

CULTURE AND CORRUPTION

Mihuț Ioan

Faculty of Economics Cluj-Napoca, "Dimitrie Cantemir" Christian University Bucharest

ioanmihuti@gmail.com

National culture and the organization's management are interdependent systems of values, which generate human performances that can reach levels of excellence. But, in certain crises situations, generated and supported by turbulent economic frames, by the transition from one economic system to another, the cultures specific to the organizations' management become vulnerable. In such conditions, when an economic system is chaotically dismantled, as it happened to the communist one, "an organized anarchy" appears, a system which is good for some individuals and interest groups that assimilates rapidly the deficiencies specific to a "marginal culture".

Our study is trying to underline some characteristics of the Romanian managerial culture, specific to the transition period from real socialism to capitalism and pre-adhesion to the EU.

Keywords: *national culture, management and organizational culture, managerial style, corruption.*

In the research and interpretation work, out of the sociological perspectives of the cultural phenomenon, the great Romanian sociologist Dimitrie Gusti notices three approaches of culture: *objective culture*, seen as a system of cultural goods that form the style of an era, *institutional culture* which includes the state, the church, the customs, the economic organizations and *personal culture*, that is the attitude of persons concerning the work of culture – the living report between persons and cultural values⁷⁶.

If the above mentioned values and institutions become representative and specific for a nation, created based on the unity of language, territory and economic and social life, then we can talk about *national culture*.

Taking into consideration the fact that the values, norms and principles (rules) promoted by the national culture system can be found reproduced in the valuable and behavioural variables within the organizations or at the persons who lead them, their cultural fundamentals belong to the system. Still, from the point of view of the content dimensions between managerial culture and the organizational one there are notable differences. For instance, while managerial culture notices aspects of the behaviour of those who have managerial functions within the organization, organizational culture reflects the active life of all its members. Thus, both categories of culture interact, being complementary parts of general management. From our analyses and reflections result significant differences between cultures: national, managerial and organizational. Even if each organization has its own cultural identity (managerial and organizational) which comes from the values and norms of the national culture, in the real economy this is disseminated in different results, sometimes with good effects, other times with an immoral effect.

The bad behavioural deviations (including facts of corruption) in the organizations, but also the chances to correct them have their sources in the national cultural legacy as well as in the managerial culture (thinking and acting of the organizational or governmental management). The remedies are always possible, even for the drastically diminution of the corruption phenomenon, when within all the articulations of the managerial structures the factors of performing managerial culture are promoted, factors which create a system of values and sustainable believes, defining competitiveness as the supreme value of the way of thinking and acting. Managerial competence, the force of example of ethical behaviour and the intransigency in fulfilling and applying the laws are independent forces, which represent ways to answer in a viable way, when they manifest in convergence, to all the financial "engineering": evasions, fake auctions, stealing through "'tick" firms, compensatory exchanges of properties, illegal reimbursements of VAT, bribery, unclean commissions as well as many other "tricks" specific to a kleptocratic management. These vices of managerial nature belong to the *personal culture* mentioned by Dimitrie Gusti "as a living report between persons and cultural values."

⁷⁶ Dimitrie Gusti (1965), Pagini alese, București: Editura Științifică, p. 252.

Managerial culture acts as a mechanism for equilibrating some values that are endogen and hexogen to the organization, being strongly oriented towards the accomplishment of the objective assumed by the organization. For the managers who are concerned with a good “leadership”, ethical approaches become more and more important, because the traditional theories of structure and process that have been intensively applied in the XXth century have left the human communities outside analyses and strategic decision. We are underlining this phenomenon taking into account the fundamental purposes of managerial culture that needs to support the organization’s *mission, strategy and objectives*. Thus, M. Godet defines managerial culture from the perspective of its focus on three poles of activity: *anticipation, action and motivation*.⁷⁷ Anticipation defines the future changes; action takes into account the implementation of strategic changes, while motivation refers to the mobilization of all the actors involved in the changing process.

