

INTEGRITY IN PUBLIC INSTITUTIONS: AN OVERVIEW OF DRIVERS AND ENABLERS

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Abstract: Much like any analysis of intangible aspects underlying organizational fabric like leadership or culture, to mention just few, the discussion on integrity in public institutions tends to focus on tangible tell-tale signs like corruption and its various forms, while obscuring the real drivers and enablers of breaches in this so much sought organizational virtue. Therefore, the current article aims at providing an overview of the main causes leading to the loss or compromise of integrity in public institutions from an organizational behavior perspective. The aforementioned discipline allows a multi-layered approach anchored in General System's Theory to account for the macro-organizational influence on integrity, Group Dynamics Theory, namely Richard Beckhard's GRPI model, to explain the role played by groups and teams in upholding or undermining organizational values, and last but not the least Social Cognitive Theory of Morality to account for the reasons leading individuals to form or change existing moral standards.

Keywords: integrity; culture; organizational behavior; change; ethics

1. INTRODUCTION

The approach taken by the current article is anchored in organizational behavior defined from the three fold perspective of the organization as an entity in its own right, groups and teams as the engine contributing to organizational efficiency and effectiveness, and individuals whose competences, efforts, and attitudes act as the fuel feeding the organizational engine. Consequently, we deem that the best definition for integrity to apply for such an outlook must bring in a sufficient number of dimensions and variables to capture the inherent multi-level and complex reality underlying organizational life. In this respect, considering the already validated framework employed by NATO in relation with integrity building for countries willing to self-assess their defense sector or any other institutions in the security sector and titled "*Building Integrity Self-Assessment Questionnaire and Peer Review Process. A Diagnostic Tool for National Defence Establishments*", the definition of integrity that we choose for this article identifies the following (NATO:2015,7) dimensions: the individual as an employee, organization processes and the organization itself (Fig. 1).

The variables characteristic of each are: competence/competency, honesty and completeness of the work individuals conduct; "seamless" fit-for

purpose of processes underpinning organization dynamics; and genuine accountability, competence, completion of work, honest use of output and resources in accordance with organization goals.

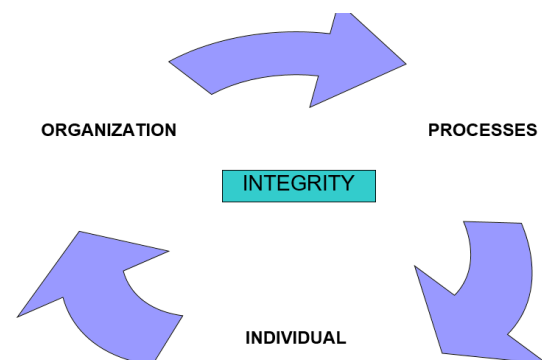


Fig. 1. Definition of integrity from a threefold perspective

Considering the above operational definition of integrity, the assumptions underlying the theoretical research into the drivers and enablers of integrity within organizations, especially those in the public sphere, are that: (1) integrity is enabled by principles informed by and decided based on the boundaries of each organizational system and made actionable via their reliable transfer into resources, incentives and consequences; (2) organizations are made by people and of people requiring that any analysis of them looks at the role of the human factor as the foundation stone of integrity.

2. DRIVERS AND ENABLERS OF INTEGRITY AS PROVIDED BY GENERAL SYSTEM'S THEORY

We believe that the value judgments underlying General System's Theory match the need to depict a system's approach to integrity and thus identify its advantages and likely disadvantages. Given length constraints related to this article, we will just briefly overview the main directions of thought related to the theory. Based on these we are to identify a number of rules that could be put in place when approaching integrity system-wide.

First, the idea of a system as a whole is decisive for the theory, its postulates, assumptions and statements. As initially proposed by Hegel, wholeness factors into the added value of a systems' parts brought together by similar characteristics and held together by dynamic interdependencies and interconnections (i.e. the most common cited postulates according to which "the whole is more than the sum of the parts", "the whole defines the nature of its parts", "the parts cannot be understood by studying the whole" (Skyttner, 1996:30). Taking things further, Lars Skyttner (1996:35) argues that holism is a search for an "outlook to *see better*, a network to *understand better* and a platform to *act better*".

