Public Sector Integrity

A FRAMEWORK FOR ASSESSMENT



OECD
OECDPUBLISHING

Public Sector Integrity

A FRAMEWORK FOR ASSESSMENT



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where the governments of 30 democracies work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The Commission of the European Communities takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

This work is published on the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of the Organisation or of the governments of its member countries.

Publié en français sous le titre :
Intégrité du secteur public
UN CADRE D'ÉVALUATION

© OECD 2005

No reproduction, copy, transmission or translation of this publication may be made without written permission. Applications should be sent to OECD Publishing: *rights@oecd.org* or by fax (33 1) 45 24 13 91. Permission to photocopy a portion of this work should be addressed to the Centre français d'exploitation du droit de copie, 20, rue des Grands-Augustins, 75006 Paris, France (*contact@cfcopies.com*).

Foreword

Good governance requires proper assessment. Measures promoting integrity and countering corruption are no exception. In a global economy, good governance is increasingly seen as a parameter of competitiveness, and investors account for such factors when deciding where to locate their operations. Governments are therefore responsible for providing evidence-based information on the results of their policies. This is the basis for keeping them accountable.

Assessment approaches and methodologies vary depending on the policy to be assessed. The Public Governance Committee has developed tailored approaches and instruments to help governments conduct assessments in key policy areas including citizens' involvement, regulatory policy, e-government and integrity. In the field of public sector integrity, the OECD has created a framework for guiding policy makers and practitioners in conducting sound assessments in specific public organisations and sectors.

The Assessment Framework has been designed to reflect the experience of different jurisdictions in OECD countries. Selected case studies for the report provide insights into the recent experience of public organisations in assessing pro-integrity and corruption prevention measures in Australia, Finland, France and Korea. The approach, steps and criteria of the Assessment Framework were endorsed by leading experts from frontrunner organisations at the OECD Symposium on How to Assess Measures for Promoting Integrity and Preventing Corruption in the Public Service on 9-10 September 2004. The report provides further guidance to public organisations through a mapping out of methods and solutions used to assess pro-integrity and anti-corruption measures and the review of their potentials and limits.

The report was prepared by János Bertók and Elodie Beth of the OECD Public Governance and Territorial Development Directorate. Special thanks are due to Christian Vergez for his substantive advice and to Marie Murphy for her assistance in the preparation of the publication.

Table of Contents

Executive Summary 9

Part I

Integrity and Corruption Prevention Measures in the Public Service: Towards an Assessment Framework 19

Step 1. **Defining the purpose: Why Assess integrity and corruption prevention measures?** . 25

Step 2. **Selecting the subject: What do decision-makers want to assess?** 31

Step 3. **Planning and organising the assessment: Who will assess?** . . 37

Step 4. **Agreeing on methodology: How to assess** 45

Step 5. **Ensuring impact: How are assessment results integrated into the policy cycle?** 61

Part II

Assessment Strategies and Practices for Integrity and Anti-corruption Measures: A Comparative Overview 75

Part III

The Experiences of OECD Countries 123

Review on Assessing Effectiveness of Integrity and Anti-corruption Measures in the Korean Public Service 125

Evaluating the Effectiveness of Measures to Prevent and Combat Corruption in France 161

Developing Policy Assessment Measures for Integrity and Corruption Prevention Activities: The Australian Experience 225

Case Study 1. State of the Service Reporting and "Embedding Values" Studies – Australian Public Service Commission 245

Case Study 2. Case Handling by Ombudsman's Offices and Anti-corruption Bodies 255

Case Study 3. Judging Effectiveness: An Australian Anti-Corruption Commission? 266

Values to be Part of the Daily Job: The Finnish Experience 297

List of tables

I.1. Determining criteria for assessment: A checklist . . . 22
I.2. Internal and external assessment: What is the advantage? . . . 40
I.3. An overview of methods for collecting data . . . 58
III.1. Evaluation metrics . . . 137
III.2. Evaluation metrics of the TI-KOREA survey . . . 138
III.3. Evaluation metrics of the SIT survey . . . 138
III.4. Evaluation metrics of the Integrity Perception Index: Weighted scores . . . 140
III.5. Definition of level of overall integrity . . . 141
III.6. Definition of perceived integrity . . . 141
III.7. Definition of potential integrity . . . 141
III.8. Effectiveness of measures by the national evaluation of corruption-prevention initiative . . . 148
III.9. Effectiveness of the OPEN system in Seoul . . . 148
III.10. Control procedures and mechanisms . . . 171
III.A1.1. Statistics: Breaches of the duty of probity . . . 212
III.A2.1. Statistics: Passive corruption and influence peddling . . . 216
III.11. Current practice in Australian integrity policy assessment – Categories . . . 239
III.12. The manifestation of values in the activity of the Lapland TE Centre . . . 327

List of figures

I.1. Assessment in the policy-making process . . . 21
I.2. Procedural steps and criteria for assessing integrity and corruption prevention measures . . . 23
I.3. The Ethics Infrastructure . . . 33
I.4. Decision-making tool: Key factors to consider when choosing between internal and external assessment . . . 41
I.5. Decision-making tool: Involving external stakeholders or not . . . 42
I.6. Logical model . . . 47
I.A2. Assessment criteria . . . 70
I.A3. Balancing complexity with the imperative to act . . . 72
II.1. Management Accountability Framework in Canada . . . 120
III.1. Principal actors . . . 129
III.2. Procedures used for the Integrity Perception Index . . . 139
III.3. Integrity Perception Index (IPI): Results . . . 142
III.4. Evaluation metrics of the Anti-Corruption Index . . . 144
III.5. Dynamic connection of assessment . . . 149
III.6. Trend of perception level of corruption by civil society . . . 150
III.7. Trend of perception level of corruption by foreign businessmen living in Korea . . . 150
III.8. Criminal sanctions: Number of reported and prosecuted criminal cases . . . 151
III.9. Trend of Anti-Corruption Index . . . 152
III.10. Satisfaction with the OPEN system . . . 152
III.11. The OPEN system contribution to anti-corruption . . . 153
III.A1. Procedure for high-ranking officials . . . 155

III.A.2. Procedure for ordinary public officials 156
III.12. Total staffing of Australian Ombudsman's offices 256
III.13. Ombudsman staffing compared as a % of public sector staffing . 257
III.14. Ombudsman complaints received per total number of public employees and Ombudsman staff (2002-2003) 258
III.15. Corruption allegations by public sector and agency staff (2002-2003). 258
III.16. The most important values in State administration. 304
III.17. How clear are ethical principles? 305
III.18. Effectiveness of measures promoting high ethical standards. . . . 306
III.19. Government values 313
III.20. The significance of values. 314
III.21. The four levels of operationalising values 315
III.22. The organisational culture is decisive. 318
III.23. The relationship between organisation's values and individual values. 319
III.24. A model on defining values in practice. 322
III.25. The rule map. 336
III.26. Map of the value process. 339

List of boxes

I.1. Overall aims of assessment: Country experiences 28
I.2. Assessment by supreme audit institutions: Canada 38
I.3. Involving academic institutions in assessment: Australia and Korea 39
I.4. Combining internal and external assessment: The examples of Australia and Finland..... 40
I.5. Checklist for internal assessment 41
I.6. Checklist: Developing an assessment budget..... 44
I.7. Designing a logical model: A checklist..... 49
I.8. Deriving a set of indicators: The experience of New Zealand 50
I.9. Developing observable measures: The example of the Office of Government Ethics in the United States 51
I.10. Developing indicators: The Anti-Corruption Index in Korea..... 54
I.11. The Common Assessment Framework..... 56
I.12. How to select a methodology: Checklist..... 57
I.13. Procedures and methodologies for conducting an assessment: The Australian experience..... 59
I.14. Balancing objective and subjective methods: Country experiences ... 60
I.15. Reaching out to the political level: The role of the High Commissioner in Italy 62
I.16. Communicating findings and lessons: The experience of New Zealand..... 63
I.17. Publicising results: The example of Korea..... 64
I.18. Knowledge management: The example of Australia..... 65
I.19. Programme reviews and their follow up: The example of the Office of Government Ethics in the United States 65
I.20. Integrating assessment results into a performance cycle: The example of Canada 66

III.1. *Infocentre* and *Cassiopée*: New statistical tools at the Ministry of Justice ... 175
III.2. Statistics on corruption cases involving DGDDI staff (General Directorate of Customs and Excise) ... 176
III.3. Financial jurisdictions and criminal courts: Corruption statistics ... 177
III.4. Ethics Commissions – Statistics ... 178
III.5. Inventory of risk areas selected by the SCPC ... 179
III.6. Risk analysis by the General Government Inspectorate/Ministry of Foreign Affairs (IGA/MAE) ... 180
III.7. TRACFIN mapping ... 181
III.8. Transparency International, its Corruption Perceptions Index (CPI) and the French authorities ... 182
III.9. The Computer Information and Freedom Act and the CNIL ... 185
III.10. Evaluation system to measure the work and achievements of the *Pôles économiques et financiers* ... 188
III.11. SCPC training modules ... 192
III.12. An example of an internal inspection service: The General Government Inspectorate of the Ministry of Foreign Affairs (*Ministère des Affaires Étrangères* – MAE) ... 194
III.13. A difficult balance to attain: The example of the rules and composition of the *Commission Nationale d'Équipement Commercial*, or CNEC (National commission for commercial land-use planning) ... 195
III.14. Risk management as addressed in control bodies: Court of Auditors and CRCs ... 196
III.15. Penalties regarding public procurement: no freedom without accountability ... 198
III.16. Financial sanctions and the *Conseil de la Concurrence* (Competition authority) ... 199
III.17. Description of the Directorate for Criminal Affairs and Pardons of the Ministry of Justice ... 200
III.18. Inter-ministerial co-operation ... 202
III.19. An effective and focused network model: The FINATER Unit ... 203
III.20. The New Economic Regulations Act and settlement/leniency procedures ... 205
III.21. TRACFIN and "declarations of suspicion" ... 206
III.22. Reporting, whistleblowing and Article 40 in France ... 207
III.23. Facing the challenge of high staff turnover ... 309
III.24. Some basic concepts in the Finnish project ... 310
III.25. Values in the activity of the Finnish Customs ... 317
III.26. Implementation of values in the Finnish Road Administration ... 320
III.27. The ethical debate model ... 321
III.28. An ethical checklist of a decision maker ... 322
III.29. Defining values at the Lapland TE Centre ... 325
III.30. The value debate at the university ... 328
III.31. The Lapland TE Centre's result and development discussion form ... 332
III.32. The significance of values in agencies ... 335

ISBN 92-64-01059-9
Public Sector Integrity – A Framework for Assessment
© OECD 2005

Executive Summary

Assessment: Providing evidence for achieving better governance

Countries shift their efforts from policy design and implementation to assessment

Countries have in the last decade made substantial efforts to develop institutions, systems and mechanisms for promoting integrity and preventing corruption in the public service. Growing demand for evidence of impact requires public institutions to shift their focus towards verifying the effectiveness of these efforts.

Governments are under growing pressure from civil society to show progress made in promoting integrity and preventing corruption

Advocacy groups have used perception indices in order to raise awareness of the issue of corruption at the political level and in society at large. For instance, indices such as the Corruption Perceptions Index and the Bribe Payers Index developed by Transparency International have been extensively cited in the media world wide. Yet their methodology has been contested by government organisations and academic think tanks. These indices are often quoted as international benchmarks for governments although they give little indication of where the risks for corruption lie or whether progress has been made in a number of key areas.

Assessment is the answer to verify the effectiveness of policies and foster public trust

Good governance requires thorough assessment, and policies promoting integrity and preventing corruption are no exception. Assessment is a crucial way for governments to provide evidence-based information on the results of their efforts to fight corruption. Governments are increasingly expected to verify whether integrity policies are achieving their objectives in order to foster a favourable economic, political and social environment and strengthen public trust. However, assessment in this field raises specific challenges, in particular the definition of an objective methodology.

Countries are at different stages in the "assessment journey"

*A variety of approaches to assess building blocks of the "Ethics Infrastructure"**

The "assessment journey" starts with identifying which building blocks of an "Ethics Infrastructure" – the institutions, systems and mechanisms for promoting integrity and preventing corruption in the public service – need to be assessed. Depending on the overall approach of the assessment and the stage at which public organisations are in the "assessment journey", an assessment may focus on separate specific measures and their interaction, in particular:

- Risks – analysing risks and reviewing vulnerable areas susceptible to corruption.
- Specific policy instruments – assessing discrete integrity and corruption prevention measures.
- Complex programmes – examining the interaction of combined policy instruments.
- Elements of an organisational culture – reviewing values, behaviours and specific individual actions.

From assessing the implementation of policy measures to assessing their impact

If traditional assessments have mainly focused on verifying the existence of selected tools such as laws, codes of conduct, or administrative procedures, a few countries have also developed a more holistic approach to assess the implementation of programmes and their impact on organisational culture, values and behaviour. For instance, a few initiatives assessed the extent to which public organisations have integrated a code of conduct into their procedures and their effectiveness in ensuring that employees understand and apply the code.

Integrating policy assessment into a broader performance framework

The assessment of integrity and corruption prevention policies provides decision-makers with feedback on the functioning of mechanisms and support for systemic adjustment. Performance assessment rather focuses on

* The concept of the "**Ethics Infrastructure**" including its elements and functions is further described in Step 2 of the Assessment Framework.

performance appraisal of public officials, in particular of individual behaviour. If policy assessment and performance appraisal have different focuses, the approaches are complementary to develop a more comprehensive accountability system in the public service. Emerging efforts can be seen in a few OECD countries to integrate the assessment of integrity and corruption prevention measures into a broader performance assessment framework monitoring changes in the behaviour of public officials.

Addressing challenges

Countries face similar difficulties in defining sound assessment methodologies

Even if there is no "one-size fits-all" solution, countries face similar difficulties in defining sound assessment methodologies. When assessing integrity and corruption prevention measures, public organisations face a variety of challenges that need to be addressed. These include: defining what is measurable, ensuring credible and reliable assessment results and integrating assessment results in policy making to make certain effective impact. There are different reasons that explain these difficulties, especially:

- Developing specific policy measures for promoting integrity and preventing corruption is relatively new in many OECD countries and the concept of an "Ethics Infrastructure" has been introduced in the last decade. Consequently, intention to evaluate its components is even more recent.
- There is no dedicated body or central agency that is in charge of the evaluation of all elements of an "Ethics Infrastructure" in most OECD countries.
- The infancy of methodologies and lack of benchmarks for verified comparison.

Developing a thorough and objective assessment methodology

In order to help in this process, the OECD together with its member countries has developed a generic Assessment Framework which addresses in a systematic way the issues and challenges faced at different steps of the "assessment journey", namely:

Step 1. Defining the purpose: Why assess?

Step 2. Selecting the subject: What to assess?

Step 3. Planning and organising the assessment: Who will assess?

Step 4. Agreeing on methodology: How to assess?

Step 5. Ensuring impact: How to integrate assessment results into the policy cycle.

The Assessment Framework provides policy makers and managers with a roadmap to help them design and organise sound assessments in concrete policy areas. The Assessment Framework also includes practical checklists and set of concrete options for possible solutions.

Context matters

In order to help public organisations apply the generic Assessment Framework to the specifics of a country and organisational context, the report provides an inventory of methods and solutions for crafting a well-designed assessment project. These methods and solutions used in member countries for assessing integrity and corruption prevention measures include surveys, stakeholder analyses and public hearings. A series of related country case studies highlights experiences of recent assessments and how these fit in the specific country context of Australia, Finland, France and Korea.

Challenge 1: What is measurable?

Looking beyond the "tip of the iceberg"

Assessment of integrity and corruption prevention policies poses special challenges for policy makers and managers, in particular that of determining what is measurable. Corruption can be seen as the symptom of systemic failure. As corruption is a hidden phenomenon, it is difficult to measure in a precise scientific way. Available data may only reveal the "tip of the iceberg", which is the visible failure of the system.

Assessing the institutional pillars that support integrity

The approach taken in the report is rather to assess "the opposite" of corruption – *i.e.* integrity. Even if an assessment cannot fully encapsulate the level of integrity in an organisation, it can help identify the strengths and weaknesses of specific policy instruments constructing a consistent "Ethics Infrastructure" – the institutions, systems and mechanisms for promoting ethics and countering corruption in the public service.

Defining the focus of the assessment

The Assessment Framework provides a set of criteria to help decision-makers and managers design an assessment that captures relevant information for decision-making. Assessments may focus on:

- Formal existence of measures – are integrity policy instruments (*e.g.* legal provisions, code of conduct, institutions, procedures) in place?
- Feasibility – are integrity policy instruments capable of functioning?
- Effectiveness – did the integrity policy instrument achieve its specific initial objectives?
- Relevance – how significantly have policy instruments contributed to meeting stakeholders' overall expectations (*e.g.* overall impact on daily behaviour)?
- Coherence – do the various elements of the procedure coherently interact and re enforce one another, and support the overall aims of integrity policy?

Challenge 2: How to ensure reliable and credible assessment results?

Defining procedures for developing a reliable methodology

The reliability and credibility of the assessment will depend on both the procedures for conducting an assessment and the methodology developed.

Identifying the right assessor

Weighing the advantages of internal and external assessment will help determine who will actually conduct the assessment. In order to ensure the credibility and reliability of the findings, several factors need to be considered, such as impartiality of the assessor, its competence, the need for directly using findings in the decision-making process, as well as the time, resources and internal capacities available to conduct the assessment.

Weighing advantages and drawbacks of involving stakeholders

The decision will reflect the balance between the importance of involving external stakeholders, and the constraints placed on the project, the most common being the need to respect confidentiality, timelines and budget. The great benefit of participatory evaluation is that it raises the likelihood that the outcomes of the evaluation will be widely accepted as relevant and will actually be used as a basis for future actions.

Identifying a set of relevant observable measures

Once procedures for conducting the assessment have been agreed on, a key challenge is to identify relevant observable measures. These observable measures need to reflect not only the outputs – *i.e.* the immediate results of a policy – but also its outcomes – *i.e.* benefits in participants' knowledge, attitudes and behaviours achieved by the policy. The question is how to deal with the potential trade-off between the need for meaningful information and the cost and complexity of collecting data. It is much easier to measure the number of training sessions provided on a code of conduct than to assess whether public officials are aware of the standards and values outlined in the code, as well as being able to properly identify ethical dilemmas and being committed to solve them according to stated standards.

Combining objective and subjective data

Considering the lack of relevant observable measures, most assessments tend to use perception as the primary source for assessment. But perceptions are not precise measures of reality. In a highly politicised environment they might be significantly distorted, and consequently inaccurate. Objective and subjective data need to be combined in order to maximise the reliability of assessment findings. Objective data is based on observable facts whereas subjective data is based on perceptions, attitudes and feelings. For instance, when assessing the effectiveness of public interest disclosure (also known as "whistleblowing"), a public organisation will collect objective data (*e.g.* existence of institutional guarantees, number of complaints and cases investigated, number of public officials sanctioned, etc.). In addition, it will need to collect subjective data to assess whether employees are aware of the procedure, whether they feel confident using it (*e.g.* it provides sufficient protection for whistleblowers and former cases have been handled in an appropriate manner) and are committed to use it in the future.

Challenge 3: How to ensure impact?

Integrating results into the policy cycle

An assessment report relegated to gather dust on a shelf will not lead to improved policy design and management. If reaching credible and useful conclusions may seem like an end in itself, it is similarly important to ensure that assessment results are properly communicated to policy makers in charge of formulating and implementing a policy and actually used in the

policy cycle. Relevant assessment results presented in a clear and concise way provide a usable and useful source for informed decisions.

Ensuring an active follow-up

An active follow-up reminds intended users of the planned use of assessment results. Follow-up actions could range from *ad hoc* measures such as trainings using the results of assessment to more institutionalised follow-ups. For instance, mandatory responses from public officials within a limited time frame or follow-up reviews (*e.g.* in the form of a verification audit) support the integration of assessment findings in policy making, verify timely implementation, and keep public officials accountable for their actions.

Using assessment results in a broader performance framework

Furthermore, some OECD governments have been integrating assessment results into a broader assessment framework to foster accountability. For instance, public organisations have defined standards of integrity for public officials with stakeholders and hold them accountable against these standards in their performance reviews. Introducing performance-related pay provides an incentive to link the progress towards and achievement of these standards with a financial reward.

Communicating findings to a wider audience

Assessment findings are primarily targeted at policy makers and managers but will also need to be communicated to a wider audience such as stakeholders and society at large. Assessment findings should therefore be placed in the public domain in order to raise awareness, contribute to the public debate and foster accountability. For instance, publicising assessment results of public organisations through mass media generates pressures on low-ranked organisations to initiate efforts to improve their anti-corruption programmes. Assessment represents one of the few checks on the power wielded by government and keeps public officials accountable for their actions.

What next?

A roadmap for developing benchmarks

For public organisations, the report, in particular the Assessment Framework, provides a roadmap to develop assessment methodologies. Application of the Assessment Framework in specific policy areas could support the collection of comparable data that would help monitoring progress over time and between different public organisations and across sectors.

Reviewing the implementation of the 2003 OECD Recommendation

For the OECD Secretariat, the Assessment Framework will support the review of the implementation of the 2003 *OECD Recommendation on Guidelines for Managing Conflict of Interest in the Public Service* and the preparation of the progress report requested by the Council for 2006.

Enriching policy dialogue with non-member countries

For non-member countries, the development of the Assessment Framework brings a new aspect into the policy dialogue world wide. It responds to the emerging need to enable policy makers and managers assess whether and how integrity and corruption prevention measures have been implemented in practice. As corruption is a global phenomenon, sharing experience on policy assessment with non-member countries is a crucial component in preventing corruption and promoting integrity.

ISBN 92-64-01059-9
Public Sector Integrity – A Framework for Assessment
© OECD 2005

PART I

Integrity and Corruption Prevention Measures in the Public Service: Towards an Assessment Framework

by

Elodie Beth and János Bertók*

Governments in OECD countries are increasingly expected to provide evidence in order to verify policy effectiveness, give directions for policy adjustment and show progress made in their efforts to promote integrity and prevent corruption. However, assessment in this field raises specific challenges, in particular the definition of a thorough and objective methodology that supports evidence-based policy making.

The generic Assessment Framework has been designed in close co-operation with leading experts in OECD countries in order to provide governments and public organisations with concrete guidance on how to assess measures for promoting integrity and preventing corruption.

The Assessment Framework is a roadmap for policy makers and practitioners to help them design and conduct sound assessments in specific public organisations and sector. It identifies approaches and fundamental conditions for assessing policy and practice as well as provides checklists, decision-making tools and options for methodologies to assess integrity and corruption prevention measures based on selected good practices.

* Elodie Beth, Administrator and János Bertók, Principal Administrator at the OECD Public Governance and Territorial Development Directorate.

Introduction

Good governance requires thorough assessment,[1] and measures promoting integrity and countering corruption are no exception. While OECD countries have put growing emphasis on improving their legal, institutional and procedural frameworks, only a few countries have actually assessed the implementation of the measures already in place and their impact. Governments increasingly need to verify whether integrity measures are achieving their objectives in order to foster a favourable economic, political and social environment for public trust.

Given the inherent complexity and substantially political nature of measures promoting integrity, values and high standards of conduct in the public service, assessment of integrity and corruption prevention policies presents particular challenges. A key challenge is how to identify the initial specific objectives of a policy beyond the political rhetoric. Another difficulty arises from the fact that corruption as a hidden phenomenon can be hard to measure or assess in a precise scientific way. The approach taken in the Assessment Framework is rather to focus on "the opposite" of corruption – *i.e.* integrity. Even if an assessment cannot fully encapsulate the level of integrity in an organisation, it can provide reasonable understanding of results and identify the strengths and weaknesses of specific policy instruments constructing a consistent "Ethics Infrastructure"[2] – the institutions, systems and mechanisms for promoting ethics and countering corruption in the public service.

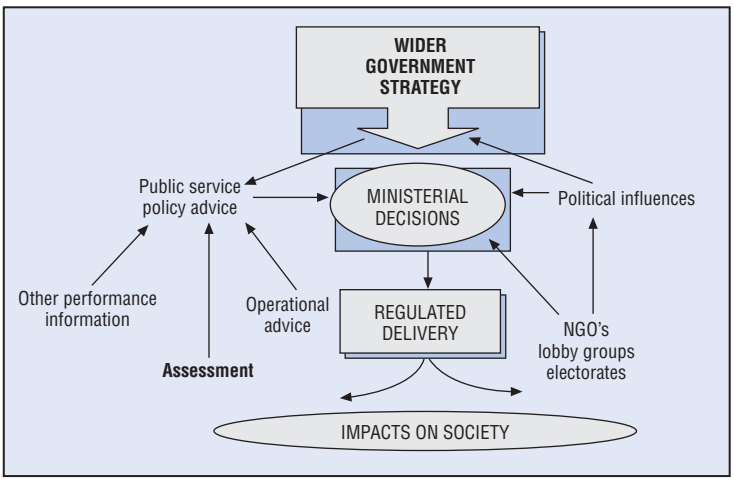
Although OECD countries are at different stages in the "assessment journey", developing relevant methodologies and practical tools for assessing the impact of integrity measures is a growing concern in all countries. The approach taken is to **provide policy makers and managers with a *roadmap* to design and organise an assessment that will capture and analyse relevant information for decision-making**. The generic assessment framework addresses in a systematic way the issues faced at different steps of the "assessment journey", and provides checklists and options for solutions highlighted with country examples.

What is an assessment framework?

Assessments of integrity and corruption prevention policies often emphasise distinct elements of a policy, rather than having a comprehensive approach that takes into account all elements of an integrity policy, and how they fit together. An assessment framework can help public institutions capture relevant information for decision-making and verify assumptions about the relationship between actions and results in a systematic way.

Decision-making environments are complex and decisions are influenced by multiple factors, assessment being one source of information. Therefore it is important to see the role of assessment in decision-making in the wider social, political and administrative context. The diagram below highlights how assessment is linked to the entire policy making and implementation process.

Figure I.1. **Assessment in the policy-making process**



Source: 29th session of the Public Governance Committee, 15-16 April 2004.

Informal approaches may be adequate for ongoing daily assessment of routine management procedures. However, defining assessment procedures that are explicit, formal, and justifiable through an assessment framework for policy makers becomes important in the following cases:

- Before making an important decision such as a change in policy direction.
- When dealing with a sensitive issue (*e.g.* introducing public interest disclosure procedures).
- If the assessment aims to impact significantly on organisational culture (*e.g.* redefinition of values, reform of a code of conduct).

Another type of formal assessment is performance assessment which is often achieved through strategic management, result oriented budgeting, and performance reporting and auditing. Performance assessments are often built in the daily management of an agency or a department in order to assess the performance of public officials and organisations. If policy assessment and performance assessment have different focuses, the approaches are complementary to foster accountability in the public service.

The Assessment Framework includes both **procedural steps** and **criteria** for effective assessment of integrity and corruption prevention measures. If

procedural steps can be easily identified, the difficulty often lies with the definition of explicit criteria to assess integrity and corruption prevention measures. The Assessment Framework identifies the challenges policy makers and managers face at each step of the assessment process and provides them with a set of criteria to help assess integrity and corruption prevention measures.

Identifying key procedural steps

The design of an assessment involves five main procedural steps:

Step 1. **Defining the purpose**
Why assess?

Step 2. **Selecting the subject**
What to assess?

Step 3. **Planning and organising the assessment**
Who will assess?

Step 4. **Agreeing on methodology**
How to assess?

Step 5. **Ensuring impact**
How to integrate assessment results into the policy cycle?

This indicative sequencing provides a logical framework for conducting assessments, although these steps are not necessarily followed and/or could be carried out at the same time in practice.

Determining criteria for assessment

A clear set of criteria allows decision-makers to develop a consistent and comprehensive approach to assessment. Using explicit criteria distinguishes assessment from other approaches to strategic management in which priorities are set without reference to exact decisive factors. A rigorous assessment considers several aspects of policy measures, such as:

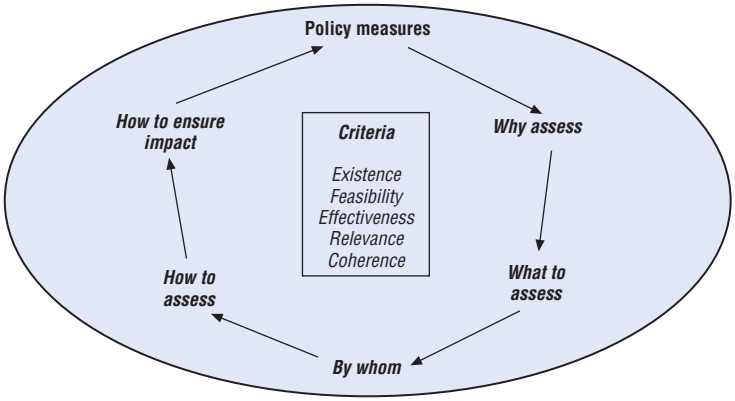
Table I.1. **Determining criteria for assessment: A checklist**

QUESTIONS	CRITERIA
Are integrity policy instruments (*e.g.* legal provisions, code of conduct, institutions, procedures) in place?	Formal **existence** of components of policy instruments.
Are integrity policy instruments capable of functioning as intended (realistic expectations, resources and conditions)?	**Feasibility** of specific policy instruments.
Did the integrity policy instrument achieve its specific initial objective(s)?	**Effectiveness** of specific policy instruments.
How significantly have policy instruments contributed to meeting stakeholders' overall expectations (*e.g.* actual impact on daily behaviour)?	**Relevance**, the extent to which specific policy instruments and actions contribute to meeting stakeholders' overall expectations.
Do the various elements of integrity policy coherently interact and enforce each other, and collectively support the overall aims of integrity policy?	**Coherence** of policy instruments, and their relationship with other elements of the policy.

Designing an assessment framework

The following graph illustrates how the generic Assessment Framework combines procedural steps and criteria.

Figure I.2. **Procedural steps and criteria for assessing integrity and corruption prevention measures**



If assessment is to be fully supportive and integrated in the decision-making process, policy makers and managers need to ensure that the generic Assessment Framework is properly applied to take into account the particular context of the assessment. An applied assessment framework responds to specific needs through tailored assessment criteria. **Criteria** can be defined both in relation to the context and the assessment process, so that they are:

- **Sufficiently specific** – reflecting the specific *purpose* and the *context* of the assessment.
- **Transparently constructed** – *involving stakeholders* in the assessment process, consulting them on the procedural steps and the development of specific criteria; ensuring that the assessment process reflect the views of stakeholders and could properly encapsulate their feedback to provide a multifaceted source for forming balanced judgments on policy implementation and its impact.

Setting criteria plays a central role in the entire assessment process, particularly in:

- **Selecting the subject of assessment** – by determining the type of observable data to be collected for analysis. For instance, is the assessment trying to assess the formal existence or implementation of instruments (such as laws and code of conduct) or their coherence with other elements of the integrity policy?

- **Measuring the gap between the initial objectives of a policy and its results** – the criteria will be operationalised in the form of concrete observable measures/indicators for assessing the implementation and impact of integrity and corruption policies (for example, awareness and proper understanding of new rules, code, etc. and level of compliance). They represent a baseline for tracking changes/improvements.

The graph in Annex I.A2 summarises these two main roles of criteria in the generic assessment framework.

Notes

1. Assessment can be defined as an effort to collect and analyse information about essential aspects of policy measures, with the purpose of measuring whether the policy achieved its intended goals (see also chapter Annex I.D for glossary).
2. A short description of the elements and functions of the "**Ethics Infrastructure**" can be found in Step 2 of the Assessment Framework.

ISBN 92-64-01059-9
Public Sector Integrity – A Framework for Assessment
© OECD 2005

PART I

Step 1

Defining the purpose: Why Assess integrity and corruption prevention measures?

An effective assessment has a clear defined purpose that reflects both its overall aims and specific objectives.[1]

Context matters

While OECD countries have put growing emphasis on improving their legal, institutional, procedural and management frameworks, less attention has been paid to assessing the implementation of the measures already in place and their impact. As a consequence, the main focus of the Assessment Framework is on *ex post* assessments,[2] which are carried out when the policy has been completed to study its effectiveness and judge its overall value.

The context of the assessment, especially the political circumstances, is essential in determining the purpose of the assessment. Although it is preferable that assessments are pro active and forward looking, in practice they are very often undertaken in response to specific political circumstances (*e.g.* to identify the underlying reasons for a recent scandal). Assessments might also be used to justify either resources or financial and political decisions already made. Taking into account the political circumstances of the assessment is essential in order to build an assessment framework that captures all relevant information for decision making and ensures that results are used for the purposes that were agreed on.

Integrity and corruption prevention is a highly sensitive field that draws a lot of media attention and has a significant impact on public perceptions. For instance, a widely publicised scandal could drive up corruption perception index even while serious efforts are being made to develop and strengthen integrity measures. This example underlines the necessity to combine subjective and objective data in order to provide factual evidence of the actual overall results of integrity policy measures. Evidently, the planning phase of an assessment should also take into account all relevant contextual factors.

Defining overall aims of assessment

Assessing measures for promoting integrity and preventing corruption is a technical exercise but the reason for doing it is profoundly political. Assessment makes it possible for public officials and governments to demonstrate whether they achieve agreed policy objectives and contribute to outcomes that matter to their managers and to citizens.

Two overall aims for assessing integrity and corruption prevention measures can be identified:

Organisational learning

Assessment is a key feedback mechanism on the outcomes and consequences of government actions that enables learning and sharing experiences through knowledge management within an organisation and across the whole administration. It aims to understand the outcomes and consequences of government actions, and draw lessons to support systemic adjustment.

Assessment gives a better **understanding** of:

a) Why targets and outcomes are, or are not, being achieved.

b) What the unexpected outcomes of government actions are.

c) Underlying assumptions of integrity policies – it verifies whether certain variables have an impact on the level of corruption.

Assessment supports systemic **adjustment** (*e.g.* by identifying strengths and weaknesses of policies, loopholes, vulnerable areas) through a feedback loop on specific policy measures, and even individual actions in order to improve performance, management and operations.

Assessment can provide a key **forward-looking instrument** for organisational learning by documenting experiences, making the most of specific isolated experiences through sharing and creating an accumulated knowledge as well as supporting future decision-making with comprehensive understanding of assumptions and baselines.

Control and accountability

In addition, assessment aims to verify whether objectives were reached and to enhance the legitimacy of decisions as perceived within the government and among society at large.

Internal control

a) Appraise the implementation of integrity policy instruments and verify their results.

b) Justify decisions made.

External accountability

a) Demonstrate the impacts of government actions.

b) Enhance legitimacy of decisions in order to build trust.

Box I.1. **Overall aims of assessment: Country experiences**

Recent experience illustrates how assessments may seek to achieve different overall aims:

- **Building and sustaining trust in public institutions**

The Integrity Perception Index developed by the Korea Independent Commission Against Corruption (KICAC) serves as a barometer based on the actual experiences of public service users.

In the same way, the "Values in Agencies Project" overarching aim was to help maintain public trust and confidence in a professional Australian Public Service (APS). Its specific objectives were to evaluate the extent to which the Australian Public Service Values and Code of Conduct were being embedded into agencies, and to share good practice by producing a guide for APS-wide use. It was the first targeted, issues-based evaluation project conducted by the APS Commission as part of an increased focus on evaluation and quality assurance.

- **Demonstrating that the State acts as a model employer**

A recent survey in Finland produced evidence on how stated values and principles of the State's personnel policy were integrated in the daily practice.

- **Understanding the corruption phenomenon**

In order to understand the mechanisms for facilitating corruption, the Supreme Chamber of Control in Poland has been assessing the potential vulnerabilities of integrity and corruption prevention mechanisms since 2000. In 2003, the Czech Republic also conducted a risk assessment of its civic application system for Land Registry in order to identify risk factors and adjust its preventative system accordingly.

Source: Country fact sheets prepared by participating countries for the OECD Symposium on How to Assess Measures for Promoting Integrity and Preventing Corruption in the Public Service, 9-10 September 2004.

Defining specific objectives of policy measures

Once the overall aim and context of the assessment has been clarified, policy makers and managers should also make clear the specific objectives of the examined policy measures, and what they were trying to accomplish. If policy makers and managers want to ensure that assessment is relevant for policy making, the results of policy measures should be assessed against the **original purposes** and **targets**.

Considering that policies in the field of public governance often have **multiple objectives**, there might be room for ambiguity about what constitutes "the specific objectives" of the examined policy measure.

Objectives might also be in competition or even in conflict with each another, which makes it difficult to determine which objectives are dominant.

Furthermore, the difficulty in the field of integrity and corruption prevention could be to identify the actual specific objectives of the policy to be assessed **beyond the political rhetoric**. There could be a "hidden agenda" beyond the publicly stated objectives. Political rhetoric is often used in the fight against corruption in view of the prominent role of the media in highlighting corruption scandals and their impact on public trust.

Notes

1. The initial objectives of the policy assessed – the baseline against which results of policies can be assessed.
2. An important distinction can be made between *ex post* assessment and *ex-ante* appraisal. *Ex post* assessments are carried out when the policy has been completed to study its effectiveness and judge its overall value in order to support decision making - both policy and managerial - or enhance accountability. *Ex ante* appraisals are undertaken at the planning stage to examine possible options and weigh up their costs and benefits before a policy is decided upon. *Ex ante* appraisal can be followed by in-process assessment that takes place during the implementation of the policy - intermediate assessment - to contribute to a learning process by gaining insights for adjustment.

ISBN 92-64-01059-9
Public Sector Integrity – A Framework for Assessment
© OECD 2005

PART I

Step 2

Selecting the subject: What do decision-makers want to assess?

Assessment can be defined as an effort to collect and analyse information about important aspects of a policy, with the purpose of determining whether policy measures have achieved their intended goals. It is about assessing complex programmes, particular policy instruments as well as specific actions.[1]

Selecting the subject of assessment: Challenges and approaches

Assessment of integrity and corruption prevention policies in the public sector poses special challenges for policy makers and managers. Corruption is typically a **hidden phenomenon** and therefore it is hard to measure or assess in a precise scientific way. Objective assessment data might only reveal the "**tip of the iceberg**", the visible failure of systems.

The approach taken in the Assessment Framework is rather to focus on the "opposite of corruption", *i.e.* integrity. Even if an assessment cannot fully encapsulate the level of integrity in an organisation, it can help identify the **strengths and weaknesses of specific policy instruments** constructing the institutional and procedural mechanisms for promoting integrity and preventing corruption.

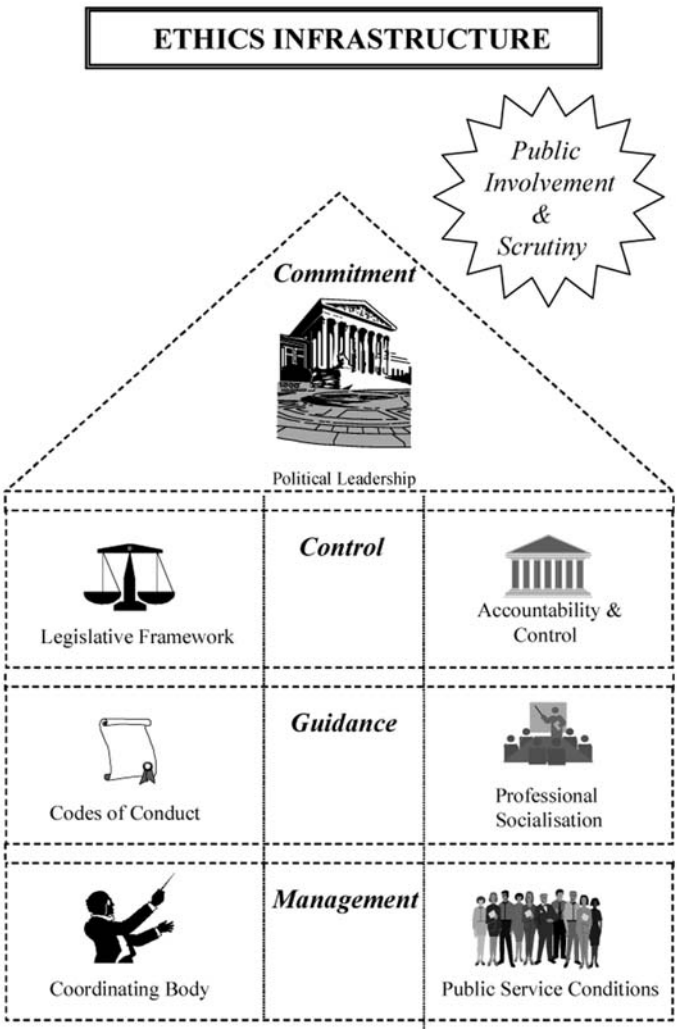
Assessing specific policy instruments of the Ethics Infrastructure

A well-functioning Ethics Infrastructure supports a public sector environment which encourages high standards of behaviour. Each function and element is a separate, important building block, but the individual elements should be complementary and mutually reinforcing. The elements interact to achieve the necessary synergy to become a coherent and integrated infrastructure. The elements can be categorised according to the main functions they serve – guidance, management and control – noting that different elements may serve more than one function:

Guidance is provided by strong commitment from leadership; statements of values and standards of conduct such as codes of conduct; and professional socialisation activities such as education, training and counselling to raise awareness and develop skills for application of laws and standards in the daily work.

Management policies and practices create public service conditions that ensure fair and impartial selection, promotion and remuneration, as well as contribute to social respect. A special dedicated body or existing central

Figure I.3. **The Ethics Infrastructure**



Source: OECD (1996), *Public Management Occasional Papers* No. 14, *Ethics in the Public Service: Current Issues and Practices*, page 26.

management agency is often in charge of the systemic co-ordination in order to ensure consistency of combination of separate actions and their constant integration into the overall public administration.

Control is assured primarily through an effective legal framework that sets basic standards of behaviour for public officials, and enforces them through effective accountability mechanisms, such as internal control and external audit; transparency mechanisms providing access to public information, facilitating

public involvement and scrutiny; as well as arrangements for independent investigation and prosecution.

The ideal mix and degree of these functions will depend on the cultural and political-administrative milieu of each country. The following chart shows the relationship between the functions and the elements of the Ethics Infrastructure. Further explanation on these elements with country illustrations is provided in Annex I.A1.

Defining the scope of assessment

Depending on the overall approach of the assessment project and the stage at which the public organisation is in the "assessment journey", the assessment may focus on separate specific measures, their interaction and contribution to the overall aim of the policy:

- Risks – analysing risks and reviewing vulnerable areas susceptible to corruption.
- Specific policy instruments – assessing separate integrity measures.
- Complex programmes – examining the interaction of policy measures.
- Elements of the organisational culture – reviewing values, attitudes, behaviours and specific actions of public officials.

While traditional assessments have mainly focused on verifying the existence of selected tools such as laws, codes of conduct, administrative procedures, and assessing risk areas, some countries have developed a more holistic approach to assess the implementation of programmes and their actual impacts:

- **Assessing existence of policy measures**

  This first step in assessment considers whether key instruments, such as laws, institutions and procedures are in place to form an "Ethics Infrastructure".

  This type of assessment, for example, has been used initially in the assessment of Central and Eastern European countries in their accession process to the European Union.[2] It has also been used to monitor the implementation of international conventions, such as the Phase one evaluation of the 1997 *OECD Convention on Combating Bribery* of Foreign Public Officials in International Business Transactions.[3]

- **Assessing feasibility**

  Another assessment approach is to determine whether a policy instrument is capable of functioning.

  One of the ways to assess the capacity of a tool is to assess risk factors or areas that might inhibit the law, institution or procedure from being effective. For instance, the Central Agency for Corruption Prevention, an

inter ministerial service reporting to the Minister of Justice in France, draws the attention of those working to combat corruption to high risk areas.

- **Assessing effectiveness**

  The central question would be: did the policy measures achieve their specific initial objectives?

  For example, Japan's recent assessment has examined how the Ethics Code was applied in central ministries, and how they have affected daily practices. Similarly, the Australian Public Service Commission's "Values in Agencies Project" identified the extent to which six APS agencies had integrated the APS Values and Code of Conduct into their culture, systems and procedures and their effectiveness in ensuring that APS employees understood and applied the APS Values and the Code.

- **Assessing relevance**

  The relevance of a policy measure seeks to verify to what extent it has been contributing to meeting stakeholders' overall expectations.

  In New Zealand, recognised expectations and standards are systematically reviewed as part of the broader assessment of ministry performance conducted by the State Services Commission.

- **Assessing coherence**

  This type of assessment focuses on reviewing the relationship of a particular policy measure with other elements of the policy in order to examine whether they coherently interact and enforce each other, and jointly support the overall aims of the policy.

  The "Integrity Project" in the New Zealand Customs Service crosschecked the key elements of an ethics infrastructure and developed two groups of aggregate indicators on "system" and "people" (see Box I.8).

Notes

1. Policy is used in the paper in a general way to refer to various elements of policy measures, including:

- Specific actions: distinct event or decision (*e.g.* a training seminar) to promote integrity and prevent corruption.
- Policy instrument: a single tool (*e.g.* a code of conduct) to promote integrity and prevent corruption.
- Programme: a collection of integrated tools to promote integrity and prevent corruption (*e.g.* code including core integrity standards, systems for financial disclosure reports, systematic training and counselling).

2. Further information on this initiative (Support for Improvement in Governance and Management a joint initiatives of the OECD and the European Union, principally financed by the EU) can be obtained on the following Web site at *www.sigmaweb.org*.

3. For further information on this initiative, please refer to the following Web site: *www.oecd.org/document/21/0,2340,en_2649_34855_2022613_1_1_1_1,00.html*.

ISBN 92-64-01059-9
Public Sector Integrity – A Framework for Assessment
© OECD 2005

PART I

Step 3

Planning and organising the assessment: Who will assess?

Weighing the advantages of internal and external assessment will help determine who will conduct the assessment. The assessor will then decide on the forms and extent of involving stakeholders in the assessment process and define a budget accordingly.

Assessment: Internal or external?

A fundamental issue is to clarify who takes institutional responsibility for assessing integrity and corruption prevention measures. The planning and the organisation of the assessment could be driven by a central institution in charge of the overall policy, or shared and agreed by organisations with responsibilities for designing and implementing measures for promoting integrity and preventing corruption. This is all the more difficult considering that only half of the OECD countries reported in 2000 having a co-ordinating institution for integrity and corruption prevention policies at a national level.

There are good reasons to undertake an assessment building on internal resources. If the overall aim of the assessment is to maximise learning, it might be preferable to use internal assessment. It is a way to build a culture of assessment internally that fully integrates assessment as an integral step in the policy cycle in order to give regular feedback on actions taken.

Box I.2. **Assessment by supreme audit institutions: Canada**

The Auditor General of Canada regularly reviews values and ethics issues in the federal public sector. Her recent report includes a chapter on "Accountability and Ethics in Government" (Chapter 2 of the November 2003 report that can be accessed at *www.oag-bvg.gc.ca/domino/reports.nsf/html/20031102ce.html#ch2hd3a*), while previous reports also examined ethics in public institutions at the federal level (for example Chapter 12 of the 2000 report on Values and Ethics in the Federal Public Sector).

In addition, State auditor generals review ethics at the sub-national level administrations. For example the 2001 Report of the Auditor General of Quebec reviews ethics in public institutions in Quebec (the report can be consulted at *www.vgq.gouv.qc.ca/publications/rapp_2001_1/Faits/Index.html*).

Source: Office of the Auditor General of Canada, *www.oag-bvg.gc.ca*; and Auditor General of Quebec, *www.vgq.gouv.qc.ca*.

On the contrary, if the main overall aim of the assessment is to control and keep public officials accountable to the society at large, an independent – external – assessment might have more weight and would foster the legitimacy of the assessment findings. An increasing number of assessments have been undertaken in recent years by independent institutions, such as the Auditor General of Canada.

It could be less costly and time-consuming to use an external assessor if the organisation does not have the necessary internal capacities. Involving independent experts and civil society representatives in programme reviews is an emerging trend in OECD countries, as the Australian and Korean experiences show in the following box.

Box I.3. **Involving academic institutions in assessment: Australia and Korea**

Academic research institutions and think-tanks can play a crucial role in developing new creative methodologies for assessment. The Seoul Institute of Transparency has developed complex indicators both for central government organisations and the Seoul Metropolitan Government. In Australia, the National Integrity System Assessment was developed in co-operation with the Key Centre for Ethics, Law, Justice and Governance at the Griffith University, Brisbane, to evaluate the capacity and coherence of the integrity system as well as their impacts or consequences.

Source: OECD, details on the survey methodologies developed in Korea and Australia can be found in Part III on specific country experiences.

Assessment of integrity measures is an evolving field, so an investment in assessment capacity also entails substantial follow-up costs in human resource development to keep up to date with methodological and conceptual advances. The advantages and drawbacks of the two approaches are summarised in the Table I.2.

Combining both approaches

In many organisations, assessments are traditionally done by external experts. There is a resistance to let those engaged in projects – not to mention those who benefit from the projects – also evaluate. Nevertheless, combining both internal and external assessment could be another option. For instance, an internal staff member conducts the assessment, and an external consultant assists with the technical aspects of the assessment and helps gather relevant information. With this combination, the assessment can provide an external viewpoint and quality check without losing the benefit of the internal evaluator's first-hand knowledge of the project.

Table I.2. **Internal and external assessment: What is the advantage?**

	Internal assessment	External/Independent assessment
Advantages	Maximises learning	Usually has assessment competence
	Findings can be put to use immediately	Creates legitimacy
	Benefits stay in project	Usually faster
	Can be adjusted according to new needs and new findings	Can be subject to competitive bidding (may be less costly)
		Brings new perspectives
Disadvantages	Can hide unpleasant findings	Can be irrelevant
	Often low competence on methods	Mostly evaluator who learns
	Takes more time	Less ownership by stakeholders
	Necessitates commitment	Gap to decision-makers
		Difficult to change the process

Source: Based on the chapter by Kim Forss featured the in OECD report on *Evaluating Public Participation in Policy Making*, 2005.

Box I.4. **Combining internal and external assessment: The examples of Australia and Finland**

An increasing number of assessments involve independent experts and civil society representatives in programme reviews. For instance, private sector consultancy firms and research firms have been involved in conducting surveys during the Commonwealth's employee survey in Australia that provided evidence on the application of values for the 2002-2003 State of the Service Report of the Australian Public Service Commissioner.

In the same way, the assessment in Finland of the 2001 Government Decision in Principle on State Personnel Policy Line was designed in 2004 by an external consultant who was assisted in his work by a group of public servants.

Source: Further details on the experiences of Australia and Finland can be found in Part III.

Choosing a suitable approach

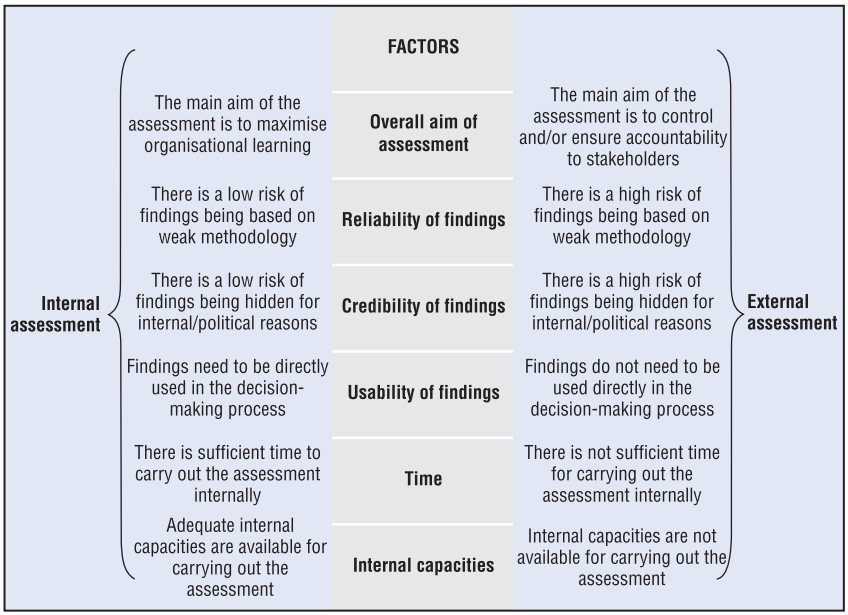
The choice between internal and external assessment is largely influenced by the political and administrative contexts but might also be determined by legal requirements. Policy makers and managers could consider the following set of questions when deciding whether or not to resort to an external assessor:

Box I.5. **Checklist for internal assessment**

- What is the overall aim of the assessment?
- Is there enough competence internally to ensure the reliability of findings?
- Will findings be credible if the assessment is carried out internally?
- Is there a need for directly using findings in the decision-making process?
- Is there sufficient time to carry out the assessment internally?
- Are adequate internal capacities and resources available (*e.g.* people, cost of training) for carrying out the assessment?

The following graph helps policy makers weigh up the options to choose between internal and external assessment considering the following key factors.

Figure I.4. **Decision-making tool: Key factors to consider when choosing between internal and external assessment**



Involving stakeholders in the process

Consultations, networking and co-operation are time and resource intensive, so it is important to find out the benefits of involving external stakeholders and determine to what extent they can be involved.

Weighing advantages and drawbacks

The decision will reflect the balance between the importance of involving external stakeholders, and the constraints around the project, the most common being confidentiality, timelines and budget. The principal advantage of participatory evaluation is that it raises the likelihood that the outcome of the evaluation will be accepted as relevant and will therefore be used as a basis for future actions.

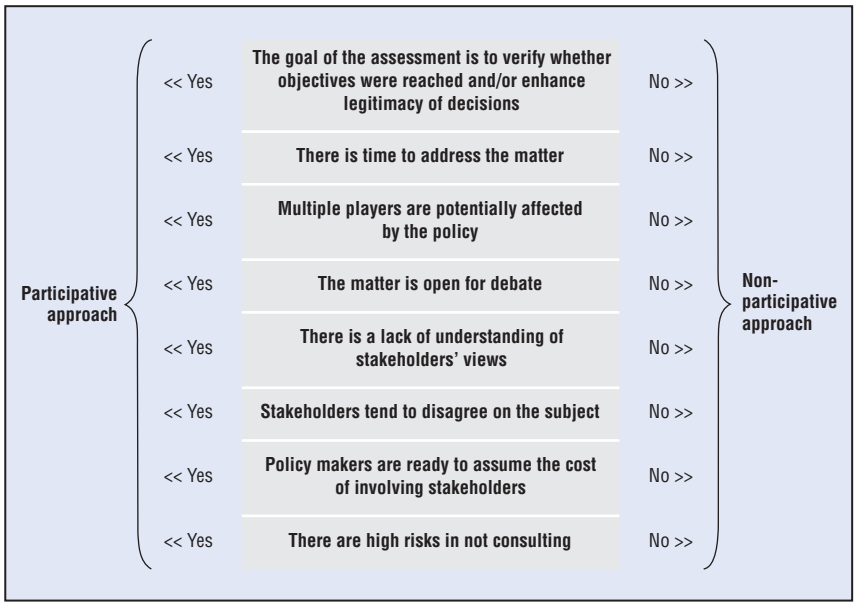
Consulting the political level

The involvement of external stakeholders in the assessment might be of high interest to the political level, and arrangements for such an involvement need to be managed with the knowledge and confidence of politicians. This will avoid any suggestion of manipulating outcomes or of running inappropriate political risks, and it also recognises that governments are increasingly seeking advice directly from outside the bureaucracy.

Selecting the issues to be addressed with stakeholders

The involvement of external stakeholders is complex and involves balancing a range of interests. It is essential to understand that not all issues

Figure I.5. **Decision-making tool: Involving external stakeholders or not**



Source: Developed on the basis of a similar tool in Connecting Government, Whole of Government's responses to Australia's Priority Challenges, 2004.

are quickly resolved – it depends on the imperative and importance of the issue to the government. Balancing **complexity** with the **imperative to act** can be used as a guide to assess the likelihood of moving particular issues forward, as shown in the table in Annex I.A3.

