. Moreover, only two other studies investigated the relationship between incivility and employee deviance beyond Itzkovich and Heilbrunn (2016), yet both focused on specific forms of incivility—e-incivility (Lim & Teo, 2009) or co-workers' incivility (Sakurai & Jex, 2012), while the current study measures perceived incivility from different sources.

Such understanding can also help organizations deal with corruption by enhancing solidarity and cultivating positive relations between co-workers.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Solidarity

Solidarity refers to a situation in which the well-being of one person or group is positively related to that of others, indicating mutual interdependence (De Beer & Koster, 2009).

Solidarity implies relationships between individuals and groups, and is at its core cooperative, mutual, and reciprocal. Solidarity acknowledges that one may be confronted with the same situation as the other, and entails a sense of obligation and a set of actions. Three aspects of solidarity have been noted: relational—being in co-presence; transitive—entering into solidary relations with others; and creative—the ways in which solidarity is expressed (von Kotze & Walters, 2017).

Solidarity is a voluntary act that cannot be imposed externally. It is based on empathy or shared values and ideas, and has formal and informal dimensions, which manifest themselves in emotional and behavioral aspects. Three related pillars underlie solidarity: trust, care, and fraternity (Sorek, 2015). Solidarity can exist when basic trust among individuals within the group or between them and the organization exists, when care is evident in the willingness to act together for a cause that is beyond the individual interests and in emotions such as pride or shame in acts of others in the group, and in feelings regarding the safety and well-being of others in the group (Sorek, 2015). These three pillars, which are the basis of interpersonal interactions, are based on the ability to be aware of one's emotions and the emotions of others (Goleman, 2006). It has been found to link to the ability to demonstrate interpersonal sensitivity, satisfaction from and communication with team members (Lopes, Grewal, Kadis, Gall, & Salovey, 2006), conflict resolution skills (Jordan & Troth, 2002), empathy (Goleman, 2006), and altruism (Carmeli, 2003). Goleman (2006) noted in this respect that Buber's I–thou relations underlie solidarity.

Solidarity has been discussed in the literature in different contexts, among them political, economic, and social (von Kotze & Walters, 2017). One of the main arenas for solidarity, and one in which solidarity is becoming especially crucial, is organizations.

Organizational Solidarity

Organizational solidarity refers to the application of a general definition of solidarity—contributing to the common good (Hechter, 1987; Lindenberg, 1998) of organizations and people in organizations. It occurs when employees within organizations contribute to the success of the team or organization, or

to individuals within it (Sanders & Schyns, 2006b). Organizational solidary has been referred to in the organizational literature under different labels, such as organizational citizenship, willingness to extra-role, or contextual performance (Sanders, Flache, van der Vegt, & van de Vliert, 2006).

As organizational solidarity is conceptually located within cooperative types of behaviors in the organizational context (Koster & Sanders, 2007), the structural location at which the behavior is aimed is of importance. Thus, workers can behave in a cooperative manner either with supervisors (referred to in the literature as vertical solidarity) or with team members/co-workers (horizontal solidarity).

These two lines come together in the behaviors related to organizational solidary: behaving agreeably with co-workers even when it is not convenient or formally described, being employees who are prepared to help others in need, resisting the temptation to let other members do most of the work, sharing responsibilities, helping colleagues with their work or offering support, and being prepared to apologize for mistakes (Sanders et al., 2006).

In the context of this study we focused on horizontal solidarity (Sanders & Schyns, 2006b), and used it, to represent cooperative behavior of employees with team members/co-workers. It should be mentioned that solidarity has been noted to be different from sociability; the former involves mutual goals and interests, while the latter was defined as friendliness in relationships between people in an organization (Pinto, Cabral-Cardoso, & Werther, 2011). Interpersonal relationships underpin horizontal solidarity.

Research focusing on the causes of solidarity ranges from interpersonal relations at the micro level (Koster, 2005; Koster & Sanders, 2006; Koster & Sanders, 2007; Koster, Stokman, Hodson, & Sanders, 2007), to social contexts at the macro level such as heterogeneity, globalization, and social policies (Koster, 2007; Koster & Kaminska, 2012).

From the interpersonal relations perspective, positive relationships between co-workers in a variety of work settings, of which solidarity is one form, were noted to create positive feelings, enhance work effectiveness (Matthews, Zeidner, & Roberts, 2004), promote effective collaborations (Abraham, 2005) and decision-making processes (Boyd, 2005), and provide social support for workers. Relationships at work are also a primary source of emotions at work (Hareli & Rafaeli, 2007), which in themselves play a crucial part in success and well-being at work (Matthews et al., 2004; Zeidner, Matthews, & Roberts, 2012). Thus, relationships have been linked to positive affect and to high levels of self-esteem, emotional adjustment, enthusiasm, and job satisfaction (Rego & Cunha, 2008). Côté and Miners (2006) noted that the display of genuine emotions and concern for others elicits favorable reactions from colleagues and builds stronger relationships with them.

Organizational level characteristics associated with employee solidarity are high levels of both formal and informal information exchange, low-level authority decentralization and transformational leadership styles (Cramm, Strating, & Nieboer, 2013). The results of Cramm and colleagues' study revealed that hierarchical culture and centralization were negatively associated with employee (horizontal) solidarity, whereas formal and informal exchange of information was positively associated with employee solidarity.

Consequences of horizontal solidarity should be high levels of cooperation, positive attitudes and behaviors, and a positive workplace atmosphere (Locke, 2003). In accordance, results of former studies revealed a positive relationship between cohesiveness (Sanders & Schyns, 2006b) and solidarity behavior, as well as a positive impact of presence of explicit fair-play rules on solidarity (Emmerik & Sanders, 2004). Research has also shown that organizational solidarity is positively related to employees' performance (Sanders, Snijders, & Stokman, 1998), and negatively related to short-term absenteeism (Emmerik & Sanders, 2004).

Solidarity in the workplace is indispensable in the modern workplaces more than ever, as 21st century workplaces are typified by more horizontal structures and less hierarchy, larger employee autonomy and responsibility for outcomes, and more teamwork. Such a work reality involves growing pressures, higher expectations. The need to adapt to constant change calls for voluntary participation, interdependence, willingness to cooperate, and mutual informal control. Thus, it is one of the most important success factors for modern organizations (Sanders & Schyns, 2006a).

Therefore, solidarity is seen as one of the most important success factors in organizations (Wickens, 1995) contributing to willingness to cooperate and to enhancement of pro-social and citizenship organizational behavior, whereas lack of solidarity may foster uncivil patterns of behavior, or at least, reduce the available resources to mitigate it (von Kotze & Walters, 2017).

Incivility

Incivility was first defined by Andersson and Pearson (1999) as "low-intensity deviant behavior with ambiguous intent to harm the target, in violation of workplace norms for mutual respect" (p. 457). More recently, Pearson and Porath (2009) defined incivility as "the exchange of seemingly inconsequential inconsiderate words and deeds that violate conventional norms of workplace conduct" (p. 12). For the most part, incivility has been described as subtle, inappropriate, rude, and disrespectful behavior (Andersson & Pearson, 1999; Pearson & Porath 2005; Porath & Pearson, 2012). Thus, it lies within the interpersonal domain.

While civility is demonstrated through adequate interpersonal interactions, incivility is represented through inappropriate social encounters (Andersson & Pearson, 1999; Pearson & Porath, 2005). Acts of incivility can be either active, as in the case of public criticism or raising one's voice, or passive, as in the case of silent treatment or excluding the target (Hershcovis, 2011). Broadly, incivility can be regarded as disrespectful dyadic interactions (Paulin & Griffin, 2016; Torkelson, Holm, Bäckström, & Schad, 2016), which can take place in a variety of contexts, including among individuals (Porath & Erez, 2007), within teams (Paulin & Griffin, 2016), or within the organization (Itzkovich & Heilbrunn, 2016).

Incivility is distinct from other interpersonal mistreatment by two main criteria: intensity and intent. Firstly, in contrast to high-intensity behaviors such as bullying or aggression, incivility is low-intensity deviant behavior (Andersson & Pearson, 1999; Pearson & Porath, 2005; Walker, van Jaarsveld, & Skarlicki, 2014), and constitutes a milder form of interpersonal mistreatment (Cortina et al., 2001; Pearson, Andersson, & Porath 2000; Pearson, Andersson, & Wegner, 2001). Secondly, incivility is characterized by an ambiguous intent to harm its target, distinguishing it from other types of mistreatments (Sliter, Sliter, & Jex, 2012; Trudel & Reio, 2011). Thus, incivility is subjective in nature. Each one of the parties to an uncivil encounter can interpret reality in a different manner, which eventually may lead to differences in attribution of intent. While some targets of incivility perceive it as intended, others might not consider it as intended (Gallus, Bunk, Matthews, Barnes-Farrell, & Magley, 2014; Sliter et al., 2012).

As a deviant interpersonal interaction, incivility inflicts harm to both individuals and organizations. From the organizational perspective, researchers focused on implications to job dissatisfaction (Githens, 2011; Hershcovis, 2011), withdrawal intentions (Hershcovis, 2011), actual withdrawal from work (Githens, 2011; Porath & Pearson, 2012), and absenteeism.

From the individual perspective, research findings indicate an adverse relationship between incivility and physical well-being (Hershcovis, 2011; Nicholson & Griffin, 2014). Nicholson and Griffin (2014) also found that daily incivilities affect psychological detachment and relaxation after work. Additional individual impacts of incivility concern physical and psychological health (Githens, 2011; Hershcovis, 2011; Miner & Eischeid, 2012). Growing evidence points to links between incivility and stress (Cortina & Magley, 2009; Roberts, Scherer, & Bowyer, 2011; Schilpzand, Leavitt, & Lim, 2016), exhaustion (Kern & Grandey, 2009; Sliter et al., 2012), depression (Lim & Lee, 2011; Miner-Rubino & Reed, 2010), and burnout (Han, Bonn, & Cho, 2016).

These two facets (i.e., organizational and individual) are correlated. For instance, Porath and Pearson (2012) found that incivilities lead to negative

emotions such as fear, which was associated with withdrawal intentions; and both fear and sadness were correlated with absenteeism. Other studies focused on reduced affective commitment (Hershcovis, 2011; Smith, Andrusyszyn, & Spence Laschinger, 2010), reduced engagement (Trudel & Reio, 2011), and deviant behavior (Lim & Teo, 2009; Sakurai & Jex, 2012). A few recent studies have more specifically noted links between emotions and emotional appraisals and responses to incivility, one of them being revenge, which can be manifested in micro-level corruption actions.

Micro-Level Corruption

Corruption is typically understood as the abuse of untrusted power for personal gain and is a form of workplace deviance (Kubbe & Engelbert, 2017).

Workplace deviance has been widely investigated in the last 2 decades. Robinson and Bennett (1995) first introduced the concept of workplace deviance and defined it as "voluntary behavior that violates significant organizational norms and in so doing threatens the well-being of an organization, its members or both" (p. 556).

Mapping the concept of workplace deviance by a multidimensional scaling method revealed two dimensions. The first dimension distinguishes between deviant acts by the deviancy's inclination toward people versus its inclination toward the organization. The second dimension distinguishes between deviant acts that are less serious (severe) versus those that are more serious. The two dimensions represent four distinct facets of deviancy: political deviance and personal aggression, both of which are directed toward people, and property and production deviance both of which are directed toward the organization. Political deviance and production deviance are considered minor compared to property deviance and personal aggression (Robinson & Bennett, 1995). Of these, the property deviance facet is a manifestation of micro-level corruption.

Five years after mapping the concept, Bennett and Robinson (2000) developed a scale that consists of twelve items which measure organizational deviance, and five items which measure interpersonal deviance. Recently, Itzkovich and Heilbrunn (2016) showed that eight items of the scale could collapse into the theoretical dimensions of property (four items) and production (four items) deviance, and thus could be used separately as two distinct measurement scales. Therefore, in the current study we measure micro-level corruption using four items.

Findings using such measures have indicated that workplace deviance was widely used to assess its connection to abusive supervision (Tepper, Henle, Lambert, Giacalone, & Duffy, 2008). Other studies assessed the

connection between employee deviance and justice perceptions (Aquino, Galperin, & Bennett, 2004).

Recently, it has been noted that experiences of workplace incivility could lead to affect-driven negative behaviors as well as to deviant retaliatory behaviors. Targets' emotions, triggered by meanings they attributed to events, may lead to deliberate actions such as sabotage and other behavioral expressions of anger (Zeidner et al., 2012). Stressors such as incivility are likely to trigger fight-or-flight emotional reactions (Schilpzand, De Pater, & Erez, 2016), that is, automatic reactions which do not involve higher emotional processes (Pearson & Porath, 2009). In particular, fight reactions may promote retaliatory and/or deviant behaviors, which are mostly triggered by vindictive stimuli.

Specifically, previous studies found that targets of incivility were inclined to react negatively and in particular by retaliation to instances of incivility (Andersson & Pearson, 1999; Itzkovich & Heilbrunn, 2016). While investigation of the connection between deviant outcomes and incivility is rare, two researchers investigated the relationship between incivility and employee deviance, focusing on specific forms of incivility: e- incivility (Lim & Teo, 2009) and co-worker's incivility (Sakurai & Jex, 2012).

However, to date, no research investigated the connection between solidarity and workplace deviance, of which micro-level corruption is a manifestation.

In the framework of our study we postulated that if the organization refrains from dealing with the instigators of incivility, it is perceived as not providing a supportive work environment as expected by employees (Alias, Mohd Rasdi, Ismail, & Abu Samah, 2013). Therefore, employees are likely to retaliate negatively against the organization, via various types of micro-level corruption, which is measured through property deviance in the current research.

Additionally, incivility impacts various work related outcomes such as absenteeism or employee deviance (Schilpzand, De Pater, & Erez, 2016), which overall demonstrate disengagement from the organization (Lim & Teo, 2009). Moral disengagement (MD) theory suggests that in certain conditions our self-regulatory mechanisms are deactivated, eliciting unethical behaviors without violating internal standards of morality (Bandura, 2002). By that, employees who experience or witness incivility legitimize their minor immorality such as micro-corruption behaviors in comparison to the (worse) behaviors of perpetrators of incivility.

H1: *Incivility perception will be positively connected to micro-level corruption.*

In addition, it is expected that solidarity should reduce deviant behavior in general and specifically micro-level corruption of employees, since interpersonal relations that are based on solidarity form an organizational atmosphere, which makes employees feel a sense of belonging to the organization. Thus, they are less likely to cause harm to the organization's property.

Furthermore, Kubbe and Engelbert (2017) argued that informal norms play a role in corruptions. Social norms shape individuals' basic knowledge of what others do or think they should do, and these determine whether they engage in corruption. It can be therefore argued that if the norms are based on solidarity, and a large number of individuals at work act according to these norms, they serve as a buffer against corruption intentions which are, among other things, conceived as lack of solidarity.

H2: *Organizational horizontal solidarity will be negatively connected to micro-level corruption.*

As horizontal solidarity indicates a sense of positive atmosphere, connectedness with, and care for others (Sorek, 2015), it can be postulated that once employees maintain the positive atmosphere although they experience incivility, they would not choose micro-level corruption behaviors as they still perceive the exchange with their co-workers in the organization as positive, and would not want to harm them. Yet, if the uncivil encounters damage the sense of positive atmosphere as they perceive it, they may react negatively by demonstrating acts of micro-level corruption. Taken together, it seems that acts of solidarity produce positive emotionality, which in turn serves as a defence shield for the targets of incivility. Indeed, revenge, which can lead to acts of micro-level corruption, was noted to give rise to depression and to negative emotions (de Oliveira Medeiros & Alcapadipani, 2016), which can be buffered by the positive feelings induced by solidarity. Thus, it is safe to assume that incivility will lead to micro-level corruption for those who are not engaged in solidarity, while the relationship between incivility and micro-level corruption will not exist for those whose demonstration of solidarity elicits positive emotionality, which, in turn, structures their overall inclination toward the organization.

H3: *Organizational horizontal solidarity (toward co-workers) will moderate the relationship between incivility and micro-level corruption.*

Figure 10.1 illustrates the theoretical model of our research.

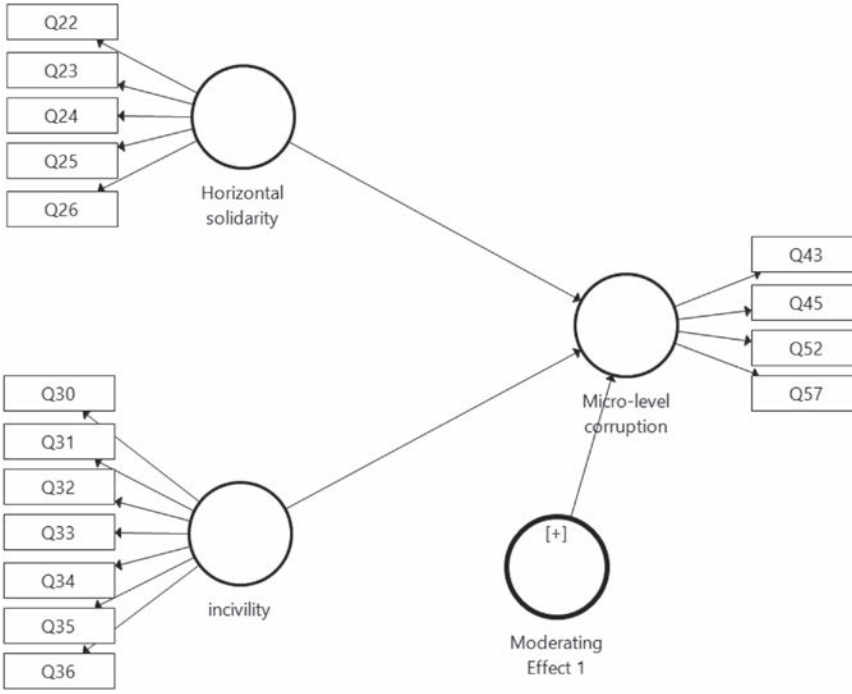


Figure 10.1 The theoretical model.

METHOD

Participants

The sample for our study consisted of 409 employees. It is a subset of larger cohort gathered by Itzkovich and Heilbrunn (2014). Fifty-six percent of the sample population was male and 43% female; all Israeli Jews, with an average age of 35 ($SD = 9.8$) ranging between 19 and 67 years of age; 81.7% were employed on a permanent basis and 18.1% were temporary employees. The mean years of employment of the survey participants was 6.3 ($SD = 7.1$) ranging from 1 to a maximum of 40 years.

Undergraduate students, who participated at the time of data collection in seminars on organizational behavior, approached working adults from different industries and occupational status to take part in our study in 2014. The questionnaire was administered via a web link and was accompanied by a cover letter emphasizing the importance of the research, encouraging the participants to respond openly and honestly, and assuring their complete anonymity.

Although we are aware of the limitations of our sampling method, leaning upon the argumentation of Lim and Lee (2011), we maintain that data collected from a wide range of industries in such a way (e.g., Brotheridge & Lee, 2002) are of suitable quality for quantitative studies (e.g., Smith, Tisak, Hahn, & Schmieder, 1997).

Instrumentation

Principle component analyses using verimax rotation were employed in order to ensure construct validity. In addition, reliability tests using SPSS were employed for all three scales.

Work Incivility Scale (WIS)

The work incivility scale (WIS) was developed by Cortina et al. (2001), and was utilized in our study in order to measure incivility perceptions. The scale consists of seven items measured on a five- point Likert scale ranging from 1= *Nearly never* to 5 = *Most of the time*. Participants were asked, "During the *past year* have you been in a situation where any of your supervisors or co-workers . . . ," sample items were, "put you down or was condescending to you?" and "paid little attention to your statement or showed little interest in your opinion?"

While the original scale measured incivility over a period of 5 years, we adopted the approach of Chen et al. (2013), Itzkovich (2014), Itzkovich and Heilbrunn (2016), Taylor and Kluemper (2012), Walsh et al. (2012), and Ferguson (2012) of measuring incivility over a period of 1 year. The final Cronbach's alpha of the production sub-factor was .872.

Organizational Horizontal Solidarity

Based on Koster (2005), we used the following five items to measure solidarity toward co-workers: (a) "I help my co-workers to finish tasks"; (b) "I am willing to help my co-workers when things go wrong unexpectedly"; (c) "I apologize to my co-workers when I have made a mistake"; (d) "I try to divide the pleasant and unpleasant tasks equally between myself and my co-workers"; and (e) "I live up to agreements with my co-workers" (Koster, 2005 p. 127). The Cronbach's alpha of the constructed horizontal solidarity index was .828.

Micro-Level Corruption

Bennett and Robinson's (2000) organizational workplace deviance scale was used to measure workplace deviance. Based on Itzkovich and Heilbrunn (2016), who showed through principle component analyses that eight items of the Bennett and Robinson (2000) scale could collapse to the theoretical

dimensions of property (four items) and production (four items) deviance, and thus could be used separately as two distinct measurement scales, we used only the property deviance sub-factor as a manifestation of micro-level corruption. A sample item for this sub-factor is: "Falsified a receipt to get reimbursed for more money than for comparison you spent on business expenses." The final Cronbach's alpha of the property deviance sub factor was .684.

Results

The structural (inner) model included the following factors: incivility, a latent variable with seven indicators; horizontal solidarity, a latent variable including four indicators; and micro-level corruption, a latent variable with four indicators.

