



The role of management in tackling corruption

Tackling
corruption

Mari-Liis Sööt

Faculty of Social Sciences and Education, University of Tartu, Tartu, Estonia

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Abstract

Purpose – The purpose of the study reported in this article is to examine the role of management in establishing anti-corruption organisational culture in law enforcement agencies. The study focuses on organisational perspectives on corruption and on the views of managers regarding the tackling of corruption.

Design/methodology/approach – The study uses qualitative data gathered from the Estonian law enforcement agencies. It is based on nine semi-structured in-depth interviews with top managers of various Estonian law enforcement agencies.

Findings – The findings of the study show that managers' beliefs may reinforce an organisational culture that systematically downplays the importance of anti-corruption work. The study outlines major impediments likely to counteract successful implementation of anti-corruption policies in law enforcement agencies: corruption is seen as a problem of the street level staff, individual staff members' ability to resist corruption is considered to be determined by their knowledge of the relevant legal definitions and sanctions, control methods are considered to be the most effective means of curbing corruption.

Research limitations/implications – The study focuses exclusively on the values and role of managers. As noted by early researchers (e.g. Trevino) of the field, managers are not very likely to allow their values to be measured and analysed. The reluctance by most academics directly to approach top managers of law enforcement agencies makes studies such as the one reported below a complex endeavour in most countries. Top managers tend to shun open discussions of corruption – especially in relation to their organisations. Any views they express on the subject tend to be protective of their organisation and are usually intended for the record.

Practical implications – The study helps to understand the reasons that contribute to failure of anti-corruption policies and points to the relevant general shortcomings in managerial skills. By identifying these reasons and shortcomings, the study paves the way to remedial training and critical self-assessment.

Originality/value – Besides, the fact that managerial attitudes about corruption have not been studied earlier in Estonia, this study contributes to the overall understanding of managerial attitudes and their relation to corruption in an organisation. This is important for improving our theoretical understanding of corruption in organisations and contributing to the value-based approach to corruption.

Keywords Corruption, Management, Organizational culture, Law enforcement, Estonia

Paper type Research paper

1. Introduction

This paper represents a response to the need to understand the relations between managerial attitudes, organisational culture and corruption in organisations. Stead, Challinger and several other researchers (Gorta, 1998, p. 79) have stressed the importance

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of managers' behaviour and attitudes in forming and reflecting workplace culture in an organisation. Organisational culture itself is defined as the set of shared values, beliefs and traditions that characterise an organisation (Wittmer and Coursey, 1996, p. 560). This article focuses on a crucial variable of organisational culture – top management's view of corruption and their role in implementing anti-corruption initiatives. The author's aim is to investigate the role of law enforcement agency managers in creating a culture in their organisations that supports anti-corruption policies.

The study reported in this paper focuses on two main issues. First and foremost, it aims to describe how top managers perceive their role in implementing anti-corruption measures in their organisations. Sackmann and Horstmann (2010, p. 272) suggest that “[c]ulture aware management will help to develop [...] a corruption-clean and open culture and to reach a high level of congruence between desired and lived behaviour”. They see management accomplishing this primarily through personal example, but also through customer and employee feedback (Sackmann and Horstmann, 2010). In terms of corruption, they postulate the existence of two types of organisational culture. In the first case, the organisation's declared values are compatible with the values it practises, in the second case its anti-corruption values are not followed in practice and may thus indirectly even contribute to corruption (Sackmann and Horstmann, 2010, p. 271).

Second, it seeks to establish where managers in the Estonian law enforcement agencies ascribe the causes of corruption, whether to the individual (as moralists would expect them to), or to various institutional factors (reflecting an institutionalist approach). In the first case, blame will be placed on the transgressing individual. This is what happened with officers of the Estonian traffic police who were caught taking bribes – the case focused exclusively on the offenders, with no mention made of the managerial faults that made their behaviour possible. As a result of the investigation, mid-level managers of police forces were instructed to keep close tabs on their subordinates' private lives and finances. Amongst other things, the case strengthened the view that corruption was a vice that could only affect street level officials, inviting the conclusion that it could be easily remedied by replacing the tainted officer. In such a perspective, because of the greater number of discovered cases (itself a function of the greater stress on simple cases like these) lower-ranking officials effectively became scapegoats of the system. Consequently, greater emphasis was placed on tackling low-level corruption, and a corresponding mental model of the occurrence of corruption became dominant in the organisational culture of law enforcement agencies.

