

## **AN INVESTIGATION OF THE FACTORS AFFECTING ADMINISTRATIVE CORRUPTION IN CULTURAL ORGANIZATIONS ;( A CASE STUDY: SHAHRE KORD CITY, IRAN)**

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### **Abstract**

The present study is an investigation of the factors affecting administrative corruption in cultural organizations which has been conducted as a case study in shahre Kord City, Iran. This work is a descriptive survey and uses a researcher-made questionnaire to obtain required data. The questionnaire applied in the study includes two parts of demographic information and cultural factors identification based on Likert scale. Factor analysis, single-variable t-test and multi-variable variance analysis are used to analyze the obtained data. Based on the research findings, cultural factors (t=11/7), individualism culture (t=12/69), consumerism culture (t=11/58), communicative culture (t=10/91), and moral abnormalities (t=12/51) influence administrative corruption more than average level. According to Friedman, consumerism (m=3/14), moral abnormalities (m=2/09), individualism (m=3/03), and communicative culture (m=2/83) allocate the highest ranks among the factors affecting administrative corruption. Also, there is a significant relation between demographic factors but in gender.

**Keywords:** cultural factors, corruption, administrative corruption, cultural organizations

### **Introduction**

Nowadays, corruption is considered as a serious problem in social sciences and organizational behavior management. It is important also due to create international organizations to determine indices pertained to corruption as well as comparative studies. Administrative corruption is a main barrier of development especially in under development countries. This phenomenon causes many serious problems and challenges all around the world, limits and damages countries prosperity irrecoverably. Administrative corruption has been unidentifiable in communities and has been existed always in governmental and administrative organizations in different forms and intensities. However, the current world's complexity has caused that this kind of human behavior is manifested more complex and in various forms.

Such complexity and its definiteness in developing countries has led to damages in employees job security, creating mistrustful atmosphere, social capital reduction, moral perfections weakness, creating negative values in organizations, decreasing employees' motivation, wasting investments in human forces, decreasing responsibility, lack of organizational clearness, and removing healthy economic competition.

Based on their attitudes, different communities have different definition regarding corruption. Corruption is derived from Latin word "rumeper" means "to break"; therefore, corruption breaks or violates a moral behavior, legal principle or administrative rules mostly (Safari & Naebi, 2001).

According to the definition provided by Myrdal, "corruption is all various forms of deviation or applying personal power and illegal use of occupational position (Dadgar & Masoumi Nia, 2004). Another definition states that corruption is to try to achieve power and wealth through illegal ways (Moshfegh, 2010). In addition to different definitions, corruption is also classified into various categories including political, legal, administrative, and economic corruption. All these categories have a common point indicating that various types of corruption is the result of interactions between politicians, bureaucrats and citizens (Hoseini & Farhadi Nejad, 2001). The focus of the present work is on administrative corruption. From this perspective, corruption is considered as a behavior through which a person violates official framework of a governmental role due to achieve personal benefits and a better position (Rasouli & Shahabi, 2009).

Hiddenheimer divides administrative corruption into three groups of black, gray and white. Black administrative corruption refers to the acts which are considered unpopular by political elites and public and the people in charge of it should be punished. Gray administrative corruption refers to the acts which are regarded unpopular by most of political elites but public ignores them. Finally, white administrative corruption includes the works which are apparently illegal but most of community members (such as political experts and public) do not consider it so harmful and serious to punish. As an example, it can be referred to ignoring rules violation which has been common due to social and cultural changes (Abbas Zadegan, 2004).

There are various reasons for corruption and cultural factors are the main reasons; the factors including weak moral beliefs and human values (Jeddi, 2010), low job conscience and social discipline in society (Dadgar, 2009), high individualism (Fazel, 2008), weak organizational culture among managers and employees (Ameli, 2007), consumerism, avarice (Farahani, 2005), and the culture of intra-organizational loyalty influence forming and growing corruption in administrative system.