Second, one of the postulates underlying General System's Theory (Boulding, 1964) is that order, regularity and non-randomness are preferable. To establish these, out of the number of characteristics that define systems we believe that their teleology and dynamic equilibrium are the most salient. Thus, from a teleological perspective, every system is goal oriented and its behavior and structure are configured by that. What is more, a systems' teleology is supported by regulation and by the possibility to determine system performance (Churchman, 1971) and quantification. Second, the quality of a system to be in a dynamic equilibrium or "steady state" (Hassard:1993) captures the system's interdependence with the environment of which is part and the exogenic and endogenic tools aimed at maintaining the equilibrium and retaining the capacity of the system to work and transform the inputs into outputs. From this perspective it is noteworthy the concept of organization as an open system that receives input from the external environment, transforms them via internal processes, structures, people and technology into outputs. In this respect, one statement is worth reminding:

Systems must receive sufficient input of resources to maintain operations and to export the transformed

resources to the environment in sufficient quantities to continue the cyclical process (Hassard, 1993:33).

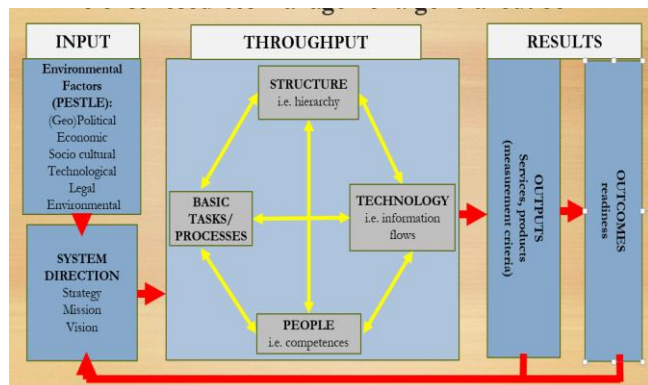


Fig. 2. A system's view of inputs, throuput, ouput and outcome

As it becomes obvious from the figure above, performance management in terms of clear definition of outputs and outcomes based on the system's direction delineated by its strategy, mission and vision as informed by PESTLE factors plays a major role. From this perspective it is worth reminding that any performance measurement system must rely on:

- Adequate performance management principles,
- Adequate goals and objectives based on which the right indicators and methods are identified;
- Availability of good data;
- Analytical and reporting skills;
- Measures for efficiency and effectiveness relying on: output indicators: costs, savings, efficiency of the sub- systems; input indicators: procedures used, number of complaints received and resolved; process indicators: transparency, nondiscrimination, fairness, accountability;
- Outcome indicators: user satisfaction, cost and convenience for users, budget effects.

Furthermore, the organizational factors arrangements that have the greatest impact on organizational performance are:

- The allocation of resources and the establishment of systems that match responsibilities, be them of financial/human nature;
- Clarity of purpose (outcomes to be achieved);
- Clarity of task (outputs to be produced);
- Authority (flexibility) to pursue the purpose and undertake the task;
- Accountability for use of authority.

Consequently, for performance measurement to work input control measures must exist before establishing output control measures. Furthermore, there are 2 major key success criteria for

implementation of strategy: measures of effectiveness that focus on effects rather than effort (e.g. number of integrity breaches recorded as a measure of output; budget savings generated as an outcome) and risk analysis.

Sometimes, especially when a new approach is first implemented, as it may be the case with the consolidation of integrity at the level of an organization as a system, all one can do is measure input and output. There may not be enough data yet to measure outcome. However, persistence and consistency are necessary before measurable outcomes deriving from the implementation of strategy become visible.

One major flaw of the system’s approach to integrity building, especially in public institutions, is that it takes a mechanical approach obliterating the value of individual commitment and values. In this respect, one major remark made by Paul Robinson *et al.* (2008:1-12) is that “ethics is rather caught than taught” and that translates perfectly for the case of integrity as a value promoted and singled out for the management of public institutions. That is underlined by the figure below that draws the attention not only to the way the outer context influences the inner context of any organization from an integrity perspective, but also the necessary overlap of two inner core dimensions characteristic of ethical behavior, namely compliance and value-orientation.