Finding the right form of involvement

Involvement of external stakeholders might take different forms depending on the subject matter and interests, the approaches and organisation represented. The actual involvement of stakeholders might include a combination of the following possible forms:

- Provision of information.
- Undertaking market research.
- Client satisfaction surveys.
- Formal consultations.
- Use of advisory groups.
- Engaging with key stakeholders on taskforces.

Planning the timing

The usability of the assessment will also depend on its proper **timing**. An assessment that is conducted too early may find no evidence produced by the policy. Assessment results might also come in too late if the important decisions have been taken and the policy can hardly be changed. It is therefore essential that the actual organisation of the assessment is closely co-ordinated with relevant decision-makers, and it is ensured in the preparation that assessments are planned to properly feed into the policy cycle.

Budgeting for an assessment

Conducting an assessment requires an organisation to invest valuable resources, including time and money. The benefits of a well-planned, carefully conducted assessment outweigh its costs. Generally, an assessment costs around 5 per cent of the budget of an activity being evaluated. Although specific pieces of the assessment budget might be revised in the course of the assessment process, the budget for an assessment is preferably defined in the initial planning phase.

Box I.6. **Checklist: Developing an assessment budget**

Worthen and Sanders* provide a useful framework for developing an assessment budget. The categories of their framework include:

1. **Staff salary and benefits** – The amount of time staff members must spend on assessment and the level of expertise needed to perform particular assessment tasks will affect costs.
2. **Consultants** – Consultants can provide special expertise and/or different perspectives throughout the process of assessment to assist the staff in conducting the assessment.
3. **Travel** – Projects located far from their evaluators or projects with multiple sites in different parts of the country may need a large travel budget.
4. **Communications** – This includes costs for IT connections, postage, telephone calls, etc.
5. **Printing and duplication** – These costs cover preparation of data collection instruments, reports, and any other documents.
6. **Printed materials** – This category includes the costs of acquiring data collection instruments and library materials.
7. **Supplies and equipment** – This category covers the costs of specific supplies and equipment (*e.g.* computers, packaged software) that must be purchased or rented for the assessment.

* Worthen, B. and Sanders, J. (1987). Educational Evaluation. London; Longman.

Source: Evaluation Handbook, W.K. Kellogg Foundation, 1998. *www.WKKF.org/*.

ISBN 92-64-01059-9
Public Sector Integrity – A Framework for Assessment
© OECD 2005

PART I

Step 4

Agreeing on methodology: How to assess

Developing a reliable methodology: Challenges and possible solutions

Public organisations face difficulties with identifying relevant observable measures that contribute to building a credible and reliable assessment. For instance, most assessment methods today use perception as a primary source for assessment. But perceptions are not precise, accurate measures of reality and in a highly politicised environment, they may be particularly distorted.

Reaching agreement on a reliable methodology is probably the most challenging part of any assessment of integrity and corruption prevention measures. The following steps could support the development of an adequate methodology:

- Designing a logical model with a set of intermediate steps that make the link between outputs and ultimate outcome.
- Deriving, if possible, a set of observable measures/indicators to analyse outputs and intermediate outcomes of the policy.
- Identifying what information is needed and determining the method for collecting data according to the needs and context.

Designing a logical model

Drafting an assessment plan requires close co-ordination within the assessment team and co-operation with stakeholders. A central concern at this stage is to determine **what questions are to be answered**. An effective way to narrow the possible field of assessment questions is through the development of a logical model. A logical model describes how the policy works and helps evaluators to focus on key aspects of the policy. Frequently, a professional evaluator is charged with developing a logical model, although one that is developed with the involvement of stakeholders – such as staff, participants representing recipients of public services – might produce more opportunities for organisational learning.

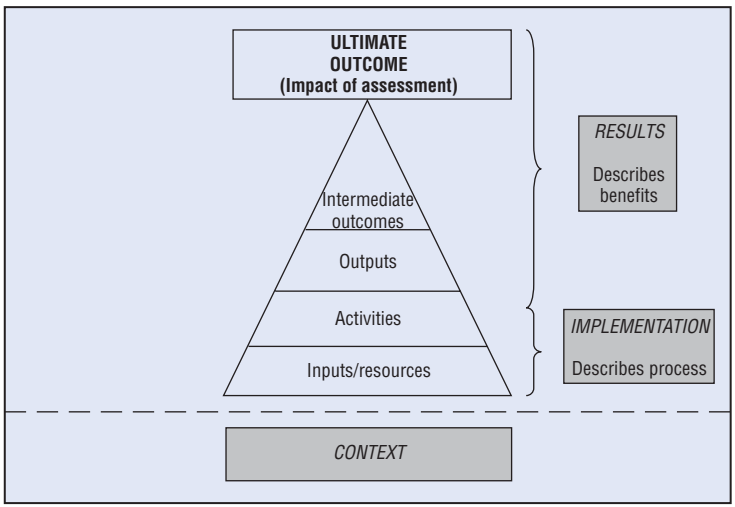
The logical model describes **what the policy intends to achieve and the steps through which the policy is supposed to achieve its objectives**. This requires a comprehensive understanding of the essential elements of an integrity and corruption prevention policy. A difficult step in the assessment process is to break up the policy measures, conceptually, into its constituent parts in order to validate progress towards the ultimate outcome of the policy.

The logical model ties together, in a consistent way, the relevant inputs, activities, outputs and outcomes from the perspective of a particular policy:

- **Inputs** are typically resources – both human capacities and financial resources – that are required to formulate and implement the policy (*e.g.* number of public officials in an anti-corruption agency, budget in hand etc).
- **Activities** make use of processes, tools, events, technology and actions as an intentional part of the policy development and implementation (*e.g.* number of training courses).
- **Outputs** are tangible, immediate, and intended products or consequences of an activity that the policy makes available to a target group (such as personnel trained, institution established or procedure introduced).
- **Intermediate outcomes** are usually benefits or changes in participants' knowledge, attitudes, values, skills, behaviour, condition or status as a result of the policy (*e.g.* civil servants' awareness of a code, proper understanding, and commitment to comply).
- **The ultimate outcome** is an organisational or system level change as the overall impact produced by the policy (*e.g.* increased number of identified potential conflict-of-interest situations, increased level of trust).

A clear logical model illustrates the **purpose** and **subject** of the policy assessed and makes it easier to develop meaningful assessment questions from a variety of vantage points: **context, implementation and results** (which include outputs, intermediate outcomes and ultimate outcomes).

Figure I.6. **Logical model**



Determining outcomes and causality: A key challenge

When defining the ultimate outcome of the policy, the following question could be asked: how was the policy intended to **make a difference**, *e.g.* whether it aimed at changing the behaviour of public officials or at reinforcing public trust. A key challenge in the assessment process is to determine the actual outcomes produced by the policy and establish an accurate correlation between inputs, outputs and outcomes. Based on data collected, an assessment provides evidence for explaining the factors and conditions for success or failure of policy measures. It can also highlight discrepancies between intended and actual results, and prove or disprove causalities.

Taking into consideration all relevant factors that could have a potential impact on the ultimate outcome is a critical step in the process. In the case of the reform of a code of conduct, for example, one of the ultimate outcomes is to foster people's trust in the public service. But how to weigh up the contribution of a code of conduct if trust in the public service increased one year after the reform: would it be accurate to attribute this positive change purely to the reform? Conversely, if trust had decreased, would this lead to the conclusion that the reform was ineffective? Many other critical factors might have also influenced the level of public trust during the observed period of time, including other policy instruments and external factors. For instance, a widely publicised scandal could have greater impact on the level of trust (ultimate outcome) although the reform of the code had already shown good intermediary results.

The decision to select the ultimate outcome requires a careful consideration of relevant factors, such as:

- **Sufficient timeframe** – The long-term outcome must be far enough out on the chain to **capture noteworthy change** for participants and reflect the full extent of the policy's benefits for them. This raises the question of the timing of the assessment. An assessment that is conducted too early may find that the policy has not led yet to visible results.
- **Proved correlation** – On the other hand, the ultimate outcome should not be too far out on the chain that the policy's influence is washed out by other factors. It must be reasonable to believe that **the policy can influence the ultimate outcome in a significant way**, even though it cannot control it.

The following set of criteria support a consistent and comprehensive approach to address key aspects of ultimate outcomes:

- **Effectiveness** of policy measures: over the assessed period of time, what have been the changes/improvements towards the ultimate outcome?
- **Relevance** of policy measures: to what extent did they meet stakeholders' expectations?

- **Coherence** of policy: how do various measures interact and enforce each other to consistently achieve the ultimate outcome?

Breaking down the elements of a policy

The logical model indicates baseline assumptions on which policies are founded. Developing a logical model provides a systematic way to break down the various elements of a policy in order to facilitate their assessment. The following box lists questions to guide assessors in designing a logical model.

Box I.7. **Designing a logical model: A checklist**

- What were the declared ultimate outcomes that the measures were aiming at (such as increasing public trust, improving organisational learning, decreasing number of actual conflict-of-interest cases)?
- What were the intermediate outcomes that the reform intended to achieve (*e.g.* key changes such as raising civil servants' awareness and understanding, improved monitoring)?
- What were the main outputs (immediate results such as personnel trained, information provided)?
- What were the main activities that were conducted to address the problem (actions taken such as number of training courses, promotional activities, communication)?
- What were the inputs (human and financial resources, etc.)?

Context: how did the policy function within the economic, social, political and administrative environment (*e.g.* budgetary constrains, modified legal framework, recent scandal, etc.)?

Deriving a set of possible observable measures to analyse outputs and intermediate outcomes of the policy

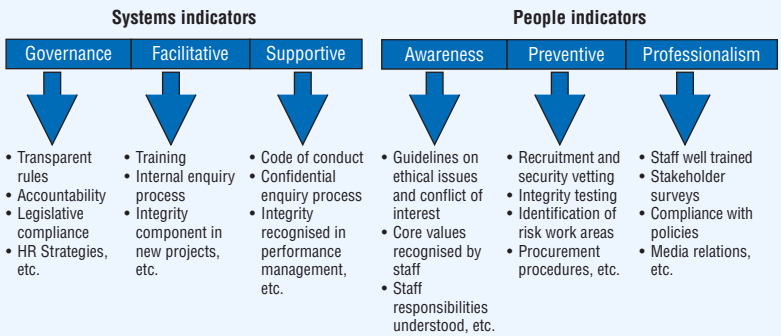
Clarifying the policy goals and baseline assumptions in the "logical model" provides a basis for developing a set of assessment measures or even indicators. **For each outcome, the assessor specifies what observable measures, or indicators, demonstrate that the key outcome has been achieved**. If this step is often enlightening, it can be difficult to move from a rather intangible concept to specific activities.

Taking stock of available information – both quantitative and qualitative – is the first step before developing credible and well-analysed observable measures that substantively capture and document changes. In the course of

designing indicators, assessors frequently face the hard reality that the effectiveness of most public policies cannot be directly measured (*e.g.* level of corruption). This discrepancy between what is expected to be measured and what can be measured imposes severe limits on the methodology and often leads to trade-offs.

Box I.8. **Deriving a set of indicators: The experience of New Zealand**

A variety of stakeholders were involved in the New Zealand "Integrity Project" for the Customs Service in 2000 in order to identify expectations of behaviour and standards. As a result of this consultation, standards have been classified under two groups of indicators: systems indicators and people indicators.



For instance, one of the identified indicators is the ongoing security vetting checks for staff. The first evaluation in 2002 assessed whether:

- All managers and team leaders are provided with training in identifying possible indicators of corruption, and staff members are made aware of what these indicators are (Systems – facilitative indicator).
- Vigorous and practical security vetting procedures are applied for recruits, to identify those who would be undesirable staff members. This process includes the use of standardised prerequisite questions on values and integrity measures for all initial job interviews (People – preventive indicator).

The 2002 evaluation showed that only 25% of Customs employees had been checked. Two years later, the same evaluation was conducted and the system was in place and operating effectively.

Source: OECD Symposium on How to Assess Measures for Promoting Integrity and Preventing Corruption Measures in the Public Service, 9-10 September 2004.

Box I.9. **Developing observable measures: The example of the Office of Government Ethics in the United States**

As part of its oversight responsibilities, the US Office of Government Ethics (OGE) conducts an Employee Ethics Survey. The purpose of the survey is to assess the effectiveness of executive branch agency ethics programmes and agencies' ethical climate from the employees' perspective. The survey is one of several methods used by OGE to assess the effectiveness of agency ethics programmes. The survey uses a number of key measurement dimensions to assess agency ethics programmes including programme awareness, employee perception of programme effectiveness and ethical culture indicators.

Programme Awareness is an important measure because one of the primary ethics programme objectives is to promote awareness of ethics issues and to encourage employees to seek advice when faced with ethics questions. This measure assesses:

- familiarity with the rules of ethical conduct; and
- awareness of ethics officials in the agency.

The **Programme Effectiveness** measure provides an overall assessment of the value perceived by employees with respect to the executive branch ethics programme at their agency. This measure assesses:

- The usefulness of the rules of ethical conduct in guiding decisions and conduct.
- The helpfulness of resources consulted when ethics issues arise.
- Reasons for not seeking advice and, if advice was sought, for not seeking advice from ethics officials.
- The helpfulness of resources consulted when financial disclosure reporting questions arise.
- Reasons for not seeking help in completing a financial disclosure report, if help was needed.
- The frequency of employee ethics education and training.
- The usefulness of education and training in making employees aware of ethics issues and in guiding decisions and conduct in connection with their work.
- Familiarity with specific ethics rules.
- The effectiveness of ethics education and training methods and materials.

Box I.9. **Developing observable measures: The example of the Office of Government Ethics in the United States** *(cont.)*

The **Ethical Climate** measure examines the effect of the agency's ethics programme, in part, by assessing employee perceptions of several desirable ethical culture factors and behaviour outcomes. The culture factors are characteristics of an organisation that guide employee thought and action. Each of the outcomes is a desired result of an ethics programme and evidence of a strong ethical culture. The Ethical Climate questions are not linked to specific ethics programme elements (*e.g.* ethics training, advice and counselling, etc.). The Ethical Climate questions assess employees' perceptions that within their agency:

- Supervisors pay attention to ethics (culture).
- Leadership pays attention to ethics (culture).
- There is consistency between ethics rules and agency practices (culture).
- There is open discussion by supervisors about ethics issues (culture).
- There is follow-up on reports of ethics concerns (culture).
- Unethical behaviour is punished (culture).
- Employees are treated fairly (culture).
- Employees are aware of ethical issues when they arise (outcome).
- Employees seek ethics advice when needed (outcome).
- Ethics violations are reported when they occur (outcome).

The Ethical Climate measure was based on an existing assessment tool, developed by a private sector consulting firm and a team of academic researchers in the field of business ethics and organisational behaviour to measure ethical culture in private sector corporations. The assessment tool examines the impact of an organisation's ethics programme, in part, by assessing employee perceptions of several desirable ethical culture factors and behaviour outcomes. In 2000, the consulting firm customised the assessment tool for use by OGE in its executive branch employee ethics survey. OGE used an abbreviated version of this assessment tool for the recent survey.

Source: US Office of Government Ethics, *www.usoge.gov/*.

Revealing the link between cause and effect

Most assessments in OECD countries have focused on observable measures related to activities and outputs (*e.g.* number and frequency of training course and counselling, promotional activities, etc.) instead of revealing the **link between cause** (*e.g.* trainings) **and effects** (such as increased awareness, understanding and ability to recognise problems as well as capacity and commitment to solve them). For instance, it is easier to measure the number of

persons participating in training courses than the impact of training on public servants' behaviour. Observable measures or indicators are suitable if they supply information not only about inputs and outputs, but also provide credible evidence that the policy is contributing to intermediate and ultimate outcomes by showing visible changes over time. The following box specifies a set of indicators used for assessing integrity in the Customs service in New Zealand.

Criteria for selecting observable measures

In the case of integrity and corruption prevention measures, a set of observable measures (or indicators) could equally reflect:

- Inputs (*existence, feasibility*) and outputs (*effectiveness*).
- Intermediate outcomes, especially benefits for stakeholders (*relevance*).
- The coherence of the policy measures assessed with other elements of integrity policies to ensure their consistent contribution to the ultimate outcome (*coherence*).

Combining quantitative and qualitative data

A rigorous examination of the information collected is a precondition to develop appropriate methods for capturing relevant evidence for assessment. Public organisations may also use surveys to provide a starting point for developing a baseline for assessment. For instance, in late 2004 the Austrian Federal Administration planned a survey on the perception and awareness of corruption issues for civil servants in all areas of the public administration. Building on the results, the government plans to initiate a more systematic approach to fighting corruption at all levels of public services.

Qualitative approaches provide depth and detail as well as enrich and explain quantitative findings. Combining the two types of dataset could be difficult, as the following example from Korea shows, but it has the potential to contribute to a more thorough understanding by confirming and reinforcing trends and maximising the reliability of the overall findings.

Benchmarking for developing a methodology and interpreting assessment results

Benchmarking is a process by which organisational structures, procedures and performance can be compared, or "benchmarked" with that of other relevant organisations. This technique can be a powerful and effective tool for developing methodologies for assessment, as it enables organisations to learn from each other's approaches and concrete experiences. Furthermore, it provides a baseline to compare and interpret assessment results, in particular quantitative data. For instance, the Common Assessment Framework provides a recent example of benchmarking for quality management across public organisations within the member States of the European Union.

Box I.10. **Developing indicators: The Anti-Corruption Index in Korea**

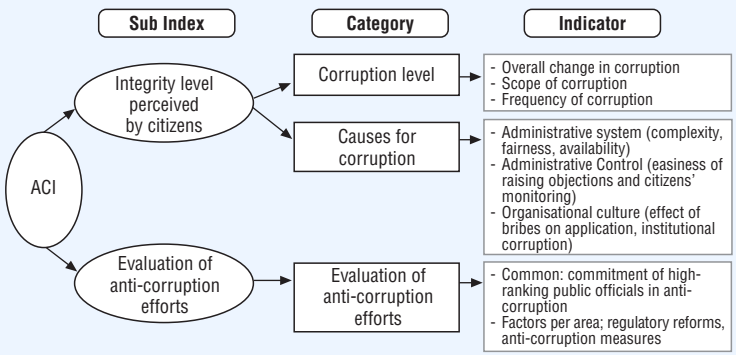
The Anti-Corruption Index (ACI) was developed to promote competition and voluntary efforts among district offices in Seoul. The Seoul Metropolitan Government has been conducting studies on the ACI since 1999 and has announced results for each administrative area to encourage efforts for eradicating corrupt practices in the local-government administration. The assessment principally looked at whether:

- Administrative procedures were conducted in a fair manner.
- The information disclosure and administrative regulation was appropriate.
- Channels to report cases of corruption were open.
- Offering bribes ever paid off.

The Anti-Corruption Index introduced a formula in 1999 that takes into consideration the weighted values of the integrity level perceived by citizens and the evaluation of anti-corruption efforts in the following way:

ACI (100%) = Integrity Level Perceived by Citizens (58.8%) + Evaluation of Anti-Corruption Efforts (41.2%)

This formula provides a balanced basis blending the **results of opinion polls of first hand experience** of citizens who actually applied for permits and approvals in the previous year, and **tangible statistics on anti-corruption measures taken by each district office**.



Under the assumption that the categories and indicators are not equal in significance, weighted values have been applied to each category and indicator. Reputable specialists were involved in the design of the model.

PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

Box I.10. **Developing indicators: The Anti-Corruption Index in Korea** *(cont.)*

Thirty-nine specialists from various government and non-government organisations filled in questionnaires to determine the weight of values in each category and indicator.

After the first application of this formula in the 1999 ACI survey, a number of institutes concerned and some experts challenged the validity of the "Evaluation of Anti-corruption Efforts" in the model. As a consequence, this factor has been excluded from ACI since the second round of assessment in 2000. Instead, the Seoul Metropolitan Government gives "Anti-Corruption Effort Award" to selected district offices that have been evaluated as excellent in making efforts against corruption by the external evaluation organ composed of civil experts and scholars.

Source: Further details on the Anti-Corruption Index can be found in the following chapter on Korea.

Complexity of collecting data: Balancing cost and need for relevant data

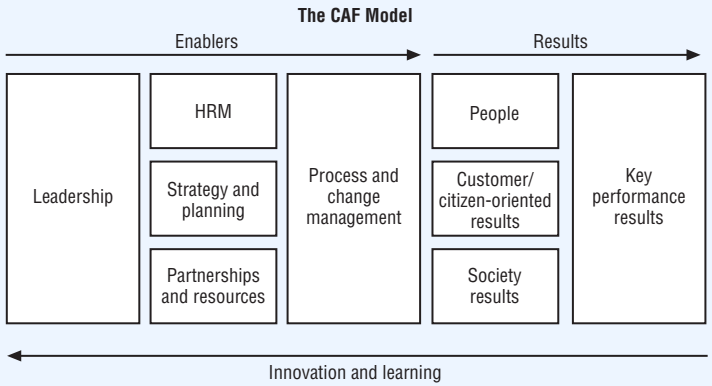
One of the challenges in identifying relevant data is how to balance the need for vital information with the costs of collecting data. Measures and indicators have a mix of more or less relevant attributes. While collecting information about inputs, activities and outputs is usually easier and can be done at lower cost, these observable measures often have a weak relationship with the ultimate outcome and are therefore less meaningful. On the contrary, intermediate outcomes have a strong **cause and effect relationship** to the ultimate outcome, but require more effort and incur greater costs to obtain such data.

The complexity of data collection, its cost and tight timeliness may inhibit gathering directly measured data. In this case, **proxy indicators** may replace them to capture relevant information. For instance, in the case of a whistleblowing procedure, an expert review of sample cases might be time-consuming or costly in order to assess whether the procedure had been appropriately applied. A lower-cost proxy indicator could measure "percentage change in the number of whistleblowing cases filed" or "level of confidence in the process and readiness to use it in the future". The use of this proxy would assume that government employees are more willing to file cases if they think the law will be predictably and fairly applied. The proper selection and careful verification of proxy indicators is a precondition for a successful assessment, if they are based on an unfounded assumption they might simply produce misleading assessment results.

Box I.11. **The Common Assessment Framework**

The Common Assessment Framework (CAF) is offered as a tool to assist public sector organisations across Europe to use quality management techniques to improve organisational performance. The CAF provides a simple, easy-to-use framework, which is suitable for a self-assessment of public sector organisations. It includes a database in order to help public organisations find partner organisations of interest from the point of view of sharing experiences or benchmarking. Using the CAF also allows an organisation to fill in the evaluation form on-line after the self-assessment has been conducted. The achieved results will remain anonymous, but the organisation will get feedback on its scoring against the average of other organisations that have used the CAF in the same country or the same sector of activity. For example, a regional benchlearning co-operation has been initiated by Hungary among public administration organisations in Austria, the Czech Republic, Slovakia and Hungary to support positive change in the attitude to self-assessment.

The nine-box structured CAF model identifies the main aspects requiring consideration in any organisational analysis. Within each of these boxes a list of criteria is provided. The criteria identify the main issues that need to be considered when assessing an organisation. Given that the CAF model does not specifically address anti-corruption measures, it was suggested at the 2nd International Quality Conference in Bratislava on 1-2 December 2004 that its future versions address conflict-of-interest issues.



Source: European Institute of Public Administration (EIPA): *www.eipa.nl*; *www.quality-slovakia.sk* and 2005. *www.3qconference.org*.

Specifying what information is needed and defining data collection methods

Identifying the information needed

When taking stock of what information needs to be collected in order to support the consideration of alternative options in the policy design and adjustment, the following questions could help in the decision:

- What information would support future decisions about the policy? Clarify what information is needed to analyse implementation and its impact, provide options for future adjustment.
- What information is already available? Identify the available objective (statistical data) and subjective data (*e.g.* employee surveys, stakeholder surveys on experienced or perceived corruption levels).
- What datasets are to be collected? Identify missing information that is significant for achieving the aims of assessment.

Defining a method to collect data according to the context

The overall goal in selecting assessment method(s) is to get the most valuable information to key decision makers in the most cost-effective and realistic way. The choice of a specific methodology will depend mostly on:

- Stakeholders' need for information.
- Complexity of collecting information.
- Political sensitivity on collecting data.
- Costs of, and barriers to, collecting information (*e.g.* money, timeframe, etc.).

To support the selection of the most accurate methods for data collection Table I.3 provides an overview of major methods, listing their overall purposes, possible advantages and foreseeable challenges.

Box I.12. **How to select a methodology: Checklist**

In selecting methodologies, the following questions can be considered:

- How can the information required be efficiently and realistically gathered?
- Of this information, how much can be collected and analysed at relatively low cost, *e.g.* using questionnaires, surveys and checklists?
- How accurate will the information be?
- Will the methods selected collect all the relevant information?
- What additional methods could be used if supplementary information is needed?
- Will the information collected be credible for decision makers?

Table I.3. **An overview of methods for collecting data**

Methods	Overall purpose	Advantages	Challenges
Surveys (*e.g.* public perception, public service users, employees)	To obtain a lot of information quickly and easily in a neutral way.	– can be completed anonymously; – inexpensive to administer; – easy to compare and analyse; – can reflect a significant sample; – gather different perspectives: public perception, public service users, employees.	– might not get careful feedback; – wording can bias responses; – are impersonal; – in surveys, may need sampling expert; – does not tell full story.
Interviews	To fully understand someone's impressions or experiences, or learn more about their answers to questionnaires.	– get full range and depth of information; – develops relationship with client; – can be flexible with client.	– can take a lot of time; – can be hard to analyse and compare; – can be costly; – responses can be biased.
Documentation review	To illustrate how a policy operates without interrupting the policy.	– gather comprehensive and historical information; – does not interrupt policy; – information already exists; – few biases about information.	– often takes a lot of time; – information may be incomplete; – need to be quite clear about what is being looked for; – inflexible; data restricted to what already exists.
Observation	To gather accurate information about how a policy actually operates, particularly about processes.	– view operations of a policy as they are actually occurring; – can adapt to events as they occur.	– can be difficult to interpret observed behaviours; – can be complex to categorise observations; – can influence behaviours of participants; – can be costly.
Focus groups (*e.g.* expert, management, client)	To explore a topic in depth through group discussion.	– quickly and reliably get common impressions; – can be efficient way to get great range and depth of information in a short time; – can convey key information about potential problems or risks; – could provide groundwork for scientific survey.	– can be hard to analyse responses; – difficult to generalise scientifically; – need for a good facilitator to ensure reliability; – responses can be biased.
Stakeholder analysis	To identify and assess the importance of key actors that may affect the policy in question, especially expectations, perceptions and constraints of stakeholders.	– can illuminate observed outputs of a process; – understand how participants in a process are shaping its outcome; – useful when other quantitative analysis is not possible (*e.g.*: confidential cases).	– often takes a lot of time; – difficult to identify key stakeholders and weigh the importance of their responses; – can be costly.
Tests	To assess the level of knowledge of individuals regarding specific subjects (*e.g.* after training or counselling.	– easy way to assess the understanding of a subject by civil servants; – can be especially useful to assess the knowledge gained after an on-line training course.	– timing of the assessment is important;
Case studies	To fully understand client's experiences in a policy, and conduct comprehensive examination through cross comparison of cases.	– fully depicts client's experience in policy input, process and results; – powerful means to portray policy to outsiders; – can explore causal relationship in specific cases.	– usually quite time consuming to collect, organise and describe; – represents depth of information, rather than breadth – difficult to generalise results.

Source: Developed on the basis of Basic Guide to Programme Evaluation, *Carter McNamara*, 1999 *www.mapnp.org/library/evaluatn/fnl_eval.htm#anchor1578833*.

Box I.13. **Procedures and methodologies for conducting an assessment: The Australian experience**

The team started with a review of the literature on Australian and international values-based management, including evaluating the embedding of values. The team also reviewed a range of core documents provided by the six agencies being assessed, such as corporate plans, annual reports, industrial agreements, and certain policies.

Agencies were then asked a series of structured questions (through interviews with senior staff) about the APS Values and Code of Conduct to identify the approach taken by each agency to embedding the Values and the Code and to make an assessment of possible strengths and weaknesses. The project team also interviewed agency heads of five of the six agencies. Depending on the responses to the structured questions additional policies, instructions or documents such as client and staff surveys were examined.

Following analysis of this information from agencies, qualitative research was conducted in the form of focus groups with a sample of staff to test the effectiveness of the six agencies' strategies, policies, systems and guidance. In addition, a sample of senior executive staff from each agency was personally interviewed. Where an agency had a significant regional presence, interviews and focus groups were conducted in a sample of regional offices.

Source: Australian country fact sheet prepared for the OECD Symposium on How to Assess Measures for Promoting Integrity and Preventing Corruption in the Public Service, 9-10 September 2004.

Box I.13 above highlights the key steps for collecting information and defining the methodologies that were followed in the "Values in Agencies Project" conducted in Australia between 2002 and 2003.

Combining subjective and objective datasets

A critical factor in the selection of methods is to ensure the balancing of objective data and subjective opinions – perceptions of managers, personnel and citizens that may over or under emphasise actual effects – in order to ensure the credibility of the findings. The experience of OECD countries shows an increasing tendency to balance objective and subjective data by combining:

- Traditional administrative control methods, document and process reviews.
- Surveys, collecting opinions from various fields and using focus groups.
- Informal and public hearings.

Box I.14. **Balancing objective and subjective methods: Country experiences**

The Integrity Perception Index developed by the **Korea** Independent Commission Against Corruption (KICAC) also includes direct feedback from public service users and partners of public administration instead of a general survey of perceptions in business and the public at large.

In addition to the survey of employees on the implementation of the Ethics Law and Code of Conduct in **Japan**, the Ethics Board also gathered opinions from various fields including private sector managers, representatives of local governments, media and academia, etc.

Besides publishing "consultation papers" and inviting submissions, over the last decade the **UK** Committee on Standards in Public Life has conducted a series of informal meetings with stakeholders and formal public hearings on issues of principal concern. The Committee's Tenth Inquiry "Getting the Balance Right: Implementing Standards of Conduct in Public Life" began in May 2004.

Source: Further details on the development of the Integrity Perception Index in Korea can be found in Part III. The Web site of the UK Committee on Standards in Public Life can be accessed at: *www.public-standards.gov.uk/*.

PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

ISBN 92-64-01059-9
Public Sector Integrity – A Framework for Assessment
© OECD 2005

PART I

Step 5

Ensuring impact: How are assessment results integrated into the policy cycle?

An assessment report relegated to gather dust on a shelf will not lead to improved policy design and management**.** If reaching credible and useful conclusions may seem like an end in itself, it is equally important to ensure that assessment results are actually used in the policy cycle; it is not an afterthought but an integral part of the assessment.

Assessment processes and results can inform decisions by providing information on key aspects of the policy, identifying strengths and weaknesses and clarifying options for adjustment. Therefore, deliberate effort will ensure that findings are appropriately **disseminated** and **utilised** in policy making through pro-active follow-up actions.

Communicating findings to a wider audience

Reaching the targeted audience

Assessment findings are primarily targeted at **policy makers** and **managers** who are in charge of formulating and implementing a policy, but will also need to be communicated to, and confirmed by, a range of **stakeholders**. Communicating findings is a particularly delicate and important task.

Box I.15. **Reaching out to the political level: The role of the High Commissioner in Italy**

The recently created High Commissioner for preventing and fighting corruption and other forms of misconduct within the public administration (established under Law No. 3 of 2003) plays a key role in Italy in reaching out to the political level. The High Commissioner, which has powers of investigation and information, is also responsible for assessing measures for promoting integrity and preventing corruption in the public service. The High Commissioner is required to submit a report at half-year intervals to the Prime Minister, which includes a summary of assessment initiatives, a review of ethical procedures and instruments such as codes of conduct, and proposals for improving the legal, institutional and procedural frameworks for ensuring high standards of integrity. The Prime Minister is required in turn to inform every year the Presidents of the Senate and the Chamber of Deputies of the conclusions of these reports.

Box I.16. **Communicating findings and lessons: The experience of New Zealand**

The New Zealand Customs Service has assessed its Integrity Programme every year since 2000. The communication strategy has been led by the chief executive of the department in order to demonstrate the commitment of the department to promote integrity and to highlight progress over the years. Direct stakeholders have been consulted in order to validate the findings, which ensured that managers would agree on the findings and therefore facilitate their implementation. Results have also been communicated to other departments of the administration through a network of chief executives who are responsible for ethical standards of departments under the responsibility of the State Services Commissioner. In addition, key messages have been conveyed to the media in order to reach a wider audience.

Source: OECD Symposium on How to Assess Measures for Promoting Integrity and Preventing Corruption in the Public Service, 9-10 September 2004.

Communication of assessment results is particularly critical in the case of integrity and corruption prevention policies. Assessment represents one of the few controls on the power wielded by government and keeps civil servants and elected officials accountable for their actions and behaviours. In particular, a growing demand from the civil society pushes governments to report on how they have been managing public resources to create a favourable climate for investment and growth. The New Zealand Customs Service experience illustrates the key components of an effective communication strategy.

Selecting an effective communication strategy in order to convey messages

Although documentation throughout the whole assessment process is indispensable, a formal and complex assessment report is not always the best product to convey clear messages. Similar to other steps of the assessment process, the communication strategy is preferably to be discussed in advance with stakeholders. Such prior consultation ensures that relevant information will be tailored to the different needs of targeted audiences. Planning effective communication also requires considering the timing, style, tone, message source, medium, and format of information products. Possible communication instruments habitually include reports providing comprehensive information on the results and process of assessments. However, other tailored means – using presentations and briefings, Web sites, newsletters and pamphlets, interviews in media – could be used to reach both targeted stakeholders and society at large.

Box I.17. **Publicising results: The example of Korea**

The "naming and shaming" strategy has been widely used to make the results of evaluations public and to mobilise public opinion in recent assessment projects in Korea. Both the Korea Independent Commission Against Corruption and the Seoul Metropolitan Government have publicised evaluation findings through mass media that in turn generated pressure on low-ranked organisations to take urgent follow-up actions.

The National Assembly also receives information on evaluation upon request and regularly calls for organisations under its jurisdiction to improve their anti-corruption programmes, specifically taking into account evaluation results.

As a result of this "naming and shaming" strategy, organisations that were ranked low by evaluations have generally made proactive efforts and initiated specific measures to improve their evaluation results in the future.

Source: Details on the communication strategy can be found in the following chapter on the Korean experience.

Ensuring active follow-up

Because of the effort required, reaching justified conclusions in an assessment can seem like an end in itself. However, active follow-up that **reminds intended users of the initial use of findings** is better implemented when the procedures are institutionalised beforehand.

Follow-up might be required to prevent lessons learned from becoming lost or ignored in the process of making complex or politically sensitive decisions. Central agencies in charge of integrity and corruption prevention policies could play a particularly significant role in effective knowledge management, by collecting and sharing results of assessments across the whole public service. The following box summarises the concrete actions taken by the Australian Public Service Commission to ensure wide application of results across Commonwealth agencies in the follow-up of the Values in Agencies project.

Facilitating use of assessment findings also carries with it the responsibility for **preventing misuse**. Assessment results are always bound by the context in which the assessment was conducted. However, certain stakeholders might be tempted to take results out of context or to use them for purposes other than those agreed on. Previously agreed active follow-up mechanisms might help prevent these and other forms of misuse by ensuring that evidence is not misinterpreted and is not applied to questions other than those that were the central focus of the assessment.

Follow-up mechanisms could even be institutionalised so that they support the integration of assessment findings in policy making, for example

Box I.18. **Knowledge management: The example of Australia**

As a result of the findings of the Values in Agencies project in Australia, the Australian Public Service Commission has designed a learning and development kit to guide employees in workplace discussion of values and ethics. The kit will be released in the first half of 2005. In addition, the Commission has developed a programme of targeted specific-issues evaluations. For example, a good practice guide will be released in 2005 resulting from an evaluation of agency management of suspected breaches of the Code of Conduct.

Source: Country fact sheets, OECD Symposium on How to Assess Measures for Promoting Integrity and Preventing Corruption in the Public Service, 9-10 September 2004.

by requiring mandatory responses from public officials within a limited timeframe or follow-up reviews to verify and/or ensure implementation (*e.g.* in the form of a verification audit).

Box I.19. **Programme reviews and their follow up: The example of the Office of Government Ethics in the United States**

The US Office of Government Ethics (OGE), a dedicated central agency within the executive branch, has general responsibility for the overall direction of executive branch policies related to ethics. In order to monitor their implementation and evaluate programmes, OGE has been carrying out reviews regularly since 1980. The overall purpose of these reviews is not to rank or compare agencies but rather to strengthen individual agency ethics programmes by periodically analysing the effectiveness of employee ethics training, advice and counsel given to employees, financial disclosure systems, and other programme elements.

After review, OGE sends a report to agencies with recommendations for improving the programme. After which, the agencies must respond to OGE recommendations within 60 days regarding the actions taken or plans for action.

Even though OGE does not automatically send the reports to the Congress, when a Congressional committee requests a report by an agency under its jurisdiction, OGE sends the relevant reports. In addition, periodically OGE releases reports to the media.

A follow-up review is conducted six months after the date of the report in order to determine whether the agency has taken adequate and effective action on each of the recommendations. By doing so, OGE ensures that the plan for action has actually been implemented.

Source: OGE, *www.usoge.gov/home.html*.

Integrating assessment results in a broader performance framework

Furthermore, some OECD governments have been integrating assessment results into a broader assessment framework to foster accountability. For instance, public organisations have defined standards of integrity for public officials with stakeholders and then hold them accountable against these standards in their performance reviews. Introducing performance-related pay also provides an incentive to link the progress towards and achievement of these standards with a financial reward.

Box I.20. **Integrating assessment results into a performance cycle: The example of Canada**

The Public Service Human Resources Management Agency of Canada has been developing a Values and Ethics Results Roadmap in 2004 which aims to support not only the assessment of basic components of the "Ethics Infrastructure" (such as code of conduct, control systems) but also to examine changes in the ethical climate (*e.g.* awareness of the code of conduct, commitment to values reflected in the code, and consistency between organisational practices and the code of conduct) of an organisation. The Roadmap, which can also be used by managers as a planning tool, combines qualitative and quantitative data from key areas such as people management, leadership, controls, risk assessment, rewards, disclosure and enforcement. The Canadian framework has developed an innovative approach to combine performance and policy assessment.

Source: OECD Symposium on How to Assess Measures for Promoting Integrity and Preventing Corruption in the Public Service, 9-10 September 2004.

ANNEX I.A1

Elements of the Ethics Infrastructure

The following eight key elements consist of a sound Ethics Infrastructure:

Political commitment and ethical leadership

In the absence of sustained political commitment to ethical behaviour in the administration, efforts to encourage such behaviour will be in vain. Attempts to improve public sector ethics in OECD countries have been sponsored at the highest political levels, such as the approval of comprehensive anti-corruption strategies and programme requested by the President in Mexico and the Republic of Korea, or the Government Programme to Promote Transparency and Fight Against Corruption adopted by the Government of Hungary in 2003. Other actions, such as the integrity measures sponsored by the Minister of the Interior in the Netherlands in 1995 or the ten inquiries of the Committee on Standards in Public Life since it was set up in 1994 by the Prime Minister in the United Kingdom, have demonstrated strong political support. Furthermore, political leaders also serve as important role models. This is also true for senior public officials who should set a positive example for other employees.

Workable codes of conduct

Codes of conduct play a vital role in stating the expected standards of behaviour, particularly in OECD countries that have reduced the rules applying to public servants and have adopted more "managerial" styles of public management. Some countries (*e.g.* New Zealand, the United Kingdom) chose a broad public service code of conduct from which individual agencies design a purpose-built code to reflect their particular objectives and mission. In other countries (*e.g.* Netherlands, Norway), codes are all agency-based. The ethical issues confronting an employee of a defence ministry might vary significantly from those facing social security officials. Criticisms of codes include being too specific or too general, unworkable, unused, unknown or

merely that simplistic statements of rules are not the ideal medium for answering complicated ethical dilemmas faced by public servants.

Professional socialisation mechanisms

However, the content of the codes of conduct or even legal provisions remains simply words on paper, if it is not adequately communicated and inculcated. Socialisation mechanisms are the processes by which public servants learn and adopt ethical norms, standards of conduct, and public service values. Training – both induction and ongoing – is an essential element to raise ethics awareness and develop skills capable of solving ethical dilemmas. Ethics, for example, now constitutes an integral part of the initial training of future managers in Belgium, whereas all senior private sector entrants to the civil service in the United Kingdom focus on ethics issues in their mandatory induction training. In the same way, training on vulnerable areas can help public servants solve ethical dilemmas by defining practices for managing organisational and strategic risks proactively.

Supportive public service conditions

The high standards of ethical conduct expected of public officials are one side of the coin. The other side is a "package" which provides decent working and living conditions for the "servants of the public". This "package" consists of such basic elements as sufficient job security, prospect of possible promotion and career, fair remuneration or social appreciation. Fair and impartial human resources management policies could ensure that the selection and promotion processes in the public sector would be based on general professional requirements, and that other factors such as, for example direct political interventions, would be minimised. If public servants are feeling underpaid, overworked and insecure, then they are less likely to embrace initiatives to improve performance including in the ethical domain.

Ethics co-ordinating body

These take various forms – parliamentary committees, central government agencies, or specially created bodies – and assume various functions: "watchdog" including investigation, such as France's permanent anti-corruption investigation commission, Korea Independent Commission Against Corruption, or the New South Wales Independent Commission Against Corruption in Australia; "general promoter" of public sector ethics, a role performed by the Department of Employers Affairs in Norway and the New Zealand State Services Commission; "counsellor and advisor", such as the United States Office of Government Ethics and the Canadian Ethics Commissioner that also plays the role of "watchdog"; or "permanent ethics workshop" like the Committee on Standards in Public Life in the United Kingdom. The existence of a co-ordinating body should not, however,

be construed as absolving departments and managers of the responsibility for ensuring ethical conduct within their jurisdictions.

Effective legal framework

The legal framework is the "teeth" of the overall ethics infrastructure. Laws and regulations define the basic standards of behaviour for public servants and enforce them through systems of investigation and prosecution. In reviewing its legal framework, a country must check that existing criminal codes and civil service laws, conflict-of-interest statutes and other regulations which apply to public servants are clear and consistent. A prominent effort is the implementation of the National Public Service Ethics Law in Japan, the country's first such legislation (passed in August 1999 and taking effect in April 2000). This law basically bans public servants from receiving gifts and/or entertainment from private companies under their jurisdiction. Furthermore, senior officials in the central government will be required to report gifts or entertainment worth more than 5 000 yens, with some in higher positions required to report their stock and income transactions as well. In Central Europe, Poland adopted a law requiring all public officials to declare their financial assets, property and business capital, whereas Hungary introduced in 2001 a wide-range property declaration system for civil servants and adopted in 2003 a specific act on ensuring transparency of public expenses.

Efficient accountability and control mechanisms

Accountability and control mechanisms encourage ethical behaviour by making unethical actions hard to accomplish and easy to detect. Accountability mechanisms set guidelines for government activities, for checking that results have been achieved, and for checking that due process has been observed. They include internal administrative procedures (requirements that activities or requests be recorded in writing), comprehensive processes such as audits and evaluations of an agency's performance, or new forms of procedures such as whistleblowing (which can encourage public servants to expose wrongdoing committed by others or to say no when asked to do something inappropriate). They might also be external to the public service: for example, oversight mechanisms such as legislative or parliamentary committees.

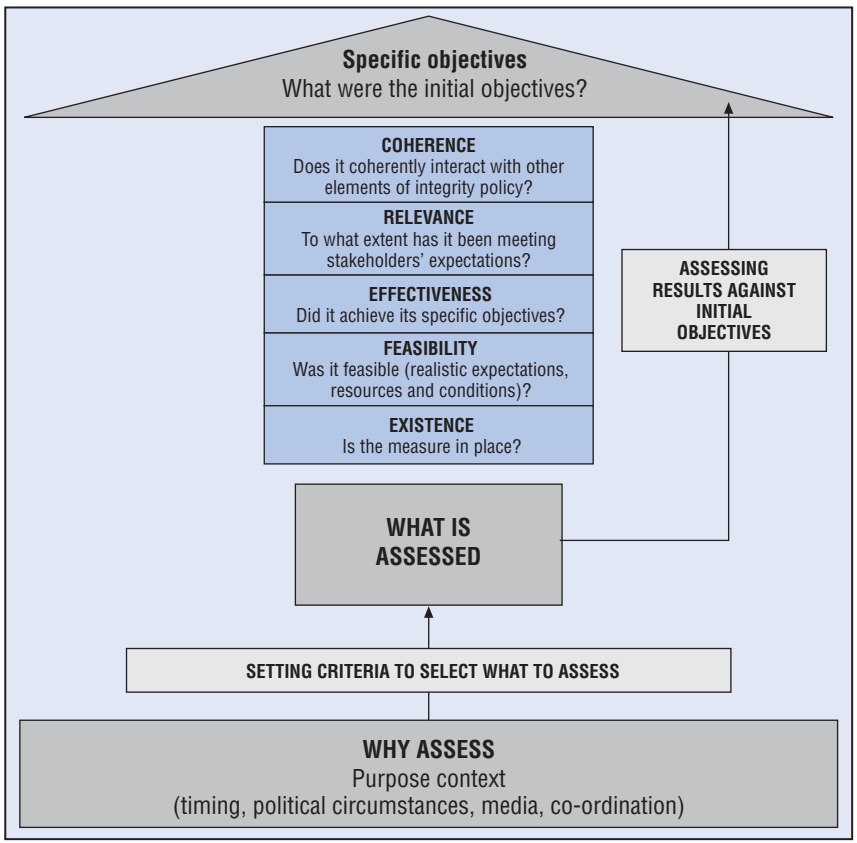
Active civil society

Ethics is everybody's responsibility, including that of an assertive media, which through its probing reporting helps to raise awareness among citizens and act as watchdog over the actions of public officials. Freedom of information laws, now present in 28 out of 30 OECD countries (most recently adopted in Mexico in 2002 and Switzerland in 2004) can institutionalise and support public awareness and responsiveness.

ANNEX I.A2

Setting Criteria for Assessing Integrity and Corruption Prevention Policy Measures

Figure I.A2. **Assessment criteria**



PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

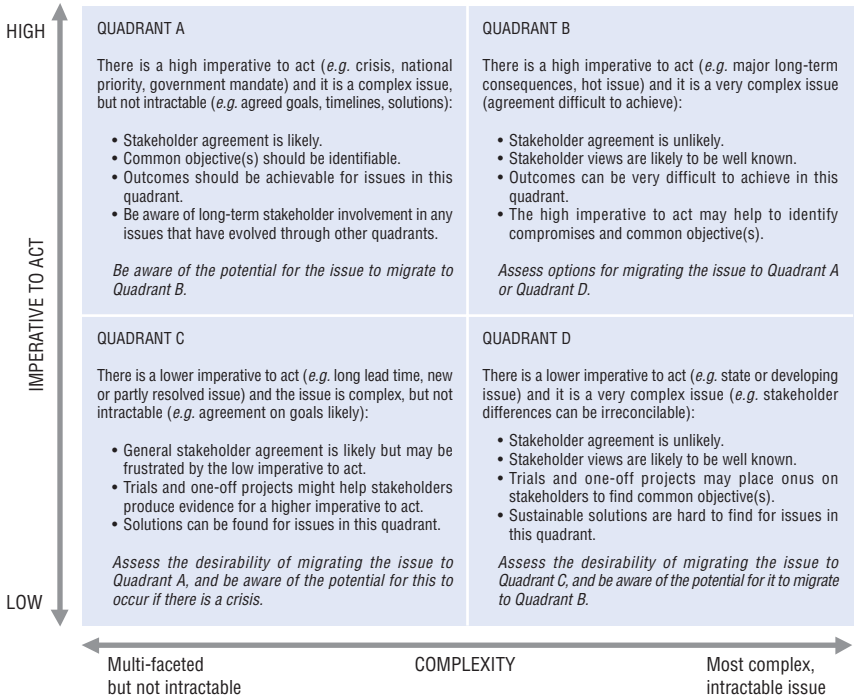
ANNEX I.A3

Balancing Complexity with the Imperative to Act

Balancing complexity with the imperative to act can be used as a guide to assess the likelihood of moving particular issues forward. The following table is particularly useful for cases where government issues are complex and therefore might require the involvement of external stakeholders.

- Quadrant A issues have a high probability of being resolved successfully. They can be very complex but are not intractable.
- Quadrant B covers those whole of government issues which have high commitment levels and have proved difficult to address.
- Quadrant C issues have relatively little imperative for action, but fortunately are not intractable, increasing the chance of a successful resolution.
- Results are hardest to achieve in whole of government issues in Quadrant D. They are complex to the point of intractability, and there is relatively little imperative to do something about them.

Figure I.A3. **Balancing complexity with the imperative to act**



Source: Connecting government, whole of government's responses to Australia's Priority Challenges, 2004.

ANNEX I.A4

Glossary

Assessment	An effort to collect and analyse information about important aspects of a policy and its components, with the purpose of measuring whether the policy achieved its intended goals.
Assessment framework	It comprises both procedural steps in assessment practice and criteria for effectively and consistently assessing policies.
Evaluation	It is a systematic, analytical assessment addressing important aspects of an object (be it policies, regulations, organisations, functions, programmes, laws, projects, etc.) and its value, with the purpose of seeking reliability and usability of its findings.
Logical model	It is a systematic way of mapping out what the policy is seeking to achieve and the steps by which the policy is supposed to achieve its objectives. The logical model ties together, in a logical chain, the inputs, activities, outputs, intermediate and ultimate outcomes relevant from the perspective of a particular policy.
Overall aim	Overall aims of an assessment include: verifying that objectives and targets have been reached, enhancing legitimacy of decisions internally and externally as well as learning and sharing experiences to understand better the outcomes and consequences of policies and draw lessons for adjustment.
Specific objectives	The initial objectives of the policy assessed – the baseline against which results of policies can be assessed.

ISBN 92-64-01059-9
Public Sector Integrity – A Framework for Assessment
© OECD 2005

PART II

Assessment Strategies and Practices for Integrity and Anti-corruption Measures: A Comparative Overview[1]

by

Stuart C. Gilman and Jeffrey Stout*

Corruption prevention systems are some of the least understood and infrequently evaluated programmes in contemporary government. As effective assessment is critical to the future of integrity programmes, this comparative chapter provides an overview of methods and solutions used in countries to assess the effectiveness of their pro-integrity and anti-corruption programmes. It is not meant to be an exhaustive analysis, but rather to review strengths and weaknesses of assessment methods and conditions for their success. This chapter also lists measures that work well, and vulnerabilities of existing prevention programmes resulting from assessment.

* This chapter was prepared by Stuart Gilman, former President of the Ethics Resource Center, with the assistance of Jeffrey Stout in spring 2004. Authors would like to acknowledge Allison Pendell Jones and Katie Sutliff for their assistance in the preparation of the study.

Introduction

Integrity is essential to modern government. It not only provides a foundation for effective governance, but also assures citizens that their government is working on their behalf. Corruption of political processes and institutions both undermines the capacity of government to carry out its critical missions and distorts economic, social and political relationships that democratic government erect. Eventually, unfettered corruption gives rise to demagogues and authoritarians who then blame democracy for corruption. In truth, democracy provides the vehicle to make corruption public, whereas in most authoritarian regimes it remains hidden through intimidation and secrecy. For this reason, stable democracies require robust pro-integrity systems and anti-corruption regimes.

Modern anti-corruption regimes tend to limit their focus to investigation and punishment. Although such reactive measures are important components of the integrity framework, punishment as deterrence has limited impact. Even if individuals are punished for corruption, the resultant headlines lead many citizens to believe that the case is indicative of massive undetected corruption. Public officials must be aware of the penalties for doing the wrong thing, but it is more effective and less expensive to motivate officials to do the right thing in the first place. Therefore, a critical element of any effective integrity system is corruption prevention and effective evaluative measures for such systems. Preventative elements typically exist as ethics or compliance programmes, taking on various forms as detailed below.

The organisation of this study is fairly straightforward. After describing the nature of ethics or integrity systems, there will be a brief discussion about the concept of assessment. Organising the rest of the study around each potential element of an integrity system, the paper will address the type of assessment, with recent examples where available, the strengths and weaknesses of the approach, and the criteria for success.

What is an integrity system?

Integrity systems[2] are designed to prevent corruption before it occurs. With this as a strategic mission, there are a variety of laws, institutions and systems that are used to anticipate potential corruption. It is not suggested that determined, corrupt officials will be absolutely deterred from committing crimes or violating the public's confidence, but that a number of acts that

either appear to be, or are actually corrupt, often begin as relatively benign actions by individuals who are blindly focused on policy ends. This is critical because in government, the means are as important as the ends. Well-constructed prevention systems can both help individuals and protect the integrity of government. Furthermore, some "bad actors" will be deterred if they believe that everyone in their agency will recognise unethical behaviour and have an ability to report it.

Integrity systems use a variety of institutions to accomplish their goals. They may be part of a larger agency (*e.g.* in ministries of justice, comptrollers), a separate agency, or in some rare cases they are truly independent. Their authorities also vary widely. Some prevention systems are only responsible for civil servants. Other agencies have responsibility for political officials (both appointed and elected), and still others have oversight of legislative and judicial officials. There is no one dominant pattern. In some cases agencies exist with an appointed head and civil servants to carry out its functions. In some such cases, heads are appointed to serve at the request of the appointing authority, while others have lengthy fixed term appointments to assure independence. Other forms of prevention systems include commissions. Some commissions are comprised solely of individuals who are part of the government, some are comprised of external stakeholders (citizens, NGOs, economic interests) and still others have a mixed makeup.

Integrity systems also vary in terms of level of government. Some regimes cover all government employees within a nation State. Other programmes focus only on the national level, with the national government requiring each constitutional sub-national level (province, State) to have an integrity system. Other countries, such as the United States, have different integrity systems for each branch of the federal government, but do not mandate programmes at the State or local level. Nonetheless, the prolific growth of state and local ethics systems in the United States over the past twenty years suggests that national government mandates are not necessarily required.

Assessment: The focus of this study

The purpose of this study is to understand the assessment strategies currently employed by government integrity programmes. Within the term "assessment" is included any effort, quantitative or qualitative, to evaluate programme effectiveness. This study does not examine the actual methodology used nor the validity or reliability of the measures utilised. Instead it provides an overview of approaches governments or and public organisation have taken to evaluate ethics programmes. Interestingly, despite all of the emphasis on performance measures over the past decade, no prevention programme has attempted to evaluate overall performance.

Rather, most programmes look only at pieces of the programme, and often use indirect measures to evaluate those elements.

While the findings of this analysis could also serve as lessons for enforcement activities, this study focuses only on prevention. Thus, the purposeful omission of assessment tools for prosecution, investigation, audit, adjudication, penal institutions, or legislative oversight.

In the past, many programmes claimed that, because their focus was on the prevention of unethical or corrupt actions, they could not measure something that *did not happen*. Unfortunately, this perspective takes a very narrow view of evaluation. The effectiveness of most government programmes cannot be directly measured. Nonetheless, a number of indirect measures of programme and programme effect can provide reasonable understanding of programmatic outcomes. Importantly, if assessment is done regularly there can be both a contemporary assessment as well as comparative assessments over time.

The study, rather than using a random sample, contacted a number of individuals and agencies that specialise in preventative programmes. These contacts were used to not only provide assessment examples, but also to recommend other programmes with which they were familiar. In addition researchers utilised the internet and printed materials to gain a better understanding of assessment approaches. Despite the limitations, it cannot be considered as either exhaustive or wholly representative, this study does present a reasonable picture of the assessment landscape, pointing to some potentially exciting approaches and critical vulnerabilities.

Types of assessment

Typically, there have been three types of assessments used to evaluate integrity programmes:

1. The first type is a *baseline perception survey*. Perception surveys focus on how a system is viewed by stakeholders – citizens, business leaders, or foreigners doing business within the country. The best known in the anti-corruption area is Transparency International's annual Corruption Perception Index. This index ranks countries throughout the world in terms of the perceptions about corruption within the country. While this type of measure is an indirect way of evaluating integrity programmes, it could be argued that perception surveys and the effectiveness of ethics programmes are independent of each other.[3]
2. A second approach to assessment looks at the *general state of affairs*. For example the state of Queensland in Australia has sponsored this kind of assessment focused on singular measures, such as prosecutions for corruption, estimated economic loses due to corruption and some perception measures. Although there is no attempt to correlate these elements, or identify how they explain the success or failure of prevention

systems, this type of assessment does provide potential comparative data that could be used to view changes across time.