The path model was constructed as follows: A path was specified between workplace incivility and micro-level corruption. An additional path was specified between horizontal solidarity and micro-level corruption, and a third path between incivility*horizontal solidarity and micro-level corruption as a moderating effect. The model was assessed according to Hair, Hult, Ringle, and Sarstedt's (2016) guidelines.

Before evaluating the structural model, VIF values were measured to test collinearity among constructs. The assessment of collinearity did not reveal any collinearity issues among the constructs. VIF values were lower than the threshold of five which was recommended by Hair et al. (2016) as the threshold for collinearity.

The second stage in evaluating the structural model refers to the assessment of significance and relevance of the path coefficients. Figure 10.2 indicates path coefficients and their level of significance. Additionally, the explained variance of the endogen latent variables is reported in Figure 10.3. Figure 10.3 reveals a moderate R^2 score of micro-level corruption. Specifically, the explained variance of micro-level corruption was 19%.

As the moderating effect was significant, there was a need to understand the nature of the moderation. Figure 10.4 illustrates the moderation showing that when solidarity is one *SD* lower than average, the relationship between incivility and micro-level corruption is strong, while it does not exist when solidarity is one *SD* higher than average.

Additionally, in order to evaluate the relevance of each exogenous construct in explaining an endogenous construct (namely effect size), f^2 scores were calculated for each path. Results indicated that most of the significant paths resulted in low effect sizes: The incivility → micro-level corruption path ($f^2 = .05$); the horizontal solidarity → micro-level corruption path ($f^2 = .05$); and the moderating effect → micro-level corruption path ($f^2 = .07$).

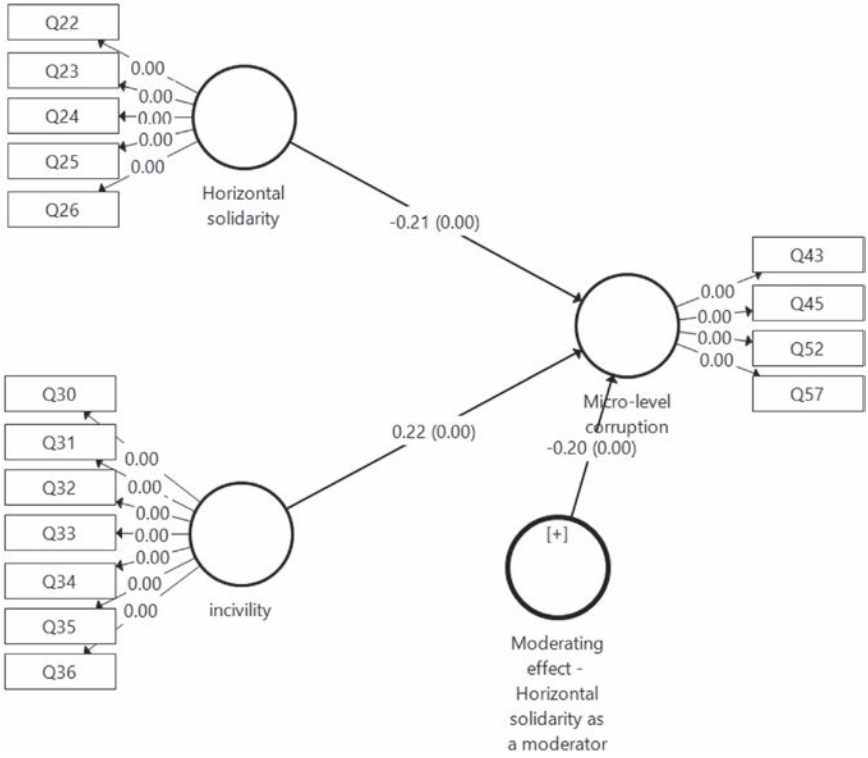


Figure 10.2 Path coefficients and their level of significance.

Q^2 score was also calculated through a blindfolding procedure in order to test the predictive relevance of micro-level corruption. Results indicated that micro-level corruption has an acceptable (low-moderate) predictive power. Specifically, the predictive power of micro-level corruption was .07.

DISCUSSION

Incivility and corruption both have many negative impacts on organizations and individuals. Thus, understanding the positive ingredients which buffer against such negative outcomes, is of much importance. The chapters' aim is examining the relationships between horizontal solidarity, incivility, and employees' micro-level corruption. According to the path model results, increased levels of horizontal solidarity were connected with lower levels of employees' micro-level corruption. Additional path analysis results associated high levels of incivility with increased levels of employees' micro-level corruption. Moreover, it was found that the relationship between incivility

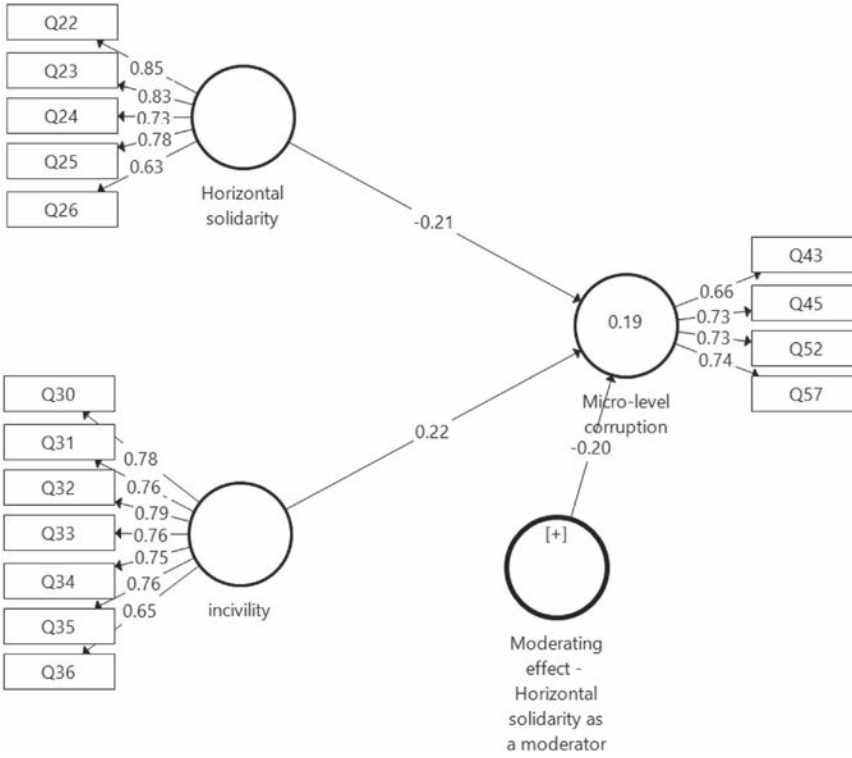


Figure 10.3 The explained variance of the endogen latent variables.

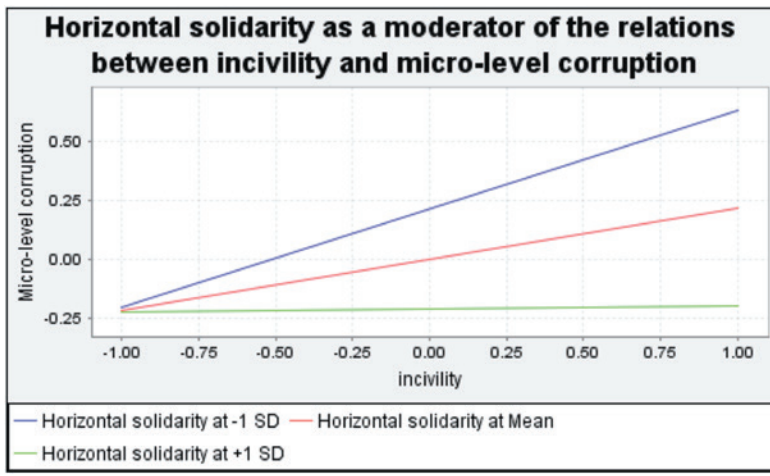


Figure 10.4 The moderating effect.

and employees' micro-level corruption is moderated by horizontal solidarity. In the presence of higher levels of solidarity towards co-workers, incivility is less likely to lead to micro-level corruption by employees. Yet in the absence of solidarity, we observed high levels of micro-level corruption by employees who experienced or witnessed (i.e., reported) incivility.

First, one of our findings indicated that perceptions of incivility increased the likelihood of targets of the uncivil act to behave in a deviant manner toward their organization. Drawing on SET, targets of incivility are expected to retaliate in situations which are assessed as offensive and negative. Yet, our model suggests that the retaliation can be directed not only at individuals but at the organization as a whole, through manifestations of micro-level corruption. This finding can be explained through the logic of SET. According to SET, the exchange process is expected to rely on maximization of value for the different sides of the exchange (Cropanzano & Mitchel, 2005; Paillé et al., 2012). Drawing on this logic it can be assumed that reciprocating directly against the perpetrator of incivility might jeopardize future value maximization of targets of incivility. Therefore, also in accordance with the logic of Andersson and Pearson (1999), the retaliation in such cases might be directed at a third party as a secondary spiral mechanism (Schilpzand, Leavitt, and Lim, 2016). This can reduce the risk embedded in retaliating against the direct offender who was part of the initial exchange. Following this line of thought, it might be that especially in negative reciprocation that involves risk, the reciprocity would be redirected to covert channels (i.e., manifestations of micro-level corruption), possibly involving additional third parties that were not part of the initial reciprocity.

Another explanation can be found in the concept of MD. When incivility takes place in the organization, the organization may be perceived as related to it in some way, by enabling such acts to take place.

The negative connection between horizontal solidarity and micro-level corruption can be explained through the same path but from a different angle. Horizontal solidarity can be perceived as an expression of positive reciprocity between peers and, thus, as a valuable socio-emotional resource which one wants to maintain. Therefore, those who express such solidarity do not act in a deviant manner, since such deviancy, even if directed at the organization, reflects inappropriate reciprocity, especially in cases in which the deviancy is expressed through acts that effect co-workers such as dragging out work in order to get overtime. In such a case (i.e., dragging out work), in addition to damaging production, the act of corruption might overload other co-workers who have to cope with the results of the manipulation. Such behavior, in turn, might be perceived as lack of solidarity and might contradict the atmosphere of solidarity. The meaning is that members of the group refrain from deviant acts as they feel responsible for the group.

Additionally, we found that horizontal solidarity moderated the relationship between incivility and micro-level corruption. The meaning of these findings is that when employees demonstrate solidarity, they are less inclined to harm the organization even though they face incivility, but do so when they lack a sense of solidarity toward the organization. This is perhaps due to the internal sense of positive reciprocation that they possess. It is possible that the internal sense of reciprocation felt by people involved in solidarity buffers against the inclination to react vindictively. Furthermore, as solidarity is reciprocal and involves individuals in trusting and caring relationships, targets of incivility may receive support from others, which is important to overcoming incivility.

Overall, these findings illustrate the harmful consequences of corruption and its links to incivility, a topic which has been widely discussed in the last decades, on the organizational level. Yet the findings are also encouraging as they do show that such negative outcomes can be reduced when solidarity, which is grounded in the organizational atmosphere, exists. Recently, Itzkovich and Heilbrunn (2016) demonstrated the power of co-workers' solidarity to reduce deviancy at the organizational level, stating that once employees demonstrated solidarity toward co-workers, these co-workers in turn reported lower levels of incivility and, thus, lower levels of deviancy toward the organization. The current findings elaborate on previous findings by demonstrating that when the targets of incivility demonstrate solidarity, their acts of solidarity generate a positive atmosphere, which mitigates acts of micro-level corruption. Taken together it seems that fostering an atmosphere of solidarity can help to mitigate not only incivility but also acts of deviant behavior toward the organization.

The present work features several limitations and further directions for future research that warrant mentioning. First, it should be noted that the cross-sectional nature of the data can prevent definitive statements about causality. Indeed, some relationships in the model are likely reciprocal. For example, the analysis implies that horizontal solidarity negatively impacts micro-level corruption behaviors, however, it is equally plausible that those who are corrupted, would not help their peers.

Secondly, our model does not relate to vertical solidarity (Koster & Sanders, 2006). Incivility is mainly inflicted by managers (Pearson & Porath, 2005); therefore, one would expect it to impact vertical solidarity, namely the solidarity of employees towards supervisors. Similarly, it is possible that vertical solidarity to supervisors may lower the perceptions of incivility, leading to other, more empathetic explanations for the uncivil behavior (Itzkovich & Dolev, 2017). This should be investigated in future research.

Thirdly, because we used single-source, self-report survey measures for all of the constructs in the research model, common method variance is a concern. Indeed, as is often the case with cross-sectional designs that

employ self-report perceptual measures, it is possible that some of the relationships identified arose from common method variance. Nevertheless, targets of incivility have been identified as a legitimate source for understanding the phenomenon's extent and impact in many academic papers (Aquino & Thau, 2009; Keashly, 2001)

Finally, the explained variance of micro-level corruption was relatively small (i.e., 19%). This may indicate that the model tested here should be expanded in future research by using additional variables that could be related to micro-level corruption.

CONCLUSIONS, PRACTICAL AND METHODOLOGICAL IMPLICATIONS

Despite its limitations, this study elaborates on previous studies by showing, for the first time, the potential role of horizontal solidarity as an antecedent of micro-level corruption and as a moderator for the relationships between incivility and corruption. In addition, our findings illustrate an extended tit-for-tat exchange relationship between individuals and their organization. Moreover, the data related to the potential deviant outcomes of incivility is relatively rare. Only three researchers investigated the relationship between incivility and employee deviance in general, and only one utilized solidarity and related it to these variables. This is the first research that focused on horizontal solidarity toward co-workers (as active, rather than passive, involvement in solidarity) and the first to use solidarity as a moderator.

Altogether, our study demonstrates the need to look at the bright side of organizational behaviors, and allows for solutions and cultivating practices to overcome organizational deviance. In order to achieve this aim, organizations should cultivate a positive culture, investing not only in vertical solidarity between employees and managers, but also in interpersonal relationships between co-workers.

REFERENCES

Abraham, R. (2005). Emotional intelligence in the workplace: A review and synthesis. In R. Schulze & R. D. Roberts (Eds.), *Emotional intelligence: An international handbook* (pp. 255–270). Gottingen, Germany: Hogrefe & Huber.

Alias, M., Mohd Rasdi, R., Ismail, M., & Abu Samah, B. (2013). Predictors of workplace deviant behaviour: HRD agenda for Malaysian support personnel. *European Journal of Training and Development, 37*(2), 161–182.

Andersson, L. M., & Pearson, C. M. (1999). Tit for tat? The spiraling effect of incivility in the workplace. *The Academy of Management Review, 24*(3), 452.

Aryee, S., Walumbwa, F. O., Mondejar, R., & Chu, C. W. L. (2015). Accounting for the influence of overall justice on job performance: Integrating self-determination and social exchange theories. *Journal of Management Studies, 52*(2), 231–252. doi.org/10.1111/joms.12067

Aquino, K., & Thau, S. (2009). Workplace victimization: Aggression from the Target's perspective. *Annual Review of Psychology, 60*, 717–741.

Aquino, K., Galperin, B. L., & Bennett, R. J. (2004). Social status and aggressiveness as moderators of the relationship between interactional justice and workplace deviance. *Journal of Applied Social Psychology, 34*, 1001–1029.

Bandura, A. (2002). Selective moral disengagement in the exercise of moral agency. *Journal of moral education, 31*(2), 101–119.

Bennett, R. J., & Robinson, S. L. (2000). Development of a measure of workplace deviance. *Journal of Applied Psychology, 85*(3), 349–360.

Boyd, M. A. (2005). *The emotional intelligence of teachers and students' perceptions of their teachers' behaviour in the classroom* (Doctoral dissertation). Indiana University of Pennsylvania, Indiana, PA.

Brotheridge, C. M., & Lee, R. T. (2002). Testing a conservation of resources model of the dynamics of emotional labor. *Journal of occupational health psychology, 7*(1), 57.

Carmeli, A. (2003). The relationship between emotional intelligence and work attitudes, behaviour and outcomes: An examination among senior managers. *Journal of Managerial Psychology, 18*(8), 788–813.

Chen, Y., Ferris, D. L., Kwan, H. K., Yan, M., Zhou, M., & Hong, Y. (2013). Self-love's lost labor: A self-enhancement model of workplace incivility. *Academy of Management Journal, 56*(4), 1199–1219.

Cook, K. S., Cheshire, C., Rice, E. R., & Nakagawa, S. (2013). *Social exchange theory.* In J. DeLamater & A. Ward (Eds.), *Handbook of social psychology* (pp. 61–88). Dordrecht, Netherlands: Springer.

Cortina, L. M., Magley, V. J., Williams, J. H., & Langhout, R. D. (2001). Incivility in the workplace: Incidence and impact. *Journal of occupational health psychology, 6*(1), 6.

Cortina, L. M., & Magley, V. J. (2009). Patterns and profiles of response to incivility in the workplace. *Journal of Occupational Health Psychology, 14*(3), 272.

Côté, S., & Miners, C. (2006). Emotional intelligence, cognitive intelligence, and job performance. *Administrative Science Quarterly, 51*(1), 1–28.

Cropanzano, R., & Mitchel, M. S. (2005). Social exchange theory: An interdisciplinary review. *Journal of Management, 31*(6), 874–900.

Cramm, J. M., Strating, M. M., & Nieboer, A. P. (2013). The influence of organizational characteristics on employee solidarity in the long-term care sector. *Journal of Advanced Nursing, 69*(3), 526–534.

De Beer, P., & Koster, F. (2009). *Sticking together or falling apart? Solidarity in the era of individualization and globalization.* Amsterdam: Amsterdam University Press.

Emmerik, H., & Sanders, K. (2004). Social embeddedness and job performance of tenured and non-tenured professionals. *Human Resource Management Journal, 14*(1), 40–54.

Emerson, R. M. (1976). Social exchange theory. *Annual review of sociology, 2*(1), 335–362.

Ferguson, M. (2012). You cannot leave it at the office: Spillover and crossover of coworker incivility. *Journal of Organizational Behavior, 33*(4), 571–588.

Gallus, J. A., Bunk, J. A., Matthews, R. A., Barnes-Farrell, J. L., & Magley, V. J. (2014). An eye for an eye? Exploring the relationship between workplace incivility experiences and perpetration. *Journal of Occupational Health Psychology, 19*(2), 143–54.

Githens, R. P. (2011). Diversity and incivility: Toward an action-oriented approach. *Advances in Developing Human Resources, 13*(1), 40–53.

Goleman, D. (2006). *Social intelligence–The new science of human relationships*. London, England: Hutchinson.

Hair, J. F., Jr., Hult, G. T. M., Ringle, C., & Sarstedt, M. (2016). *A primer on partial least squares structural equation modeling (PLS-SEM)*. Thousand Oaks, CA: SAGE.

Han, S. J., Bonn, M. A., & Cho, M. (2016). The relationship between customer incivility, restaurant frontline service employee burnout and turnover intention. *International Journal of Hospitality Management, 52*, 97–106.

Hareli, S., & Rafaeli, A. (2007). Emotion cycles: On the social influence of emotions in organizations. *Research in Organizational Behavior, 28,* 35–59.

Hechter, M. (1987). *Principles of Group Solidarity*. Berkeley, CA: University of California Press.

Hershcovis, M. S. (2011). "Incivility, social undermining, bullying . . . oh my!" A call to reconcile constructs within workplace aggression research. *Journal of Organizational Behavior, 32*, 499–519.

Itzkovich, Y. (2014). Incivility: The moderating effect of hierarchical status. Does a manager inflict more damage? *Journal of Management Research, 6*(3), 86. http://doi.org/10.5296/jmr.v6i3.5691

Itzkovich, Y., & Dolev, N. (2017). Incivility, empathy, and ethical work climate among hospital staff in Israel. In A. Stachowicz-Stanusch & W. Amann (Eds.), *Contemporary perspectives in corporate xocial performance and policy: The Middle Eastern perspective* (pp. 223–254). Charlotte, NC: Information Age.

Itzkovich, Y., & Heilbrunn, S. (2016). The role of co-workers' solidarity as an antecedent of incivility and deviant behavior in organizations. *Deviant Behavior, 37*(8), 861–876. http://doi.org/10.1080/01639625.2016.1152865

Jordan, P. J., & Troth, A. C. (2002). Emotional intelligence and conflict resolution: Implications for human resource development. *Advances in Developing Human Resources, 4*(1), 62–79.

Kern, J. H., & Grandey, A. A. (2009). Customer incivility as a social stressor: The role of race and racial identity for service employees. *Journal of Occupational Health Psychology, 14*(1), 46–57.

Keashly, L. (2001). *Interpersonal and systemic aspects of emotional abuse at work: The target's perspective. Violence and Victims, 16,* 233–268.

Koster, F. (2005). For the time being. Accounting for inconclusive findings concerning the effects of temporary employment relationships on solidary behavior of employees (Doctoral dissertation). Printed by Universal Press, Veenendaal.

Koster, F. (2007). Globalization, social structure, and the willingness to help others. A multilevel analysis across 26 countries. *European Sociological Review, 23*(4), 537–551.

Koster, F., & Kaminska, M. E. (2012). Welfare state values in the European Union, 2002–2008. A multilevel investigation of formal institutions and individual attitudes. *Journal of European Public Policy, 19*(6), 900–920.

Koster, F., & Sanders, K. (2006). Organizational citizens or reciprocal relationships? An empirical comparison. *Personnel Review, 35*(5), 519–537.

Koster, F., & Sanders, K. (2007). Serial solidarity: The effects of experiences and expectations on the co-operative behaviour of employees. *International Journal of Human Resource Management, 18*(4), 568–585.