From an organization perspective, GST is transferred into the seven Ss: strategy (i.e. methodical planning and allocation of resources in relation with strategic goals), staff (i.e. people who are acculturated in the organization’s system of values), style (i.e. collective management behavior), skills (i.e. specific features of an organization rendering its competitive advantage), systems (i.e. processes and procedures of communication, decision-making, resource allocation), structure (i.e. the level of centralization/decentralization and its inherent role in establishing authority and interrelationships) and shared values (i.e. the common working ground for all the other elements) (Skyttner, 1996:43).

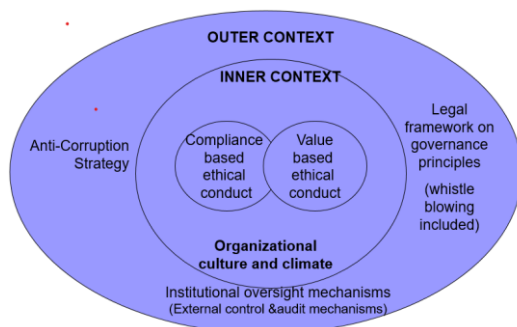


Fig. 3. A general outlook of organization external and internal enablers for integrity

In conclusion, the drivers of integrity from a system’s perspective, are the input, output and outcome elements.

The enablers are at the level of throughput and must be analyzed in terms of their breadth and depth. The depth is related to individual tools and techniques characteristic of system components (i.e. tasks, structure, people and technology), and the breadth is ensured by coherence, interconnectedness and interdependence. The interconnection of system components is expressed as tangible/intangible flows of goods or knowledge across system components. The supply of resources, basic rules regulating resource use and deployment, incentives for applying these rules, and consequences for overstepping/misinterpreting the rules or mis-appropriating, mis-using, dis-using resources drives it. Additionally, readily available and complete information on all of that enables the materialization of actions and prevents the emergence of issues.

When compliance based programs are viewed as drivers of integrity at organization level from an input-output-outcome perspective, individual/ group behavior is driven by the prospect of sanctions, audits, legal provisions, rules and regulations that are focused on prevention, detection, and punishment. Nonetheless, in such a situation there is one major fallacy: codes of conduct, codes of ethics, policies, guidebooks, etc do not actually address or solve covert unlawful, illegal, unethical behaviors since the main enablers of such programs are prevention in the form of:

- Strict compliance standards and procedures disseminated via training and publications;
- Clear-cut system of penalties and sanctions;
- Responsibility for overseeing compliance lies with high level managers;
- Lessons learned; detection focused on
- Increased monitoring and control measures
- Audits, reporting systems for employees ensuring the anonymity of the whistleblowers and punishment visible in commensurate sanctions/penalties for ethical trespasses

The Solution consists in approaching ethical values, of which integrity is but one, as a whole. Consequently, taking into account the seven S model suggested above, we believe that solutions such as input of functional managers along with legal advisers’ contribution as to what is deemed as desirable behavior, educational programs focused not only on legal compliance, but mostly on orientation and integration into organizational values, cause-effect analyses and comprehensive approaches to applying solutions, along with a “do-it-right climate”

(HBR) could enable a more ethically bound behavior of individuals and hence of organizations as entities.

3. GROUP/TEAM DYNAMICS AND ITS ROLE IN INTEGRITY BUILDING

Group and team dynamics, along with group salient features like group think and group cohesion play a major role in consolidating or undermining integrity building as an organizational project. Out of the best known models employed in describing the way groups and teams develop and contribute to organizational efficiency and effectiveness goals we deem that Richard Beckhard's GRPI (1972: 23-27) model, along with Lencioni's (2002) identification of the main malfunctions within teams may contribute to identifying the key drivers to upholding/consolidating/undermining integrity at organization level.

The GRPI model describes four components that contribute to establishing effective teams, as well as to diagnosing the problems within those. These are the goals established by the organization and assumed by the team, the roles of team members requiring the latter to understand the part to be played as part of the team, the inherent expectations, accountability and responsibility; the processes involved in determining work-flow and procedures for decision-making, problem and conflict solving, and the interpersonal relationships among team members anchored in values like trust and working principles such as communication, collaboration and flexibility. The model offers a two fold perspective on the key ingredients contributing to effectiveness and quality in team work. On the one hand, it emphasizes the cascading approach to developing teams, namely the need to establish clear GOALS that lead to the identification of authority levels, associated responsibilities and tasks (ROLES) and henceforth inform the sequence of activities that generate smooth and working PROCESSES and allow team members to establish working relationships among themselves. On the other hand, the GRPI can be used as a diagnosis tool by which the interaction failures among team members can be better analysed from a multi fold perspective that starts from the personal level and moves up towards the objective level of goals and results. The visual scaffolding of team development and analysis is presented in *Figure 4*.

