Corruption has been the focus of much academic scrutiny. Increasingly, these literatures are focusing on the role of corruption in effective governance and public administration (Anechiarico and Jacobs 1996; Brown and Head 2005; de Lancer Julnes and Villoria 2014; Della Porta 2004; Kim and Lee 2012; Larmour and Barcham 2006; Liu and Raine 2013; Menzel 2005; Mills 2012; Mulcahy 2012; Smith 2005; Warburton and Baker 2005). The three corrupt ‘behaviours’ of corruption, misconduct and maladministration are, in many ways, three sides of the same coin. All involve a misuse of office, all entail some deviation of public duty, and all contribute to political pressures and, in some cases, uncertainties. Their differences, however, should not be overlooked. In understanding these differences, and the various ways in which corruption, misconduct and maladministration manifest in public administration, integrity building processes can be incorporated into public sector operations.

This Chapter focuses on this differentiation between the three phenomena – corruption, misconduct and maladministration – as a means through which more targeted integrity processes and preventive strategies can be built. It does this across three sections. First, it dissects the three phenomena so as to allow them to be better understood. Second, it identifies some challenges to organisational integrity. By considering the factors (both internal and external) that affect an organisation’s integrity, an organisational culture can be more effectively safeguarded. Third, this chapter identifies a number of integrity building processes and preventive strategies that can be easily adopted into an organisation’s operational system. An applicable, practical method of building integrity in the public sector reduces the risk of a band-aid approach being undertaken. Such an approach assumes that corruption, misconduct and maladministration take the same form in every organisation and that they can be targeted through a similar approach. Our analysis of the three phenomena at the start of this chapter highlights some of the problems with this assumption.

Corruption, misconduct and maladministration are different types of unethical behaviour. When creating integrity building processes and preventative strategies for the public sector, these differences need to be understood and considered. The literature contains many definitions of corruption, with writers either seeking a comprehensive term or a focus on a particular topic. Morgan (1998, 11-12) notes the tendency towards a minimalist definition is because it is both concise and broad enough to be applied to most instances of corruption. The definition provided by the World Bank and Transparency International is an example of this, with corruption being defined as ‘the abuse of public office for private gain’
Where corruption, misconduct and maladministration differ, however, is in the notion of personal gain.

This section will first expand upon the definitional aspects of the three phenomena, using definitions adopted in Australian legislation. Following this, it will highlight these definitional differences through the use of four examples – ‘Driving Licenses’, ‘Welfare Checks’ ‘Soliciting Architecture’ and ‘Board of Elections’.

Defining Corruption, Misconduct and Maladministration

Perhaps the most commonly cited definition of corruption is the ‘abuse of public officer for private gain’ definition provided by the World Bank (1997) and Transparency International (2013) (and cited above). This is a clear concept – a public official who uses their office to receive a personal advantage. There remains, however, significant definitional debate surrounding the notion of corruption. The literature contains a number of views on what acts constitute corruption (Roebuck and Barker 1974; Transparency International UK 2014; Wood 1997; Graycar and Prenzler 2013), the causes of corruption (de Lancer Julnes and Villoria 2014; Mills 2012; Morgan 1998; Rose-Ackerman 1999; Treisman 2000), and how corruption in public administration can be best understood and approached (Gorta 2000, 2006; Ede, Homel, and Prenzler 2002; Findlay and Stewart 1992; Mills and Cooper 2007; Mulcahy 2012; de Lancer Julnes and Villoria 2014; Hooker 2009; Hossain, Musembi, and Hughes 2010; Redlawsk and McCann 2005). Further adding to the definitional discomfort is the fact that the major global convention on corruption, the United Nations Convention against Corruption (UNCAC) chooses not to define the phenomenon. (UNODC 2003). This Chapter will not detail definitional debates, other than to acknowledge the usefulness of allowing understandings of corruption to evolve so as to remain relevant to an ever-changing phenomenon.

Max Weber argued that analyses should not begin with a definition but should derive the definition by looking at specific examples, allowing a definition to be tailored to the purposes at hand (Klitgaard 1988; Weber 1958). It is this which this Chapter seeks to do – provide case studies of corruption, misconduct and maladministration which demonstrate the nuances of the phenomena. Through demonstrating how these three phenomena manifest and the differences in their manifestations we can create a sound basis from which preventive strategies can be drawn.
With this in mind, however, a provisional understanding of some of the legal definitions of corruption, misconduct and maladministration is important in creating an awareness of the architecture in which anti-corruption efforts operate. Through understanding the existing framework, reforms can be tailored to produce a best ‘fit’ for the purpose required.