Policemen, investigators, prosecutors are a vulnerable group, while social stigmatization of such a group increases the risk of corruption (Kent and Chandler, 2008, p. 278). In addition to the common perception that law enforcement agencies are a type of organisation relatively prone to corruption and that evidence from various surveys shows that law enforcement authorities are among the most corrupt government agencies (Gerber and Mendelson, 2008; Jain, 2001, p. 84), the reason for selecting these agencies stems from their particular responsibilities in enforcing anti-corruption policies. Law enforcement agencies are among the most important anti-corruption agents in society. As suggested by Dandurand (2007) one of the key means of successfully combatting transnational crime, corruption and terrorism is building integrity in the judicial system, as well as ensuring fair prosecution and investigation procedures. It is thus, after all, only reasonable to expect ethical and law-abiding behaviour from those whose duty it is to deter others from breaking the law.

2. Theory

The role of managers

Although literature on management and leadership makes a distinction between the concepts of management and leadership, this article uses the term “manager” in less strict sense, entailing both, the functions of leaders and managers. According to the theory, management is directed towards processes, while leadership towards people (Davenport and Harding, 2010). Managers have formal and informal roles, the latter of which could be identified through a process created during everyday work. Studies attribute different roles to managers and often they reflect subordinates’ expectations on their managers. For example, a study conducted in the UK demonstrated that a good manager encourages team-work, accepts mistakes as lessons, acts as a role-model to the organisation, and so on (Moore, 2010). Functions of good managers include communication and achievement of strategic goals, motivation of people, encouraging participation of people in decision-making process, encouraging new ideas, identifying needs of organisations, etc. (Davenport and Harding, 2010). However, it is also true that the role of managers depends a great deal on how managers themselves identify their functions, and this study looks more precisely at this point of managerial functions in relation to anti-corruption policy.

Among other roles managers communicate desirable values to the rest of the organisation, they are the role-models, they create conditions motivating people, set rules of recruitment, and so on. For example, according to the recommendations of the World Bank states should introduce meritocratic principles of recruitment in civil service, which they see as a step towards elimination of patronage system ((The World Bank, 2000). Without discussing the validity of such a statement, one can concur that transparency of recruitment process is an anti-corruption measure and is shaped by actions of the organisation’s leaders (even if recruitment rules are prescribed by law). Managers who perceive their role as implementers of anti-corruption measures in the organisation, introduce conditions for transparent recruitment, the others do not.

Challinger (1971 in Gorta, 1998, p. 79) insists that the managers’ personal example is crucial in creating a strong workplace culture. An inconsistency between an organisation’s declared values and its managers’ actual behaviour may result in corrupt behaviour and inferior performance by the employees. The managers’ reputation for integrity has an impact on the likelihood of corruption in an organisation (Carvajal, 1999, p. 340). In their study of the police Huberts *et al.* (2007) demonstrate that role-modelling, openness and strictness of leaders have a direct impact on the frequency of integrity violations by employees. Paternoster and Simpson (1996) stress the importance of managerial ethics in curbing corporate crime. A work climate that favours deviant behaviour is considered one of the determinants of employee theft in businesses (Applebaum *et al.*, 2006). Apel and Paternoster (2009, pp. 19-23) have listed a group of authors according to whom a person’s criminal behaviour could not be explained without taking into account the organisation that the person belonged to. Normative systems in organisations play a key role in generating criminal activity – they may even cause deviant behaviour in those who in other types of setting would act in a socially acceptable manner (Apel and Paternoster, 2009). This is not to say that bad leaders are the cause of corruption – in fact, to draw such an inference would entail making the very mistake of regarding corruption as primarily an individual phenomenon. Rather, the aforementioned views should be interpreted as an indication that processes