Koster, F., Stokman, F., Hodson, R., & Sanders, K. (2007). Solidarity through networks: The effects of task and informal interdependence on cooperation within teams. *Employee Relations, 29*(2), 117–137.

Kubbe, I., & Engelbert, A. (Eds.). (2017). *Corruption and Norms: Why Informal Rules Matter*. Cham, Switzerland: Springer.

Lazarus, R. S. (1991). Cognition and motivation in emotion. *American Psychologist, 46*(4), 352–367.

Lim, S., & Lee, A. (2011). Work and nonwork outcomes of workplace incivility: Does family support help? *Journal of Occupational Health Psychology, 16*(1), 95–111.

Lim, V. K. G., & Teo, T. S. H. (2009). Mind your E-manners: Impact of cyber incivility on employees' work attitude and behavior. *Information and Management, 46*, 419–425.

Lindenberg, S. (1998). Solidarity: Its microfoundations and macro-dependence. A framing approach. *The problem of solidarity: Theories and models,* 61–112.

Locke, K. D. (2003). Status and solidarity in social comparison: Agentic and communal values and vertical and horizontal directions. *Journal of Personality and Social Psychology, 84*(3), 619–631.

Lopes, P. N., Grewal, D., Kadis, J., Gall, M., & Salovey, P. (2006). Evidence that emotional intelligence is related to job performance and affect and attitudes at work. *Psicothema, 18* (supl), 132–138. Retrieved from http://www.psicothema.com/pdf/3288.pdf

Masterson, S. S., Lewis, K., Goldman, B. M., & Taylor, M. S. (2000). Integrating justice and social exchange: The differing effects of fair procedures and treatment on work relationships. *Academy of Management Journal, 43*(4), 738–748.

Matthews, G., Zeidner, M., & Roberts, R. D. (2004). *Emotional intelligence: Science and myth*. Cambridge, MA: MIT Press.

Miner, K. N., & Eischeid, A. (2012). Observing incivility toward coworkers and negative emotions: Do gender of the target and observer matter? *Sex Roles, 66*, 492–505.

Miner-Rubino, K., & Reed, W. D. (2010). Testing a moderated mediational model of workgroup incivility: The roles of organizational trust and group regard. *Journal of Applied Social Psychology, 40*(12), 3148–3168.

Nicholson, T., & Griffin, B. (2014). Here today but not gone tomorrow: Incivility affects after-work and next-day recovery. *Journal of Occupational Health Psychology, 20*(2), 218–225.

Niesen, W., Van Hootegem, A., Vander Elst, T., Battistelli, A., & De Witte, H. (2018). Job insecurity and innovative work behaviour: A psychological contract perspective. *Psychologica Belgica, 57*(4), 174–189. http://doi.org/10.5334/pb.381

de Oliveira Medeiros, C. R., & Alcapadipani, R. (2016). In the corporate backstage, the taste of revenge: Misbehaviour and humor as form of resistance and subversion. *Revista de Administração, 51*(2), 123–136.

Paillé, P., Grima, F., & Dufour, M. È. (2015). Contribution to social exchange in public organizations: Examining how support, trust, satisfaction, commitment and work outcomes are related. *The International Journal of Human Resource Management, 26*(4), 520–546.

Paulin, D., & Griffin, B. (2016). The relationships between incivility, team climate for incivility and job-related employee well-being: A multilevel analysis. *Work & Stress, 30*(2), 132–151.

Pearson, C. M., & Porath, C. L. (2005). On the nature, consequences and remedies of workplace incivility: No time for "nice"? Think again. *Academy of Management Perspectives, 19*(1), 7–18.

Pearson, C. M., Andersson, L. M., & Porath, C. L. (2000). Assessing and attacking workplace incivility. *Organizational Dynamics, 29*(2), 123–137.

Pearson, C. M., Andersson, L. M., & Wegner, J. W. (2001). When workers flout convention: A study of workplace incivility. *Human Relations, 54*, 1387–1419.

Pearson, C., & Porath, C. (2009). The cost of bad behavior: How incivility is damaging your business and what to do about it. New York, NY: Penguin.

Pinto, L. H., Cabral-Cardoso, C., & Werther, W. B. (2011). Why solidarity matters (and sociability doesn't): The effects of perceived organizational culture on expatriation adjustment. thunderbird international. *Business Review, 53*(3), 377–389.

Porath, C. L., & Erez, A. (2007). Does rudeness really matter? The effects of rudeness on task performance and helpfulness. *Academy of Management Journal, 50*(5), 1181–1197.

Porath, C. L., & Pearson, C. M. (2012). Emotional and behavioral responses to workplace incivility and the impact of hierarchical status. *Journal of Applied Social Psychology, 42*(S1), E326–E357.

Priporas, C-V., Stylos, N., Rahimi, R., & Vedanthachari, L. N. (2017). Unraveling the diverse nature of service quality in a sharing economy: A social exchange theory perspective of Airbnb accommodation. *International Journal of Contemporary Hospitality Management, 29*(9), 2279–2301. doi:10.1108/IJCHM-08-2016-0420

Rego, A., & Pina e Cunha, M. (2008). Workplace spirituality and organizational commitment: An empirical study. *Journal of organizational change management, 21*(1), 53–75.

Roberts, S. J., Scherer, L. L., & Bowyer, C. J. (2011). Job stress and incivility: What role does psychological capital play? *Journal of Leadership & Organizational Studies, 18*(4), 449–458.

Robinson, S. L., & Bennett, R. J. (1995). A typology of deviant workplace behaviors: A multidimensional scaling study. *Academy of Management Journal, 38*(2), 555–572.

Sakurai, K., & Jex, S. M. (2012). Coworker incivility and incivility targets' work effort and counterproductive work behaviors: The moderating role of supervisor social support. *Journal of Occupational Health Psychology, 17*(2), 150–161.

Sanders, K., & Schyns, B. (2006a). Trust, conflict and cooperative behaviour: Considering reciprocity within organizations. *Personnel Review, 35*(5), 508–518.

Sanders, K., & Schyns, B. (2006b). Leadership and solidarity behaviour: Consensus in perception of employees within teams. Personnel Review, 35(5), 538-556.

Sanders, K., Flache, A., van der Vegt, G., & van de Vliert, E. (2006). Employees' organizational solidarity within modern organizations: A framing perspective on the effects of social embeddedness. In Flechtenhauer, D., Flache, A., Buunk, A. P., & Lindenberg, S. (Eds.), *Solidarity and Prosocial Behavior* (pp. 141–156). New York, NY: Springer.

Sanders, K., Snijders, T., & Stokman, F. N. (1998). Effects and outcomes of informal relations within organizations. *Computational & Mathematical Organization Theory, 4*(2), 103–108.

Schilpzand, P., De Pater, I. E., & Erez, A. (2016). Workplace incivility: A review of the literature and agenda for future research. *Journal of Organizational Behavior, 37,* S57–S88. http://doi.org/10.1002/job.1976

Schilpzand, P., Leavitt, K., & Lim, S. (2016). Incivility hates company: Shared incivility attenuates rumination, stress, and psychological withdrawal by reducing self-blame. *Organizational Behavior and Human Decision Processes*, 133, 33–44.

Sierra, J. J., & McQuitty, S. (2005). Service providers and customers: Social exchange theory and service loyalty. *Journal of Services Marketing, 19*(6), 392–400.

Singh, S., Kaur, G. K., & Vidyarthi, P. R. (2017). Idiosyncratic deals to employee outcomes: Mediating role of social exchange relationships. *Academy of Management Proceedings, 2017*(1). doi: 10.5465/AMBPP.2017.14999abstract

Sliter, M., Sliter, K., & Jex, S. (2012). The employee as a punching bag: The effect of multiple sources of incivility on employee withdrawal behavior and sales performance. *Journal of Organizational Behavior, 33*(1), 121–139.

Smith, L., Andrusyszyn, M. A., & Spence Laschinger, H. K. (2010). Effects of workplace incivility and empowerment on newly graduated nurses' organizational commitment. *Journal of Nursing Management, 18*(8), 1004–1015.

Smith, C. S., Tisak, J., Hahn, S. E., & Schmieder, R. A. (1997). The measurement of job control. *Journal of Organizational Behavior, 18,* 225–237.

Sorek, I. (2015). Solidarity. *Leksi-kay, 3,* 24–25. (in Hebrew)

Taylor, S. G., & Kluemper, D. H. (2012). Linking perceptions of role stress and incivility to workplace aggression: The moderating role of personality. *Journal of Occupational Health Psychology, 17*(3), 316.

Tepper, B. J., Henle, C. A., Lambert, L. S., Giacalone, R. A., & Duffy, M. K. (2008). Abusive supervision and subordinates' organization deviance. *Journal of Applied Psychology, 93*(4), 721–732.

Thibaut, J. W., & Kelley, H. H. (1959). *The social psychology of groups.* New York, NY: Wiley.

Torkelson, E., Holm, K., Bäckström, M., & Schad, E. (2016). Factors contributing to the perpetration of workplace incivility: The importance of organizational aspects and experiencing incivility from others. *Work & Stress, 30*(2), 115–131.

Trudel, J., & Reio, T. G. (2011). Managing workplace incivility: The role of conflict management styles—antecedent or antidote? *Human Resource Development Quarterly*, 22, 395–423.

von Kotze, A., & Walters, S. (Eds.). (2017). *Forging solidarity: Popular education at work.* Roterdam, Netherlands: Sense.

Walsh, B. M., Magley, V. J., Reeves, D. W., Davies-Schrils, K. A., Marmet, M. D., & Gallus, J. A. (2012). Assessing workgroup norms for civility: The development of the civility norms questionnaire-brief. *Journal of Business and Psychology, 27*(4), 407–420.

Walker, D. D., van Jaarsveld, D. D., & Skarlicki, D. P. (2014). Exploring the effects of individual customer incivility encounters on employee incivility: The moderating roles of entity (in)civility and negative affectivity. *Journal of Applied Psychology, 99*(1), 151–61.

Wickens, P. D. (1995). *The ascendant organization: Combining commitment and control for long-term, sustainable business success.* Hampshire, England: Macmillan.

Zeidner, M., Matthews, G., & Roberts, R. D. (2012). *What we know about emotional intelligence: How it affects learning, work, relationships, and our mental health.* Cambridge, MA: MIT Press.

This page intentionally left blank.

CHAPTER 11

ANTI-CORRUPTION INITIATIVES FOR THE BENEFIT IN RESEARCH, SCIENCE, AND TECHNOLOGY

Jessica Mendoza Moheno, Martín Aubert Hernández Calzada, and Carla Carolina Pérez Hernández

ABSTRACT

Corruption seems to be a global disease that has attacked all sectors, including education, science, and technology. In Mexico there is no clarity in the budget given to research, there are amounts of the budget allocated to science and technology where there is no information about their application or the benefits that might have for research. Besides there are bad practices at the individual, institutional, and governmental levels. These facts have consequences in the advances in the research and development of science and technology in the country. Thus, the purpose of this chapter is to document citizens' initiatives on corruption, transparency, and openness of national data, as well as the proposal of anti-corruption practices oriented to combat corruption and fraud in science and technology.

Anti-Corruption in Management Research and Business School Classrooms, pages 207–225

Hirsch and Watson (2010) claim that the concept of corruption is as old as humanity. It is a disease that has invaded the whole world (Piliponyté, 2006) as a great plague, which ends with the integrity of people, representing a great threat for governments, firms, and institutions.

Corruption is seen as a complex phenomenon that threatens development and human needs such as health, education, and security (Tavanti & Stachowicz-Stanusch, 2013). Corruption in education represents an obstacle for the human right to receive education (Transparency International, 2013). Higher education institutions, as well as science and technology institutions have not remained immune and have also fallen into corruption actions. Science and technology have also seen the effects of corruption, derived from different causes, ranging from individual, organizational, and environmental factors.

Before the 1990s, corruption was an ignored problem (Rothstein, 2014). Currently, corruption is investigated intensively, that makes it difficult to be updated with the latest research (Lambsdorff & Schulze, 2015). Corruption has been investigated from four different perspectives: (a) the debate on the concept of corruption, (b) the measurement of corruption, (c) the causes that give rise to corruption and its different levels, and (d) consequences generated by acts of corruption (Brodschil, Fracchia, & López Amorós, 2008). In corruption studies in economics, Lambsdorff and Schulze (2015) identify two generations in corruption research, the first generation has focused on cross-country studies, through the use of corruption perception indexes. The second generation has adopted a micro perspective, using microeconometrics and experiments to analyze corruption at the individual, household, or firm level.

To the extent that society has clarity in the definition of corruption, then corrupt acts may be diminished (Piliponyté, 2006). It is therefore important to inform society what is meant by corruption and the problems it entails so that through the citizenship it may be possible to act and collaborate in the reduction of acts of corruption. However, it is not enough to define what corruption means, it is more important to establish anti-corruption mechanisms, where government and citizens act in a coordinated way to combat this disease. Anti-corruption has been investigated mainly on issues of transparency regime, by economists, lawyers, and political scientists. Anti-corruption has not caught much attention in the organizational effects, being associated with audits (Osrecki, 2015). In the literature there is scarce information, it has not been studied in depth, perhaps because of the difficulty in defining the opposite of corruption (Rothstein, 2014). In the social sciences, it has also been addressed, but anti-corruption measures are a subject that has not yet been explored in depth (Osrecki, 2015).

In the review of the literature, we have found studies related to corruption in education, but there are no specific studies that investigate the acts

of corruption in science and technology, nor of the anti-corruption measures that are being applied. This lack of research in the field motivated us to carry out this research that is aimed to explore and document the acts of corruption in science and technology, as well as the anti-corruption measures, at a general and specific level in Mexico in order to raise a list of proposals in anti-corruption for science and technology.

The methodology used to achieve the stated objective consisted on reviewing the literature on anti-corruption and science and technology in scientific digital databases, as well as on the internet. We also followed news related to the topic in newspapers. Once the information obtained had been analyzed, we proposed a series of guidelines that we think can be useful in the establishment of anti-corruption measures and actions in science and technology.

The chapter is structured into four sections. In the first section the importance of science and technology is discussed, analyzing the concept given to science and technology in Mexico. In the following section we list common bad practices, including scientific fraud in science and technology. In the third section, the anti-corruption measures existing in the country are exposed, including the National Anti-Corruption System. The fourth section attempts to make a series of proposals aimed to combat corruption in science and technology. Finally the conclusions are exposed.

SCIENCE AND TECHNOLOGY

Science and technology are essential for the development of countries. Advances in science and technology make the difference between developed and underdeveloped countries. Throughout history, science and technology have changed the livelihood through contributions that improve the quality of life and are synonymous of progress. The countries with technology have better levels of education, better infrastructure and better opportunities.

The budget assigned to science and technology in the countries is a primary issue, but it is not always considered in such a way. Worldwide, countries invest an average of 2.23% of GDP in science and technology (The World Bank, 2015). In 2014, the country with the highest investment was South Korea with a 4.29% of GDP, followed by Israel with 4.25% and Japan with an investment of 3.29%. The OECD countries in 2015 invested 2.38% of GDP on average (OECD, 2016). The high investment that South Korea has decided to invest in science and technology for several years, explains today the accelerated development and advances in innovation presented by this country, so the investment in education and science and technology shows positive effects in the long term.

The budget allocated to science and technology in Mexico is precarious; in 2015 it was 0.53% of GDP (OECD, 2016) and for the year 2017, it was only 0.43% of GDP, registering a decrease of 23.3% with respect to the previous year (Contreras Bustamante, 2017). The goal set during the sexennium by the current federal government, was to reach by 2018 the investment of 1% of GDP in science and technology, a goal that obviously will not be achieved. It should be noted that Mexico is the country that makes the least investment in science, technology, and innovation of the countries included in the OECD (Andrade, 2017).

Throughout the world, governments have contemplated cutting the budget of science and technology. These kinds of decisions are common for government policy makers, since these areas do not seem to have an immediate effect on any individual's livelihood, although the truth is that in the long term they have devastating effects (Driggers, 2011). At the end of 2016, the Congress stated a budget cut for science and technology, so the National Council for Science and Technology (CONACYT), the highest agency for promoting science and technology in the country, exercised 23.3% less with respect to the previous budget (Andrade, 2017). This measure represents a setback for the country's technological development. In addition to the low budget assigned to this issue, there are important deviations in the different entities. To have an idea, we mention the case of the Mexican entity Veracruz, where there was a deviation of 35,000 million pesos from the entity's budget, which is 67% higher than the budget allocated for science and technology in 2017 (Suárez García, 2016).

Andrade (2017) points out that the standard of living for the citizens of a country can be increased through the generation of innovation processes, supported by a technological development and a solid scientific basis. However, it does not represent a priority for Mexico, because instead of increasing the budget for science and technology, the opposite happens year after year. There is no long-term vision for development to provide better opportunities for its citizens.

Therefore, science and technology is a field that should be investigated, as well as corruption and bad practices that are carried out in this issue.

BAD PRACTICES IN SCIENCE AND TECHNOLOGY

We cannot address the theme of corruption, if we do not define the concept of corruption. According to different authors, defining the meaning of corruption is not an easy task. Rumianceva (2006) points out that the complexity lies in the fact that some definitions are limited and applicable only in some cases and, on the contrary, others are too broad. Tavanti

and Stachowicz-Stanusch (2013) state that, despite worldwide initiatives to combat corruption, there is a lack of definition of the topic. Likewise, the definition of corruption may vary according to different societies and to the approach with which it is conceptualized, whether social, economic, or institutional (Brodschil, Fracchia, & López Amorós, 2008).

Transparency International in its web page defines corruption as "the abuse of entrusted power for private gain. It can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs" (Transparency International, n.d.). Corruption can be understood as any action in which an individual grants or receives an unjustified gratification in exchange for a service or good (Ethos Laboratorio de Políticas Públicas, 2017). Corruption occurs when the law is not respected, but the person who holds the power. This is when merit is substituted by criteria of appointment or promotion.

Corruption can be understood as a phenomenon created and supported by social interactions (Stachowicz-Stanusch, 2010), that is, for the existence of an act of corruption, there must be at least two people involved, that is why the study of corruption has been addressed from the theory of the agency. This theory stipulates that in the relationship of two parties, one party for any reason hires another party to act on behalf (Osreki, 2015).

Unfortunately, corruption has invaded countless institutions, and unfortunately sometimes it seems to be normal, that is why corruption must be understood as a problem of collective action (Lemay-Hébert, 2011).

Once the meaning of corruption has been clarified, we ask ourselves the following question: What leads people to commit acts of corruption? Huberts (2010) explains that in order to address corrupt behavior, it is necessary to understand the different levels that cause corruption and classify them into three different levels. The first is the micro level, which includes factors related to individuals and work. The next level is the meso, which refers to aspects associated to organizations. And the last level refers to the macro, which includes the rules and laws. Table 11.1 shows the classification of the causes of corruption and fraud.

From the micro level, corruption can exist at the individual level, which depends on specific circumstances that people live. Huberts (2010) emphasizes that the type of work that is performed by the person is important when analyzing corruption, since there are certain kinds of work that may be more prone to commit acts of corruption.

The meso level is concerned to the interior of institutions and includes leadership, organizational structure, organizational culture, and personnel policies. Organizational culture is essential, since it regulates the behavior of people and sends conscious and unconscious signals of what is and is not allowed in organizations.

TABLE 11.1 Classification of Causes of Corruption and Fraud

Micro level (individual factors)	Meso level (organizational factors)	Macro level (Social, economic, political factors)
Individual (carácter and private circumstances) Work (colleagues, contacts)	Leadership (leaders and authorities) Organizational structure (size, complexity, procedures) Organizational culture (mission, values, norms) Personnel (training and selection, rewarding)	Judical (laws and regulations) Political-administrtive (growth and size of government organization, strong interrelationships (politics and administration), strong interrelationships (business, politics, state), penetration of market ideology in the state, increasing significance of lobbying) Social (criminality, social inequality, social change, strong family ties and obligations, social, rights and duties) Economic (inflation, recession, economic growth)

Source: Huberts (2010)

Osrecki (2015) states that formal systems in organizations, such as strict hierarchies, procedures, goals, and well-established rules, are necessary for the coordination and integration, however, they are complemented by an informal order that breaks the rules and does not complies with the established. That is why informal systems can become even more important when analyzing corruption.

The macro level refers to the environment, including laws, regulations, administrative policy, and social aspects, such as social inequality, social change and family ties. On the other hand, Hallak and Poisson (2007) classify the causes of development of corrupt practices within the education sector in internal and external factors. Table 11.2 shows a classification of the internal and external factors that contribute to corruption.

Based on the analysis conducted by Hallak and Poisson (2007) in relation to the internal and external factors of corruption in education, as well as the classification provided by Huberts (2010), we determine that corruption problems in science and technology can also be investigated under three approaches. The first is at the individual level (researchers), the second is from the point of view of universities and research centers, and the third from the government administration and its exercise.