3. Finally, there are *agency evaluations*. These are usually comportment evaluations rather than performance evaluations. They focus on whether ministries or agencies are comporting with legal or structural requirements. For example, they do not try to assess the effectiveness of ethics training programmes, but rather focus on the number of training classes, the percentage of employees took training, and what was the focus. One can be critical of the lack of impact assessment, but comportment is a critical element in understanding the efficacy of ethics programmes.

Integrity framework

Overview

In designing integrity systems government officials must take into account a variety of concerns. Culture and type of government both have an impact, not only in terms of what are to be considered legitimate areas of privacy and personal issues, but also the influence of the media and NGOs. And, obviously the commitment of leadership will have a profound impact.

While acknowledging the differences between programmes, it is important to recognise that there are identifiable, general elements that can be found within integrity programmes. The following is a model framework that will be used to understand what is meant by a prevention system, as well as help for organising the analysis presented in this paper:

a) Codes of conduct.

b) Transparency systems.

1. Simplification of administrative procedures.
2. Elimination of secrecy.
3. Financial or interest disclosure/asset declaration.

c) Training systems.

d) Communication strategies.

e) Counselling.

f) Whistleblower hotlines and Help lines.

g) Control and enforcement.

1. Criminal code.
2. Conflict-of-interest code.
3. Post-employment code.
4. Ombudsmen.
5. Audit agencies.

6. NGOs.

7. Media.

h) Independence.

Each of these is a discrete element that can be found in an integrity system. However, it would be overstating to conclude that ethics programmes that do not include all of the elements are insufficient. Many governments put elements of these programmes in other agencies, and in some societies, issues such as post-employment, are not terribly relevant.

The obvious problem with such a framework is that as it organises it can also limit it. The intention here is not to exclude other elements, but to organise the most common programmatic themes. The overall purpose of this paper is to raise issues and is not exhaustive in order to provide a starting point to understand the dynamics of evaluating an ethics programme. Future work building on the framework will rethink, modify and go beyond the framework presented here.

The content of the framework

Code of conduct

Integrity systems often begin with a code of conduct, code of behaviour or code of ethics. No matter which term is used, they usually begin with either a series of principles or a delineation of behaviours that public servants are expected to avoid or observe. These codes are generally in addition to anti-corruption laws, and they attempt to refine behaviours in a broader and encompassing fashion. They are often helpful because they provide the basis for other ethics elements. For example, a counselling system needs to have guidelines – usually law or code – upon which to base advice.

Some governments supplement the code with a series of interpretations to ensure uniform application of the code. For example, the US Office of Government Ethics (OGE) has supplemented the code of conduct with Informal Advisory Opinions that are used to give guidance to both ethics counsellors and employees on the application of the code.[4] Other programmes stand on the simplicity of principles (*e.g.* fairness, objectivity) and rely on employees to behave in a way that reflects those principles and use them to both advise and, if necessary, punish civil servants. Some criticise the lack of specificity of such programmes as entrapping government employees by the whims of superiors. Others defend it on the grounds that simplicity offers far more clarity of expectations for the individual civil servant.

Transparency systems

Perhaps the most misunderstood elements in integrity programmes are transparency systems. Often, transparency systems are considered only in

terms of financial disclosure. Well-designed disclosure systems can work to maintain the confidence of citizens in governmental institutions. Having effective review of disclosures, and elimination of subsequent potential conflicts of interest or other ethics problems, can have a positive impact both within government as well as on public perception. Some programmes use disclosures for prosecution rather than counselling. This focuses on the issue of "illicit enrichment", which in most cases can be better detected in other ways. While disclosure is the most common transparency programme, the openness of procurement and contracting procedures should also be included. Even simplifying and clarifying administrative processes can be excellent ways of increasing transparency.

Training

Training is also a common element included in most integrity systems. Training on ethical principles and their application is diverse. Some governments require only new employees to undergo training, while others require regular training. Additionally, some ethics regimes focus on certain levels of employees – senior political officials – or positions that are considered particularly vulnerable, such as tax collectors or contracting officials. Types of training also vary. For some programmes all training is in person, while others use computer training. Some training is focuses solely on the "rules", while other types of training use vignettes or actually have employees play ethics games.

Communication strategy

Most effective ethics programmes have communication strategies. Often, the communication strategy is not planned, which leads to the accusation that it is "the best kept secret in government". A dynamic communication strategy can range from broad media coverage to posters and/or speeches encouraging citizens to provide input on new regulations. Admittedly, many ethics programme officials are reticent to engage in broad communication for fear that it will unfairly draw the attention of the media to their limitations, rather than their successes.

Counselling

Most ethics programmes have counselling mechanisms through which they give employees advice in response to ethics questions. Such systems vary considerably from centralised to highly decentralised. The advice can be agency specific or government-wide. The counselling can be done verbally, or in writing. And finally, investigative authorities may question the advice, or it can bind employees to respect the advice given. The logic behind the latter reasons that if an employee has gone to an objective third-party for advice

(appointed by the government for that purpose), it is unfair to punish said employee for following that advice.

Whistleblower hotlines and help lines

Whistleblower programmes, or hotlines, are probably the most well-known prevention systems. In some cases, hotlines to report misconduct are supplemented with "help lines" that allow employees to ask ethics questions. Both require effective staffing and follow up. Often hotlines become vehicles for disgruntled employees, so hotline staff must be trained to separate the "wheat from the chaff". Assessing the feedback provided through hotlines and "help lines" has become an essential tool in anticipating corruption and dealing with it before it becomes debilitating.

Control/enforcement

It is important to recognise that an effective enforcement programme is an essential compliment to any prevention system. Effective enforcement deters those who would be corrupt and assures honest employees that they will not have to work in a corrupt environment. "Effective" should not be confused with "severe" enforcement. One can threaten someone with lengthy prison terms, but if no one ever goes to jail the penalty soon becomes ridiculed. Sureness of punishment for violators is a far greater deterrent than severity. As one official suggested, "rather than a ten year jail sentence that has never been imposed, I would get greater impact with a $100 fine."[5]

Independence

Finally, effective ethics programmes require independence. Independence can mean many different things. The key to understanding independence is not necessarily in terms of a separate agency or ministry, separate budget or limited reporting responsibilities. Rather, the foundation of independence is whether the prevention system can act as an objective, third party in judging a particular question, and whether those seeking the advice can ignore, or worse, change the advice to suit their own interests. Independence is probably one of the most critical features in assuring the effectiveness of integrity programmes. Although legitimate evaluation of independence is difficult, it is essential that it be addressed.

At this point we turn to assessment and evaluation instruments used by ethics programmes, focusing on the most effective techniques and interesting approaches. There is no single right way to design an integrity system. Many of the variations are designed to make programmes more effective. However, one would be naïve to think that some integrity programmes are not created to camouflage corruption, rather than prevent it. Some governments have created

an ethics office, but then denied it the basic resources to make it successful.[6] Ultimately, integrity systems are one of the most innovative anti-corruption programmes developed by governments in the last one hundred years.

Measuring the impact of preventative systems

This section describes methods of assessment for each component of an integrity system listed above, detailing strengths and weaknesses and listing criteria for success. The following overview in no way intends to be comprehensive. The examples presented below originate from many sources and include the efforts of international organisations such as Transparency International, the World Bank, Organisation of American States, the UN and the OECD.[7] Other examples include programmes of a national or provincial co-ordinating ethics body, and still others are the work of an individual department within the national or provincial government. Examples are cited that refer to individual questions within a management assessment survey designed not to measure ethics specifically, but rather to assess the performance of department management practices. An attempt is made to select examples of assessment methods from a diverse range of sources and to focus on those that enable future assessment efforts.

The efforts of international organisations on this front are to be complemented. While most, to date, have concentrated specifically on baseline assessments and on anti-corruption systems, as opposed to ethics systems, the efforts that lead the way in demonstrating the importance of evaluation and assessment of anti-corruption systems are also to be commended.

Assessments by international organisations

Transparency International,[8] for example, is engaged in a range of important efforts aimed at gauging the state of corruption in countries. Transparency International's Corruption Perception Index measures the extent to which corruption is perceived to exist in government. It is a composite index derived from seven separate surveys. This index measures perceived corruption rather than actual corruption. It aims to minimise possible biases, including differences in the notions of corruption and culture specific ethical standards across countries by pooling surveys from various sources. For example, the Bribe Payer's Index ranks countries based on the degree to which international companies pay bribes to foreign officials. TI's index provides an external assessment based primarily on perception and a useful check for official government analysis on the health of their integrity systems.

The National Integrity Systems Country Studies outline the state of integrity systems and the political context for 18 countries. These reports focus on the presence and effectiveness of the institutions and laws that

comprise an integrity system. They are unique in their comprehensive approach and provide a useful baseline description of how the government's integrity system is organised. They describe efforts to identify potential weaknesses in the system, as opposed to specifically assessing integrity system components.

A more recent, and sophisticated approach, has been *the Public Integrity Index*[9] issued by the Center for Public Integrity in Washington, DC. Utilising both perception data and aggregate data the index assesses 21 different dimensions of integrity in 25 different countries. The analysis utilised both in country experts as well as panels of experts to evaluate the meaning of the data and assure its objectivity. Certainly, the index and ranking of countries will catch the eye of the media and politicians, but arguably the most valuable contribution of the index are the qualitative evaluations of each country. These provide a model for qualitative assessment that can be used in many other contexts.

The World Bank has developed an Anti-Corruption Toolkit, including a series of questionnaires designed for institutional assessment of policy-making institutions and the civil service, as well as surveys focused on corruption in civil service delivery and a country's commitment to reform.[10] The Organisation of American States has also engaged in efforts to help members assess the existence and adequacy of the legal framework and enforcement mechanisms related to corruption. It has developed a questionnaire as a follow-up instrument to determine the extent to which its member nations are working to improve their anti-corruption systems.[11]

The United Nations Global Programme Against Corruption, introduced in 1999, provides a framework for standardised assessment to document corruption in public administration and business. The four-part framework includes surveys of business, public administration, and media; focus groups including labour, parliament, media and prosecutors; an analysis of the legal and institutional framework; and finally an analysis of the societal context. A good example of such a study is the Country Corruption Assessment of South Africa.

The Organisation for Economic Co-operation and Development (OECD) has developed monitoring process to ensure the effective implementation of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The monitoring process, based on the OECD peer-review principles, is divided in two main phases, namely:

- Phase 1 evaluates whether relevant legal texts meet the standard set by the Convention.
- Phase 2 reviews, started in 2000, studies the structures put in place to enforce the laws and rules implementing the Convention and to assess their application in practice. This includes reviewing national investigations and prosecutions and conducting "on site" interviews with

government and regulatory authorities and other persons concerned with application of the Convention.

In the public governance area, a series of groundbreaking studies[12] from general approaches to ethics to a detailed analysis of conflicts of interest have been published in the last decade. Although these studies did not explicitly assess ethics programmes in OECD countries, rather that provide a detailed description of the ethics regimes within a country. For example, the OECD[13] reviewed the application of the 1998 Recommendation on Improving Ethics in the Public Service. The resulting report "Trust in Government" provides standards against which ethics programmes can be evaluated.

The intention is to supplement the reports listed above by focusing on assessment of ethics systems, as opposed to corruption or enforcement systems. More specifically, focus is on methods used to assess the effectiveness of integrity system components on a more granular level than institutional analysis. While it is important for a country to take honest stock of its institutions, how they interact and where potential exists for inappropriate actions, it is essential to be armed with tools to assess specific integrity system measures.

Instead of describing criteria for success of a system component focus is on how one can assess the success of that component. Methods that a governing entity can use to discover whether or not a policy is accomplishing the desired results are addressed, rather than what specific considerations make a successful policy. It is also worth noting that a finite number of programme assessment methods exist. The discussion of the strengths and weaknesses of surveys to measure a code of conduct may well overlap with the strengths and weaknesses of surveying training systems. In the case of overlap those advantages or disadvantages unique to the relevant assessment method will be highlighted.

Performance assessment

Before discussing measures that assess specific integrity system components, using the framework articulated earlier, it is important to note that no country was found to have all of these measures fully implemented and that the integrity systems of many countries are in the very early stages of programme development. As governments work to implement integrity systems, a parallel effort to improve performance and managerial assessment, in general, will help create work environments that encourage ethical behaviour. The management sciences literature and innovative efforts by organisations to improve their workplace environment on many levels is very much related to our discussion, as ethics exists within the context of a living workplace with human beings who happen to be managers and workers.

An exceptional model for widening the framework of performance assessments beyond managerial results to include leadership, people management and organisational environment is provided by the Treasury Board of Canada Secretariat (TBS) Management Accountability Framework (MAF).[14] It is an encouraging trend that management can now address broader goals including ethics, but it is also important to note that in practice, the disruption caused by the ebb and flow of management approaches in the public sector has often adversely affected existing ethics programmes.[15]

Codes of conduct

Measuring the success of a code of conduct is inherently difficult. However, a wide variety of assessment tools can shed light on the efficacy of this important integrity tool. By far the most common is the survey, which has the advantage of being relatively inexpensive and replicable. Of course, it matters who is surveyed and how, and it is helpful to compare survey results between organisational levels (*i.e.* management and employee level responses).

Code assessment method one: Surveys

Surveys come in several forms including:

1. ones that measure the "ethical climate" of the organisation;
2. direct questions about the presence of misconduct, pressure to commit, reporting of and pressure not to report; and
3. performance reviews with some ethics relevant questions.

Additionally, there is a range of variations and combinations of each form, as detailed below, can be helpful.

Management surveys

Some management level surveys have been designed specifically to assess ethics programmes, but far more common are performance review surveys that happen to include a question or questions regarding ethics, and codes of conduct in particular.

Example: The US Office of Government Ethics reports (1990-1998). The United States Congress required the US Office of Government Ethics to issue biennial reports between 1990 and 1998. Many of the biennial reports used survey data to support conclusions about the success of various programme elements, and several of the reports provide summary data. These reports used aggregate data reported by ethics officials in more than one hundred ethics offices. The types of data included items such as the number of full and part-time officials working on ethics, the number of advisory opinions issued,

the number of financial disclosure form filed (and their timeliness), the number of administrative and criminal actions taken against employees.

Aggregate data is often not seen as relevant to assessment, yet it can be reasonably claimed that this kind of data – collected over time – can provide some strong indirect indicators of effectiveness.

Example: Survey of top management in Finland. This survey of management and personnel from 170 agencies focuses on changes in values of governance, principles of civil service ethics, unethical practices and factors affecting civil service ethics. The objective of the survey is to paint a general picture of ethics in civil service, specifically in public administration. Transparency of political decision-making and the operations of government enterprises are not included. Finland serves as an example for surveying both the employee and management level, allowing for a useful comparison of factors affecting civil service ethics. The Finnish survey also stands out in that the impetus for its undertaking was not the perception of high levels of unethical behaviour in government but rather the perception of risk for increasing levels of unethical behaviour.

Example: State of the Service Report in Australia. The Australian Public Service Commissioner draws on a range of information sources for the annual "State of the Service Report". One of the main sources is an agency questionnaire which is aimed at, among other things, assessing agency approaches to upholding and embedding the APS Values and Code of Conduct. The structure of the State of the Service Report in recent years has been based around the four groups of the APS Values reflecting the key relationships and behaviours they reflect:

- the relationship between the APS and government and the parliament;
- the relationship between the APS and the public; and
- relationships in the workplace and personal behaviours.

There are questions in the agency survey on all these matters as well as questions focussing specifically on the Code of Conduct, including the reporting and investigation of suspected breaches of the Code.

Example: Learning advisory panel survey of middle managers in Canada.

While not designed specifically for integrity system assessment, this survey targeted middle managers and its ethics related results could be compared to a survey of public servants undertaken by Canada's Treasury Board. For example, while managers recognised a need for accountability measures and assessment of those measures, they raised concerns that their departments do not have the "capacity to lead and sustain the dialogue". In such an environment, the results of the public servant survey which indicated perceptions of unfairness in promotions are not surprising.[16]

Employee surveys

Employee surveys are an effective way to determine if management has effectively implemented a code of conduct. Below, several examples are presented.

Example: Public servant survey in Puerto Rico. In 2003 the Ethics Resource Center worked with the Office of Government Ethics of Puerto Rico (OGE-PR) to survey all public sector employees.[17] Teams were created by both organisations to assure that the data would reflect the culture and institutions of Puerto Rico, while assuring the validity and reliability of the survey questions. The focus of the survey was on how employees "viewed" ethics in their own organisations, capturing ethics values as well as pressure to commit misconduct. The OGE-PR also recognised the necessity of a broad communications strategy to encourage a large response to the survey and as a result, 65,000 employees responded to the questionnaire.

Example: Survey of public servants by the Treasury Board of Canada. While not designed specifically to assess ethics practices, this survey of public servants was able to point out gaps in the Canadian integrity strategy. For example, in the 1999 survey, a significant number of employees claimed that they do not have a "fair chance of being promoted … that they cannot disagree with their supervisor without reprisal … and that senior management will not try to resolve concerns raised in the survey".

Example: KPMG "Integrity Thermometer" in South Africa. Agencies in South Africa have used a survey, initially developed by KPMG for use in businesses, to gauge the existing ethical climate within an organisation. The goal is to identify gaps between official policy and company culture in a way that facilitates comparison between offices. The initial attempt to survey employees failed because of reliance on the Internet and employees simply did not have enough access to computers. Further, the question of whether business ethics surveys are directly translatable to the public sector is debatable.

Strengths of employee surveys. The importance of employee surveys in assessing the effectiveness of a code of conduct cannot be overestimated. Whether a code of conduct is just a document in the employee handbook or whether it has become part of the agency culture can be determined by understanding the "view from the trenches". Employee surveys are an important strategy. The Ethics Resource Center's (ERC) 2003 National Business Ethics Survey (NBES) is a good example of a study designed to understand how employees viewed ethics in their own organisations.

Example: ERC's 2003 National Business Ethics Survey. Although entitled a "business" survey, the data represents public and non-profit employees as well. Additionally, the data set was able to take advantage of the validity and reliability of other ERC surveys of specific organisations, as well as the two previous NBES surveys in 1993 and 2000. The NBES provides measures to understand the impact of codes of conduct, as well as their relationship to organisational culture, leadership and ethics systems, thus identifying strong relationships among these variables. For example, a robust ethics programme (defined by specific elements) is linked to both a reduction in perceived misconduct and an increase in the willingness to report that misconduct. In the review of assessment of employees there have been very few surveys that look for explanatory relationships between variables. Many organisations resist such studies for fear that some might view these as causal relationships. Although often lost on layman, this distinction is critical. It also demonstrated the greater vulnerability of young managers in organisations as well as a strong correlation between robust ethics systems and a decline in ethical misconduct.

Client surveys

An alternate angle, most appropriate for agencies that directly serve the public and/or another agency in the government, can be provided through client surveys. While primarily designed to measure performance, surveys of the clientele of civil service agencies can shed light on integrity issues as well. The potential for politicisation of the process is very high, but inter-agency scorecards can be a useful check on activity that takes place at the depths of bureaucracy with little public exposure. No examples were found of inter-agency scorecards, although the Queensland NISA[18] included an inter-agency questionnaire aimed at determining the level of co-ordination between ethics related bodies. More common are report cards or scorecards for agencies that directly serve the public.

Example: Civil service report cards in Bangalore, India. The 1999 Civil Service Report Card survey in Bangalore, India is an example of a client survey aimed at assessing integrity. An important result of this survey was an indication of an increase in perceived corruption, as evidenced by the growth in both the numbers of respondents who paid bribes and the amounts they paid.[19]

Example: South Africa country assessment. The Public Service Commission of South Africa commissioned three surveys:

1. one measuring public perceptions of government corruption;
2. one of businesses; and
3. one regarding public administration.

A selection of four agencies participated in the Public Administration Survey that collected data from service users, managers and public officials. Where most surveys focus on public perception or of government corruption, this survey offered interesting insight into public corruption. It was shown that public officials perceive that clients often sought "back door" solutions to their issues,[20] suggesting that it is important to also measure public expectations and tolerance for corruption in addition to their perception of its existence.

Strengths and weaknesses of client surveys. The public sector can learn from extensive work in private sector customer surveying. The strengths of client surveys in assessing the effectiveness of a code of conduct include:

1. avoiding the conflation of output and outcome that often takes place in internal reviews;
2. capturing public perception regardless of actual practice; and
3. creating a benchmark against which change can be measured.

The primary weakness of client surveys is that their relevance is limited to service agencies. This limitation can be relaxed slightly by expanding the use of this tool to inter-agency assessment, but even then they are only relevant to agencies serving others. After that, a careful distinction must be made between the perception of code of conduct violations and actual violations. While an understanding of public perceptions of misconduct is fundamental to programme design considerations, the end goal is to eliminate actual violations of the code of conduct.

Media surveys

Media plays an important role as agencies assess the effectiveness of a code of conduct. Negative attention can provide a powerful disincentive for transparency and co-operation with the media. At the same time, media provides an outlet for whistleblowers and momentum for investigations, reprimand and stronger ethics practices. The mantra "do nothing that you wouldn't want on the front page of the Post" for some agency offices in Washington, DC, can be viewed as a positive.

Example: 2002 country assessment of South Africa. An example of the use of media coverage to characterise the success of a code of conduct are two complementary studies that formed part of the 2002 Country Assessment of South Africa. The studies measure the types of corruption reported by the media, who is responsible for bringing the corruption to light and which agencies are responsible for responding to the charges and following up.

Strengths and weaknesses of media surveys. The weakness of using media surveys to measure the effectiveness of a code of conduct is that most violations of a code of conduct do not find their way to the media. Nevertheless, such studies provide a useful third party verification of the effectiveness of certain ethics programme instruments. Media participation may be more useful on expert panels and focus groups than surveys as discussed in a later section of this paper.

Institutional framework studies

Further discussion of what are referred to as "institutional framework studies", such as the National Integrity System Assessment, is warranted as these comprehensive studies form the groundwork for ethics programme assessment. Collaboration between the Key Center for Ethics, Law, Justice, and Governance at Griffith University in Australia and Transparency International Australia is an important example of such a study. The two groups undertook an ambitious investigation of integrity system components in Queensland, Australia.

Their objective was to provide an in-depth understanding of the laws and institutions comprising the State's integrity systems, to point out the strengths and weaknesses of these components and to identify gaps and areas of overlap.[21]

The undertaking included documenting the political context and history of the State as related to ethics, as well as a description of the specific laws and institutions. The main study was comprised of three bodies of information:

1. interviews with senior executives of agencies;
2. focus groups to discuss best practices; and
3. a survey aimed at establishing the effectiveness of interaction between agencies within the integrity system.

A parallel study of the private sector, assessments of other States and jurisdictions, attitude surveys among the public and business community and an international comparison of integrity systems were added to the initial study.

Mapping the integrity system landscape by using a framework study such as the NISA Queensland is a vital first step in establishing an effective integrity system. Framework assessments strive to "identify, analyse, and record institutions, laws, procedures, practices and attitudes".[22] They primarily focus on questions such as, "Does a code of conduct exist?" But due to their comprehensive nature, such an assessment can only go so far in answering, "Has the code of conduct been effective?" The Queensland NISA questionnaire does distinguish between the two, asking respondents to document formal provisions related to each integrity system component and also "what actually happens?"[23] The intention of this paper is to focus on the latter question by comparing assessment measures used internationally.

Strengths and weaknesses in using surveys in assessing the effectiveness of a code of conduct

Surveys are a familiar tool that managers and personnel already use in many cases. Retooling human resource/performance related surveys to include ethical considerations is a feasible way to gather data. The strengths of surveys, in general, are that they can be replicated – baseline can be established and comparisons can be made over time.

The principal challenge facing surveys is self-reporting. Collaboration is often required in cases of misconduct, thus almost guaranteeing underreporting. This limitation was noted in the documentation of South Africa's National Victims of Crime Survey conducted by the Department of Safety and Security and it is applicable to surveys. Employees and managers may also be unlikely to indicate violations exist for fear of reprisal. Effective survey design can avoid the obstacle of self-reporting.

Other challenges surveys face are that they often reflect perception of misconduct as opposed to actual misconduct and cultural differences among organisations or jurisdictions may make comparisons difficult. The code of conduct is intended to standardise notions of acceptable and unacceptable behaviour, but answers to survey questions regarding the effectiveness of a code of conduct, just as actual compliance, may vary from place to place and agency to agency.

Finally, a weakness of surveys in general is a lack of an effort to correlate the perceptions described in surveys with empirical data such "complaints filed", or the lack of aggregate data for overall reference. Presumably, progress made integrating a code of conduct should be reflected in frequency or output data.

Criteria for success. Designing a survey that can adequately measure the effect of a code of conduct is extremely difficult, but some criteria will improve its validity:

- Ease of use.
- Anonymity.
- A mechanism in place to analyse results and feedback.
- Comparison – Comparing management vs. employee or provider *vs.* client.
- A benchmark is set and surveys are replicated. An example of a survey created with this in mind is the Canadian Department of Defense survey of military and civilian employees that provide a baseline assessment of values, used by employees, values respondents supported, respondent expectations of the ethics programme and an assessment of ethical concerns.[24]
- Good technique. *E.g.* ensuring the validity and reliability of the survey and that it is distributed in a way that encourages a high response rate.

- Revealing questions, ensuring that they provide insights into the effectiveness of the programme, rather than programme outputs (*e.g.* how many financial disclosures were filed?).

Code assessment method two: Focus groups, expert panels and interviews

Focus groups, expert panels and interviews provide an alternative to surveys and have the advantages of fomenting discussion and a more nuanced insight. For the purpose of this paper, all three situations are referred to as focus groups. Whereas surveys are extremely focused and limited to the research question and the imagination of the surveyor, focus groups leverage group dynamics to widen the discussion to include any consideration deemed relevant by participants. However, focus group conclusions are purely qualitative and, therefore, difficult to compare over groups or over time. Additionally, the selection of participants and moderator play an important role. Both a potential advantage and limitation is the group dynamic. Hearing other participants voice similar concerns could encourage others to voice their own or make others wary of openly discussing certain issues.

Employee focus groups

The Australian Public Service Commission's report "Embedding APS Values" documents the strategies of six case study agencies' efforts to embed the Australian Public Service Values and Code of Conduct and then correlates them to views of employees that were collected in focus groups. As an example of findings from such a focus group, the following shows its importance and utility. Employee focus groups yielded the following conclusions, among others:[25]

- Leadership is crucial to ensuring that the Values and Code of Conduct are taken seriously.
- Unethical behaviour by leaders and managers would cause employees to consider the Values and Code of Conduct as rhetoric and to lose confidence in them.
- Leaders perceived to be modelling the Values are strongly supported.
- The Values and Code of Conduct as presented in some corporate documents are not made meaningful by corporate practice.
- The relevance of the Values and Code of Conduct to everyday duties is not widely understood.
- Some managers and leaders do not seem to be upholding the Values.
- The 15 Values are quite long. Some embody more than one concept, are difficult to remember and to put into context.
- Grouping the Values is a useful tool in helping to gain an understanding of the Values and making them relevant – makes the Values come alive.

Strengths and weaknesses of employee focus groups. Focus groups have many benefits, however organisations must be cautioned not to over analyse the results. Focus group research is best used as groundwork for a scientific survey. It is very seldom the case that a focus group represents a scientific sample, and therefore it is wrong to conclude that the summary of the focus groups is representative of a population. Further, focus groups responses – no matter how well organised – have a subjective element within them. There are judgments and interpretations of not only responses, but also body language, and the dynamics of interchange. This is not to suggest that these are necessarily bad, but rather that one must take into consideration the subjective nature of focus groups when reviewing summaries.

Management focus groups and interviews

Management interviews represent one subset of focus group methodology. Usually, the management group in any organisation is relatively small and, as a result, the interview process is relatively uncomplicated. The key to doing this successfully is a fairly detailed research framework that clearly articulates issues, question sets, and links between questions. When these interviews are done well it allows the organisation to get a picture of how the managerial level views each other's ethical perspective as well as the ethical culture of the organisation.

Example: Ethics Resource Center – Corporate Leadership Review. In order to identify integrity issues among top management, the Ethics Resource Center conducted a series of interviews with over eighty executives at a multi-national corporation as a part of a 360-degree executive leadership review. Corporate officers and their direct reports were asked to describe their perceptions of the ethical leadership and overall ethical climate of the organisation. The exercise provides the information necessary to assess the integrity programme as viewed "at the top" and assisted in the development of reports for each member of the leadership team, as well as an overall organisational report. The information also provides foundation and direction for future surveys and assessments. This example from the private sector can serve as a model for government agencies, particularly at the executive level.

Example: Badaracco and Webb. Another example from the private sector, involving focus groups rather than interviews, is "A View from the Trenches" by Joseph Badaracco and Allen Webb. The work is based on in-depth interviews with Harvard MBAs in their first position out of business school. Emerging from the interviews is that intense focus on job and career goals allows pressure to exist. Getting ahead requires making your numbers no matter what; being a team player, and having a name clean of whistleblowing.

The interviewees also stress that examples are more important than words when it comes to an ethics programme.

Strengths and weaknesses of management focus groups and interviews. Management focus group methodology can help to gauge the impact of ethics programmes. However, conclusions from focus groups and interviews must be viewed in light of the limits of the methodology. In the review of public service ethics programmes no system was found that took advantage of this relatively inexpensive approach to understanding the ethical dynamics of organisations. There are several likely reasons why public agencies avoid their use:

1. First, they appear "too subjective". However, all methodologies – including scientific surveys – have an element of subjectivity.
2. Second, public agencies are sensitive to the politics of the results. Surveys can generally couch conclusions more generally; focus groups are far more personal.
3. Finally, most ethics programmes are too new to deal with new methodologies.

Client focus groups

Client focus groups are a common method used to collect public opinion, especially with regard to the provision of public services and ethics is only one among many considerations, including quality of service and efficiency. Northern Ireland's Review of Public Administration[26] uses focus groups to collect feedback on public service provision. As with surveys, public focus groups are limited in their reach to integrity issues involving service provision to the public.

Strengths and weaknesses in using focus groups and interviews in assessing codes of conduct

Focus groups provide a quick way to generate a qualitative comparison of stakeholder viewpoints. For example, in South Africa, under the UN GPAC framework, focus groups were conducted as part of its Country Assessment Report. Five focus groups were convened consisting of parliamentarians, prosecutors, magistrates the media and trade unions.[27] A discussion guide was used to focus the conversation on certain issues and elicit responses from the various representatives. While this particular set of focus groups was focused on corruption, it serves as an example for future investigations into a wider array of ethics related issues. Particularly useful were the immediate comparisons of the priorities of various stakeholders. Generating candid feedback from all relevant stakeholders helps minimise the chance that important issues are swept under the rug. Focus groups are a way to elicit

candid responses from experienced professionals and the interplay between colleagues may spur ideas that would not surface in a paper survey.

On the other hand, focus groups are not meant to be a wholly representative sample and therefore, one must use caution in drawing valid generalisations from their results. The data gathered is qualitative and depends very much on who is involved in the focus group, who is conducting the focus group and what the goals of the discussion guide are. Focus groups rely heavily on the opinions of a few people and to that extent they work best as a means to point out problems or potential risks rather than to scientifically measure the effectiveness of integrity system components.

Criteria for success

In order to be successful, focus groups should be as representative as feasibly possible and steps should be taken to use an independent group leader. To assure independence, one can use an outside evaluator, as shown through the ERC Corporate Leadership review example presented above. As in all measurements discussed, the proper resources must be allocated to collect, interpret, and publish the results. Follow up focus groups are encouraged, to get a sense for what changes have taken place.

Code assessment method three: Audits and performance reviews

Performance audits and reviews are another way to assess the level of compliance with codes of conduct. Two types of audits are distinguished:

1. an audit focused specifically on ethics related requirements; and
2. a more general performance audit that may indicate ethics related performance issues.

Output methods, in this case, provide the source for assessment. For example, the Disclosure of Wrongdoing and the Harassment Policy (including the numbers of complaints, types of cases, etc.) used in Canada creates a baseline for understanding the state of affairs in this area. There are inherent problems with relying on output statistics as they do not illuminate the actual outcome of policies and therefore may be more misleading than helpful.[28]

Another example of an ethics related audit is the Operations Review Committee of the Independent Commission Against Corruption in New South Wales, Australia which performs both internal and external management audits focusing on key elements of the ethics regime.[29]

Additionally, the United States Office of Government Ethics Management Audits primarily focuses on the regulatory compliance of federal agencies under its responsibility. Within the regulatory regime every department or agency is required to have a Designated Agency Ethics Official (DAEO) who is responsible for the management of the agency's ethics programme. As

examples, these audits review whether the DAEO complied with financial disclosure requirements (number, review and timeliness), training requirements, and even the accuracy of advice given to employees.

The State Services Commission (SSC) in New Zealand has one of the most advanced integrated performance system in use at this time. Originating through the *Integrity Project* the SSC has carefully created a risk matrix for both "people integrity" and "organisational integrity". This risk matrix was initially used in the New Zealand Customs Service and produced a series of critical indicators for integrity. These indicators were then used to evaluate managerial and organisational practices leading to informed policy adjustments.[30]

Strengths and weaknesses of using audit and performance reviews in assessing codes of conduct

The weakness of relying on output statistics to measure compliance with the code of conduct is that extreme detail allows one to "lose the forest for the trees". The importance of context makes the analysis of output statistics extremely tenuous. On the other hand, audits designed specifically to account for the integrity system components and procedures can be useful in measuring the success of a code of conduct. Perhaps more importantly, such audits can encourage compliance. Because regular audits of compliance will only promote the generation of audited paperwork and not actual ethical conduct, it is important that audits are not the only assessment of integrity system components. Another shortcoming of this method is the high cost associated with a detailed audit.

The risk analysis employed by New Zealand appears to avoid many of the pitfalls of audits, but its potential "Achilles Heel" is that it must rely on the integrity of managers and leadership to effectively carry out this sophisticated evaluation.

Criteria for success

Ultimately, good management audits in the ethics area must focus on both compliance, and impact. The latter is harder to measure, but not as difficult as many assume. Effective management audits can take the form of perception measures, or correlate actually criminal or administrative violations with programme elements. Public agencies are reticent to undertake such evaluations because it makes them vulnerable to criticism. There is a certain amount of ethical courage necessary to say we are not perfect, we risk discovering weaknesses in a programme, but it is the only way to make them better. From outside government such a sentiment seems both rational and compelling. However, given the fury of political winds within some agencies, and certain governments, it might be perceived as a reasonable survival strategy.

Code assessment method four: Public hearings

Public hearings are a common top down approach to measuring agency heads accountability for compliance to the code of conduct and other ethics programme components. In the United Kingdom, The Committee on Standards in Public Life publishes annual reports on the conduct of public officials. Its methodology includes publishing a "consultation paper" establishing the issues of principal concern, inviting submissions on the relevant issues, conducting informal interviews/meetings with stakeholders and finally public, formal hearings. The committee has published ten such reports focusing on a range of issues from conduct in the House of Lords to defining the boundaries of acceptable behaviour at the executive level.

Other examples include legislative hearings that focus on ethical accountability of individual agencies or ethics offices themselves. Such hearings are noteworthy because the legislative oversight is often an effective counterbalance to the tendency of some bureaucracies to interpret their responsibilities minimally. Using oversight or budget authority, legislative committees can wield effective power in ensuring that executive agencies take their ethical responsibilities seriously.

Strengths and weaknesses of using public hearings in assessing codes of conduct

The formal and legal nature of hearings brings this method of assessment a high degree of legitimacy. It should be noted that depending on the composition of the body conducting the hearing, political rivalry might encourage extremely rigorous examination. It is also significant that busy legislative calendars ensure that such hearings are limited in time and scope and that testimony is limited to the agency heads.

Criteria for success

In order to be effective, hearings must recur at a regular frequency, attendance and candid answers must be required by law and enforceable, committee members must be representative of the government in place and not exclusively from one political group or another. Hearings should also be public because they serve both as an effective transparency mechanism and an essential element in a communications strategy. They add to transparency because the public has the ability to see into and understand the governmental process. They are an essential component of a communications strategy because hearings make the average citizen cognisant that ethics is important and that there are systems in place to ensure the ethical behaviour of public employees.

Transparency systems

Laws and processes that guarantee access to information about government decision making are integral to an effective integrity system. Assessment of transparency measures can occur at the agency or programme level, or alternatively it can focus on individual transparency provisions such as interest and financial disclosure. Agency level assessments include framework analysis to determine the existence of and adherence to a range of international standards, the agency performance review or audit, and independent community oversight. Provision level assessments include process audits and surveys of officials that administer interest and financial disclosure regulations.

Transparency systems assessment method one: Standards and administrative simplification

The development of standards for transparency in day-to-day public operations and output measures provide a baseline against which agencies can assess their activities.

Example: IMF ROSC reports. The IMF publishes *Reports on the Observance of Standards and Codes (ROSC)*, which detail the level of compliance with internationally recognised standards including "accounting; auditing; anti-money laundering and countering the financing of terrorism (AML/CFT); banking supervision; corporate governance; data dissemination; fiscal transparency; insolvency and creditor rights; insurance supervision; monetary and financial policy transparency; payments systems; and securities regulation."[31] As such, the ROSC Reports provide a broad-based assessment of the transparency systems in place in various countries from a third party perspective. Measuring the absence of misconduct, while difficult, makes standards especially important. A related area where standards play an important role is in administrative simplification as shown in the example below.

Example: Trade and transport facilitation in Southeast Europe. Administrative simplification is an important element of a transparency system and one that lends itself to analysis through output statistics. An example is the Trade and Transport Facilitation in Southeast Europe Programme, a coalition of area governments, the World Bank, US Government and the American College at Thessaloniki.[32] This organisation developed an administrative simplification manual for participating agencies. Specific measures include import and border entry clearance times, reported cases of corruption, and revenue and salary analysis. Setting a standard for administrative efficiency is an important step towards insuring that the public can fairly participate in the government decision-making process.

Example: Chilean procurement process. Chile has created a state of the art procurement process by making it absolutely transparent to anyone who is interested. All procurements are announced, processed and awarded over a secure Internet site. Objections and questions about the process or awards are also co-ordinated through the web. This system not only provides integrity to the public tender process, but it also reassures the public of its fairness. "Public-ness" is an intriguing way of doing evaluation as it allows the public to provide the evaluation elements by way of their feedback throughout the process. This not only provides a unique evaluation perspective, but it is also relatively inexpensive.

Strengths and weaknesses of using standards to assess transparency systems

Administrative reform can be an important integrity tool if it is effectively implemented. Simplifying systems, writing regulations and policies in common, straightforward language, reducing the number of approvals for any process can have a positive impact on the integrity of government. This is appealing because it makes government both "citizen friendly" as well as gives the citizen more confidence in the integrity of government institutions.

Unfortunately, in many countries there is little effort made beyond modification of laws or policy. Administrative simplification can be viewed as an end in itself, and simplification does not necessarily lead to integrity. It can lead to a consolidation of power in a few hands, and if those few are corrupt the "cure can be worse than the disease".

Criteria for success

Standards and simplification can be effective tools if there is a commensurate set of checks and balances. The tendency is to view all checks and balances as potentially redundant, and therefore unnecessary. In fact a few elements, that are independent from one another and where there are reward systems for ensuring that the system both works and maintains integrity, can be successful. Ultimately, the tests for simplification are citizens who feel that there is both greater responsiveness to their requests and a sureness that the public servant is working on their behalf.

Transparency systems assessment method two: Agency audits and performance reviews

Transparency issues will arise in both financial and performance audits. The Government Accountability Office (GAO) in the US conducts such audits. Hong Kong, along with many other countries has an Independent Commission Against Corruption to review procurement procedures of various

departments. Transparency systems can also be effectively combined with codes to provide an effective integrity strategy.

Example: Finland's "Values as Part of the Daily Job" and management barometers. Based on a 1998 employee survey, the State Employer's Office created avenues for value-based daily activity and management into the everyday work-life of Finnish civil servants. The idea was to create a system where fundamental public service values could be used as a basic management tool. Managers and executives in Finland are evaluated annually using integrity indicators for themselves and their organisations. Up to one fourth of a manager's performance will be based on their ability to implement values in practice. These are measured through integrity barometers as well as self-assessment tools.

Strengths and weaknesses of agency audits and performance reviews in assessing transparency systems and criteria for success

Many factors determine the efficiency and effectiveness of agency operations, but in some cases such measurements indicate institutionalised misconduct. Of course, the usefulness of output measurements is limited to the evaluation of those agencies with measurable outputs and even then must be considered relevant only in so far as output is a reliable proxy of outcome. Careful interpretation of the outputs of procurement divisions, customs agencies and law enforcement agencies can shed light on the extent to which transparency requirements are effective.

The more abstract perception indicators used by Finland can answer some of these concerns. First, it ties real time performance to integrity indicators. Second, it utilises employee and stakeholder perceptions to evaluate the "atmosphere" in a department or agency. Third, it ties a large segment of managerial success to their ability to influence that environment by focusing on the highest values of public service.

Transparency system assessment method three: Community visitors or advisory committees

Directly involving the public in the role of an advisory committee improves the dissemination of information to the public, which is particularly useful in the case of technically complex regulation that affects large numbers of people, such as public health and communications policy. In Canada, the Public Advisory Committee of the Health Products and Food Branch reports directly to the Assistant Deputy Minister and the Branch Executive Committee. The Public Advisory Committee was established to improve the flow of information to citizens about health protection issues and facilitate

public involvement in the policy making process.[33] Especially in the developing world, NGOs often act independently to monitor large government contracts.[34]

Strengths and weaknesses for community visitors or advisory committees in assessing transparency system and criteria for success

Community visitors or advisory committees can be very effective in lending voice to the average citizens concerns. Their success really depends on how they are selected, their independence, effective resources, and clear authorities. Unfortunately, it is seldom the case that governments will cede these necessary ingredients to committees or commissions.

Transparency system assessment method four: Surveys

In the case of assessing the effectiveness of specific transparency related measures, such as financial and interest disclosure requirements, surveys provide a useful tool. For example, the US Office of Government Ethics surveyed ethics officials about the workflow and effectiveness of the financial disclosure process.[35] One issue to consider while implementing effective transparency measures is that regulations must be understandable. This is significant because surveys can also help determine the extent to which participants understand and interpret reporting requirements and gauge the need for training.

Strengths and weaknesses of surveys in assessing transparency systems and criteria for success

These surveys can contribute in an important way to understand the administrative processes and problems in asset declaration systems. The weakness of such surveys is that they generally ask output questions, for example how many disclosures were collected, how questions were asked or answered based on the disclosures. In the limited sample, no government had ventured to ask questions about the outcome of disclosures. Examples of such measures would include a correlation between the number of negative administrative actions taken because of ethics problems and the number of cleared financial disclosures.

The criteria for success should be both administrative and policy based. Surveys can ensure that ethics asset declarations are being collected and reviewed. As importantly, there should be an assessment that the declarations are revealing and addressing ethics questions that are raised by them. As an example, too often such surveys ask how many declarations were collected, but do not ask how quickly they were reviewed, and how many problems were identified and resolved.

Transparency system assessment method five: Process audits

In addition to soliciting feedback from Designated Agency Ethics Official (DAEO) about the efficacy of the financial disclosure process, the US Office of Government Ethics (OGE) audits ethics programmes in all agencies. To ensure the effectiveness of audits, OGE has legislative authority to issue orders of corrective action to agencies. In case of non-compliance with orders of corrective action, OGE must notify the President and Congress in writing.

Strengths and weaknesses in using standards and outputs in assessing transparency measures and criteria for success

Standards and output statistics, as measurement tools, are less relevant for transparency systems, such as financial disclosure and freedom of information statutes. Submission rates for financial and interest disclosure, the number of requests and the turnaround time for requests under the freedom of information guidelines, for example, may be relevant performance assessments, but understanding the effect of such statutes on the behaviour of government employees is much more difficult. Output statistics fail on several accounts. The context of the output is extremely important because if procedures or regulations change, comparisons are not possible. More importantly, what is captured is output and not outcome. Other methods of assessment are more relevant for financial disclosure.

Perhaps the most important assessment measure is the institutional framework study, which identifies the existence and enforceability of disclosure statutes. The existence of such regulations, the existence of a review and audit body, frequency of filing, counselling on problems, the existence of real deterrence in the form of jail terms or extensive fines etc. are all involved in the development of an international standard for disclosure regulations.

The primary obstacle to effectiveness access to information is the oversupply of information. Often, agencies will collect large amounts of irrelevant information that will overwhelm any attempt to do a manageable analysis. It is simply not feasible for any public body to adequately analyse all of the information available. In this sense, public scrutiny is an effective method of assessment. The media and interest groups play an important role here by analysing voting records, campaign contributions and financial statements.

Training systems

Training provides employees with the decision-making tools to deal with situations that fall outside of the most common case studies. Again, the concern here is not specifically what makes up an effective training programme, but rather how an institution knows if its training programme is

effective. Assessing the effectiveness of training programmes can be done on several levels:

1. Testing the trainee's understanding of the programme objectives.
2. Trainee's evaluations of trainers.
3. Trainer's evaluations of trainees.
4. Surveys of ethics officials.

Training assessment method one: The trainers and/or exit quizzes

To the extent that ethics training is done in person and on an ongoing basis, trainers provide an important source for the evaluation of training programmes. Trainers have the ability to perform qualitative assessments of the participation they receive in classes. Do the participants take the issue seriously? Do participants believe managers take the issue seriously? Are participants simply developing the skills to choose the right answer on an ethics test, or are they gaining a better understanding of the values underlying ethical decisions? Post session feedback from trainers provides an important source of training programme evaluation criteria.

Because of its ease of use and cost effectiveness, online ethics training has become popular. Providing exit quizzes and maintaining minimum requirements is an effective way to ensure that a participant has not just clicked "next" a dozen times until the training session is complete. In researching this paper, it was possible to do just that and "complete" a training session without reading a word of it. A review of unobtrusive measures, such as time per question, could provide an indication of whether participants are taking the training seriously. Alternatively an exit quiz could signal a passing or failing grade. Some online training programmes include an exit feedback questionnaire.[36]

Strengths and weaknesses in using trainers and/or exit quizzes in assessing training systems and criteria for success

It has been suggested that ethics training should be done early in an employee's tenure and is integrated with other socialisation and training activities. It also stands to reason that one-time training is probably insufficient when it comes to instilling core values. Measuring compliance with timing and frequency standards is a good place to start, however these measure should not take the place of qualitative assessment of the training programme.

The Office of Government Ethics in the US conducted a survey of 175 ethics officials in various departments regarding ethics training including:

1. Programme successes, problems, and solutions.
2. Satisfaction with guidance and assistance provided by the Office of Government Ethics.

3. Satisfaction with executive branch agency senior management support.
4. Employee satisfaction with ethics training; training objectives; measures of compliance.
5. Effectiveness of training methods.
6. Effects of budget cuts.[37]

Not surprisingly, most ethics officials reported that their programmes were successful. More interestingly, officials rated the effectiveness of certain training methods and reported that videos and case study discussions were the most effective, whereas distribution of regulations was the least effective measure. They also noted that they had more success when training methods were interactive, fun and convenient.

Communication strategies

The role of communications strategy of an integrity system is to provide ethics "marketing" on an ongoing basis to all stakeholders. Training programmes can be thought of as a subset of communications efforts and as formal educational opportunities targeting specific employee groups at specific times with specific objectives. In comparison, communications strategies may entail:

- The issuing of ethics related documents.
- Posting related documents in the workplace.
- Reference to the code of conduct in speeches and day-to-day operations.
- Press conferences and any other ongoing effort to elevate and maintain awareness of the organisation's values.

Assessing the effectiveness of a communications strategy is similar to assessing training effectiveness in that compliance with frequency and timing standards can be measured, but surveying to determine the extent that understanding and internalisation of core values is more important.

For example, South Africa instituted the National Anti-Corruption Initiative in 1999 resulting from the National Anti-corruption Summit and the Public Sector Anti-corruption Conference.[38] This led to a series of legislative and administrative initiatives but lacked the effort to assess the effectiveness of communicating these issues to the public or public servants. However, it did lead to the creation of a number of innovative offices, including the Public Protector and the Registrar of Assets.

In 2002, the Office of Government Ethics of Puerto Rico (OGEPR) surveyed all of the public employees in the Commonwealth. As part of their strategy to increase the response rate to the survey the OGE PR engaged in a broad media campaign. Using radio, television and newspapers the office did interviews and placed ads to emphasise the importance of getting accurate survey data.

In so doing, they also raised significant awareness among non-government employees about their concerns towards the integrity of public servants and a significant increase in telephone calls to their hotlines. The questions were both about reporting suspicious actions and general questions about ethics in government. This was an unanticipated, but potentially effective way of measuring the impact of a communications strategy.

Communication strategy assessment method one: Surveys

Communications strategies generally focus on communicating core values and norms and the application of relevant regulations.[39] To begin with, an organisation must determine if a coherent communications strategy exists at all. Once in place, surveys are a commonly used method of assessment, as seen in Finland, South Africa and Canada. Each of these includes questions aimed at whether employees understand departmental values and reporting procedures on general management performance questionnaires. Some of the relevant survey questions follow:

1. Rate the clarity of the principles of ethics. (Finland 1998)
2. Who would you report problems to? (South Africa)
3. I can clearly explain the values of my department. (Canada)

Other questions regarding the modelling of ethical behaviour by management, frequency of impact with tenets set forth in the code of conduct, and the extent to which day to day practices embody company values may also indicate the extent to which a communications strategy has worked.

One of the newest and most ambitious evaluation and communication strategies has been employed by the Korean Independent Commission Against Corruption (KICAC). Although a recently established agency it has created and used more than ten distinct evaluation systems since 2002. These include client surveys on transparency, quality of service, awareness of municipal integrity systems, fairness of government systems and the role of leadership in the integrity of public servants. These ultimately were used in an assessment model by agency, evaluating each agency's integrity with integrity scores.

KICAC adopted a "naming and blaming" communications strategy releasing performance results to the media using this as a catalyst to encourage voluntary efforts to meet this integrity challenge. The public nature of the strategy also resulted in legislative hearings for any recalcitrant departments.[40]

Strengths and weaknesses of using surveys in assessing a communications strategy

Surveying to determine the effectiveness of a communications strategy has the same strengths and weaknesses as surveying to assess the effectiveness of a code of conduct as described previously. In this particular

case, it can be especially difficult to disentangle the effect of a communications strategy from the effect of a training programme on public servants. However, surveys can provide a distinct perspective from citizens or key NGO and private sector groups.

Criteria for success

As mentioned above, the criteria for success for communications is often tangled in the training strategy. However, if there is an expansion of the survey group to include both stakeholders as well as civil servants, the comparative date will allow a meaningful differentiation between the training and communications strategy.

Counselling

Ethics counselling services include counselling on conflicts of interest and opinions clarifying statutes. The extent to which ethics counselling services are successful can be assessed several ways including independent review of output and client satisfaction surveys.

Counselling assessment method one: Independent review

When an independent ethics body offers opinions on conflicts of interest or interpretation of a statute for a concrete case, a sample of the advice should be tracked and audited. The US Office of Government Ethics does do a sample audit of the advice given, but this is done only in terms of legal accuracy. There is no attempt to find out if the advice was followed. This study did not find a formal process for the review of ethics body counselling, although this is most certainly performed by personal attorneys and the press.

Counselling assessment method two: Surveys

The feedback of those who solicit the advice of counselling agencies is important to assessing their effectiveness, although no survey examples of this type are available to share. For example, was the request turned around in a timely manner? Was the advice given relevant, helpful and objective?

Strengths and weaknesses of assessing counselling programmes and criteria for success

Counselling should be the critical element for any integrity programme. These programmes are designed to prevent corruption, or the perception of corruption, before it occurs. If effective personal counselling is not available the overall effectiveness of the programme is in question. The strength of such programmes is their ability to provide timely and consistent advice for government officials.

The criterion for success is whether public employees believe that they can rely on the advice that is given them. Further, a good counselling system should create an environment of ethics, where employees both know that it is legitimate to ask ethics questions and see it as a regular part of the management system.

Whistleblower hotlines and help lines

Whistleblower hotlines and help lines are meant to provide a safe, independent outlet for reporting misconduct and receiving ethics advice. The existence of a hotline alone is presumably preventative, but as in other cases discussed above, measuring the overall efficacy of whistleblower hotlines as a preventative measure is extremely difficult. It is possible, however, to determine if:

1. There is willingness to use the hotlines or if they exist in name only.
2. The cases reported are fairly and efficiently dealt with.

Hotline and help line assessment method one: Surveys

Generally, surveys play an important role as an indirect measure of the effectiveness of ethics programmes. Ethics surveys can take two different approaches. The first is the general societal perception survey. This type of survey emphasises the perception of citizens, groups, or key stakeholders about ethical values and corruption in a country (or State). The more widely used survey targets the ethical culture of the organisation in which people work, exploring the ethical culture and pressures to commit misconduct. These types of surveys can be very useful in targeting the effectiveness of key components of the ethics programme such as hotlines and help lines.

Example: South Africa's country assessment 2002. One of the component surveys of South Africa's Country Assessment of 2002 asked employees and managers about their understanding of whistleblowing procedures and their own willingness to report. Willingness to report is an indicator of the perceived level of protection afforded whistleblowers. Training and communication strategies can directly address any gap between perception and actual procedure.

Example: ERC's National Business Ethics Survey 2003. As previously mentioned, the Ethics Resource Center's general US perception survey, despite the title, does include private and public sector, as well as the non-profit community. The survey looks at the role of leaders, supervisors and peers, as well as focusing on how often employees see misconduct, feel pressure to commit misconduct and their willingness (or ability) to report misconduct, thus provides crucial feedback on programme elements such as help lines or hotlines. Variations of this survey have been used by ethics centres in South Africa and Turkey.

In addition, this perception survey can be used as a benchmark for government or agency specific surveys. Although this is common in the private sector, it is seldom used in the public sector. The one major exception was the Puerto Rico's Office of Government Ethics 2003 survey. The agency wanted to consciously benchmark in order to better understand the dynamics of ethics on the island.

Hotline and help line assessment method two: Stakeholder analysis

Stakeholder analysis is used to identify and assess the importance of key actors that may affect the programme in question. More specifically, the expectations, perceptions and constraints of each stakeholder are documented and analysed. Such analysis is often done informally as a starting point for any evaluation. A formal and detailed stakeholder analysis can be extremely useful, especially in cases where confidentiality is of the essence. For example, tracking the complaints that enter a hotline system may illuminate how many complaints are being elevated and to whom, on a post hoc basis. A more proactive review of the system would identify the actors in the process and assess their expectations, perceptions and constraints.

A detailed analysis of callers, operators and any actors involved in the various levels of review of complaints can illuminate the observed outputs of the system. For example, a low rate of complaints elevated for review could be due to caller misunderstanding of the purpose of the hotline, limitations on elevation options available to operators, or simply a lack of cases requiring elevation. Stakeholder analysis, not output statistics, will illuminate the answer.

Example: Public Service Human Resource Management Agency of Canada. Stakeholder analysis is particularly useful where surveys and other quantitative analysis are not possible. Canada's Public Service Human Resource Management Agency conducted stakeholder analysis of issues surrounding the disclosure of wrongdoing.[41] Their discussions with complaint processors indicated the need for independent and confidential investigations, as well as improved protection for whistleblowers and measures to protect the accused.

Stakeholder analysis is an important first step to an in depth process review. By analysing the perceptions, expectations and constraints on the relevant actors, it is possible to understand how the participants in a process are shaping the outcome of it. Furthermore, by identifying gaps between perceptions and expectations and by documenting the constraints on actors this tool provides the foundation for a plan of action for managers wishing to improve the process in question.