in an organisation are shaped by actions of the organisation's leaders. It is equally important not to lose sight of the fact that such processes cannot be properly analysed without taking into account such important determinants of organisational deviance as the socialisation and power relationships in the organisation (Monahan and Quinn, 2006). In their paper on how corruption becomes normalized in organizations through the processes of institutionalization, rationalization and socialization, Ashforth and Anand (2003) stress the role of leadership and leaders' role-modelling. It does not mean leaders have to actively engage in corruption but they can reinforce culture of corruption through ignoring corruption or otherwise facilitating unethical behaviour (Ashforth and Anand, 2003, p. 7).

Some causes of corruption in an organisation

Most of the authors writing on the subject have focused on macro-level determinants of corruption such as economics, culture, history, or political system. Those who have stressed micro-level or organisational causes (Gould, 1991; Rauch and Evans, 2000; Zeitlin, 1971) have mainly concentrated on the structural variables of corruption in organisations. Although micro-level studies of corruption to explore the links between specific leadership styles and integrity in police organisations exist (such as the study by Huberts *et al.*, 2007), they are very rare. There is a myriad of studies on leadership styles and their relation to fraud, especially in the post-Enron era (Resick *et al.*, 2009; Knights and O'Leary, 2006; Sims and Brinkmann, 2003; Gini, 2004). Most of these, however, focus on the business sector. Despite considerable interest among academics in the effects of ethical leadership styles and role-modelling on organisational culture, precious few attempts have been made to understand the values of managers in law enforcement agencies and the correlation of these values to corruption. In part, this could be due to a certain reluctance among many researchers directly to approach law enforcement managers.

Moralists and behaviourists see corruption as "an immoral phenomenon", which manifests itself in "selfish and improper conduct" of individuals (Gould, 1991, p. 468). Institutionalists, on the other hand, stress the importance of social context and the fact that "social choices are shaped, mediated, and channelled by institutional arrangements" (Powell and DiMaggio, 1991, p. 2). Individual characteristics alone are not sufficient to account for a person's deviant behaviour. It has been suggested that illegal and deviant behaviour by members of an organisation is in part induced by the unfair treatment that they experience in the organisation or by unethical actions on the part of their supervisors (Biron, 2010), and that the management's unjust actions and/or decisions may result in counterproductive behaviour on the part of employees (Sausser, 2007).

Some researchers attribute the occurrence of corruption in societies to the insufficient professionalism and low ethical standards of officials serving in their government institutions (Tanzi, 1998) while others consider this view to be tantamount to individualising a phenomenon that should properly be regarded as societal and cultural (Gould, 1991). However, the poor performance of civil servants may also simply reflect a weak organisational culture and mediocre management.

Cooke (1991 in Gorta, 1998, p. 79) lists various aspects of organisational culture that have the potential to facilitate workplace crime and corruption. Among others he mentions the assignment of ethical problems to legal departments. This means that attempts to remedy workplace culture are given the form of legal instruments, instead of using other,

possibly more effective, channels for communicating organisational expectations regarding acceptable and non-acceptable behaviour. A formalistic approach towards corruption is unlikely to help members of an organisation to reach sound decisions in matters that belong to what Heidenheimer has called a “grey area” – where the understanding of what is corruption and what is not differs depending on which social class a person belongs to (Heidenheimer *et al.*, 1989 in Collier, 2002, p. 10). Written ethical norms, if not integrated into everyday practice of the organisation, are insufficient as a means of inciting its members to moral behaviour (Pucetaite *et al.*, 2010). The lack of morality among Enron’s top management and the company’s correspondingly flawed corporate culture favoured an atmosphere of unethical and fraudulent behaviour which culminated in one of the biggest corporate corruption cases in the world. The fact that the company had a formal code of ethics did not prevent the management from ignoring the principles proclaimed in that code (Sims and Brinkmann, 2003).