TABLE 11.2 Internal and External Factors Contributing to Corruption

Internal factors	External factors
Non-transparent norms	Absence of political will
Opacity of procedures	Political/economic/social structures in place
Monopoly and discretionary power	Decline of ethical values (corruption as the norm)
No independent system of quality assurance	Low salaries in the public sector
Low salaries and weak incentive systems	No ethical codes
No professional norms	Fungibility of budgets
Low management capacity	Lack of esternal audit
Lack of absorption capacity	Poor judiciary
Weak accounting and monitoring systems	Strong competition for jobs
Lack of supervision/control	Education as a "gatekeeper" to jobs (importance of credentials)
Poor public information	No right to information

Source: Hallek & Poisson (2007)

PERSONAL LEVEL

At the individual level, academic production is the most frequent act of corruption, also called scientific fraud. It is necessary to emphasize that research cannot be conceived without the support of scientific publication, but sometimes it has ceased to be an instrument of service to become a goal by itself (Tudela & Aznar, 2013). The pressures of the labor market that demand the publication of more scientific products, have led researchers to commit scientific fraud, with plagiarism being the most frequent fraud, as well as the publication of false data. Among the possible causes of scientific fraud are the search for recognition, the pressure to publish in high impact factor journals, being the first in the publication of a new advance, and the conflict of interests, when the scientific spirit conflicts with economic aspects (Tudela & Aznar, 2013).

- *Plagiarism:* Consists in the partial or complete copy of procedures, methodology, results, or review of the literature of other authors, without respecting the original authorship. There may also be the phenomenon of autoplagio, which is when researchers use the same information, but in different research products.
- *Data manufacturing:* It is usually a scientific fraud in which data are manufactured, manipulated, or cooked.[1] Throughout history there have been cases of manufactured data in all over the world.

- *Malversation of resources:* When resources assigned to research projects are used for personal purposes.
- *Calls with name and surname:* In some cases calls are negotiated *a priori* between researchers, educational institutions, and government agencies, so the publication of calls becomes a mere procedure, because the resources have been previously negotiated and have already a destination.

HIGHER EDUCATION INSTITUTIONS AND RESEARCH CENTERS

- *Postgraduate programs as a means of business:* Another problem is the great offer in the market of low quality PhDs, which do not have the minimum quality standards required. In the country there are doctoral programs with executive plans, where classes are once a month, Friday afternoon, Saturday, and Sunday. These kind of PhDs lack scientific rigor and are very questionable. Other institutions have opted for the sale of diplomas, especially in distance programs in higher education institutions without academic recognition. This kind of business derives from the difficulty of verifying the authenticity of the diplomas.
- *Embezzlement of funds:* Financial monitoring in universities is difficult, because each institute or faculty has its own cost center, which means that the diversion of funds can give rise to the possibility of financial fraud. Likewise, derived from the confusion between commercial and traditional academic values, the creation of Shell companies with fictitious expenses can be a common practice. Their existence is justified by academic purposes, such as the granting of scholarships to students (Heyneman, 2013).
- *Endogamia:* Derived from the need of the publication of articles, institutions of higher education have created journals, where the process of peer review is questionable and the authors of articles are mostly the researchers of the universities to which the journals belong.
- *Blind peer review:* There can be found a lack of reviewers in the publication of journals. In the year 2017 more than 100 articles were removed from the *Tumor Biology Journal* because it was found out the existence of fake emails and researchers that did not exist (Jiménez, 2017).

GOVERNMENT ADMINISTRATION

- *Lack of laws and regulations:* The budget granted to scholarships for students with lost funds turns out to be a problem, since the interest to study an educational program is seen by some students as a way of life because of the possibility of charging a scholarship. At the end, students do not take advantage of the studies. It is not surprising to see that the students, once the scholarship has been charged, they leave the institution of higher education and they do not finish the process of graduation. The financed resources are not restored, because of the lack of laws and regulations that compromise and oblige students to successfully complete their studies.
- *Lack of clarity in the science and technology indicators:* There are organisms that motivate and provide economic stimuli as a complement to the salary to researchers who develop scientific products of high quality. In the case of Mexico, CONACYT in the area of social sciences does not have precise and measurable indicators, since the requirements in the call only mentions the elaboration of products with quality. In this way, quality becomes a relative indicator and depends on who evaluates, in some cases the memories in conferences may be products with quality, and in others, JCR (Journal Citation Reports) articles do not seem to meet the quality expectations set by the call.
- *Lack of monitoring of budgets:* There are budgets given, but not evaluated. It is necessary to have studies that allow to have a clearer map of how spending on science and technology is distributed in the states of the country and in the dependencies. The fact is that CONACYT has only 40% of the budget allocated to science and technology and the rest is held by other agencies/secretariats that do not show evidence of the expenses of that budget and it is unknown how it is exercised. This actions, in one hand, slow down the global evaluation of the impacts and, on the other hand, makes it difficult for the states to make more budgets. As an example, the Ministry of the Interior has 70 million pesos designated for science and technology that we do not know in what it is being applied, nor we have any information if science and technology has been benefited through this budget (Karam, 2016).

THE FIGHT AGAINST CORRUPTION: ANTI-CORRUPTION MEASURES

Some authors argue that the awareness of corruption as a harmful act in individuals does not have positive effects in the decision to take actions to

avoid committing corruption acts (Büchner, Freytag, González, & Güth, 2008; Abbink, Irlengusch, & Renner, 2002). That is, people, despite knowing that it is an act of corruption, do it anyway, without any remorse of conscience. In contrast, Poliponyté (2006) points out that concerned citizens about corruption are more eager to report crimes, cooperate while conducting investigations, improve democracy through voting by honest politicians, stick to laws and avoid bribes and offer bribes. We support this second hypothesis that the more informed citizens are about corruption, the lower the corruption indexes.

Corruption slows the social development of nations. Corruption in Mexico is equivalent to 10% of GDP (OECD, 2017) and is considered one of the major problems that has slowed the economy and the social development. Thus, in the last Transparency International Corruption Perceptions Index Report (Transparency International, 2016), Mexico ranked 123rd in corruption out of a total of 176 countries. Unfortunately, the system of corruption in which the country lives has forced the population to carry out acts of corruption, where 51% of the population claims to have paid a bribe, given a gift, or done a favor to access education, health, justice, or public services. According to the report entitled *People and corruption: Latin America and the Caribbean* (Transparency International, 2017), even more alarming is the fact that 14% of family income is designated to bribery to facilitate procedures (Bohórquez, 2018). Corruption in Mexico affects government, rules, institutions, and behaviors of the population (Ballinas, 2014). More than 7 billion pesos are allocated to the fight against corruption (Herrera Beltrán, 2017) and the cost of corruption in the national economy represents up to 5% of GDP (IMCO, 2015).

The work carried out by Transparency International has been of great support for the fight against corruption and has been very successful, bringing together civil society, business, and governments as global coalitions (Hallak & Poisson, 2007). Attempts at transparency, accountability, and auditing in organizations are tools that increase visibility, but are not always well accepted, since there is a resistance where transparency through accountability and auditing has led to the creation of forms of blame—avoiding and reactant behavior (Osrecki, 2015).

Therefore, combating corruption is not an easy task; it can only be fighted with the involvement of civil society groups, but this goal can only be reached with a mature civil society that does not fear changes (Piliponyté, 2006). In Mexico, the most important citizen initiative in the country has been the proposal of the Law 3 of 3, whose purpose is to force officials to publish their patrimonial, interest and tax declarations, that is, to make their assets transparent, their relationships and business in the private sector and the payment of their taxes, in addition to creating more effective sanctions against corruption of those who live from the national treasury.

The approval of this law gave life to the SNA (Lecona, 2017). On May 27, 2015, the foundations of the National Anticorruption System (SNA, by its initials in Spanish) were laid. It was necessary to modify seven laws and secondary laws that were approved and gave life to the SNA, entering into force on July 19, 2017.

The SNA was created with the objective of preventing, identifying, and condemning administrative abnormalities and crimes of corruption at the federal and state levels. To do this, a set of new rules was established that aims to enhance the fight against corruption through the strengthening of preexisting institutions, in addition all entities must establish local anti-corruption systems to combine efforts with the federation. The SNA is the set of institutions, laws, and officials that must interact with each other, to investigate, punish acts of corruption and propose legal changes.

The SNA works through a coordinating committee formed by seven chairs:

- President of INAI (National Institute of Transparency, Access to Information, and Data Protection)
- Superior Auditor of the Federation
- Public Function Secretary
- Representative of the Federal Judiciary
- Anti-Corruption Prosecutor
- Representative of the Administrative Court of Justice
- President of the Citizen Participation Committee

A key figure in the SNA are the citizens, as Macías Jasso (2017) argues, in an interview for Deloitte: "It is about the participation of the citizens. Civil society must act and assert its points of view, of interacting in a more direct way with politicians and authorities. Society must be taken into account and be included in the decision-making" (p. 1).

The Citizen Participation Committee (CPC) was born with the intention that citizens watch over officials. It is made up of 5 independent nonpartisan citizens whose function is to monitor the functioning of the SNA. The members of the CPC were chosen by a selection commission formed by 9 citizens of academic trajectory who have never participated in political parties. However, the CPC has not yet received resources and its members do not have a fixed place to hold meetings. Likewise, there is a neglectance on behalf of authorities and citizens, since of the 32 entities, only 11 have CPCs (Morales, 2017).

The responsibilities of the CPC are (Mexican Transparency, March 28, 2017):

1. The proposal of coordinated projects between institutions and government in matters of control of public resources, as well as instruments, guidelines, and mechanisms required for the operation of the electronic complaint system.
2. Anti-corruption network: Propose mechanisms to society to participate in the prevention and reporting of administrative failures and acts of corruption, as well as keeping a voluntary registry of civil society organizations that wish to collaborate in coordination with the CPC to establish a network of citizen and academic articulation.
3. Indicators for corruption control: Propose indicators and methodologies for the measurement and monitoring of the phenomenon of corruption, as well as for the evaluation of the fulfillment of the objectives and goals of the national policy, the integral policies and the programs and actions implemented by the authorities that conform the national system.
4. Citizen Inspection: Propose rules and procedures to receive well-founded and motivated petitions, requests, and complaints that civil society wants to reach the Superior Audit Office of the Federation, as well as local superior oversight entities.
5. Performance Coordinating Committee: Comment on the annual work program of the coordinating committee and make non-binding observations and recommendations.
6. Promote collaboration with institutions in the field to evaluate results and make proposals for impact in the anticorruption cycle: prevention, detection, and combat of corruption or administrative offenses.
7. Follow-up to SNA: Follow up the functioning of the SNA, and propose to the coordinating committee mechanisms to facilitate the functioning of existing instances of social comptrollership, as well as to directly receive information generated by these instances and forms of citizen participation.

Civil society plays the most important role in anti-corruption, so governments must involve civil society as part of their efforts to fight corruption. The participation of civil society will increase the credibility of these efforts.

For the specific case of higher education institutions, the Mexican Association of Control and Surveillance Bodies was formed in higher education institutions, which aims to strengthen the credibility of administrative management, with the academic community and with society. It is constituted in a technical, analysis and advisory group, composed of the representatives of the control and surveillance areas of the different institutions of higher education of the country.

Fortunately, anti-corruption has begun to have positive effects on students. As an evidence of it, a Mexican student graduated from the master's degree in Quality and Manufacturing Systems, from the Autonomous University of Guadalajara, developed an intelligent crime detection tool within small and medium-sized companies. The research is entitled "*Evaluation of Suppliers With Anti-Bribery Criteria Through Expert Systems; ISO 37001.*" The proposal was presented in Bled, Slovenia, at the 61st Congress of the European Organization for Quality. The project presents a system to detect bribes and thus avoid audits made on paper, where the bribe can be "slipped." The graduate said that her project is focused on the effects of corruption within companies, how to detect them and avoid them (Expansión en Alianza con CNN, 2018).

Finally, the creation of policies aimed at combating corruption are key to the development of a nation, however, the success of the reforms and the effectiveness of anti-corruption programs depends on the maturity of the civic society that does not fear changes (Piliponyté, 2006). We consider that this represents the greatest challenge for Mexico.

PROPOSALS

As we have emphasized, it may be impossible to eradicate corruption in education, science and technology, but it is necessary to begin to propose anti-corruption measures. We present the next list of proposals:

1. *Gender Equality in the SNA:* Several studies point out significant differences between men and women with respect to corruption. There is evidence that men are more prone to fall into acts of corruption and women tend to report bribes more frequently than men (Frank, Lambsdorff, & Boehm, 2009; Alatas, Cameron, Chaudhiri, Erkal, & Gangadharan, 2009; Lambsdorff & Frank (2011). Following this idea, we propose that in the SNA there should be presence of the female gender in all organs. It is not about having a greater presence of women, but at least gender equity must be observed.
2. *Creation of a surveillance institution for scientific production:* The existence of scientific fraud requires the creation of an organization similar to the U.S. Office for Research Integrity (ORI), in order to monitor and promote integrity in scientific research. In Mexico there is no institution dedicated to monitor scientific fraud, so when acts of corruption such as scientific fraud occur, there is no specific procedure to evaluate the damages.

3. *Development of norms and regulations:* It is necessary to develop ethical codes and responsible behavior programs at the national level, which promote the integrity and good practices of the academic community. Likewise, it is essential to establish specific rules and regulations, and processes for the establishment of sanctions when acts of corruption are incurred.
4. *Evaluate the impact on science:* It is necessary to stop and make a reflection on the work carried out by researchers. In many universities, public and private, researchers have become operators and perform secretarial work, leaving aside the work of research. However, pressures for high impact scientific publications continue. We do not mean that this justifies the acts of corruption, but that the academic burdens must be balanced, where the time for research is benefitted.
5. *Creation of anti-corruption commissions within the universities:* In the IES there are areas of control that monitor the proper use of financial resources. However, in addition to this, anti-corruption commissions can be created to avoid embezzlement.
6. *Surveys against corruption in universities:* As surveys are applied globally to measure corruption, the creation of indicator surveys that measure the levels of corruption in universities can help reduce corruption in these organizations. Civil society organizations must press to define indicators to measure progress in prevention, investigation, and punishment of acts of corruption (Herrera Beltrán, 2017).
7. *Encourage the academic community to propose methods, systems, and anti-corruption measures:* Just like the student of the Autonomous University of Guadalajara was awarded for the creation of an anti-corruption computer system (Expansión en Alianza con CNN, 2018), the academic community can make interesting proposals aimed at reducing levels of corruption, through theses, lectures, development of patented products, and so on.
8. *Development of software programs:* There is an inability to calculate the true cost of the quality of scientific articles. The proposal of software programs such as Scientometrics (López López, 2017) can help measure the impact of scientific production.
9. *Dissemination of the National Anticorruption System in universities:* Due to its recent creation, students are not informed of what the SNA is, so it is necessary to develop dissemination programs to raise awareness in relation to corruption and encourage their participation as citizens in the actions for their combat.
10. *Increase levels of transparency:* Although transparency has become an obligation since some years ago, there is still a long way to go before transparency can fulfill its purpose. It is necessary to increase

the demands in organizations related to education, science and technology.

CONCLUSIONS

Science and technology have a predominant role in economic and social development of nations. We are convinced that education, science, and technology are the only means to improve the conditions of social life, through knowledge and the development of technology. Unfortunately, in Mexico science and technology do not have the value it deserves, since the budget assigned to this issue is very limited.

Science and technology have been involved in problems and corruption scandals by researchers, universities, and government. Corruption risks are high in education, mainly due to financial resources and the high stakes of educational opportunity (Transparency International, 2013). The lack of transparency increases the risk of committing fraud.

Rothstein (2014) highlights that what should be defined as the opposite to corruption is still undefined. This statement makes it difficult to understand the meaning of anti-corruption, especially for a world where corruption can be common and even normal.

The SNA in Mexico is very young, it has not yet reached the year of life, however, there are great hopes for its efficient operation and that the rate of corruption will be reduced gradually. It is not an easy task, it is a titanic task, but the important thing is that it has begun to take the first steps. To the extent that citizens get to know more precisely what is and represents corruption, and above all, what is the significance of anti-corruption, citizens will become the best agents to combat acts of corruption.

Among the most important challenges of the SNA is to recover the confidence of the citizenship. Changes are required, but the most important is to not fear changes, which allow to increase the maturity of society to face corruption and be an ally of the government for its combat. The changes require time, the effects of anti-corruption are not immediate, we must be patient and persistent in the goal.

The resources allocated to science and technology may always be insufficient. The important thing is to verify if indeed that budget is being applied efficiently and for the purposes for which it was intended. Research requires financial resources, it is not possible to generate knowledge without finance.

It is necessary to continue with the purpose of reducing corruption rates. The academy must increase its work, through proposals and the promotion of the development of projects to combat corruption in the academic community, such as the case of the Mexican student who proposed an anti-corruption computer system.

As it was stated at the beginning of this research, there are important studies in the literature that have investigated the advances in anti-corruption and education, but we did not find any specific study in anti-corruption in science and technology, so we make a call to continue with the research in this matter. Further research in anti-corruption in science and technology is needed.

Despite its explorative nature, we hope this chapter sheds light on anti-corruption in science and technology that allows us to understand its meaning and, above all, to know the actions that are being carried out in this issue. We believe that this research can be supportive for policy makers in decision-making in science and technology issues.

NOTE

1. For more information of faked cases, see Tudela & Aznar (2013).

REFERENCES

Abbink, K., Irlengusch, B., & Renner, E. (2002). An experiment bribery game. *Journal of Law, Economics, and Organizations, 18*(2), 428–454.

Alatas, V., Cameron, L., Chaudhiri, A., Erkal, N., & Gangadharan, L. (2009). Subject pool effects in a corruption experiment: A comparison of Indonesian public servantsand Indonesian students. *Experimental Economics, 12*(1), 113–132.

Andrade, S. (April 26,2017). *Science in Mexico and the reduction of sholarships from CONACYT.* Retrieved from http://www.animalpolitico.com/blogueros-zoon-peaton/2017/04/26/ciencia-mexico-la-reduccion-becas-conacyt/

Ballinas Valdés, C. (October 13, 2014). Corruption, an evil of all, a practice of all. *Expansion.* Retrieved from https://expansion.mx/opinion/2014/10/13/opinion-la-corrupcion-un-mal-de-todos-una-practica-de-todos

Bohórquez, E. (January 2, 2018). *Towards an anticorruption national system.* Retrieved from http://www.letraslibres.com/mexico/revista/por-un-sistema-nacional-anticorrupcion-20-0

Brodschil, E., Fracchia, E., & López Amorós, M. (2008). *Corruption and development. A critical review of recent literatura.* Retrieved from http://www.iae.edu.ar/pi/Documentos%20Investigacin/Research%20Seminars/Corrupcion.pdf

Büchner, S., Freytag, A., González, L. G., & Güth, W. (2008). Bribery and public procurement: An experimental study. *Public Choice, 137*(1/2), 103–117.

Contreras Bustamante, R. (March 25, 2017). *Cutting in science and technology.* Retrieved from http://www.excelsior.com.mx/opinion/raul-contreras-bustamante/2017/03/25/1154002

Driggers, R.G. (2011). The importance of science and technology. *Optical Engineering, 50*(9), 90–101.

Ethos. (2017). *Ethos Report. Deciphering corruption.* Mexico: Ethos Public Politics Laboratory. Retrieved from http://ethos.org.mx/es/ethos-publications/reporte-ethos-descifrando-la-corrupcion/

Expansion (January 8, 2018). *A Mexican student creates anticorruption system and is recognized in Slovenia.* Retrieved from https://expansion.mx/carrera/2018/01/08/egresada-mexicana-crea-sistema-anticorrupcion-y-es-reconocida-en-eslovenia

Frank, B., Lambsdorff, J. G., & Boehm, F. (2009). Gender and corruption: Lessons from laboratory corruption experiments. *The European Journal of Development Research, 23*(1), 59–71.

Hallak, J., & Poisson, M. (2007). *Corrupt schools, corrupt universities: What can be done?* Paris, France: UNESCO.

Herrera Beltrán, C. (May 26, 2017). *The anti-corruption citizen committee without budget or offices.* Retrieved from http://www.jornada.unam.mx/2017/05/26/politica/010n2pol.

Heyneman, S. (2013). Higher education institutions. Why they matter and why corruption puts them at risk. In *Global corruption report: Education. Transparency International* (pp. 101–107). London, England: Routledge.

Hirsch, R., & Watson, S. (2010). The link between corporate governance and corruption in New Zealand. *New Zealand University Law Review, 24*(1), 42–74.

Huberts, L. W. J. C. (2010). A multi approach in corruption research: towards a more comprehensive multi-level framework to study corruption and its causes. In G. de Graaf, P. von Maravic, & P. Wagenaar (Eds.), *The good cause: Theoretical perspectives on corruption* (pp. 146–165). Opladen: B. Budrich. Retrieved from http://nbn-resolving.de/urn:nbn:de:0168-ssoar-368896

IMCO. (2015). *Competitiveness Index Report 2015.* Mexican Institute for Competitiveness.

Jiménez, J. (April 24, 2017). *More than one hundred scientific articles removed for fraud are a wake-up call: Either we change the system or we will have problems.* Retrieved from https://www.xataka.com/investigacion/mas-de-cien-articulos-cientificos-retirados-por-fraude-son-una-llamada-de-atencion-o-cambiamos-el-sistema-o-tendremos-problemas

Karam, C. (2016). *Interview to Carlos Karam: Support for State Councils of CTI is required* (Anayansin Inzunza, interviewer). Retrieved from http://www.foroconsultivo.org.mx/FCCyT3/index.php/sala-de-prensa-virtual/boletines-de-prensa/4952-piden-apoyo-para-consejos-estatales-de-cti

Lambsdorff, J. G., & Frank, B. (2011). Bribing versus gift-giving—An experiment. *Journal of Economic Psychology, 31*(3), 347–357.

