The Study of Organizational Culture Factors Preventing Official Corruption

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ABSTRACT

Due to its mighty effective essence over organizational staffs' behavior and operation, organizational culture plays a crucial role in internal controlling of staffs' behaviors and preventing official corruption. Having a close tie with general culture of society, organizational corruption is regarded as a critical factor in the formation of organizational behavior. This research has concerned the relationship between Hofstede's organizational culture components and organizational corruption in the Municipality of Qom. This research is classified under descriptive analyses as a type of survey in coherence branch. The data collection is according to field studies using questionnaires as devices. It is concluding fro results that there is a meaningful relationship between Hofstede's organizational culture variables, that is, power distance, individualism and   avoiding   uncertainty, and organizational corruption.

KEYWORDS: Organizational Culture, Official Corruption, Power Distance, Individualism, Avoiding Uncertainty .

1. INTRODUCTION

Nowadays, when it comes to national and international levels, corruption is one of the most critical issues in management (seleim & bontis, 2009: 166) and predicting corruption rites and mores existing among various cultures assists both multi-national and international companies to select proper and accurate human resources strategies in terms of employment, interviews, service compensation, testing operation, education and improvement (seleim & bontis, 2009: 180). For instance, although NGOs (None Governmental Organization) are consistent of individuals who possess diverse social levels; however, they function as a union or a league, and play an influential role in preventing corruption (Apaydin & Balci, 2011: 825). On the other hand, within organizations, culture has a crucial position in internal context, and it can be counted as the greatest factor in organization's success or failure (Harrison, 1385: 58); Also, culture is an outstanding barrier before corruption, law-breaking, and offending the customer's rights (Jeddi, 1389: 120).Depending upon the organization, organizational culture takes either visible or invisible presence, and in each case, it influences individually or collectively (Rastegar, 1388: 17). Organizational culture, also, due to its strong and deep effect on organization staffs' behavior and deeds, plays a brilliant role in internal controlling of the staffs' behavior, and at the same time, in stopping official corruption. Unfortunately, there are some proverbs that present signs or codes as motivations to organizational corruption: "Go ahead, eat the grapes, and do not worry about the source" (Apaydin & Balci 2011: 824).

This research attempted to pick Municipality, one of the influential and important organizations in managing the towns as a local government, as target population, and evaluated the relationship between Hofstede's organizational culture variables and its official corruption.

Culture

The concept of culture has its roots in anthropology and can be traced back to the late nineteenth century. Since its inception, initially in the field of anthropology and subsequently in sociology, the meaning and definition of the term "culture" has been emotively disputed. Suffice Tends to say that to say that there are multiple concepts of culture (Berthon et al., 2008:85).

In spite of the fact that here is no unique and single definition for culture, majority of experts agree that:
- ✓ Culture is a generality expanded further than the sum of its parts.
- ✓ Culture includes some issues discussed by anthropologists, such as protocols and signs.
- ✓ Culture is established socially; that is, it is found and preserved by a group of people who have formed together a society (Hafstede, 1991: 179).

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Organizational culture

Discussing about organizational culture, it is generally believed that culture is consistent of a set of values and common public features that exist in all laws, productions, symbols, philosophies and behaviors that describe an organization (Henry, 2011:30).

Many researchers have utilized the concept of organizational culture to indicate and explain the difference between effectiveness of organizations.

| Expert	definition	reference
Andrew Pettigrw	A system of accepted, obvious and collective meanings used in a specific time. This system interprets terms, shapes, mental images and group positions according to themselves.	Rastegar, 2009: 35
Morgan	A process of making reality letting individuals understand and observe particular events, actions, aims, ideas, or status in different ways.	Lewis and et al, 2003
Deal and Kennedy	The way a task is done in an organization (the ways of payments, behaving to staffs, and other organizational operations)	Morhed, Griffen, 2011:517
Edgar Shein	Common values among organizational members	Koen and et al, 2008
Peters & Waterman	logical relationship know that they are exchanged with symbolic devices such as tales, designs, mythological legends, mottos, fables and bon mots.	Morhed, Griffen, 2011:517

Official Corruption

Corruption, as an issue that goes a long way back to the history of human being, exists in every country with a particular scale (Apaydin & Balci, 2011: 818). Various definitions have been presented for corruption; however, in the broadest sense, it is regarded as abusing the general resources and facilities for personal profit. Transparency International defines corruption as "personal abuse of given power" (Alvani et al, 1389: 3).