Organizational culture is a discussed concept, loaded with multiple significances, the phenomenon bringing into the attention of the organizational management the importance oh human resource and the need to innovate (including socially) in order to promote positive changes. Launched at the beginning of the `80s in the United States, organizational “culture” has known a rapid expansion, representing today the theoretical nucleus of a new school in the management science: the school of cultural management. Since then, the management literature has started to spread the fact that an organization’s excellence is given by the common ways through which its members have learned to study, sense and act.

The managers’ ability to obtain extraordinary contributions from a great number of people is transformed in the ability to create a sense of a treasured purpose. The firms with weaker performances tend to have cultures which focus on internal policies, instead of the customer and on figures instead of people, as two American authors stated when searching for organizational excellence⁷⁸.

Thus, it results the pragmatic significances of *organizational culture* which aim a few elements such as: behavioural rules, the norms which develop within the organization, the dominant values adopted by the organization regarding the offer (products, services), the philosophy which leads the organization’s policy concerning the business partners (stakeholders), the rules established for its efficient functioning, the spirit and the climate which characterizes the organization in its internal and external environment (the market, society), respectively the relations with the natural environment.

Corruption at the Romanians is the result of the immoral activity of some persons and groups (personal and group managerial culture), usually in minority, but which obtain a no worthy attention, having the possibility of using some manoeuvre means at the border of legality of illegality, that favour the idea that they act in all the articulations of the power structures. It is true that greed, the desire for immediate enrichment and on every way, including the criminal one, gathers the persons and the groups interested in the sudden change of their wealth fare by avoiding the moral principles or the legislation. We call these types of the transition’s alliances towards capitalism, created out of reasons of excessive enrichment and moral depravation, coalitions of cleptocratic management⁷⁹.

The „original” Romanian transition towards the market economy has proved that the corruption acts have continuity at the Romanians, their proliferation and amplification, after 1989, being reflected by the increase in time of the Index of the perception of Perception (IPC), for 1997-2001 (see Fig.1). In this case, the perception of the level of corruption has been appreciated for 91 countries by analysts from the Göttingen University, by consulting the businessmen, the economic analysts of risk and the public opinion.

⁷⁷ M. Godet, *Prospective et Planification Strategique*, Economica, 1985, apud L. Marian (2001), *Strategii manageriale de firmă*, Tg. Mureş: Editura Universităţii „Petru Maior”, p. 20-21.

⁷⁸ T. Peters, R. Waterman (1982), *In Search of Excellence*, New York: Harper & Row Pb., p. 9-17.

⁷⁹ Mihaş, I., *Euromanagement*, (2002), Ed. Economică, Bucureşti, p. 252

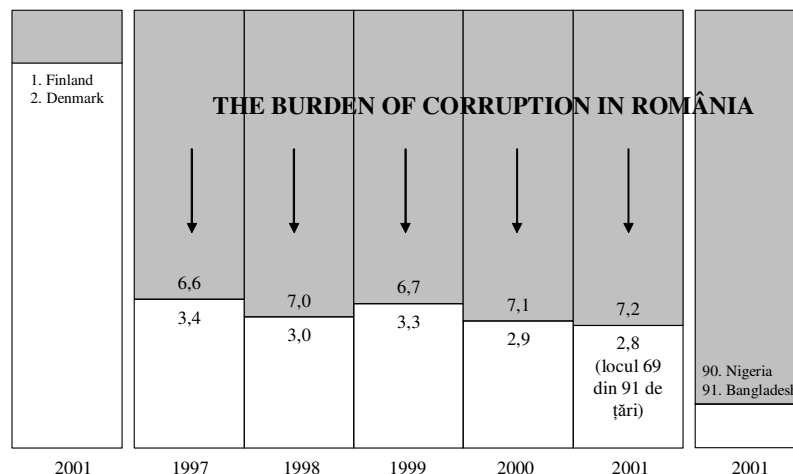


Fig.1. The index of the perception of corruption for Romania, 1997-2001

The index of the perception of corruption (IPC): IPC=0 – maximum corruption; IPC=10 – minimum corruption