All of the above gain relevance for the discussion on integrity from the perspective of the 80:20 ratio proposed by Noel Tichy when analyzing conflicts arising within teams. According to the aforementioned researcher, there is a cascading effect of

goal definition on team member roles, processes and interpersonal relationships.

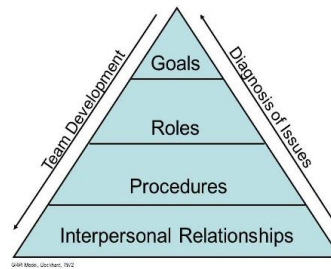


Fig. 4. Approach for team development, White Paper Draft, 18/02/2013 | Version 2.

Ambiguity of goals counts for 80% of the problems arising in the rest of the components; the uncertainty about the roles team members must assume represents 80% of the remaining 20% (i.e. 16%), whereas the standardization of processes counts as 3.2% of the overall ratio, and trust based relationships as 0.8%. Consequently, establishing the main guidelines by which the four components of team development can and should be established and enacted is the first step to be taken in approaching integrity at group/team level. In this respect, we deem that Lencioni's model offers the key concepts by which to derive any indications as to how to mold group and team behavior in such a manner that turns the value of integrity into a virtue. Whereas the GRPI model offers a tool of problem diagnosis and step by step team development, Lencioni's model identifies the core elements required for teams to work towards achieving goals and perform quality work. The author identifies those in negative terms and they concern lack of trust, fear of conflict, lack of commitment, avoidance of accountability and inattention to results (2002:7). Translating those into positive terms guiding action in relation with team/group dynamics would render the following categories: orientation towards results supported by individual accountability, confidence based commitment and trust. The relationships among Richard Beckhard's model, Lencioni's five disfunctions of teams and Tichy's identification of the main causes of failures within the GRPI model is delineated *Figure 5*.

The main takeaways resulting from the figure above in relation with integrity building and maintenance at group/team level are as follows.

Team development starts from goals. The SMARTer the latter are (i.e. Specific, Measurable, Achievable, Realistic, Time-bound) in terms of specifying what is envisaged to achieve from the perspective of integrity building, the less ambiguous the actions become.

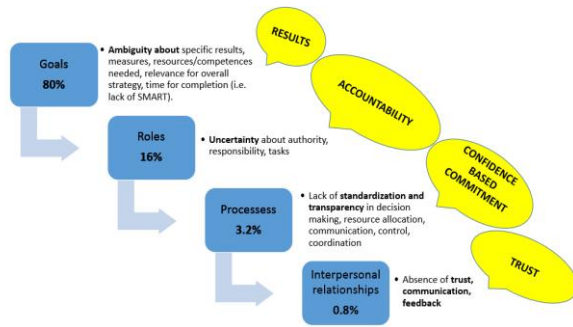


Figure 5: Factors influencing integrity from the perspective of team development and problem diagnosis

One of the trends in integrity building is to connect it to an anti-corruption discourse. On one hand, that allows for enough specificity since it can attach clear measures based on which resources can be identified and time-lines established. Nonetheless, it inflicts upon the all-encompassing meaning of integrity as a value and potential virtue narrowing its scope and diminishing its impact. Therefore, we deem it necessary that when breaking down the term integrity into actionable variables and associated verbs, those should underline aspects like wholeness, coherence, cohesion, completeness, soundness of any enterprise. Verbs like increase, create, maintain would thus be specific enough to associate measures, time lines and resources with an organization’s overall strategy. In close relationship with the identification of tangible results through the phrasing of SMART goals is the necessity to be clear about the requirements concerning the desirable behavior generating those results.

A clear-cut and unequivocal connection between tangible results and values guiding and enforcing desirability of actions is one of the key enablers of integrity at group/team level. In terms of the roles individuals assume, the latter must be clarified and delineated in terms of the level of authority they entail, as well as from the perspective of responsibilities and tasks.