Strengths and weaknesses of assessing help lines and hotlines and criteria for success

Assessing the effectiveness of the hotlines in terms of either providing counselling to whistleblowers or efficiently and responsibly investigating the issue reported can be done in a number of ways. First, client feedback, while complicated by the anonymous nature of some reports, can be collected. Next, many unions encourage members to file a simultaneous report with them in order to maintain an independent record for comparison with official action. Other, perhaps even more independent, tracking procedures could be devised. In fact, for high profile cases, the press often plays this role.

Co-ordinating ethics bodies

The existence of a co-ordinating ethics body in itself can be an assessment of the effectiveness of a country's integrity system. However, even when such a body exists, determining a reliable method to assess the assessors is critical. Co-ordinating bodies often fill a number of roles, including acting as a watchdog agency, counsellor and promoter or marketer of ethics standards.[42] Having already discussed counselling and communications strategies, focus is on assessment of the co-ordinating body's role as a watchdog agency and their overall assessment.

Co-ordinating ethics bodies assessment method one: Legislative oversight

Ethics bodies must be accountable to a legislative body with respect to operational and financial performance. Legislative hearings, where the ethics body reports on its progress toward its performance goals and its budget performance, should be held regularly and publicly. Most co-ordinating bodies are obligated to publish annual performance reports and/or testify before a legislative body regarding their performance. For example, the US Office of Government Ethics issued biennial reports to Congress from 1990 to 1998 until Congress repealed the requirement. From 1999 OGE has provided a publicly available Annual Performance Report to Congress in conjunction with its annual budget request and justification. Canada's Ethics Counsellor regularly reported to Parliament, as does the Committee on Standards in Public Life in the United Kingdom.

Co-ordinating ethics bodies assessment method two: Self-assessment

The US Office of Government Ethics publishes a self-assessment of their progress toward reaching their annual performance goals in the aforementioned Annual Performance Report. In the United Kingdom the Committee on Standards in Public Life has its own code of conduct, publishes performance goals and progress, and publishes its financial performance in an annual report.

Co-ordinating ethics bodies assessment method three: Independent audits

New South Wales' Independent Commission Against Corruption appoints independent auditors every three years to assess processing of complaints, financial performance and the control of formal investigations.[43] In many countries around the world, inspectors general (or those who are responsible for such a function) do management audits of ethics programmes. In Turkey and the United States this is done through the individual agency responsibility of each Inspectors General, while in Chile government-wide inspectors general do this. Sometimes supplementing this oversight is the supreme auditor in a country who takes legislative responsibility for auditing ethics agencies.

The Supreme Chamber of Control, Poland's supreme audit institution, also undertakes some risk assessment of integrity systems. However, it is not clear as to the extent of the current approach. Risk assessment methodologies can be one of the more effective approaches in reviewing output measures. However, good risk management assessment requires a fairly sophisticated quantitative background requiring vector analysis and often factor analysis of distinct interval level variables.

Co-ordinating ethics bodies assessment method four: Public scrutiny

Common to most co-ordinating bodies is a commitment to detailed reporting of activities online. This enables media and public scrutiny of the agency's activities. Most government ethics offices have a presence on the worldwide web. However, there has been no attempt to evaluate these, or create a portal to take advantage of cross-government institutional knowledge.

Co-ordinating Ethics bodies assessment method five: Surveys

One goal of a co-ordinating body is to facilitate the process of harmonisation among agencies regarding ethics related procedures. The only method uncovered that is used to systematically assess progress on this front is the interagency questionnaire discussed previously, the Queensland National Integrity Systems Assessment (NISA) report. Intended to assess the effectiveness of Australia's National Integrity Systems at Commonwealth, State and territory level and also in the business sector, NISA was launched first in Queensland and findings have been published on the Internet as the Queensland NISA Handbook.[44]

Strengths and weaknesses in assessing co-ordinating ethics bodies and criteria for success

There is very little attempt to assess the various co-ordination roles among the integrity functions and other anti-corruption agencies despite

what seems to be an obvious area for evaluation. There are obvious issues of competition for scarce resources, but it would seem that everyone benefits from a clearer picture. In more complex systems there are competing integrity systems, and there appears to be little interest in evaluating how they impact one another. For example, in one agency in a large government there is a government ethics office, a research ethics office, business compliance and integrity office, and a clinical ethics office.

Control and enforcement

While this paper focuses on preventative measures, the effectiveness of any integrity system component is dependent on the likelihood of punishment for misconduct and the enforceability of statutes once a violation is known. The Ethics Resource Center's National Business Ethics Survey (NBES) 2003 found that employees were more likely to report ethical misconduct if they thought something was going to be done about it. Thus, if employees feel that those who violate the code will be punished, compliance with an organisation's code of conduct will increase. Often this discussion of punishment is mistaken for severity. Actually, it is the sureness that a penalty will occur and how quickly it occurs that affects behaviour. The Philippines has capital punishment for "public plundering" but as it is never enforced it provides little deterrence. On the other hand, governments that punish misconduct immediately with penalties such as reduction in pay or a day off without pay, appear to have more success with compliance.

A discussion of the methods to measure the effectiveness of control and enforcement mechanisms deserves its own work. Comments are limited to the obvious; for each case or type of violation, it should be clear who will conduct investigations, how they will go about it, how administrative violations will be distinguished from criminal violations, and in what way violations will be punished. The goal of an integrity system is to instil shared values that will prevent misconduct, but to achieve this goal control and enforcement mechanisms must be present and effective. Unfortunately, much of this falls outside the scope of the discussion.

Report cards

External reviews and report cards provide an important check on the potential bias of internal assessments. The Maxwell School Government Performance Review provides a good example of a review that rates the management capacity of city, county and State governments in the US.[45] However; none of these report cards include ethics or integrity. In a recent article published in the Public Performance and Management Review titled *A Report on Report Cards*, over forty different report cards, assessing various

government programmes and policies, were critiqued with equally disappointing results.[46] Report cards could serve as ideal vehicles for external assessment if governments could get researchers interested in issues of integrity.

Conclusion

There are many obstacles to the successful assessment of integrity system components. The nature of these obstacles is such that there is an important role for multilateral organisations. However, there first must be recognition of the importance of assessments to integrity programmes, and how to communicate this need to governments. Consensus, rather than mandate, is critical to the success of such an endeavour. Experience has shown that mandates produce iconic measures designed to please the external evaluators rather than measure the actual effectiveness of the programme. If ethics programmes are to be of value, internal evaluation measures should be part of on going operational processes and seen as a natural part of programme management.

In outlining some of the assessment methods that are currently being used around the globe, several challenges to effective evaluation have become apparent.

1. First, the ethics practice is young. For most countries in the world it is little more than a decade old. For that reason there is no general agreement on a common language,[47] or a broad concurrence on set of standard system components. Within this discussion there must be a recognition that a broad based integrity system – with prevention as its focus – is a recently arrived at paradigm. For that reason, the concept of evaluating the components is even newer. So it is not surprising that evaluation instruments, as well as what is to be evaluated, vary widely in the international community. Where one country emphasises evaluating the effectiveness of training, another will focus on how effectively public servants understand the code of conduct. Even within each of these evaluation issues there is wide variance as to *how* a component should be measured. For example, training is measured through questions that emphasise technical understanding, application, and even whether the individual enjoyed the course. Therefore, it is also clear that there is not one, uniform system of evaluation even within governments, and sometimes ministries. The variance is in some large part due to a lack of consensus as to what government agencies are trying to measure. Because of this there is an emphasis on distinct elements of the programme, rather than having an evaluation that takes into account how all of the pieces of an integrity programme fit together.

2. Secondly, as is the case in most countries, responsibility for evaluation is decentralised. In all of the research no one single entity responsible for the evaluation of all elements of an integrity system was found. Even the "governing" agencies such as ICAC in Hong Kong and Australia, the US Office of Government Ethics or the Registrar of Assets in South Africa are only responsible for a part of the overall evaluation. And often, even in the most sophisticated systems, there is very little actual evaluation.
3. Third, the incentive structure for integrity systems is often upside down. That is, in many ways it is in an agency's best interest not to know whether they are effective or not. Any critical report can bring unwanted legislative or executive oversight, and in the worse case a reduction of funding. For this reason, care must be taken to ensure that the incentives for valid evaluation outweigh the incentives for the appearance of success to any overseeing body.
4. Fourth, there is a persistent belief that given the nature of ethics programmes, effective evaluation is not possible. The argument generally made is that since ethics programmes are designed to prevent something before it occurs, one cannot measure something that does not happen. This is a variation on the proverbial "if a tree falls in the forest and no one is around, does it make a sound?" So the conclusion drawn from this belief system is that gross measures of corruption (arrest rates, monies recovered, etc.) are not meaningful measures of the effectiveness of ethics programmes. This myth usually persists because of a lack of evaluation skills and the false assumption that if something cannot be directly measured, it cannot be measured at all. In fact there appear to be a number of robust indirect measures that, collectively, give a clear picture as to the success of ethics programmes, including surveys, stakeholder analyses and public hearings.
5. Finally, organisations continue to focus on observable outputs as opposed to outcomes in their evaluation of programme effectiveness. It is much easier to count how many people received training, how many asset declarations were filed and how many hotline calls were received. This echoes of the analogy of a man who lost his car keys in a dark alley but insists on only searching for them directly under the streetlamp. Outcome measures would redirect attention to more appropriate concerns, such as whether public officials could apply ethical principles they learned to specific circumstances. What is needed is a much more nuanced approach that addresses the relationship between outputs *and* outcomes in order to get an effective understanding of the successes and vulnerabilities of ethics programmes.

Of the challenges mentioned above, lack of a standard, the disincentive to succeed (*i.e.* an incentive not to uncover and/or publish ethical issues, particularly if solutions are not readily available), and over reliance on observable outputs all point to an important role for multilateral

organisations. This paper has identified only some of the key assessment strategies in use, but there remains an important gap between what is described here and a reliable plan of action for assessment. With the wide variance within integrity programmes it would be impossible to develop a set of standard measures. However, this problem does not preclude developing a framework that identifies the critical institutional elements of an ethics programme and examples of efficacious measures.

Recommendations

Ethics programmes seem to be struggling around the issue of effective evaluation. If they are to survive as deterrence systems, they must be able to demonstrate their efficacy. Multilaterals can provide a lifeline so that the organisational leaders, as well as the political leadership, can better understand how to measure impact, to distinguish success from failure. The potential role for multilaterals in this regard is multifold:

1. The first responsibility for a multilateral is to provide a primer for governments that describes legitimate methods for using secondary measures of performance of anti-corruption systems – their advantages and disadvantages. Until there is common acceptance of the advantages of such measures, they will never be put into place and, without them, there is little chance of evaluating the various elements of an integrity system.
2. Second, multilateral organisations can help to eliminate the dangerous misconception that integrity programmes cannot be accurately evaluated. In so doing they can help identify valid and reliable indirect measures thereby promoting the secondary measures as legitimate techniques for evaluating integrity systems.
3. Third, they can use this report as a starting point for developing a catalogue of effective evaluation techniques. Such a catalogue would emphasise that no "one size fits all", yet programmes can learn from how other programmes have approached evaluation problems.
4. Next, there would be considerable value in creating evaluation instruments that can be modified for use in a variety of settings. Such instruments should contain concrete examples of evaluation frameworks for each of the elements of an integrity programme and explain interrelations between elements (*e.g.* the importance of a code of conduct to inform effective reviews of asset declarations) as well as providing examples of surveys and aggregates analysis.
5. To accompany the above resources, it would be useful to provide an in-depth analysis of effective evaluation strategies along with case studies would allow others to learn the details programme evaluation elsewhere. For example, a systematic analysis of survey methodology intended for the

assessment of an organisation's ethical climate could allow organisations to learn from past successes and failures. Such an endeavour should highlight failed and ineffective methods of assessment by way of providing bureaucracies with a list of methods to avoid.

The goal would be to prepare a toolkit of evaluation instruments that could be modified for use in a variety of settings. This toolkit would include a discussion of how to determine which method is appropriate for each setting. For example, the Puerto Rico Public Servant Survey of 2003 is an excellent model for the evaluation of ethics in public service provision but may not be appropriate for a particular agency. Evaluation techniques will differ from programme to programme and agency to agency. A multilateral could play an important role in helping organisations navigate this decision-making process and providing model programmes for consideration.

Improving the value of integrity systems requires evaluation of their effectiveness, which, in turn requires willingness to self-evaluate, and the implementation of secondary methods of assessment. The OECD and other multilateral organisations have a singular and critical role to play in facilitating the sharing of information about successes and failures in integrity system assessment and providing a framework for implementation.

The OECD, among other multilateral organisations, has a unique position and capability to accomplish this. Because it has a finite set of members, most of which have robust integrity systems, it can easily develop the critical components discussed above. In addition, because of the existence of the SIGMA[48] (Support for Improvement in Governance and Management a joint initiatives of the OECD and the European Union, principally financed by the EU) programme, it can simultaneously use these newly developed integrity systems as laboratories for testing effective evaluation.

For a number of reasons citizens, governments, NGOs, and multinational organisations have an investment in the success of integrity programmes. They are the natural compliment to anti-corruption enforcement, and arguably effective enforcement cannot occur without an effective ethics programme. Knowing what is effective is the key here. And evaluation is the only way to open that door into insight.

For that reason, assessment should be a natural part of any integrity programme, but currently it is seldom the case. Multilaterals can provide the tools and the discipline to achieve this, and avoid the degeneration of these corruption prevention programmes. As Victor Hugo wrote:

> *He who every morning plans the transaction of the day and follows out that plan, carries a thread that will guide him through the maze of the most busy life. But where no plan is laid, where the disposal of time is surrendered merely to the chance of incidence, chaos will soon reign.*

Multilateral Reports and Web sites

OECD activities on ethics and corruption prevention in the public service *www.oecd.org/gov/ethics*

SIGMA (Support for Improvement in Governance and Management a joint initiatives of the OECD and the European Union, principally financed by the EU) www.sigmaweb.org

TI Sourcebook www.transparency.org/sourcebook/index.html

Queensland NISA, July 2001 www.transparency.org.au/documents/QNISA_report.pdf

International Institute for Public Ethics www.iipe-online.org

Word Bank www.worldbank.org/publicsector

IMF – Reports on the Observance of Standards and Codes www.imf.org/external/np/rosc/rosc.asp

UN www.undcp.org/crime_prevention.html

Australia

Annual State of the Service report includes an evaluation of compliance with code of conduct and implementation of values statement. www.apsc.gov.au/stateoftheservice/2002/chapter03.htm

Department of Health and Ageing focus groups on code of conduct www.ageing.health.gov.au/workforce/code.htm

Focus groups test "Embedding APS Values" www.apsc.gov.au/conduct/

Public Service Commission (APSC) is responsible for monitoring agency performance and ensuring compliance with the code of conduct www.apsc.gov.au/

Legislation co-ordination division of Attorney General's office is responsible for promoting the anti-fraud policy and the Commonwealth legislation enforcement commission submits an annual report on agency fraud prevention efforts www.tbs-sct.gc.ca/veo-bve/theethicsinfrastructureinthepublicadministration_e.asp

Annual NISA maps the elements of an integrity system "Identify analyse and record the institutions, laws, procedures, practices and attitudes which increase transparency and accountability and inhibit corruption" www.transparency.org.au/documents/QNISA_report.pdf

Business Integrity Systems in Australia www.transparency.org.au/documents/Bisareport.pdf

Canada

Treasury Board of Canada Secretariat (TBS) Management Accountability Framework (MAF) The management accountability framework is a framework for assessing the quality of management results, leadership, people management and organisational environment. Here in addition to building a healthier more effective workplace, the idea is that a broader assessment of management "performance" could go a long way toward eliminating abuses before they start.
www.tbs-sct.gc.ca/maf-crg/maf-crg_e.asp#Introduction

Treasury Board of Canada Secretariat
www.tbs-sct.gc.ca/pubs_pol/hrpubs/tb_851/siglist_e.asp

Office of Public Service Values and Ethics, Public Service Human Resource Management Agency of Canada *www.tbs-sct.gc.ca/veo-bve/index_e.asp*

Report of the Working Group on the Disclosure of Wrongdoing 2004 that was issued by the Public Service Human Resource Management Agency of Canada – A report on the findings of a working group investigating the effectiveness of the "whistleblower" reporting procedures in Canada in the wake of several high profile incidents. The group conducted stakeholder analysis including members of the public service executives' professional organisation, senior officials in foreign governments
www.tbs-sct.gc.ca/pshrmac-agrhfpc/rep-rap/wgdw-gtdaf_e.asp

Learning Advisory Panel survey of middle managers – ethics related results are in the Auditor General's report. Specific methods to assess the risk of privacy violations – privacy impact assessments *www.tbs-sct.gc.ca/pubs_pol/ciopubs/pia-pefr/paipg-pefrld2_e.asp#2. Purpose*. Link to a list of resources used by the working group on whistleblowing: *www.tbs-sct.gc.ca/pshrmac-agrhfpc/rep-rap/wgdw-gtdaf10_e.asp#8*

Department of Defense Ethics Programme – 2000 survey of military and civilian personnel seeking to provide a baseline assessment of values used values that personnel think ought to be used, personnel expectations of the ethics programme and an assessment of ethical concerns.
www.dnd.ca/ethics/pages/home_e.htm

Office of Ethics Counsellor *http://strategis.gc.ca/ethics*.

Annual report – http://strategis.ic.gc.ca/epic/internet/inoec-bce.nsf/vwGeneratedInterE/oe01417e.html

Overview of Values and Ethics in the Public Sector in the annual report of the Auditor General *www.oag-bvg.gc.ca/domino/reports.nsf/html/0012ce.html*

Tait report provided an overall "state of ethics in Canada's government" and made recommendations. An important outcome of the Tait report was a "dialogue initiative" promoting dialogue about ethics and values within the government *www.ccmd-ccg.gc.ca/Research/publications/html/tait_e.html*

Columbia

2002 Integrity Index for Public Institutions – measures the risks of corruption in various institutions on a 0-100 scale.

Finland

OECD and Finland surveyed public employees and managers as to the effectiveness of ethics related measures. 1998 Survey of top management and personnel from 170 agencies focusing on changes in values of governance, principles of civil service ethics, unethical practices and factors affecting civil service ethics (1998).

United Kingdom

Committee on Standards in Public Life Reports generated from committee hearings and independent scrutiny www.public-standards.gov.uk/

Focus group assessment of conduct in public life www.natcen.ac.uk/publications/Final%20draft23.pdf

Ethics and standards for the Home Civil Service www.cabinetoffice.gov.uk/central/index/cse.htm

Puerto Rico

Survey of public servants – www.ethics.org/releases/nr_20031027_prsurvey.html

South Africa

Corruption Assessment Report by UN and Department of Public Service Administration www.gov.za/reports/2003/corruption.pdf

Manikor Omnibus Study

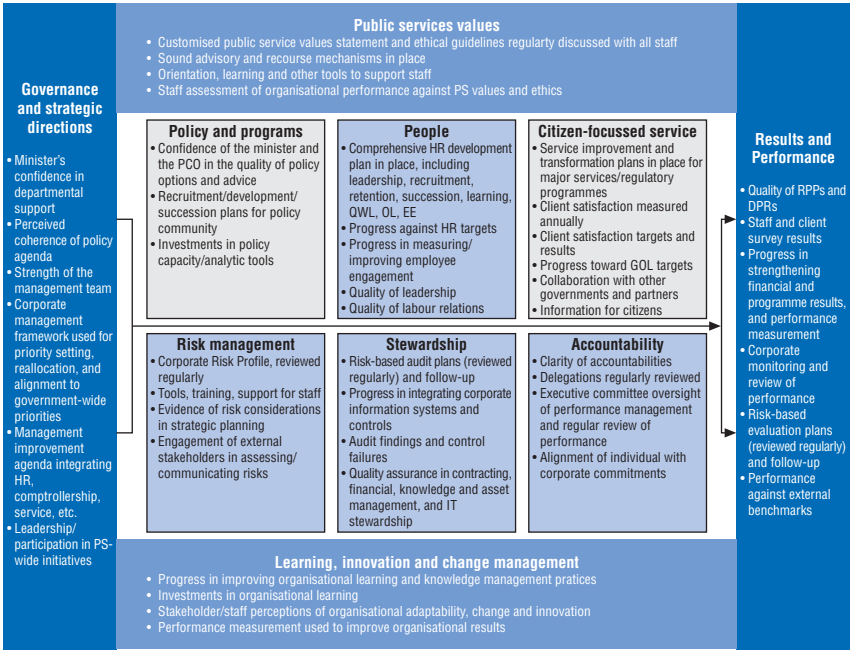
Measures perception of "maintaining transparency and accountability

United States

Official Site www.usoge.gov

Ethics Resource Center www.ethics.org

Figure II.1. **Management Accountability Framework in Canada**



Notes

1. The findings, interpretations, and conclusions expressed in this chapter are those of the authors and do not necessarily reflect the official views of the Organisation or of the governments of its member countries.

2. For purposes of this paper the terms integrity system, prevention system or ethics system are used synonymously.

3. A hypothetical case might explain how this could occur. The TI Corruption Perception Index is completed annually. Country X was ranked at number 55 because of the perception that it has a poor record of prosecuting corruption. For the next two years, it completely redesigns its prosecution system, firing and bringing to court corrupt prosecutors, and finds that after two years it is ranked at number 68 in the TI rankings. Why? Because broad media coverage leads to the perception that corruption is actually more rampant rather than less. Secondly, other countries might also be getting "better". Despite Country X's improvements, its progress is overshadowed.

4. The Informal Advisory Opinions of the United States Office of Government Ethics, available on the USOGE Web site: *www.usoge.gov/pages/advisory_opinions/advisory_opins.html*. These documents were originally published in three volumes by the US Government Printing Office covering the period 1979-1998.

5. Interview with an ethics official in one of the US states, February 2002.

6. See Fredrick Hermann, "Bricks Without Straw: The Plight of Government Agencies in the United States", *Public Integrity Annual 1997,* The Council of State Governments, Lexington Kentucky, 1997, pp. 13-21.
7. For a more complete explanation of multilateral involvement see: Terry L. Cooper and Diane E. Yoder, "Public Management Ethics Standards in a Transnational World", Public Integrity, Fall 2002, Vol. IV, No. iv. pp. 333-352.
8. TI emerged as the leading international NGO over the past decade. They have developed general tools for assessing perceptions related to corruption and bribery, such as the Corruption Perception Index (CPI).
9. *www.publicintegrity.org/ga/ii.aspx*.
10. *www.worldbank.org/wbi/governance/pubs/govmatters3.html*.
11. *www.oas.org/juridico/english/followup.htm#* Results listed by country with reports for 2002, 2003 and February of 2004.
12. Managing Conflict of Interest in the Public Service: OECD Guidelines and Country Experiences (2003); Public Sector Transparency and Accountability: Making it Happen (2002); Trust in Government: Ethics Measures in OECD Countries (2000); Public Sector Corruption: An International Survey of Prevention Measures (1999); Ethics in the Public Service: Current Issues and Practice. OECD Public Management Occasional Paper No. 14 (1996).
13. Through its Public Management Service (PUMA) which was transferred to Public Governance and Territorial Directorate in 2002.
14. *www.tbs-sct.gc.ca/maf-crg/maf-crg_e.asp#Introduction*.
15. See Stuart C. Gilman, "Effective Management of Ethics Systems: Some New Frontiers", in Vusi Mavuso and Daryl Balia, *Fighting Corruption: Invitation to Ethics Management*, Unisa Press, Pretoria, South Africa, 1999.
16. *www.oag-bvg.gc.ca/domino/reports.nsf/html/0012ce.html#0.2.0AKH9E.78C5D1.D0582G.4F*.
17. Report to the Office of Government Ethics, Commonwealth of Puerto Rico: 2003 Employee Ethics Survey.
18. *www.transparency.org.au/documents/QNISA_report.pdf* (p. 146).
19. *www.worldbank.org/participation/web/webfiles/cepemcase9.htm*.
20. PSC News December 2003 / January 2004 "Turning the Tide on Corruption".
21. *www.transparency.org.au/documents/QNISA_report.pdf*.
22. *www.transparency.org.au/documents/QNISA_report.pdf* (Section 2).
23. Queensland NISA (p. 139).
24. *www.dnd.ca/ethics/pages/home_e.htm*.
25. *www.apsc.gov.au/values/values6.htm*.
26. *www.rpani.gov.uk/*.
27. *www.gov.za/reports/2003/corruption.pdf*.
28. *www.tbs-sct.gc.ca/pshrmac-agrhfpc/rep-rap/wgdw-gtdaf2_e.asp*.
29. *www.icac.nsw.gov.au/go/the-icac/what-is-the-icac/independence/-accountability/the-operations-review-committee- (orc)*.

30. *www.ssc.govt.nz/display/document.asp?navid=94*.
31. *www.imf.org/external/np/rosc/rosc.asp*.
32. *www.ttfse.org/*.
33. *www.hc-sc.gc.ca/hpfb-dgpsa/pac_announcement_200211_e.html*.
34. *www.greensalvation.org/English/Partners/transparency.htm*.
35. *www.usoge.gov/pages/forms_pubs_otherdocs/fpo_files/surveys_ques/srvy450questions_03.pdf*.
36. *www.tdcj.state.tx.us/ace/ethics/ethics-feedback-form.htm*.
37. *www.usoge.gov/pages/daeograms/dgr_files/1997/etsurvey.pdf*.
38. Selby A M Baqwa, SC, "Anticorruption Efforts in South Africa", The Journal of Public Inquiry, Fall/Winter, 2001, pp. 21-24.
39. OECD Public Management Occasional Papers No. 14, "Ethics in the Public Service: Current Issues and Practices" 1996 at *www.oecd.org/dataoecd/59/24/1898992.pdf*.
40. *www.kicac.go.kr/?ACTION=english_home*.
41. *www.tbs-sct.gc.ca/pshrmac-agrhfpc/rep-rap/wgdw-gtdaf5_e.asp#34*.
42. *Ibid*.
43. *www.icac.nsw.gov.au/files/pdf/pub2_15a.pdf* (p. 77).
44. *www.transparency.org.au/NISA.html*.
45. *www.maxwell.syr.edu/gpp/about/goals.asp*.
46. Public Performance and Management Review, *A Report on Report Cards* by Charles K. Coe, December 2003, Volume 71, Number 2.
47. The recent OECD report, *Managing Conflict of Interest in the Public Service. OECD Guidelines and Country Experience,* is an attempt to develop a more common vocabulary.
48. *www.sigmaweb.org*.

ISBN 92-64-01059-9
Public Sector Integrity – A Framework for Assessment
© OECD 2005

PART III

The Experiences of OECD Countries

Part III presents selected case studies on recent efforts of assessment in Korea, France, Australia and Finland. These case studies provide further details on actual practices, methods and tools for assessing integrity and corruption prevention measures and also explain how they fit into the specific country context.

PART III

Review on Assessing Effectiveness of Integrity and Anti-corruption Measures in the Korean Public Service

by
Seong Youn Kim*

* The survey research was undertaken by Seong Youn Kim. Chief Deputy Director Korean Civil Service Commission who was seconded to the OECD to prepare the first draft of the study. The first draft was reviewed by Korean officials in July 2003 and it was also commented in written procedure in 2003 and 2004.

Summary

Introduction

The main focus of the survey research on recent assessments in Korea was to:

- Review the type of mechanisms for corruption control that exist in Korea; and
- Analyse approaches and methodologies that are used in Korea.

This case study compares key components and phases of assessment methodologies applied by the Korea Independent Commission Against Corruption (KICAC) and the Seoul Metropolitan Government (SMG) through:

- Researching recent efforts, practice and applied tools.
- Conducting interviews with people involved in assessment efforts within the Korean Government and through questionnaires.

Summary of main conclusions

The case study indicates a number of characteristics of assessments in Korea:

a) Assessment has been fully integrated as an essential part of the anti-corruption strategy in Korea.

Assessment helps determine the most and the least effective areas and measures to promote integrity and fight corruption. Public announcement of results has proved to be an effective way to give impetus for action in assessed organisations. Furthermore, disseminating good practices has a positive spill-over effect on other organisations to identify future directions for their efforts.

Assessments have been carried out both at the national and sub-national levels, in order to ensure a coherent anti-corruption strategy at all levels of government.

b) The accuracy and objectivity of assessment results have contributed to a steady increase in public confidence in government efforts against corruption.

The Korean government uses a number of sophisticated measures for assessment that often combine subjective data – preferably based on direct experience – with objective data to achieve a well-balanced assessment results.

The following three factors proved particularly crucial for developing objective and fair assessment methodologies: the independence of evaluators, the involvement of external experts and the participation of evaluated organisations in the process.

Most assessment methodologies have also included the review of the impact of the assessment itself. This comprehensive and systematic approach to assessment has contributed to building public trust in the government's anti-corruption efforts.

The Korean Integrity and Anti-corruption System

Corruption is a symptom of systemic failure that cannot be isolated from the social and economic context. This first section reviews the main factors influencing integrity and corruption prevention efforts in Korea.

Government-led development

Thanks to government-driven development, Korea accomplished an economic miracle at surprising speed. However, the growth of its economy driven by the State was achieved in conjunction with big business groups that had vested interests, which caused triangular alliance among politicians, business people and government officials. In addition, due to excessive regulation in the process of government-led economic development, politicians solicited campaign funds from conglomerates in exchange for offers of privileged business opportunities, thereby causing political corruption.

Socio-cultural legacy

The Korean administrative system stems from the age-old traditional political culture in which government interests took precedence over public interest on the basis of a tradition of centralisation, closed administration and authoritarianism. Coping with corruption of superiors was extremely difficult in the context where authoritarianism and governmental supremacy have long controlled the Korean administrative culture and thereby facilitating corruption.

Civil service career system

The Korean administration is traditional professional bureaucracy with political neutrality that was based on a merit system. Korean civil servants are recruited through highly competitive examinations with a guarantee of lifetime employment. This system substantially contributed to maintaining integrity and raising prestige and professionalism in the civil service. Assurance of lifetime employment provides government employees with job safety in exchange for low salaries. However, the civil service was also criticised for lacking motivation for productivity and tending to compensate low salaries with honorariums for preferential treatment in implementing the policy.

Changes in public management and governance

Over the last two decades, fundamental changes have occurred in Korea and to meet the needs for reform, the Government of Korea adopted elements of the new public management paradigm as a strategic tool for government reform. These initiatives encouraged decentralisation and a small but effective government. In particular, it emphasised transparency with the aim of reducing information asymmetries between public institutions and citizens. As part of these efforts, the Government took reform measures to enhance integrity by opening up the administration through the introduction of transparency measures, such as the OPEN system.

Principal actors

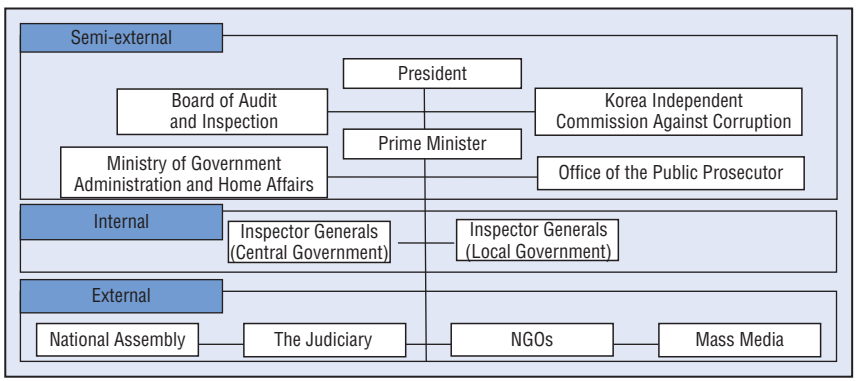
Control mechanism

Currently, the corruption control system is composed of three types of anti-corruption organisations which fall into three broad categories: external, semi-external and internal.

- External Control System: National Assembly, the judiciary, non-governmental organisations, mass media.
- Semi-external Control System: The President's Office, the Prime Minister's Office, the Board of Audit and Inspection, the Korea Independent Commission Against Corruption, the Office of the Public Prosecutor, Ministry of Government Administration and Home Affairs.[1]
- Internal Control System: Inspector Generals in each central government organisation and local government organisation.

The Office of the President and the Prime Minister's Office. These two offices are in the centre of preparing anti-corruption strategic plans and make

Figure III.1. **Principal actors**



strategic analysis of the policies implemented by administrative agencies. Form a government-wide perspective, they also co-ordinate and monitor policies and programmes for promoting ethics and countering corruption implemented by the administration.

The Board of Audit and Inspection (BAI). As a government agency regulated by the Constitution, the BAI functions as the supreme audit institution under the President. The BAI retains independence in performing its day-to-day functions. Its responsibilities include audits of all public expenditures and inspection of government operations and the performance of duties of civil servants.

Korea Independent Commission Against Corruption (KICAC). KICAC was established in 2002 under the President as an independent and politically neutral organisation. It integrates and co-ordinates the activities of various anti-corruption organisations. As a dedicated anti-corruption agency, it seeks to improve the legal framework for anti-corruption, formulate and enforce anti-corruption laws and policies, implement the whistleblowing system and also enhance public awareness of anti-corruption policies.

The Office of the Public Prosecutor (OPP). Public prosecutors working within the criminal justice system carry out the following three functions:

- investigation;
- prosecution; and
- related activities to detect crimes and to enforce sentence.

Public prosecutors are vested with sole authority and responsibility for carrying out criminal investigations, the police is required to conduct such investigations under the direction and instruction of the public prosecutor.

Ministry of Government Administration and Home Affairs (MOGAHA). Within the executive, among a variety of functions, it plays several ethics-related roles such as audit and inspection of local autonomous bodies, investigation of civil petition, management of registration of civil servants' assets and public disclosure system, and operation of Central Disciplinary Action Committee.

Inspector Generals at the central and local levels. They inspect government organisations, affiliated organisations and subsidiary organisations. Inspector Generals also resolve petitions within these organisations.

Independence and co-operation

As control mechanism against corruption appeared to be concentrated too much within the Office of the Public Prosecutor, this arrangement was criticised by the public for being the cause of inefficiency and neglect of duty in eradicating corruption in the past. The Government adopted a check-and-balance system with the creation of KICAC. But considering that KICAC is not

given investigative power, the check-and-balance system would not work as effectively as the Government originally intended.

As the newly created central anti-corruption agency, KICAC began with high expectations in spite of the limitation of its investigative authority. Although the functions and powers of KICAC are still under discussion, KICAC continues to co-operate with OPP in daily investigations. The procedure for individual case management in dealing with corruption is outlined in Annex III.A1.

In this context where lack of trust among organisations and fragmentation are the major problems special attention has been given to enhance co-operation, including the following measures:

- Horizontal movement of experts.
- Exchange of information on corruption cases.
- Working jointly on individual corruption cases.
- Sharing information and ideas on policy proposals.[2]

The Office of the President also plays a crucial role in sharing information, namely when organisations do not wish to share information with another organisations. When the Office of the President obtains information of a corruption case, it forwards this information to the appropriate agency to process the case.

Anti-corruption policies

All the administrations in the history of Korea have pledged to stamp out injustice and corruption. Especially at the time of inauguration, new governments announced their strong commitment to fight against injustice and corruption. These were more formalities, slogans, efforts to prolong their stay in power and ingratiate themselves with the public rather than practical measures to eradicate corruption.

The Government recognised corruption as one of the major factors that brought about the 1997 economic crisis, and declared "War on Corruption" and announced "Comprehensive Measures for Corruption Prevention" with the involvement of the civil society.

In recent years, the Government has adopted a new approach to fight against corruption, with a more comprehensive, systematic and well-planned strategy. Key elements of this new approach are:

- building an anti-corruption infrastructure – such as disclosure of personal assets and liabilities, protection of whistleblowers;
- using scientific methodology – such as assessment of integrity and introducing perception surveys;
- promoting public awareness – with a variety of participatory programmes; and

- putting equal emphasis on prevention and sanctions – strengthening both elements in a comprehensive manner.

Central government initiatives

At the central level the newly created KICAC adopted an extensive and systematic approach to perform its four major functions: policy formulation and evaluation, making recommendations for institutional improvements, handling cases that involve whistleblowing and government-wide educational and promotional activities.

Institutional Improvements: Protection and Reward

Protection of whistleblowers. KICAC took legal and institutional measures to protect whistleblowers from reprisal in order to facilitate whistleblowing of corrupt public officials.

Reward system. If a whistleblower brings material benefits to a related public institution, or prevents a possible loss, the related whistleblower may receive a reward of up to 200 million wons.

One year after the whistleblowing legislation came into effect the protection system in operation is considered to be a prominent measure for eradicating corruption. The corruption exposure rate in whistleblowing cases (referred for investigation authorities by KICAC after initial examination) was 67% in 2002, higher than the 56% for general reports. Total fines collected in whistleblowing cases were approximately 50% higher than that amount from general reports. Encouraged by this result, KICAC is working on promoting concrete measures to strengthen key corruption control functions of the whistleblower protection system, particularly assessing policy implementation and making concrete recommendations for improvement, promoting awareness through educational outreach.[3]

Policy formulation and evaluation

Basic plan for corruption prevention. In 2002 KICAC established a Basic Plan for Corruption Prevention for public agencies. This long-term policy plan regarding political, administrative, and corporate sectors has been under implementation. KICAC works to ensure that public agencies comply with its policy directions and make voluntary efforts to fight corruption.

Integrity Perception Index (IPI) for public agencies. KICAC annually measures IPI for public agencies to take scientific and systematic approaches to anti-corruption. In 2002, KICAC ranked 71 central government agencies and public corporations according to their IPI. This endeavour aims at promoting anti-corruption efforts and detecting corruption-prone areas to provide solutions.

The Code of Conduct for Public Officials. The Code, established by Presidential Decree, was designed to provide guidelines for public officials. The Code can be used as a reference when public officials face situations that demand ethical judgment. It also specifies sanctions to help public agencies to deal with violations. Offenders face disciplinary measures such as having their identities made public, put on record and attached to application for future posts.

Citizen participation programme

Clean Korea 21. A good example of building coalition between the public sector and civil society groups was the "Clean Korea 21" initiative under which the National Commission for Rebuilding Korea, the Transparency International Korea, the Public Corporations Association and the Federation of Korean Industry have identified and publicised best anti-corruption practices.

Meetings with stakeholders. KICAC usually holds a meeting involving the President and citizens on the assessment of ethics programmes at the beginning of each year. This meeting also identifies good practices and support the dissemination of information on lessons learned.

Co-operative training programme with citizens. KICAC institutes a pool of lecturers which consists of government officials and NGOs and assists the training programme of other public organisations.

Local government level: Seoul Metropolitan Government

The Seoul Metropolitan Government declared "All-out War on Corruption" on Mayor Goh's inauguration in 1998. An all-out effort was initiated to enhance high standards of ethics and performance of the city administration to recreate it "as transparent as crystal". They adopted a systematic approach, simultaneously pursuing four major lines of action: preventive measures; punitive measures; ensuring transparency in administration; and enhanced participation from the private sector.

Preventive measures such as deregulation. Seoul is promoting deregulation in all areas of administration through eliminating unfounded regulations and clarifying unclear conducts. Seoul City organised the "Regulation Reform Committee" comprising city officials and reputable citizens. The Committee is a prominent element of the public-private co-operation that facilitates the reform process.

Punitive measures such as the Corruption Report Card to the Mayor. This system was initiated by the Mayor to ensure the principle of zero tolerance for corruption across the entire city administration. Return postcards are distributed to those who have business with the city government in areas prone to corruption and these cards are also systematically placed in the city

and in all district civic affairs offices in order to receive direct feedback from citizens (including reports of corruption and proposals for improvement). The Mayor reads all postcards received and ensures that every wrongdoer is properly punished.

Ensuring transparency in administration by operating an OPEN System (Online Procedures ENhancement for Civic Applications). The Seoul Metropolitan Government introduced the *OPEN* system as an advanced measure to prevent corruption through ensuring transparency in city administration. This system make public on the Internet those administrative procedures closely related to civic life to satisfy citizen's right to be informed and to prevent corruption.

Citizen Participation Programme such as the Citizen Ombudsman System and the Direct Dialogue Channel. The *Citizen Ombudsman System* is operated for citizens who have received unjust administrative treatment. Two citizens are appointed as "citizen ombudsmen" to hear civic affairs and investigate cases. In addition, various channels of direct dialogue are available between citizens and the Mayor, including hot-lines, e-mails, and regular hearing such as "the Mayor's Saturday Date with Citizens".

Notes

1. The Financial Supervisory Commission, the Fair Trade Commission, the Tax Service, the Customs Service and the Defence Security also play a role in obtaining information and detecting corruption.
2. *Anti-corruption systems of Korea: The efforts to balance independence and co-operation among anti- corruption agencies* presented by Wook Bong in Global Forum 3, May 2003.
3. KICAC News Brief, Feb.-April, 2003.

Approaches and Tools for Assessing Integrity

Evaluation of anti-corruption programmes

Case 1: National evaluation of corruption-prevention initiative and results by KICAC[1]

Legal basis. Pursuant to the Anti-Corruption Act and the Enforcement Decree of the Act, KICAC has a statutory responsibility to evaluate the implementation of corruption-prevention initiatives in public organisations. Paragraph 2 of Article 11 of the Anti-corruption Act says that the Commission shall perform the following activities: Surveying the actual state of the policy and evaluating progress taken to prevent corruption in public agencies.

Objectives. The overall objectives are to diagnose precisely government's efforts in anti-corruption initiatives and analyse their impact. A complementary objective is to proactively analyse problems as well as devise solutions to problems encountered in the course of implementing ongoing corruption-prevention initiatives.

Timeframe. Since 2002, KICAC has conducted the evaluation project on a regular basis. The timeframe was divided into three phases:

- Phase 1 – Commissioning a specialised institute to determine initiatives to be evaluated, developing an evaluation model and analysing the results.
- Phase 2 – Conducting paper-based and on-site evaluation of implementation.
- Phase 3 – Analysing final results and reporting the findings.

Procedures. As a first measure, KICAC formed the Policy Measures Evaluation Council consisted of external experts to ensure fairness and objectivity in the evaluation process. The Council is responsible for general planning of the evaluation as well as coaching and supporting KICAC with the actual implementation.

KICAC then used an independent research institute, the Korea Institute of Public Administration (KIPA) to establish basic plans for the evaluation, to select initiatives to be evaluated and develop evaluation metrics. The Korea Institute of Public Administration appointed 19 examiners then began the analyses of selected programmes through both paper-based and on-site assessment. At the final stage, KICAC involved the evaluated public organisations to actively support the adjustment of corruption-prevention initiatives.

Scope. KICAC evaluates the central administrative agencies including ministries, presidential councils and local administrative agencies. KICAC also plans to expand the evaluations to include municipal governments and government-sponsored organisations. With input from professional researchers from the Korean Institute of Public Administration, KICAC drew up a preliminary list of candidate initiatives and had the list reviewed by the Policy Measures Evaluation Council. Although initiatives change year by year, they substantially review two types of activities – common initiatives that must be carried out by all organisations, and voluntary initiatives that are internally planned and implemented by individual organisations. Common initiatives include:

- Institutionalising the Code of Conduct.
- Facilitating whistleblowing.
- Enhancing transparency of contract-related works.

Self-driven initiatives and high-corruption level areas found in the integrity assessment programme are included in voluntary initiatives.

Evaluation areas and performance measures in 2002. KICAC developed an evaluation metrics that took into consideration the entire process of planning, implementation and effect. The method used to evaluate Anti-Corruption Policy in 2002 was a non-measurable one based on working accomplishment of each assessed institution. In practice, each evaluation commissioner analysed the document submitted by evaluation research institute and verified the fact by visiting the institutions on person. The method to evaluate the result is based on qualitative and non-measurable one. For assessing each task, the following evaluation index has been used.

Follow-up measures – the main types of follow-up measures taken by KICAC include:

- Publication of results – KICAC made public the evaluation results including suggestions for improvement, identified weaknesses and specific issues related to each organisation.
- Prize-awarding – In order to show appreciation of achievements based on evidence produced by the evaluation, KICAC officially presented prizes to both individuals and organisations. The prizes ranged from a Presidential Prize to a mark of honour.
- Promotion of best practice – KICAC distributed information on identified best practices and encouraged other institutions to benchmark their practice across the public sector.

Based on the experiences of evaluations in 2002 and 2003, KICAC further developed the "Evaluation Index" in late 2003. While the fundamental basis of the "Evaluation Index" remained on assessing working accomplishment of

Table III.1. **Evaluation metrics**

	Planning	Implementation	Effect
Evaluation Areas	– Input. – Plan for output.	– The level of commitment of the organisation's head. – Implementation structure.	– Level of implementation. – Prevention Achievement Rate.
Performance Measures	Existence of an Implementation Plan: – Including guidelines and related rules. – Point of planning. – Anticipated problems and effects, means, and interconnection. Appropriate goals: – Appropriate targets – Appropriate plan *vs.* goals. – Modification of goals and reasons for such modifications.	The level of interest of the organisation's head: – Level of the head's involvement in approval and the decision making process in relation to the initiative. – Orders from the head. – The head's participation in training. Appropriate Implementation Structure: – Appropriate structure for meeting goals. – Presence of a planning organisation, commission, dedicated team, dedicated staff and a task force. – The makeup of the implementation plan. – Clear division of roles and responsibilities within the implementation system.	Evaluation of implementation level: – Comparing the implementation performance against the plan. – Reasons for non-implementation and the level of follow-up actions. – Effect Evaluation: – The initiative's level of contribution to corruption prevention. – Level of efforts to address side effects. – Exciting achievement that exceeds initial expectation.

each institution through qualitative, non-measurable index, the quantitative, measurable index became more significant in the evaluation process. Furthermore, this advanced "Evaluation Index" applies diverse indices tailored to each task instead of applying an identical single method for all subjects.

Case 2: Evaluation of the OPEN System of the Seoul Metropolitan Government[2]

Objectives. The Seoul Metropolitan Government (SMG) developed two survey methods, a regular one (the TI Korea survey) and a one-off survey conducted by the Seoul Institute of Transparency (SIT survey). Commissioned by the SMG, TI Korea has regularly conducted surveys on monitoring the OPEN System since 2000 while SIT evaluated the effectiveness of the OPEN System in 2001.[3] On the one hand the purpose of the TI Korea survey was to adjust the OPEN System process by measuring overall awareness and its use; on the other hand the objective of the SIT survey was to evaluate the effects of the OPEN System on processing civic affairs by the city administration such as anti-corruption.

Organisational scope. The TI-KOREA survey used a random sample of ten district offices with an average of 100 citizens that was randomly selected

Table III.2. **Evaluation metrics of the TI-KOREA survey**

Evaluation area	Questionnaires
The perception level of transparency in implementing civic application	– Opinion regarding efforts of enhancing transparency in the SMG. – Satisfaction with the service. – Quality of the service.
The awareness level of the OPEN system	– Awareness level. – Mass media channel.
The efficiency of the OPEN system	– Usage of the OPEN system. – Reason of using the OPEN system. – Merit of the OPEN system. – Factor for transparency in OPEN system.
The effectiveness and challenge of OPEN system	– Satisfaction with OPEN system. – OPEN system's effect on preventing corruption. – OPEN system's effect on time spent for civic application. – Improvement points of the OPEN system.

Table III.3. **Evaluation metrics of the SIT survey**

Evaluation area	Questionnaires
Anti-corruption effects of the OPEN system	– Perceived OPEN system's contribution to anti-corruption. – OPEN system's effect on preventing corruption: most and least effective area.
Equity of access to administrative services	– Perceived equity of access to administrative services. – Difference in service areas: most and least effective area. – Difference in each group, *i.e.* the rich *vs.* the poor or those who own computers vs. those do not.
Efficiency	– Perceived OPEN system's contribution to efficiency in sharing information. – Effect on efficiency: most and least effective area. – Easiness in complaints. – Perceived processing speed.
Evaluation of the introduction process	– Perceived confusion during the introduction period. – Individual acceptability. – Organisational acceptability. – Room for improvement.
Successful factor	– The role of leadership. – The participation of public officials.

from each district office to respond to the survey. Altogether 1 000 citizens took part in the survey which was based on one-to-one individual interviews. The SIT survey focused on both city officials in city and district offices and citizens who were actually involved in processing civic applications. The survey of citizens was based on tele-research, carried out on 500 citizens who filed civic applications at the SMG and in each district office.

Anti-corruption index

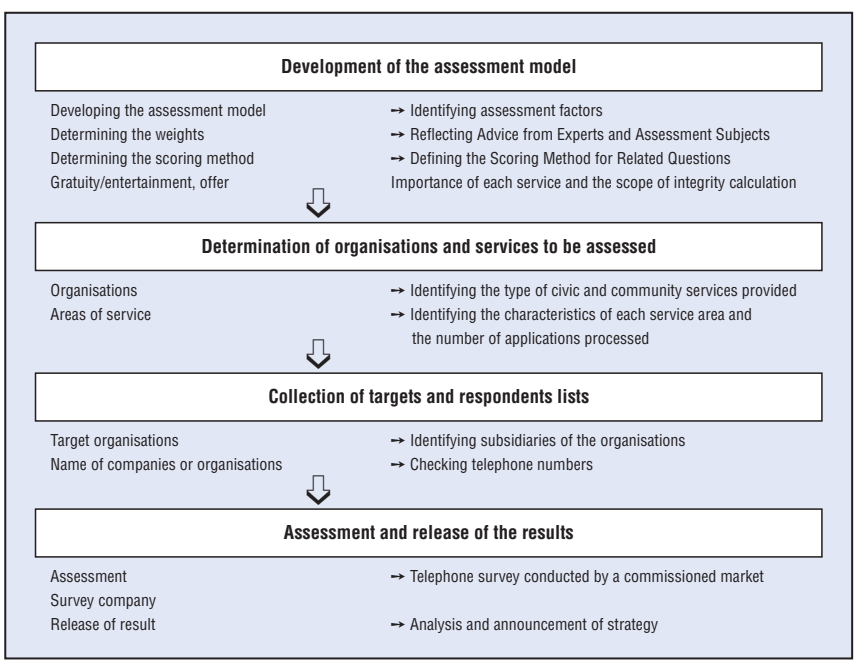
Case 3: Assessment of public organisation integrity and results by the Integrity Perception Index (IPI) by KICAC[4]

Objectives. KICAC conducted an assessment of the level of integrity in public agencies in order to improve transparency and fairness in the State administration through a scientific approach. The overall objectives of the assessment were to enhance anti-corruption initiatives, identify factors causing corruption and support systemic improvement.

Timeframe. KICAC started the actual evaluation surveys in 2002, although the design of the integrity model dates from 1999. KICAC conducted three rounds of pilot studies in 2000 and 2001 on public organisations to verify the suitability of the model. The first round assessed the accuracy of the model, and a greater number of organisations were involved in the other two rounds to further refine the model.

Procedures. The main elements of assessment process were the establishment of an assessment framework, selection of target organisations and respondents, analyses of collected information and publication of results. The following table outlines the procedures used for assessing the level of integrity in public agencies.

Figure III.2. **Procedures used for the Integrity Perception Index**



Scope. KICAC assessed the level of integrity in central administrative organisations, local administrative organisations and government-sponsored organisations.[5] KICAC identified corruption-prone areas particularly where discretionary power may affect citizen's interests as well as organisational decisions (*e.g.* issuing permits, licenses or performing supervisory tasks). To achieve a balanced representation, the assessment was structured to include at least 10% of the respondents from each service area of the surveyed organisation. To assign the appropriate number of respondents to each area, KICAC analysed the number of actual applications processed in each area.

Assessment model. The assessment model consists of two integrity factors, namely perceived integrity and potential integrity. The first surveys the level of corruption experienced or perceived by citizens using public services or dealing with public organisations. The second reviews the prevalence of potential factors causing corruption as perceived by those citizens. While "perceived integrity" reflects personal experience and perception of corruption, "potential integrity" indicates the presence of factors that are likely to correlate with actual incidences of corruption in the future. Integrity scores were calculated according to their weight. Their scores were decided by external experts as well as the Inspector General in organisations reviewed.

Overall integrity, IPI (100%) = perceived integrity (49%) + potential integrity (51%)

"Perceived integrity" is composed of two elements of personal experience and perception of corruption-related problems. These elements are again divided into three assessment items – the frequency of gratuities/entertainments, their amount and their perceived level of seriousness. "Potential integrity" indicates the likelihood of the occurrence of corruption from the perspective of citizens in

Table III.4. **Evaluation metrics of the Integrity Perception Index: weighted scores**

Integrity factor (field)	Sub-field	Question
Perceived integrity (0.494)	Experienced corruption (0.483)	Frequency of gratuities/entertainment (0.544)
		Amount of gratuities/entertainment offered (0.456)
	Perceived corruption (0.517)	The perceived level of seriousness of gratuities/ entertainment (1.000)
Potential integrity (0.506)	Working environment (0.241)	Offering and receiving gratuities/entertainment as common practices (0.667)
		Need for additional counselling (0.333)
	Administrative systems (0.237)	Practicality of standards and procedures (0.569)
		Level of information disclosure (0.431)
	Personal attitude (0.294)	Fairness in duty performance (0.599)
		Expectation for gratuities/entertainment (0.401)
	Corruption Control measures (0.228)	Level of corruption prevention efforts (0.585)
		Easiness in raising objections (0.415)

general. Factors causing corruption are divided into four sections including the working environment, the administrative system, personal attitudes, and corruption control measures. As set out in the following table these four sections are again divided into eight sections.

Definition of scores. he assessment of overall level of integrity derived from the results of the study is measured on a scale of 1 to 10, with 10 being the highest level of overall integrity. KICAC defined the meaning of each score. The following tables show examples of definition for scoring perceived integrity and potential integrity:

Table III.5. **Definition of level of overall integrity**

10 Points	0 Point
Respondents are not aware of any corruption in the process of civic and community services, have never experienced any incidence of corruption, and do not perceive any likelihood of occurrence of corruption in the future. Altogether it indicates "zero exposure" to corruption.	All respondents have either experienced corruption or perceive that corruption is prevalent in the process of civic and community services, perceive a very high likelihood of occurrence of corruption in the future. Altogether it indicates "full exposure" to corruption.

Table III.6. **Definition of perceived integrity**

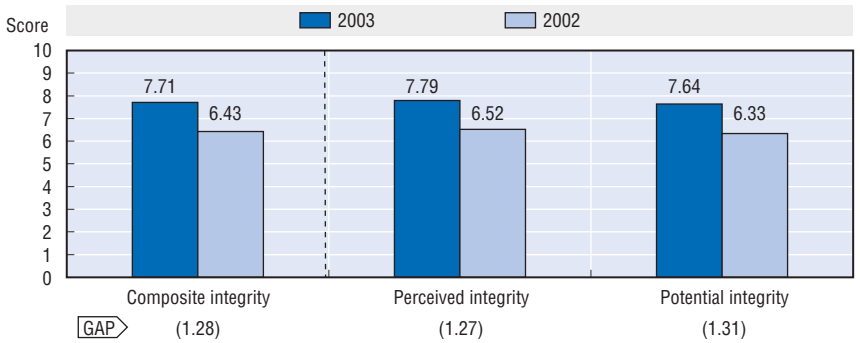
10 Points	0 Point
Respondents have not experienced any corruption and perceive that no corruption is taking place in the process of civic and community services. Altogether it indicates the perception of zero corruption.	All respondents have actually experienced a significant degree of corruption in the process of civic and community services, and perception that corruption is widespread. Altogether it indicates the perception of pervasive corruption.

Table III.7. **Definition of potential integrity**

10 Points	0 Point
There exists no condition at all that could cause corruption in the process of civic and community services of the organisation. There is no likelihood of incidence of corruption.	There is a persistent condition that could cause corruption in the process of civic and community services. There is a very high likelihood of incidence of corruption.