There are a number of existing anti-corruption agencies in Australia, both independent and state-run, most of which operate under different protocols and legislations. This makes providing any cohesive definitions for corruption, misconduct and maladministration difficult. Nonetheless, these definitions provide clear understandings of the general approach to corruption, misconduct and maladministration of public administration systems in Australia.

**Corruption**

The New South Wales ICAC is Australia’s oldest independent anti-corruption organisation. According to Sections 7, 8 and 9 of their Act, corrupt conduct occurs when:

- A public official improperly uses, or tries to improperly use, the knowledge, power or resources of their position for personal gain or the advantage of others
- A public official acts dishonestly or unfairly, or breaches public trust
- A member of the public influences, or tries to influence, a public official to use his or her position in a way that is dishonest, biased, or breaches public trust

(NSW 1988)

This definition shows that corruption can involve more than a misuse of office for personal gain. By also encompassing ‘the advantage of others’, it demonstrates that personal gain does not necessitate lining your own pockets. Further, by including the notion of breaching public trust, this definition shows that corruption in public administration ultimately relates to a deviation from proper and official conduct.

**Misconduct**

This notion of deviating from official conduct is central to the legal definitions of misconduct in Australia. The definition of serious misconduct as adopted by Regulation 1.07 of the Fair Work Regulations (2009) is conduct that includes:

- Wilful or deliberate behaviour from an employee that is inconsistent with the contract of their employment;
- Conduct that causes serious or imminent risk to the health of safety of a person or the reputation, viability or profitability of the employer’s business;
- The employee, in the course of the employee’s engagement, engaging in theft, or fraud, or assault;
- The employee being intoxicated at work;
- The employee refusing to carry out a lawful and reasonable instruction that is consistent with the terms of the employee’s contract of employment.

This can be reduced to conduct that causes serious and imminent risk to the health, safety, reputation, viability or profitability of the employer’s business.

**Maladministration**

The South Australian Independent Commissioner Against Corruption Act (2012) is one of the few pieces of anti-corruption legislation in Australia that outlines the offence of maladministration. According to Section 5 of the Act, maladministration is:

- Conduct of a public officer or practice, policy or procedure of a public authority that results in irregular and unauthorised use of public money, or
- Conduct of a public officer involving substantial mismanagement in or in relation to the performance of official functions.

(Government of South Australia 2012)

This definition shows that, despite involving a deviation of official duties, there is scope for the act of maladministration to be unintentional – finances can be mismanaged as a result of incompetence, not intent. Further to this, there is no specification of personal gain in the above definition of maladministration.

**Applying definitions to cases**

As the following three examples demonstrate, corruption involves clear intent to deviate from one’s duties for a personal gain. In the examples of misconduct and maladministration, however, the intent is not necessary, and personal gain was not a desired outcome. These nuances make it problematic to apply traditional anti-corruption strategies to public services affected by misconduct or maladministration and expect positive reform.

Four examples are included below – one each for corruption and maladministration, and two for misconduct. Two examples are provided for misconduct (‘Welfare Checks’ and ‘Soliciting Architecture’) to demonstrate the nuances of the phenomenon. Notably, the two examples are chosen to illustrate the role of intent in integrity breaches; whereas in some cases of corruption, misconduct and maladministration, such as bribery of an official, intent
plays a clear and active role, in others the public official may be of the opinion that they are acting with integrity when they are in fact acting outside the rules of an organisation or the laws of a state.

**Corruption**

- **Driving Licenses**

In 2007, a manager of the Roads and Transport Authority (RTA) – the agency responsible for driving licenses – in New South Wales, Australia, was found by the New South Wales ICAC (ICAC 2007) to have corruptly issued drivers licences to individuals who failed to meet RTA standards. The manager, Paul MacPherson, failed to sight adequate identification, issued licenses to those who had failed their practical tests, and gave test answers to individuals in exchange for payments in either cash or marijuana.

Mr MacPherson was also found to have approached a driving instructor, Komate Jaturawong, and established a system of collusion. Between December 2002 and August 2006, the Commission found that Mr McPherson colluded with Mr Jaturawong to improperly provide the correct answers to licence applicants undertaking the driver knowledge test and unfairly advantage applicants undergoing a practical driving test (ICAC 2007). The Commission also found that Mr Jaturawong sought and received cash payments from licence applicants as a reward or inducement for arranging the provision of unlawful assistance to them by Mr McPherson during the driver knowledge test and practical driving test (ICAC 2007). As a result of the ICAC’s investigation, MacPherson was jailed for 3 years for corruption, and Mr Jaturawong received 20 months for aiding and abetting.