Lambsdorff, J. G., & Schulze, G. G. (2015). What can we know about corruption? A very short history of corruption research and a list of what we should aim for. *Journal of Economics and Statistics, 235*(2), 100–114.

Lecona, A. (July 20, 2017). *7 keys of the national anticorruption system. For freedom.* Retrieved from https://aristeguinoticias.com/2007/mexico/7-claves-del-sistema-nacional-anticorrupcion/

Lemay-Hébert, N. (2011). The bifurcation of the two worlds: Assessing the gap between internationals and locals in state-building processes. *Third World Quarterly, 32*(10), 1823–1841.

List of countries by research and development spending https://en.wikipedia.org/wiki/List_of_countries_by_research_and_development_spending

López, W. (2017). Can scientometrics contribute to the assessment of intelectual production? *Universitas Psychologica, 16*(4), 1–2.

Macías Jasso, F. (2017). *The first step of the anticorruption national system.* Retrieved from https://www2.deloitte.com/mx/es/pages/dnoticias/articles/sistema-nacional-anticorrupcion.html

Mexican Transparency. (March 28, 2017). *What does the Citizen Participation Committee do?* Retrieved from https://www.tm.org.mx/comite-participacion-ciudadana-del-sna/

Morales, A. (December 4, 2017). *NGO warns attempt to boycott National Anticorruption System.* Retrieved from http://www.eluniversal.com.mx/nacion/politica/advierte-ong-intento-por-boicotear-sistema-nacional-anticorrupcion

OECD. (2016). *Gross domestic spending on R&D.* Retrieved from https://data.oecd.org/rd/gross-domestic-spending-on-r-d.htm

OECD. (2017). *OECD study on integrity in Mexico. Key aspects. Adopting a firm policy against corruption.* Retrieved from https://www.gob.mx/cms/uploads/attachment/file/180671/estudio-ocde-integridad-mexico-aspectos-claves.pdf

Osrecki, F. (2015). Fighting corruption with transparent organizations: Anti-corruption and functional deviance in organizational behavior. *Ephemera. Theory and Politics in Organization, 15*(2), 337–364.

Poliponyté, J. (2006). Corruption phenomenon. In *Anti-corruption education at school. Methodical material for general and higher education schools* (pp. 167–188). Republic of Lithuania: Modern Didactics Centre.

Rothstein, B. (2014). What is the opposite of corruption? *Third World Quarterly, 35*(5), 737–752.

Rumianceva, N. (2006). Taxonomy of corruption in higher education. In *Anti-corruption education at school. Methodical material for general and higher education schools* (pp. 167–188). Republic of Lithuania: Modern Didactics Centre.

Stachowicz-Stanunch, A. (2010). *Organizational immunity for corruption. Building theoretical and research foundations.* Poland: Silesian University of Technology.

Suárez García, O. (2016). *Cutting back to science and technology: Historical retreat.* Retrieved from http://www.contralinea.com.mx/archivo-revista/2016/12/11/recorte-a-ciencia-y-tecnologia-retroceso-historico/

Tavanti, M., & Stachowicz-Stanunch, A. (2013). Sustainable solutions for human security and anti-corruption: Integrating theories and practices. *International Journal of Sustainable Human Security, 1,* 1–17.

The World Bank (2015). *World Development Indicators: Science and technology.* Retrieved from http://wdi.worldbank.org/table/5.13

Transparency International. (n.d.). *How do you define corruption?* Retrieved from https://www.transparency.org/what-is-corruption

Transparency International. (2013). *Global corruption report: Education.* New York, NY: Routledge. Retrieved from https://www.transparency.org/gcr_education

Transparency International. (2016). *Transparency International Corruption Perceptions Index Report.* Retrieved from http://www.ey.com/Publication/vwLUAssets/EY-Transparency-International-Corruption-Perceptions-Index-2016/$FILE/EY-Transparency-International-Corruption-Perceptions-Index-2016.pdf

Transparency International. (2017). *People and corruption: Latin America and the Caribbean*. Berlin, Germany: Transparency International.

Tudela, J., & Aznar, J. (2013). Publish or perish? Fraud in research and scientific publications. *Person and Bioethics, 17*(1), 12–27.

This page intentionally left blank.

CHAPTER 12

PERCEPTUAL APPARATUS AND CORRUPTION

Vivek Khanna and Prabhjot Dutta Khanna

Transparency International, an international nongovernmental organization, has defined corruption as "the abuse of entrusted power for private gain" (Graycar & Sidebottom, 2012, p. 384). When we talk about corruption, we generally mean political corruption or corruption involving money. However, in line with the definition of corruption used above, it makes sense to consider corruption as the abuse of "any kind of" entrusted power for private gain.

Looking closely at this definition of corruption, we note that it is the "abuse" of "something" for "something." Now, when we talk about "abuse," it becomes apparently evident that we are dealing with a subjective phenomenon.

An analogous situation comes immediately into mind, that of the definition of a "set" in mathematics. "Set" is a group or collection of "well-defined" objects (Freitag, 2013, p. 77). Beautiful flowers, for example, cannot constitute a set because beautiful flowers are not well-defined objects, which is another way of saying that beauty is not the same for every person, that is, it is not an objective phenomenon (as it is said that beauty lies in the eyes of the beholder). What is beautiful to one person may not be so to the other person.

Anti-Corruption in Management Research and Business School Classrooms, pages 227–241

Similarly, in theory, something which is perceived as abuse by one person may not be seen as abuse by another. We notice this in everyday life.

Let us take the example of a conflict between the management and workers of an industrial unit. The workers may complain that the management is abusing its power (to hire and fire workers) by firing particular workers who had raised their voice demanding better working conditions. The management on the other hand may deny this charge of abuse and justify its action (of firing those particular workers) by citing the poor performance of those workers. Further, the workers may accuse the management of abusing their powers of reviewing the performance of workers for their own purposes. In such a situation, political organizations sympathetic to the worker's cause may support the workers and accuse the management of abusing its powers. Political organizations sympathetic to the capitalists and management may enter the conflict supporting the management.

So we see that the word "abuse" has subjective connotations. It typifies the ontological difference between the social sciences and the natural sciences (Morgan & Smircich, 1980). The social sciences have a subjective worldview whereas the natural sciences have an objective worldview, although this objective worldview of the natural sciences is being questioned by its own practitioners (Penrose, 1994).

Since terming something as abuse or not depends on the perception of it as being so, we should look closely at what "perception" really is. Perception is defined as the organization, identification, and interpretation of a sensation in order to understand and interpret the information, or the environment (Schacter, 2011). There is a need to examine this definition of perception closely to note that the phenomenon of perception does not take place in a neutral background. It is common knowledge that people often see what they want to see and they interpret what they want to interpret.

For ensuring the effective implementation of any anti-corruption efforts, we need to have a firm grasp on what it is that we are fighting against (i.e., what the phenomenon of corruption entails). We need to be acutely aware of the perceptual underpinnings of the concept of corruption. The present chapter attempts to explore these perceptual underpinnings of the phenomenon of corruption. The chapter studies the political nature of perceptions, the variation of perceptions regarding corruption across cultures and within any culture, and the possibility that these perceptions may be fabricated towards some covert ends.

PERCEPTIONS: NEUTRAL OR NOT?

People make sense of their environment, that is, they organize, identify and interpret the information they receive along lines they have learned, through

their education and life experience in the society and its institutions (Wright, McCarthy, & Meekison, 2003). Every person has a different subjective experience which acts as a template for future perceptions. This suggests that the phenomenon of perception might be anything but neutral.

The debate surrounding "whether perceptions are or whether they should be neutral" has spawned different schools of critical theory. These schools have had an enormous impact on literature and philosophy in particular, and on the way we make sense of the world surrounding us (i.e., our perceptions in general; Young, 1996).

The school of thought which holds that ways of perceiving (literary texts in particular and life in general) should be neutral is known as "liberal humanism" (Eagleton, 1996).

Barry (2017) noted that

> the word "liberal" in this formulation roughly means not politically radical, and hence generally evasive and non-committal on political issues. "Humanism" implies something similar; it suggests a range of negative attributes, such as "non-Marxist" and "non-feminist" and "non-theoretical." There is also the implication that liberal humanists believe in human nature as something fixed and constant. (p. 3)

Liberal humanism holds that perceptions are and should be independent of social, political, and historical context (Barry, 2017).

On the other hand, there are schools of thought which hold that ways of perceiving are and should not be neutral. Some of them are structuralism, feminism, Marxism, and post-colonialism.

Barry (2017) noted that that there were certain characteristic markers common to these schools of thought:

> Instead of being solidly "there" in the real world of fact and experience, [the basic "givens" of our existence] are "socially constructed," that is, dependent on social and political forces and on shifting ways of seeing and thinking. In philosophical terms, all these are *contingent* categories (denoting a status which is temporary, provisional, "circumstance-dependent") rather than *absolute* ones (that is, fixed, immutable, etc.). Hence no overarching "fixed" truths can ever be established. (p. 33)

Further, according to Barry (2017), the proponents of these schools

> generally believe that all thinking and investigation is necessarily affected and largely determined by prior ideological commitment. The notion of disinterested enquiry is therefore untenable: none of us, they would argue, is capable of standing back from the scales and weighing things up dispassionately: rather, all investigators have a thumb on one side or the other of the scales. Every practical procedure presupposes a theoretical perspective of some kind. To

> deny this is simply to try to place our own theoretical position beyond scrutiny. (pp. 33–34)

As an illustration of this consider the myth of metals referred to by Plato in his book, *Republic*. It was a way of harmoniously allotting the roles in society without causing any unrest. The myth of metals was projected as something ordained by nature and as a given fact of how things were meant to be. It was projected as something natural but it had underlying political motives behind it. It was a conception which was used by the rulers to keep those lower in the hierarchy of society from rising against them and keeping them contented with their lot. This was a way in which the treatment (read, abuse) of those lower in the hierarchy of the society was seen as natural and not allowed to be perceived as abuse.

Goldstein (2014) discussed the myth of metals spoken of by Plato:

> His [i.e., Plato's] utopian state would consist of three classes. On the top, making the decisions is the ruling class, whose members would have, both by their intrinsic natures and their training, the self-discipline to act strictly in the interests of all citizens. Next come the soldiers, charged with implementing the decisions of the rulers. Last come the farmers and craftsmen, who live by those decisions, pursuing the necessary tasks of keeping the material support of the city flourishing . . . [In order to prevent any instability in this hierarchy], Plato proposed that the people all be told the myth that there are different metals mixed into their constitution. The rulers have an admixture of gold, the soldiers silver, and the farmers and craftsmen bronze. (p. 78)

From the above discussion it should be clear that corruption is a matter of perception to a large extent. Now, theoretically, the perception of an individual is different from that of any other individual, perception being a subjective phenomenon.

CULTURE AND PERCEPTIONS OF CORRUPTION

It so happens that when we are trying to compare the perception of corruption across different societies, we generally assume the perceptions regarding corruption within a society to be homogeneous. The basis for the above assumption lies in the fact that individuals within a particular society receive their education from similar institutions and live their lives in the backdrop of similar institutions as compared to individuals from other societies. It is along these lines that the social construct of "culture" comes to our aid in justifying our assumption. Hofstede (2011) defined culture as "the collective programming of the mind that distinguishes the members of one group or category of people from others" (Introduction section,

para. 1). A society has its representative culture which is often used to compare it with other societies.

Of course, every society with a given culture has many different sub-cultures but a discussion of these is postponed to the part where we will be talking about variation of perceptions within a society.

Hofstede's Framework

A framework for studying cultures, that is, national cultures across the world, analyzes these cultures across six dimensions—power distance, uncertainty avoidance, individualism versus collectivism, masculinity versus femininity, long-term versus short-term orientation, and indulgence versus restraint (Hofstede, 2011).

Perceptions of Corruption Across Cultures Using Hofstede's Framework

By viewing the manner in which cultures vary along these dimensions, we notice the manner in which the perceptions of corruption i.e., whether an activity is seen as corrupt or not varies across cultures.

Let us consider the dimension of power distance first.

Power Distance

Power distance is defined as "the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally" (Hofstede, 2011, Power Distance section, para. 1).

Further the concept of power distance

> suggests that a society's level of inequality is endorsed by the followers as much as by the leaders. Power and inequality, of course, are extremely fundamental facts of any society. All societies are unequal, but some are more unequal than others. (Hofstede, 2011, Power Distance section, para. 1)

Power distance scores are higher for East European, Latin, Asian, and African countries and lower for Germanic and English speaking Western countries (Hofstede, Hofstede, & Minkov, 2010).

Let us take some examples to illustrate our point that perceptions regarding corruption varying across cultures along the dimension of power distance.

In the examples that follow, I have used India as representative of countries with high power distance and England/America as representative of countries with low power distance.

Let us consider the sphere of education. In India (where power distance is high) the education is largely teacher-entered, the teacher is a figure of authority in an educational institute. Teachers often give corporal punishment to students in schools. Doing a doctorate often entails doing odd jobs for your supervisor on a daily basis. Pursuing one's PhD often entails undergoing psychological torture at the hands of your supervisor. However, all these things are considered normal and just the way things are by people in the Indian society. These same issues would be seen as corruption by people in England or America where the power distance is low and education is more student centered. They would be seen as the abuse of power entrusted in the teachers by virtue of being figure of authority.

A second sphere in which the perceptions of corruption vary across cultures along the dimension of power distance is that of parenting. In India, parents treat their children as their personal belongings. They often mete out corporal punishment to discipline them. Further, in a large majority of cases, it is the parents who decide the educational and career direction of their wards and not the children themselves on the basis of their interests and likes/dislikes. Going even further, it is the parents who decide the marriage prospects of their wards in a majority of cases. The wishes of their son or daughter are often of no consequence. If their wards pursue their own likes and dislikes and get married to someone of their own choice, they are often boycotted socially by their parents or in some extreme cases, even murdered. This procedure of handling children is considered acceptable in the Indian society. However, in England or America, parents treat children as their equals. In these cultures, one can be jailed for beating one's child and the parents' wishes for a child's future are not forced on him/her. Similarly choosing a life partner is a decision to be made by the individual himself/herself alone. People in these countries would view the above mentioned activities in the Indian society as instances of corruption since they involve the abuse of power entrusted in the parents.

A third sphere in which the perceptions of corruption vary across cultures along the dimension of power distance is that of the workplace. In India, the superior is somehow more worthy as a person. In England or America, hierarchies are established for procedural purposes, for getting the work done and someone higher in the hierarchy is necessarily not more worthy as a person. This is one of the reasons why obnoxious things like sexual harassment of female employees are tolerated to a certain extent by the high power distance societies as a way of life. Such an abuse of power by the superiors would be considered as an instance of corruption by low power distance societies. This may be one of the reasons why instances of whistleblowing are so few in societies with high power distance as compared to societies with low power distance.

A final sphere relevant to our discussion concerns religion. Here the point to be noted is that the concept of power distance is taken to an absurd level. In India, which is a representative of countries with high power distance, some people are perceived as closer to God than the rest and are consequently perceived as endowed with greater power. These high priests often abuse the power entrusted in them by virtue of being seen as close to the divine by exploiting their followers and often taking the law of the land in their hands. Such things are rarely seen in countries like England or America or other countries with low power distance and would be perceived as instances of corruption.

Next we consider the dimension of uncertainty avoidance.

Uncertainty Avoidance

Hofstede (2011) noted:

> Uncertainty avoidance is not the same as risk avoidance; it deals with a society's tolerance for ambiguity. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, and different from usual. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict behavioural codes, laws and rules, disapproval of deviant opinions, and a belief in absolute Truth; "there can only be one Truth and we have it. (Uncertainty Avoidance, para. 1)

Uncertainty avoidance scores are higher for East and Central European countries, Latin countries, Japan and German speaking countries and lower for English speaking, Nordic, and Chinese speaking countries (Hofstede et al., 2010).

Now let us illustrate our point that perceptions regarding corruption vary across cultures, along the dimension of uncertainty avoidance, through some examples.

Let us take the sphere of politics. In countries scoring low on uncertainty avoidance, deviant opinions on issues of national interest are taken to be perfectly valid. In America for example, prominent people criticize and make fun of its president openly. America's foreign policy with regard to Vietnam, Israeli–Palestine conflict, Iraq, and Afghanistan has been criticized openly for many decades by prominent people like Howard Zinn and Noam Chomsky. Yet these people do not feel threatened in the American society. On the other hand, countries scoring high on uncertainty avoidance have little tolerance for deviant opinions and the people in these countries have learned not to question the official stand on issues. People in countries scoring low on uncertainty avoidance may perceive the act of suppression of deviant opinions as the abuse of powers entrusted in the government and thus as corruption.

Next we consider the dimension of individualism versus collectivism.

Individualism Versus Collectivism

Hofstede (2011) explained this dimension as follows:

> On the individualist side we find cultures in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. On the collectivist side we find cultures in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families (with uncles, aunts and grandparents) that continue protecting them in exchange for unquestioning loyalty, and oppose other in-groups. (Individualism section, para. 1)

The developed and Western countries tend to be individualist whereas the less developed and Eastern countries tend to be collectivist (Hofstede et al., 2010).

Let us illustrate the variation of perceptions regarding corruption along the dimension of individualism versus collectivism through an example.

Let us consider the case of a boy who is born and brought up in a collectivist society, like India, in a family of modest means. Suppose the boy aspires to and gets admission in a reputed university in America. All of his extended family chip in and contribute towards meeting the financial requirements of his study and his stay in America. The boy appreciates their support and feels a sense of responsibility towards them. The boy completes his study and gets a nice job in America which enables him to take better care of his extended family back in India. Meanwhile, he falls in love with an American girl and ends up marrying her. He has been straightforward in telling her of the contribution of his extended family in his success and the sense of his responsibility towards them since the beginning of their relationship. After their marriage, the boy continues to support his extended family both financially and emotionally. The girl, being born and brought up in an individualistic society may not be able to understand the boy's loyalty towards them and may regard the boy's extended family as abusing their power of being related to him for their benefit. Thus, we see that a natural way of how things are in a collectivist society may be seen as abusive and corrupt by someone in an individualist society.

Next we consider the dimension of masculinity versus femininity.

Masculinity Versus Femininity

It must be noted that, here masculinity and femininity do not refer to individual attributes rather they are the attributes of a particular society.

Hofstede (2011) noted that

> (a) women's values differ less among societies than men's values; (b) men's values from one country to another contain a dimension from very assertive and competitive and maximally different from women's values on the one side, to modest and caring and similar to women's values on the other. The assertive pole has been called "masculine" and the modest, caring pole "feminine." The women in feminine countries have the same modest, caring values as the men; in the masculine countries they are somewhat assertive and competitive, but not as much as the men, so that these countries show a gap between men's values and women's values. (Masculinity-Femininity section, para. 1)

Masculinity is high in Italy, Mexico, Japan, and in German speaking countries; it is moderately high in English speaking Western countries; it is low in Nordic countries and in the Netherlands; and moderately low in France, Spain, Portugal, Chile, Korea, and Thailand.

Let us illustrate the variation of perceptions regarding corruption along the dimension of masculinity versus femininity through some examples.

Let us consider the example of a masculine society. All the major decisions in the household are taken by the husband. The lady of the house is not allowed to work outside the household (even if she is otherwise qualified). If somehow she manages to work or has to work in order to support her household, this act of hers is looked down upon by the society—the society simply does not approve of this. The girl child is not encouraged to study as the society expects her to eventually manage her household. The society places great prestige on the birth of a male child and the birth of a girl child is considered unfortunate. All these things will be regarded as the abuse of power (entrusted in the male members of the society) by people in feminine societies. However, these things are part of how things normally are in masculine societies. Thus, we see that the routine, everyday activities of people in masculine societies may be viewed as instances of corruption by people in feminine societies.

Next we consider the dimension of long-term versus short-term orientation.

Long-Term Versus Short-Term Orientation

Hofstede (2011) noted that

> values found at . . . [long term] pole were perseverance, thrift, ordering relationships by status, and having a sense of shame; values at the opposite, short term pole were reciprocating social obligations, respect for tradition, protecting one's "face," and personal steadiness and stability. (Long-Term vs. Short-Term Orientation section, para. 1)

East Asian countries, followed by Eastern European and Central European countries have a long term orientation. A medium term orientation is

found in South European and North European and South Asian countries. The United States, Australia, Latin American countries, African countries, and Muslim countries have a short-term orientation.

Let us illustrate the variation of perceptions regarding corruption along the dimension of long-term versus short-term orientation through an example.

Let us consider a society with a short-term orientation like America. Here the people generally believe in immediate gratification of their desires with little or no regard for saving (since they have social security for their old age and their children are expected to fend for themselves). However, in a society with a long-term orientation, like South Korea, people believe in saving part of their earnings and investing them for use in the future for their old age, or for their children. To the people in a society like South Korea, the behavior of people in a society like America would seem to be abusive of their earning power for their personal benefit and hence constituting corruption. So we see that behavior that is the norm in a society with short-term orientation may be seen as corrupt in a society with long-term orientation.

Next we consider the dimension of indulgence versus restraint.

Indulgence Versus Restraint

Hofstede (2011) defined this dimension as:

> Indulgence stands for a society that allows relatively free gratification of basic and natural human desires related to enjoying life and having fun. Restraint stands for a society that controls gratification of needs and regulates it by means of strict social norms. (Indulgence versus Restraint section, para. 1)

South America, North America, Western Europe, and parts of Sub-Saharan Africa score high on indulgence whereas Eastern Europe, Asia, and the Muslim world score high on restraint.

