
Bribery as a Normal Practice in Contemporary Business

Introduction

Corruption is a phenomenon that the entire world is dealing with today, be it a third-world country or a super power, each stands impartial at the hands of corruption. However, it is only during the recent years that corruption has been brought under limelight that people are starting to recognize a wrongful abiding. So, the question occurs, what corruption really is and why has it not been discovered. Corruption is like a quid pro quo process between the public officials and the business managers. It is the illegitimate process of giving out favors as a means to get tasks done illegally, such as granting trade rights, licenses, permits, allotment of industrial land, tax breaks, the award of contracts, tenders, and amendment of laws to suit business interest. Corruption has previously been categorized under the subject of political and legal studies, which a lot of people avoided studying, but now after the OECD Anti-Bribery Convention in 1999 and disintegration of several businesses, corruption and other illegal and illegitimate aspects of conducting business activity have gained the interest of critiques. As a consequence of this recognition, approximately 25 papers in the Journal of Business Ethics and six papers in Business Ethics Quarterly have been published addressing the illegal, illegitimate and corrupt aspects of the business. Strategic Management Journal also made a few publications focusing on the different reasons why corruption exists in contemporary business, but so far, no work has been done on the angle where corruption occurs as a 'management decision-making' problem. CRDM is a potential contribution to the contemporary process of re-conceptualizing the role of business and the market economy in management theory and practice.

Corruption in Contemporary Business

Corruption is mostly viewed in the context of how it is done and who commence it when the real factor determining its seriousness should be the impact it leaves on the stakeholder community. One usually restricts the definition of corruption to simply an act of deviating from norms, laws, or jumping a queue or benefitting an undue favor. But what decision-making managers fail to comprehend are the foresighted stakeholders, who are affected indirectly or in the longer run. One wrong decision made under compelling circumstances and managers find themselves taking part in corrupt acts leading to violation of human rights, degradation of the environment and endangerment of sustainable development. Like cells are the building blocks of a life, business is the building block of an economy. The more business a country does internally and internationally, the more it earns success, fame, and power. However, if in such conditions rather than promoting respect for human rights, protection of the environment and sustainable

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development as business are obligated to as a duty towards society, start negating it then the core of a civil society is at stake, because from a stakeholder perspective, it is not only the individuals under stake but morals, ethics, and society are affected side by side.

Why do employees pay a bribe?

The most efficient way of combatting a problem is to first understand its reason for existence. Now that it has been established that bribery is a practice in contemporary business, it is time to derivate ways to eliminate this practice. Seeing the rising concern on corruption, several corporations have initiated anti-bribery, anti-corruption campaigns to control the problem, however, despite this, some employees continue to pay a bribe. The first thing to realize in this framework is that not all employees do it out of bad intention or in their pursuit of rising higher, but sometimes it is induced by the pressure surrounding an employee to ace, to get work done and to be compatible and competent. Most people choose the easy way in being able to achieve the reward for the star of the month. Furthermore, statistics show that employees at several firms do not take the code of conduct for employees seriously which make it easy for them to break the rules. Both of these factors combined disrupt the overall environment of a workplace, to the extent that it becomes unmanageable. Ashforth and Anand propose a three-stage model to control the spreading of wrongful practices. In the initial stage, it makes the management understand the position of employees in practicing bribery; that it is not always intentional. Some employees do it under pressure and after the latter succeeds, the rest follow suit. In this regard as the employee performing bribery, wins, gain the reward and do not get caught, the second stage of model continues where other employees approach the wrongful behavior assuming that the management encourages it. And finally, in stage three, bribery becomes a practice embedded in the roots of a corporation where neither employees feel remorse for conducting wrong nor their ethics are challenged. This implies that simply hiring ethical employees is not enough, rather the important thing is to provide ethical behavior where a comprehensive compliance and ethics program is conducted.

When do compliance and ethics programs help prevent the payment of bribes?

The goal of such programs is to create awareness among employees that paying a bribe is an illegal act which is not supported by the corporation. When they identify a wrong doing rather than justifying or rationalizing it, they should contact the authorities and managers to tackle the issue so that it does not subsidies rather it is solved. Ethical climate and ethical culture are two terms that are put forward by the social psychologists studying the influence of ethical behavior on organizational contexts. An ethical climate is the employee perspective on appropriate behavior within an organization, and on the other hand, ethical culture refers to the organizational aspects of pursuing ethical behavior; such as the reward systems. Now

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researchers concluded that ethical climate and ethical culture are highly correlated, and their simultaneous existence within an organization promotes ethical behavior of its employees. A meta-analytic review showed that only issuing a code of ethics and conduct is not sufficient in ensuring its application, rather the employees must be assured of an ethical culture; that the company was strict on its implementation, only then an organization can become successful in reducing the act of bribery. Likewise, Spahn (2013) debated that when employees perceive that an organization complies ethical program just to protect its image and save its management from blame, then the employees act reversely and an increase in illegal activity is detected as compared to when a company implements compliance and ethics program for promotion an ethical behavior overall and to punish wrongdoings and reward rightful workers.