Considering the above definition of corruption as when a “public official improperly uses, or tries to improperly use, the knowledge, power or resources of their position for personal gain or the advantage of others” (NSW 1988), this this is a clear case of corruption. Both Mr MacPherson and Mr Jaturawong have abused their positions for personal gain. They acted with intent in deviating from their duties, breached public trust, and engaged in an unauthorised trading of their entrusted authority.

**Misconduct**

- **Welfare Checks**

In 2007, a Victorian police patrol attended a residence to conduct a routine welfare check on a woman who had recently attempted suicide. At the end of his shift, one of the officers, Officer Quach, returned to the residence in plain clothes and with some groceries. The woman (unnamed in the verdict) was aware the Quach was a police officer (Supreme Court
of Victoria - Court of Appeal 2010). Intimate activity occurred, involving the officer ultimately abusing his position and her vulnerability.

What makes this a clear example of misconduct is the fact that the officer would not have known of the woman and would not have been able to abuse his power had it not been for his job as a public official. Although he was off duty, and despite the offer of goodwill in bringing the groceries, Quach used the power awarded him by his job to take advantage of the woman’s vulnerability. Further, as Justice Redlich stated in his verdict, the

“use of knowledge or information acquired by the office holder in the course of his or her duties for a private or other impermissible purpose may be inconsistent with the responsibilities of the office and calculated to injure the public interest.”

(Supreme Court of Victoria - Court of Appeal 2010).

This is consistent with the above definition of misconduct, whereby the wilful behaviour is inconsistent with the terms of employment and negatively impacts the reputation of the organisation.

- **Soliciting Architecture**

In 2013, a Construction Project Manager for the New York City Department of Housing Preservation and Development (HPD), Patrick Enright, solicited an architect and a construction labourer over whose work he had authority to perform architectural and carpentry services at his daughter’s home and at his summer home. In each case, the work was performed and paid for (DOI 2013). The manager in question was found to have violated a section (2604 (b)(3)) of the City’s conflict of interest law (New York City 1986) stating:

> No public servant shall use or attempt to use his or her position as a public servant to obtain any financial gain, contract, license, privilege or other private or personal advantage, direct or indirect, for the public servant or any person or firm associate with the public servant.

In this case, despite an absence of any evidence that Enright received any special treatment from the person or firm whose work was solicited, he was found to have misused his connections to obtain a personal benefit. The above section of the conflict of interest law safeguards against the possibility that a public servant’s judgement with respect to the public matter over which he or she has authority will be compromised because of the business relationship that he or she has established with the private party involved in the matter. This prohibition means that Enright had the entire pool of architects and carpenters in the metropolitan area available to him, except those with whom he dealt in his City work.
This case is different to the two presented above in so much as there was no evidence to suggest that Enright intentionally misused his position – he paid for the architectural work, received no special treatment and did not take advantage of anyone as a result of his position. Where this case is similar to that of Welfare Checks is in the misuse of knowledge gained in the course of one’s official duty. As Enright used the connections obtained during the course of his official work for an advantage he placed himself in a position whereby he had a private business relationship with one of the contractors whose work he was duty-bound to oversee, risking the reputation and viability of the employer’s business.

Given that Enright paid for the services of the architect and carpenter and that the harms were minimal – it was an act committed out of convenience rather than a desire for personal advancement – this activity might not be regarded as inappropriate or be seen as misconduct in many jurisdictions. The arrangement between Enright and those whose work he solicited did, however, create the perception of possible favourable treatment in assessing their future work.

**Maladministration**

- **Board of Elections (New York City)**

In April 2013, the New York City Board of Elections (BOE) was found by the Department of Investigations (DOI) to have wasted at least $2.4 million of NYC funds by failing to consolidate election districts and to reduce staffing numbers during the 2011 off-year elections (DOI and Hearn 2013). In advance of the election, the BOE was warned of low turnout at public hearings and in the media and was urged to consolidate districts, which it is legally permitted to do when anticipated voter turnout is low, and which had been done in the past (DOI and Hearn 2013).

The BOE ignored the risks, and fully staffed its polling sites with 28,279 workers assigned to 6,102 election districts. Approximately 90% of the 1,357 polling sites in the 5 boroughs had 10 or fewer voters for every poll worker assigned. There was an average turnout of six voters for every poll worker, and at least 12 sites had more poll workers than voters.