Clarification in the form of standardization and transparency is also important in relation with an organization’s most important processes pertaining to decision-making, control, and resource allocation. Roles and processes play a major role from the perspective of the Social Cognitive Theory of Morality and the mechanisms by which moral disengagement occurs. According to Bandura (1986) that is the result of displacement of responsibility, as well as of diffusion of responsibility resulting from mechanisms such as the use of moral justification to account for immoral acts, making advantageous comparisons regardless of logic fallacies they incur,

rejecting, distorting, refusing to acknowledge those actions that generate negative impact or attributing blame for action or non-action to the victims.

As for trust, the dimensions that we would like to introduce surpass the vulnerability outlook proposed by Lencioni. Our suggestion is that the litmus paper for trust are crisis situations. Consequently, the main variables we propose are based on a crisis response toolkit (Building Trust in Diverse Teams. The Toolkit for Emergency Response, Oxfam GB for the Emergency Capacity Building Project, 2007:7) according to which there are two dimensions of trust: a deep form of trust and a swift/shallow one. Deep trust takes time to develop and effort to sustain. It is anchored in variables such as: (1) Compatibility of background, values, interests; (2) Goodwill in relation with the welfare of team members; (3) Predictability in terms of team members’ consistent behavior over time and despite circumstances; (4) Well-being or the feeling that the others’ intentions are right; (5) Inclusion in social relations of the team; (6) Accessibility from the perspective of the other team members’ willingness to connect at personal level. Shallow trust is based on competence or, in other words, on the perception that team members are not to fail one of their own in times of need; openness with information manifested via a proactive and transparent behavior in this respect; integrity measured by the extent to which the others keep promises and observe moral principles and values; and reciprocity as the main norm driving cooperation.

4. CONCLUSIONS

What does it take for integrity to transform from a legal obligation and an ethical value into a virtue?

First, we believe that taking a multi-layered approach to integrity from a change management perspective may inform future actions. In this respect, in terms of change initiatives and their depth, according to Andrzej A. Huczynski & David A. Buchanan (2013:624), there are five types of changes that generate specific results (Fig. 6). Surface change focuses on achieving efficiency and more often than not on restructuring (e.g. centralizing or decentralizing). Shallow change is concerned with resource reallocation that is mostly done by resizing organizational departments or the organization itself (e.g. growing or cutting the number of departments). Another approach to that also consists in improving the planning processes. Penetrating change is tightly connected to changes in leadership and changes to an organization’s definition of success, which resides in the establishment of new goals and objectives. Deep change as the name itself suggests is related to

transformations made in organizational mission, vision, values, philosophy. Transformational change also referred as a paradigm shift aims at changing mental models, thinking, the manner of solving problems, the way of conducting activities in an organization, as well as the definition of internal and external boundary.



Fig. 6. A taxonomy of change initiatives,
 Source: Huczynski & Buchanan (2013:624)

Consequently, for integrity to be driven it takes strategic transformational approach. That has to be supplemented though by cumulative changes at the other levels related to the transfer of values like integrity in the statements of an organization's mission and vision, in the definition and behavior of its leadership, as well as in the definition of the wholeness of processes and structures.

Second, in our opinion, heeding a number of change management principles can be another solution to the dilemma as to how integrity can be driven from the outside and enabled from the inside. Integrity can be an individual value and virtue. However, as the models presented in this article inherently indicate, it is under the influence of the overall organizational environment and under the pressure of teams'/groups' acknowledgment, acceptance and enactment of goals, roles, processes and values. To become an organizational and group/team virtue it needs efforts at multiple levels: organization wide, group-wide and individual.

From an organizational perspective, one of the basic prerequisites in change management is to gain understanding of an organization's internal and external environment, as well as of its culture from a two-fold perspective: the AS IS/current description of variables and the TO BE/Envisioned state of the organization to achieve via change initiatives. Pressure from the external environment towards identification of core values like integrity is essential, in our opinion, in public institutions but it does not suffice. In this respect, according to the Price

Waterhouse Change Integration Team (1995) there are several paradoxes that need to be managed when focusing on change, even though an analysis of these rather indicates them as basic principles to heed.