Weak legal system can be a source of corruption and a consequence of corruption at the same time. Ineffective legal system, complex and ambiguous regulations that allow multiple interpretations may encourage the use of position for personal gain, and consequently reduce the effectiveness of the laws and their enforcers through political appointments or through reducing and allocating resources (Jain, 2001, p. 72). It is common knowledge that mere existence of severe and inflexible laws does not guarantee that they are actually observed. In fact, it might be the other way round – as Clark (1970, in Carvajal, 1999, p. 340) observes, laws that are not consistent with prevailing morals may create pressure on public officials to enforce them selectively. In his view, “moralistic and/or unenforceable laws are the basic causes of police corruption” (Clark 1970, in Carvajal, 1999). These are laws that impose a prevailing value judgment in cases to which that judgment should not apply (for instance, where the corresponding behaviour causes no harm to anyone). Sanctions, too, may turn out to be counterproductive – although they are likely to inhibit people from acting in a way that attracts a particular punishment, they may also weaken the moral authority of the rules that prescribe the punishment. If a sanction is removed, people may still continue to behave in the way they consider to be morally right. Thus, sanctions are likely to yield positive effects only when they persuade people that the prohibited act or course of action is immoral (Mulder *et al.*, 2009).

3. Empirical study

Methods and data

The study was based on nine semi-structured in-depth interviews with top managers of the Estonian law enforcement agencies (the prosecutor’s office, police, tax administration and border guard administration)[1]. Taking into account the subject of the study, semi-structured interview was the most suitable form of interviewing. It offers more flexibility compared to structured interviewing and better means to manoeuvre when socially desirable responses are given (Fontana and Frey, 1998, p. 53), while on the other hand enabling more systematic approach compared to unstructured interview method.

The empirical data were collected over a two-month period at the end of 2004. The interviews took place in the workplace of the respondents. The aim of the questions posed was to elicit responses that would help to understand the thinking and values of the managers interviewed. First, the respondent was explained the purpose of the interview,

followed by general questions about possible types of corruption and most frequent forms of manifestation of corruption in the society. Subsequently, more specific questions about respondent's organisation were posed. Illustrative examples were given in order to gain more information on managers' understanding of corruption and anti-corruption measures. For example, instead of asking whether corruption has individual causes, it was asked to comment the common perception that corruption is associated with individual risks. Use of illustrative examples in phrasing questions has been encouraged in order to establish neutrality in interviewing (Patton, 1990, p. 317). The interviews were audio-taped and later transcribed.

For the purpose of the analysis Mayring's category application model of coding was used (Mayring, 2000). The categorization enabled systematic critical discourse analysis which is considered to be suitable analytical perspective for studying power relations and explaining social interaction in conversations (Van Dijk, 2003, p. 352).

The framework of analysis consisted of two broad topics:

- (1) causes and manifestations of corruption; and
- (2) measures (and challenges in) countering corruption.

Each topic was divided into categories, e.g. under topic (1) manifestations of corruption were divided into categories of "bribery", "misuse of discretion", "misuse of information", "trading in influence", etc. – accordingly to the forms of corruption mentioned in the interviews. Another category included list of different causes of corruption, e.g. "personal causes", "socio-economic causes", "institutional causes", etc. Under topic (2) measures countering corruption were divided into "control based measures", "motivation based measures" categories, etc. Both categories were then given a definition and extracts from interviews were provided as examples, e.g. topic (2) contained different types of anti-corruption measures (or categories). Each measure was defined according to the theory (Poerting and Vahlenkamp, 1998) and new categories were created, where necessary. Then extracts from interviews which corresponded to the definition of a certain measure were drawn under each category.

Quotations (all translated by the author) from the interviews are set in italics. All interview quotes in the following chapters stem from transcripts of recordings of interviews conducted as part of the study. In view of the fact that because of the specific focus of the study the number of interviews and respondents was very limited, the need to maintain their confidentiality precludes any identification of the individuals quoted (including identification that would link several quotes to the same individual manager). For this reason, the quotes are reproduced without any reference to the individual concerned.