The root of the term 'corruption' is a Latin verb 'rumper', meaning to break; as a result, something is broken or violated in corruption. This 'something' can be either moral behavior, or legal method, or typically official disciplines. As a matter of fact, corruption is attributed in diverse forms of deviation, or personal coercion and illegal utility of career positions (Abbaszadegan, 1389: 15). The more corruption happens in an organization, the less are companies motivated for production (Fan, 2009: 9); corruption wastes the power of popular organizations and blocks their growth and economic improvement (Yuriy Gorodnichenko, 2007: 963).

In diverse communities, different attempts have been practiced to prevent corruption. In Central America, social-civil organizations seek novel methods in order to emphasize official corruption through researches and investigations by which they reform and reconstruct justice (Salazar & Gramon, 2010: 116). NGOs in Asia and Africa are looking for legal techniques to add to the information level about corruption in illegal justice systems in a way that close to %90 of global population growth are classified to finish their challenges (Golub, 2010: 129).

International Position of Corruption

Transparency International is a non-governmental and non-profit organization that has emphasized general and multi-level attitudes in opposing corruption, and regarding the existing differences among countries, has put on the table the design and strategic management in devastating corruption (Transparency International, 2010). In 2003 report, for the first time, this organization included Iran among this list according to which, among 133 countries, Iran gained grade 3 (grades were from 0 to 10; closer grade to 0 indicates more corruption) and 79th among all others. In this regard, in 2004 this organization published a report and illustrated the gravity of this corruption in our country. In this report, Iran gained 87th level among 148 evaluated countries and its grade descended to 9/2; this process progressed and in 2007, Iran became 131th among 180 countries and gained 2/5 grades. In 2008, it followed to 142th with 2/3 grade; and among 178 countries in 2010 gained 146th with 2.2 grade; finally in 2011, among 183 countries, it possessed 120th with 2.7 grade.
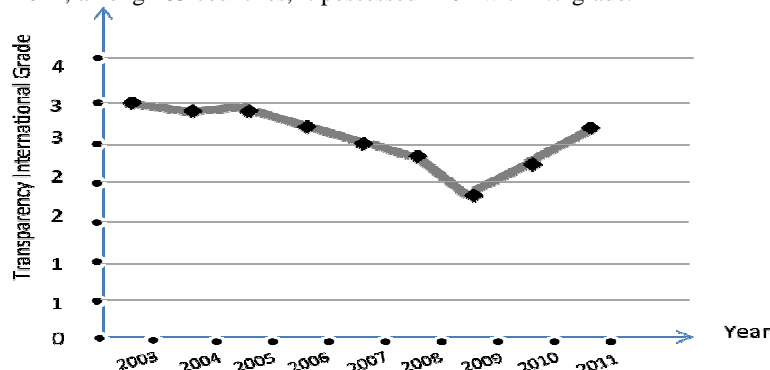
Hofstede's Cultural Aspects

Organizational corruption models Focus either on higher levels of organizations, that is, on variables creating environmental corrupting pressures, or on lower levels of organizations in which people are encouraged to wrong action. (Moore, 2008: 131).

Famous Dutch author, Geert Hofstede conducted studies aiming at proving the role and impact of cultural differences on management. These studies were followed up for three decades. In this research, 116,000 employees of IBM Company from 72 countries were studied. Respondents were asked to announce their opinion about the best way of management and workplace. Based on the findings of this research, Hofstede determined four value aspects by which the countries are differed. In present paper, we use three aspects:

1. Power Distance

According to Hofstede, power distance shows to what extent the members of a community are able to endure unequal power distribution at organizations and institutes (Schneider and Barso, 2003: 55).

2. Individualism vs. Collectivism

In individualist communities, individual benefit is the most important and strongest motivation. In collectivist communities however, individual's identity is determined by his/her relation with other people, membership in a Group, and his/her efforts In collaboration and cooperation with others. (Schneider and Barso, 2003: 61).