In this case, the BOE ignored the identified risks and acted poorly in the administration of its duties resulting in a significant financial loss to the City (DOI and Hearn 2013).

The financial mismanagement in this case resulting from BOE ignoring the risks makes this a clear case of maladministration. While the use of public money by the BOE was authorised, the loss of $2.4 million is in accordance with the above definition of maladministration ‘conduct of a public officer involving substantial mismanagement in or in relation to the performance of official functions’ (Government of South Australia 2012) (emphasis added).
Precipitating factors in the literature

The notion of corruption and risk being linked is echoed by Mills and Cooper (2007) who classify corruption risk factors as being either individual, institutional or environmental. These factors (individual, institutional and environmental) are not mutually exclusive in contributing to corrupt conduct. They are often found to coexist and/or interact with each other. Mills and Cooper’s (2007) analysis of corruption risk factors are drawn from an analysis of cases investigated by the New South Wales ICAC.

This section will focus on Mills and Cooper’s (2007) three corruption risk factors – individual, institutional and environmental. Following this, these precipitating factors will be applied to the case studies to demonstrate how precipitating factors can be targeted when drafting integrity building strategies and preventive measures.

Individual Factors

In their analysis of cases investigated by the New South Wales ICAC, Mills & Cooper (2007) found that the most common activities where public officials acted alone in corruption were contracting, engaging in secondary employment and regulating (licensing and certification). However they also found that corrupt public officials are more likely to be managers or elected officials than staff without supervisory or management functions. Out of the 63 investigations considered between 1988 and 2006, 30 involved findings of corrupt conduct against public sector managers or supervisors, and 10 were against elected officials (Mills and Cooper 2007).

In regards to corrupt behaviours with individual perpetrators, Mills and Cooper (2007) determined that the most common behaviours were acceptance of bribes, gifts and secret commissions and collusion. These mostly related to relationships between public officials and those outside the public sector.

Individual relationships were found to be important, with it being concluded that relationships facilitate corruption by providing the opportunity for exchange of power between individuals who are looking for ways to get something they want (Mills and Cooper 2007). The corruption risk is enhanced when the public official in question has regulatory or decision-making authority, and if they had a pre-existing relationship with their non-public sector accomplice. Another common scenario involved public sector perpetrators who had developed inappropriate relationships with clients whom they had met through their work (Mills and Cooper 2007).

Also, people who are more dependent on their employing organisation, in the sense that they have few options for alternative employment, are more likely to engage in unethical behaviours that they see as vital to protecting or enhancing their career. Further, individuals
with a dependence on alcohol or gambling are also at risk for corrupt practices. The same is said for those who feel dissatisfied or perceive unfairness in their workplace (Mills and Cooper 2007).

So, from this analysis we can determine that a number of factors create corruption risks for individual perpetrator; namely, the amount of discretion and autonomy their position holds, the level of power afforded them by their position, pre-existing relationships, job insecurity or dissatisfaction, and individual dependency issues (such as with drugs, alcohol, gambling etc.).

In a study of corruption in New York City, Graycar & Villa (2011) found that, of the 100 cases examined, three-quarters were of people acting alone. This is not to say that organised corruption did not exist or was not found, rather to highlight the strength of individual factors in encouraging acts of corruption, misconduct and maladministration.

**Institutional Factors**

Mills and Cooper (2007) found that organisations are more susceptible to unethical conduct when the individual role of the employee is uncertain or the organisation is destabilised in some way. For example, organisations were found to be at risk if they are large, intensely competitive (both internally and externally), prioritise the bottom line, operate in industries or sectors with a culture of misconduct, and are experiencing a state of dynamic change such as corporate restructuring or diversification. Financial problems faced by the organisation may also be related to, and encourage, unethical conduct (Mills and Cooper 2007).

There are two types of internal factors that might influence employee conduct: system failures (i.e. poor supervision, oversight, or procedural rules) and socialisation factors (i.e. conduct of peers and management within an organisation). System failures involve cases where the agencies had no policies or procedures that addressed the conduct, or where perpetrators failed to follow adequate procedures but the failure was not identified because monitoring was inadequate. In some cases, agencies had adopted policies and procedures, but they were so complex or outdated that they made it easier for employees to engage in corruption and harder for managers to supervise or monitor their activities because it was not clear how things should be done (Mills and Cooper 2007).