Main findings

In the view of the managers interviewed, the development of law enforcement authorities in Estonia has been unsteady because of the changing priorities of politicians. In the opinion of the interviewees, different political parties and coalition governments have prioritised different spheres of government action, thus creating an unstable environment for law enforcement agencies. Political instructions were not seen as sufficiently clear and stable to allow implementation efforts to succeed, and the latest anti-corruption initiatives of the political government were perceived to have the taste of a short-lived campaign. One top manager expressed his view of the situation as follows:

I am not sure whether this is true about corruption, but during my years on the job I have seen my share of campaign-like things and when new things come up, you ask yourself whether this is not the next campaign. If the current initiative proves to be more than just a campaign, and we will achieve a normal working routine, then this is a most important step for me towards achieving the objective.

Another manager criticised the emphasis on short-term goals:

There is one precondition for dealing with a [corrupt] system that has been ignored for a long time in the Estonian law enforcement structures. It takes about 6–18 months to catch out a corruption network, which means that for a year and half there might not be any cases. The offenders will only be brought in when the picture is completely clear. The law enforcement system has been changed many times, because of the need to boost the [performance] scores. When you don't achieve that, they say that you haven't done anything. If you want to catch out the entire network, you cannot at the same time boost your score. This is the reason why there is considerable emphasis on individual cases – you get your score – one bribery case – and you are not interested in the network. To root out a network is a complex task and you are not guaranteed a result.

Managers' view of the causes of corruption

The respondents attributed the main causes of corruption to low ethical standards of their personnel, tacitly suggesting that replacing the morally weak official with a more principled one would fix the problem. This is well demonstrated by the following response of one of the interviewees: “The fewer officials we have, the better. The smaller the number of officials, the fewer stupid and corrupt employees on our payroll”. A majority of the interviewees deemed vices such as greed, vanity, etc. to be the main cause of corruption among low ranking officials: “The main factors are personal, e.g. vanity, the desire to have an extensive network of social relations to use for personal benefit”. In other words, agency managers were focusing on petty corruption while overlooking the grand. The respondents never explicitly admitted that senior officials might have access to sensitive information or might be involved in making decisions whose impact on the organisation and on society in general would be likely to make them targets of attempts to subject them to corrupt influence. They argued that managers were unlikely to be faced with situations representing an opportunity for corruption, since they were under strict public scrutiny, and they would have much to lose in terms of status and income if they were caught offending. Some admitted that the potential corruption of senior officials would be substantially more dangerous to society. However, they also thought this risk was sufficiently diminished by the restricted opportunities for corrupt action available to high ranking officials. Yet, it stands to reason that the higher risks associated with corrupt action by high ranking officials might simply lead them to demand heftier bribes.

The majority of interviewees considered their subordinates' ability to resist corruption to rest on knowing the relevant legal rules. They expressed the view that officials who know the law automatically understand what is meant by “corruption”. One manager stated the corresponding position by saying, “Corruption stems from incomplete laws”. This view was shared by another manager: “They know it [the law] 100%. They know the law! It is impossible that they would not understand that they have committed a crime”. Several responses of the interviewees reflect the view that provision of good legal training is a prerequisite for curbing corruption: “It is clear what a policeman has to do, this has been well regulated;” or “I believe that our staff are

well informed in this regard. [...] We provide them with a rather good legal background". One manager saw laws that were too detailed to be obstructive:

One should not generate too much confusion with all kinds of regulations, which may be violated even by honest officials. When regulations are created in such a manner as to help the perpetrator comply with them, while causing an honest official to commit the offence [...].

Basically, the managers supported a definition of corruption based on the notion of "public office", whose principles are close to the standards to be found in the penal codes, which represent "a post facto attempt to deal with corruption" (Meny and de Sousa, 2001, p. 2825).