Results. The KICAC has measured the overall integrity (IPI) by asking citizens who raise complaints against public organisations to give a score to IPI. In 2002, 30 639 citizens gave an average of 6.43 point to 71 central government organisations. In 2003, the number of citizens participated in the survey increased to 36 458 and 78 public organisations were involved. The IPI average reached 7.71 point in 2003 which is 1.28 point rise compared to the previous year (see Figure III.3. below). The 2004 survey doubled the number of participating citizens (asking 75 317 persons who directly experienced services

Figure III.3. **Integrity Perception Index (IPI): Results**



of 313 public organisations, including – for the first time – 234 local government organisations) and resulted a further 0.75 increase of IPI. The average of 8.46 point was mainly due to the outstanding improvement of previously underperforming organisations. For instance, the Korea Electric Power Corporation (KEPCO) produced an outstanding 2.92 jump in the 2004 survey.

Follow-up measures. KICAC adopted a "naming and blaming" strategy that publicly announces the evaluation result through mass-media to encourage agency's voluntary efforts in anti-corruption. In addition, KICAC submits official recommendations for systemic improvement. The Anti-Corruption Act stipulates that the agency should provide a report on its actions implementing KICAC recommendations within a limited period of time.

In general the assessment initiatives have achieved their objectives, particularly to encourage voluntary corruption prevention efforts. For example, the agency responded most actively to assessment results was the Korea Electric Power Corporation (KEPCO). After KEPCO learned that it ranked at the bottom of the list of 71 agencies, it organised an Ethics Management Workshop for their employees, which resulted in the creation of an Ethics Management Committee. In addition, KEPCO is operating a computer-based "hotline" with exclusive access by its chief executive officer. This is an indication that KEPCO pays high attention to assessment results.

When assessment results were made public, the National Assembly initiated hearings at standing committees were heads of agencies who had received low rankings were requested to determine the cause of low performance and present proposals for future improvement.

The KICAC makes public the results from the IPI not only to enhance the integrity level of assessed agencies but also to make improvements in corruption-prone agencies and areas. Technically, IPI is one assessment element of the Anti-corruption Evaluation System. Further anti-corruption

efforts can be encouraged through the implementation evaluation. Last but not least IPI allows to measure progress made from one year to the other. The purpose of Integrity Measurement Model is to maximise improvements by intertwining these sub-evaluation systems.

Case 4: Assessment of Anti-Corruption Index (ACI) by Seoul Metropolitan Government[6]

Objectives. ACI is intended to promote competition and voluntary efforts among district offices in Seoul. The SMG has been conducting studies on the ACI since 1999 and has announced results for each administrative area to encourage efforts for eradicating corrupt practices in the local-government administration. The assessment principally looked at whether:

- Administrative procedures were conducted in a fair manner.
- The information disclosure and administrative regulation was appropriate.
- Channels to report cases of corruption were open.
- Offering bribes ever paid off.

Procedures. Initiated by the Mayor of Seoul, the Seoul Development Institute elaborated ACI in six months. The civil society had been involved in the design of the model through the Steering Committee of Citizens that reviewed validity of the ACI model in several meetings before finally approved it. Then SMG contracted Gallup Korea to survey the level of integrity in administrative units.

Scope. Since 1999, surveys were conducted to measure the level of integrity of public servants in 3 agencies, 25 district offices, construction management offices and 19 fire prevention offices. In the beginning they surveyed the handling of civic applications and licensing in five areas that were considered the most susceptible to corruption:

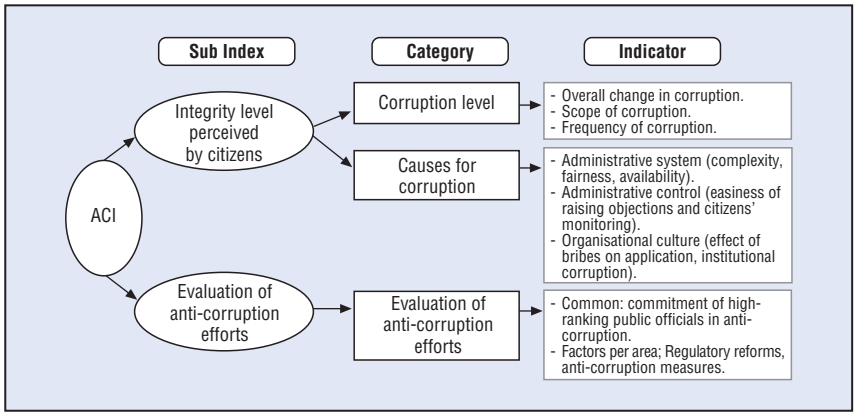
- food-and-entertainment;
- taxation;
- housing and building;
- construction works; and
- fire prevention.

Afterwards, two additional fields were added, namely administration of transportation, as well as park and landscape to the ACI survey.

Assessment model. The Anti-Corruption Index introduced a formula in 1999 that takes into consideration the weighted values of the integrity level perceived by citizens and the evaluation of anti-corruption efforts in the following way:

ACI (100%) = Integrity level perceived by citizens (58.8%) + Evaluation of anti-corruption efforts (41.2%)

Figure III.4. **Evaluation metrics of the Anti-Corruption Index**



This formula provides a balanced basis blending the results of opinion polls of first hand experience of citizens who actually applied for permits and approvals in the previous year, and tangible statistics on anti-corruption measures taken by each district office.

Under the assumption that categories and indicators are not equal in significance weighted values have been applied to each category and indicator. Since the research was first carried out on the subject of corruption and integrity, no previous data had existed to weigh against the factors used in the model. Consequently, reputable specialists were involved in the design of the model. Thirty-nine specialists from various government and non-government organisations filled in questionnaires to determine the weight of values in each category and indicator. The weighted values calculated in the formula reflect the result of the questionnaires.

After the first application of this formula in the 1999 ACI survey, a number of institutes concerned and some experts challenged the validity of the "Evaluation of Anti-corruption Efforts" in the model. As a consequence, this factor has been excluded from ACI since the second round of assessment in 2000. Instead, the Seoul Metropolitan Government gives "Anti-corruption Effort Award" to selected district offices that have been evaluated excellent in making efforts against corruption by the external evaluation organ composed of civil experts and scholars.

The results of the fourth ACI survey[7] – published on 23 August 2003 – show constant progress. The average score for all districts in Seoul has been increased constantly since 1999:

- 64.0 points in 1999;
- 68.3 points in 2000;

- 70.4 points in 2001; and
- 71.5 points 2002.

Follow-up measures. Since 1999 when the Seoul Metropolitan Government announced the Anti-Corruption Index it was extensively covered by the press every year. In the beginning some District Mayors strongly protested against the bad scores their district offices received. Progressively more and more of these district offices started analysing the results, the causes of corruption and have prepared a range of adapted anti-corruption measures. The Seoul Metropolitan Government also introduced incentives – such as the Anti-Corruption Effort Award – that was presented to those districts that placed high on ACI ranking and had taken explicit measures, for example intensified audit in districts and related organisations which got low-rankings. On the whole, the Anti-Corruption Index is considered mostly effective in raising public awareness about level of corruption and supporting proactive measures in district offices.

Notes

1. KICAC Annual Report 2002, Anti-corruption legal framework published by KICAC in 2003, and KICAC Web site (*www.kicac.go.kr*).
2. Additional sources of this chapter include the following documents: "Clean and Transparent" published by SMG in 2003, "IT and Corruption Control: OPEN system of SMG" by Lee Geunjoo, "Implementation on anti-corruption programmes by SMG" by Suntai Ahn, "Monitoring report on OPEN system" by TI-Korea, "Report on assessment of effectiveness of the OPEN system" by SIT, and SMG Web site (*www.metro.seoul.kr*).
3. SMG also researched into the costs and benefits of the OPEN System with another consulting company in 2002 with a view to upgrade the OPEN System. According to this study, the present value of social benefit such as corruption prevention estimated from 1999 to 2008 amounts to 11 billion won (approximately 9 million USD). Reference: "B/C analysis of the OPEN system with strategies to upgrade the system in 2002" conducted by I-Finder.
4. KICAC Annual Report 2002, Anti-corruption legal framework published by KICAC in 2003, and KICAC Web site (*www.kicac.go.kr*).
5. The number of surveyed public organisations is respectively 71, 78 and 313 in 2002, 2003 and 2004. The number in 2004 considerably increased because 234 local government organisations were included.
6. "Clean and Transparent" published by SMG in 2003, "Implementation on anti-corruption programmes by SMG" by Suntai Ahn, "Performance evaluation of anti-corruption policy" by Heungsik Park, and SMG Web site (*www.metro.seoul.kr*).
7. 12 218 citizens who raised complaints in eight vulnerable fields have been questioned. The 2003 ACI ranking was announced in eight categories.

Improving Methodologies: Key Findings

Major characteristics in process and content

Key factors in the procedures. The following three factors proved particularly crucial in the process for improving methodologies of assessment and collecting objective data based on evidences:

Quality assurance. The establishment of independent bodies in the evaluation process, such as the Policy Measures Evaluation Council, assured the objectivity and fairness of assessments and also provided coaching for KICAC in the process from design to implementation.

Capacity expansion. Assessment as a new activity in the anti-corruption field required the gathering of all available knowledge and experience available in Korea and abroad. KICAC and SMG successfully expanded their relatively limited capacity in the administration by involving external research organisations, statisticians, NGOs and private consultants with relevant external expertise in research methodology.

Participation of evaluated organisations. Involving evaluated organisations in the process helped mobilise the available expertise in the application of framework methods at the actual evaluation process and also accommodated the acceptability of results.

Building-up credibility. External participation, particularly the involvement of civil society representatives and reputable experts in the development of assessment models substantially contributed to their acceptance in the administration and by the public at large. Independent institutions also played a role in conducting the survey, for example Gallup Korea carried out the ACI survey for the Seoul Metropolitan Government. According to public officials and experts, the participation of independent institutions largely contributed to the enhancement of credibility and validity of the methodology used.

Publicising results. The "naming and shaming" strategy was generally used to make the results of evaluations public and mobilise influence of public opinion. Both KICAC and SMG have publicised the evaluation outcomes through mass media that put pressure on low-ranked organisations to take follow-up actions urgently. The National Assembly also received information on evaluation under request and called for organisations under its jurisdiction to improve their anti-corruption programmes specifically taking into account the evaluation

results. As a result of this naming and shaming strategy, the organisations ranked low by evaluation generally made proactive efforts and initiated specific measures to avoid their low ranking evaluation results in the future.

Enhancing objectivity. A strategic characteristic of the Integrity Perception Index and the Anti-Corruption Index is that they are based on the evaluation of citizens with direct experience of public service. International surveys, for example the TI Corruption Perception Index, could less take into consideration the specificities of country contexts, they focus rather on the perception of selected group of people across countries (for example foreign businessmen with limited experience in a country but be influenced by the person's subjective perception). The IPI and ACI is measured by inquiring whether citizens who have directly contacted the administration, dealt with public officials and received public services, they actually have experienced corruption. This direct assessment method seeks to exclude subjective perception or prejudice to some extent.

Integrating subjective and objective data. The evaluation models intended to integrate objective factors, such as statistics of corruption, and subjective factors, such as the results of perception measurement. However, problems emerged in the integration process, for example how to interpret and analyse trends such as increased number of disciplinary punishment (could it reveal severity of corruption or stronger prosecution?). In the fine-tuning of assessment models certain factors have been excluded (for example the Seoul Metropolitan Government has not included the factor on "Evaluation of Anti-corruption Efforts" in the Anti-Corruption Index since 2000) but other factors remained in use, such as statistics on frequency and scale of offering money, valuables and entertainments.

Identifying strengths and weaknesses. The series of evaluations provide a considerable database for analysing results across the administration at the central and local level. The evaluation results confirmed that among "the common initiatives" organisations paid more attention to relatively less costly and easy to do initiatives, such as increasing transparency in personnel management systems and organising anti-corruption training and promotion campaigns. On the one hand, initiatives enhancing open government, such as increasing the disclosure of administrative information, still have room to improve. The results of agency specific initiatives demonstrated a diverse trend related to the level of organisational. While central administrative agencies received high scores in planning function-intensive initiatives, they received the lowest scores in executing these initiatives. On the other hand, local government organisations obtained the highest scores in the aspect of implementation.

In the Seoul Metropolitan Government the results of specific evaluation of the OPEN System revealed that the most effective anti-corruption areas

Table III.8. **Effectiveness of measures by the national evaluation of corruption-prevention initiative**

Organisation	Most effective measures	Least effective measures
Ministries	– Increasing transparency in personnel management systems.	– Enhancing the transparency of contract-related works.
Semi-Ministries (Service-level organisations)	– Increasing transparency in personnel management systems.	– Implementing and operating the OPEN system.
Local governments	– Increasing transparency in personnel management systems.	– Increasing disclosure of administrative information.
	– Enhancing the transparency of contract-related works.	– Implementing and operating the OPEN system.

were related to housing and construction work which were generally considered highly corruption-prone areas in the past. On the other hand, the least effective areas were related to culture and tourism which were relatively less regulated and had less civic applications.

The biggest methodological challenge in the evaluation process was how to provide comparable data that may possibly rank agencies in spite of existing differences in tasks, objectives, activities and responsibilities among agencies. The involvement of assessed agencies was a crucial step to define common elements, approaches and functions suitable for the assessment model. This process also fostered the credibility and validity of methodology used and made acceptable both the procedures and results of evaluation in the assessed organisations.

Impact assessment

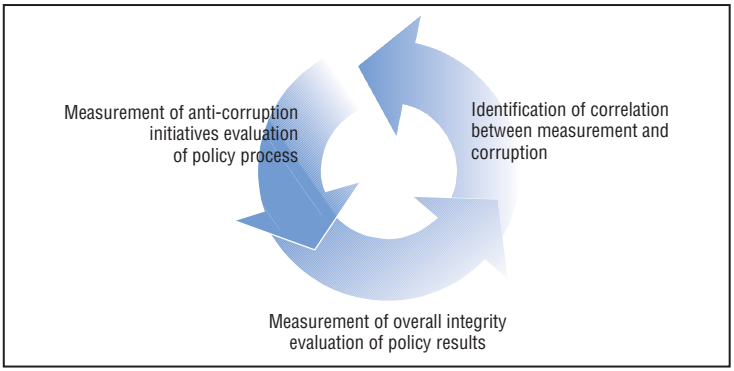
Establishing connections between assessment models requires the understanding how the measurement of policy implementation (particularly

Table III.9. **Effectiveness of the OPEN system in Seoul**

Areas	Most effective	Least effective
Housing and construction	1 46 1(29.8)	221 (4.8)
Construction work	833 (17.0)	238 (5.1)
Urban planning	486 (9.9)	300 (6.5)
Transportation	479 (9.8)	407 (8.8)
Environment	398 (8.1)	448 (9.7)
Fire-fighting	316 (6.4)	429 (9.2)
Sanitation and welfare	372 (7.6)	575 (12.4)
Industry and economy	197 (4.0)	511 (11.0)
Administration	246 (5.0)	779 (16.8)
Culture and tourism	119 (2.4)	730 (15.7)
Total (N = 1.636)	4 907 (100)	4638 (100)

evaluation of policy process) is linked to the measurement of the overall integrity level, in other words, the evaluation of policy impacts. By assessing the level of integrity in public organisations, KICAC identified high corruption level areas and focused its efforts on these areas. KICAC both encouraged specific voluntary actions, such as prevention initiatives, and conducted further evaluations primarily on the identified high corruption level areas. Although the verification of correlations between assessments require more information to draw trends on actual impacts of integrity and anti-corruption policies, the identification of impacts on level of corruption could ideally be added in the policy cycle, in which the three factors are dynamically interrelated as the following figure shows:

Figure III.5. **Dynamic connection of assessment**

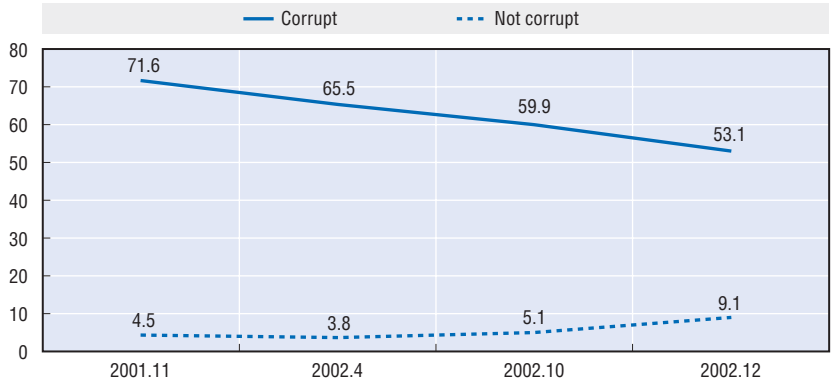


Collection of sufficient historical data provides a ground for verifying the accuracy of assessment models and also indicates level of implementation of policy measures in surveyed areas as well as their effectiveness, the impact on the level of corruption. Although evaluation efforts started relatively recently in Korea, several rounds of evaluations have been conducted in the last few years that could provide sufficient statistical data to identify trends. On the whole, general trends indicate continuous improvements in last years, although reliable analysis require sufficient historical data, with reasonable time series that has not been accumulated, to allow examination of data collected with the application of new methodologies and compare them with data collected before. Preliminary results of evaluations suggest that the assessment of anti-corruption initiatives may contribute as a factor to enhance integrity in government.

The KICAC annually conducts a survey on how public officials, the public and foreigners perceive corruption in Korea and reflects the result of the survey into anti-corruption policy.

The national corruption perception surveys have regularly collected accurate information on the level of perception of citizens, public officials and experts. According to these surveys carried out quarterly by KICAC, the perception level of corruption is declining. For example, a comparison with surveys conducted in November 2001 and in December 2002 showed that the percentage of general citizens who thought civil servants are corrupt has declined from 71.6% to 65.5%, to 59.9% and then to 53.1% within a year.

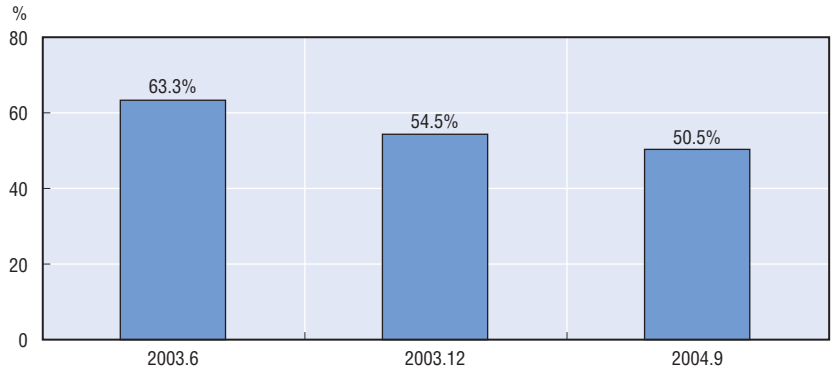
Figure III.6. **Trend of perception level of corruption by civil society**



The results of the two surveys in 2003 indicated a drop then slight improvement: the level of perceived corruption has been steady while perceived corruption resistance has been slowly improved since March 2003:

- Corrupt (59.3%), not corrupt (5.6%) (March 2003).
- Corrupt (58.2%), not corrupt (5.8%) (June 2003).

Figure III.7. **Trend of perception level of corruption by foreign businessmen living in Korea**



PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

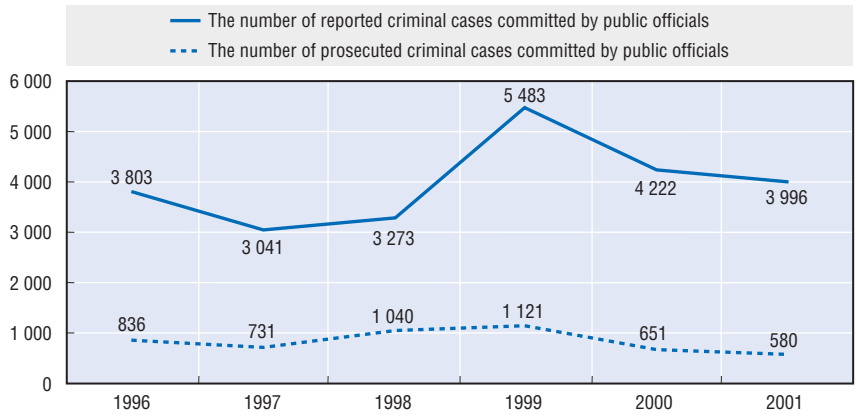
- Corrupt (60.9%), not corrupt (7.0%) (April 2004).
- Corrupt (59.0%), not corrupt (8.1%) (June 2004).

The KICAC has also carried out surveys on corruption perceived by foreign businessmen living in Korea. When asked how they perceive corruption in the public sector in Korea, 63.3% of the surveyed foreign CEOs perceived the public sector as corrupt in June 2003, 54.5% in Dec. 2003 and 50.5% in Sep. 2004, which indicates a downward trend.

The statistics from the Ministry of Government Administration and Home Affairs have indicated a decrease in disciplinary actions[1] taken against public officials since 1999. For administrative punishment, the number of reprimanded public officials has significantly increased by more than 40% between 1998 and 1999.[2] Since 2001, the number has slightly decreased to 3898 public officials in 2003 and to 3641 in 2002.

Concerning the more serious cases, the criminal punishment of corruption by the justice system, both the number of reported and prosecuted criminal cases committed by public officials are on the decrease since 1999.[3]

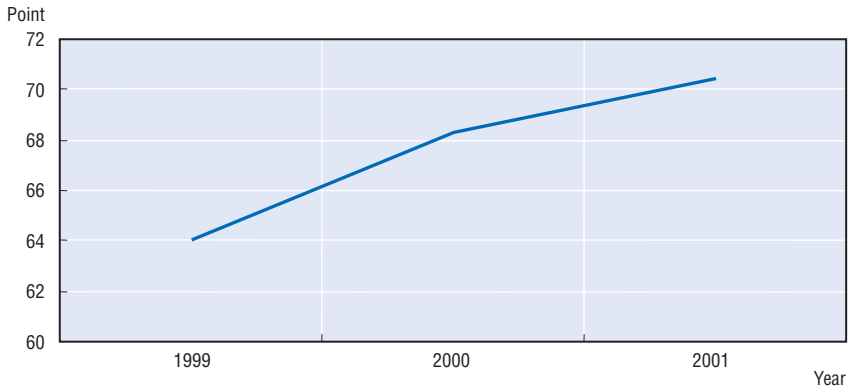
Figure III.8. **Criminal sanctions: Number of reported and prosecuted criminal cases**



Evaluations using traditional statistical methods, such as the justice statistics, could also provide more historical data (over a five-year period) that is considered necessary to verify the impact of policy implementation in mid-term. Although, the information provided by traditional statistical methods could be an evident source, it should be carefully analysed (for example identify the causes for the decrease of cases that may also mean less effective investigation than less actual corruption cases) and crosschecked with data from complementary sources.

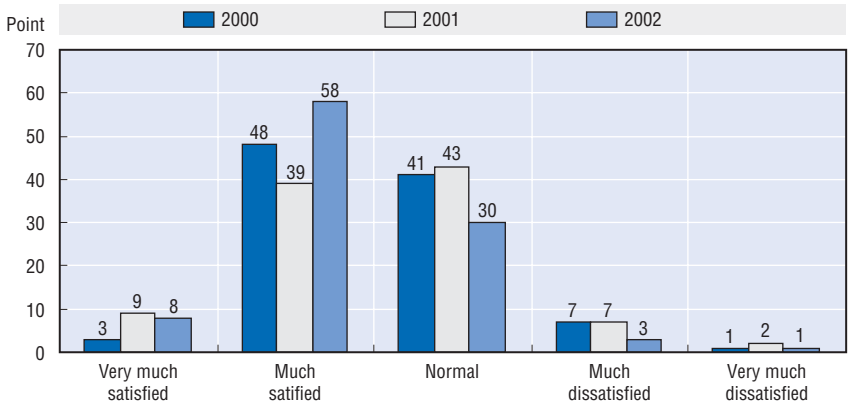
Similarly to the national level, at the sub-national level the figures resulted by the evaluations commissioned by the Seoul Metropolitan Government show constant improvement. The average of the Anti-Corruption Index of Seoul Metropolitan Government was 64 in 1999, 68.3 in 2000, 70.4 in 2001 and 71.5 in 2002 (100 is the maximum point for a corruption-free score), indicating steady improvement in the level of integrity in the city administration.

Figure III.9. **Trend of Anti-Corruption Index**



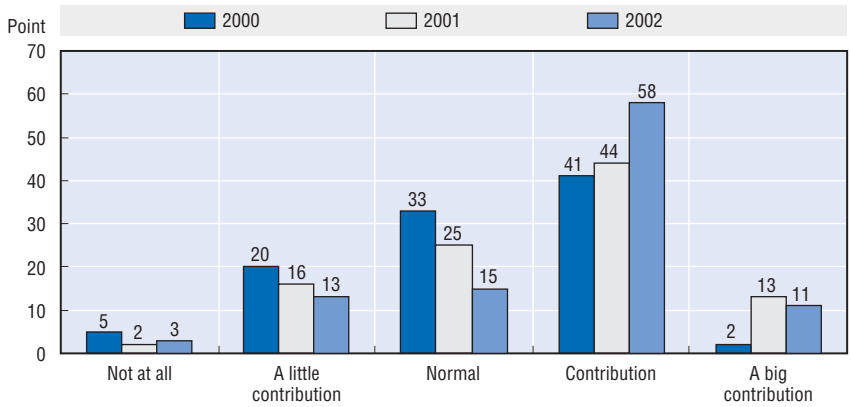
The level of satisfaction with the OPEN System and perceived opinion of citizens that the OPEN system contributed to eradicating corruption also show constant improvement since its launch.

Figure III.10. **Satisfaction with the OPEN system**



PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

Figure III.11. **The OPEN system contribution to anti-corruption**



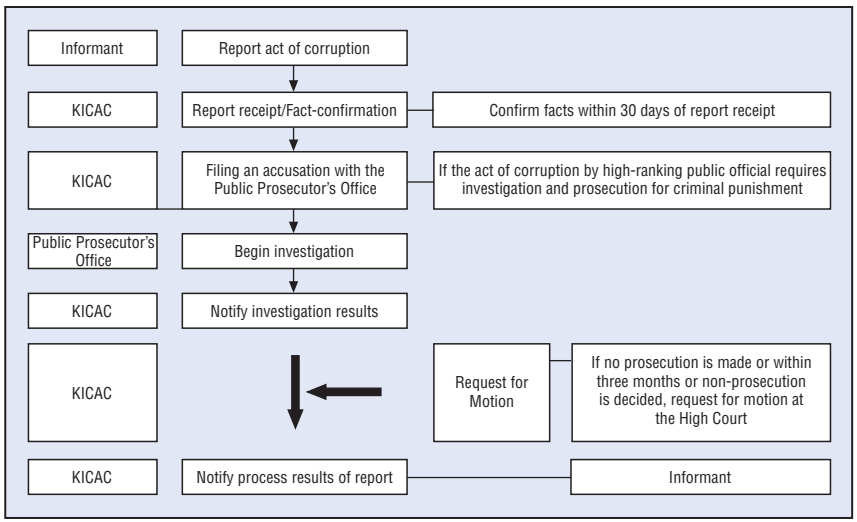
Notes

1. Disciplinary actions against public officials may refer to various reasons for punishment ranging from corruption to misconduct such as gambling and drinking. In general, public officials punished on a charge of corruption represents approximately ¼-⅓ of the punished officials in total.
2. Annual report on administrative statistics published by the Ministry of Government Administration and Home Affairs in 2002.
3. Annual report on prosecution statistics published by the Supreme Public Prosecutor Office in 2002.

ANNEX III.A1

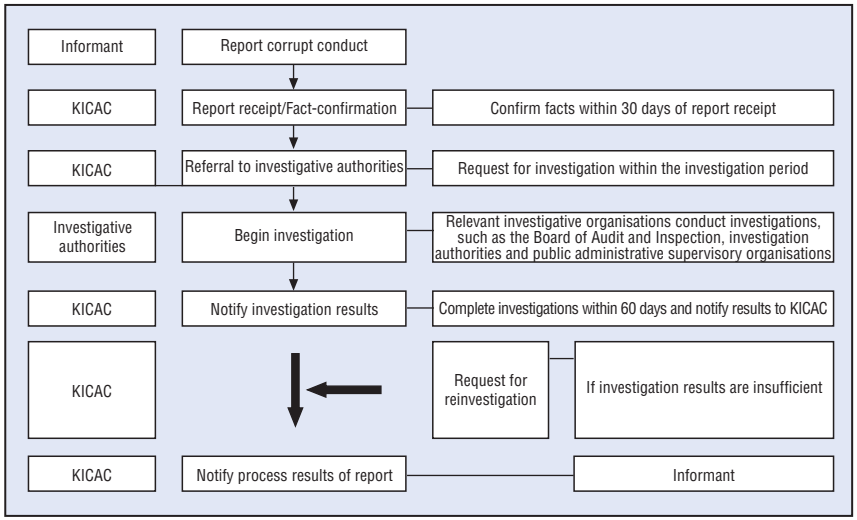
Procedures to Deal with Corruption Cases

Figure III.A.1. **Procedure for high-ranking officials**[1]



1. High-ranking public officials include: Mayors of Seoul and other metropolitan areas and provincial governors at vice-ministerial level and higher, police officers with the rank of superintendent-general and higher, judicial officers or public prosecutors, military officers at ministerial level and members of the National Assembly.

Figure III.A.2. **Procedure for ordinary public officials**



PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

ANNEX III.A2

Survey Questionnaire Used in the Study Research of the Korean Experiences

1. General framework*

1.1. Organisation's name

1.2. Organisation's roles and responsibilities related to the ethics/anti-corruption programme.

1.3. Relevant organisations referred to or with which there was cooperation in order to implement the organisations' functions. (*i.e.* other executive bodies or the justice structure) How organisations co-ordinate with each other?

1.4. Current ethics programmes or anti-corruption policies established by your organisation.

2. Methodologies of assessing the effectiveness of ethics/anti-corruption programme

- Does your organisation have relevant principles, guidelines, or laws mandating the programme review or the assessment of the ethics/anti-corruption programme?
- Did your organisation carry out programme reviews or assessment during the past 5 years? Or is there an on-going project? Please specify one or two review cases.

* You may attach the relevant materials or Web site address of your organisation.

For easy reference, possible examples are provided after this table.

	Case 1	Case 2
2.1. When and how often		
2.2. Aims		
2.3. Objectives		
2.4. Commission		
2.5. Criteria		
2.6. Preparatory procedure		
2.7. Implementation of the assessment		
2.8. The related materials		

EXAMPLES: These examples are provided for reference only

2.1. **When and how often**

- Regular review (annual/biannual) since when.
- Irregular review when.

2.2. What were the **aims**?

- To find out whether objectives were reached (*i.e.* control).
- To adjust the process under evaluation (*i.e.* management).
- To document experiences (*i.e.* learning).

2.3. What were the **objectives**?

- Research the changes in the values of governance, principles of civil service ethics.
- Identify unethical practices and factors affecting civil service ethics.
- Evaluate anti-corruption policies and their enforcement in public institutions.
- Research the mindset and behaviour of public servants.
- Other, such as information provision, consultation, public participation.

2.4. Who **commissioned** the evaluations?

- The government service directly concerned.
- Other government services (*e.g.* internal audit unit, evaluation unit).
- External oversight bodies (*e.g.* parliament, supreme audit institution).
- Other (*e.g.* civil society organisations, think tanks).

2.5. What **criteria** were used? Please specify the evaluation factors and sub-factors.

- Realised corruption level (corruption experienced or perceived).
- Potential corruption level (work environment, institutional system, individual behaviour, or corruption control).
- Programme awareness (familiarity with ethics programme, familiarity with the rules, awareness of ethics officials in the agency, perceived objectives of the ethics programme).
- Programme effectiveness (usefulness of rules, helpfulness of resources consulted, the frequency of ethics training).
- Organisational culture factors (attention of supervisors, consistency between policies and practices, open discussion), etc.

2.6. What was the **preparatory procedure**? How was the methodology developed?

- By consensus with internal public officials.
- By agreement with citizens, NGOs, or the Congress.
- By external research organisation.

2.7. How did your organisation implement the assessment?

- Method: Surveys, Interviews, Observation, Reviews of document.
- Sample : citizens, public official, etc
- Job categories assessed, etc.

2.8. Please indicate the document title and attach the **materials** if any

- Survey questionnaire.
- Guidelines of programme review.
- Training material of programme review.

3. Follow-up measures

3.1. Did your organisation provide feedback to other public organisations? *e.g.* an official recommendation, a written or verbal recommendation, administrative action, prosecution, etc.

3.2. Is there any principle regulating the mandatory/voluntary response from other executive organisations to the feedback?

3.3. How did your organisation adjust the policies or make specific decision according to survey outcomes? *e.g.* revision of the survey questionnaire for new statistics, introduction of the pre-review step or the electronic system, improvement of the human resource management system, etc.

3.4. How were the results communicated and used?

- Was there a communication strategy?
- Which communication channels were used?
- How much did it cost to disseminate the results of the evaluation?
- How were the evaluation results used? *e.g.* report on the outcomes to the other organisations such as the Congress.
- If you have the reports on outcomes or findings of the survey, please attach them.

3.5. Does a policy on evaluation of citizen engagement exist?

- Do general or specific guidelines for evaluation exist?
- Are guidelines for evaluating citizen engagement being developed?

3.6. Please specify the quantitative and/or qualitative results of the assessment. e.g. the positive feedback from internal employee or citizens about the assessment programmes, the lower level of corruption, etc.

3.7. What institutions and procedure were identified as best practices or as problems? Please specify why?

3.8. Please specify the problem encountered in the assessment process

3.9. Please advise on how to reduce terrors and solve problems that may occur in the process

Your response is greatly appreciated. Thank you for your assistance.

PART III

Evaluating the Effectiveness of Measures to Prevent and Combat Corruption in France

by

Marie Scot*

* The chapter was prepared by Marie Scot, who was consultant for the OECD at the time. She would like to thank in particular Christian Vergez, János Bertók and Elodie Beth from the OECD Directorate for Public Governance and Territorial Development for their constant advice in the drafting process.
She would also like to emphasise the key role of those who agreed to take part in the study on evaluating the effectiveness of measures to prevent and combat corruption in France, including: Mr. Bertucci, Mr. Bouchez, Mr. Bueb, Mr. Dahan, Mr. Dommel, Mrs. Gisserot, Mrs. Hourt-Schneider, Mrs Labrousse, Mr. Lagauche, Mrs. Lamarque, Mr. Le Bonhomme, Mr. Leplongeon, Mrs. Leroy, Mr. Loriot, Mr. Marin, Mr. Mathon, Mr. Maury, Mr. Mongin, Mr. Pancrazi, Mr. Pichon, Mr. Pons, Mrs. Prada-Bordenave, Mr. Quesnot, Mr. Rohou and Mr. Terray.
Special thanks go to Mrs. Hélène Gadriot-Renard, Conseillère at the Court of Auditors (*Cour des comptes*) and to Mr. Denis Berthonier, Conseiller at the Court of Auditors, for helping to launch the study and facilitate its completion, and to Marie Murphy for finalising it.

Summary

Introduction

Evaluation is a fairly recent concern in France, where specialist institutions distinguish it from control (legality checked against clear, pre-defined criteria) and monitoring (checks to ensure sound management in line with operational goals). Evaluation judges a programme in terms of its performance and impact on society.[1]

The complexity of the French system and the number of measures and institutions dealing with corruption in France make it quite hard to define the subject for evaluation. In the broadest sense, evaluation covers:

- A whole raft of measures (which relate to prevention or enforcement, and may be legislative, regulatory, managerial, informational or otherwise).
- The many institutions with some degree of responsibility for implementing, monitoring or evaluating those measures.

Scope

This particular study is confined to *administrative corruption* and does not address efforts to combat corruption in the private sector, particularly in major enterprises or groups at the interface with administrative corruption.

A cross-cutting view can also serve to evaluate the anti-corruption system by risk area, such as conflicts of interest and "*pantouflage*" (leaving public office to work for a private company), or public procurement.

The study describes experiments, approaches and attempts to evaluate or measure the effectiveness of a policy and its components to prevent and combat corruption, and then identifies good practices and sound measures to prevent or combat corruption in France.

Methodology

This case study is based on *self-evaluation* by France of its own system, via interviews with *multiple* players (see list in Annex III.A5). It draws on *objective analysis* but also on *subjective perceptions* to back up or supplement a purely quantitative approach.

Summary of main conclusions

The report sets out: mechanisms to prevent and combat corruption in France,[2] methods and experiments relating to the evaluation of anti-corruption measures in France as well as specific examples of good practice in corruption prevention and control brought to light through evaluation.

The French Integrity and Anti-Corruption System: Main characteristics

The French system is broadly characterised by:

- *Dispersed and overlapping systems* of prevention and control. The institutional system of prevention and control is complex and piecemeal. There are multiple players, many of whom have more than one role. There is no single independent specialist agency in France that takes full responsibility for all aspects of corruption from prevention to enforcement and co-ordinates all the relevant services. There are, however, specialist bodies with some degree of autonomy which advise, supervise, control and even impose sanctions in individual risk areas.
- *A predominantly legal and administrative approach* to the handling of corruption. The French system is characterised by laws, regulations, rules and codes, contrasting with the "soft law" of professional codes of ethics.
- *A novel system of preventive controls* – dual or triple controls, numerous internal controls *a priori* (legality checks by Prefects, or accounting audits for officials with power to authorise expenditure) and controls relating to so-called "preventive" offences (*délits préventifs* or *délits-obstacles*) such as taking undue advantage, or by geographical mobility for vulnerable staff.
- *A civil service system* that provides guarantees for the independence and probity of its staff. Recruited by competitive examination, trained in the *grandes écoles* (leading higher-education institutions) or by the major corps impregnated with the public service ethics, and in regular receipt of what society views as an acceptable level of pay, public servants enjoy prestigious social status.

Evaluation practices, methods and tools

Information on corruption comes in the form of an estimate, based on statistical tools and the feelings of those working in the field, without constituting a genuine system of evaluation. In France, no real *scientific study* has ever been carried out to assess the impact or effectiveness of the anti-corruption system or any of its constituent parts. *The emphasis is on another, non-scientific form of evaluation*. It reflects the characteristics of the only type of evaluation carried out in this field:

- Administrative self-evaluation that is ongoing and voluntary, without devising new scientific instruments.

- The unique contribution of practitioners, experts, and people with experience working in the field, all of whom give their impressions, intuitions, feelings and perceptions which are probably reliable but not very specific.

As a monitoring, information and advisory centre on corruption, the SCPC (*Service Central de Prévention de la Corruption*) could be particularly well placed to conduct evaluations of anti-corruption measures. The SCPC is an inter-ministerial body that plays a key role. With regard to prevention, the management would like to see it become an evaluation and auditing body for professional ethics programmes, and regrets their lack of information on how the system is implemented and run. The same applies to internal controls: SCPC training-courses already include the evaluation of internal control units in some government departments and enterprises. Because it stands back and takes a detached and overall view (it has no investigative or crime-prevention department), it would be particularly qualified to identify and review the impact of anti-corruption measures on the instances of corruption it detects.

Genuine efforts are being made to gain qualitative and quantitative insight into the phenomenon of corruption. The resulting picture is, however, piecemeal and incomplete.

Quantitative data on corruption

The French legal system has, like some administrations, a longstanding tradition of statistical reporting, one example being the information held in the *Casier Judiciaire National* (national criminal records). Macroeconomic indicators are needed, but these are being drawn up.

Qualitative data

A number of methods have been used to gather qualitative data on the phenomenon of corruption in France, in particular:

- *Risk analysis:* The SCPC, an inter-ministerial service reporting to the Minister of Justice, has been pursuing an original, pioneering policy of risk analysis. It draws the attention of those working to combat corruption to high-risk areas, and provides them with the instruments they need to identify corruption mechanisms by describing the illegal practices specific to each sector.
- *Risk mapping:* TRACFIN (Unit for Intelligence Processing and Action against Secret Financial Channels) has developed a geographical analysis and processing system that serves to identify the geographical or geo-economic factors behind corruption, and gear responses appropriately. This is conducive to comparative analysis, or geographical "benchmarking".
- *Surveys* or targeted studies – as developed by the NGO *Transparency International*, for instance – are "perceptions" indicators seldom used by the French Government.

Databases

Wide-ranging experiments with new databases are being conducted to combat and target corruption. One major obstacle identified by many of those interviewed is the legislation on the use of computerised data, in particular the 1978 Computer Information and Freedom Act and its rigorous enforcement by the computer information watchdog *Commission nationale de l'Informatique et des Libertés,* or CNIL.

Enhancing the French system of corruption prevention and control: Good practice and challenges

A critical analysis of the French system of corruption prevention and control highlights some examples of good practice.

Independent control bodies

The criteria that ensure the effectiveness of these *control bodies* in combating corruption are their independence, guaranteed by law, their membership, and the supervisory authority to which they report.

In this field, the trend is towards layers of institutions that vary in status: traditional control bodies conducting internal and external inspections (*e.g.* the financial jurisdictions); independent regulatory authorities whose decisions are binding (*e.g.* the *Conseil de la Concurrence* on competition issues, or the *Commission Nationale d'Équipement Commercial* for commercial land-use planning) and independent advisory authorities that must be consulted but whose opinions are not binding (*e.g.* Ethics Commissions). These institutions were all set up at different points in time in response to specific needs, and have seen their status evolve as corruption has become more complex. The large number of different bodies is a reflection of the many attempts to tailor controls to the changing face of corruption.

Evolving control

With regard to control, the French model is built around three pillars:

1. Periodic controls at regular, defined intervals.
2. Rather formal legal and accounting controls.
3. *A posteriori* controls.

Apart from actual enforcement, the control process is increasingly part of a comprehensive approach covering the use of public resources and performance. Many interviewees from the monitoring bodies stressed the need *to supplement existing legal controls with a genuine approach based on prevention and risk management.*

Complex sanction system

The French system combines at least three types of sanctions: administrative, criminal and financial. This complex approach is not straightforward, in terms of enforcement, as it raises problems of co-ordination – of processes or the scale of sanctions – but the advantage is that it *provides scope for a whole range of responses* to the complex phenomenon of corruption.

Dialogue and co-ordination among institutional players

Sophisticated institutional arrangements do not make for dialogue or streamlining, and there is a need to introduce mechanisms that will foster co-ordination. One of the original solutions adopted by France to tackle corruption has been to set up *inter-ministerial* structures. To promote closer co-ordination, *standing liaison committees* or *discussion forums* can bring players together.

This approach is strongly recommended. Shifting from bilateral relations between government departments to multilateral, targeted relations is an appropriate management response, given the host of players, institutions, information and procedures. Through commitment, involvement and more accountability, government departments can become fully fledged partners in tackling corruption, rather than "passive" opponents of it.

Opening up to civil society and outside players

Involving *trade unions and professional associations* in the fight against corruption would be an excellent and necessary step. As social partners, they play a major role not only in informing, training and raising awareness among public servants, but also in modernising risk management (introduction of whistleblower schemes, for instance).

France is exploring two innovative avenues to make it easier for *enterprises* to report irregularities: the first relates to the plea-bargaining procedures set up by the *Conseil de la Concurrence* (Competition Council), and the second to the legal obligation to report suspicions to TRACFIN.

Calling in *outside experts*, particularly from the scientific and academic community, is also strongly recommended.

Another most necessary step would be greater involvement on the part of *Parliament* with regard to transparency and performance in the way government departments handle corruption.

As for mobilising the *public at large*, there is widespread evidence of distrust on the part of the authorities and French anti-corruption experts with regard to whistleblowing arrangements or survey-based consultation.

Notes

1. *Conseil National de l'Évaluation, 1999 Annual Report, L'évaluation au service de l'avenir* – Key concepts for defining an evaluation project, by Eric Monnier.
2. For further details see the following two OECD reports on France:
   - *Trust in Government: Ethics Measures in OECD Countries, 2000*
   - *Managing Conflict of Interest in the Public Service: OECD Guidelines and Country Experiences, 2002*

The French Integrity and Anti-corruption System

The purpose of this section is to outline the key features of the French integrity and anti-corruption system.

Legislative and regulatory arsenal

The French system is characterised by laws, regulations, statutes and codes.

Prevention

The originality of the French system lies essentially in its public service rules and regulations (*Statut de la Fonction Publique*) adopted under the Fourth Republic in 1946, and in the way government operates. Obligations and duties under the rules, breaches of which are heavily sanctioned, can take the form of "preventive" prohibitions known as *dispositifs de prévention pénale* or *délits-obstacles*. The idea is to prevent and avoid any situation that could lay public servants open to a breach of the law or a conflict of interest.

The obligation of *exclusive* performance of duties prohibits public servants from working in the public and the private sectors at the same time. The obligation of *disinterestedness* prevents them from deriving undue advantage (*prise d'intérêt*). *Incompatibilities* seek to avoid any form of partiality in public decision-making. Administrative organisational resources also play a part in preventing corruption. Transparency and administrative accountability, like the "double-key" system, are used to separate roles (accounting officer/officials with power to authorise expenditure, for example) and to provide a substitution mechanism for cases of conflicts of interest, or collegial decision-making. However, this set of legal rules might be in some cases too abstract to be enforced directly by operational staff.

Risk areas also have their own specific regulations, such as the Public Procurement Code and the Regulations on secondment, leave of absence and "*pantouflage*" (Act No. 94-530 of 28 June 1994).

One of the other salient features of the French system of prevention is the lack of "soft law" in professional codes of ethics: only a few codes have been drafted, which means there is little guidance on how to apply public service rules and regulations (see below). Ethics training is provided in civil-service training

colleges (*e.g.* the *École Nationale d'Administration*, or ENA, and the *École des Douanes* for customs and excise staff), although this remains of secondary importance.

Sanctions

A list of disciplinary and administrative sanctions can be found under Section 66 of Act No. 84-16 of 11 January 1984. They fall into four categories: 1) warning and reprimand; 2) striking off the promotion lists, demotion, temporary suspension from duty, or transfer; 3) suspension; 4) early retirement or dismissal from public service.

The *Code Pénal* (CP) or Criminal Code, provides for four types of offence: extortion (Art. 432-10), passive corruption and influence-peddling (grouped under Art. 432-11), abuse of office (*délit d'ingérence*) and undue advantage (*prise illégale d'intérêt)* (Art. 432-12 and 13), and favouritism (Art. 432-14). The criminalisation of corrupt practices is a particularly dissuasive feature of the French system, as the sanctions are so heavy. And under Article 40 (2) of the Code of Criminal Procedure, public servants who know of any crime or offence must report it the Public Prosecutor without delay and forward the relevant evidence.

Institutions and services working to prevent or fight corruption

The institutional system of prevention and control is complex and dispersed. There are a host of players, many playing more than one role. The institutions and bodies can be broken down into categories according to their function.

Prevention

The *Service Central de la Prévention de la Corruption* (SCPC), set up in 1993, is an inter-ministerial service reporting to the Minister of Justice which:

- Centralises the information required to detect and prevent offences involving active or passive corruption and the corruption of private-company managers or staff, undue advantage, extortion, favouritism and influence-peddling.
- Lends assistance, at their request, to the judicial authorities investigating such offences.
- Issues opinions on measures liable to prevent such offences for a defined list of various authorities at their request.

Through the opinions they issue, the civil service Ethics Commission established in 1994, the *Mission interministérielle d'enquête sur les marchés publics** (MIEM) that was set up in 1991, public service delegations and the *Commissions Spécialisées des Marchés* (CSM), which also monitor procurement, have contributed to preventing corruption in the public service.

* Inter-ministerial unit for procurement investigations.

Controls

Some forms of control are exercised within ministries or government departments, *e.g.* ministerial inspectorates and in particular the IGF (General Finance Inspectorate), the IGA (General government inspectorate) and the DGCCRF (General directorate for competition, consumer affairs and trading standards).

Other forms of control are external but come under the authority of official government bodies:

- Administrative controls: prefects, administrative courts.
- Financial auditing by general financial jurisdictions such as the Court of Auditors (CC) and the Regional auditing chambers (CRCs).
- Inter-ministerial monitoring units/services: MIEM, SCPC.
- Parliamentary controls: standing or *ad hoc* Parliamentary boards of enquiry.

Enforcement

- Criminal justice: the *Pôles économiques et financiers* (Economic and financial investigation units) reporting to the Courts of Appeal of the *Tribunaux de Grande Instance* (TGI) or higher regional courts.
- Jurisdictions whose main remit is not to impose sanctions for corruption-related offences but to refer to the criminal courts any offences they may detect.
- *Cour de Discipline Financière et Budgétaire* (CDBF).
- *Conseil de la Concurrence*, the competition authority, which tracks and punishes anti-competitive practices.

General remarks

The structure of controls may therefore be either the vertical silo type (by institution) or cross-cutting and horizontal, by programme or sector (*e.g.* public procurement).

Although France does not have an *independent, specialist agency* encompassing all the aspects of corruption from prevention to enforcement and co-ordinating all the relevant departments, the SCPC does focus solely on corruption. With no coercive powers, it is confined to the role of a monitoring, information and advisory centre on corruption. However, there are specialist bodies with some degree of autonomy that advise, monitor, inspect and even impose sanctions in specific *risk areas*. Conflicts of interest and *pantouflage*, for instance, are handled specifically by the civil service Ethics Commission. By the same token, public procurement and public service delegations are supervised by the MIEM, the CSMs, the DGCCRF and the *Conseil de la Concurrence*.

Table III.10. **Control procedures and mechanisms**

	Financial jurisdictions		Inter-ministerial unit	Internal control corps		Independent regulatory authority
Institutions	CC (Court of auditors)	CRC (Regional auditing chambers)	MIEM	DGCCRF	General Finance Inspectorate	*Conseil de la Concurrence* (competition authority)
Competence	Audits the accounts of: – Accounting officers – Statutory authorities – Government enterprises – Social security institutions – Associations receiving government subsidies	Audits the accounts of local authorities and public corporations within their jurisdiction Reviews the management of: – Local authorities and – Their associated private undertakings (*e.g. Sociétés d'économie mixtes locales*, associations receiving local funding or public service delegations	– Any government buyer – Monitors cases of favouritism, undue advantage, misuse of public property, forgery	– In the field of competition, identifies illegal agreements, abuse of dominant position, favouritism	– Inspects MINEFI departments, in particular the Treasury and the General Tax Directorate – Investigates cases involving: officials with power to authorise expenditure – Bodies subject to economic and financial monitoring – Any body receiving public funds	Combats illegal agreements and abuse of dominant position
Referrals	Initiates own enquiries, draws up own auditing programme	Initiates own enquiries – Prefects – Other players (*e.g.* accounting officers, local executive subject to justifiable audit requests)	– Does not initiate own enquiries – Prime Minister – Ministers – Court of Auditors – Prefects		Ministerial request	Government, Parliament, local authorities, trade organisations or unions, consumers, courts, but also initiates own enquiries
Frequency and volume of work	Target: each institution on average every 4 or 5 years. Produces an average of 700 reports a year	– Automatic review every four years – Audits selected quantitatively and qualitatively by field – 600 reports a year	– Number of cases dealt with in 2001: 29. Investigation requests: 11	Took part in 23 500 competitive bidding processes in 2001.		In 2000: 112 decisions, 31 opinions, 28 sanctions
Procedures	Operates on a collegial basis (rapporteurs and counter – rapporteur) by means of an adversarial process	Audit *in situ* based on documentary evidence – operates on a collegial basis, adversarial process	Adversarial Institutions have access to case files		Investigation *in situ* based on documentary evidence. Adversarial procedure. Authors' responsibility	Collegial, adversarial

Table III.10. **Control procedures and mechanisms** *(cont.)*

	Financial jurisdictions		Inter-ministerial unit	Internal control corps		Independent regulatory authority
Powers	Wide-ranging investigative powers, even over supervisory authorities	Wide-ranging investigative powers	Criminal investigation department (PJ) staff have wide-ranging powers	DGCCRF officials entitled to attend competitive bidding commissions		Investigative powers – May request assistance of DGCCRF inspectors
Effects	– Judgments may implicate the personal and financial liability of accounting officers – Judgments may be overturned by the Council of State – Comments of an administrative nature may result in interlocutory procedures (letters to Ministers from First Presiding Judge), letters from the Presiding Judge or the Public Prosecutor, public reports – Referral of cases to Ministry of Justice	– Judgments may implicate the personal and financial liability of accounting officers – Possible appeal against judgments before the Court of Auditors – Review by the court and non-binding decision leading to acquittal or restitution order – Comments of an administrative nature that result in observation reports and public reports	– Referral to Public Prosecutor if evidence of favouritism	Written comments No voting rights		– Protective measures – Injunctions – Pecuniary sanctions – Referral to the courts – Documents published and made available for consultation
Control	– Public Prosecutor, gives advice on work in progress, monitors performance – Judgments may be overturned by Council of State	– Appeals procedure: Court of Auditors, Council of State – Judgments may be overturned by Court of Auditors	– Procedure subject to authorisation and control by judicial authorities			– Appeals heard before the Paris Court of Appeal and the Court of Cassation
Limits	– Observation, no powers of injunction *vis-à-vis* government – *A posteriori* control		Unable to initiate own enquiries		– May make reports available for consultation subject to authorisation by the Minister for the Economy and Finance	

PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

The novelty as far as anti-corruption measures are concerned lies in the adoption of an *inter-ministerial* approach, which takes into account the complexity of corruption phenomena and has led to the creation of such bodies as the SCPC and the MIEM.

Procedures used in prevention, control and the fight against corruption

To illustrate the complex nature of the process of control over the use of public funds, the table below outlines the work of some of the many bodies working in this field.

Evaluation Practices, Methods and Tools

Evaluation requires reliable measuring tools and instruments. Where incidents of corruption are concerned, a lack of information and clarity is a major barrier to:

- Raising awareness and *mobilising* players.
- Setting *goals and targets* for anti-corruption programmes.
- Setting up *processing* and effective policies/initiatives.
- Measuring the effectiveness and *impact* of anticorruption policies.

Data on the corruption phenomenon

The SCPC is the only corruption monitoring centre that collects and processes information on corruption. It is more a *non-scientific, intuitive estimate* than a national mapping process indicating scale and specific sectors.

There are no indicators or methodologies *specifically* dedicated to measuring corruption (*e.g.* benchmarking at-risk institutions, conducting user surveys, or monitoring specific measures).

This brings us to the question of the purpose served by such indicators: are they there to provide information on the number of offences, amounts involved, indirect implications and economic impacts (dysfunctional, pointless, additional operating costs) or political consequences (public trust)?

Insight into corruption is presented as an estimate, based on specific statistical tools and the perceptions of those working on the ground.

Numerical data and problems involved in their use

Criminal law statistics

The legal system has a longstanding tradition of statistical reporting, particularly with the data in its national criminal records (*Casier Judiciaire National*). For corrupt practices in general, irrespective of type, statistics and trend analyses on convictions for corruption or assimilated offences set the number at some 300 criminal convictions a year.

Using the statistics for each type of offence (as identified by the articles of the CPP), it is possible to identify the type of corruption and monitor trends in offences.

The legal system has refined its statistics[1] on a set of offences that come under the heading "economic and financial crime" and cover corruption-related offences known as "breaches of the duty of probity" (see table in Table III.A1: Table on "Convictions for breaches of the duty of probity"). The statistics also include figures on money laundering and "interference with market processes" (*atteinte au fonctionnement des marchés*), together with information on misuse of public property (*abus de biens sociaux*). This degree of refinement provides information on types of conviction (sentence and fines) and on the socio-professional status of those convicted (see table in Annex III.A1: Convictions and sentences under Article 432-11).

There are, however, a few problems relating to clarity and interpretation. Corruption is hidden and invisible. The distinction is not between the number of crimes committed and cases resolved (thereby highlighting the number of cases that remain unresolved), but between "knowns" and "unknowns". Furthermore, the statistics and figures published by investigation departments or the courts are hard to interpret: if the number of cases increases, does it mean that corruption is on the rise or that enforcement is more efficient?

In terms of simple figures, this kind of information is confined to convictions, and does not count the number of new cases reported or forwarded to the Ministry of Justice, cases that are settled, discontinued proceedings or some other alternative. Nor does it include the financial/economic cases dealt with by the police or *gendarmerie* in their investigations. Furthermore, because of the limitation period, a number of cases are dealt with as offences relating to the misuse of public property, which excludes them from the corruption statistics.