Socialisation factors mostly relate to poor supervision and management. Two forms were identified. One, organisational incompetence, involve cases where there is a failure to monitor performance, implementation, and supervision. The second relates to how management responds to ethical issues. This includes behaviour on the part of managers that tolerate or reward unethical behaviour, not acting on corruption and behaving
inconsistently, and emphasising the bottom line of the organisation over other values (Mills and Cooper 2007).

When a number of staff are found to have acted inappropriately within the one organisation, it was mostly in an environment where they were not effectively supervised and were allowed a high degree of autonomy. They were also frequently highly trusted and respected for their knowledge, and were thus allowed to assume high levels of personal discretion as a result of seniority, long-service, trust and popularity (Mills and Cooper 2007).

From this analysis we can determine that there are particular elements of an organisational culture that contribute to institutional corruption. These are: the size of the organisation, the degree to which competition is valued and expected, the importance of the bottom line as a key performance indicator, an uncertain future for the organisation, poor supervision and management, the way management demonstrates its stance against corrupt behaviours, impracticability of existing codes of conduct or integrity measures and stagnation in leadership.

**Environmental Factors**

According to Mills and Cooper (2007), environmental factors are those that originate in the environment in which the organisation operates and have a demonstrable impact on it while being outside the control of the agency. Some of these factors are: potential for significant personal gain (financial or otherwise), a highly competitive working environment, the nature of the agency's work, significant change imposed on the organisation (ie organisational restructure, allocation of new funds by the government, the need to operate on a commercial basis), inadequate legislative provisions, poor understanding of proper agency functioning by some sectors of the community.

Operating in a competitive environment – such as regulation of property development, liquor licensing or universities competing to attract students – can result in an environment that has a tendency to see increased profits as a goal orientation, without consideration of organisational values (Mills and Cooper 2007).

Preventative measures targeting environmental factors should thus consider the ethical standards of those engaged in third-party contracting by an organisation, as well as the external pressures placed on employees.
Building integrity processes and preventive strategies

Daniel Kaufmann, former Director of the World Bank Institute, recently stated ‘we can no longer fight corruption by simply fighting corruption alone’ (Kaufmann 2012). It is with this in mind that these integrity building processes and preventive strategies are designed. The processes and strategies are created to allow for an easier tailoring of integrity reform within an organisation. In this sense, the processes and strategies ‘fit’ with the categories of ‘individual’, ‘institutional’, and ‘environmental’ factors as outlined by Mills and Cooper (2007). The integrity building processes focus on the restructuring the values and goals of an organisation, and how these can be best communicated to employees and relating publics. Preventive strategies, however, focus on methods an organisation can adopt to minimise the risk of corruption.

These processes and strategies are designed to assist a situational approach to reducing levels of corrupt behaviours in an organisation. Not every process and strategy will apply to each case of corruption. For example, if misconduct is the main corrupt activity occurring in a workplace, it would be pointless to adopt strategies targeting bribery.

This section outlines some Integrity Building Processes (Table 1) and Preventive Strategies (Table 2) that can be adopted to target levels of corruption, misconduct and maladministration in public administration. These processes and strategies have been adapted from a number of different sources, both public (Crime and Corruption Commission 2008; Crime and Misconduct Commission 2013; ICAC 2014, 2001; OPI 2009; ICAC 2002; NSW Auditor-General 2006; Queensland Police Service 2013; Robinson and Queensland Transport 2007) and private (Goodson, Mory, and Lapointe 2012; McCusker 2006; University of Western Sydney 2010) sectors. They are here provided as a guide to tailoring a ‘best fit’ approach to integrity reform.

This section will first outline the identified Integrity Building Strategies and Preventive Measures before demonstrating how they support Mills and Cooper’s (2007; Mills 2012) precipitating factors. The four case studies of Driving Licences, Welfare Checks, Soliciting Architecture and Board of Elections will be used to demonstrate how Mills and Cooper’s (2007) factors in addition to the Integrity Building Strategies and Preventive Measures can create a multi-angulated approach to reducing levels of corruption in public administration systems.

Integrity Building Processes

The following processes have been adapted from a number of reports written by Australian independent and state-run anti-corruption organisations, in addition to research conducted
into integrity processes in an Australian state government (Crime and Corruption Commission 2008; Crime and Misconduct Commission 2013; ICAC 2001; OPI 2009). Not all are appropriate in every circumstance, and these can be used to form a technique bank from which one can draw a diagnosis of a problem.