Managers' views on measures countering corruption

In quantitative terms, the measures that managers mentioned the most often in relation to curbing corruption were control measures. No fewer than eight different measures of this type were outlined – disciplinary sanctions and dismissals; monitoring the work and private life of employees and gathering background information on them; direct enquiries by the immediate supervisor regarding the work and private life of his or her subordinates; open conduct of disciplinary and other investigations as an exemplary deterrent; internal financial audits; public scrutiny; the "four-eyes principle" (reduction of the risk of bias by joint decision-making by at least two persons); and various restrictions on the use of electronic databases, mobile phones, etc. This suggests that rigid, vigorous and reactive methods (the opposite of "soft" and preventive measures) for personnel management are widespread in the police and other strongly hierarchical organisations. One manager expressed his views on the four-eyes principle as follows:

The larger the number of people involved in a task, the lower the risk [of corruption]. When we send a traffic cop into the street alone, the risk is much higher. Monitoring minimises risk. Decision-making should not be left up to the superintendent alone, it should involve several different people. If four, five or six persons make an arrangement between themselves, it will come out eventually. If two persons know something, then it is already public knowledge.

This view was criticised by another respondent:

I think that we are building up a Soviet system here, that is that you have to take someone with you everywhere, and that someone else has to know what's in your head at all times. This clearly means the construction of a Big Brother type of system. This is not normal in a democratic society.

The proponent of the restrictions on the use of databases and on various access privileges of the staff claimed:

We made a strong decision last year. Some persons have access to 30 different databases. A person only needs to use 2-3 databases. Organisationally we have to restrict access to the rest, leaving only those that are necessary for work. We basically removed thousands of access privileges last year. This is in order to protect the official even if someone tempts him.

The contrary view was expressed by another manager:

If you restrict an officer's privileges, it creates a situation where he might not be able to fulfil his obligations. He cannot work. There must be very clear reasons for that. Why does a customs official accept money? Because his income is low. Ok, let's raise his salary, but then his demands will grow instantly and he will want more things. The fact that you restrict his privileges, I think, is only prolonging this process.

Other examples of solutions for curbing corruption included the creation of separate competing units in order to spread the risks and the carrying out of risk analyses – by which different respondents, however, understood different things. A manager who supported pecuniary measures claimed: “Money – one doesn’t motivate with a pat on the back”. Another considered it important to use non-pecuniary means: “The most important thing is motivation of the personnel. This doesn’t just mean money”. Sending staff on overseas courses for training, the promotion of common values, a sound work ethic and morality were cited as non-monetary motivational measures. No-one mentioned being a role-model for his or her subordinates.

4. Discussion

Responses given by the managers indicate a tendency to blame-shifting[2] and self-justification. This led them to point the finger at unstable political environment, to criticise ineffective legislation and to distance themselves from responsibility for breaches by lower-ranking officials. Attitudes that underlie the aforementioned behaviour are typified by the following response of a top manager: “There is not much to do inside the organisation once the relevant rules and regulations have been put in place”. Although the political and legal environment have an important impact on the behaviour of organization, law enforcement organizations rarely confront a turbulent environment comparable to defence or environmental protection agencies who are more likely to face unpredictable changes than police or similar (Heffron, 1989, pp. 61, 72-3). Still, the interviewees cited lack of a common purpose and changing politics as the main obstacles to sustainable anti-corruption policies. Managers regarded themselves and their organisations as passive recipients of externally conceived initiatives. Since the task of fighting corruption in their agencies has been imposed on them from the outside, their internal motivation for actively implementing anti-corruption measures was weak.

The defensiveness and passiveness of the managers can be attributed to several reasons – for example, it would be short-sighted on the part of managers to express mistrust of their employees and to admit problems in their organisations. This defensiveness and lack of self-criticism may be part of the overall managerial culture in Estonia and in young democracies in general. The lack of leadership skills, a fear of making mistakes and the tendency to self-justification all hamper the proactive development of managerial culture (Randma-Liiv, 2005). Furthermore, it has been argued that central and eastern Europe countries suffer from poor policy analysis and insufficient management experience (Verheijen, 1998; Randma-Liiv, 2005).