Box III.1. *Infocentre* and *Cassiopée*: New statistical tools at the Ministry of Justice

The setting up of a new criminal statistics software system, *Infocentre*, is an attempt to fill the gap by counting and analysing in greater depth not just "output" or criminal convictions, but also "input", and not just in terms of volume but by type of offence. This provides a breakdown of the work of each Public Prosecutor's office by type of offence, the links between types of offence, and the outcome of each case (dismissal, prosecution, other).

In addition, it is now possible to monitor a cohort of cases through the various stages of the process. Currently *Infocentre* is confined to statistics on courts in Paris and the Paris region. This will be extended when *Cassiopée* comes on stream (new computer programme for courts in the provinces).

Source: Bilan des actions d'évaluation menées en 2002 et perspectives 2003, French Ministry of Justice, DACG, Annexe 10 "La Lettre du Pôle études et évaluations", February 2003.

Offences relating to corruption are numerous (from corruption in the strictest sense to the offence known as favouritism) and scattered through France's many codes (Criminal Code, Tax Code, Customs Code, Labour Code, Code of Commerce), making it hard to identify clearly what does or does not constitute corrupt practice. And the statistics do not distinguish between public, political, administrative or other forms of corruption.

The figures on referrals to the courts or on criminal convictions are only one of many categories, a final link in the chain dealing with corruption. As indicators, they are accordingly limited and less than perfect.

Figures on administrative sanctions in each service, administration or ministry

Some government departments keep statistics on cases of corruption involving their own staff.

Box III.2. **Statistics on corruption cases involving DGDDI staff (General Directorate of Customs and Excise)**

The DGDDI has a "departmental inspectorate" whose main remit is to conduct periodical audits of how the customs services are organised and run, but it can be asked (by the General Directorate or heads of external services) to conduct one-off audits to reveal any corruption when such breaches of the rules are suspected.

Since 1990, the DGDDI has been keeping statistics on cases of corruption involving its officials and breaks them down by type, social factors and geographical area.

It has a set of specific indicators: type, number of cases, year, category of staff, directorate/location, administrative sanction, criminal sanction.

There are *six broad categories of corruption-related offence*:

- Duty-free sales invoices: fraudulent stamp, with consideration.
- Duty-free sales invoices: fraudulent stamp, without consideration.
- Corruption: extortion of funds from users.
- Corruption as defined under Article 59 of the Customs Code (accepting gifts, gratification or reward with or without consideration).
- Abdication of duty for money (gratification from a customs declarant).
- Miscellaneous: corruption, and aiding and abetting smuggling.

Source: Cas de corruption mettant en cause des agents des douanes depuis 1990, DGDDI.

PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

Some directorates, such as the tax administration, also disclose details of administrative sanctions in their in-house lists or publications.

These internal statistics do have their limits, however. Their status is ambivalent, as they are not compulsory, may be informal and may or may not be disclosed and published. There is no institution in charge of collecting the data available on corrupting practices from government departments, to gain an overview of risk areas and types of fraud.

Data held by advisory or control bodies

The specialist or control bodies all describe their work in annual reports. The SCPC and the MIEM, for instance, provide information on the number of cases brought and referrals to the criminal courts in their own fields. Similarly, TRACFIN (unit for intelligence processing and action against secret financial channels), in its annual report, provides information on "declarations of suspicion" received, and referrals to the courts.

Control bodies such as the Regional auditing chambers (CRCs) or the Court of Auditors provide the same information in their activity reports. For instance the 2002 Annual Report by the Court of Auditors, under the heading "Report on the work of the financial jurisdictions", takes stock of the number and type of referrals to the criminal courts by the CRCs since 1985, including infringements of the duty of probity.

Box III.3. **Financial jurisdictions and criminal courts: Corruption statistics**

From 1983 to 2003, the financial jurisdictions referred 530 cases to the Public Prosecutor, with a particularly sharp rise between 1993 and 1997.

Around two-thirds of the cases referred concerned infringement of the duty of probity (Articles 432-10 to 432-16 of the Criminal Code):

1. Undue advantage (33%).
2. Favouritism (15%).
3. Extortion, passive corruption, influence peddling (12%).
4. Corruption (2%).

There are also numerous cases of misuse of public property (12%), some of which mask cases of corruption.

While 69% of cases involve elected officials, others involve staff from audited bodies (18%, including 6% involving unelected officials with power to authorise expenditure and 12% involving other officials) and civil servants (3%).

Source: 2002 Activity Report of the Court of Auditors.

Advisory institutions such as the *Commissions Spécialisées de Marché,* the *Commission Nationale d'Équipement Commercial* (CNEC)[2] and Ethics Commissions[3] also provide statistics on unfavourable opinions and the grounds on which they are based.

Just as the primary focus of the activities and mandates of the various advisory and control bodies is not on fighting corruption, the statistics are not sufficiently detailed or compiled in such a way as to provide insight into the nature of the problem concerned (*i.e.* irregularities or actual corruption).

Box III.4. **Ethics Commissions – Statistics**

The Ethics Commissions, established in 1993, have had to make good a complete lack of statistical data on practices prior to that date.

Once the Civil Service Ethics Commission had been set up, however, it developed a highly comprehensive and extremely detailed statistical tool that gives a good snapshot of the areas and social groups at risk from *undue advantage* and "*pantouflage*".

Data are available on:

Referrals to the courts

- Status (leave of absence, resignation, retirement, unpaid leave, termination of contract, dismissal).
- Origins of referrals: by administration, sector, category, corps, gender.

Opinions

- Type of opinion (lack of jurisdiction, inadmissible, justifiable, justifiable subject to conditions, unjustifiable, unjustifiable in the present state of the file).
- Breakdown of opinions by administration, category and corps.

Follow-up

- List of administrations that have failed to provide information on follow-up.
- List of administrations that have contravened opinions, and analysis of cases in which there has been divergence.

This detailed reporting provides some extremely refined data. For instance, it reveals the lack of follow-up and controls where retired civil servants are concerned, and appropriate steps have now been taken to make administrations more aware of the problem.

The Ethics Commission also practises an indirect form of benchmarking by comparing the resourcefulness and efforts deployed by administrations in preparing their case-files (this can be traced by the number of opinions declared to be justified) or following up recommendations.

Qualitative or economic data

As well as statistics and numerical data, other indicators can provide insight into the impact and scale of corruption.

Macroeconomic data

Very few macroeconomic indicators have been put in place to identify irregularities. Yet submitting economic data to comparative analysis is an excellent way of detecting corruption. Indices have been developed for:

- Illegal agreements; the *Conseil de la Concurrence* looks at inexplicably stable prices, for instance, or stabilized sectors with low rates of productivity and technical innovation.
- Corrupting practices relating to land-use planning, pressure on land, and the links between supply and demand to be taken into account when calculating risk factors.

There is an urgent need, particularly in the field of procurement, for national databases and benchmark prices to assist public procurement officers and auditors alike.

Box III.5. **Inventory of risk areas selected by the SCPC**

1993-1994: Lobbying and influence peddling, sport and corruption, international trade and corruption, decentralisation, acts of corruption, and review of lawfulness.

1995: Extortion, undue advantage and favouritism in public procurement, the healthcare sector and international trade.

1996: Advertising agencies, commodity derivatives, fraud and corruption in public procurement, international business transactions, competition and corruption, economic rationality and international fraud.

1997: Sects, computer markets, domestic retail trade, crafts and tradeable services, high-risk situations, use of monies derived from corruption.

1998-99: Use of consultants and middlemen to mount fraudulent schemes, risks of abuse in the mass-marketing sector, risks of abuse in the vocational training sector.

2000: Publicity and internal controls, *pantouflage* and grey areas, poverty and corruption: the adoption issue.

2001: Corruption and exclusion, globalisation, corruption and the charity business, arrangements that circumvent the 1997 OECD Bribery Convention, private security: emergence of a virtuous circle, risks of abuse in the cleaning sector, fact-sheet on undue advantage.

2002: Ethics, abuse in the voluntary sector, anti-corruption services.

Source: 2002 SCPC Annual Report.

Risk analysis

The SCPC is conducting some pioneering and original work on risk analysis. Much of the SCPC Annual Report is given over to studies on fraudulent and corrupting practices in individual risk areas. Not only does the SCPC draw the attention of anti-corruption players to vulnerable areas, but it provides them with the tools to identify the mechanisms behind corruption, by describing the irregular practices specific to each area.

However, there are some limits to what the SCPC can do:

- Its choice of sectors to target is *random*, although made in response to indicators or whistleblowing, or based on social or political demand.
- It can only study a limited *number* of sectors, owing to a lack of staff in the SCPC.
- Its coverage and analysis of a sector are *snapshots,* relevant at the time of writing and therefore soon out of date. To update its information, the SCPC is trying to provide follow-up by reworking themes from a different angle and launching a four-yearly publication in the form of a widely distributed "Letter".

Box III.6. **Risk analysis by the General Government Inspectorate/Ministry of Foreign Affairs (IGA/MAE)**

Areas at risk

- Visa and asylum applications.
- Civil status and naturalisation applications, French community administration, dual nationals.
- Adoption.

Posts at risk

- Posts in contact with the public, counter staff.
- Civil servants in Categories B and C.
- Local officials, without the status and pay of expatriates.
- Staff in consulates and vice-consulates, more than embassies.
- Posts with few staff and little scope for rotation.
- Posts with a *low ratio of expatriate managers to local officials*.

Risk mapping

- Countries with a high level of external corruption, putting the consulate or embassy staff under pressure.
- Countries with underperforming civil-status departments (applications for naturalisation).
- Developing countries.

Many administrations carry out implicit risk analysis by developing typologies (for instance at the DGDDI) or identifying vulnerable sectors and situations.

Risk mapping

While mapping and tackling risks on a geographical basis would probably be worthwhile, implementation has been half-hearted to date. Yet this would enable comparative analysis or geographical benchmarking. Mapping highlights the geographical *factors* contributing to corruption (insularity, local practice, proximity to money-laundering areas). By the same token, mapping can help to find *solutions* or lead to better practice. As there are territorial disparities when it comes to corruption, solutions must be geared to the locality (*e.g.* heightened vigilance or more staff and resources in some areas), while some preventive practices such as moving staff around may be relaxed or stepped up as required.

Mapping would be particularly useful for *public procurement*. The MIEM statistics, for instance, are comprehensive when it comes to geographical patterns of referrals to the courts but are difficult to interpret without the aid of maps. The same can be said for the *Commissions Specialisées des Marchés*, which publish reports without geographical information. On such a sensitive subject as public procurement, where the geographical factor often reveals irregularities, there are no clear data for the country as a whole.

To a lesser degree – given the number of cases and the statistics which are purely for internal use – the General Directorate of Customs and Excise takes into account (but does not map) territorial data, particularly for its policy on staff mobility.

Box III.7. **TRACFIN mapping**

TRACFIN is the only institution that includes mapping among its activities. In its 2002 Activity Report, for instance, it maps out the areas in which declarations of suspicion have been filed and reveals fairly stable geographical patterns, linked to the concentration of banking and financial institutions. Similarly, it maps out the main courts receiving referrals, since territorial jurisdiction depends largely on where the perpetrator lives or where the offence was committed.

Mapping can shed light on what has or has not changed (provided it is comparative and chronological) and highlight features typical of certain offences (*e.g.* geographical concentration). While some forms of mapping may seem superfluous to information in table form, they do offer the advantage of instant visualisation.

Source: 2002 TRACFIN Annual Report.

The Ministry of Foreign Affairs does not map out corruption patterns, even though geographical and geo-economic factors play an essential role in the potential occurrence of such offences. In future, it would be desirable to include mapping in the Annual Report by the MAE/General Government Inspectorate.

Surveys

It has never been the tradition for government departments and services to survey users among the general public about how they perceive or see corruption. To our knowledge, there have been no surveys among firms, users of government services or civil servants themselves on the topic of corruption.

Box III.8. **Transparency International, its Corruption Perceptions Index (CPI) and the French authorities**

Many institutions – be they international organisations (World Bank), consultancy firms or NGOs (like Transparency International) – have tried to measure "passive" corruption by focusing on the perceptions of the public or of target groups (business community).

With regard to France, Transparency International (TI) has developed a Corruption Perceptions Index which focuses on perceptions of France in international business circles.

"The TI Corruption Perceptions Index (CPI) in 2003 ranks 133 countries in terms of the degree to which corruption is perceived to exist among public officials and politicians. It is a composite index, drawing on 17 different polls and surveys from 13 independent institutions carried out among business people and country analysts, including surveys of residents, both local and expatriate."[1]

This Corruption Perceptions Index, which ranks France 23rd in the world, is contested by the French authorities and the people we interviewed, in particular in the SCPC.[2] By and large, the use of surveys to measure corruption raises a number of questions: can perceptions serve as the sole basis for talking about corruption in France? Should the emphasis be on perceptions in business circles or among the general public?

The CPI is an interesting and useful instrument as it helps to raise awareness of the scale of corruption that exists. However, it does not reflect the complexity of the phenomenon and should be set against other data. Aware of the CPI's limits, TI assesses its reliability in each country (number of sources available, converging information) and collects additional material (*e.g.* by identifying sectors most vulnerable to corruption).

1. Transparency International Web site, *www.transparency.org/cpi/2003/cpi2003_faq.fr.html*, December 2003.
2. SCPC, *2002 Annual Report,* ERRATUM on page 17 of the 2001 Annual Report on relations between TI and the SCPC.

Source: TI and the SCPC.

Most government departments have a complaints book in which the public can set down their grievances in writing. However, they are often kept in the departments concerned, which does not make complaining particularly easy.

An NGO, Transparency International (TI), has developed a Corruption Perceptions Index and publishes its own country ranking. Most of our interviewees contested TI's methods and findings.

While surveys are merely indicators of perceptions and feelings, there is a need for such instruments in France. Surveying the opinions of public officials as to the amount of corruption in their departments, of enterprises on risk areas or situations in their dealings with government services, and of the general public as public service users would provide more insight into how the French relate to corruption.

Databases

France lacks tools, in particular for data-processing that could be shared among government departments to make them better informed, more responsive and better equipped to deal with corruption. The tools would provide scope to:

- Access updated information on multiple data (benchmarks).
- Identify pockets of expertise within government departments or elsewhere.
- Take a more targeted and sensitive approach to risk identification and management.
- Co-ordinate and combine controls.

Experiments

Some experiments are worth noting. Some investigation services have their own databases, such as ANACRIM, used by the *gendarmerie*. The SCPC would like to gear them to specific types of crime (economic and financial crime in the case of corruption) and provide investigative/analytical templates to help inspectors working on the ground. An analytical list of some ten types of fraudulent financial arrangements (indicators and indices) has already been drawn up for training purposes but has not yet been brought into widespread use.

The MAE General Government Inspectorate, which has not developed its own databases, uses databases such as *Réseau Mondial Visa* to handle visa requests or applications for naturalisation. This enables it to detect anomalies or irregularities, by comparing activity in certain postings.

When the special investigation units for economic and financial crime (*Pôles Économiques et Financiers*) were set up within the judicial system in 1999, a computer-assisted investigation system was also introduced to give a direct

view of micro phenomena and reveal connections between cases or highlight any upsurge in specific types of cases.

In 1997, financial jurisdictions such as the CRCs set up a process planning commission, subsequently known as the *Mission Outils et Méthodes* (tools and planning unit) with a remit to enhance auditing practices and produce the necessary tools. The main tools developed by the financial jurisdictions are guides to investigative methodology. These use the information garnered from the many data-collection bodies (including INSEE, public accounts, the Interior, and clerks' offices) to enrich the financial jurisdictions' own databases and enhance their audits. As for the information held by the entities subject to audits, modes of access are defined by strict procedures and ethical principles applying to all control bodies, even if the financial jurisdictions do have a very substantial right of disclosure. Attention was drawn to the need for access to external databases, including hospital files or civil-service pay files. The pooling of data – *e.g.* inspection/auditing guidelines, handbooks, basic investigation templates, benchmarks, and warning procedures – makes it possible to take stock of competencies within the financial jurisdictions and elsewhere, and make them available on networks to create pockets of expertise.

Obstacles

Many of those interviewed saw the legislation on the use of computerised data as a major obstacle, in particular the 1978 Computer Information and Freedom Act (*Loi relative à l'informatique, aux fichiers et aux libertés*) and its rigorous enforcement by the CNIL. The obligation for files to remain anonymous prevents their shared use within a directorate and restricts the development of databases in general.

Advantages

Yet databases do have potentially significant advantages:

- Databases would improve the processing and monitoring of data files between institutions.

Databases on corruption would allow the ongoing *monitoring* of risk areas, fraud and fraudulent arrangements, and irregularity indicators by centralising the information provided by all those working to fight corruption.

Specialised macroeconomic databases could act as a national price monitoring unit.

- They could serve as a tool to evaluate the work of various departments and how well they are co-ordinated (*e.g.* measuring the rates of referrals, investigations, discontinued proceedings, discharges and convictions).

Box III.9. **The Computer Information and Freedom Act and the CNIL***

Faced with the almost infinite potential unleashed by information technologies, the Act of 6 January 1978, known as the Computer Information and Freedom Act, provides some strong safeguards to protect individuals against the proliferation of data files. Greater involvement and accountability is the key to this system of protection: those who create the processes should be made subject to obligations, and those whose details are held in databases should be given specific rights.

At the centre of the system is an independent authority, the CNIL (*Commission Nationale de l'Informatique et des Libertés*) which ensures that rights are respected and obligations fulfilled. Its main remit is to protect personal privacy and individual or public freedom. It is responsible for ensuring compliance with the Computer Information and Freedom Act.

The CNIL *issues opinions on new data-processing systems in the public sector* and is notified of any data-processing conducted in the private sector (Sections 15 and 16). Data-processing managers who fail to comply with these requirements are subject to criminal sanctions (Section 226-16). *Data processing in the public sector requires a decree adopted with the endorsement of the Council of State to overrule an unfavourable opinion from the CNIL* (Section 5, para. 1).

The CNIL keeps a "file of files" available for public consultation, *i.e.* its inventory of the data files and their main characteristics (Section 22).

* CNIL Web site, *www.cnil.fr/index.htm,* December 2003.

Source: A quoi sert la CNIL? December 2003, *www.cnil.fr/index.htm.*

Evaluation methodology

Policy evaluation has taken time to become established in France, both in theory and in practice. Yet evaluation is essential in many respects:

- It calls for detailed thought as to policy goals and how to achieve them.
- It enables the development of methodological tools (*e.g.* criteria, indicators and surveys) which can, in turn, develop insight into corruption, thereby helping to improve the anti-corruption system.
- It is a valuable source of information.
- It is a means of identifying, with fairly objective criteria, good practice and well-performing institutions in the field of corruption prevention and control, and of identifying and remedying shortcomings and limitations.
- Policy evaluation therefore has a beneficial impact on the management of the anti-corruption system and so in turn reduces corruption.

Where does evaluation stand with regard to the prevention and control of corruption?

There have been no strictly *scientific studies* to evaluate the impact and effectiveness of all or part of the anticorruption system. *The preference goes to another, non-scientific form of evaluation.* In 1993, for instance, the Bouchery Commission was asked to take stock of corruption "risk areas" and the anti-corruption system in France, but did not develop specific tools to identify the problem more closely.

That approach reflected the only type of evaluation conducted in this field:

- *Ongoing and voluntary self-evaluation* by government, without creating new scientific instruments.
- The unique *practical experience* of experts and those working on the ground who talk about their impressions, intuitions, feelings and sensations which are probably reliable but not necessarily very precise.

Yet there is a growing need for evaluation in France, particularly since the Finance Act which makes it mandatory. The challenge lies in institutionalising evaluation and turning something that is still piecemeal into an integrated policy approach.

Who could undertake the evaluation of France's anti-corruption system?

Evaluation institutions and cultures fall into two broad categories. The main point here is that control bodies are becoming increasingly involved in evaluation.

Bodies with a specific mandate to undertake evaluation

The ***Office parlementaire d'évaluation de la legislation***, or OPEL (Parliamentary office for the evaluation of legislation) and the ***Mission d'évaluation et de contrôle***, or MEC (Evaluation and inspection unit). The OPEL, set up in 1996, made up of members of Parliament and the Senate, is responsible for gathering information and undertaking studies to assess whether the legislation is up to dealing with the situations it is meant to regulate. Another aspect of its remit is to simplify the legislation. The OPEL may be called upon to evaluate the impact of anti-corruption measures. The MEC – equivalent to the Committee of Public Accounts in the United Kingdom – was set up in 1999 and focuses more on monitoring the effectiveness of public expenditure. It works to that end with the Court of Auditors.

There are also standing Parliamentary committees (on specific themes), and in particular select committees, that could be asked to evaluate the anti-corruption system. So Parliament could conceivably play a leading role, either

in evaluating anti-corruption legislation in France, or in setting up a select committee along the lines of the Seguin Commission, the working party on "Politics and money", or the Bouchery Commission on "Preventing corruption".

The ***Conseil scientifique de l'évaluation***, set up in 1990, became the *Conseil national de l'évaluation* or CNE (National evaluation council) in 1998, reporting to the *Commissariat Général du Plan* (government planning authority), but was wound down in 2002. Yet the CNE would probably have been the most appropriate body in terms of methodology and expertise to provide scientific tools for evaluation purposes.

Control bodies shifting to performance audits and evaluation[4]

The bodies that conduct external audits (Court of Auditors, Regional auditing chambers) and internal audits (General Government Inspectorate) are increasingly becoming involved in evaluation. A number of general inspectorates (*e.g.* finance, social affairs, education) have added evaluation to their remit. This trend towards evaluation in France reflects the broader trend found in Europe and North America.

The external control bodies with judicial status have the independence and breadth of scope to grasp the intricacies of multi-stakeholder policies.

The Court of Auditors and the CRCs undertake evaluations, either of areas at risk from corruption or of bodies with a mandate involving corruption prevention and enforcement, without actually evaluating anti-corruption programmes themselves.

Bodies which, by virtue of their mandate or scope, could address anti-corruption systems, programmes and measures

The ***Ministry of Justice***, by virtue of its overarching position, plays a co-ordinating role. It has also processed criminal data and is thus used to handling information. Within the Ministry,[5] the Directorate for Criminal Cases and Pardons (DACG) set up a *Pôle Études et Evaluation* (Research and Evaluation Unit) in 2001. Its mandate is to develop standardised monitoring tools, as well as quantitative and qualitative information on specific phenomena, monitor the performance of the penal policy drawn up by the Chancellery, and measure the impact of penal policy. It is responsible for evaluating not only penal policy implementation (resource allocation, goal-setting, known and measured impacts and outcomes) but also how the Ministry of Justice operates (delivery time, service quality). It is currently creating new monitoring systems and instruments (annual performance indicators for the Ministry, monthly ones for the Public Prosecutors' Offices, and a system to measure the work and performance of the Economic and financial investigation units), drawing up

Box III.10. **Evaluation system to measure the work and achievements of the *Pôles économiques et financiers***

In 2001, an initial stock-taking exercise requested by the Minister of Justice found a patent lack of tools capable of measuring the work and performance of these *Pôles* against the goals to be met. The Research and Evaluation Unit has introduced a standardised framework in the form of a set of work and performance indicators, specific to the legal field and to the work of specialised assistants.

The exercise concerns three of the *Pôles* or Economic and Financial Investigation Units (Paris, Lyon and Marseilles). An outside consultancy (ATOS Odyssée) has been commissioned for the study, which will take place in three *stages*:

1. Diagnosis in each of the three Economic and Financial Investigation Units (first semester 2003).
2. Modelling and defining a set of performance indicators.
3. Supporting the introduction of the performance indicators at a lead site.

The *aims* of the exercise are to:

- Identify measurement tools currently used in specialist jurisdictions and analyse their strengths and weaknesses.
- Highlight the salient features of major economic and financial cases, see how they are handled by the Economic and Financial Investigation Units compared with other non-specialist services, and indicate the targets to be met by a measurement goal.
- Draw up a definition of work and performance indicators, in particular by looking at other sectors facing similar challenges and constraints. Special emphasis is to be laid on the role and work of specialised assistants.
- Model a unique system of evaluation for the work of the Economic and Financial Investigation Units and assist with its implementation in the relevant jurisdictions.

The study will focus on the following *targets*:

- Current Economic and Financial Investigation Units and the specialised jurisdictions.
- Specialised assistants.
- Complex economic/financial case-files.

The study will comprise:

- *Qualitative phase*, which will be based on typically complex case-files and an analysis of the salient features of the economic and financial field, and will help to determine what essential and relevant information is required.
- *Operational phase* aimed at producing a model framework with both quantitative and qualitative components, to be set up in the Economic and Financial Investigation Units and in other jurisdictions.

Box III.10. **Evaluation system to measure the work and achievements of the *Pôles économiques et financiers*** *(cont.)*

The performance indicators will include:

- Management indicators (personnel, data-processing, ratio of resources/goals/costs).
- Work indicators [number, deadlines, size and processing of case-files; case-file processing procedures (searches, questioning, expert assessment, confrontation); judgments].

Other indicators focus on the type of case-file (simple, complex, highly complex) and their nature (broken down by offence, type of decision, and origin of referral). There are no external indicators on the effects and impacts of the work of the Economic and Financial Investigation Units or on economic and financial crime.

Source: Rapport phase 3, Ministry of Justice, DACG and *Atos Odyssée*, Management Consulting.

quality-related questionnaires and numerical surveys, and producing data and analyses on selected topics (*e.g.* court work, enforcement of specific articles of the Criminal Code, specific offences).

Apart from evaluations by the Economic and Financial Investigation Units – which are part of the anti-corruption system – the Ministry's Research and evaluation unit has not undertaken an evaluation of the anti-corruption system as a whole.[6]

The Ministry of Justice also maintains links with university research centres. The *Centre de Recherches Sociologiques sur le Droit et les Institutions Pénales* (CESDIP) conducts research into the law and penal institutions and is working on the sociology of standards and regulations, and more specifically on the penal aspects of legal standards and regulations. No research has been done yet on corruption. The Ministry's Law and Justice research unit (GIP) has set up working parties and held a seminar on "The legal aspects of combating economic and financial crime in Europe", at which specialists and those working on the ground throughout Europe described and reviewed their experience. Yet players and decision-makers do not view or use university research centres as operational management tools.

The ***SCPC***, as a monitoring centre for corruption, could be particularly well placed to conduct evaluations of anti-corruption work. The SCPC is an inter-ministerial body that plays a key role. As its focus is prevention, the management would like it to become an agency that evaluates and audits ethics programmes and regrets having so little information on how the system is set up and operates. The same applies to internal controls: SCPC training-

courses already include the evaluation of internal control services in government departments or private companies. By virtue of its status – it is not an investigation or enforcement service – and because of its overarching view of corruption, the SCPC would be particularly qualified to observe and subsequently review the impact of the anti-corruption system.

What programmes, measures and institutions should be evaluated?

The fact that there is no evaluation of the anti-corruption system in France may be linked to the problems involved in comprehending the piecemeal and complex body of laws, measures, bodies and arrangements relating to the phenomenon of corruption. In that case, should evaluation focus on specific institutions (*e.g.* Ethics Commissions, Economic and Financial Investigation Units, the SCPC), specific measures (*e.g.* codes of ethics, training initiatives, the criminalisation of public procurement offences), specific legal provisions (*e.g.* Article 40), specific policies or the system as a whole? These avenues should of course be discussed and explored by the professionals dealing with corruption, so that evaluation can be geared to genuine needs.

Notes

1. *Infostat Justice,* Ministry of Justice, June 2002, No. 62.
2. For details of the CNEC's work see: *www.pme.gouv.fr/chantiers/equip/equip02.htm*.
3. See annual reports published by the *Commission Nationale de Déontologie* (National Ethics Commission).
4. *CNE Rapport: Une évaluation à l'épreuve de son utilité sociale,* "Contrôle et évaluation: l'évaluation dans les institutions de contrôle", D. Lamarque, Activity Report 2000-2002.
5. *CNE Rapport: Une évaluation à l'épreuve de son utilité sociale,* "*L'évaluation en développement : l'exemple du ministère de la Justice : la Direction des affaires criminelles et des grâces (DACG)*", *V. Chanut, Activity Report 2000-2002*.
6. Ministry of Justice, DACG, *Bilan des actions d'évaluations menées en 2002 et perspectives 2003,* March 2003.

Improving the French System of Fighting Corruption: Good Practice and Challenges

Even without scientific evaluation, good practices can be identified by means of existing data and the opinions of those working in the field.

Prevention framework

It can be seen that effective prevention depends, on the one hand, on the rules and precise codes promulgated for this purpose, and on measures to increase the awareness of the players involved, on the other.

So-called "soft" law (non-binding) and codes and charters of ethics or behaviour, have not really become part of French administrative life. The State and its administrative services often invoke the 1946 Civil Service Rules or different Codes (Tax, Customs, Commerce, Labour) to explain why it is unnecessary to draft codes of ethics. These texts, in particular the Civil Service Rules, remain extremely general and are limited to a list of principles: principles of public service (freedom, equality, continuity, impartiality, neutrality, respect for others' beliefs, decency, good morals, free service), principles of loyalty and obedience to the employer institution and the Nation, and a reminder of obligations of personal conduct (personal integrity, strict moral standards, etc.). It can therefore be said that the existing texts are often insufficient. They cannot therefore be considered to be a detailed set of rules regulating a profession or activity and indicating clearly what is prohibited.

A number of codes of ethics have been introduced in the French civil service, for example in the police force and in certain high-risk departments (tax or customs). No precise count has been made of the exact number of codes of ethics in the civil service as a whole. A number of those interviewed are of the opinion that there is a real need to introduce such codes, for French civil servants are often left to deal themselves with difficult situations: gifts, various invitations, seminars, travel, etc. As regards the introduction of codes of ethics, the SCPC could have a key supporting role in validating and monitoring the effectiveness of such codes in the French civil service.

Introducing codes of ethics involves a significant effort to educate and involve civil servants and their hierarchies, and can therefore be described as a

preventive measure. Training the staff involved is essential as regards to prevention, and the SCPC, as a preventive service, proposes training modules for this purpose.

Box III.11. **SCPC training modules**

The SCPC offers training modules to government services and private enterprises which ask for them.

There are two main types of module on offer:

1. *For control services*, in order to help them detect fraud or corruption, the SCPC has drawn up a diagram of risks and a list of the indicators of fraud making it possible to identify, demonstrate and prove fraudulent arrangements. To this end, the most common such arrangements are analysed and described, while "fraud cards" are prepared for each accounting heading (between 3 and 10 fraud possibilities per heading). Broadly speaking, the tools used are those of account auditing.

2. *For government services and enterprises*, emphasis is placed rather on the introduction of preventive and effective internal control procedures. Based on the theme "how to structure an effective internal control", the SCPC leads the officials concerned in an analysis of:

– Identifying a system of reference: existing corpus, legislation, regulations or codes, their gaps and limitations.
– A typology of risks: What are the weak points? What type of corruption? At what level? What are the risk indicators?
– Improving internal controls following an inventory: propositions and approval or otherwise by the SCPC.

For the purposes of such training, the SCPC groups officials together by profession or by directorate (taking account of sectors and posts with different risks), involves them continuously with the critical examination of their organisation (self-assessment by the staff) and waits for them to make reform proposals which it validates (tailored amendments depending on the staff and risks involved). Once the programme of measures has been determined, the SCPC validates it and monitors implementation (by means of inspections).

Some leading examples of SCPC training:

– Mobilisation of the SCPC following the scandal of the construction of TGV Nord (high-speed train link).
– The Ministry of Public Works: 3 years' monitoring of 3 000 senior managers, in particular those in charge of procurement contracts.

Source: La formation, SCPC, *www.justice.gouv.fr/minister/formscpc.htm*.

Institutions to combat corruption

Status, composition and supervisory authority are all factors which determine the effectiveness of control bodies involved in the fight against corruption. These different elements must be combined.

Independence and *autonomy* are key factors for the effectiveness of control bodies responsible for fighting corruption. Financial jurisdictions or *ad hoc* independent authorities with the power to make binding decisions (*e.g. Commission Nationale d'Équipement Commercial* or *Conseil de la Concurrence*) can serve as a model. Thus, financial jurisdictions enjoy total autonomy and wide-ranging powers, both as to the appointment of their members (by means of a competition) and their status (security of tenure). This independence is reflected in their inspection programme and in their total freedom of action and approach. Independence goes hand-in-hand with accountability and control: the collegiate nature of decision-taking, the right of reply and of appeal on the part of those controlled, the publicity given to their activities and reports or again the obligation to report to higher authorities, all guarantee that this will be the case.

As far as the *supervisory authorities* of control bodies are concerned, the best approach appears to be total independence (for example the Court of Auditors). Any supervision by a ministry could raise questions about dependency or pressures. Being directly answerable to the highest administrative or political authorities does, however, give an institution a certain authority and power, reflecting the interest of the highest State authorities with regard to the issue in question. This applies also to an inspection service within a given government department or ministry: the question arises of answerability to the minister's private office or human resource management. An inter-ministerial approach has the advantage of avoiding too strong an attachment to a single ministry and thus enables relative emancipation.

The *composition* of control bodies is also an important factor, guaranteeing the independence of its members and public trust. The French model of recruiting senior civil servants on the basis of a competition – no favouritism or nepotism – and giving them secure conditions of employment – security of tenure and salary scales – goes part of the way to freeing them from political pressure. Together with the sense of public service fostered by the major training colleges, this explains why most control bodies comprising senior civil servants work well. Only pressure from the administrative hierarchy, often itself subject to political supervision, can affect to some degree the independence of civil servants working in a hierarchical structure.

There are two main types of inspection services: inspectorates, which are permanent bodies made up of professional inspectors, and also an original model of peer review, using staff temporarily assigned to inspection duties.

Box III.12. **An example of an internal inspection service: The General Government Inspectorate of the Ministry of Foreign Affairs (*Ministère des Affaires Étrangères* – MAE)**

The MAE General Inspectorate is not a control body but a service comprising officials seconded from their diplomatic posts for fixed periods, who carry out inspection duties **on a temporary basis**.

The *strengths* of this peer review *system* are numerous. In particular, the inspectors have practical experience in the field and are therefore the best qualified to identify errors and shortcomings.

Improvements are being looked for. Thus, in order to promote exchanges and contact with all categories of staff and expatriate staff on the spot, it is planned to recruit inspectors from category B, and eventually category C, staff. The aim is to promote a relationship of trust and the improved dissemination of information when inspections are being carried out.

Shortcomings and *gaps* may, however, be noted. The MAE General Government Inspectorate, an internal inspection service, only has jurisdiction over MAE staff and sectors, while some 50% of staff and monies are from other ministries (Minefi, Interior, Defence, Education or Culture). It is therefore highly desirable to create an inter-ministerial inspection service, both as regards its composition and jurisdiction, one that would include officials from the General Government Inspectorate.

The major question-mark relates to the *validity of the system used*: can an inspector be fully objective if he knows that he is inspecting a potential superior or a potential inspector? Can one be both, and in turn, judge and jury?

The composition of external control bodies must be beyond reproach so that such bodies are recognised as being perfectly objective and so that their verdicts or decisions are accepted.

The arrangements for making *referrals* to control bodies also play a role in the effectiveness of anti-corruption measures. The power of such bodies to initiate investigations themselves and the free establishment of control programmes are obviously good practices, which are often the prerogative of independent institutions. Mandatory referral – in the case of ethics commissions – is also an exhaustive means of examination. Limiting referrals to certain authorities is always perceived as a constraint, even if the need for a filter and for processing requests having regard to the – often limited – resources of certain services is well understood (*e.g.* the repeated requests from MIEM and SCPC to obtain the right, respectively, to undertake own-initiative investigations and to be able to respond to the requests of citizens). While inter-ministerial co-operation broadens the possibilities to make referrals, it does not, however, equal own-initiative rights.

Box III.13. **A difficult balance to attain: The example of the rules and composition of the *Commission Nationale d'Équipement Commercial*, or CNEC (National commission for commercial land-use planning)**

The history of the CNEC, responsible as from 1969 for monitoring the balanced economic development of the retail network in France and ensuring that building and extension licences or permits are delivered in accordance with the law, is an example of trial and error, as well as multiple experimentation, in order to set up an institution which is respected and autonomous.

From 1973 to 1993, the presence of a significant number (20 members) of retail professionals and elected representatives within the Commission, as well as its dependency on the political authorities in the person of the Minister responsible for Trade, the only and last level of authority and arbiter, led to malfunctioning and created doubt about the decisions taken.

In 1993, the Sapin Act on the prevention of corruption entirely remodelled the rules and composition of this discredited institution, which became independent. The CNEC's decisions are subject to review by the *Conseil d'État* (top administrative court)

It is composed of 8 members. At national level, elected representatives are no longer members (their presence at *départemental* level remains a problem, in the opinion of the European Commission itself). The presence of 4 civil servants from the major services – members of the *Conseil d'État*, the Court of Auditors, the General Finance Inspectorate and the *Inspection Générale de l'Équipement* – reinforces the apolitical and objective character of decisions. The 4 other members include "qualified" persons of standing appointed by the Government, who often have close links with economic groups or consumers' representatives. The composition therefore reflects a compromise, which functions if everyone present plays the game of neutrality and is willing to stand aside in situations of conflict of interest. The length of the mandate (6 years) and the fact that it cannot be renewed, also help to prevent any pressure on the members of the Commission, or any expectations on their part (career).

As regards the different bodies involved, the trend is to superimpose institutions with different rules: traditional control bodies (internal and external inspection), regulatory authorities (such as the *Conseil de la Concurrence* or the *Commission Nationale d'Équipement Commercial*) and advisory authorities (ethics commissions). This institutional abundance is a reflection of the many attempts to adapt supervision as well as possible to the changing environment of corruption.

Controls

The French control system is based on three pillars:

1. Periodic controls at regular defined intervals.
2. Rather formal legal and accounting controls.
3. *A posteriori* controls.

This model is perfectly illustrated both by the functioning of internal control bodies (*e.g.* the MAE General Government Inspectorate, which carries out controls every 4 or 5 years of posts abroad) as by that of external control bodies such as the Court of Auditors or the CRCs which, at intervals of roughly 4 years, check the accounts of public accountants, and budgets, and ensures the effective management of public monies. Beyond the strict monitoring of application of the rules, the control process is being increasingly incorporated into a comprehensive approach of the use of public resources and the goal of performance.

Box III.14. **Risk management as addressed in control bodies: Court of Auditors and CRCs**

Financial jurisdictions exercise controls based on risk management, and set up institutions and procedures for this purpose. The thinking behind risk analysis is perfectly illustrated by:

- Major investigations, conducted jointly by the different chambers of the Court of Auditors and by the CRCs, into the application of regulations and the implementation of public policies.
- Sectoral priorities chosen by the chambers in accordance with the issues specific to sectors which are systematically monitored.

In both cases, it can be seen from the topics chosen, that focus is given to high-risk sectors. The *procedures or instruments* adopted to carry out this risk analysis include:

- In addition to the permanent and informal information reaching the members of the chambers, which makes it possible to define grey areas of irregularities, each Chamber of the Court of Auditors has a Head of sector, with the task of leading and guiding the organisation of controls. He is responsible for monitoring sectors, reading the specialised literature, and keeping himself informed through contacts with members of this sector and senior staff from ministries, thus enabling a targeting of controls.
- The creation of a Tools and Methods Unit of the Court of Auditors in 1999 met the need to establish and support control practices. The Unit is responsible both for analysing methodology and for developing tools (databases).

Source: 2001 Annual Public Report of the Court of Auditors, Chapter II: La politique de contrôle.

Furthermore, there is a need to supplement the existing legal control by effective measures to prevent and *manage risks*. Thus, in order to treat cases quickly and better, controls could be directed towards strengthening the system for analysing and detecting risks, in particular by creating databases and benchmarking mechanisms.

There is thus a positive development in the practices and mentalities with regard to controls. Legal control is increasingly being incorporated into a wider approach of risk management and the quest for performance.

Sanctions

With regard to the sanctions that should be used to punish, and above all deter, corruption, there is a current debate and change in approach which here again result from an acknowledgement of the complexity of the problem. The French system includes at least these three types of sanction: administrative, criminal and financial. How should the choice be made between administrative, financial and criminal sanctions, or a combination of them? This is a difficult problem – contradictory or non-co-ordinated decisions, questions of legitimacy – but has the advantage of presenting multiple responses to the complex issue of corruption.

Administrative sanctions

The threat of recourse to the administrative courts is not a great deterrent. However, if they are mobilised and vigilant, the administrative authorities, *i.e.* the hierarchical chain, potentially have strong deterrent powers in the form of heavy administrative sanctions. There are three main points to consider:

- The potential effect depends on the degree of tolerance or of severity of the authorities *vis-à-vis* corruption.
- Co-ordinating administrative and criminal sanctions can be difficult.
- The thorny question remains of suspending pension entitlement, for this is the strongest sanction available. It is the only way of exerting pressure on retired civil servants who, for example, are in breach of the rules about "*pantouflage*" and conflicts of interest.

Criminal sanctions

The fear of criminal courts and a sentence of imprisonment can be considered as the most effective deterrent as regards corruption.

The main weaknesses of the criminal process are its lack of flexibility as regards:

- Nature of the activity.
- The burden of proof and the problem of intention.
- The time needed for enquiries and investigations, and prescription.

Box III.15. **Penalties regarding public procurement: No freedom without accountability**

Until the creation in 1993 of the *offence of favouritism – undue advantage in public procurement and public service delegation agreements* – the weakness of the rules protecting public procurement and the absence of sufficiently dissuasive criminal provisions had led to the institutionalisation of corrupt practices and the financing of political activities in the field of public procurement. Creating the offence of favouritism, with the resulting penalties applying to public procurement, has been extremely effective and has "cleaned up" this high-risk sector. This effectiveness is shown by:

- the level of *MIEM referrals* – a body set up at the same time with responsibility for tracking down this new offence – which shows both the scale of the problem of corruption in public procurement in the 1990s, and the current improvement;
- the desire to avoid sanctions under the new Act and to remain within the law, which has been shown by a multitude of *institutional creations* (procurement services or offices), the recruitment of specialised staff (DESS, a training course in public procurement, specialised lawyers) and the appearance of specialised publications, etc.

Creating the offence of favouritism is likely to change the balance of power between decision-maker and purchaser, *i.e.* elected representative and civil servant. This measure may be compared to the personal and financial responsibility of public accountants. While decision-makers could previously put pressure on purchasers to tolerate illegal practices, the personal and criminal liability of a civil service purchaser is today, on the contrary, a strong argument for saying no to his superiors or elected representative. The law is offering protection and making people more responsible.

This is an example of legislation designed to change a general practice, and the effectiveness of the principle "no liberty without accountability": the offence of favouritism is a preventive as well as a repressive offence, and the law plays its deterrent role.

Source: MIEM Annual Report, 2002.

The judicial system therefore often has difficulties in dealing with corruption cases and bringing them to a successful conclusion. More flexible procedures can offer an alternative to cumbersome judicial ones: administrative processes, or recourse to regulatory authorities such as the *Conseil de la Concurrence*, or to other types of sanction such as financial sanctions.

Box III.16. **Financial sanctions and the *Conseil de la Concurrence* (Competition authority)**

In the past, the *Conseil de la Concurrence*, which has since 2002 had available similar procedures to those in English-speaking countries (plea bargaining and settlement) essentially used pecuniary sanctions. The level of proof is in theory lower than in criminal proceedings, especially for unilateral practices, but in practice it is very similar, which explains why the *Conseil de la Concurrence* can impose severe sanctions, often much higher than the criminal fines used to punish economic and financial offences. The ceiling for pecuniary sanctions is very high (10% of total turnover since 2002, 5% before), even though in practice much lower fines are imposed (1.5% of total turnover on average). To sanction illegal commercial or economic practices affecting the market, it may therefore be thought that a fine remains the appropriate sanction.

Financial sanctions

The criminal courts can impose financial sanctions and ask for part of the misappropriated funds to be returned, but practice has shown that financial penalties are often ridiculously low compared to the money misappropriated, and therefore ineffective.

However, the use of financial sanctions raises certain questions:

- There are cases in which the personal responsibility of senior management is involved, and recourse to the courts is necessary.
- Financial sanctions can also be counterproductive economically (which would be the opposite of the objective sought), notably if they penalise shareholders or employees, or endanger an economic activity, which explains why the *Conseil de la Concurrence* has **imposed moderate sanctions** as compared to the maximum fines available.

It is by a flexible use of sanctions, adapted to practical situations, and by a combination of different ones, that corruption can be effectively addressed.

Co-ordinating French anti-corruption mechanisms

French anti-corruption mechanisms are scattered and diffuse, which means that information circulates poorly, legislation and regulations abound and there is a lack of co-ordination between the bodies responsible for fighting corruption. However, a number of initiatives have been introduced to reduce these problems.

The circulation of information

The circulation, bottom-up transmission and collection of information, within and between government services, between them and ministries,

between institutions, between criminal, financial and administrative courts – as well as the dissemination of information about anti-corruption measures in civil society, are one of the weak points of the French system for preventing and combating corruption.

Box III.17. **Description of the Directorate for Criminal Affairs and Pardons of the Ministry of Justice**

The most formal procedures include:

The annual criminal policy report by the Prosecutors' Offices of the *Tribunaux de Grande Instance*, Economic and Financial Investigation Units, is a key instrument for monitoring the functioning of the criminal law with regard to economic and financial offences.

It includes a heading entitled "Measures to combat the corruption of public officials", including cases involving the equality and freedom of access of candidates for government procurement, and another heading entitled "Public Procurement-Competition".

Particular attention has been paid to the relationship between financial and criminal jurisdictions: circulars from the Ministry of Justice* (*Relations between judicial authorities and financial jurisdictions, June 1996, November 1997, June 2003*) have been published since 1996 with a view to improving co-ordination between the two types of jurisdiction. These circulars, addressed to the public prosecutors' offices, in fact institutionalise contacts, by giving them a legal basis.

Multiple sources of information

- Independent administrative authorities (*Conseil de la Concurrence*, COB, etc.).
- internal administrative inspectorates (IGF, IGAS, etc.).
- Specialised units: MIEM, MILOS.
- Financial jurisdictions (Court of Auditors and CRCs).
- TRACFIN.
- Denunciations by auditors.
- Complaints by victims (few cases).

All these sources send the Public Prosecutor's Office the cases which they consider illegal, either directly by alleging the offence or crime, or under Article 40 of the Code of Criminal Procedure, or by obligation the breach of which is a criminal offence (accountants). It is only when cases are submitted that information is circulated.

* DACG, *Relations entre l'autorité judiciaire et les jurisdictions financiers,* June 1996, November 1997, June 2003, Ministry of Justice.

The information network, as it functions today, could be described as being:

- Administrative and hierarchical (the permanent and often effective bottom-up transmission of information).
- Informal and spontaneous (based on feelings, impressions, personal experience and the practice of workers in the field); and therefore, fragmented, even limited.

Co-ordination of action plans

French anti-corruption measures are fragmented and diffuse, involving many texts (legislation, rules, regulations) and many institutions – non-specialised (control bodies, internal inspectorates), specialised (economic regulation, legality of government purchases, management of conflicts of interest) – deal with or process, directly or indirectly, measures to prevent and combat corruption. This complicated framework helps neither the co-ordination nor the rationalisation of tasks. What is needed therefore is to set up mechanisms for co-ordination and concertation so as to turn the current arrangements into a veritable anti-corruption system.

One of France's original measures to combat corruption was the creation of *inter-ministerial* structures. Many *inter-ministerial* bodies (SCPC, MIEM, MILOS) were created in order to prevent and combat corruption, while others recruit staff from different government services (*e.g.* TRACFIN, Customs, Treasury, Justice, Police, Constabulary).

Mechanisms other than inter-ministerial co-operation – doubtless less cumbersome to set up and more flexible – should be used to combat corruption. To improve co-ordination, *standing liaison committees or co-ordination meetings* can also be used to bring together actors from various fields. However, this approach is only relevant to certain sectors and very special or sensitive cases, and has been adopted only recently. Thus, a liaison committee for combating money laundering, chaired jointly by TRACFIN and the Ministry of Justice, has recently been created by law (Act of 15 May 2001 on new economic regulations – Article L 562-10 of the Monetary and Financial Code). This body currently has 30 members from all the relevant occupations, control authorities and different government services (Ministry of the Economy, Finance and Industry, Ministries of Justice and the Interior). Its goal is to improve the mutual information of its members and to issue proposals about how to improve national anti-money laundering procedures.

There is no working party specifically bringing together the many partners involved in the fight against corruption. Such a method of working is highly desirable. Changing from bilateral relations between departments to multilateral and targeted relations would seem to be the best way to manage the multiplicity of actors, institutions, information and procedures.

Box III.18. **Inter-ministerial co-operation**

The strengths of inter-ministerial systems

Such systems have two main assets:

- *Skills*: different types of expertise and skills are pooled (multi-disciplinarity and a wealth of approaches to a common objective).
- *A network*: a tool for inter-service dialogue and co-operation is constituted (privileged links with government services, referrals, the circulation of information).

Examples of inter-ministerial services

- The composition of the SCPC in 2002:
  - A judge, Head of service; a judge, Secretary-General; a counsellor from the regional auditors' chamber; an administrative Head of service of equipment; an officer from the national constabulary; a deputy-director from Customs; a tax inspector. Eight other posts (two judges, three civil administrators, one police officer, one Head of service from DGCCRF, and one central government official) have not been filled. Others should be created shortly to cope with the new and growing tasks of the service.
  - The idea is that these privileged links, as ensured by the founding rules of the Service, facilitate the circulation of information and the (theoretically efficient) decompartmentalisation of measures. The SCPC has moreover created an internal standing liaison committee comprising representatives from the various ministerial departments with which it collaborates, a committee which helps it with regard to the centralisation of information, research and planning.
- The composition of TRACFIN in 2002:
  - At 31 December 2003, TRACFIN was served by 48 central government civil servants (33 of whom were responsible for operational analysis, the core of the Unit's work), from various services, in particular financial ones (General Customs Directorate, decentralised services of the Treasury). In addition to a judge, the staff includes two officials, one seconded from the Ministry of Defence and the other from the Ministry of the Interior in 2002 and 2003, respectively.

Conditions for effectiveness

However, for inter-ministerial co-operation to be really effective, the following is required. The government services concerned must second staff or make them available on a full-time basis (hence the vacant posts). In addition, inter-departmental co-operation links must be involved formally and officially (bottom-up circulation of information, co-operation, involvement in pilot schemes).

Source: SCPC Annual Report 2002 and *www.finances.gouv.fr/pole ecofin/politique financière/tracfin/fiche presentation.htm*.

Box III.19. **An effective and Focused network model: The FINATER Unit**

Set up on 27 September 2001 by the Ministry of Economy, Finance and Industry, the FINATER Unit is a body for strategic ministerial co-operation in the fight against the financing of terrorism.

It gathers together a small number of key players around a common purpose (to detect networks financing terrorism). Chaired by the Director of the Treasury, with the Customs Directorate carrying out secretariat duties, it includes the Director-General of Customs, the Director-General of Tax, the Secretary-General of TRACFIN, the Director of Fiscal Legislation, the Director of Legal Affairs and that of external economic relations of MINEFI. It meets regularly, and its members are geared for action. It may be thought that current events and the political focus on this sensitive topic have contributed greatly to the success of this co-ordination tool.

Source: TRACFIN 2002 Report.

Involving authorities and making them aware of their responsibilities

The decentralisation policy implemented since 1982, reflecting the political will to redistribute powers between the central government and local authorities, has to some extent reinforced the autonomy of the latter. However, the prevention and combating of corruption in France remains to a large extent the responsibility of ministries, and government departments and services.

Yet, thought should be given to the relationships – for long perceived as conflictual – between investigative, advisory and control institutions on the one hand, and the services being assessed on the other. If the authorities being assessed are involved, associated and made aware of their responsibilities, this turns them into full partners in the fight against corruption, and not potential adversaries. The discretionary power given in this way to the authorities being assessed makes them more aware of their responsibilities. Ministries therefore become active partners, responsible in part for ensuring execution of the contract (supervising their staff on secondment) and in the firing line should there be a scandal. If the services assessed are actively involved in the evaluation process, on a voluntary as opposed to mandatory basis, this would be an additional guarantee of success as regards control and monitoring procedures.

Should non-binding partnership relationships be transformed into ones of control and constraint, with the risk of destroying the partnership? Some members of the Ethics Commission were reluctant to see changes to the rules of the Commissions, for example changing advisory opinions into binding ones. This type of modification changes the philosophy of their task, based on

prevention and increased awareness, and gives it a more repressive and authoritarian aspect. The risk is of introducing a power struggle with the services evaluated and rendering the prevention process more cumbersome by introducing a formal and binding procedure which, ultimately, makes the whole process more legalistic.

Involving outside players and increasing transparency

To combat corruption in its many forms – economic, political or social – requires a concerted effort by society as a whole, from politicians, public servants and administrators to company directors and ordinary citizens. Without that effort and political determination, measures to prevent and control corruption will be piecemeal and disorderly. Without necessarily being ineffective, their performance will never be optimal.

Involvement of outside institutional players

In France, the fight against corruption has traditionally been the domain of:

- The legal community – public prosecutors, judges and magistrates.
- The higher ranks of government – the *Grands Corps* (Court of Auditors, CRCs, Council of State, Finance Inspectorate) – and departmental inspectorates.

The prevailing view on corruption was for a long time that of legal and government specialists, a fact reflected in the membership mix of the commissions set up to examine the issue in the 1990s. This circle has taken a rather narrow view of corruption, through the prism of the law and the distorting mirror of crime. And the hierarchical, disciplinary approach to the problem taken by government departments, with a specific emphasis on public-service rules and sanctions, has not been an incentive for staff interaction on this issue.

To date, the *unions* have not backed the introduction of anti-corruption or evaluation instruments, which they perceive as unwarranted and casting doubt on the probity of public servants in general. Unions tend to underestimate the magnitude of the corruption phenomenon, reducing it to a few cases that are as exceptional as they are unfortunate. Yet the avenues being explored for whistleblowing include the involvement of the unions to act as intermediaries, thereby shielding the whistleblowers who would remain anonymous. The involvement of the unions in combating corruption would therefore appear to be necessary. As social partners, they have a major role to play not only in informing, training and raising awareness among public servants, but also in modernising risk management.

Enterprises would also appear to be crucial players in combating corruption, since they are:

- the leading source of corruption; but also

- victims of corrupt practice, be it active or passive (additional costs, exclusion from procurement, unfair competition, decline in productivity and competitiveness among actively corrupt firms);
- whistleblowers or denunciators;
- test-beds for new measures to prevent and combat corruption.

Very few firms denounce bribery or other illegal agreements that come to their knowledge. Out of interest or fear of reprisals, firms seldom report corruption or act as whistleblowers.

France is exploring two original avenues to facilitate the involvement of enterprises in reporting irregularities: the first is the introduction of leniency or settlement procedures by the competition authority (*Conseil de la Concurrence*), while the second concerns the legal obligation to report suspicions to TRACFIN.

Calling in *outside expertise*, particularly from the scientific and academic community, is also highly advisable. It is somewhat surprising that the French Government does not take a multidisciplinary approach to such a complex, changeable issue as corruption. Only administrative and legal experts have been mobilised to tackle the subject.

Box III.20. **The New Economic Regulations Act and settlement/leniency procedures**

The 2001 Act on New Economic Regulations provides an alternative to direct financial sanctions by introducing a *leniency procedure* under which, along the lines of the *plea bargaining* system in English-speaking countries or the European Commission, firms that are first to denounce illegal agreements or abuse of dominant position are granted impunity. This incentive for firms themselves to denounce or break a cartel is too recent for the practice to have been evaluated in France, although a few proceedings are under way.

According to France's *Conseil de la Concurrence,* cartels are often reported to the authorities when special circumstances arise that create divisions among the members. Two situations appear to be particularly critical to the survival of a cartel. The first, a change in the capital structure of one of the members, is a threat to the cartel as the new management may wish to break with old habits. The second is when a cartel knows itself to be under threat or coming to an end because of internal conflict, each partner may be tempted to leave it as promptly as possible before being denounced by the others. In any event, particular caution is needed to ward off the risk of the procedure being manipulated or exploited (*e.g.* competitors denounced by cartel organisers).