Theorists have investigated corruption from several aspects. In bad apple theory, corruption is investigated at individual level. According to the theory, corruption causes are explored in people with bad features. Bad features are the causes of corrupted acts. When bad features of employees are focused, it is obvious that ethics determines behavior and so, wrong values are of corruption reasons (Zahrani, 2009). The other one is correlation theory emphasizing individual, organizational, political, and social factors. As one of the advocates, Huberts believes that corruption is correlated with values and individual norms are correlated with lack of commitment and loyalty in employees towards their managers and organizations as well as organization's problems. Racial theory indicates that countries divided based on race and ethnicity has more tendencies to corruption (Mauro, 1995). Government dependency and abeyance can be one reason of the relation between lingual ethnicity and corruption. Therefore, in communities divided based on racial ethnicity, government's servants and politicians will use their position to raise their racial group. Another probable reason is that in such communities, public goods are less supplied and subsequently, government dependency can be led to corruption in order to gain basic services. In democracy theory, there is a negative relation between democracy and corruption since corruption is followed by individual or majority interest while democracy considers public interest (Bohara et al, 2004). The theory of rare resources is based on the fact that corruption is associated with the access to rare resources. If government possess such resources and reduces free market operation, corruption will be associated with government activities. As rare resources, natural resources are used by exploiters exclusively and provide the opportunity for owners to influence policy makers (La Porta et al, 1999).

Regarding the issue investigated in the present paper, several studies have been conducted by researchers such as Safar and Naebi (2001), planning and management organization of Iran (2001), Gholi Pour (2005), Danaii Fard (2006), Gholi Pour and Nikraftar (2006), Alizade, Sani and Fani (2007), Salehi (2009), Hwang (1996), Carolin and Beatriswedr (1997), Hubert (1998), and Cheung and Chan (2008). As mentioned, the present work attempts to explore the factors affecting administrative corruption in Shahre Kord organizations. To this end, the following questions are investigated:

- 1- To what extent individualism culture affects administrative corruption?
- 2- To what extent consumerism culture affects administrative corruption?
- 3- To what extent moral abnormalities culture affects administrative corruption?
- 4- To what extent communicative culture affects administrative corruption?
- 5- What is the rank of the factors influencing administrative corruption?
- 6- Is there any significant difference between respondents' opinions with respect to demographic factors regarding the factors affecting administrative corruption?

### **Methodology**

The present work is an applied survey investigating the factors affecting administrative corruption in cultural organizations which has been conducted as a case study in shahre Kord- Iran. The statistical population includes 429 employees and managers of cultural organizations. Sampling has been done by random stratified method. The statistical sample size has been computed 202 people using Chocran. The questionnaire applied in the study includes two parts of demographic information and cultural factors identification based on Likert scale. Face and content validity of the questionnaire has been evaluated using experts' opinions. The questionnaire reliability has also been evaluated through Chronbach alpha ( $\alpha=0/83$ ). To analyze the obtained data, descriptive statistics and referential statistics involving factor analysis, single-variable t-test and multi-variable variance analysis, and Freidman test have been used.

### **Discussion and Results**

#### **Referential statistics**

**The main research question:** "To what extent cultural factors affects administrative corruption?"

**Table 1- t-test results with assumed mean of 3**

| <b>Variable</b>  | <b>Mean</b> | <b>Standard deviation</b> | <b>Mean deviation</b> | <b>T</b> | <b>Degree of freedom</b> | <b>Sig.</b> |
|------------------|-------------|---------------------------|-----------------------|----------|--------------------------|-------------|
| Cultural factors | 3/66        | 0/68                      | 0/05                  | 11/ 7    | 145                      | 0/001       |

As shown in table 1, mean score of cultural factors affecting administrative corruption is computed 3/66. The computed t is greater than the t-value of the table; therefore, score of cultural factors affecting administrative corruption is more than the average level.

**The first secondary research question:** "To what extent individualism culture affects administrative corruption?"

**Table 2- t-test results with assumed mean of 3**

| <b>Variable</b> | <b>Mean</b> | <b>Standard deviation</b> | <b>Mean deviation</b> | <b>T</b> | <b>Degree of freedom</b> | <b>Sig.</b> |
|-----------------|-------------|---------------------------|-----------------------|----------|--------------------------|-------------|
| Individualism   | 3.70        | 0/73                      | 0/05                  | 12/69    | 174                      | 0/001       |

|         |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|
| culture |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

As shown in table 2, mean score of cultural factors affecting administrative corruption is computed 3/70. The computed t is greater than the t-value of the table; therefore, score of individualism culture affecting administrative corruption is more than the average level.