In terms of beliefs regarding corruption held by top managers, the study revealed three core views:

- (1) corruption is a problem of the street level staff;
- (2) the ability of a person to resist corruption is a function of the person’s knowledge of the corresponding legal definitions and sanctions; and
- (3) control methods should be preferred in the drive to curb corruption.

In other words, managers regarded themselves as beyond corruption, they believed corruption to be essentially an information issue, and thought that it can be combated the most effectively by various punitive and supervisory measures.

(1) Corruption is a problem of the street level staff

The managers interviewed saw the causes of corruption to lie mainly in individual reasons, e.g. unethical attitudes of staff members. At the same time, they overlooked various institutional factors, ignoring the fact that corruption is a result of various societal, organisational and personal factors, well stated by Ashforth and Anand (2003). Societal values, organisational decision-making, formal and informal organizational culture all account in creating deviant workplace culture (Cohen, 1995). Moreover, the respondents argued that managers were unlikely to find themselves in risky situations, since they were under strict public scrutiny.

The view that it is rank-and-file officials who are to be blamed for corruption – represents a narrow view which underrates grand or aggravated corruption that enriches a select few and occurs through patronage systems and networks controlled by corrupt agents (Carvajal, 1999; Heidenheimer, 2002). Although corruption is not to be justified in any layers of an organisation or society, grand corruption is considered more dangerous as it undermines the society's moral foundations, creates distrust and inequality (Uslaner, 2008, p. 11).

A common understanding among the interviewees was that street level officials find it difficult to resist the temptation of corruption due to their low pay. Common-sense supports the idea of contributory influence of low income on potentially corrupt agents. The latter was confirmed by a study that explained tax officials' engagement in corruption as a course of action dictated by economic necessity (Chand and Moene, 1997). Its authors also report that most fiscal officials seem to have a sense of professionalism: however, when paid a salary that is below that required for basic subsistence, they are forced to accept bribes. Systematic civil service corruption is likely to be encountered in situations where public sector pay falls below a subsistence minimum (Stapenhurst and Langseth, 1997, pp. 317-8). Abbink (2000) stresses the need to pay civil servants fair salaries, thus emphasising the importance of relative wages. Although there are good examples of the positive effect of high salaries in reducing corruption, the assumption that higher salaries would increase ethical behaviour in law enforcement institutions is contested by Sosa (2004), who argues that anti-corruption policies aimed at increasing the income of corruption fighters may simply result in higher bribes being asked for corrupt favours. Again, the example of Enron showed that high incomes did not prevent managers from engaging in fraudulent practices.

The managers denied the existence of endemic corruption in their organisations, and suggested that as a rule in the Estonian society emphasis tends to be laid on investigating incidental corruption. This, in fact, might be a result of a prevailing view that corruption is a problem of lower-ranking officials. According to some respondents this was so because incidental corruption is easier to define, less difficult to investigate and thus represents a suitable target for "getting fast results".

(2) The ability of a person to resist corruption is a function of the person's knowledge of the corresponding legal definitions and sanctions

The core belief that informed the interviewees' responses was that knowledge of the law will act as a bar to corruption. Clearly, this must be assessed as a short-sighted conclusion even on mere common-sense grounds – lawyers are in no way immune to corrupt influence. Although research seems to indicate that strict enforcement of ethics rules may have a positive impact on organisational integrity (cf. the study by Huberts *et al.*, 2007)

it is very likely, in particular in an organisational climate defined by legalistic thinking, that enforcement efforts of this type will simply create additional pressure for toughening the relevant sanctions, which in turn may have counterproductive effects and decrease trust (Mulder *et al.*, 2006).

(3) Control methods should be preferred in the drive to curb corruption

Organisational anti-corruption measures mentioned by the top managers interviewed in this study could be divided into three broad categories: control measures, structural measures and motivational measures. Poerting and Vahlenkamp (1998) divide anti-corruption measures relating to the police into two groups: general and specific. General measures address abstract corruption-related risks while specific measures are aimed at certain target groups or units within law enforcement institutions. A general measure can be implemented in any agency, whereas specific steps need to be adapted to the particular features of the given agency or unit. Examples of general measures would be the adoption of codes of ethics, communication of values, training, performing risk analyses, increasing salaries, etc. Examples of specific measures include staff rotation, implementation of the four-eyes principle, separation of functions, checks of files, etc. Structural and motivational measures cited by the managers corresponded to those of Poerting and Vahlenkamp's (1998) general strategies. Motivational measures consisted of pecuniary and non-pecuniary measures.