Let us illustrate the variation of perceptions regarding corruption along the dimension of indulgence versus restraint through some examples.

In counties scoring high on indulgence, society allows people to gratify their "basic and natural human desires" without much restriction. As a result, people having a tendency to overeat, indulge themselves every now and then with the result that the number of obese people in the society is large (Hofstede, 2010). Now, it is a known fact that obesity is cause of diseases in children (Deckelbaum & Williams, 2001) and adults (Jia & Lubetkin, 2005). Obesity tends to be a major factor contributing to public health crisis (Lang & Rayner, 2007). In these countries, the concept of fast food is more rampant as compared to countries scoring high on restraint. However, research has shown that this type of food intake has absolutely no nutrition value and

adversely affects the health of the people consuming it (Nestle, 2013). The internal working mechanisms of the fast food industry raise serious concerns about the public health scenario (Schlosser, 2012). The medical expenses may be paid by the insurance agencies or the state (in countries where the state provides social security), but it should be kept in mind that the society as a whole is made poor by the same extent (Hazlitt, 1946). This type of food intake which being abysmally low on nutrition content has disastrous consequences for the health of the people and thus put enormous pressure on the health services. People from the countries scoring high on restraint will perceive this type of indulgence as an abuse (of purchasing power) with huge costs to the public exchequer. Thus we see that the perception of an activity as being corrupt or not varies among societies.

In countries scoring high on restraint, there is emphasis on enforcement of law and order in the nation and this emphasis often trumps the freedom of speech (Hofstede, 2010). On the other hand, in countries scoring high on indulgence, freedom of speech takes precedence over maintaining law and order in the nation. People in the latter countries may perceive the authorities in the former to be corrupt as they seem to be abusing their (political) power for furthering their interests.

Up to this point, we have argued that the same activity may be regarded as corrupt in some cultures and as non-corrupt in other cultures (i.e., the perceptions regarding corruption vary across cultures). Now, we would like to discuss how the perceptions regarding corruption may vary within a culture. We know that any culture is made up of different subcultures and these different subcultures may have different perceptions regarding corruption.

Perceptions of Corruption Within A Culture

There may be several ways to conceptualize the subcultures within a society. However, there has been a standard way of dividing the society—into the elites and the masses.

Heidenheimer (as cited in Holmes, 2015, p. 8) classified corruption as "black," "white," and "gray." Activities that are perceived and condemned as corrupt by majority of both the elites and the masses are termed as constituting "black" corruption. Activities, which even though involve the abuse of power by someone, yet are tolerated by majority of both the elites and the masses are termed as constituting "white" corruption. Activities which give rise to a perception of being seen as corrupt by the elites and as non-corrupt by the masses or vice versa are termed as "gray" corruption. There may even be ambivalence regarding the perception even within each of these two groups.

A prominent example of "gray" corruption is the activities of Robin Hood. He and his Merry Men used to rob the rich and give to the poor and needy. While his activities were seen as corrupt by the elites, they were definitely not corrupt in the eyes of the masses.

Another example of "gray" corruption could be seen in the 2008 financial crisis. The CEOs and people in charge of the "financial innovations" were earning huge in the form of bonuses, stock options and salaries by playing with others' money. When the system collapsed, these people who were responsible for destabilizing the economy and reducing the life-long savings of people to dust were rewarded with huge severance packages. As a final outrage, it was the taxpayers who had to bail out those very failing financial institutions to save the economy of the world. The elites of the society did not perceive the acts of these CEOs as corrupt whereas the masses certainly did.

FABRICATION OF PERCEPTIONS REGARDING CORRUPTION

After going through the variation of perceptions regarding corruption across different cultures and within any one of them, we shall examine the fabrication or engineering of perceptions regarding corruption. A section of the world or of a society may want the others to perceive a given activity as corrupt or otherwise and may indulge in the fabrication of perceptions towards that end.

There are roughly two spheres in which people live as far as perceptions are concerned. The first sphere is that of their immediate surroundings and they have more or less intimate access to the relevant information (they can be seen as active participants in the scene). The second sphere concerns their country and the world at large. Here the access to information is primarily through the media (they can be seen as passive participants in the scene).

Herman and Chomsky (2008) analyzed the role of the media in America as a means of fabricating or manufacturing perceptions regarding any event or activity. They called their framework for analysis as a "propaganda model" (p. 11).

They noted that

> the propaganda model also incorporates other closely related factors such as the ability to . . . provide "experts" to confirm the official slant on the news, and to fix the basic principles and ideologies that are taken for granted by media personnel and the elite, but are often resisted by the general population. In our view, the same underlying power sources that own the media and fund them as advertisers, that serve as primary definers of the news, and that pro-

> duce . . . proper-thinking experts, also play a key role in fixing basic principles and the dominant ideologies. (Herman & Chomsky, 2008, p. 12)

Herman and Chomsky (2008) reiterate the point which was raised earlier in the chapter that the perceptions (regarding corruption) vary even within the same culture with the elites having one kind of perception regarding an event and the masses having another perception regarding the same event.

LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

This study has explored how the perceptions regarding corruption vary across cultures using the framework given by Hofstede which classifies and analyzes the cultures across societies around the world along six dimensions. The study therefore shares the limitations and the criticisms of Hofstede's framework large extent (Signorini, Wiesemes, & Murphy, 2009). In addition to Hofstede's framework, there are other frameworks for studying cultures like Schwartz's value survey (Schwartz & Bilsky, 1990), GLOBE framework (House, Hanges, Javidan, Dorfman, & Gupta, 2004), and Hall's framework (Hall, 1989). Future studies could explore the variation in perceptions regarding corruption across cultures using any one of these frameworks.

This study analyzes the perceptions regarding corruption from a conceptual angle. Although it relied on the results from Hofstede's study, which was based on empirical data, the present study is based solely on theoretical arguments. Future studies could analyze the variation of perceptions regarding corruption using empirical data.

CONCLUSIONS AND IMPLICATIONS FOR ANTI-CORRUPTION EFFORTS

Corruption is a phenomenon which is closely associated with power. Wherever there is power of any kind there is a potential for its abuse, which is to say, a potential for corruption. In this chapter, we have attempted to throw light on the subjective nature of corruption by showing that it is a matter of perception. We believe that a thorough understanding of the phenomenon of corruption is of utmost importance for the success of any anti-corruption effort. We further highlighted that the same activity may be perceived as corrupt in one culture and as non-corrupt in another culture. These perceptions were then shown to vary within any given culture as well. Lastly, we attempted to highlight the ways in which perceptions regarding corruption may be engineered (i.e., some agents like the media may shape our

perceptions regarding an activity as per the hidden objectives of the forces which control those agents).

All this has immense significance for our efforts in fighting corruption. On the basis of what has been explored in the chapter, we would like to propose that, firstly, corruption, being a subjective phenomenon, should be understood in the context of culture. What may be perceived as non-corrupt in a country like India may be perceived as corrupt in a country like America. Therefore, universally applicable anti-corruption efforts are likely to miss out on the culturally nuanced notion of corruption. Culture-specific anti-corruption efforts may be a better measure to keep corruption in check. Secondly, there should be an acute sensitivity to the fact that the information being used for forming our perceptions may be potentially engineered to show some activity as corrupt or non-corrupt. The notion of caveat emptor should be seen as the operating principle behind the information that we receive. It should be our responsibility to verify the information we receive before forming any perception.

REFERENCES

Barry, P. (2017). *Beginning theory: An introduction to literary and cultural theory*. Manchester, England: Manchester University Press.

Deckelbaum, R. J., & Williams, C. L. (2001), Childhood obesity: The health issue. *Obesity Research, 9*, 239S–243S. doi:10.1038/oby.2001.125

Eagleton, T. (1996). *Literary theory: An introduction*. Minneapolis: University of Minnesota Press.

Freitag, M. (2013). *Mathematics for elementary school teachers: A process approach*. New York, NY: Cengage Learning.

Goldstein, R. (2014). *Plato at the Googleplex: Why philosophy won't go away*. New York, NY: Pantheon Books.

Graycar, A., & Sidebottom, A. (2012). Corruption and control: A corruption reduction approach. *Journal of Financial Crime, 19*(4), 384–399.

Hall, E. T. (1989). *Beyond culture*. New York, NY: Anchor Books.

Hazlitt, H. (1946). *Economics in one lesson*. New York, NY: Three Rivers Press.

Herman, E. S., & Chomsky, N. (2008). *Manufacturing consent: The political economy of the mass media*. London, England: The Bodley Head.

Hofstede, G. (2010). The GLOBE debate: Back to relevance. *Journal of International Business Studies, 41*, 1339–1346.

Hofstede, G., Hofstede, G. J., & Minkov, M. (2010). *Cultures and organizations: Software of the mind* (Rev. 3rd ed.). New York, NY: McGraw-Hill.

Hofstede, G. (2011). Dimensionalizing cultures: The Hofstede model in context. *Online readings in psychology and culture, 2*(1). doi:10.9707/2307-0919.1014

Holmes, L. (2015). *Corruption: A very short introduction*. Oxford, England: Oxford University Press.

House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (Eds.). (2004). *Culture, leadership, and organizations: The GLOBE study of 62 societies*. London, England: SAGE.

Jia, H., & Lubetkin, E. I. (2005). The impact of obesity on health-related quality-of-life in the general adult U.S. population. *Journal of Public Health, 27*(2), 156–164.

Lang, T., & Rayner, G. (2007). Overcoming policy cacophony on obesity: An ecological public health framework for policymakers. *Obesity Reviews, 8*(S1), 165–181.

Morgan, G., & Smircich, L. (1980). The case for qualitative research. *Academy of Management Review, 5*(4), 491–500.

Nestle, M. (2013). *Food politics: How the food industry influences nutrition and health*. Berkeley, CA: University of California Press.

Penrose, R. (1994). *Shadows of the mind*. Oxford, England: Oxford University Press.

Schacter, D. L. (2011). *Psychology*. New York, NY: Worth.

Schlosser, E. (2012). *Fast food nation: The dark side of the all-American meal*. New York, NY: Mariner Books.

Schwartz, S. H., & Bilsky, W. (1990). Toward a theory of the universal content and structure of values: Extensions and cross-cultural replications. *Journal of Personality and Social Psychology, 58*(5), 878–891.

Signorini, P., Wiesemes, R., & Murphy, R. (2009). Developing alternative frameworks for exploring intercultural learning: A critique of Hofstede's cultural difference model. *Teaching in Higher Education, 14*(3), 253–264.

Wright, P., McCarthy, J., & Meekison, L. (2003). Making sense of experience. In M. A. Blythe, A. F. Monk, K. Overbeeke, & P. C. Wright, (Eds.), *Funology: From usability to enjoyment* (pp. 43–53). Dordrecht, Netherlands: Kluwer Academic.

Young, R. (1996). *Torn halves: Political conflict in literary and cultural theory*. Manchester, England: Manchester University Press.

This page intentionally left blank.

CHAPTER 13

PHOENIX RISING FROM THE ASHES OF CORRUPTION

Transforming Leadership Through Inner and Relational Work

Avraham Cohen, Timothy Timur Tiryaki, and Heesoon Bai

ABSTRACT

The chapter describes corrupted leadership from the perspective of cultural, organizational, and psychological contexts. It identifies the roots of corruption as developmental arrest that traps individuals within limiting and restricted ego-mind structures, and offers ways of preventing or intervening in the process that leads to corruption. Two narratives are used to illustrate the roots of corruption at work, and alternative and preventative ways to work with corruption already in process are offered. Moreover, this chapter emphasizes psychological-mindedness as core to ethical practice that can prevent or intervene into patterns of corruption. A case is made that nurturance in the form of inner work, encouragement, and empowerment creates a thriving organizational culture. Finally, the chapter offers various practical know-hows, including a sample of inner work, for working with corruption and development of its potential prevention and transformation.

Anti-Corruption in Management Research and Business School Classrooms, pages 243–262

PREAMBLE

Scandalous behavior, moral depravity, and moral outrage as response: These are what tend to come to mind when we hear corruptions in organizations—all quite understandable. We have societal and cultural norms of good behavior and expectations that educated citizens are law abiding and morally upright. When such norms are breached and expectations are unfulfilled, we feel we are entitled to be outraged. We seek justice, often in the form of retribution and revenge.

In our chapter, we take an approach that is based on an alternative conception of corruption. Instead of seeing corruption as something that should not have happened, we will *naturalize* corruption. The etymology of "corruption" gives us the clue: "corrupt (v.) mid-14c., 'contaminate, impair the purity of,' from Latin corruptus, past participle of corrumpere (see corrupt [adj.]). Late 14c. as 'pervert the meaning of,' also 'putrefy'" (Corrupt, n.d.). Thus, in our approach, instead of seeing corruption as an adventitious event, we will see it as part of a "natural" course of events.

But "natural" does not mean what happens is *good*. Bacterial and viral multiplication is natural. However being infected and falling seriously ill is not usually considered good. If one becomes outraged after falling ill, we might feel sympathetic, and perhaps think that the person is exhibiting ignorance about germs and showing little insight or foresight regarding potential preventive steps, like proper hygiene, diet, and exercise for good health. What we are investigating in our chapter is how corruption takes place, and based on that understanding, how to either prevent its occurrence or intervene in its development. In particular, we will look at the effects of corruption in leadership positions and the systemic degradation that is inevitably associated.

ROOTS OF CORRUPTION AND NORMALIZATION OF EGO-MINDS

In our work, we locate the roots of corruption in humans' inclinations to be self-oriented even at the expense of others' survival and wellbeing when they feel that their own survival is threatened. Indeed, our biological mandate is survival. Human brain physiology is "hard-wired" for survival and self-interest. This survival orientation has been initiatory for humans in such morally problematic behaviors as lying, cheating, dominating, controlling, and exploiting others. Even extreme behaviors like torturing and killing have been in the name of survival. The moment we perceive, accurately or not, that someone is threatening our survival, we are ready to either fight, and kill if necessary, or run away; if these options are either unavailable or

perceived to be unavailable, we freeze. The lower brain stem is where the survival programming goes "online" (Hanson, 2009). When it is activated, reaction is swift and mostly "mindless," meaning that it is automatic and unconscious (Ginot, 2015).

The fact that we are survival-oriented does not, however, in and of itself lead to corruption. It is when our survival-orientation becomes the dominant mode that we begin to tread the path to corruption. For example, to see someone yelling at you out of anger as threatening your ego-self and to then want to harm that person shows insufficient depth and breadth of awareness and understanding. To be able to see, with empathy—another biological capacity built into us—that the yelling person may be in the grip of survival fear of their own, and to feel compassion and care, or at least to hesitate and reflect, for and about the person would demonstrate the depth and breadth that goes beyond the purview of an ego-mind that seems to be the norm in our culture.

In this chapter we make the proposal that most all humans in our current civilization are compromised or arrested in their development, and the result is that ego-mind structures have become normal. We use the word "ego" to point to a fixed and rigid state of being that results from habitually drawing a limited and limiting boundary between what is "self" and what is "other." In fact, we view persons as *being had* by their ego structures, rather than the person having ego. If the latter were the case, then the person might well have some choice regarding their behaviors. The compromising influences that halt and prevent the mind or consciousness from fluidly expanding and becoming continuous with the cosmos come from culture, institutions, family, communities, and media: In short, the whole sociocultural environment within which we grow up. Leaders are certainly not exempt from these arrested developments (as we will read about later), and they proceed to enact, unconsciously, the manifestations of their underdeveloped egoic structures. Indeed, going beyond the ego-mind would be seen as "deviant" from the perspective of the dominant culture that has normalized and valorized the ego-mind.

Corruption is frequently associated with "me versus them" interactions and perceptions, thus justifying actions with such reasoning as: "I had no choice." This is a survivalistic reaction. Trapped in this "view," we do not see a possibility for support and help for the other to survive and the subsequent potential for the self and the other flourishing together. We do not see that our existence is completely interconnected and interdependent at all levels of social organization and biological adaptation. Being able to see that there is always a choice, that we can make a choice for mutual flourishing, and that to live such possibility requires psychological development that would take humanity beyond the currently dominating mindset of me (or, us) versus them. Lacking the psychological development that can take

us beyond the ego mindset, we get trapped in its survivalist *modus operandi* and *vivendi*. Merely because we are powerful in our wealth and authority, with knowledge and physical force, does not mean that we have grown beyond the ego mindset.

Currently, so much of the world, at all levels of its organizational dynamics, exerts influences that lead to the ego mindset. All social structures and mechanism, such as family and parenting, peer pressure, schooling, institutional pressures of all kinds, socioeconomic conditions, race, ethnicity, gender, in short, really all aspects of "the" dominant and dominating culture, are implicated. The incursion of these influences at all levels of social organization is subtle and obvious, persistent, iterative, insidious, and all pervasive. We are in agreement with Zygmunt Bauman's (2005) definition of the survival mode in the new liquid modernity: "Progress seems no longer to be about improvement, but about survival" (p. 307). His observation is most acute when he comments that the prevalence of the sports hunter analogy in our culture belies individualistic, consumerist, and non-caring tendencies. Such tendencies give precedence and indeed provide "rationale" for corruption.

GROWING BEYOND EGO MINDSET

Parents have the most substantial influence on a developing child. However, the well-meaning and good-intentioned parents, wanting their children's success in the world, train their children into the narrowly defined structures of ego-mind. In various ways they tell their children that developing ego-minds is "for their own good," in order to "make it" in the world, and not get hurt or killed, and so on. In fact, very many well-meaning parents instill such a degree of survival fear and anxiety into children that the children fail to grow beyond the survival mandate. To use our fruit tree analogy: If fruit trees experienced intense survival distress that compromised their in-built "instinct" to grow towards the sun and fulfill their fruit-bearing nature, they would not bear big and sweet fruits; they would bear small fruits that would fail to ripen, fall to the ground, and rot. Or they may not bear any fruit at all.

Educators and leaders who wish to foster a thriving and flourishing learning environment and organizational culture would do well to refrain from stimulating the already in-built survival fear and anxiety in people. Educators and leaders can create an atmosphere that has a predisposition to invite the best from people, and also to cultivate an environment that safely supports people to learn and grow when their fears are activated. Cameron (2008) suggests a model on positive leadership as a synthesis of research in positive psychology (Seligman, 1999; Csikszentmihalyi, 2008)

and positive organizational behavior. Positive leadership means promoting outcomes such as thriving at work, interpersonal flourishing, virtuous behavior, positive emotions and energizing networks, which leads to positive deviation (Cameron, 2008). The four leadership strategies for positive leadership that Cameron (2008) outlines are: (a) building a positive climate by fostering compassion, forgiveness, and gratitude; (b) building positive meaning by facilitating community culture development, highlighting impact, and connecting to personal values; (c) increasing positive communication by obtaining best-self (appreciative) feedback and using a supportive language; and (d) increasing positive relationships by reinforcing strengths and supporting the building of energetic lines of connection within an organization. We would add inner work (Cohen, 2009/2015) to this, as knowing who and how you are is quintessential to being a whole and ethical human being.

We cannot emphasize enough that educational leaders need to have a keen and deep understanding of human psychology. Without such understanding, we create what we do not intend. For example, the usual overemphasis on individuals' achievement and advancement in economic gain and social standing is in sharp contrast to the human psychological needs, such as needs to be loved and supported, to love and care, and to find meaning and belonging. Note that all of these needs arise out of our primary nature as *mutually relational beings*. Such needs can be supported, nurtured, and fulfilled expansively, or perverted by threats to emotional or physical safety, which tends to lead the organisms to fall into corruption based from survival fear.

Growing human beings bring such needs to school every day, and educators have the invaluable opportunity to work with them. The same goes for employees: They bring their very human, relational needs to work every day. Unfortunately, these needs are most often pushed aside to give priority attention to becoming "successful" and winning in this world of "dog eat dog." Misunderstandings about the meaning of positive focus result in an oppressive ethos in organizational settings. Examples abound: "Don't bring me problems, bring me solutions," or "I don't want to talk about the problems, go find a solution." This approach has potential to match up with the analogy of building a beautiful house on quicksand. The inevitable result being a sinking experience.

Below, we will present composite fictionalized versions of stories, which are not meant to be fact based or in any way finger pointing; rather they are representative of numerous experiences told about corruption within organizational environments. The purpose of including them is to have "data" that is consistent with these stories. We invite our readers to reflect on these stories in light of our foregoing theorizing on corruption, and in the service of gaining insight into prevention of and intervention into corruption.

Out of these experiences we have generated a theoretical paradigm consisting of related values, associated practices, and an alternative worldview that may guide us in identifying and transforming corruption.

TALES OF CORRUPTION IN LEADERSHIP

What is important in telling our stories is not the actual facts that could reveal empirical information about where, when, and who. Our narratives are not memoirs. They are meant to show basic themes and to theorize about the consciousness that underlies such experiences. For our study's purpose, we present to the reader: the plot, the elements of storyline, organizational and leadership dynamics, unconscious patterns, cultural dynamics, and the "role" of those who are caught up in an evolving corruption process. Concrete particulars may be different from instance to instance, but themes and elements are archetypal. What we are looking for are patterns and their roots: patterns that connect or disconnect. The personal pronoun "I" is used to vivify the narratives.

Narrative One

I was to meet with John Hunter who was the newly appointed director of the company. He was recruited from another company. My team told me that he was very straightforward, that he did not like "bullshit," and that he seemed to be "very direct and result oriented."