Box III.21. **TRACFIN and "declarations of suspicion"**

Only as part of the fight against money-laundering have significant results been achieved and economic players become closely involved.

The banks, which are legally obliged to "declare suspicions", have become key players in the reporting of irregularities. They have set up intelligence cells and expertise units to process this kind of information. After a period of adjustment and staff training, the figures show an increase in reporting (6 896 "declarations of suspicion" in 2002).

This mandatory reporting system, introduced in 1991, places an obligation on members of the banking profession to report any financial operations, conducted by private individuals or corporate entities, which the bank finds suspicious. The principle behind "declarations of suspicion" is subjective, since members of the banking profession make a personal analysis of the facts, environment and characteristics of a banking operation, based on their own experience and vigilance. Such declarations are not based on standards, or on a specific framework, nor are there even any drafting specifications. They can be extremely varied in form and often lack detail, so it is then up to TRACFIN, the investigation service, to process and supplement them with additional information. Where appropriate, TRACFIN refers them to the courts.

Broadening this practice, and the ensuing obligation, to other professions may be a good way of raising awareness in other branches of the economy (currency exchange, real estate, insurance, mutual insurance, casinos, auctioneers and property agents) about the problems of money laundering but also more generally about irregularities and corruption.

Unfortunately, government departments do not feel as accountable to the legislature as they do to the executive. There appears to be a need for *Parliament* to be more involved in demanding transparency and results in terms of how government departments tackle corruption.

Opening up to civil society

Corruption concerns everyone. There are many facets to *citizen involvement* in the fight against corruption:

- Ordinary citizens are the main victims of corruption, in terms of misappropriated funds and dysfunctional services.
- Members of the public are in the front line when it comes to fighting corruption – as users they can report irregularities and, as citizens and voters, they can express their moral indignation and refuse to tolerate corruption. Yet the lack of public mobilisation is striking.

Box III.22. **Reporting, whistleblowing and Article 40 in France**

Reporting or denunciating irregular or criminal acts is a sensitive subject in France. Historical references, relating in particular to the Vichy regime and incentives to act as informants, and French culture are just two of the factors behind this reluctance.

Article 40 of the Code of Criminal Procedure

Content

Only Article 40 requires public servants to report criminal behaviour or acts to the Public Prosecutor and forward any relevant clues or proof. There are no statistics on recourse to Article 40 by French public servants. Interviewees did point out that Article 40 was becoming better known and more widely used, although they were unable to provide evidence of this.

Enforcement

There are two problems here, one being the lack of concerted efforts on the part of the authorities (mainly the Ministry of Justice) to promote the use of this tool because of hostility on the part of government departments which jealously guard their independence, and the other being the administrative hierarchy's "filter" and their discretionary powers which come between public servants and the Public Prosecutor. Many government departments are content to deal with cases of corruption internally and sometimes opaquely, using administrative sanctions or transfers, and are reluctant to refer cases to the courts and thus bring out into the open conduct that might sully the reputation of government as a whole.

Future

Avenues are opening up regarding the more widespread use of Article 40. Those interviewed would prefer to see more information, as well as changes to government culture and traditions, rather than the threat of criminal sanctions or legal constraints.

Whistleblowing

As for more widespread whistleblowing by ordinary citizens who become aware of acts of corruption, there is no protocol – other than a purely judicial one – for encouraging and helping the general public on this. For the ordinary citizen, there is little room for manoeuvre between administrative reporting and actually going to court. Government departments have simply made complaints books or registers available to members of the public who wish to lodge a complaint, often under the eyes of the very officials who have given cause for criticism. The growing size and complexity of the complaints system (*e.g.* customer relations, mediators, ombudsmen), compounded by cumbersome and opaque procedures, does nothing to promote concerted efforts. Introducing a "*whistleblowing*" procedure is proving especially complicated. There are major problems, primarily legal protection for witnesses (anonymity) and the strong risk of manipulation, exploiting the system, and wrongful denunciation.

Box III.22. **Reporting, whistleblowing and Article 40 in France** *(cont.)*

There are numerous ways of encouraging the reporting of corruption, from financial incentives for denunciation (rewards) to the simple creation of a freephone number or Internet sites. One excellent idea would be to provide public servants, and users, with a single interlocutor within government (an Ombudsman, mediator or ethics counsellor). Then it would merely be a question of deciding what importance and status to give the institution, which would be centralising complaints and reports. Should it be work "in-house", and if so would it be part of the hierarchy or an independent entity? Should outside "corps" be called in? Do the unions need to be involved? Should whistleblowers remain anonymous or not? The French legal system distinguishes public testimony from anonymous informants. In both cases, reports are subject to investigation.

Given the many questions raised by whistleblowing, some of the interviewees in this study were sceptical about the need for it. Introducing such a practice would raise as many problems as not having one at all.

There is little recourse to reporting or whistleblowing in France. Apart from public servants (Article 40 of the Code of Criminal Procedure) and members of specific professions (*e.g.* Court of Auditors, or banks) who are obliged to report irregularities to TRACFIN or the judicial authorities, there is no public guidance on how ordinary citizens are to deal with situations involving corruption.

There is general evidence that French anti-corruption authorities and experts are very distrustful of whistleblowing. The inherent risk of seeing the procedure manipulated, exploited or used to settle scores was underlined as well as the extreme methodological caution required in processing denunciations. Many of the interviewees evoked the cultural and historical factors behind half-hearted French experiments in this field.

Corruption is too complex and changeable a phenomenon to be confined to a single category of experts. Corruption concerns everyone, since anyone can be both briber and bribed, in some cases simultaneously. There is a need to open up both the debate and this policy arena.

Prospects

Flexibility is now being introduced in many different forms such as plans to reform Public Procurement Code as well as rules governing conflicts of interest.

Citing the past successes of anticorruption measures and the current improvement in risk areas, some are advocating liberalisation and recommending that players be made more accountable.

Questions about the future remain: how can judgments be formed about a system with no means of evaluating or measuring either the corruption it targets or its own performance? Not only are there no scientific or objective data to provide clear evidence that corruption is declining in France in specific areas, but instruments are needed for a clear evaluation of what impact such liberalisation might have in the future.

Corruption was central to public debate and government policy in France from 1993 to 1995. At the time, heightened awareness among politicians, inspection bodies and the judiciary, compounded by the public's refusal to tolerate corruption, led to unprecedented and concerted efforts to combat corruption. It is crucial to continue those efforts.

ANNEX III.A1

Convictions for Breaches of the Duty of Probity

Table III.A1.1. **Statistics: breaches of the duty of probity**

		1997	1998	1999	2000	2001	2002p*
TOTAL		114	134	153	187	141	141
Article 432-10: Extortion		***0***	***6***	***2***	***1***	**3**	***4***
12 219	Extortion by a public servant: undue levying of fee, tax or duty	0	1	1	1	0	0
12 220	Extortion by an official representing the public service: undue levying of fee, tax or duty	0	5	0	0	3	4
12 221	Extortion by a public servant: undue exemption from a fee, tax or duty	0	0	1	0	0	0
12 222	Extortion by an official representing the public service: undue exemption from a fee, tax or duty	0	0	0	0	0	0
Article 432-11: Passive corruption and influence-peddling by public servants		***39***	***36***	***49***	***33***	***25***	***35***
11 707	Passive corruption: acceptance or soliciting of a bribe by a public servant	19	23	22	5	7	12
11 708	Passive corruption: acceptance or soliciting of a bribe by an official representing the public service	12	9	16	12	14	16
11 709	Passive corruption: acceptance or soliciting of a bribe by an elected official	3	1	3	3	2	3
11 710	Passive influence-peddling: acceptance or soliciting of a bribe by a public servant	1	2	0	5	0	1
11 711	Passive influence-peddling: acceptance or soliciting of a bribe by an official representing the public service	4	1	6	5	2	2
11 712	Passive influence-peddling: acceptance or soliciting of a bribe by an elected official	0	0	2	3	0	1
Articles 432-12 and 432-13: Undue advantage		***25***	***39***	***35***	***51***	***27***	***32***
10 709	Holding by a civil servant of an interest in an enterprise subject to his supervision or control	0	0	1	3	0	1
10 710	Holding by a civil servant of an interest in an enterprise with which he has signed contracts on behalf of the state	0	0	1	1	1	0
12 282	Illegal holding by a public servant of an interest in a business operation for which he ensures payment/settlement	1	0	2	1	0	0
12 283	Illegal holding, by an official representing the public service, of an interest in a business operation for which he ensures payment/settlement	0	2	1	0	1	1
12 284	Illegal holding by an elected offficial of an interest in a business operation for which he ensures payment/settlement	8	4	5	3	4	1
12 285	Illegal holding by a public servant of an interest in a business operation that he administers or supervises	4	3	1	4	1	3
12 286	Illegal holding, by an official representing the public service, of interests in a business operation that he administers or supervises	1	3	5	9	5	9
12 287	Illegal holding by an elected offficial of an interest in a business operation that he administers or supervises	11	27	19	30	15	17

PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

Table III.A1.1. **Statistics: breaches of the duty of probity** *(cont.)*

		1997	1998	1999	2000	2001	2002p*
TOTAL		114	134	153	187	141	141
Article 432-14: Undermining equality for bidders in public procurement		***12***	***7***	***19***	***48***	***39***	***37***
12 370	Undermining freedom of access or equality for bidders in public procurement	12	7	19	48	39	37
Articles 432-15 and 432-16: Purloining/misappropriation of property by a public servant		***38***	***46***	***48***	***54***	***47***	***33***
1 435	Negligence by a public servant leading to the purloining, misappropriation or destruction of public property	1	1	1	0	0	0
12 289	Purloining, misappropriation or destruction of public property by a public servant or subordinate	37	45	47	54	47	33

P* Provisional data.

Source: *Casier judiciaire national* (National criminal records).

ANNEX III.A2

Convictions and Sanctions under Article 432-11 Passive Corruption and Influence-peddling by Public Servants, from 1997 to 2002

Table III.A2.1. **Statistics: Passive corruption and influence peddling**

11707 Passive corruption: Acceptance or solicitation of a bribe by a public servant

	1997	1998	1999	2000	2001	2002
Convictions	19	23	22	5	7	12
No sanction	5	0	2	0	0	0
Prison sentence (suspended or otherwise)	13	22	13	5	4	12
• imprisonment (without suspension)	7	11	5	4	1	5
• in which case, number of months' imprisonment	14.4	27.8	17.4	31.0	30.0	12.2
• suspended sentence	6	11	8	1	3	7
Fines	1	1	7	0	3	0
Average amount of fine	8 000 FF	5 000 FF	10 900 FF	0	2 500 FF	0 €
Alternative penalty	0	0	0	0	0	0
Educational measure	0	0	0	0	0	0

11708 Passive corruption: Acceptance or solicitation of a bribe by an official representing the public service

	1997	1998	1999	2000	2001	2002
Convictions	12	9	16	12	14	16
No sanction	0	0	0	0	0	0
Prison sentence (suspended or otherwise)	9	9	15	11	11	16
• imprisonment (without suspension)	4	3	7	5	4	4
• in which case, number of months' imprisonment	7.8	9.3	7.7	16.8	12.5	18.0
• suspended sentence	5	6	8	6	7	12
Fines	3	0	0	0	3	0
Average amount of fine	4 667 FF	0 FF	0 FF	0 FF	3 333 FF	0 €
Alternative penalty	0	0	0	0	0	0
Educational measure	0	0	0	0	0	0

11709 Passive corruption: Acceptance or solicitation of a bribe by an elected official

	1997	1998	1999	2000	2001	2002
Convictions	3	1	3	3	2	3
No sanction	0	0	1	0	0	0
Prison sentence (suspended or otherwise)	1	0	2	2	2	3
• imprisonment (without suspension)	0	0	0	0	1	2
• in which case, number of months' imprisonment	0.0	0.0	0.0	0.0	10.0	10.0
• suspended sentence	1	0	2	2	1	1
Fines	2	1	0	1	0	0
Average amount of fine	8 000 FF	50 000 FF	0 FF	20 000 FF	0 FF	0 €
Alternative penalty	0	0	0	0	0	0
Educational measure	0	0	0	0	0	0

Table III.A2.1. **Statistics: Passive corruption and influence peddling** *(cont.)*

11710 Passive influence-peddling: Acceptance or solicitation of a bribe by a public servant

	1997	1998	2000	2002
Convictions	1	2	5	1
No sanction	0	0	0	0
Prison sentence (suspended or otherwise)	1	2	5	1
• imprisonment (without suspension)	1	1	2	0
• in which case, number of months' imprisonment	24.0	18.0	12.0	0.0
• suspended sentence	0	1	3	1
Fines	0	0	0	0
Average amount of fine	0 FF	0FF	0FF	0 €
Alternative penalty	0	0	0	0
Educational measure	0	0	0	0

11711 Passive influence-peddling: Acceptance or solicitation of a bribe by an official representing the public service

	1997	1998	1999	2000	2001	2002
Convictions	4	1	6	5	2	2
No sanction	0	0	0	0	1	0
Prison sentence (suspended or otherwise)	4	1	6	2	1	2
• imprisonment (without suspension)	0	0	1	1	0	1
• in which case, number of months' imprisonment	0.0	0.0	36.0	1.0	0.0	12.0
• suspended sentence	4	1	5	1	1	1
Fines	0	0	0	3	0	0
Average amount of fine	0 FF	0 FF	0 FF	8 666 FF	0 FF	0 €
Alternative penalty	0	0	0	0	0	0
Educational measure	0	0	0	0	0	0

11712 Passive influence-peddling: Acceptance or solicitation of a bribe by an elected official

	1999	2000	2002
Convictions	2	3	1
No sanction	0	0	0
Prison sentence (suspended or otherwise)	2	3	1
• imprisonment (without suspension)	0	0	0
• in which case, number of months' imprisonment	0.0	0.0	0.0
• suspended sentence	2	3	1
Fines	0	0	0
Average amount of fine	0 FF	0 FF	0 €
Alternative penalty	0	0	0
Educational measure	0	0	0

Source: Casier Judiciaire National.

ANNEX III.A3

List of Interviewees and their Departments

SCPC

Mr. **MATHON**, Judge, Head of SCPC.

Mr. **BOUCHEZ**, *Conseiller,* CRC; Mr. **BUEB**, *Attaché principal,* Central Administration; Mr. **PONS**, Tax Inspector; Mr. **LORIOT**, Deputy Director, Customs; Mr. **LEPLONGEON**, Officer, *Gendarmerie*.

Authorities and institutions

Mr. **DAHAN**, Rapporteur-general, *Conseil de la Concurrence*.

Mrs. **LEROY**, Rapporteur, *Conseil d'État* and Chair of the *Commission Nationale d'Équipement Commercial*.

Mrs. **PRADA-BORDENAVE**, *Conseiller d'État*, member of the Ethics Commission.

CRCs and *Cour des Comptes* (Court of Auditors)

Mr. **BERTUCCI**, *Premier Avocat général, Parquet général* (Public Prosecutor's Office).

Mrs. **GISSEROT**, *Procureur général*, Cour des Comptes.

Mrs. **LAMARQUE**, Chair, CRC – Upper Normandy.

Mr. **PICHON**, former Rapporteur-general for the Bouchery Commission and President of the CRC – PACA region (Provence-Alpes-Côte d'Azur).

Ministry of Justice

Mrs. **LABROUSSE**, Judge, *Direction des Affaires Criminelles et des Grâces* (Directorate for Criminal Affairs and Pardons).

Mr. **LAGAUCHE**, Judge, Deputy Director, *Justice Pénale Spécialisée* (Special Criminal Justice Department).

Mr. **MARIN**, Director, *Direction des Affaires Criminelles et des Grâces*.

Ministry of the Economy, Finance and Industry

Mr. **LEBONHOMME**, Rapporteur-General, *Commissions Spécialisées des Marchés*.

Mrs. **HOURT-SCHNEIDER**: Deputy Director, *Direction des Affaires Juridiques* (Legal Directorate).

Mr. **MAURY**, Deputy Secretary-General, TRACFIN.

Mr. **MONGIN**, Secretary-General, TRACFIN, and Director-General, Customs and Excise.

Mr. **PANCRAZI**: Head, Mission Interministérielle d'Enquête sur les Marchés

Mr. **QUESNOT**: Deputy Head, *Direction des Affaires Juridiques,* General regulations Office.

Ministry of Foreign Affairs

Mr. **ROHOU**, Deputy Inspector-General.

NGO: Transparency International

Mr. **DOMMEL**, former Inspector of Finance and President of Transparency International – French Chapter.

Mr. **TERRAY**, Vice-President.

ANNEX III.A4

Abbreviations

CC	*Cour des Comptes* (Court of Auditors)
CDBF	*Cour de Discipline Budgétaire et Financière* (Court of Budgetary and Financial Discipline)
CESDIP	*Centre de Recherches Sociologiques sur le Droit et les Institutions Pénales* (Court of Sociological Research into Law and Penal Institutions)
CFDT	*Confédération Française Démocratique du Travail* (trade union)
CGT	*Confédération Générale du Travail* (trade union)
CN/DEC	*Commission Nationale/Départementale d'Équipement Commercial* (National/Departmental Commission for Commercial Land-use Planning)
CNE	*Conseil National d'Évaluation* (National Evaluation Council)
CNIL	*Commission Nationale de l'Informatique et des Libertés* (National Data Protection Authority)
COB	*Commission des Opérations de Bourse* (Commission for Stock Exchange Transactions)
CP	*Code Pénal* (Criminal Code)
CPP	*Code de Procédure Pénal* (Code of Criminal Procedure)
CRC	*Chambre Régionale des Comptes* (Regional Auditing Chambers)
CSM	*Commissions spécialisées des Marchés* (Specialised Public-Procurement Boards)
DACG	*Direction des Affaires Criminelles et des Grâces* (Ministry of Justice – Directorate for Criminal Affairs and Pardons)
DESS	*Diplôme d'Études Supérieures Spécialisées* (Specialised Higher Education Diploma)
DGCCRF	*Direction Générale de la Concurrence, de la Consommation et de la Répression des Fraudes* (General Directorate for Competition, Consumer affairs and Trading Standards)

PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

DGDDI	*Direction Générale des Douanes et Droits Indirects* (General Directorate for Customs and Excise)
ENA	*École Nationale d'Administration* (Senior Civil Service Training College)
GIP	*Groupement d'Intérêt Public* (Public Interest Association)
IGA	*Inspection Générale de l'Administration* (General Government Inspectorate)
IGA/MAE	*Inspection Générale de l'Administration du Ministère des Affaires étrangères* (General Government Inspectorate/Ministry of Foreign Affairs)
IGAS	*Inspection Générale des Affaires Sociales* (General Inspectorate for Social Affairs)
IGF	*Inspection Générale des Finances* (General Finance Inspectorate)
MAE	Ministry of Foreign Affairs
MEC	*Mission d'Évaluation et de Contrôle* (Evaluation and Inspection Unit)
MIEM	*Mission Interministérielle d'Enquête sur les Marchés* (Inter-ministerial Unit for Procurement Investigations)
MILOS	*Mission Interministérielle du Logement Social* (Inter-ministerial Unit for Social Housing)
MINEFI	Ministry of the Economy, Finance and Industry
NRE	Act on New Economic Regulations
SCPC	*Service Central de la Prévention de la Corruption* (Central Service for the Prevention of Corruption)
TGI	*Tribunaux de Grande Instance* (Higher Regional Courts)
TI	Transparency International
TRACFIN	Unit for Intelligence Processing and Action Against Secret Financial Channels

ANNEX III.A5

Reference Works and Bibliography

OECD publications

Trust in Government. Ethics Measures in OECD countries, (2000). The French chapter describes ethical rules and regulations in the French administration; institutions and procedures combating corrupt practice; disciplinary procedures and sanctions.

Managing Conflicts of Interest in the Public Service, OECD Guidelines and Country Experiences, (2003). A chapter dedicated to conflict-of-interest management in France (E. Prada-Bordenave): prevention through criminal sanctions, regulations, risk factors, including *pantouflage*; how the Ethics Commissions work.

Other sources

Institutions

MINEFI: *www.finances.gouv.fr/*.

- *Conseil de la concurrence*: *www.finances.gouv.fr/minefi/ministere/directions_services/index.htm*.
- *Mission interministérielle d'enquête sur les marchés et les conventions de délégation de service public*: *www.finances.gouv.fr/minefi/ministere/directions_services/index.htm*.
- *Commissions spécialisées des marchés*: *www.finances.gouv.fr/minefi/ministere/directions_services/index.htm*.
- *Direction générale de la concurrence, de la consommation et de la répression des fraudes*: *www.finances.gouv.fr/minefi/ministere/directions_services/index.htm*.
- *Inspection générale des finances*: *www.finances.gouv.fr/minefi/ministere/directions_services/index.htm*.

Ministry of Justice: *www.justice.gouv.fr/*.

- SCPC: *www.justice.gouv.fr/minister/minscpc.htm*.

Ministry of Public Service, Reform of the State and Regional Planning: *www.fonction-publique.gouv.fr*.

- DGFP: *www.fonction-publique.gouv.fr/default1.htm*.
- *Commissions de déontologie* (Ethics Commissions).

Institutions, jurisdictions and independent authorities:

- Cour des comptes, Chambres régionales des comptes, Cour de discipline budgétaire et financière : *www.ccomptes.fr/*.
- Médiateur de la République (Ombudsman): *www.mediateur-de-la-republique.fr/*.

Official reports

On line

- Reports by the *Commission de déontologie de la fonction publique d'État* (Civil-service Ethics Commission) *www.ladocumentationfrancaise.fr/brp/notices/034000487.shtml*.
- SCPC reports: *www.justice.gouv.fr/publicat/scpc.htm*.
- Reports by the Cour des comptes: *www.ccomptes.fr/FramePrinc/frame01.htm*.
- Reports by the CDBF: *www.ccomptes.fr/frameprinc/frame24.htm*.
- Reports by the MIEM: *www.finances.gouv.fr/minefi/ministere/directions_services/index.htm*.
- Reports by the *Conseil de la concurrence*: *www.finances.gouv.fr/minefi/ministere/directions_services/index.htm*.

Publications

- Commission de prévention de la corruption, *Rapport au Premier ministre*, La Documentation Française, 1993.
- Commission Rozès, *Propositions pour mieux lutter contre la corruption*, Regards sur l'actualité, 1995, n° 207.
- Commission des affaires économiques et du plan, *Avis relatif à la prévention de la corruption et à la transparence de la vie économique et des procédures publiques*, Sénat, 1992.
- Commission des lois constitutionnelles, de législation, du suffrage universel, du règlement et d'administration générale :
  - *Rapport relatif à la prévention de la corruption et à la transparence de la vie économique et des procédures publiques,* Sénat, 1992.
  - *Prévention de la corruption et transparence de la vie économique : […]: Loi du 29 janvier 1993 relative à la prévention de la corruption et à la transparence de la vie économique et des procédures publiques,* La Documentation française, 1993.

Other works

- Alt E. and Lu I., *La lutte contre la corruption*, Presses universitaires de France, Collection : Que sais-je? 3258, 1997.
- Dommel D., *Face à la corruption*, Édition Khartala, 2004.
- Etchegoyen A., *Le corrupteur et le corrompu*, 1995.
- Fay B. and Ollivier L., *Le casier judiciaire de la République*, 2002.
- Gaetner G., *L'argent facile : dictionnaire de la corruption en France*, 1992.
- Joly E., *Est-ce dans ce monde-là que nous voulons vivre ?*, Édition des Arènes, 2003.
- Mény Y., *La corruption de la République*, 1992.

Laws and regulations

- Laws and regulations: *www.legifrance.gouv.fr/*.
- *Code des marchés publics* (Public Procurement Codes), *Direction des Journaux officiels*, 2002.

PART III

Developing Policy Assessment Measures for Integrity and Corruption Prevention Activities: The Australian Experience*

by

Dr. A J Brown, Dr. John Uhr, Dr. Arthur Shacklock and Ms. Carmel Connors[1]

* This chapter is based on the report prepared by Key Centre for Ethics Law Justice and Governance, Griffith University, Brisbane, Australia. Centre Director: Professor Charles Sampford. The chapter does not contain some aspects of the original report and these omissions are indicated in the appropriate places. All Annexes and most of the figures referred to in the report are not included here, except for those in the three individual case studies. The bibliography has also been reduced in the light of these reductions. The full text of the report will be available on the OECD and the KCELJAG Web site at *http://oecd.org.gov/ethics/* and *www.griffith.edu.au/centre/kceljag/nisa/* .

Summary

Introduction

Contemporary post-colonial Australian government has a number of interlocking integrity frameworks, much of which has developed in three waves of reform since the 1970s. Despite accumulating over time, these correlate highly with the OECD Ethics Infrastructure.

However, recent trends in Australian public integrity have not necessarily sat easily with one another, nor with previous traditional approaches. Since the 1970s, more resources and policy effort have been put into integrity and anti-corruption strategies but initiatives sometimes conflict, have faced co-ordination and accountability issues, and are sometimes suspected to be a diversion from important accountability problems. This highlights the need for, but complexity of, adequate frameworks for assessing the impacts of integrity measures.

Objectives

This chapter reviews assessment strategies and practices used in Australia for measuring the impact of integrity and anti-corruption policies in the public service. Australia is one of a series of selected country studies in the current synthesis report.

The chapter is primarily intended for government practitioners responsible for the design and implementation of government policy for promoting integrity and preventing corruption in the public service. As such, the chapter reviews current approaches, identifies potentials and constraints, and seeks to place in context the practical options currently available to decision-makers and managers.

Drivers of integrity and anti-corruption policy evaluation

The chapter outlines some of the existing history of integrity system performance assessment in Australia, including the four different international and national drivers of the National Integrity System Assessment (NISA) work: economic, democratic, administrative and personal. While democratic, administrative and personal conceptions of integrity are all especially important, they carry different foci and methodological implications. These differences further highlight the theoretical and practical

complexity of achieving an overall assessment framework. The optimum directions appear to lie in a more integrative approach, as emphasised by the detail of Australian experience.

Current practice in policy assessment measures

Four overlapping categories of policy measures are currently used or available, to assess the take-up and impacts of integrity policies in Australia:

Implementation measures

- Directed toward major, one-off or occasional initiatives – including institutional reforms – to ensure agreed actions have been implemented.

Activity and efficiency measures

- Directed towards more routine, ongoing activities, such as the day-to-day operations of integrity bodies or ethics officers, to ensure that agreed systems are functioning, and providing basic value-for-money.

Institutional effectiveness

- Directed towards evaluation of the overall performance of particular integrity agencies, or justifications for the creation of new ones, and tend to be more qualitative and political.

Outcome measures

- Directed to measuring the substantive outcomes of integrity activities, to ensure these activities are positively enhancing ethical standards, corruption resistance, public trust, and the quality of democratic life.

This review divides these four categories into 24 sub-categories, and lists a wide variety of examples of measures and sources of performance information relevant to each. These include national-level and a variety of State-level measures. Each category is briefly summarised according to its relationship with other types of measures, and a general assessment.

Three **case studies** have been selected as examples of latest developments, sometimes cutting across a number of these categories, and demonstrating a mix of best practice, potential practices and current complex issues:

Case study 1

- The State of the Service Report focuses on quantitative reporting and draws on a variety of policy assessment measures. The "Values in Agencies" project is a qualitative example of policy assessment that emphasises recent advancements in implementation measures. Both of these projects are conducted by the Australian Public Service Commission.

Case study 2

- Case handling by Ombudsman's offices and anti-corruption bodies. Emphasises difficulties of comparative analysis and severe limitations in routine activity and efficiency measures even for like bodies.

Case study 3

- An Australian Anti-Corruption Commission? Emphasises the volatility of political decision making about the roles, effectiveness and establishment of key integrity bodies, typified by recent debate over new anti-corruption bodies at a federal level and in the State of Victoria.

Summary of main conclusions

In Australian experience, most prominent evaluation efforts are still *ad hoc*, and sometimes scandal-driven, while standard reporting is often driven by agencies' need to justify existing or requested resources, or by central agencies as justifications for decisions already made. Integrity institutions and practices are not immune from institutional politics, but subsist in a real policy and political environment.

Nevertheless, there are a range of more routine efforts in the public sector that could potentially be used to more systematically gauge the impact and effectiveness of integrity policies. There is no existing clear performance assessment framework for political decision-making regarding integrity systems, nor may there ever be, hence the need for performance assessment to be embedded in a broader methodology. Some performance indicators will be quantitative, some will be qualitative, and many will provide a mixture of both, with the final interpretation always necessarily political. The question becomes how to structure a methodology that combines the best, and avoids the worst of administrative performance assessment, in a holistic assessment process. While we identify a number of promising "better practices" in the "doing" of integrity assessment, we emphasise the importance of best practices in the even harder work of "theorising" integrity assessment.

Six **threshold issues** – practical and conceptual – are identified as particularly important in the design of any assessment framework:

1. Ethics co-ordination.
2. Benchmarks.
3. Institutional interests of the assessors.
4. Allowing for the un-measurable in public administration.
5. Personal dimensions of integrity.
6. Relating back to fundamental drivers.

The chapter also makes eight **key recommendations** for the future, relating to:

1. The institutionalisation, but broadening and better integration and co-ordination, of empirical social-science-based employee surveys as an invaluable counterpoint to formal reports of policy implementation.
2. Additional measures to cross-check or validate the accuracy of information being received through public sector surveys.

3. Benchmarking of the relative costs of performance assessment and quality assurance regimes in other policy areas.
4. New research and policy development to rationalise standardise and expand the basic activity and efficiency measures applying to integrity bodies with predictable workloads.
5. In-depth comparative study of the different types of information collected and/or used by parliamentary committees when evaluating integrity bodies.
6. Expansion and systematisation of substantive integrity outcomes measures.
7. Cross-jurisdictional review of the relative value and accuracy of independent, central agency and internally-run survey and research activities to determine the most cost-effective mix.
8. Legislative support for a central co-ordinating mechanism, with representation of key integrity agencies and parliamentary and community representation, to develop and implement an ongoing evaluation strategy.

Note

1. **Dr. A. J. Brown** is a Senior Research Fellow and Director of Integrity and Corruption Research at the Key Centre for Ethics Law Justice and Governance. He is a former senior investigation officer for the Commonwealth Ombudsman, Associate to Justice Tony Fitzgerald QC, and state ministerial policy advisor.

Dr. John Uhr is Senior Fellow in the Political Science Program, Research School of Social Sciences at the Australian National University. He has consulted and published world wide in ethics and integrity and is a former director of research and parliamentary committee secretary in the Senate of the Australian Parliament.

Dr. Arthur Shacklock is a Senior Research Fellow and Director of International Projects at the Key Centre, a lecturer in management ethics, and a former senior officer of the Commonwealth and Western Australian governments.

Ms. Carmel Connors is Research Officer and Publications Manager in the Key Centre, and a former senior officer of the Commonwealth Government.

Acknowledgements: The authors thank the following individuals for reviewing the draft report for clarity and factual accuracy: Julie Smith, Group Manager, Organisational Performance and Values, Australian Public Service Commission; John Taylor, Senior Assistant Commonwealth Ombudsman; and Chris Wheeler, Deputy NSW Ombudsman. Their comments are not to be taken as official endorsement or otherwise of the report; all errors of fact or interpretation remain the responsibility of the authors. This report would not have been possible without the financial support of the Australian Research Council and of Transparency International Australia, through the National Integrity System Assessment (NISA) project.

The Australian Integrity and Anti-corruption System

> *Efficiency, narrowly defined, rather than social values, often dominates policy in this climate of "economic correctness". Yet, the thinking bureaucrat knows that "efficiency" is meaningless if you do not know what values you are supposed to be efficiently achieving.*[1]

Integrity and corruption prevention measures in the Australian public sector have a long history. For most of Australia's post-colonisation history – from the establishment of responsible democratic government in the 1850s until the consolidation of the modern welfare state in the 1970s – integrity and anti-corruption measures were defined by the traditional accountability institutions of Western liberal democracies, namely:

- a professional, salaried public service accountable to a democratically elected executive;
- accountability of the executive to the elected legislature (in Australia's case on a British rather than American model); and
- criminal and public law sanctions applying to appointed and elected officeholders alike, enforceable in a largely independent judicial system.

Since the federation of Australia's six original colonies in 1901, these traditional systems have existed in each of the six States (in order of population size, New South Wales, Victoria, Queensland, Western Australia, South Australia and Tasmania), two federal territories (the Northern Territory and Australian Capital Territory) and for the national or Commonwealth Government. Australia also has approximately 900 elected local governments, partly federally funded since 1973 but otherwise treated as units of State/territory administration.

Since the 1970s, a more complex integrity and anti-corruption system has evolved, as a result of three historical changes:

- From the 1970s, the enlarged size and complexity of the liberal democratic welfare state provoked two types of accountability reform: the introduction of the Scandinavian inquisitorial tradition of the Ombudsman to investigate citizen grievances against appointed (but not elected or judicial) officials; and simplification of traditional British public law remedies to enable

"aggrieved persons" to more easily challenge the merits and legality of administrative actions in the courts.

- From the late 1980s, the complexity of detecting and prosecuting *intentional* wrongdoing or gross misconduct by public officeholders (appointed and elected) led to introduction of additional, independent commissions against corruption in three States,[2] with ongoing debate about the need for similar bodies in Victoria and at the federal level (Case Study 3).
- In parallel, the introduction of "new public management" approaches has seen devolution of primary responsibility for public sector standards to the managers of and within individual units of administration. Ethics and accountability are dealt with through contractual, results-oriented management, as well as more recently through rediscovery of "values-based governance" and "results-oriented accountability" approaches.[3]

These different phases of reform arise from a variety of drivers. Australian society is generally regarded as having high standards of public integrity, and yet the strength of its democratic, egalitarian culture is partly related to its own very real experience of political, official and corporate corruption in a variety of forms. The few general studies of corruption conclude that despite its convict origins and poor record of indigenous dispossession, Australia deserves its reputation for high public standards, and is not a "wicked place" – but that its "wish to be well regarded as honestly governed has usually been accompanied by a [corruption] tolerance level too elevated for comfort and a resistance to corruption too slowly aroused".[4] Public integrity regimes matter in Australian public policy, in large part because few people, if any, believe that high levels of public integrity can necessarily be taken for granted.

Australia's interlocking integrity frameworks, despite accumulating over time, correlate highly with the OECD Ethics Infrastructure identified since 1996.[5] Indeed Australia has contributed directly to the OECD description, having been an active participant in the surveys leading to the 2000 *Trust in Government* report and present project.

In comparing Australian experience with the OECD model, however, it is important to note that recent trends in Australian public integrity have not necessarily sat easily with one another, nor with previous traditional approaches. Since the 1970s, more resources and policy effort have been put into integrity and anti-corruption strategies but initiatives sometimes conflict, have faced co-ordination and accountability issues, and are sometimes suspected to be a diversion from society's more important accountability problems. Major components have been criticised by the present federal government as harbouring a "grievance industry" rather than ethics regime.[6] Debate over the right institutional framework to support agreed policies is ongoing in several jurisdictions.

This situation highlights both the need for, but complexity of, adequate frameworks for assessing the impacts of integrity measures. Judgments as to effectiveness remain highly subjective, and in many cases political, given that integrity regimes do not exist wholly within day-to-day public administration but intersect constantly with the legislative and party-political spheres, executive accountability and bureaucratic tensions. This reality is implicit in the OECD Ethics Infrastructure, at least three of whose eight pillars – political commitment, an effective legal framework and active civil society – lie outside the control of the permanent public sector.

This chapter reviews current and potential Australian methods for assessing the performance of public integrity policies, but concludes with what is, in effect, an unresolved dilemma. On one hand, a more precise performance assessment framework, including empirical measures and cost-benefit analysis would be enormously useful in helping steer the development of integrity regimes. On the other hand, given the inherent complexity, subjectivity and political nature of integrity policies, traditional performance assessment approaches may only ever provide a partial basis for judging ultimate effectiveness.

The major decision is whether a routine assessment framework should try to internalise the political dimensions, or recognise that the political dimensions cannot be internalised into such a framework, whose purpose is to supply diagnostic tools as inputs into more general policy review processes. This is the primary issue to which we return at the end of the chapter.

National Integrity System Assessment (NISA) project

The National Integrity System Assessment (NISA) project (2002-2004) is a collaborative project between the Key Centre and Transparency International Australia. The project leader is Professor Charles Sampford. Participating researchers are drawn from the Australian National University, Charles Sturt University, University of Sydney, Royal Melbourne Institute of Technology and Monash University as well as Griffith University.

The NISA project closely informs this chapter because it is dedicated to mapping and assessment of the nation's integrity systems, including public sector systems, and was established with international applications in mind. The National Integrity System (NIS) concept was popularised in the 1990s by Jeremy Pope, founding managing director of TI, based on two experiences: the post-Fitzgerald Electoral and Administrative Review Commission (EARC) process in Queensland, Australia in 1989-1994[7] and a National Integrity Workshop in Tanzania in 1995.[8] The concept has been used in qualitative assessments of 33 countries, with another 22 in progress.[9]

The NIS concept reflects a commonality of experience between different countries in which accountability and corruption control relies on a diversity

of efforts. No single reform is promoted as the key to integrity, but rather a mix of inter-reliant reforms. The development of the NISA methodology is directly relevant to the present OECD project for three reasons:

- Notwithstanding its use as a framework for developing countries, the NIS concept is based largely on a developed-country representative democratic model familiar to OECD members.
- The focus is as much on the "inter-relationships, inter-dependence and combined effectiveness [of integrity measures] in a holistic approach" as on individual institutional reforms.[10] This is consistent with recognition that the value of the OECD Ethics Infrastructure lies in its eight elements, working in a "complementary and mutually reinforcing fashion".[11]
- There is high correlation between the various institutional pillars seen by the NIS approach as fundamental to an effective integrity system, and the specific elements of the OECD Ethics Infrastructure.

This chapter does not concern itself with the private sector or business integrity dimensions of the NISA project, but otherwise draws heavily on the emerging NISA methodology. Consequently, it also draws from existing and forthcoming publications in the NISA series.[12]

The NISA methodology as a whole is provisionally structured around a range of models for describing and mapping the integrity system, followed by a threefold assessment framework, evaluating the **capacity** of the identified systems (variously defined), the **coherence** and their impacts or **consequences**. This chapter focuses on areas under investigation for performance information addressing the "consequences" theme. However, the final part also briefly discusses issues of coherence arising from the question of who does, or should, co-ordinate performance assessment activities. It also foreshadows some of the reasons for, but difficulties of, a broad, holistic approach to performance assessment. We rank consequences as the most relevant focus because it is the one most closely affected by debates over appropriate standards or benchmarks for integrity assessment. The choice of benchmarks is an assessment choice of considerable importance. Measuring consequences against different benchmarks will generate quite different results: hence, the issue of consequences is bound up with this issue of standards or benchmarks, which we will examine at greater length later.

Concepts and terminology

Our operational definitions for the following terms are as follows:

Integrity

- The use of entrusted power according to the values and purposes for which it has been entrusted, ideally in fulfilment of a justified sense of public honour.

Corruption

- The abuse of entrusted power, however defined, particularly intentional conduct fundamentally opposed to public duty.

Corruption prevention or resistance

- Activities intended to build organisational and personal resistance to corruption, and increase the likelihood of officials acting with integrity. Corruption resistance is a preferred focus, as levels of corruption resistance can be empirically measured through risk assessment, unlike the amount of corruption prevented by educative and other strategies.

Accountability/Responsibility

- There is frequent terminological conflation of the terms accountability, responsibility and integrity in values-based governance. However there are critical distinctions between them as discussed in detail elsewhere.[13]

Notes

1. Preston, Sampford and Connors (2002: 5).
2. NSW 1988; Western Australia 1989; Queensland 1990.
3. The full report presents different schematics of the public accountability systems reflected in each of these post-1970 developments in Figures I.1 to I.3. Figure I.1 depicts a matrix of accountability controls for the Commonwealth and most state governments in 1987, after the first of the above changes. Figure I.2 depicts the web of institutional relationships created by the second type of change (showing national private sector as well as typical national or state government). Figure I.3 depicts the role of ethics as a theoretical foundation stone for good corporate governance in individual units of public administration, in the modern values-based governance period.
4. Perry 2001: viii, 129; see also Dickie 1988; O'Brien and Webb 1991; Tiffen 1999.
5. OECD, 1996: 45; 1999: 12; 2000: 23.
6. Mulgan and Uhr 2001: 162.
7. Pope 2003: 5.
8. Sedigh and Muganda 1999: 171; Pope 2000: 36; 2003: 10.
9. TI 2001; Doig and McIvor 2003a; 2003b; Larmour and Barcham 2004.
10. Pope 2000: 37.
11. OECD, 1996; 1999:12; 2000: 23.
12. In particular: KCELJAG and TI (2001), Preston, Sampford and Connors (2002), Brown and Uhr (2004), Shacklock, Gorta, Connors and O'Toole (2004) and Uhr (2004).
13. Brown and Uhr 2004: 19.

Drivers of Australian and International Integrity and Anti-Corruption Policy Evaluation

This part of the chapter outlines some of the existing history of integrity system performance assessment in Australia. The National Integrity System Assessment has identified four major drivers for its work, internationally and nationally, to the main ways in which governments and international agencies approach the performance assessment task: economic, democratic, administrative and personal. By considering these drivers, we are able to clarify to what extent the aim of integrity system assessment is to:

a) Pursue greater, *i.e.* liberalised and deregulated, economic development.

b) Promote and enhance democracy.

c) Establish whether existing Ethics Infrastructure is performing cost-effectively, irrespective of political or economic change, and/or

d) Promote integrity as a desirable personal quality among individuals as well as organisations.

In Australia, integrity system assessment such as pursued through the NISA project has as its drivers a mix of *b)* and *c)*, with the need for a stronger awareness of *d)*, and little to do with *a)* despite its dominant role in much international debate. Nevertheless, as we have seen, the relationships between these drivers are complex, and differences between styles of assessment are significant. There is a case for ensuring that an assessment framework recognises and integrates all three of the integrity dimensions embedded in these drivers: legal-institutional, effectiveness/implementation and personal-responsibility.*

Currently, different styles of assessment focus more on one dimension than others. For example, the National Integrity System and other public-political models tend to be institutionally focused, while most of the OECD approach leans naturally toward administrative performance assessment.

* The complete section reviews each set of drivers in turn, is available via OECD's or KCELJAG's Web site at *http://oecd.org.gov/ethics/* or *www.griffith.edu.au/centre/kceljag/nisa/*.

Neither offers an immediate path to assessing effectiveness of integrity reforms at a personal or interpersonal level. The theoretical and political challenges of developing an integrative assessment framework are also borne out by the practical challenges, revealed when existing Australian performance assessment experience is reviewed in more detail.

Current Practice in Policy Assessment Measures

This part of the chapter reviews the four main categories of policy measures currently used, or available, to assess the take-up and impacts of integrity and anti-corruption activities in Australia. These types of assessment are directed to different, but often overlapping types of integrity activity:

Implementation measures

- Directed toward major, one-off or occasional initiatives – including institutional reforms – to ensure agreed actions have been implemented.

Activity and efficiency measures

- Directed towards more routine, ongoing activities, such as the day-to-day operations of integrity bodies or ethics officers, to ensure that agreed systems are functioning, and providing basic value-for-money.

Institutional effectiveness

- Directed towards evaluation of the overall performance of particular integrity agencies, or justifications for the creation of new ones, and tend to be more qualitative and political.

Outcome measures

- Directed to measuring the substantive outcomes of integrity activities, to ensure these activities are positively enhancing ethical standards, corruption resistance, public trust, and the quality of democratic life.

The review here is not comprehensive, and does not attempt to describe all measures in use across Australia. It is intended to provide examples (see Table III.11 below) of the assessment activity normally to be found, and thus support conclusions about strengths and weaknesses in current information, as well as prospects for a more holistic assessment framework. Further, the above categories are not exclusive – several measures fulfil more than one of these purposes, for example in providing information about activity, efficiency and outcomes at the same time. The table below summarises the examples referred to below, by the four categories and 24 sub-categories.

The three case studies have been selected as examples of latest developments, sometimes cutting across a number of these categories, and demonstrating a mix of best practice, potential practices and current complex issues. Some broad lessons are discussed in the final part of the chapter.

Table III.11. **Current practice in Australian integrity policy assessment – Categories**

Category	Sub-category	Examples (see text)	Case Study
1. Implementation	1.1. Central review	A1, A2, N1, Q1, Q2	1
	1.2. Central research	A1, N1, N2, Q2	1
	1.3. Best practice case studies	A2, A3, Q3	
	1.4. External investigation	–	
	1.5. NGO/university review	I1, I2, U1	
2. Activity and efficiency	2.1. Caseload reporting	A4, A5, A6	2
	2.2. Accessibility	N3	
	2.3. Training reporting etc	–	
	2.4. Performance audit	A7-A12	
	2.5. Productivity review	A13	
3. Institutional effectiveness	3.1. External investigations	A14, N4, Q4	
	3.2. Law reform bodies	A15, A16, A17	3
	3.3. Royal commissions	A18-20, Q5, T1, W1, N5, Q6	3
	3.4. Parliamentary committees	A21, N6, N7, Q7, W2, A22	3
	3.5. NGO/university research	U2, U3	
4. Outcomes	4.1. Central ES/CR research	A1, A23, N8, N9	1
	4.2. Agency ES/CR research	W3	
	4.3. University research and review	U4	
	4.4. Integrity recognition	V1, NT1, ACT1, N10	
	4.5. Integrity testing	–	
	4.6. Caseload outcomes	A1, Q8, A24, A25	2
	4.7. Public trust: public agencies	–	
	4.8. Public trust: integrity agencies	N11, Q9, A26, N12, N13, Q10, U5, I2	
	4.9. Public trust: general	–	

A = Australian Government
N = NSW Government
Q = Queensland Government
S = South Australian Government
T = Tasmanian Government
V = Victorian Government
W = Western Australian Government
ACT = Australian Capital Territory Government
NT = Northern Territory Government
I = International bodies/agencies/NGOs
U = Universities and independent research bodies.

1. IMPLEMENTATION MEASURES

Summary: Implementation measures are directed toward major, one-off or occasional initiatives – including legal and institutional reforms – and are intended to ensure that agreed actions have been implemented. They represent the minimum type of evaluation that should be expected in relation to integrity reforms, since without them there is no evidence that political promises have been honoured or that legal reform is more than symbolic.

Relations to other measures: As demonstrated by Case Study 1 (Australian Public Service Commission), some implementation measures can also extend to measures of outcomes – but this is not guaranteed. Further, the examples show that different types of assessment tend to be differently targeted, depending on who is doing the assessing: the APSC may measure implementation of codes of conduct, the Ombudsman may measure implementation of internal complaint handling systems, and anti-corruption or fraud control bodies may measure implementation of internal fraud control requirements. This possible problem of fragmentation is difficult to overcome where different reviewing agencies have different jurisdictions (*i.e.* coverage over different groups of agencies).

General assessment: Implementation measures are generally strong and frequently used by Australian governments, because they are a standard part of public administration. For this reason, examples such as Case Study 1 highlight the value of systematic reporting on implementation of integrity policies, and how important it is that the type of approaches described are repeated and extended. There is considerable scope for more comprehensive monitoring of this kind by all governments, probably expanded to avoid the current risks of fragmentation and duplication involved in reviews or research projects by multiple agencies on different but related issues.

Central review

The first type of implementation measure is systematic review of agency take-up of integrity policies, undertaken by central agencies by surveying other agencies. At a federal level, such reviews may be either comprehensive and regular, or selective and occasional. Leading examples include:

A1 The regular agency surveys by the Australian Public Service Commission, for preparation of the annual, legislatively-required State of the Service Report, focusing on awareness of and commitment to service values and codes of conduct – see Case Study 1.

A2 Occasional agency surveys by central scrutiny agencies, such as the Commonwealth Ombudsman, who surveyed 80 Commonwealth departments in 1996-1997 to find out which agencies had established

internal complaint handling mechanisms, finding less than 20 per cent of agencies had a system which would probably satisfy the Australian Standard.[1]

At a State level, the situation is somewhat reversed. This highlights a difference between the dimensions or models of integrity considered most important for monitoring at different levels of government. At State level, there is less regular monitoring of implementation by public sector management agencies on integrity policies, as opposed to human resource management, equity and other core staff management policies. Instead, the trend is for central investigation agencies with strong research functions, where these exist, to undertake such implementation reviews. However, this raises the question as to whether they are surveying agencies on the same issues of embedding values, or compliance with different requirements. Examples from the State level include:

N1 Profiling the NSW Public Sector: This comprehensive report summarises a sector wide survey across the NSW public sector and provides a "snapshot" of the range of functions, corruption risks and the corruption prevention strategies in place. More than 260 organisations participated in the survey including State owned corporations, boards and committees. ICAC developed two surveys for this research, one for Chief Executive Officers and Chairpersons (the organisational survey) and the other for staff (the staff survey). The survey asked a variety of questions about corruption prevention strategies already in place, perception of corruption risk within the organisation, and the type of activities undertaken by the organisation. The report allows organisations within the New South Wales public sector to benchmark their efforts against the rest of the NSW public sector and to identify areas where they may be able to improve resistance.[2]

Q1 In 1994, Queensland enacted a Public Sector Ethics Act which it was hoped would lead to higher standards of behaviour on the part of Queensland public officials. In 2000, the pilot project for the present NISA project undertook an assessment of the Queensland integrity system. The study found that while the Public Sector Ethics Act 1994 and the Public Service Act 1996 had a positive effect on the process of institutionalising public sector integrity in the State, adoption of codes of conduct across the sector was patchy.[3] While there were some good examples where departments had developed a systemic approach to ethics centred on the Code, there were also examples of codes implemented in a token manner. A contributing factor identified by the study was the lack of co-ordination and central advice available in the past to public sector agencies about the development and implementation of codes. Training in use of the codes, mandated under legislation, was also inconsistent.[4] These findings were in line with research by Professor David Corbett, which described implementation records across the Queensland public service as mixed.[5] Although there have been no later published

surveys, since 2000 the Office of the Public Service Merit and Equity (OPSME) has assumed lead agency responsibility for the Public Sector Ethics Act. This enables an improved focus on ethics and integrity across the Queensland public sector, supported by a Public Sector Ethics Network.[6]

Q2 Queensland Crime and Misconduct Commission, in 2004 has been surveying agencies using the same methodology as the NSW ICAC. The results of this study were publicly released in July 2004. It is intended to compare this study against the NSW Independent Commission Against Corruption public sector profiling.

Central research

Central agencies may assess implementation of policies not only through review of agency procedures, as discussed above, but through more thorough research into the attitudes of staff. This is a different and more recent development, and uses anonymous responses from stratified random samples of employees from different organisations, sectors and levels of employment to cross-check agencies' implementation of ethics policies. Examples include:

A1 The employee survey component of the Australian Public Service Commission's State of the Service Report, conducted for the first time in 2003, as described in Case Study 1.

N1 The similar public sector profiling research by the NSW Independent Commission Against Corruption (see above).

N2 The earlier pioneering surveys by the NSW Independent Commission Against Corruption into staff attitudes to corruption, on which much of the current approaches are based. In the past these included:

- 1993 and 1999 ICAC survey of public service employee's attitudes towards corruption. The 1999 survey results of 800 employees across the New South Wales public sector were compared with results from a similar ICAC study in 1993. All of the changes were indicative of the NSW public sector becoming more corruption resistant than it was in 1993.[7]
- Surveys on specific issues such as staff awareness of whistleblowing procedures. For example, the ICAC surveyed 800 staff from 11 organisations in 1996, discovering that 66% of respondents had not heard of the Protected Disclosures Act introduced two years previously.[8]

Q2 The Queensland Crime and Misconduct Commission's application of the NSW profiling methodology (see above).

As noted above, and in Case Study 1, there may be variations in consistency and focus depending on who is conducting the research.

Best practice case studies

When new measures are introduced, central agencies sometimes assess implementation and pursue strategies for further promoting the measure at the same time, by facilitating the analysis of "best practice" implementation by select or volunteer agencies. These case studies tend to provide more qualitative evidence of how policies are being implemented, but by their nature tend to prioritise "good news" stories and are less likely to be independently verified. Examples include:

A1 The State of the Service Report also provides better practice case studies throughout the report.

A3 APS Commission "Embedding Values" Case Studies which draws on examples in a select group of agencies.[9] The State of the Service Report also provides better practice case studies throughout the report.

Q3 In recent times, Queensland Department of Main Roads underwent a major corporate change programme and was promoted as having sustained a significant change in its culture as an exemplar to other agencies.[10] While significant improvements to the old culture were apparent, evidence from a series of research focus groups suggested that the "new public management" drivers of effectiveness and efficiency continued to impede the implantation of an ethical culture to the degree that the agency would claim.[11]

External investigation

The independent investigation agencies of all Australian governments, including Ombudsman's offices and anti-corruption bodies, routinely assess individual public agencies for their implementation of various ethics policies and procedures on an "as needs" basis, when investigating individual cases or conducting standard audits. These assessments are then presented as recommendations to agencies, as findings in published reports, or are reflected in the aggregate case-handling statistics of investigation agencies, but are otherwise not centrally collated and monitored.

NGO/university review

As discussed earlier in the chapter, a number of international non-government organisations base their external assessments of governments' integrity policies on simple implementation reviews (comparing action to promises). Often university researchers perform this function, or independently conduct similar research. However, the impact of either form of review on government itself can vary enormously. Examples of NGO review include:

I1 The form of National Integrity System country study under the auspices of Transparency International.

I2 The Washington-based Public Integrity Index.[12]

University research commissioned by government itself can also be used as an implementation measure, often as a by-product to the intended research. One example is:

U1 A Key Centre study of positive reporting environments in Queensland organisations, noting that many agencies appeared to apply a definition of "public interest disclosures" different from State legislation.[13] Prior to the study, in 2000-2001 the Crime and Misconduct Commission itself reported receiving only 17 such disclosures, but in 2002-2003 it reported receiving 108.

Notes

1. Commonwealth Ombudsman, 1997: 11.
2. ICAC, 2003b.
3. KCELJAG and Transparency International, 2001: 120.
4. KCELJAG and Transparency International, 2001: 120.
5. Corbett, 1997.
6. Preston *et al.*, 2002.
7. ICAC, 2001.
8. Zipparo, 1998; Zipparo, 1999.
9. APSC, 2003b.
10. Varghese, 2003: 237-254.
11. KCELJAG, 2004.
12. Camere, 2004.
13. Brown and Magendanz, forthcoming.

CASE STUDY 1

State of the Service Reporting and "Embedding Values" Studies – Australian Public Service Commission

Introduction

The most innovative recent example from Australia's federal government is the Australian Public Service Commission's integrative approach in applying policy assessment measures.

The "Values in Agencies" project focused on a qualitative approach, primarily using focus groups, and broke new ground in testing the realities of "ethics" and "values" implementation across public service agencies.

A further measure adopted by the Commission is the annual employee survey it undertakes to inform the State of the Service Report.[1] One of the Australian Public Service Commissioner's statutory requirements is to report annually on the state of the APS. The State of the Service Report draws heavily on data from annual agency and employee surveys, but also contains summaries of specific evaluation projects conducted by the Commission throughout the year, as well as presenting "better practice" case studies. In 2002-2003 the Commission secured survey responses from all 89 agencies and 3 181 employees (51% of a random stratified sample) drawn from agencies with at least 100 staff. Whilst both "qualitative" evaluations like the "Values in Agencies" project, and "quantitative" employee survey results in their own right represent a significant step forward, further value is realised when these types of measures are used to inform each other as is the case in the Australian example.

The Australian Government is already well-regarded internationally for its commitment to public service ethics and values. It also justifies its continued commitment in no small part to the leadership exercised by the OECD. But it is one thing to proclaim the right policy; it is another thing to

implement it the right way. To its credit, the Australian Government is trying to evaluate publicly the extent to which government agencies have "embedded" into organisational practice the ethics and values promulgated in public law. This initiative is a major exercise in policy evaluation of considerable significance.