It must be conceded that there is no exclusively right way to combat corruption in an organisation, as some strategies are bound to work better than others under certain circumstances. However, no strategy can enjoy lasting success without the managers leading by personal example. Significantly, none of the respondents cited the manager's acting as a role-model as an anti-corruption measure, as the literature on managerial functions suggests (Davenport and Harding, 2010; Moore, 2010).

It has been shown that good communication, extensive information sharing and commitment to honesty in relationships with employees are key ingredients in preventing delinquent behaviour and corruption in an organisation (Niehoff and Paul, 2000) – yet, these were not mentioned by any of the managers interviewed. What the latter also failed to recognise was that a culture of honesty is a powerful anti-corruption measure, and that managers have an important role in implementing, creating and maintaining such a culture (Applebaum *et al.*, 2006). The values that managers communicate through ethical leadership (e.g. fair treatment of employees, communication of high standards of conduct) have direct influence on members of their organisation (Resick *et al.*, 2009). Ethics problems in the work climate (perceptions of ethical norms in the organisations) are a key determinant to explain deviant behaviour in the workplace (Weber *et al.*, 2003). When managers rely exclusively on formal criteria, and fail to bring these alive through their personal example, the result is likely to be an increase in corruption.

5. Conclusion

Anyone who has tried to study people's opinions on corruption-related matters knows that this is a highly sensitive issue. One does not need a vivid imagination to understand the aversion of top managers to the topic, especially when it concerns their own organisation. A prevailing view among the managers interviewed was that corruption was a problem of lower-ranking officials, and that it was unlikely to affect top managers. A common understanding among top managers was that certain street level officials

were unable to resist the temptation of easy bribe money because of their lower pay compared to that of the managers. The study outlines three main obstacles to implementation of anti-corruption policies in law enforcement agencies:

- (1) corruption is seen as a problem of the street level staff;
- (2) individual staff members' ability to resist corruption is considered to be determined by their knowledge of the relevant legal definitions and sanctions; and
- (3) control methods are considered to be the most effective means of curbing corruption.

Based on earlier studies, it can be conceded that one cause of failure of anti-corruption policies is that they do not reach all levels of an organization. Sometimes street level bureaucrats have not even heard about these policies, making necessity and reasonableness of such policies questionable (Webb, 2012, p. 99). This study pinpoints that the managers interviewed did not see themselves as the principal anti-corruption actors of their organizations. Instead, they regarded corruption as an issue imposed on them from the outside and in a way that reduced them to passive players in an externally determined environment.

The study holds practical implications in that it highlights some of the reasons that contribute to the failure of anti-corruption policies:

- (1) an overly narrow understanding of the phenomenon of corruption; and
- (2) the managers' perception of their role as a passive one.

This knowledge is important to the improvement of the theory of corruption in organisations. These aspects of the managerial culture in the organisations concerned should be remedied through training and critical self-assessment. Therefore, part of any value-based approach to tackling corruption (Rossouw, 2008 in Webb, 2012) should also be influencing understanding of managers, and finding ways to raise managers' self-motivation and willingness to address anti-corruption issues in their organizations. The result of such an approach will be better understanding of benefits of active implementation of anti-corruption policy, which will, hopefully, be followed by practical steps by managers.

Notes

1. These were the major law enforcement agencies in Estonia during the empirical field-work. Later on, police and order guard administration were merged.
2. For a detailed discussion of blame-shifting (Hood, 2001, 2002).

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About the author

Mari-Liis Sööt is a PhD Candidate of Social Sciences at Tartu University. Her main interests are in corruption, trust and organisational management. Mari-Liis Sööt can be contacted at: mariliis.liiv@gmail.com

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