**The second secondary research question:** “To what extent consumerism culture affects administrative corruption?”

**Table 3- t-test results with assumed mean of 3**

| Variable            | Mean | Standard deviation | Mean deviation | T     | Degree of freedom | Sig.  |
|---------------------|------|--------------------|----------------|-------|-------------------|-------|
| Consumerism culture | 3/67 | 0/78               | 0/05           | 11/58 | 178               | 0/001 |

As shown in table 3, mean score of cultural factors affecting administrative corruption is computed 3/67. The computed t is greater than the t-value of the table; therefore, score of consumerism culture affecting administrative corruption is more than the average level.

**The third secondary research question:** “To what extent communicative culture affects administrative corruption?”

**Table 4- t-test results with assumed mean of 3**

| Variable              | Mean | Standard deviation | Mean deviation | T     | Degree of freedom | Sig.  |
|-----------------------|------|--------------------|----------------|-------|-------------------|-------|
| Communicative culture | 3/61 | 0/71               | 0/05           | 10/91 | 163               | 0/001 |

As shown in table 4, mean score of cultural factors affecting administrative corruption is computed 3/61. The computed t is greater than the t-value of the table; therefore, score of communicative culture affecting administrative corruption is more than the average level.

**The fourth secondary research question:** “To what extent moral abnormalities culture affects administrative corruption?”

**Table 5- t-test results with assumed mean of 3**

| Variable                    | Mean | Standard deviation | Mean deviation | T     | Degree of freedom | Sig.  |
|-----------------------------|------|--------------------|----------------|-------|-------------------|-------|
| Moral abnormalities culture | 3/7  | 0/75               | 0/05           | 12/51 | 180               | 0/001 |

As shown in table 5, mean score of cultural factors affecting administrative corruption is computed 3/7. The computed t is greater than the t-value of the table; therefore, score of moral abnormalities culture affecting administrative corruption is more than the average level.

**The fifth secondary research question:** “What is the rank of the factors influencing administrative corruption?”

To explore this research question, Friedman test is used to determine the rankings of the affective factors.

**Table 6- ranking of the factors affecting administrative corruption**

| Variables                   | Ranking mean |
|-----------------------------|--------------|
| Consumerism culture         | 3/14         |
| Moral abnormalities culture | 3/09         |
| Individualism culture       | 3/03         |
| Communicative culture       | 2/83         |

According to table 6, consumerism culture has the highest rank and communicative culture has the lowest rank among the affective factors.

**Table 7- Friedman test**

|                   |       |
|-------------------|-------|
| Number            | 146   |
| $X^2$ value       | 4/063 |
| Degree of freedom | 3     |
| Sig               | 0/398 |

According to table 7, the results obtained between set of the four affective factors ranks are not significant at the level of 0/01 ( $X^2 = 4/063$ ). Therefore, the research question indicating the significant relation between set of score in the four affective factors is not confirmed.

**The sixth secondary research question:** “is there any significant difference between cultural factors affecting administrative corruption based on demographic features (age, gender, education, and job)?

**Table 8- multi-variable variance analysis**

| Resource  | Sum of squares | Degree of freedom | Mean squares | f-value | Sig   |
|-----------|----------------|-------------------|--------------|---------|-------|
| Gender    | 1/205          | 1                 | 1/205        | 3/138   | 0/079 |
| Age       | 1/070          | 3                 | 0/357        | 0/929   | 0/429 |
| Education | 2/325          | 4                 | 0/581        | 1/514   | 0/203 |
| Job       | 0/583          | 1                 | 0/583        | 1/519   | 0/220 |

As shown in table 8, there is a significant relation between cultural factors and administrative corruption based on gender. Considering the fact that mean score of female managers is 3/75 and mean-score of male managers is 3/56, this difference is in favor of women. Further, there is no significant difference between administrative corruption and cultural factors based on age, education and job.