The elaborated histogram is of course subjective, being an empiric image of the corruption in Romania seen by the foreigners. In reality, the corruption facts can be bigger or smaller than the situational perception. It is important to admit that after 1989 we, the Romanians, perceive from one year to another the increase of corruption and not its decrease, even if small fluctuations might appear (as it results from the histogram, corruption in 1989 seemed to be smaller than in 1998). The present tendency of intensification for the “corruption power” for Romania is expressed by the continuous decrease towards “zero” (maximum corruption) of the perception index, from 3,4 in 1997 to 2,8 in 2001. Appropriately, the phenomenon called “the burden of corruption” has increased from 6,6 to 7,2 points. According to the same source, for 2001 the perception index of corruption in countries appreciated as “clean”, such as Denmark or Finland, has come close to 10 points. It has to be noticed that the two Northern countries placed on the 1st and 2nd spot regarding “cleanness” are members of the European Union, and on the last places, 90 and 91, there is Nigeria and Bangladesh. In this top, Romania is placed on the 69th spot, next to Venezuela, with a visible tendency of unfavourable evolution of the index for the perception of corruption.

Fig. 2 continues to analyse the IPC’s evolution until 2006, the year before Romania’s integration into the EU. As it can be seen, the differences are significant between the average IPC level in the EU and the IPC for Romania, a difference which is maintained relatively constant, **3,5** points. The index of the perception of corruption in the analysed period is below the average of the years ’97-2000 (see Fig.1). It thus becomes obvious that the low rhythm for the implementation of reforms and anti-corruption activities in the Romanian society did not give the expected results. The causes which maintain the corrupted climate are numerous, they need to be identified and discouraged by the synergy of the society’s moral forces.

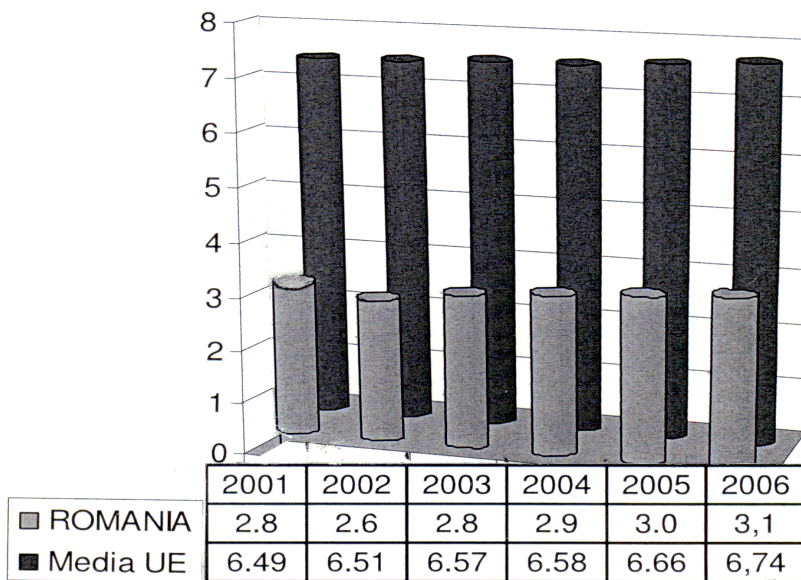


Fig. 2 The evolution of the corruption index in Romania in comparison with the average indexes in the EU, 2001-2006

Source: "The index of the Perception of Corruption (IPC)", office@transparency.org.ro