3. Avoiding Uncertainty

According to Hofstede, avoiding uncertainty refers to the amount of the anxieties of the members of a culture or a community about unknown and uncertain status in which they feel threatened and try to avoid it (Schneider and Barso, 2003: 131).

Research Goals

Studying the preventive power of organizational culture constituents from official corruption

Research Hypotheses

1. There is a significant relationship between power distance and official corruption in selected organizations.
2. There is a significant relationship between individualism and official corruption in selected organizations.
3. There is a significant relationship between uncertainty avoidance and official corruption in selected organizations.

METHODOLOGY

In terms of the method, this research, as a subcategory of correlation, is rather a descriptive survey. Data is collected as a field study through questionnaire. The questionnaire consists of 28 items. The quantity of questions for each variable is as follows:

Variable	Organizational culture			Official corruption
	Uncertainty avoidance	Individualism	Power Distance	
Quantity of questions	4 questions	5 questions	5 questions	14 questions

The validity of the questionnaire is confirmed by elites' poll. Chronbach's alpha is used to measure the reliability of the questionnaire. Relevant information on alpha including the overall questionnaire and questions for each variable are outlined in following table:

Questions	Organizational culture			Official corruption	Overall questionnaire
	Power Distance	Power Distance	Power Distance		
Alpha rate	0.601	0.872	0.592	0.866	0.735
	0.774				

As observed in above table, the alpha rate for overall questionnaire is plausible. Concerning power distance and uncertainty avoidance, alpha rate is less than 0.7 due to the low number of questions.

Descriptive Statistics

Table on the frequency (%) of demographic variables									
Gender		Educations				Job experience			
Male	Female	Diploma	Associate degree	Bachelor degree	Master Degree	< 5	5 – 15 years	15 – 25 years	>25
89.1%	10.9%	19.6%	15.2%	50%	15.2%	34.8%	47.8%	8.7%	8.7%

Testing Research Hypotheses

Research hypotheses address the measurement of relationship between organizational culture aspects (in Hofstede's opinion) and official corruption. H_0 indicates that there is no relationship between organizational culture aspects and official corruption. Research hypothesis indicates a significant relationship between mentioned variables.

There is no significant relationship between aspect X of organizational culture aspects and official corruption. $H_0: \rho = 0$

There is a significant relationship between aspect X of organizational culture aspects and official corruption. H_1: $\rho = 1$
The results of correlation test among research variables are depicted in Following table/ table below.

Variables		hypothesis	Correlation coefficient (ρ)	(Sig)
Power distance	Official corruption	H_1	0.673	0.035
individualism	Official corruption	H_2	-0.625	0.033
Uncertainty avoidance	Official corruption	H_3	-0.736	0.022

In 95% confidence level, there is a relative direct relationship between power distance and official corruption and there is a relative reversed relationship between uncertainty avoidance and official corruption. Therefore H_1 and H_3 are confirmed while there is no sufficient reason to accept H_2 in 95% confidence level.

As seen in above table In 95% confidence level, there is a relative direct relationship between power distance and official corruption, a relative reverse relationship between individualism and official corruption and a relative reverse relationship between avoidance of ambiguity and official corruption. Therefore, hypotheses are supported.

Conclusion

In organizations with lower power distance, one can observe lack of concentration, flat hierarchy and accepting subordinates as advisor while in communities with higher power distance, one can see concentration and height hierarchy. This research shows that in studied organization, corruption and power distance are low. Overall, there is a direct relationship between corruption and power distance. Therefore, one can conclude that achieving justice and equity is possible when the tolerance threshold and acceptance of inequality and injustice by members of community are low and they resist against inequality and, to the same degree, corruption and fake will be reduced. In individualist organizations, personal interests shape the strongest motivation. In an organization where members have paramount familial interests and correlations, individuals are more depended to their relatives and friends in meeting their needs. In such cultures, people respect their relatives further and treat their friends differently especially those who work in governmental system and this raises corruption and more difficulties in serving others due to limitations in resource and time. The existence of close familial, tribal and religious dependencies causes that people express different behaviors toward different individuals which paves the ground for prejudices and corruption. Contrarily, the lack of dependency to certain group(s) decreases the possibility of different behaviors and, consequently, corruption.

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