Table 1: Integrity Building Processes

<table>
<thead>
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<th>Individual Factors</th>
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<tbody>
<tr>
<td>Include integrity issues in induction, education and awareness programs</td>
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<td>Include integrity issues in organisational discussions</td>
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<tr>
<td>Establish leadership mentoring programs that focus on integrity issues</td>
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<tr>
<td>Clearly communicate the people management resources available to leadership and ensure that they are used appropriately</td>
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<tr>
<td>Ensure leadership takes responsibility for their team</td>
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<tr>
<td>Ensure leadership effectively manages work performance issues as they arise and that outcomes are communicated to all parties involved</td>
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<tr>
<th>Institutional Factors</th>
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<tr>
<td>Evaluate current organisational culture through ongoing review</td>
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<tr>
<td>Use structured anonymous surveys to evaluate organisational culture</td>
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<td>Use survey results to identify implementation issues or possible areas for improvement</td>
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<tr>
<td>Establish clear and reasonable behavioural expectations through codes of conduct, performance and building processes</td>
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<tr>
<td>Involve all employees in the development of organisational values to ensure they are practical and consistent</td>
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<tr>
<td>Establish a system of confidential reporting of issues</td>
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<tr>
<td>Adopt and internal communication plan that reinforces behavioural standards and outlines how they are enforced</td>
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<tr>
<td>Employ values and public interest principles in recruitment, selection and performance review criteria</td>
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<tr>
<td>Establish a system for screening potential employees, suppliers and/or customers</td>
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<tr>
<td>Consider public interest when reviewing internal policies and procedures</td>
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<tr>
<td>Utilize systems of mentoring and review to ensure public resources are used appropriately and effectively</td>
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<tr>
<th>Environmental Factors</th>
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<tr>
<td>Ensure decision making processes are transparent to the public and open to review</td>
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<tr>
<td>Make copies of organisational values, codes of conduct, complaints and disciplinary policies publically available</td>
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<tr>
<td>Communicate the importance of organisational values to key stakeholders</td>
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**Source:** (Adopted from Crime and Corruption Commission 2008; Crime and Misconduct Commission 2013; ICAC 2001; OPI 2009)

**Preventive Measures**

These Preventive Measures have also been adapted from a number of Australian independent and state-based anti-corruption institutions (ICAC 2002, 2014; McCusker 2006;
The Preventive Measures target the roots of corruption, misconduct and maladministration in a given organisation. By categorising them into individual, institutional and environmental factors, it becomes easy to see how these factors encourage or facilitate corruption and the different ways in which these factors can be addressed.

**Table 2: Preventive Measures**

<table>
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<tr>
<th>Individual Factors</th>
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<tbody>
<tr>
<td>- Support those who identify corruption or unethical behaviour</td>
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<tr>
<td>- Provide specialist support services to all staff members, eg. alcohol, drug and gambling support, Senior Human Support Officers, pastors</td>
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<tr>
<td>- Recognise good work, encourage and reward good work practices</td>
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<tr>
<td>- Provide customised training to staff involved in cash handling</td>
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<tr>
<th>Institutional Factors</th>
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<tr>
<td>- Utilise risk management and regularly review operational risks</td>
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<td>- Consider the risks faced and identified by similar organisations</td>
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<tr>
<td>- Address the corruption prevention outcomes your organisation wants to achieve, identify what your organisation is already doing to achieve these outcomes, and target the gap between where you are and where you want to be</td>
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<tr>
<td>- Engage all staff in the creation of integrity policies, procedures and systems to ensure they are practical</td>
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<tr>
<td>- Maintain a database of corrupt or unethical incidents and regularly review to identify emerging patterns or trends</td>
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<tr>
<td>- Strengthen an ethical culture through training, education and public accountability</td>
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<tr>
<td>- Relevant staff receive regular training in the agency’s procurement processes</td>
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<tr>
<td>- Establish effective and appropriate complaint management</td>
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<tr>
<td>- Encourage staff to report misconduct, corruption or maladministration</td>
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<tr>
<td>- Embed ethical standards into the recruitment strategies of Human Resources</td>
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<tr>
<td>- Establish systems of promotion that consider demonstrated ethical conduct</td>
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<tr>
<td>- Minimise internal competition</td>
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<tr>
<td>- Undertake regular research into corruption prevention strategies</td>
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<tr>
<th>Environmental Factors</th>
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<tr>
<td>- Demonstrate public accountability by providing appropriate, accurate and timely information to the government and public</td>
</tr>
<tr>
<td>- Engage in procurement planning to manage purchasing patterns</td>
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<tr>
<td>- Incorporate monitoring and evaluation of performance of contractors and products into each tender or purchasing decision</td>
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<tr>
<td>- Communicate proper organisational functioning to both staff and public</td>
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<tr>
<td>- Allow for scrutiny and review of systems and practices</td>
</tr>
<tr>
<td>- Focus on public accountability and duty rather than bottom line</td>
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**Source:** (Adapted from ICAC 2002, 2014; McCusker 2006; NSW Auditor-General 2006; Robinson and Queensland Transport 2007; Queensland Police Service 2013; University of Western Sydney 2010)
**Applying Processes and Strategies to Opening Vignettes**