In addition to this, Gutterman (2015) proposed another scenario that leads to employees losing the legitimacy of an ethical program; it is when companies implement it to meet external demands. As a result, employees usually get so hard driven that they fail to consider even the relevant ethical issues that were actually being addressed; in this case bribery. This just shows that the implementation of a compliance program is not enough, but the technique and meaning with which it inaugurates stand a lot of value to the employees. So, whenever the issue of corruption; bribery, is being tackled every manager should put the immense focus on the enforcement of ethical culture first.

What should companies do to overcome corruption?

So far, the reasons for why corruption; bribe payment, is practiced and why has it not been able to overcome have been discussed in this paper. Now, is the part to discuss how can the problem be encountered to dislodge it from the roots. In this regard, the first opinion that rises is for the organizations to analyze what corruption is to them and what responsibility do they think they have for the society they operate in. Corporate Social Responsibility (CSR) is what can lead a company in overcoming corruption. The subject of CSR has already been addressed before; that every business is responsible for its society to ensure the implementation of human rights, sustainable development and environment protected. Pertaining to this concept if every personnel of an organization along with the personal vision of the organization is structured in the relevance of the importance of preserving CSR then the work is done, and the corporate is free of corruption.

However, if one's morals and ethics are of no use then the forced way is obviously to opt for the anti-corruption programs initiated by the government. These programs are designed to increase transparency and accountability within the organization; from its officials down to the office boy. Along with the programs also focus on strengthening and enforcing relevant laws associated with corruption. But researchers debate that these policies are ineffective until the basic issues are addressed which lead to a person conducting a wrongful behavior. To certify

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their success, one first needs to consider the poverty and inequity issues, enact and enforce anti-corruption laws, improve democracy, provide civil service and reform dysfunctional dimensions or aspects of government. In addition to this, a corporate business needs to enter the fight against corruption in contemporary business fully, by designing respective cultures, systems, and structures in a way that institutionalize anti-corruption. Yacobian (2014) says that an effective framework to control corruption could be to start educating during initial levels about the evils of corruption, corruption detection, and deterrence through the integration of corporate culture, organizational structure and compliance system. And as a result of combatting corruption, organizations should structure the framework in accordance to their vision of increasing overall productivity of the business; that is becoming performance effective through increasing profit, market share, etc.

Another important practice in overcoming corruption is the Corruption-Related Decision Making (CRDM) Model (Roy, 2017). CRDM is a new concept in strategic management which emphasize on the ethical decision-making process in consideration of human rights. The implementation of this model suggests that if respect for human dignity is embedded within the brain of individuals only then can the situations leading to corrupt decision making can be altered. It is because when a culture of corruption is formed within an organization then companies do not refer to right and wrong rather their focus is on the economic establishment of the firm, and during such situations, the individuals even find out arguments that can be presented to solidify their reason for committing to corruption.

Conclusion

To conclude the entire discussion on the presence of corruption, bribery in contemporary business, it can be stated with confirmation that corruption exists. Neither the office manager, office workforce, nor the facts deny it, but an astonishing fact has been derived while searching for reasons influencing the spread of corruption and its ongoing practice. Research shows that one cannot revoke paying bribe unless respect for human rights is developed within, along with a proper ethical working culture. Both these aspects need to exist simultaneously so that an organization gets successful in overcoming corruption, or else as above arguments substantiate that if one is ethical but the working culture is not then the individual strays away for success, and if the culture is ethical but human dignity is not considered then an employee can easily commit fraud. While reviewing different literature, it was quite unpredictable that neither of the sources blamed the individuals for practicing corruption. Every journal and every article signified a single claim that corruption is like a state of mind. When one pays a bribe, it is not with a bad intention, and in the eyes of the committer, it is the right thing to do. Several sources even wrote that any person who pays bribe usually first balance the pros and cons before leading to a decision and to think that after contemplating the facts one goes through bribery imply that an error in the system exists which has got the personnel in it believing in the

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wrong principles. This recognition, along with the CRDM model, the three-stage model of Ashford and Anand, CSR, and other factors pondered upon in this report, all lead to organizations strengthening their core so that the issue can be handled, and the practice of bribery in contemporary business can finally come to an end.

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