My first coffee meeting with Hunter took 35 minutes. From this first interaction, it became clear to me that Hunter was bent on cutting off my strengths and my passion. He insisted that I become a *cookie cutter* and just do what was expected of me. No more doing my "creative stuff," he said. Creativity and going the extra mile were strengths that I took pride in: They were part of my success and identity. I knew there and then that if my strengths and passion were to be shut down, I would not be happy working for this organization. Ordering me to be a cookie-cutter is akin to asking me to become a cultural conformist, worse, a robot.

The culture of our organization changed dramatically within 2 to 3 months: Aggressiveness became a desired value. This coincided with the considerable change that took place to the kind of language we were using with each other and to the way we were communicating in the organization and with our clients. The new language culture included, as a centerpiece, the analogy of *hunters and farmers* as personality traits. This seemed to me at first innocent enough, but the language eventually began to grow along with the emergence of militaristic and violent terms. For example, we had

"sniper teams," and we were expected to use "cut throat" approaches for getting things done. I was asked many times if I really enjoyed hunting and the moment of killing as an analogy for closing projects and bringing in the deals. I started to feel ill, emotionally and physically.

Such predatory language has immense dehumanizing power. Language shapes our thoughts; thoughts shape and guide our action; actions accrue to establish a culture. I became increasingly aware of the language being used in the organization, the implications of language, and the roots of such language. I also became aware of changes taking place in the language used within the organization: the metaphors, analogies, buzz words, slogans, and the way they circulate top-down, bottom-up. Eventually the atmosphere is so fully permeated that the "new" language is the "new" and unnoticed norm and everyone speaking that language creates the world in those terms. Only awareness can disrupt this process.

Within 4 to 5 months of his arrival, my boss fired the first person; the next was fired within another 4 to 5 months. Those perceived to be the lowest performers were the first to go, and apparently without even a blink. The third "lowest performer" was put on a performance review plan. Soon after that, it was time to move on to the next level of firing: People who did not fit the new culture, even if they were high performers. I was included in this group. People started to acknowledge that Hunter was "chopping off heads."

A new team leader, Jane Doe, reporting to Hunter was appointed. She seemed to find refuge and comfort in compliance, procedures, checklists, administration work, and an extensive list of "musts" and "shoulds." I refused to do busy work that no meaning and no impact on any aspect of my work. My productivity was always good, and one of the reasons I joined the company was the culture that endorsed work–life balance and flexible work options.

ANTI-CORRUPTION LESSON #1

Bureaucratic procedures, which facilitate the process of dehumanization, tend to become the lifeblood of the corrupted organization, often offering the procedures as 'solutions.' To turn such an environment around requires a cultivation of life energy, creativity, and becoming fully human through a process of personal reflection and organizational transformation (Logan, King, & Wright, 2011; Senge, Scharmer, Jaworski, & Floweres, 2004). Bear in mind that there is often an inverse relationship between quantification of what we do and living fully. Overwhelming the employees with quantities of make-work projects and routines will not promote their sincere and passionate engagement and participation.

Now, Doe was mandated to do one-on-one monthly reviews with us, which, again, involved reviewing the numbers and listing multiple

improvement areas. Discussions were based solely on weaknesses. I did my best to resist the powerful unfolding trend. I tried to explain to her how the strengths-based approach would empower team members. I gave feedback, and shared research examples and books, all to no avail. The ethos of our team meetings also changed from genuine connection and expressions of interest to perfunctory "bean-counting" exercises.

ANTI-CORRUPTION LESSON #2

Ask, to what does a person respond best: encouragement or constant criticism? Learn more about this from the Gottman's (1993), cited in Benson, (n.d.) relationship study. The ratio between positive versus negative interaction in a happy and stable marriage is 5 to 1. It is not likely different in other contexts, including organizations. Read further about strengths theories in leadership (Walter, 2013). Keep your eyes on strengths!

If so-called weaknesses are to be highlighted at times, deliver them in a way that encourages self-reflection. Coach people to do inner work: that is, working with what arises in the inner world, using practices such as mindfulness in an integrated way, and process-oriented inner work on thoughts, feelings, and associated egoic states (Mindell, 1991/2000/2014'; Cohen, 2015). As cited in Cohen (2015), "The term inner work refers to reflective practices conducted under the gaze of consciousness, which depends on a developed capacity to self-observe, to witness experience" (p. 29). Also, work from a process-oriented perspective, which treats weaknesses and even failures as starting points for growth and development.

With so many employees fired, our workloads rapidly increased. This was concurrent with increases in annual targets and the number of assigned projects. I was given implicit messages that I should not complain, that I should just shut up and do my job, "like everyone else." Not surprisingly, my work life experience began negatively affecting my physical and mental health. I was experiencing migraines, stomach aches, and sleep problems. I requested vacation time-off to which I was entitled. This request was denied. They told me we were going into a "critical period for business continuity." It became increasingly clear that I was next to be "chopped off." I began to suspect that the denial of my leave request along with the increased workload, and pressures to fill out forms was to "encourage" me to leave the company. This is, of course, a frequently used "method" for "firing" without actual firing, in the service of avoiding messy situations that include legal processes and payouts to the harassed employee. I left the company after an unsuccessful attempt to have the ombudsperson intervene. Perhaps I should have fought harder, but I have to say that, in retrospect, I prioritized saving my own mental and physical health, and I "helped" them get what they wanted: my exit.

Narrative Two

Here are the bare bones of my close encounter with corruption in leadership. I started out teaching one course a year in an academic institution, and after awhile I was then offered a leadership position. Primarily I worked with groups of students who were progressing together as a cohort. My approach was relationship building and the development of a cohesive community culture from the initial moment of contact. My clear effort to truly know them as human beings and to have them know me and one another in the same way, as well as their seeing my committed support and care, were the centerpiece in relationship building in a life-affirming and personally and professionally engaged community. After initial interviews with the applicants and the actual beginning of the program, I actively encouraged students to get to know each other, and provided structural and facilitated opportunities for this development. This was a very important part of relationship building upon which classroom as a community in development was built.

The integration of the personal, professional, and academic is ongoing and is central to the experience within all group and organizational contexts (Cohen, 2009/2015).

PRO-ACTIVE LEADERSHIP LESSON #1

The Benjamin Franklin axiom that an ounce of prevention is worth a pound of cure perfectly applies. Being pro-active in the way we connect with other human beings prevents much of the conflict and relationship rupture, and enhances the working relationships between peers and with leadership personnel. This also builds the foundation for conflict work that is an inevitable aspect of humans in groups. Building this into the ongoing pedagogical process is essential to developing a cohesive group culture, which is a hallmark of groups who feel and know that they are doing something meaningful together.

Under my leadership, the program was eminently successful. This evaluation is based on student feedback and feedback from the professional community, the overall success and growth of the students who went through the program, and the income and retention of the program; both were maximal.

At the end of a vacation break 1 year I received an email that administrative changes had been made to the program and that I was to attend a meeting on the day of my return. I was very surprised to hear about these changes, as there had not been any consultation with me. My anxiety rose immediately and sharply: I did not sleep well that night. The next day, I arrived at the meeting in a state of unease. I was originally supposed to meet just with my direct supervisor. Instead, she and another supervisor met me. I was quickly informed by them of a number of changes to the program that

essentially did away with much that I had built and implemented. I was told that I would no longer have the job title as before. Being told this, I felt that my authority, dignity, and expertise were all removed in one swift cut. I was in a state of shock, emotionally and intellectually. People with whom I had worked quite closely with for a number of years were suddenly no longer my allies. When I asked in the meeting, "Who has my back?" a resounding silence ensued. Through this conversation and others that followed, it seemed evident to me that the upper level leaders had been talking behind my back for a few years.

I attempted to remind my administrative colleagues that I have been receiving nothing but positive feedback for my work in all these years. In response, they simply dismissed me with, "You are not that important." I was also told that I was to stop teaching and implementing certain ideas and practices that had been central to my successful pedagogical approaches. Particularly, I was to cease implementing practices that were geared to inclusion of diversity (Mindell, 2017; Cohen, 2009/2015). As well, I was to cease creating a culture of feedback. Additionally, the emphasis I laid on inner and relational work was to be severely curtailed. These practices are central to a leadership philosophy that is intended to enrich all dimensions of the program and the student and leadership experience. An organization without a supportive, constructive, convivial, and vitalizing culture of ongoing feedback practice would lack self-learning and self-transforming capacity, which makes it susceptible to bureaucratic and/or militaristic command-and-control (Gill, 2010) leadership practices. As time went on, I heard increasing stories from others of confusion and fear within the organization. What became evident to me was that there was a thinly veiled culture of fiat: just declaring something is the case and compelling others to subscribe to it.

PRO-ACTIVE LEADERSHIP LESSON #2

Establishing a positive and convivial culture of feedback in an organization is essential to an organization's healthy and strong heartbeat. The heart of such organization will embody and manifest honesty, transparency, directness, respectfulness, and congruence. These qualities safeguard the integrity of an organization and its governance, and without such, the organization is well on the road to corruption. Leaders must be the models for the above affirmative values and practices. This means vulnerability (Brown, 2011) and risk-taking. All of which leads to an environment of innovation and creativity.

Corruption in an organization inevitably emanates from the top, even while those "below" are blamed for the problems that exist. My experience was no exception. When I confronted the person at the top about what

took place, there was some obtuse acknowledgement about her complicity in what was taking place, accompanied by narratives that, I suppose, were an effort to ameliorate her covert collusion. What was most troubling was the realization that dawned on me: That whatever I thought was coming from the external reality was really more of my own imagination! I mistook a hands-off approach as showing trust in me. And when I finally requested help from my superior in dealing with my colleagues who were giving me the grief, I was told: "I don't want to get involved. You two work it out." When I inquired what it would take for her to be involved, she replied: "It would have to be an ethics issue." If the disrespectful treatment I was receiving, as well as the autocratic decision-making regarding my role and my work portfolio, were not instances of ethical breach, then I wondered what would count as an ethics issue.

PRO-ACTIVE LEADERSHIP LESSON #3

Leaders in organizations are the creators of safety and the curators of a culture of creativity: or the opposite. By role modeling and encouraging, leaders profoundly shape the organizational environment. For this reason, leaders must work on themselves to become good role models for their employees. They can, of course, not do this, and we see the results in the two example narratives. Leaders who are self-reflective and actually concerned about the organizational personnel will be able to foster wellbeing, achieve organizational goals, and contribute to social transformation in directions that are 'healthy' and sustainable both within the organization and beyond. And these employees can go into the rest of their lives with feelings and practices that are encouraging and nurturing.

In the end, after a protracted period of trying to have meaningful communications with my superiors and receiving no help from anywhere in the organization, I left the organization. The whole experience had taken a toll on my health. I left with no real acknowledgement of the contribution I made to the workplace, particularly, to students in the program. I left "in the dead of night."

What seems evident from both the above fictional narratives is that high performance leaders are not protected by such performance. In both stories, which are representative of many, income for the organization was not the issue as both leaders were high-end producers. The issue seems to be nonconformity to the organizational culture that was not able and/or willing to include differences, or learn from these differences. The dominant value was conformity to the cultural norms.

Of course, each story comes out of a particular viewpoint and understanding based on the storyteller's experience. Here we present, again

based on many experiences, a narrative that the management that is putting pressure on the nonconforming employees might tell:

> This employee needs to be reined in. She is running her own private show within the context of the overall organization institution. She seems to think that she is something special and what she is doing is special. She does not work collaboratively; she does not listen to feedback; she does not do as much work as others; she thinks she owns the program; she is only on site when there is a specified reason to be present; and she acts like she is someone very special, and she is implementing her own approach, rather than the standard program that is the hallmark of our organization. She is influencing those under her tutelage to think and work in ways that are not consistent with our philosophy. We must hit her fast and hard as she is quick with her words, does not listen, and does not readily give up her position. She needs to be taken down a few pegs.

That we all have different viewpoints and values and therefore different stories to tell is not a problem, and does not *per se* lead to corruption. Corruption takes place when there is no dialogue of substance amongst participants who invariably see things through different interpretive lenses. Without such dialogue, misunderstanding, mistrust, disrespect, and even ill will inevitably and insidiously creep in, and with no intervention to bridge the differences: differences, which are perceived as far too threatening.

EDUCATION: GOING BEYOND THE NORMAL

A liberal society like the one, in which we authors live, consistently does not pay attention to the causality and implications of the arrested development that we previously discussed. In other words, the primary emphasis of attention is focused on helping the wounded and fallen—the "losers" in the system—to get back on their feet. This is, of course, admirable and to be supported. However, it is still a deficit or pathology-oriented approach, and definitely is not pro-active or preventive. It would be far more admirable if we did not create a casualty producing system in the first place. What the mainstream culture practices is the backward logic of setting up a system that creates collateral damage in its citizenry (Bauman, 2011), and then the struggle to undo or redress the damage.

Schools can be communities that help children grow beyond the ego-minds that think and see in terms of self-versus-other, and that facilitate their deepest relational needs and abilities. Workplaces, too, can, and really need to, be communities that help adults to continue the learning process of growing beyond the ego mindset. In our work as educators and business leaders, we can promote the teaching of life enhancing community culture

development, beyond-ego philosophy, inner and relational practices, and the associated psychological mindedness that goes with it. Psychological mindedness refers to the ability to see more deeply into human beings, their inner and relational worlds and needs, and understand what hurts people, and what nourishes and heals people. However challenging this approach might seem, it most certainly facilitates personal growth, which in turn facilitates emergence of people's ability to do their work well and be contributing organizational citizens.

We the authors take the stance here that working with human consciousness and the reality of human psychological development is essential. Expansion beyond the ego-mind is the only viable choice at this point in history; assuming we desire the continuance of human and other life on earth. The corrupting influence of the hardened ego mindset is, in our analysis, connected to the phenomena of global warming that is shrinking polar ice-caps and precipitously raising the levels of the world's oceans, fouling the oceans with pollutants, punching holes in the ozone layer, creating increasingly toxic air quality in high-density urban areas and beyond, a rising frequency and magnitude of disastrous fires and floods all over the world, and so on. These phenomena, and many others, are outcomes of intensified efforts by the narrowed-vision and narrowed-mind to achieve human economic growth through accelerated production and consumption. Humans have an innate curiosity and desire to grow beyond the ego-mind, but this is most often systematically thwarted, suppressed, and eventually repressed into the unconscious. The result is that we have trapped ourselves in the survival patterning of the ego-mind. We believe that liberating ourselves from this trap is the most basic task of leadership. This is crucial with respect to the mission of the organization, and to the care of the planet in all dimensions.

Imagine a workplace organization that values people over product; an educational environment that prioritizes becoming human (Vanier, 2008) over becoming successful, or even defines becoming successful as becoming more fully human; and leaders who are in leadership positions because they exemplify the values of care, love, connection, and community development, and who have the skills to facilitate the ongoing development of a deeply democratic culture. Such organizations would be a place where people love to come and work: where they feel part of something bigger than themselves, where they know they are valued, where it is safe to make mistakes, where innovation is strongly encouraged, where differences are additive and not points for avoidance and/or conflict, where individual growth is seen as complementary to collective growth, and where what is learned is taken into the greater community and contributes to community development. All of this is possible. But, in order for such to take place, those in leadership roles must exemplify the values espoused; and in order

for such exemplification to occur, leadership must be in an engaged process of mindful inner and relational work, and facilitate these processes within the organizational community.

What we have outlined above takes some strong know-how and commitment to trying out ways of group and individual reflection, inner work, and communication. Contrary to our vision here, most organizations are designed to foster stability, steadiness, and predictability (Weber, 1992), and investors and financial resources are quick to flee from organizations that are seen as deviant or unpredictable in their performance, particularly in ways that step beyond the cultural norms (Marcus, 2005). Since any negative issue or incident has the risk of not garnering financial resources, individuals and organizations stop sharing information in a timely manner and begin covering up anything that is perceived as negative and disadvantageous. How do we acknowledge organizational fear together with our own personal fear? Below, we propose a certain kind of psychological work that illustrates how a leader may work with his or her inner experience and its relationship to organizational group dynamics. We have been calling it, simply, "inner work" (Cohen, 2009/2015).

Before we go into the details of inner work, we wish to prepare a receptive ground for it by offering some comments about human psychology. We believe that psychological mindedness is a crucial perspective for those in leadership positions. Having such a view means that the leader has this perspective on themselves, others, and the organization as a whole. Central to this is the leader's inner work on himself or herself that enhance the possibility of seeing more clearly the reality of individuals and the organizational culture and its development. Of particular importance is knowledge about the effect of early life issues, and how these play out in adult life, and particularly for our purposes in the actions of those in leadership roles. Early bonding with significant caregivers directly influences inner security and the ability to "see" clearly: However, it is beyond our scope to go into much detail here. The crucial issue is what is missing in terms of love and security for infants and small children and how this plays out in the adults we become. Infants and children will adjust unconsciously to accommodate and survive as best they can. They do not have any ability, of course, to evaluate and decide on a course of action. All responses take place viscerally. These responses are insinuated into cognitive, emotional, sensory, and energetic (some may call it "spiritual") networks and their intertwining. As a person grows older he or she has no conscious awareness of what has formed them into what he or she has become. Similarly, he or she has no awareness as to how this affects his or her way of viewing the world and their behavior. Those in leadership positions, while most often having good intentions, are unconsciously playing out these patterns that were insinuated into them very early and in an ongoing way.

Attachment theory (Birtles & Scharff, 1994; Bowlby, 1988; Winnicott, 2002; Neufeld & Mate, 2013; Mate, 2018) suggests, and research bears this out, that lack of sufficient care, attention, and love has an extensive influence on human development, and in the way that humans deal with others. The particular manifestations require close investigation to understand the connection to the early lacunae in bonding. It is hard to convey how significant these lacks are. As we can see, most of us, and our peers, seem to be functioning well enough, and in some cases very well, indeed. The problem is that the criteria for evaluation are based on external and most often material measures, and take little note of the inner architecture of consciousness of the person involved in any interaction or introspective experience. In short, leaders who have no idea that what they are doing and what they are seeing is completely dictated by the inner paradigms they have developed and that are not sufficiently connected to outer realities as they actually are. Particularly, given that these differences are often subtle, they become convinced that they are doing what is needed and what is right under the circumstances. When this is multiplied by the numbers of people that are involved in an organizational context, and the distortions of vision and knowing, then it becomes easier perhaps to see how things go exponentially wrong and at an accelerating rate, including how the human beings involved are treated often very poorly. A leader who has some insight into themselves, other human beings, and the relational field has a much better chance of doing what is best and what is ethical.

AN INNER WORK EXAMPLE

A dean sees a problem within her leadership team. She is working with four Program Leaders. She perceives that there is competition within the group comprised of three men and one woman. In fact the woman is overtly more aggressive than any of the three men. The competition is for resources. The dean notices her own reaction, which she distinguishes from a response. A reaction is like a reflex; there is no reflection process and little time between noticing something, interpreting it, and acting, unconsciously. Instead of following the dictates of this reaction process, she follows the process within herself. She notes that her body has tightened up, that her breathing is very shallow, and that she is feeling both frightened and angry. She locates both feelings in her chest. She "studies" the emotions and their manifestation. She notes that she is already feeling calmer.

A series of memories emerge in a sequence from more recent to when she was quite young and then a fantasy of events at an age when she was too young to remember. She recalls being in school at the age of 14. She is in the cafeteria eating her lunch with a friend. Suddenly a bunch of girls come by and begin making comments about them; disparaging comments about each of them

> and their relationship. She feels fear and a small amount of anger. Her friend looks shocked and her face is turning red. Eventually the bell rings and everyone heads back to class. She is left with feelings of fear, helplessness, and vulnerability. The girls in the group are numerous. She and her friend are only two and are not used to dealing with such aggression. Another memory surfaces: She is 4 years old. Her mom and dad are having an argument. She feels very frightened and worried. She goes into a state of frozenness. She has a fantasy memory. She is an infant in her crib. She is alone. Her belly hurts. She cries. No one comes for what seems like an eternity. The theme of helplessness in an atmosphere of aggression and suffering is evident. The experience with her Department Heads has triggered all of this memory recovery.
>
> Having recovered herself and understanding viscerally how her reaction to the present experience must be the endpoint of all the early experiences of helplessness, fear, and anger, she now has choice in how she responds. She also recognizes that her colleagues have been "inflated" into projections of "big" people with power over her. She recognizes that she is seeing her own world over top of them, and that any truth about them is only a slice of who each one of them is. She "remembers" the bigger view of each of them. She formulates a plan as to how she will talk to each of them individually and how she will bring this whole process out in the open in a meeting with them.

What is also apparent in this scenario is the survival orientation of the human brain. She describes her physiological responses to the situation. They would make sense, if there were in fact a sabre tooth tiger coming at her. In contemporary culture, the acceptance of such reactions, mostly without body awareness—an awareness that has been submerged by contemporary thinking-based culture, is based on an unquestioned premise that such reactions make good sense. They do not, for, there is no indication whatsoever that there is any physical danger.

Another obvious component is that while she is the boss, she is a female in a leadership role with three men and one woman. The woman in the group of peers represents some extreme of patriarchal dominance with her manner, and the men are, of course, male. So, the patriarchal "tradition" in its most life negating form is represented. However, patriarchy in its overbearing form is a manifestation of an archetype, and is not specific to males, as we see in this scenario.