The first paradox refers to the fact that for any positive change to occur, significant stability of the system is necessary. To reconcile the two apparently opposing dimensions of change and stability, trust and leadership are required as main pillars. Additionally, stability can be reinforced by securing: culture (core values), clarity of current strategy, people and their roles such as: catalyst, resource finder, stabilizer, etc., as well as the practices related to these (e.g. the right person in the right place, at the right time for the right reasons); core competences (in full coherence with the mission of the organization); and the relationships with the stakeholders.

The second principle mentioned by PWC is that to build an organization, individuals must be the focus of any change initiative and as such their commitment and reward represent important facet of managing them. Additionally there are also other important aspects like meritocracy (i.e. hiring the right people with the right skills and attitudes for the current and future state of the organization), using performance evaluation as a "must do" not just as a "must have", identifying individual performance drivers and reinforcing those, building social skills, establishing unequivocal objectives and accountability lines related to these, measuring team performance but rewarding individuals, setting high expectations and rewarding accordingly and last but not the least finding and promoting passionate leaders and effective coaches.

The culture of the organization is one of the key enablers of integrity. As such, it requires managers and leaders targeting their efforts. The former must: create and communicate the norms for competition/ collaboration/ communication; deliver a well-articulated strategy; clarify performance measures, create "working structures" and supportive people practices; show honesty and be visible. On the other hand, leaders must target empowerment as the main tool by which change can be driven to achieve its ultimate goal. Empowerment is strongly related to creating an environment conducive to making decisions and acting in a responsive manner, establishing a high performing and passionate team and clarifying who makes decisions and what type of decisions need to be made.

The roles and responsibilities of those in charge of ensuring the success of the change initiative, as well as of those who need to take over the results of change and implement them/manage them must be clarified and included in job descriptions and

subsequent performance measures and evaluations, as well as reward systems. Along that, education and training must complement the efforts if change is to endure. An important aspect related to roles and their inherent authority, responsibilities and tasks is represented by the attitudes that changes in values, as it is the case for integrity, generate. They may range between involvement, commitment on one hand and resistance on the other hand.

Resistance to change can be triggered by various factors. An analysis of these and the identification of the measures that are adequate can help overcome it. Some of the most important factors that make people raise boundaries when change is on the way are:

- Lack of awareness and understanding may be related to the purpose of change, its drivers or its envisaged, tangible outcomes. Additionally, it may impact the description of individual roles and responsibilities related to the change process.

- Feeling of losing control may be related to the amount of input people contribute to the change initiative. If the self-beliefs are at a high level and yet the outcomes are not sensed as desirable because of individual lack of involvement in their generation, then people may resist change.

- Lack of support on behalf of key figures in the organization. Genuine support on behalf of the key people in an institution needs to be secured if their subordinates are to be involved.

- Threat to existing status quo. As employees, people reach a status quo as far as their power, career, knowledge, skills, work patterns, working relations are concerned. Therefore clarification of how change affects or does not affect such aspects, as well as adequate management of employees' rational and irrational fears along with avoidance of the "grapevine" influence via proper communication, negotiation, clear description of roles and responsibilities is essential. In the end, the goal is to avoid people's alienation, distrust and hence their sub-optimal performance of current or future tasks.

- Lack of time to assimilate the change. More often than not the need to generate results does not give people to internalize the values sought through change initiatives.

- Lack of incentives and rewards. To change is to learn. To learn is to make errors and learn from them. If people are not granted the freedom to make mistakes when required to make changes, nor allowed to learn from them, then the change initiative is prone to failure of false positives. That is all the more true when focusing on values and their enactment as virtues in organized systems.

To conclude, we can positively say that in order for integrity to become a virtue in public institutions changes on multiple levels are necessary. Nonetheless, the most important element of change is individual behavior. Therefore, we should not forget change is about gaining results. Failure to reward the results in accordance with what each and every individual values, not in a non-discriminatory manner leads to disengagement in the long run. Consequently,

An integrity-based approach to ethics management combines a concern for the law with an emphasis on managerial responsibility for ethical behavior. Though integrity strategies may vary in design and scope, all strive to define companies' guiding values, aspirations, and patterns of thought and conduct. When integrated into the day-to-day operations of an organization, such strategies can help prevent damaging ethical lapses while tapping into powerful human impulses for moral thought and action (HBR, 1994).

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