If we consider the opening examples of corruption, misconduct and maladministration, we can see how these processes and strategies are applied.

**Driving Licenses (Corruption)**

For example, in the case of the RTA manager accepting cash and drugs to pass people who would otherwise have failed their licence or who failed to provide insufficient identification, individual factors were at play. The manager was not prompted into corrupt behaviour from a rotten culture – he saw a scheme and he went with it. The bribes were being paid to circumvent the policies and systems of the organisation, but because applicants did not meet the standards, not because the policies and systems were overly arduous or complex.

The following preventative strategies can be applied to this case: Provide specialist support services to all staff members; Recognise good work, encourage and reward good work practices.

Integrity building processes relevant to this case are those focusing on Human Resources and incentivising proper conduct. Processes that emphasise public interest are not entirely relevant to this case because the activities of the individual in question benefited a particular public (those attempting to sit their driving test). As such, the relevant processes are:

1. Include integrity issues in induction, education and awareness programmes. If standards of promotion involve demonstrated proper behaviour, this will help negate the risk of individuals seeking bribes. Further, by demonstrating that the organisation is serious about integrity, employees may be deterred from engaging in corruption in the future.
2. Establish a system for screening potential employees, suppliers and customers. This point is really limited to ‘screening potential employees’ in this case. This individual was employed to score driving tests; as such, the organisation has little control over who the customer is, they could be anyone sitting a test. However, incorporating integrity standards into recruitment through interview questions would flag potential rotten apples.
3. Clearly communicate the people management resources available to leadership, and ensure they are used correctly. In this case, the individual involved was a manager. However by communicating to his superiors the people management resources available, suspect or problematic behaviour may have been addressed sooner.

**Welfare Checks (Misconduct)**
Individual factors are clearly present in this example of misconduct. The police officer in question acted alone in misusing information obtained through his position (the existence, location and vulnerability of the woman) to then return to the property after work and out of uniform. While in the past the institutional trappings of being a police officer may have given license for all sorts of inappropriate behaviour, that is not the case now and it is unlikely that institutional factors would have played a role here (unless there were deep seated, localised cultures of corruption). Institutionally, it could be that the officer was not given enough training on ethical conduct and was therefore not aware of proper conduct, but this is more likely an individual case of misconduct. Given the existence and promotion of codes of conduct in the Victorian police force and that the officer has targeted a vulnerable individual, it is reasonable to assume that further promoting the behavioural guidelines of the police force would have done little to prevent this act from occurring.

As such, the following preventative strategies can be applied to this case: Provide specialist support to all officers; Utilise risk management and regularly review operational risks.

Integrity building processes focus on Human Resources, staff management and incentivising good conduct:

1. **Include integrity issues in induction, education and awareness programmes.** Not only does this demonstrate that the organisation is committed to best practice, but it allows staff members to raise any questions they may have about proper conduct.

2. **Establish clear and reasonable behavioural expectations through codes of conduct, performance measures and business processes.** Although in this case the organisation has a well-established and well-promoted set of behavioural guidelines, ensuring that they are both reasonable and understood amongst all employees and ensuring that promotion considers good practice, incentivises good behaviour.

3. **Employ values and public interest principles in recruitment, selection and performance review criteria.** This allows Human Resources to risk assess any future and current employee of the organisation through asking targeted, integrity-focused questions.

**Soliciting Architecture**

As the architect and carpenter agreed to engage in the work, and as Enright acted alone but not from a desire to seek special treatment, the factors involved in this case are a mixture of individual, institutional and environmental.