The details and description of this experience is in the service of demonstrating that psychological mindedness is essential for those working in any organizational environment, and specifically within educational contexts where the problem in higher education is compounded by the idealistic view and practice of a peer culture. The problem with the peer culture model is not the model per se. It is the lack of inner and relational work within the context that creates a peer culture vulnerable to the effects of the narrowed and rigid ego-mind consciousness. Without going into details,

which is beyond the scope of this chapter, perhaps you can imagine that it is possible that the leader, having clarified what triggered her reaction and the subsequent inner process, will be more able to facilitate a good and helpful process that furthers the resolution of the issues at hand, and ideally builds the relationships within the group.

POSTAMBLE

In this chapter we have outlined ideas about the destructive experiences of corruption in organizational environments. We have made a case that corruption is what takes place if human development is arrested and trapped in ego-mind that dichotomizes self from other, and privileges the self and its interests. From this perspective, the best "anti-corruption" measure is to recover and foster self-other continuity and relationality. This self-other continuity, in which empathy is based, is built into us biologically and neurobiologically. Relationality is our essence. Yet, through various socialization processes that stimulate deep survival distress, we learn to not recognize the self-other continuity, and operate in the world under the dominance of the acquired ego-mind, which opens wide the doors to the forces of corruption.

Anti-corruption requires transformation of this process by investigating the nature of arrested development and working with the shadow material signalled in the arrest. In this chapter we emphasized psychological mindedness and inner and relational work as core to ethical practice, and talked about nurturance of the organizational citizens as a powerful way of creating a thriving environment. We have advocated the humane, facilitative, and skilful use of reflection and connection as key to transforming the organizational culture. We have suggested that leaders must role model the values and practices, and that the leader(s) are the core initiators of the post-egoic culture.

The leader's task is to encourage and empower employees to shift out of the developmental arrest that creates ego-minds and to increasingly move into self-other relationality that fosters creative collaboration and wider inclusion. Leaders can model this ongoing process of becoming by their way of being. The role of facilitator is transformative as it conveys a strong message about the Deeply Democratic involvement of all members of the organization's community culture. Psychological mindedness is a core ability required of those in leadership positions in all types of organizations. As well, the ability to provide some support, direction, and facilitation that emanate from this knowledge is essential to the development of successful, humane, and ethical organizations. Our undertaking has been to point some ways to further this process within individuals, organizational communities, leaders, and to create some ripple potential beyond the organizational context.

REFERENCES

Bauman, Z. (2005). Education in Liquid Modernity. *Review of Education, Pedagogy, and Cultural Studies, 27*(4), 303–317.

Bauman, Z. (2011). *Collateral damage: Social inequalities in a global age.* Cambridge, England: Polity Press.

Benson, K. (n.d.). *The magic relationship ratio, according to science.* Message posted March 10, 2018 to The Gottman Institute: A Research Approach to Relationships. Retrieved from https://www.gottman.com/blog/the-magic-relationship-ratio-accordinf-science

Bowlby, J. (1988). *A secure base: Parent–child attachment and healthy human development.* London, England: Routledge.

Brown, B. (2011). *The power of vulnerability* [TED Talk]. Retrieved from http://www.youtube.com/watcwwwh?v=iVcmsMzFC7o&t=262s

Cameron, K. (2008). *Positive Leadership.* San Francisco, CA: Berrett-Koehler.

Cohen, A. (2015). *Becoming fully human within educational environments: Inner life, relationship, and learning* (2nd ed.). Vancouver, BC: Writeroom. (Original work published 2009)

Csikszentmihalyi, M. (2008). *Flow: The psychology of optimal experience.* Toronto, Canada: Harper Perennial Modern Classics.

Birtles, E. F., & Scharff, D. E. (Eds.). (1994). *From instinct to self: Selected papers of W. R. D. Fairbairn.* Lanham, MD: Jason Aronson.

Corrupt. (n.d.). In *Online Etymology Dictionary.* Retrieved from https://www.etymonline.com/word/corrupt

Gill, S. (2010, May 13). Command and control leadership vs. people-centered leadership [Online Blog]. Available from *The Performance Improvement Blog:* stephenjgill.typepad.com/performance_improvement_b/2010/05/command control-leadership-vs-peoplecentered-leadership.html

Ginot, E. (2015). *The neuropsychology of the unconscious: Integrating brain and mind in psychotherapy.* New York, NY: W. W. Norton.

Gottman, J. M. (1993). *What predicts divorce? The relationship between marital processes and marital outcomes.* London, England: Psychology Press.

Hanson, R. (2009). *Buddha's brain: The practical neuroscience of happiness, love, and wisdom.* Oakland, CA: New Harbinger.

Logan, D., King, J., & Wright, H. F. (2011). *Tribal leadership: Leveraging natural groups to build a thriving organization.* New York, NY: HarperCollins.

Marcus, B. W. (2005). *Competing for capital: Investor relations in a dynamic world.* New York, NY: Wiley.

Mate, G. (Interviewee). (2018, February 20). Listen to Dr. Gabor Mate: New paradigms, ayahuasca, and redefining addictions [iTunes Podcast; minutes 53 to c. 60]. Tim Ferris show. Audio posted to iTunes.

Mindell, A. (1991/2002/2014). *Working on yourself alone: Inner dreambody work.* Portland, OR: Lao Tse Press.

Mindell, A. (2017). *Conflict: Phases, forums, and solutions.* Charleston, SC: CreateSpace.

Neufeld, G., & Mate, G. (2013). *Hold on to your kids: Why parents need to matter more than their peers.* Toronto, Canada: Vintage Canada.

Seligman, M. (1999). The president's address. *American Psychologists,* 54, 559–562

Senge, P., Scharmer, C. O., Jaworski, J., & Floweres, B. S. (2004). *Presence: Human purpose and the field of the future*. New York, NY: Random House.

Vanier, J. (1998, 2008). *Becoming human*. Toronto, Canada: The House of Anansi Press.

Walter, E. (2013, August 27). Four essentials of strength-based leadership. *Forbes*. Retrieved from http://www.forbes.com/sites/ekaterinawalter/2013/08/27/four-essentials-of-strength-based-leadership/#7b876b0d649

Weber, M. (1992). *The Protestant ethic and the spirit of capitalism*. New York, NY: Routledge.

Winnicott, D. W. (2002). *Winnicott on the child*. Boston, MA: Da Capo.

This page intentionally left blank.

ABOUT THE EDITORS

Agata Stachowicz-Stanusch is a full professor of management at The Silesian University of Technology, Poland, and is the head of the Management and Marketing Department. She is the author of over 80 research papers and has 14 books published by leading houses, among them *Integrity in Organizations: Building the Foundations for Humanistic Management* (Palgrave Macmillan, 2012), *Academic Ethos Management: Building the Foundation for Integrity in Management Education* (Business Expert Press, 2012), *Education for Integrity: Ethically Educating Tomorrow's Business Leaders* (Emerald, 2011), *Effectively Integrating Ethical Dimensions into Business Education* (IAP, 2011), and *Handbook of Research on Teaching Ethics in Business and Management Education* (IGI Global, 2012). Agata manages an international research team as part of the project Sensitizing Future Business Leaders: Developing Anti-Corruption Guidelines for Curriculum Change of the UN Global Compact and the Principles for Responsible Management Education (PRME) initiative. Pro bono, she is a member of the International Fellows for the World Engagement Institute and is on the International Editorial Board for International Higher Education Teaching and Learning Association, is a member of the Anti-Corruption Academic Initiative (ACAD), an academic project coordinated by Northeastern University and the United Nations Office on Drugs and Crime, and is a member of the Committee on Organizational and Management Sciences (Polish Academy of Sciences), Katowice. In July 2012, she was elected for the position of chair of Emerald Best International Symposium Award, which is one of the awards granted by the International Theme Committee (ITC) within the American Academy of Management.

Anti-Corruption in Management Research and Business School Classrooms, pages 263–264

She is associate editor of the *Journal of Applied Research in Higher Education*, (Emerald), a member of the editorial board for *Law and Social Change: An International Journal* (Springer), and a member of the editorial advisory board for the Business Strategy Series (Emerald) as well as a member of many other journal editorial boards. She was thrice doctoral dissertations supervisor and many times a doctoral dissertations reviewer.

Wolfgang Amann, Prof. Dr., teaches executives in HEC Paris programs, primarily on its Qatar campus. He has been designing and delivering executive education seminars for more than 15 years. He is a graduate of key faculty development programs worldwide, such as Harvard University's MLE, IMD's ITP, IESE's IFP, and EFMD IDP. He published 15 books for executives and compiled and more than 100 case studies for his executive education seminars. He previously consulted for and trained executives, for example, at Allianz, China Development Bank, Daimler and DaimlerChrysler, Deutsche Bahn, Deutsche Telekom, Dixon/DSG, Dupont, European Venture Capital and Private Equity Association, Evonik, Ford, Generali, Hilti, UN, IBM, IFC/Worldbank, Ikea, Marsoft, Mitsubishi, Office Depot, Tetra Pak, Unicef, and W. L. Gore. He has also been a guest professor Hosei University in Tokyo, Tsinghua in Beijing, CEIBS in Shanghai, the Indian Institute of Management in Bangalore, ISP St. Petersburg, Corvinus University in Hungary, Mzumbe University in Tanzania, Warwick Business School, and Henley Business School in the United Kingdom, as well as Wharton in the United States. He received several research and teaching awards.

ABOUT THE CONTRIBUTORS

Heesoon Bai is professor in the Faculty of Education at Simon Fraser University (SFU). She is an educational philosopher and a psychotherapist with deepening interest in holistic-contemplative education. Through contemplative inquiry and practices, she offers ways of replenishing, nourishing, and animating our being. Her current research interests cluster around examining and deconstructing ontological and epistemological assumptions that underlie our culture's hurtful and harmful ways with the earth and its inhabitants. She has co-edited three volumes on contemplative education (State University of New York Press). Many of her academic publications can be downloaded from her SFU web depository here: http://summit.sfu.ca/collection/204

Jaime Barrera-Parra is a part time professor at the School of Management Universidad de los Andes (Bogotá, Colombia). Previously being a full professor at the School of Arts and founder of the Center for Japanese Studies at said University. Honored by the Japanese Embassy for his distinguished service to the bi-national relations between both countries. He holds Master's degrees in Philosophy, Theology, and Social Psychology.

Martín Aubert Hernández Calzada received his PhD degree at the Universidad de Salamanca in Spain and holds a master's degree from the Universidad Nacional Autónoma de México. He is a full-time professor and coordinator of the Economic and Administrative Sciences PhD program at the Universidad Autónoma del Estado de Hidalgo in Mexico. He is also a professor at the Instituto Tecnológico y de Estudios Superiores de Monter-

Anti-Corruption in Management Research and Business School Classrooms, pages 265–270

rey and the Universidad Nacional Autónoma de México and participates as vice-president of the Academia de Ciencias Administrativas in Mexico. He is a member of the Academy of Management, the European Academy of Management and Business Economics, the Academia de Ciencias Administrativas, and founder with other professors of the International Council of Small Business in México. His current research activities focus in small and medium business, family-owned business, organizational culture, competitiveness, and social responsibility. He has published in books and academic journals.

Dr. Avraham Cohen is an adjunct faculty member at Adler University in Vancouver BC, Canada, and also is a psychotherapist in private practice and counselor supervisor. He has been working in the field of counseling and psychotherapy since 1969. He has authored academic books, journal articles, and book chapters, and has presented regularly at local, national, and international conferences. For the past 20+ years, he has been teaching and mentoring counseling graduate students and supervising psychotherapists who are in practice. For some of his co-authored articles and book chapters, see http://summit.sfu.ca/collection/204

Dr. Marie dela Rama is a management academic from UTS Business School, Sydney, Australia. Her teaching areas include business ethics, not-for-profit management, human resources, and general management. Her research interests include aged care, business ethics, corporate governance, corruption, business groups, economic sociology, and family businesses. Her most recent publication is *The Changing Face of Corruption in the Asia-Pacific: Current Perspectives and Future Challenges* (Elsevier, 2017).

Niva Dolev, is a lecturer and researcher at the Kinneret Academic College, on the Sea of Galilee. Dr. Dolev is the Head of the department of Education and Community. Her main research field is emotional intelligence and social emotional competence in organizations and in particular in education and their protective role in the incivility experience. She is currently leading a number of educational initiatives for the ministry of education in social emotional development, positive psychology and moral education. Dr. Dolev is the head of Education and Family division, management member of the Center of Applied Ethics and European Network for Social Emotional Competence.

Gustavo González-Couture is a full professor at the School of Management Universidad de los Andes. He is a civil engineer and holds an MA in Sociology and a PhD in Philosophy. He teaches courses to undergraduates, MBAs, and EMBAs. His research interests include entrepreneurial families, systems approach, and moral philosophy. He has practical experience in

government, university administration, entrepreneur, director of boards—ONGs and bank.

Carla Carolina Pérez Hernández has a PhD in Economics Sciences and Management obtained from Universidad Autónoma de Querétaro. She is a post-doctoral researcher at the Institute of Economic and Administrative Sciences at the Universidad Autónoma del Estado de Hidalgo in Mexico. She is a current member of the National System of Researchers in Mexico. Her lines of research are oriented to study the technological capacity (at meso and macro level), knowledge economy, and regional development.

Yariv Itzkovich, is a senior lecturer at the Kinneret Academic College, on the Sea of Galilee. Currently serves as the head of Human Resources Department. The main theme of his work is researching incivility in workplaces and educational institutions (typically academic institutions). He wrote the first academic book in Israel on these topics, and have conducted several studies in the field. To date, these are the first studies that were conducted in Israel on incivility. Dr. Itzkovich is also leading the HR division within the Department of Multi-Disciplinary Studies and is involved in governmental activities aimed to prevent bullying and promote ethics in work organizations.

Prabhjot Dutta Khanna is working as an assistant professor in the Department of Humanities and Management, Dr. B. R. Ambedkar National Institute of Technology, Jalandhar, India. She has done her PhD from Guru Nanak Dev University, Amritsar, India. Her research interests lie in the areas of corporate governance and resource-based view of the firm. She has authored an article "An Empirical Analysis of Resources in the Indian Pharmaceutical Industry" published in the *International Journal of Emerging Markets*. A chapter "Building Integrity by Understanding the Nuances of Corruption" co-authored by her has been accepted for publication in the book *Humanistic Values from Academic Community Perspective* to be published by Information Age Publishing. She has presented her work in conferences such as the 76th Annual Meeting of the Academy of Management in California and the 32nd EGOS Colloquium in Italy.

Vivek Khanna is working as a guest faculty at the University College of Business Studies, Himachal Pradesh University, Shimla, India. He is a fellow of Indian Institute of Management Indore. His research interests lie in the areas of emotional intelligence, transactional analysis, business ethics, and leadership. He has authored a chapter "The Dark Side of Emotional Intelligence" in the book *Corporate Social Irresponsibility: Individual Behaviors and Organizational Practices* published by Information Age Publishing. Another chapter "Building Integrity by Understanding the Nuances of Corruption"

co-authored by him has been accepted for publication in the book *Humanistic Values from Academic Community Perspective* to be published by Information Age Publishing. He has presented papers at the 21st Annual Conference of the Irish Academy of Management, the XIX ISA World Congress of Sociology in Canada, the 32nd EGOS Colloquium in Italy and the 31st EGOS Colloquium in Greece.

Enyonam Canice Kudonoo is a senior assistant professor at Ashesi University College and is a guest lecturer at University of Ghana School of Law. She is a consultant in Organization Development (OD), Alternative Dispute Resolution (ADR), and Human Resources Management (HR). She holds a PhD in Organization Development (OD), an MBA in Human Resources Management Option, a degree in Home Economics Education, advance diploma in Mediation and Arbitration Studies and has certified as a Professional Mediator—PULSE, Canada. Enyonam has presented papers at several international professional associations' conferences including the Academy of Management in the United States, Ireland, and Botswana; Academy of Innovation and Entrepreneurship, Canada. She also has some publications in refereed journals, book chapters as well as a color cookbook to her credit. Her current research focus is on leadership (followership), anti-corruption, and conflict resolution/management.

Gianluigi Mangia is a full professor of organization studies at University of Napoli Federico II, Italy, where he currently teaches organization theory and information systems, and human resources topics. He holds a PhD in Organization and Business Administration from University of Molise. He was visiting scholar at Cardiff Business School, visiting researcher at London School of Economics, and visiting doctoral student at Warwick Business School. He has been the chair of the organizing committee of the EGOS conference 2016, held in Naples. He is chair of the organizing committee of the Capri Summer School on Qualitative Research Methods and scientific coordinator of the Master in Public Managerial Practices at the University of Naples Federico II.

Jessica Mendoza Moheno is a researcher and full-time professor at the Universidad Autónoma del Estado de Hidalgo in Mexico. She has also worked as a professor at the Universidad Nacional Autónoma de México, the Instituto Tecnológico y de Estudios Superiores de Monterrey, and the Universidad de la Mixteca. She served as the president of the chapter titled Change and Development Processes of the Academia de Ciencias Administrativas in Mexico. She was a visiting professor at the Universidad Nacional de General Sarmiento, in Argentina, the Universidade Nove de Julho, in Brasil, the Centro Universitario del Sur of the Universidad de Guadalajara in Mexico, and the Universidad Cristóbal Colón in Mexico. Her research interests lie

in the areas of organizational culture, family-owned business, technological capabilities, small and medium-sized enterprises, and social responsibility. She has published several scholarly articles and books.

Dr. Evelyn Money received both a Bachelor of Science in Accounting and an MBA with a concentration in Accounting from Salisbury University. She received a doctoral degree in Business Administration from Wilmington University and she is a licensed certified public accountant in the state of Maryland. Currently, Dr. Money teaches accounting and management classes at the college and university level. In addition to her teaching career, Dr. Money obtained extensive accounting experience in the areas of auditing, taxes, compilations, reviews, bookkeeping, and not-for-profit and government accounting. Dr. Money's most recent publication includes a chapter she co-authored in the *Handbook of Research on Teaching Ethics in Business and Management Education*.

Unsal Sigri, Prof. Dr., is professor of management at the Baskent University-Ankara, in Turkey. He received his PhD in Management from Marmara University, Istanbul and did his postdoctoral studies in Bittner School of Business, St. John Fisher College, Rochester, NY. He also worked as a visiting professor in the Azerbaijan Military Academy, Baku, Azerbaijan in 2001 and as a research scholar at St. John Fisher College, Rochester, NY, in 2010. Dr. Unsal Sigri was a recipient of a research grant for postdocs from the Scientific and Technological Research Council of Turkey (TUBITAK) in 2010. Dr. Sigri teaches and researches management, organizational behavior, leadership, group dynamics, social psychology, organization development and change, cross cultural management, conflict management, negotiation, and military sociology.

Tay Keong Tan, is director of International Studies and Leadership Studies in the Department of Political Science at Radford University. He teaches sustainable development, leadership, international studies, and public administration. His research is focused on anti-corruption and global sustainability. He is co-author and co-editor of three recent books on anti-corruption and sustainable development, as well as co-editor and chapter author of two upcoming books: *Global Champions of Sustainable Development* and *Struggles and Success in the Pursuit of Sustainable Development.* Tay Keong has a doctorate and a master's degree in Public Policy from Harvard University.

Dr. Marco Tavanti is full professor at University of San Francisco's School of Management. He is program director for the Master of Nonprofit Administration and director of the Social Entrepreneurship and Innovation Initiative. He consults for various international organizations on subject matters related to anti-corruption and ethical leadership for sustainable de-

velopment. His recent publications include *Globally Responsible Management Education* (with Wilp, E.; IGI Global, 2015) and *Sustainable Human Security: Corruption Issues and Anti-corruption solutions* (with Stachowicz-Stanusch, A.; Common Ground Publishing LLC, 2014).

Timothy Timur Tiryaki is a sessional instructor and PhD student at Simon Fraser University, Faculty of Education. His PhD research focuses on the intersection of contemplative inquiry, transformative learning, and leadership development and seeks to understand how we can bring deeper and holistic ways of learning into organizations.

Lucio Todisco is PhD student in Management at the Department of Economics, Management, Institutions, University of Naples Federico II, Italy. He has a master's degree in Human Resource Management. Since 2017 he is a licensed labor consultant and has carried out activities of payroll specialist. He has carried out tutoring activities for workshops and masters and assists the chairs of Organization Studies, Organizational Behavior, and Negotiation. His main research interests are about collaborative governance in public and private sector, human resources management, and governance, innovation and organization in public sector.

Andrea Tomo is an assistant professor of organization studies. He is postdoc research fellow at the Department of Economics, Management, Institutions, University of Naples Federico II, Italy, where he is adjunct professor in Negotiation 2017–2018, and assistant to the chair of Organizational Behavior. He holds a PhD in Business Economics from University of Naples Federico II, Italy, and he has been a visiting researcher at Cass Business School of London, Copenhagen Business School, and Leuphana Universität of Lüneburg. He has been member of the organizing committee of the EGOS conference 2016, held in Naples. He is member of the organizing committee of the Capri Summer School on Qualitative Research Methods and member of the organizing committee of the Master in Public Managerial Practices at the University of Naples Federico II.

Elizabeth Wilp is a senior officer at Sustainable Capacity International Institute (SCII-ONLUS) and co-founder of the World Engagement Institute (WEI), where she served as EVP for administration. She holds a Master of Science in Public Service Management and a Master of Education from DePaul University in Chicago. As a consultant and administrator, Ms. Wilp has facilitated more than thirty academic partnerships for poverty reduction and sustainable development in East Africa, Latin America, and Southeast Asia. Her international expertise is cross-sector partnerships, global education, and inclusive learning.