In a study regarding the mentalities within Central and Eastern Europe, the Austrian Institute Fessel+GFK for the market research configures for each nation in transition certain predominant features, on two bipolar axes: disillusion - hope and passivity ambition. Fig.3 presents the map of the Romanian transition mentality towards modern capitalism. The relative equilibrium can be noticed, of 15%, in the area of disillusion between *winner*s (animated by ambition) and *nostalgic* (passives), as well as a significant difference of 6% in the area of hope between the *new-comers* (ambitious) and *traditionalists* (anchored in passivity and sceptical to change), in the favour of the last. In reality, the managerial structures (including the governmental ones) have been dominated by the category of "nostalgic" who, being in power, have participated to the "great cleptocratic distribution", by "commissions", being the first beneficiaries of the fraud privatizations. As a reward for party "loyalty", of big boss etc. the promotion of incompetence has been used for the managerial functions. Thus, if during communism the phrase "specialist and politics man" has been used, in the democracy of transition towards capitalism, within the public institutions and enterprises have remained only the political men, because "the specialists" have privatized.

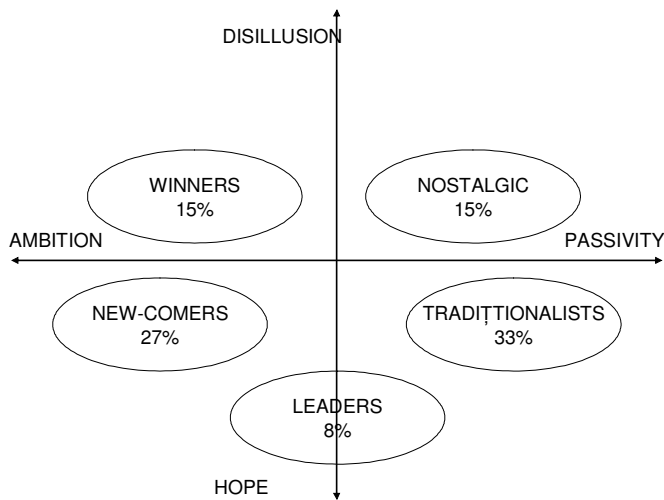


Fig. 3. The map of the Romanian mentalities in the transition towards capitalism

Source: Data from: A. Roșca (1996), "The Romanian oscillate between tradition and the desire to change", *Capital*, nr. 47, p. 39.

It becomes obvious that in the kleptocratic organizational culture, in order to dominate, subordinate, share the advantages etc. Incompetent leaders are promoted, which creates a functional environment for „Peter’s principle”. All the transition managers who made restructurings and reform only by suppressing the jobs and by sending the employees away have reached their level of incompetence. According to the criteria and values of the organizational culture where the ethic behaviour is at great price, the incompetents should have been dismissed.

The gates of the kleptocratic robbery and organized theft will be closed only if there will be actions on the causes which maintain the corrupted climate. Among these we mention: *the bureaucracy of the relation with the foreign investors and citizens* (action for the diminution of state bureaucracy are required), *privatizations with envelope offers* (privatizations should be transparent), *the lack of the codes of ethic behaviour for the dignitaries, managers, firms etc.* (the elaboration of ethics codes is required), *immunity for dignitaries* (this wall should be eliminated), *anti-corruption laws that are confusing and permissive regarding the assets, conflict of interests and others* (an anti-corruption package of laws should be elaborated, identical to the one in the EU, which will insure the independence of justice), *political clientele and local mafia* (a strong advertising is required and exemplary sanctions), *“the barriers” of managerial incompetence* (a strict promotion of professionalism and competence in management is required), *poverty* (viable strategies for eliminating poverty).

Conclusions

Romania’s integration in the EU and the globalization of the processes of knowledge will have a positive impact on cultures: *national, managerial or organizational* making more efficient the convergent actions for the elimination of immoral behaviours and economic criminality, specific to the kleptocratic managerial approaches.

The Romanians are not corrupted, only those who temporarily were or still are at power and take advantage of the immoral usage of their managerial function for purposes of personal or group enrichment. The corruptible and corrupted managers abuse their public power in order to obtain private benefits.

In order to be able to eliminate efficiently the corruption at the Romanian managers, it is needed to have a synergic action of the *political forces, economic, juridical ones*, as well as *the church’s and the civil society’s*. As long as the corruption acts remain hidden and profitable, the action for eliminating in synergy will remain a future desiderate.

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