### Conclusion

As the research finding revealed, individualism culture ( $m=3/70$ ) has the most effect in administrative corruption (higher than average level). Considering the above mentioned, personalization approach, favoritism and extra conservatism of managers to maintain status quo are the most important parameter among individualism factors to determine corruption amount. This finding means that individuals consider their individual and party status as the criterion and attempts to pose themselves according to their party. This factor is evident in Iranian people's apparent valuations. On the other hand, managers' extra conservatism to maintain status quo for a certain position and post is a factor causing managers to prevent risk taking and creativity; they only try to maintain the existing status to cope with real problems, if any. This finding is consistent with the findings reported by Cheung & Chan (2008) indicating that individualism in the culture of a community is the most important factor

of increasing corruption. Hubert (1998), Rafi Pour (2005) and Safari Jafarlou (2008) also reported similar results.

According to the obtained results, mean score of consumerism culture affecting administrative corruption is 3/67 indicating that consumerism is below average level and after individualism and moral abnormalities. By stimulating individuals' different needs, perceiving justice and injustice in organizations stimulates employees' positive and negative behaviors. In fact, individuals' effort to meet the needs cause them to commit corruption sometimes. Justice is one of the basic human needs and it is assumed that perceiving injustice in organizations move individuals towards corruption. On the other hand, it can be said that the indicator of increasing material expectations and high number of family members among employees is due to competition among people. It is evident among Iranian people. The research finding is also consistent with the result obtained by salami and Pour Ezat (2010) indicating that corruption increasing is correlated with perceiving injustice and with the findings obtained by Fahadi Nejad (2000) asserting that employees' economic status and reward's unfair distribution influence corruption development.

Additionally, mean score of moral abnormalities role in administrative corruption is 3/7 indicating that moral abnormalities effect in administrative corruption is higher than average level. It seems that due to changes in religious and moral values, believing in lucre has been raised in societies and people prefer economic values over spiritual values while ethics and moral requirements pave the way for increasing values in long term. Corruption and violation can lead to minimizing values in long term. Some behaviors such as flattery and duplicity are the important factors generating hypocritical behaviors which are competition tools in power field in addition to its survival function. The more the power is, the more the hypocritical behaviors will be. In autocratic communities, hypocrisy is both due to fear and a tool to achieve power. People should behave in such a way that is favorable for power owners in order that they can achieve their desires. The findings of the fourth research question is consistent with the finding reported by Zahedi (2009) indicating that ethics is closely related with work life and with the finding obtained by Rafi Pour (2009) indicating that changing values and lack of religious adherence influences corruption. Ideas, religious beliefs and values affect some customs and traditions formation. In communities relying on ethics, there is no need to lying, flattery and hypocritical behaviors in work environment.

Further, the mean score of communicative factors role in administrative corruption is 3/61 indicating that the role of communicative factors in administrative corruption is more than average level. it seems that family, relatives as well as racial dependency is still high among Iranians so that managers prefer their relatives over other people. These dependencies are seen at religious-ethnic levels leading to violate law in governmental organizations. Appointment based on relativism, favoritism or lucre has become common and collusion between rich people, politicians and administrative bureaucracy agents has been an accepted trend to pass filters of administrative system leading to corruption, especially at macro level of community. This finding is consistent with the findings obtained by Farokh Seresht (2003) believing that democracy is the most effective way of fighting against administrative corruption. It is also consistent with the result obtained by Jedi (2009) studying family relations in organizations.

It should be taken into consideration that nepotism highly affects values, criteria and cultural backgrounds in community. Relationism and nepotism influence many old values and customs of organization.

The cultural factors role in creating corruption is significant. Considering the mean score of female mangers (3/75) and male mangers (3/65), this difference is in favor of women. There is no significant

difference between cultural factors and corruption based on age, education and job. That is, every person can be involved in a dilemma and commit corruption regardless of his/her age and education. According to the results obtained from Friedman test, experts believe that consumerism, moral abnormalities, individualism, and communicative factors are the effective parameters in administrative corruption in Shahre kord organizations, respectively. Considering the highest effect of consumerism, more attention to employees' salary and benefits is the most effective way of preventing administrative corruption in Shahre kord organizations. The results obtained for the present study, on one hand, causes to identify and rank factors affecting administrative corruption development in cultural organizations and on the other hand, it evaluates the importance level of each methods of controlling administrative corruption from the perspective of cultural organizations' experts. The research findings can contribute managers and policy makers of cultural organizations to control and prevent administrative corruption and create healthy administrative organization to promote culture of the country.

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