Applicable preventive strategies are: Recognise good work, encourage and reward good work practices; Provide customised training to staff involved in cash handling; Utilise risk management and regularly review operational risks; Engage all staff in the creation of integrity policies, procedures and systems to ensure they are practical; Strengthen an ethical
culture through training, education and public accountability; Incorporate monitoring and evaluation of performance of contractors and products into each tender or purchasing decision; Communicate proper organisational functioning to both staff and the public.

As Enright was not found to have achieved any special treatment from the architect and carpenter, and that the only advantage he received from his public office was knowledge of the work of these individuals, it suggests that integrity building strategies should focus on education and awareness. Further as no public resources were diverted or mismanaged in this case, integrity building strategies focusing on public accountability and resource management are not applicable. Applicable strategies are:

1. **Involve all employees in the development of organisational values to ensure that they are practical and consistent.** This ensures that staff members are aware of behavioural standards while providing an opportunity for leadership to become aware of any risks caused by impractical policies.
2. **Adopt an internal communication plan that reinforces behavioural standards and outlines how they are enforced.** This can be in the form of advertising – ie. on noticeboards, via email – or through less formal forms of communication such as conversations with immediate supervisors.
3. **Include integrity issues in induction, education and awareness programmes.** Providing employees with situational cases to “solve” or respond to can create awareness of the more complex elements of existing laws and regulations.
4. **Establish leadership mentoring programmes that focus on integrity issues.** This allows employees to raise questions they may have about proper conduct with superiors confidentially and without fear of reprimand.
5. **Communicate the importance of organisational values to key stakeholders.** This can be achieved either through ensuring that clients and stakeholders meet ethics/integrity standards – ie. have their own code of ethics – or can involve the incorporation of behavioural expectations into contracts/agreements and communications.

(DOI 2013)

**Board of Elections, NYC (Maladministration)**

The fact that this case involved financial mismanagement and the organisational disregard to identified risks points to institutional factors.

As such, the applicable preventative strategies are: Utilise risk management and regularly review operational risks; Strengthen an ethical culture through training, education and public accountability.
Only two preventative strategies are applicable here for a number of reasons. First, it was poor decision-making by leadership not widespread malpractice that caused the case of maladministration. Second, the nature of the BOE is such that it does not rely on practices of tendering or procurement and the “key stakeholders” are the public who use its services. Third, the BOE did demonstrate public accountability and did allow for scrutiny and review by holding public hearings, it just chose to ignore all suggestions. This places the onus on BOE leadership. In this case, utilising and properly responding to risk management and strengthening the ethical culture at the top are the only applicable preventative strategies.

In order to ensure that the BOE continues to effectively and efficiently use public resources in the future, the following integrity building processes can be adopted:

1. **Evaluate current organisational culture through ongoing review.** This can be achieved through the use of anonymous surveys. By establishing systems of anonymous, ongoing review you create a leadership that responds to the concerns of its employees and the leadership team is able to identify implementation issues or other possible areas of improvement. This ensures that the leadership culture is one which regularly considers best practice.

2. **Consider public interest when reviewing internal policies and procedures.** “Public interest” can here refer to both the issues that arise in public forums and the taxpayer dollar. Considering both will reinforce the notion of public duty.

3. **Establish a system of confidential professional reporting of issues.** This allows staff members to flag efficiency or practical concerns of which leadership may otherwise be unaware.

4. **Ensure decision making processes are transparent to the public and open to review.** This further ensures that an organisation is committed to risk management and being responsible to the public.

5. **Utilize systems of monitoring and review to ensure public resources are used appropriately and effectively.** Same as above.

Ensure leadership actively manages work performance issues as they arise and that outcomes are communicated to all parties involved. If parties are private individuals, communication can occur in private. If, in this case, the parties involved are the public, the DOI, the City and the media, communicating review outcomes via a public forum (such as the media or the BOE website) shows that the organisation is committed to reform and that investigations have been conducted. This is an important step in restoring public trust.

**Conclusion**
All cases of corruption, misconduct and maladministration are not the same. Classifying cases by Type, Activity, Sector and Place often assists in understanding the context and nature of events. Most public services are delivered ethically and professionally and, where breaches occur, they result from different conditions sometimes facilitated by individual, institutional or environmental weaknesses. It is impossible to write a law or policy for every possible scenario in which corruption, misconduct and maladministration might occur. With this impossibility in mind, it becomes important to build integrity so people have a sense of what is acceptable and what is not. Building preventive strategies that are general and can be applied in specific cases allows for an easily adopted model of corruption, misconduct and maladministration prevention. This chapter has illustrated, with some real life examples, how this be done, and the complexity in so doing.
REFERENCE LIST