The comments here are based on publicly reported results which should be compared with future reports for longer-term findings. For instance, federal whistleblowing policies and practices have yet to be evaluated and are due for examination at a later date.[2]

Role of integrity

"Integrity" was a prominent feature of the "Values in Agencies" project, of which a key output was the *Embedding the APS Values* guide.[3] As reported in the *State of the Service Report 2002 – 2003*, a general finding of the "Values in Agencies" project is that "embedding" public service values into agency culture "requires an integrated approach" by agencies,[4] meaning that the formal commitment to integrity must be matched by a substantive commitment to integrate public service ethics into the operations of agencies. As the Commission acknowledges, the worry about good policy words like "ethics" and "values" is that employees will fear that "the words stayed on paper and were not always translated into action".[5] This matching of formal and substantive commitments is found in a three-part framework:[6]

- commitment to a values-based culture;
- management based on good judgment and integrity, where integrity refers to official probity; and
- assurance that everyday practice matches authorised policy through appropriate accountability and assurance mechanisms.

This last element is basic because it drives the evaluation process from bottom to top so that the assessment reaches into the two elements of "commitment" (to good policy) and "management" (effective implementation of good policy). At the same time, assurance is not treated as more important than management or commitment, lest integrity measures become merely a compliance-based regime rather than a leadership framework.

General culture of the Australian Public Service

The APS State of the Service Report surveys highlight gaps between policy and practice, or shortfalls between the intention of legislators and the performance of policy implementers, suggesting to the APSC that "there is clearly room for improvement". For example, only 67% of agencies have conducted staff surveys over the past three years, despite the fact that

employee surveys are basic to the assurance mechanisms now expected of public agencies.[7] Employee surveys also show that 15% and 17% of senior executive service officers report, respectively, that their agency head had not communicated to them the "importance of acting in accordance of Australian Public Service (APS) values", nor "the importance of developing in other staff an understanding of APS values".[8]

These gaps highlight priority areas for renewed effort by public service management. But while they might be the most urgent areas for attention, they are not necessarily the most important. In other cases, the gaps are even more significant, reflecting larger or more serious shortfalls. For instance:

- Although legislation requires that public employees must at all times behave in ways that uphold public service values and promote, in the words of the Commission, "the integrity and good reputation of the Service", 47% of surveyed employees report that they have never participated "in training that included an emphasis on the APS Values".[9]
- Employees report rather low levels of confidence that "the most senior managers" act in accordance with the APS Values: only 63% across the service (but "less than 50%" in two large agencies), prompting the Commission to drive home the lesson of "the importance of senior leaders demonstrating visible and strong commitment to the APS Values".[10]
- More than one-fifth of surveyed employees (21%) reported fears of potential "victimisation and discrimination" if they initiated action against unethical conduct by more senior officers; while "more than 30% of agencies" reported that they had no procedures in place to make employees aware of whistleblowing mechanisms.[11]

The Commission draws the lesson that agencies with "sensitive relationships with clients and stakeholders need to promote the Values more firmly",[12] which might well suggest that among the most vulnerable public service values are those relating to public responsiveness when, for example, dealing with citizens participating in government programmes.

Functional and operational areas

In these areas, where public service agencies face the greatest challenges to maintaining ethics and values, the APS Commission's reports add immensely to our knowledge of the theory and practice of public integrity. For present purposes, one functional area stands out: relations between public servants and elected politicians in government and parliament. Two important developments can be noted from the relevant chapter of the 2003 State of the Service Report:

- persistent interest by parliamentary committees in the state of relationships between the public service and the political executive,

exemplified by two recent Senate inquiries into the role and performance of ministerial officers as an important linking mechanism;[13] and

- apparently unrelated, steady decline in the use by public service agencies of formal evaluation measures for services to ministers – at a time when agencies are increasing their use of quality control measures for ministerial services, but there is "continuing decline" in formal staff training on management of the parliamentary relationship.[14]

The Report wisely draws no connection between these two developments, but this useful information is clearly relevant to wider public debates over the extent to which the public service is becoming "politicised" either at the hands of the political executive or indeed of parliamentary inquiries. Public service agencies operate under political control, justified in terms of underlying Australian values of responsible parliamentary government, but this evidence highlights limits to the freedom that agencies have in managing ethics and values. Public service organisations cannot invest in administrative excellence without reference to political appropriateness. The other side of the relationship implicit in the APS Values is that elected politicians cannot, or at least should not invest in policy initiatives without reference to administrative appropriateness.

A test of the integrity of public service-political relationships is the quality of the relationship between an agency's staff and its minister and ministerial staff. The problem is not so much that public servants face political pressure but that public servants do not know what guidance their agency has to help manage that inevitable pressure. Agencies can let their own staff down by not equipping them with support about how best to manage the policy process consistent with public integrity. The evidence from staff surveys is that sizeable proportions of employees are not aware of agency protocols for dealing with ministers and their offices (*e.g.* minimum classification levels for signing off briefs, for phone contact, for oral contact, for file notes, for email communication). Of particular concern is the high proportion of employees not aware of protocols for resolving uncertainties about inappropriate relationships with ministerial offices.[15] Similar concerns might be evident in the broader relationship between public service and parliament, given the disturbing evidence that "just over a third" of senior executive service employees who had appeared before a parliamentary committee in 2002-03 report they have never participated in any "training in accountability, rights and responsibilities to Federal Parliament at any time". To its credit, the Australian Public Service Commission notes that this attitude is consistent with attitudes from relevant parliamentary committees, particularly the Senate Finance and Public Administration Committee; the Committee found that there was "an apparent lack of understanding in the Australian Public Service about parliamentary accountability".[16]

Possible limitations

The Report cited reflected the first time that the APSC had conducted extensive surveying of stratified samples of individual agency staff, in addition to agency heads/corporate management. As a result, it was pioneering, with the methodology already adapted in light of lessons learned for the 2004 study. Possible limitations of the 2003 study might be said to include:

- Normal teething problems with some questions (*e.g.* those relating to whistleblowing[17]).
- A strong focus on the role of leadership, management and agency policy in the embedding of values, but little information on the roles of formal systems including regulatory and oversight bodies (for example, internal and external administrative review systems, audits, Ombudsman complaints or similar). However, this conceptual separation between different models/themes of integrity is not unusual, as discussed throughout this report.
- The Australian Government is yet to commit fully to a long-term longitudinal programme of comprehensive evaluation, with only three years' studies (2003, 2004, 2005) currently guaranteed. However, it is noted that the Australian Public Service Commission has resources dedicated to conducting pertinent APS agency-wide evaluations annually on areas surrounding the APS Values, the Code of Conduct and APS employment policies and practices. The Australian Public Service Commissioner is also legislatively required to report annually on the state of the APS.

Conclusions

What does the above tell us about government and public integrity? The Australian government is taking seriously the contribution that formal surveys of both agencies and employees can make to measuring gaps between the promise and performance of a culture of integrity across the public service, showing that:

- it is misleading to think of one homogeneous administrative culture in any system of national government – the surveys demonstrate the range of variation in administrative cultures across government;
- organisational leadership matters: the qualities most valued in public service agencies are best seen in those leadership teams attracting the most positive public attention for their contribution to good government; and
- little of this would be properly known but for a commitment to continuous evaluation, using a battery of instruments from the agency-specific to the system-wide to investigate the real character of integrity within government.

2. ACTIVITY AND EFFICIENCY MEASURES

Summary: Activity and efficiency measures are directed towards more routine, ongoing integrity activities, such as the day-to-day operations of integrity bodies or ethics officers, to ensure that agreed systems are functioning and provide basic value-for-money. They represent the most standard and consistent ways in which integrity activities are reported, usually in annual reports, in a manner consistent with performance reporting across the public sector.

Relations to other measures: As demonstrated by Case Study 2 on case handling by Ombudsman's Offices and Anti-Corruption Bodies, there is a natural relationship between many standard activity measures like caseloads, and the resource justification issues central to reviews of institutional effectiveness, as well as to efforts to measure outcomes. However in keeping with the search for objective, quantitative performance measures, few of these measures provide information about the substantive quality of the activities concerned, as opposed to quantity and timeliness. These measures provide year-by-year guidance to managers but are rarely systematically analysed.

General assessment: Activity and efficiency measures feature prominently in integrity performance assessment but in reality are of limited utility, other than in providing day-to-day work targets to assist caseload managers. However with development of more genuine performance indicators, review of data-gathering categories, adapted and more consistent information technology and more systematic analysis, much of this standard information could possibly be made more useful. The comparative analysis set out for the first time in Case Study 2 highlights significant variations in resourcing and efficiency. If supplemented with qualitative indicators, such simple comparative analysis might open the way to more meaningful performance assessment aimed at sharing "best practice" approaches between operational units and agencies.

Caseload reporting

Within individual public sector agencies, and across the entire sector, much of the work of integrity practitioners is organised as "cases", "matters", "files" or "projects". Monitoring the number and timeliness of cases handled is a basic performance measure in a wide range of contexts. Within organisations, relevant activities are many and varied, including education and training, dispute resolution, grievance-handling, performance reviews, internal auditing, and internal integrity investigations. Most of these internal ethics-related activities are difficult to quantify.

However, key organisations with full-time integrity-related roles necessarily quantify their workload in their annual reports. These include ethics agencies conducting training, research and evaluation; police services

investigating integrity-related crimes; courts hearing citizen grievances against the government; tribunals; Ombudsman's offices; and anti-corruption bodies. For example:

A4 The Commonwealth Administrative Appeals Tribunal (AAT), established in 1975, is a core part of the federal ethics infrastructure, hearing applications for review of administrative decisions in order to enforce minimum legal standards in government decision-making as well as to ensure fairness, reasonableness and factual correctness. Several States have similar tribunals. The Tribunal's base performance measures are:

- the fact that it finalised 10,430 applications nationally in 2002-2003;
- timely resolution of Tribunal applications; and
- operating cost per application.[18]

The AAT also has other "Effectiveness Indicators", including the indicator that "those affected by decisions within the Tribunal's jurisdiction" should be advised of their rights of review (measured by the proportion of decision makers provided with relevant material); and that "review processes are efficient and fair" (measured by whether parties to the review process are satisfied). However, no quantitative evidence is provided in support of Tribunal performance against these indicators.

A5 The Commonwealth Ombudsman has developed similar performance standards. This type of performance reporting is standard for a substantial number of agencies in various jurisdictions. However as discussed in Case Study 2, this information only provides limited insights as to how well integrity agencies are doing their job, particularly due to low consistency of data.

A6 The Australian National Audit Office (ANAO) reports its performance via a "scorecard" system aligned with four Key Result Areas and three Output groups, linking back to the ANAO's two Outcomes: improvement in public administration and assurance. The scorecard includes both quantitative and qualitative measures and provides interested parties with an understanding of the link between the ANAO's products and their resulting impacts, supporting assessment as to how cost-effectively the ANAO is achieving outcomes.[19]

Other standard quantitative measures of performance include, for anti-corruption and law enforcement bodies, the incidence of reported offences (some of which is reflected in the complaint statistics in Case Study 2), number of disciplinary and criminal prosecutions commenced in courts or tribunals, and the number of successful prosecutions. Due to their inherent subjectivity, however, these indicators are discussed below.

Accessibility

Accessibility is also a standard reporting requirement of public agencies in most jurisdictions. It usually requires agencies to report on their physical accessibility to people with disabilities, or language accessibility to those from other cultures. However, "access to justice" is also a broader issue of particular significance to integrity policies and those who implement them, so that those who find it more difficult to seek redress of problems for reasons of education, culture or wealth do not carry an unfair burden of misconduct, corruption or maladministration. While many integrity policies are not assessed against this imperative, relevant performance information is being collected – for example:

N3 The NSW Law and Justice Foundation has a current project seeking to map trends and pathways in disadvantaged peoples' access to legal, dispute resolution and complaint services, with problems with government or the legal system ranking highly among the proportion of problems dealt with by services such as the Legal Aid NSW Information and Advice Service, and NSW Community Legal Centres.[20]

Training reporting

There is little overall performance information required or collected about activity and efficiency levels in less formal areas of integrity policy, such as training, staff development, recruitment, management coaching and so on. Agencies conduct a range of these activities, but the type of information that would be needed to judge whether activity levels were rising or falling is not centrally collected or analysed.

Performance audit

The most rigorous, standard methods for assessing the economy, efficiency and effectiveness of public programmes in Australia are the performance audit methodologies used by some (but not all) Australian auditors-general. As discussed earlier, these methodologies are designed to provide objective, often quantitative assessments of whether organisational or programme goals are being achieved, with a focus on whether this is occurring in the most cost-effective fashion, and stop short of full evaluation.

We are not aware of any independent performance audits of whole integrity institutions or programmes. Indeed as Case Studies 2 and 3 both tend to suggest, there may be significant scope for carefully-constructed performance auditing to contribute to more systematic review of the best institutional options for delivering and enforcing ethics programmes. This is reinforced by the range of areas in which specific federal audits currently provide important activity and efficiency measures on integrity issues – for

example the following performance audits carried out by the Australian National Audit Office:

A7 Regular audits of fraud control arrangements in Commonwealth agencies, providing perhaps the key assurance as to whether basic anti-corruption systems are operating.[21]

A8 Grievance and complaint handling systems for service personnel within the Australian Defence Force, from the "coalface" to the point where unresolved disputes are transferred to the Commonwealth and Defence Force Ombudsman.[22]

A9 Client service in the Family Court of Australia and the Federal Magistrates Court.[23]

A10 Administration of public freedom-of-information requests – a review which focused on practices in six agencies as well as the central coordinating agency, with recommendations for improvement.[24]

A11 Audits of the integrity of the electoral roll, fundamental to ensuring political will and public trust in the legislative framework of integrity overall. Recommendations endorsed the current proficiency of the Australian Electoral Commission, but also identified improved ways for updating the electoral roll and better identifying and managing risks to the roll.[25] These audits also provide an example of the interrelationship between performance auditing and broader evaluation by parliamentary committee (see below). In this instance, a first audit was reviewed by the Joint Standing Committee on Electoral Matters of the Commonwealth Parliament,[26] who supplemented the ANAO recommendations and also recommended a follow-up audit to assess whether recommendations had been implemented.

A12 The ANAO also conducts performance audits of its own performance auditing, and other procedures. These self-audits are carried out by an Independent Auditor constituted under the Auditor-General Act 1997, currently a secondment from the private sector, who reports findings to the parliamentary Joint Committee on Public Accounts and Audit (JCPAA). In 2000-2002, performance audits occurred of the ANAO's own planning and resource allocation processes, audit management processes and contract management arrangements.[27]

Productivity review

Another larger approach to measuring activity, efficiency and cost-effectiveness in the public programmes is available in the form of inquiry by the Productivity Commission or similar economic reviews. Such inquiries assess the economic costs and benefits of different government programmes across the Australian economy as a whole. No productivity inquiry into public

sector accountability, integrity or ethics regimes has been conducted or contemplated, to our knowledge, but the framework exists for such inquiry. For example:

A13 Since 1993, the federal Productivity Commission has produced an annual review of the costs and efficiencies of government services, across all Australian governments – including justice and community services – to assist governments and the general public in assessing service agency performance. Some "integrity services" are included in this aggregate picture.[28]

Notes

1. APSC, 2003a, more information on the report can be found at *www.apsc.gov.au* Appendix 2 of the report provides further details on the methodology used.
2. APSC, 2003a: 33, *cf.* 108-112.
3. APSC, 2003d. Further information on the project and its findings can be obtained at *www.apsc.gov.au/values/values.htm*.
4. APSC, 2003a: 26.
5. APSC, 2003a: 31.
6. APSC, 2003a: 27.
7. APSC, 2003a: 36.
8. APSC, 2003c: 13.
9. APSC, 2003c: 12.
10. APSC, 2003a: 30.
11. APSC, 2003a: 34, 36.
12. APSC, 2003a: 30.
13. APSC, 2003a: 37-39.
14. APSC, 2003a: 45-6.
15. APSC, 2003a: 39-42.
16. APSC, 2003a: 46-47.
17. See APSC, 2003c: 15.
18. AAT, 2003: 15-22.
19. Barrett, 2004 and Azuma, 2004.
20. Scott *et al.*, 2004: viii.
21. ANAO, 2001 and ANAO, 2003a.
22. ANAO, 1999.
23. ANAO, 2004b.
24. ANAO, 2004a.
25. ANAO, 2004c.
26. JSCEM, 2002.
27. Barrett, 2004.
28. Productivity Commission, 2004.

CASE STUDY 2

Case Handling by Ombudsman's Offices and Anti-corruption Bodies

Introduction

The number of complaints, reports, allegations or "matters" handled by independent "watchdog" agencies provide the basic measure of whether those who scrutinise compliance with ethical standards are actually doing so – in fact, whether they are doing anything at all.[1] The common measures are the number of cases received and finalised, the rate of finalisation as a measure of timeliness, and the cost involved. An earlier section provided the example of the Australian Administrative Appeals Tribunal.

This case study provides a preliminary comparative analysis of the activity and efficiency of several similar investigative agencies. Such an analysis has not to our knowledge been previously published in Australia. Consequently, this research provides some indication of how basic activity and efficiency could be comparatively assessed, rather than what is presently officially done.

Relative capacity of "watchdog" agencies

In recent debate, the activity and effectiveness of watchdog agencies has provoked new focus on what is "normal" for basic resourcing of these functions (see Case Study 3). Resourcing is a fundamental factor in assessing activity and efficiency, since less well-resourced agencies may be less able to finalise as many cases speedily – notwithstanding the increased pressure to finalise those they can, with the greatest efficiency. There is a natural relationship between standard activity measures like caseloads, and the resource justification issues central to reviews of institutional effectiveness.

In Australia, there are major variations in the level of resources dedicated by governments to their independent watchdogs. These variations reflect the fact that different bodies have been created over time, in different political

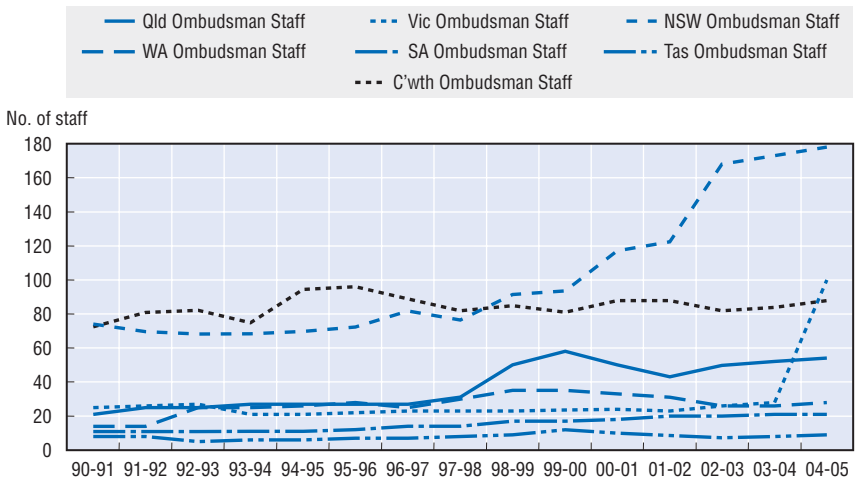
circumstances and subject to different political and administrative cultures. Nevertheless, as outlined in part 1, all governments have two core watchdogs – Ombudsman and an auditor-general – and some have more recently instituted additional anti-corruption commissions. Governments also have police services, other complaint tribunals, and sometimes crime commissions which also participate in scrutiny of public officials, but these vary more widely and also play other roles in addition to public integrity. The resourcing analysis here is thus confined to "core" watchdogs, for their greater comparability of functions, although the results are still only indicative.

So far, public debate has been based on fairly crude analysis of the raw budget and staffing figures of different agencies in different States.[2] For example, Figure III.12 shows the total staff numbers of the Ombudsman of all States. However, different States have different sized populations and public sectors. Accordingly, Figure III.13 shows Ombudsman staffing as a proportion of the total public sector staffing in that State.

Figure III.13 shows that with current major increases (case study 3), the Victorian Ombudsman has gone from the least well-resourced, to comparability with the Commonwealth and NSW. The other governments are comparable between themselves, but at half the level of the "big three". However, as discussed, the roles of Ombudsman's offices are shared with other bodies – such as auditors and anti-corruption commissions – in different ways.

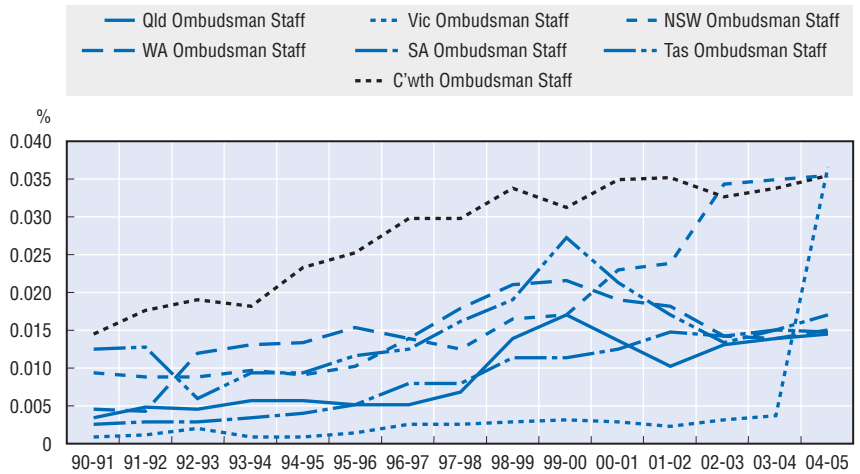
Figure III.13 shows the staffing of all these bodies as a proportion of total public sector staffing in each jurisdiction. (Note: these comparisons are indicative, and do not reflect precise variations in jurisdictions and roles of agencies). Even with the recent tripling of the Ombudsman's office, Victoria's

Figure III.12. **Total staffing of Australian Ombudsman's offices**



PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

Figure III.13. **Ombudsman staffing compared as a % of public sector staffing**



independent scrutiny resources remain the weakest. Significantly, NSW has the largest number of independent bodies but ranks only mid-field for total resources. The combination of Ombudsman and strong Audit Office means the Commonwealth ranks well even without an anti-corruption commission. Queensland and WA rank as having the strongest resources, but their anti-corruption commissions also incorporate their crime commissions.

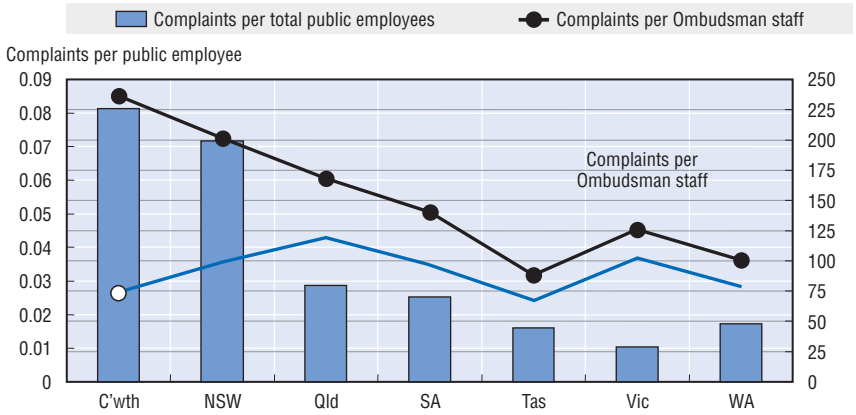
Case-handling "efficiencies"

While resourcing is itself a significant issue, the needs of scrutiny agencies may be different if they have different methods of handling their workload. Figures III.14 and III.15 provide some comparisons of number of cases handled by Australian Ombudsman's offices and anti-corruption commissions in 2002-2003, relative to the size of jurisdiction (again measured in terms of total public sector staffing), and number of staff in the agency to process these cases.

In Figure III.14 the columns and left axis show the variation in number of complaints received, relative to size of jurisdiction. This figure is influenced by whether the Ombudsman accepts only written complaints, or also in-person and phone complaints, as well as its profile and the extent to which it acts as a clearinghouse for other agencies. For these reasons, it cannot be concluded that Commonwealth and NSW administration is systematically more defective. Nevertheless, the variations deserve further study.

The dotted lines and right axis show the varying caseloads of these agencies per staff-member, showing great variation in the case-handling efficiency demanded. Ombudsman's offices may be handling anywhere

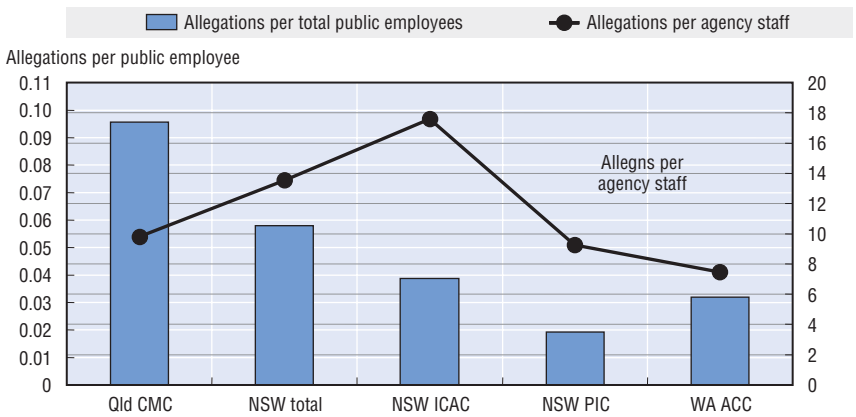
Figure III.14. **Ombudsman complaints received per total number of public employees and Ombudsman staff (2002-2003)**



between less than 100, and over 200 matters per staff member. However, this figure may again depend on how many cases are actually investigated, rather than simply processed – the additional line shows the very different number of cases that the Commonwealth Ombudsman elects to investigate per staff member, giving an indication that the efficiencies may not be so variable.

Figure III.15 shows similar data for the four major independent anti-corruption bodies, two of whom are in NSW (with their total also shown separately). The Queensland CMC deals with far more corruption-related cases as a proportion of its catchments than the other States, but its substantial staffing means it may be better able to cope than, for example, the NSW ICAC.

Figure III.15. **Corruption allegations by public sector and agency staff (2002-2003)**



PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

Evaluating performance: Quantity versus quality?

How useful is such basic activity and efficiency data? At present, it is the most comprehensive data on agency performance available, yet, it provides only limited insights of any real value. Variations in definitions, methods and data-collection currently limit its usefulness as a measure of good or bad practice. Australian governments, therefore, collect the data, but do not use it to provide ways of assessing efficiency other than against past performance.

Most importantly, this basic performance data includes few real measures of quality – adequacy or thoroughness of investigations, usefulness of outcomes, number of complaints upheld, or public satisfaction. For insights into these, it is necessary to look elsewhere, but this reporting becomes even more patchy and inconsistent between different jurisdictions. Despite the resources spent on it, current monitoring provides few substantive assessment tools. This situation highlights limitations in both theoretical and practical systems for routine performance assessment of key integrity bodies, even in a country with well-developed integrity infrastructure.

3. INSTITUTIONAL EFFECTIVENESS MEASURES

Summary: Institutional effectiveness measures are directed towards evaluation of the overall performance of particular integrity policies and agencies, or justifications for the creation of new ones, and tend to be more qualitative and political than anything yet described. As such, they provide an integrative approach to assessment, but using wildly varying or opaque methodologies.

Relations to other measures: As demonstrated by Case Study 3 (An Australian Anti-Corruption Agency?), measures of institutional effectiveness may draw on information from any pertinent source, or on none. These approaches tend to dominate final decisions about major integrity reforms specifically because they are closest to, or embedded in, the political process, with all the problems this raises. However, there is significant potential for more structured evaluation processes, in which political decisions are guided by prior deliberation by parliamentary committees or similar review bodies, in turn informed by "objective" performance reviews supplying quantitative assessment on issues where this can be useful. For example, Case Study 3 can be contrasted with the relationship between auditing and evaluation regularly achieved through public reporting by the ANAO to Parliamentary committees.

General assessment: Assessments of institutional effectiveness in Australian public integrity and ethics areas currently suffer from a significant deficit in both theoretical and methodological approaches. State governments have often developed complex institutional frameworks (well-resourced or expensive, depending on one's perspective), but are reluctant to devote more resources and attention to ongoing evaluation, absent fresh crises. Meanwhile the federal government has tried to simplify institutional frameworks, seeking to "let managers manage", placing great reliance on standard ongoing evaluation methods that are not necessarily co-ordinated or cognisant of the overall "ethics infrastructure". These different problems at different levels of government contribute to great variability in key areas of performance assessment, arguably failing to capitalise on the rich diversity of experience and innovation evident in Australian governments' integrity programmes.

External investigation and consultancies

The independent scrutiny agencies in the Australian integrity system do not merely conduct investigations into individual matters, but routinely examine whether integrity systems *within* public sector organisations are working effectively. They often particularly focus on internal systems of complaint-handling and internal review of administrative decisions, to increase organisations' capacity to deal productively with problems themselves. The central agencies involved vary depending on the subject matter, for example,

central personnel management agencies may only review the effectiveness of organisations' personnel grievance procedures, while central anti-corruption agencies may only review the effectiveness of organisations' internal procedures for the investigation of misconduct. Nevertheless, these reviews are wide-ranging and qualitative, and usually based on a mixture of statistical records, information from existing complaints or problems, interviews of agency staff and managers, discussions with experts, and negotiation with agency senior management. Examples include:

A14 Recent Commonwealth Ombudsman investigations, undertaken of the Ombudsman's own initiative into the complaint services of the Child Support Agency (July 2001), complaint-handling by the Australian Taxation Office (July 2003), and complaint-handling within the national Job Network managed by the Department of Employment and Workplace Relations (August 2003).

N4 NSW Ombudsman reports, assessing the performance of the NSW Police Service in the management of complaints (August and September 2002).

Q4 In Queensland, the recent Crime and Misconduct Commission inquiry into abuse of children in State-run foster care, whose recommendations for a new Department of Child Safety included a substantial evaluation of the internal integrity systems of the Department of Families with recommendations for reform.[3]

Individual public sector agencies also sometimes commission independent consultant reviews of the most effective ethics and integrity systems, particularly regarding complaint and grievance-handling.

Law reform bodies

Most, if not all, Australian governments have law reform commissions or committees whose inquiries may take in similar, wide-ranging reviews of institutional effectiveness, focused on the legal framework underpinning ethics and integrity policies. At the Commonwealth level, there are two such bodies: the Australian Law Reform Commission (ALRC) established in 1974 and the Administrative Review Council (ARC) established in 1975. The Australian Law Reform Commission conducts inquiries based on references from the federal government. Some of its major reports include:

A15 Integrity systems pertaining to federal law enforcement, including its early 1975 and 1978 reports, and 1996 report "Integrity: But Not By Trust Alone" (see Case Study 3). The ALRC also regularly reviews laws and institutions on access to justice more broadly.

The Administrative Review Council was established specifically to co-ordinate and monitor the effectiveness of federal accountability systems. Its members include the Ombudsman, President of the Australian Law Reform

Commission, and President of the Administrative Appeals Tribunal, as well as senior federal officials and independent experts. Relevant reviews of institutional effectiveness include:

A16 Preparation of the Commonwealth's best practice guide to internal review systems and procedures, based on research conducted in 1998 through interviews of 92 officers from five agencies, with the assistance of external research professionals.[4]

A17 A major report on a government proposal in 1994-1995 to amalgamate existing federal review tribunals (including the Administrative Appeals Tribunal) under a new Administrative Review Tribunal law, leading to postponement of that law and eventually a different government solution to issues of the institutional effectiveness of the tribunal framework in 2003.[5]

Royal commissions and committees of inquiry

Australian governments have a substantial track record of commissioning one-off "independent" inquiries to review the effectiveness of institutional arrangements for ensuring public integrity, as well as on other matters of public administration more generally.[6] Despite constitutional difficulties, the Australian preference is often to appoint a sitting judge, retired judge or "almost judge" (in the form of a senior barrister, QC or SC) to head such inquiries, even when the subject of the inquiry is a long way from the law, due to the stature, authority and procedural fairness this is deemed to bring (Brown 1992; Blackshield and Williams 2002: 603-647).

There has always been a distinction between "policy" inquiries and "probity" inquiries, although their procedures and costs can be similar. Policy inquiries are established to review institutional arrangements generally, without specific ethics or integrity scandals to drive them. For example:

A18 The Kerr Committee, which reported in 1971, was asked by the federal government to review and make recommendations regarding law reform for greater public accountability, without a specific crisis.

A19 The Coombs Royal Commission into Australian Government Administration, which reported in 1976, established many of the principles of modern federal government administration and accountability, again without being triggered by a specific crisis.

Probity inquiries are triggered by specific allegations of misconduct, corruption or unethical behaviour, and tend to be more contentious. Governments are now often reluctant to establish them, for numerous reasons including cost, delay, and inability to control the outcomes such as exposure of matters that are politically damaging to the government itself (see Case Study 3). When they do occur, however, such inquiries are now expected to contain wide-ranging evaluation of the reasons why integrity systems broke

down, and how better integrity systems should be developed, in addition to making specific recommendations regarding individual misconduct. The criteria and processes by which they evaluate existing performance are highly qualitative, diverse and variable. The process may include substantial expert research and policy review, in addition to forensic inquiry methods. Notable examples of such inquiries in Australia include:

A20 The Costigan Royal Commission into Activities of the Federated Painters and Dockers Union (1980-1984), which uncovered major problems of organised crime and tax evasion, leading to establishment of the National Crime Authority (now Australian Crime Commission);

Q5 The Fitzgerald Inquiry into Police Misconduct and Associated Illegal Activities (1987-1989), which led to major overhaul of political, administrative, justice and accountability systems in Queensland;

T1 The Carter Royal Commission into political bribery in Tasmania (1991);

W1 The "WA Inc" or Kennedy Royal Commission into Commercial Activities of Government in Western Australia (1990-1992); and

N5 The Wood Royal Commission into the NSW Police Service (1995-1997).

However, royal commissions or similar inquiries can also be used in attempts to dismantle integrity regimes, if political parties or other vested interests with low "ownership" of integrity reforms feel this is necessary. For example:

Q6 In Queensland, the Connolly-Ryan Commission was established in 1996 to review the activities of the post-Fitzgerald integrity agency, the Criminal Justice Commission (now Crime and Misconduct Commission). This commission was terminated in 1997 after the Supreme Court found it politically biased.[7] The commission was established by the political party that began the earlier Fitzgerald Inquiry, but then suffered worst from its findings, and which remains a fierce critic of several post-Fitzgerald integrity reforms (see Case Study 3).

Parliamentary committees

Special-purpose parliamentary committees now provide one of the key mechanisms for evaluating the effectiveness of integrity institutions and systems on an ongoing basis. Their use has increased dramatically in the last 15 years due to some of the political events described above, particularly the need for effective accountability mechanisms governing independent scrutiny agencies. However as already mentioned, the precedent for more recent developments already existed in the form of some of the older, special-purpose Public Accounts Committees established by most parliaments. For example:

A21 The Commonwealth Parliament's Joint Committee on Public Accounts and Audit (JCPAA) is a statutory committee with members from both

houses of Parliament, with particular responsibilities for the ANAO. The JCPAA considers the operations and performance of the ANAO, reports to the Parliament about the Auditor-General's functions and powers and makes recommendations to the Parliament on the annual budget for the Office. The Committee reviews all ANAO reports and examines a selection at quarterly public hearings. The JCPAA may also conduct more broadly based inquiries into matters arising from an audit.

In recent years, similar relationships have been established between scrutiny agencies and other newer committees with similar degrees of specialisation. Parliamentary committees review integrity agencies' annual reports, and conduct hearings on their performance using reported outcomes, public or in camera evidence given by the agencies, public submissions or complaints against the agencies, and research by parliamentary research staff. In the interests of public respect for the integrity system as a whole, the committees usually seek to operate on a non-partisan basis. This can be difficult, but has proved broadly successful in providing a strong, democratically-embedded mechanism for public evaluation of bodies which necessarily operate in politically volatile areas. These committees also now share their own lessons, as demonstrated by the national conference of the following committees hosted by the Parliament of Western Australia in September 2003.[8] A detailed study of the methodologies used by these committees would be extremely valuable:

N6 NSW Committee on the Independent Commission Against Corruption. This committee was one of the first to be established, with introduction of the ICAC in 1988. The Committee has recently recommended a full, independent review of the ICAC and its 1988 legislation.

N7 NSW Committee on the Office of the Ombudsman and the Police Integrity Commission. This committee was established to have similar functions to the Committee on the ICAC, but also to prevent the need for yet another committee when the Police Integrity Commission was created in 1997. The Committee's most recent reports on each body are built around the transcript of the public hearings on these bodies' annual operations, providing exhaustive qualitative review of past and current issues, problems and performance.[9]

Q7 Queensland Parliamentary Crime and Misconduct Committee (formerly Parliamentary Criminal Justice Committee). This committee oversights the Queensland Crime and Misconduct Commission (CMC), and is supported by a full-time Commissioner of its own to assist with resolution of complaints against the CMC. This arrangement has been politically contentious but was stabilized in the 2001 review of the relevant legislation.[10] The Committee recently completed its Three Yearly Review of the CMC, providing a thorough evaluation of its performance.[11]

W2 WA Joint Standing Committee on the Anti-Corruption Commission (now Corruption and Crime Commission).

A22 The significant omission from this range of important standing evaluation mechanisms is the lack of a standing federal parliamentary committee to oversee and support the Commonwealth Ombudsman. At federal level, in addition to the JCPAA, there is a Parliamentary Joint Committee on the Australian Crime Commission (formerly National Crime Authority). However, there is no such framework in place for the bulk of public accountability matters dealt with by the Ombudsman, unless the Senate Standing Committee on Finance and Public Administration undertakes a special inquiry. The relevance of this is discussed in Case Study 3.

University research / expert review

University-based or other independent expertise frequently plays a variety of roles in evaluations of the institutional effectiveness of different components of the ethics regimes. Some academic experts sit on standing review bodies such as the Australian Law Reform Commission and the Administrative Review Council. Academic experts are often called as witnesses before parliamentary committees or other inquiries into the performance of integrity systems. Expert comment plays a significant role in media debate, supporting the ability of an active civil society to assess and monitor the performance of these regimes. Examples include:

U2 A recent national review of the effectiveness of Auditor-Generals, conducted as part of the Democratic Audit of Australia.[12]

U3 The National Integrity System Assessment project itself.[13]

Notes

1. OECD, 2000: 59-65.
2. Bottom and Medew, 2004.
3. CMC, 2004: 156-163.
4. Administrative Review Council, 2001.
5. See Administrative Review Council, 1995.
6. See Weller 1994 and Ransley, 2001.
7. Preston *et al.*, 2002: 177-178.
8. WA Parliament, 2003.
9. NSW Parliament, 2003a and NSW Parliament, 2003b.
10. Preston *et al.*, 2002: 129-131.
11. Qld Parliament, 2004.
12. Coghill, 2004.
13. KCELJAG and TI, 2001; Preston *et al.*, 2002.

CASE STUDY 3

Judging Effectiveness: An Australian Anti-Corruption Commission?

Introduction

The most recent development in Australian decision making about the institutional effectiveness of integrity agencies is a decision announced by the national Attorney-General in June 2004 that the federal government will establish an independent anti-corruption commission to oversee the Australian Federal Police, Crime Commission and Customs Service. Embedded in this decision were two assessments about the effectiveness of integrity agencies – namely that:

- Ombudsman's offices, including the federal or Commonwealth Ombudsman, were not competent agencies to investigate corruption; and
- Ombudsman's offices should not be given the powers needed to investigate corruption (*e.g.* phone tapping powers) because their existing roles include auditing the use of such powers by other bodies (*i.e.*"guarding the guards").

However, these assessments were not reached as result of careful or systematic review, but a more *ad hoc* political process. The contrast shows the gaps that can exist between attempts to more systemically assess and develop the effectiveness of integrity institutions, and the complicated reality of political decision-making about integrity agencies in practice.

Past institutional evaluations and reviews

The Commonwealth Ombudsman has been the national government's primary independent agency for scrutiny of public administration since its establishment in 1976. The office has strong powers to investigate the actions of officials from heads of department down, including power to initiate inquiries, compel witnesses to be interviewed and seize documents and evidence. The Ombudsman may make any recommendations about official action that he/she considers unreasonable, unfair, contrary to law or procedure, or "wrong".

Until the early 1990s, the Ombudsman's office usually only acted in response to individual complaints, focused narrowly on administrative matters, and rarely used formal powers, analysed systemic problems or issued public reports. Consequently, despite having a quite good performance record, the office had a low public profile and only moderate official status.[1] However, few direct assessments of the effectiveness of the Ombudsman's office have been undertaken. This may be because unlike several State Ombudsmen's offices, or the Australian National Audit Office, no federal parliamentary committee has a standing brief to monitor or assist the Commonwealth Ombudsman. Evaluations have been very indirect:

- In 1978, the Australian Law Reform Commission recommended legislation to provide independent oversight of complaints against federal police, leading to an expanded role for the Ombudsman in this area from 1981.
- In 1991, a review of the Office by the Senate Standing Committee on Finance and Public Administration recommended a higher profile and increased resources for major investigations, which were given in 1992-93.
- In 1993, the Ombudsman herself commissioned a more detailed review of the office's effectiveness, by external management consultants, which led to the government granting increased resources in 1994.

The Ombudsman also tested her powers further, with the Federal Court agreeing in 1995 that she had power to recommend disciplinary or criminal charges, and thus that her jurisdiction to investigate administrative actions could include misconduct or criminal misbehaviour. The office also increased its oversight of complaints against the Australian Federal Police (AFP) and its number of independent investigations, including into suspected corruption. A number of further reviews then followed in 1996-1997:

- The federal government conducted general budget cuts which effectively withdrew much of the increased resources granted two years earlier. In insisting on these cuts, the government rejected arguments that accountability agencies should be exempt due to their key role.
- Allegations about corruption in the Australian Federal Police (AFP) were aired in the Wood NSW Police Royal Commission. The federal government commissioned a special inquiry into this evidence by Mr Ian Harrison QC, which generally endorsed the joint Ombudsman-AFP system.
- The Australian Law Reform Commission conducted another inquiry into complaint-handling and anti-corruption involving the AFP and National Crime Authority (now the Crime Commission), and recommended that a new body was necessary.[2]

The proposed National Integrity and Investigations Commission would have replaced Ombudsman supervision of investigations into law enforcement

bodies, and undertaken more independent investigations of serious matters, including corruption. However, the Ombudsman and several other bodies opposed the dilution of resources, arguing it would be more effective to give the resources to the Ombudsman to fulfil these functions. The federal government chose not to implement the Law Reform report, and left these functions with the Ombudsman, but provided no new resources.

Recent developments – Victoria

Seven years later, in 2004, the issue of effective institutions returned. This was not at a federal level, at first, but in a police corruption scandal in the State of Victoria, where the institutions were similar. Victoria established a Police Complaints Authority in 1984-85, but in 1988 this was amalgamated with the Victorian Ombudsman. In Victoria, like the federal situation, there was, therefore, no independent anti-corruption commission.

In Victoria, police internal investigators and the Ombudsman had for some time been investigating corruption in the police drug squad. A major war between organised crime groups also broke out, in which several killings (including of a police informer) became linked with possible police corruption. There was, and remains, a strong public demand for a royal commission of inquiry, with many also arguing that the result – like in Queensland, NSW and Western Australia – should be a new permanent anti-corruption agency.[3] However, the Victorian government has responded to date by:

- Increasing the powers and tripling the staff of the Victorian Ombudsman (see Case Study 2); as well as appointing Tony Fitzgerald QC, who headed the 1987-89 Queensland inquiry into official corruption, as a consultant investigator.[4]
- Rejecting a royal commission as an expensive "wigfest" of lawyers unlikely to tell the government anything about corruption that it didn't already know.
- Rejecting a new anti-corruption commission as expensive and unnecessary – including quoting the Queensland Opposition as having described Queensland's Crime and Misconduct Commission as a "multimillion-dollar joke... that couldn't track an elephant through snow".[5]

At first, the Victorian Opposition supported the Victorian government's response. However, in late May 2004, it changed its position to also demand the government establish a new anti-corruption commission. The Labor Party leads the Victorian government while the Liberal Party leads the Victorian Opposition and the current federal government.

Federal Government announcement – 16 June 2004

On 16 June 2004, the federal government announced it would establish "an independent national anti-corruption body with telephone intercept powers which, if required, would be able to address corruption amongst law enforcement officers at a national level" (Ruddock and Ellison 2004).

Little further detail has yet been announced. However, no reference was made to this decision being based on any of the previous reviews, such as the Law Reform Commission's report of 1996. No specific evaluation had been undertaken about the effectiveness of the continuing policy of having the Commonwealth Ombudsman oversight police complaint investigations. Instead three events appear to have caused the decision:

- The Victorian Opposition had decided to oppose the Victorian government's response to the State's corruption scandal, as explained above.
- The Victorian government had asked for the State Ombudsman to be given federally-regulated telephone interception (tapping) powers, to enable it to investigate corruption in the same way as other anti-corruption bodies. The federal government rejected this Victorian request when it announced the new federal body on 16 June 2004, saying that "if Victoria was to raise a properly-formulated independent Commission – similar to those in WA, New South Wales and Queensland – the Government would move quickly to confer telephone intercept powers on this body".[6]
- The media reported that the Commonwealth Ombudsman and AFP were investigating corruption on the part of two police officers (from NSW and Victoria) on secondment with the federal government. These reports highlighted that the current federal arrangements were similar to those preferred by the Victorian Labor Government, and therefore not consistent with the attack being mounted by Victoria's Liberal Opposition.

Discussion: The politics of probity

It seems likely that the Australian national government will establish the new federal anti-corruption body. Such a body may be a good step forward in the evolution of Australia's national integrity systems. However, the events highlight three gaps between current political decision-making and systematic evaluation of the effectiveness of integrity bodies:

- The federal announcement stated a clear principle that every government should have both an Ombudsman to investigate administrative complaints, and a separate anti-corruption commission. However, despite the certainty of the announcement, this new policy had not been systematically researched and is still contested. While it was politically rational, ensuring

that the Liberal Party's position was consistent at both State and federal level, there are fewer indications that it was based on policy evidence.

- The announcement highlighted a problem about "who guards the guards", pointing out that since Ombudsman's offices currently monitor how police and anti-corruption bodies use phone-tapping powers, it would be a conflict of interest for them to have such powers themselves. However, this raises a larger problem about how to regulate anyone's use of such powers, which the government has yet to address – since at the end of the day, the Ombudsman may still need to be able to investigate whether such powers have been used corruptly.
- The decision to create a new federal body was taken without any evaluation of whether the existing institutions were working. Indeed, the government's comments suggested that present scrutiny by the Ombudsman was working well. This tended to confirm that the federal decision was made irrespective of any policy evaluation, and driven primarily by the need for political consistency with the Victorian Opposition.

In these circumstances, will the new body be resourced effectively to do its job? Will it suffer a reputation as being born more of party-political expediency than policy logic? Will existing expertise in the Ombudsman's office be lost? Will the new body result in the most efficient and effective scrutiny, or make federal anti-corruption efforts more complicated? All these potential risks highlight that integrity policies are not immune from the normal twists and roundabouts of politics, irrespective of evaluative frameworks.

4. OUTCOMES MEASURES

Summary: The fourth and final category, "outcomes measures", are directed to measuring the substantive outcomes of integrity activities, to ensure these activities are positively enhancing ethical standards, corruption resistance, public trust, and the quality of democratic life. The measures being sought are less to do with the activity of ethics-promotion and anti-corruption work, and more about evidence of the actual level of integrity, ethical standards and corruption risk that is being achieved by public sector integrity programmes – or alternatively, which needs to be better targeted by them.

Relations to other measures: The types of measure notionally available in Australia have strong relations with other measures – for example, using staff surveys to monitor agency compliance with ethics reforms, can also be used as a barometer of the ethical standards and ethical culture of staff themselves. Similarly, activity and efficiency measures such as caseloads, prosecution and conviction rates are also often used – albeit very imprecisely and often inappropriately – as indicators of actual corruption and misconduct levels. Usually the latter, substantive use of this data comes as an ancillary or secondary interpretation of data collected for the former, narrower purpose.

General assessment: The quest for substantive, qualitative measures of ethical standards and corruption risk is in a relative infancy, compared with standard public administration performance measures of implementation, activity and efficiency. This is partly because judgments as to the ethical standards of individuals or workgroups are largely subjective, and made even more complex where there are conflicting views on the relative weight to be given to the different "integrity dimensions" discussed earlier (*i.e.* personal-responsibility, effectiveness/implementation or legal-institutional dimensions). As discussed in the final conclusions, significant theoretical and methodological attention needs to be directed towards integrated substantive methods of monitoring the health of public sector integrity on all three dimensions.

Central ethical standards/corruption risk research

Official studies of public sector attitudes to organisational integrity, ethical standard-setting and leadership can actually monitor the level or quality of ethical standards (including the take-up of "values culture"), and/or of corruption risk, in addition to simply measuring whether people are aware of codes and other issues of implementation. Examples include:

A1 APSC Case Study 1 which demonstrates the potential for workplace research by central agencies to examine substantive ethical standards as well as simple compliance value. Such studies can in practice begin to integrate the different dimensions of integrity discussed earlier, for example by establishing whether

individual leaders understand their ethical obligations and other dimensions of personal integrity, even though the organisational responses needed to truly "embed" values and integrity may be more systemic and less liable to be resisted as direct criticisms of personal integrity. The difficulty of this balance is further emphasised in the last part of this chapter.

A23 Whereas some agencies may collect substantive data on ethical attitudes, others collect data indicating levels of unethical behaviour. For example, regular fraud surveys by the Australian National Audit Office[7] provide a barometer of corruption levels in the federal public service, since most pecuniary corruption is categorised in terms of fraud. This information is differentiable from – and more useful than – attempts to monitor the results of corruption-related disciplinary or criminal cases, which as discussed below, is both difficult and unreliable for this purpose. The type of research conducted by the ANAO compiles a picture of the incidence of fraud reporting (rather than whether the evidence exists to prosecute or convict individuals), and the estimated financial impacts, providing a qualitative measure of seriousness which is not available through normal criminal justice reporting.

N8 The NSW ICAC has used surveys of the ethical culture of NSW public sector agencies and local councils. The primary aim was to create a tool which could help public sector managers to identify where the key challenges may lie in creating a strong ethical culture in their organisation. Another aim of the research was to explore in an Australian context the findings of past research (primarily from the United States) about the relationship between different aspects of an organisation and how they impact on its ethical tone.[8]

N9 Such centrally-sponsored research can also measure the ethical climate by monitoring the extent to which public employees feel able to, or are likely to, fulfil obligations to report misconduct, defective administration or other ethical concerns within their organisation. In NSW, for example, the 1996 ICAC study referred to earlier also established, substantively, that despite low awareness of formal systems, 49% of surveyed employees indicated they would still report corruption even without the support of colleagues, and 41% knowing their career would be adversely affected.[9] Monitoring variations in such responses can provide an indication of whether the ethical climate is improving or deteriorating, in individual organisations and across the public sector.

Agency ethical standards and corruption risk research

Systematic studies of overall state of workplace culture may also be conducted by agencies themselves rather than by central bodies. However, there

may be issues of relative accuracy, reliability, confidence etc. if conducted internally:

W3 In June 1999, the Professional Standards Portfolio of the Western Australia Police Service commenced a longitudinal survey of recruits, yielding information in relation to ethical behaviour in the Police Academy environment and workplace, and organisational factors which may influence it. The anonymous survey is carried out by means of a self-administering questionnaire containing 69 questions and statements to four recruit squads randomly selected. A preliminary report was released in July 2002.[10] The key findings from the survey identified a number of positive ethical indicators as well as identifying issues for consideration and action, similar to those found in police surveys undertaken by ICAC and the CMC.

University research and expert review

University-based research plays a key role in providing substantive information about ethical standards in areas of public administration that might otherwise never be measured. For example, no public agencies are well-positioned to probe for or collate evidence relating to ethical standards or corruption risks among legislators – a key issue if political will and a strong legislative framework are considered elements of the ethics infrastructure. With enough tact, persistence and nerve, however, university researchers are able to broach such areas. For example:

U4 A substantial survey of legislators' attitudes to ethics and corruption was achieved in New South Wales, using an international methodology, by Jackson and Smith.[11]

Integrity recognition

There is no evidence of any existing awards within the Australian setting that are referred to specifically as "Integrity Awards". However, a sweep of the various public sector jurisdictions, in particular, yielded information about some awards which may have integrity content. In most public sector jurisdictions in Australia, the tasks of encouraging the embedding of values and of enhancing and monitoring integrity are carried out by central agencies, *e.g.* departments of the various state premiers, public sector management offices, etc. These offices usually hold a much wider brief which embraces such functions as human resource management principles and practices and/or the enhancement of employment equity. This creates a situation where it is often difficult to draw a line between what is considered an integrity award

and what is not. Nevertheless, the purposes of some awards in place do have a clear integrity implication. Some examples of these awards are:

V1 In Victoria, the State's Commissioner for Public Employment calls for nominations each year for its People Management Awards, which includes a "managing ethically" category, and which is judged by an independent panel. These awards carry certificates of commendation and grants worth up to $5,000 for future initiatives.[12]

NT1 The Government of the Northern Territory has annual Equity and Diversity Awards which are awarded to agencies which excel in the area of equitable employment practices. These are showcased in a publication entitled "Valuing an Inclusive Workforce" (NT Government 2004).

ACT1 In the Australian Capital Territory public sector, the Industrial Relations and Public Sector Management Group, in conjunction with the Commissioner for Public Administration, carries overall responsibility for integrity issues. The Territory has a number of award arrangements which differ from agency to agency, with the Territory's Integrity Policy stating that CEOs should be "making integrity one of the criteria in staff awards".[13]

N10 The NSW public sector once had a separate ethics award, but in 1997 subsumed this within the context of the wider Premier's Public Sector Awards, established to provide an opportunity to showcase the public sector's commitment to quality, dedication to excellence, and provision of better service to the community. This award is made to projects within agencies, not individuals, but may well still have an ethical component depending upon the nature of the project.[14]

Rewards for high levels of integrity and ethical behaviour via organisational systems such as selection, promotion and remuneration are rarely identified as such. While punitive measures are easy to identify for those in breach of standards, the reverse is not the case. The example in which ethical behaviour and integrity can be most readily identified as a measurable and rewardable criterion is in the Australian Public Service policies and guidelines, which creates a clear link between the importance of leaders being called upon to ensure the embedding of APS values and the fact that Performance Management is itself firmly entrenched as a policy and practice.[15]

Integrity testing

Many public sector agencies with particularly well-identified corruption risks conduct a range of internal measures of integrity in the form of "integrity testing", taking the form of either random or targeted "stings" by which to identify and weed out corrupt or potentially corruptible officials. For example, all Australian police services have introduced integrity testing since the early 1990s.[16] The results of integrity testing are not publicly reported.

However, where random testing occurs on a regular basis, the incidence of passes/failures in such testing represents a potential, very tangible barometer of ethical climate and corruption risk, which could be used for comparison between like agencies or services.

Caseload outcomes

The OECD's Trust in Government report identified 12 countries as claiming to use monitoring and analysis of "systemic failures and trends in disciplinary and criminal cases" as a means of ensuring that integrity measures were consistent and complementary – the most common means of doing so.[17] In Australia, monitoring the caseload outcomes of disciplinary, criminal, misconduct, administrative and financial investigations is regularly assumed to represent a fundamental means of assessing performance, which is why several countries may have reported using it. However, in Australia's case, which may also reflect something closer to the reality in other countries, there are gaps between this theory and actual practice. These can be analysed by looking separately at *a)* criminal and disciplinary cases, *b)* administrative cases, and *c)* financial cases. Criminal and disciplinary outcomes have only occasional utility in assessing the impacts of Australian integrity policies, because:

- Formal criminal and disciplinary proceedings for corruption and serious misconduct are relatively rare, other than in the wake of a major inquiry or "purge", for multiple reasons that do not necessarily mean there is no corruption. These include the evidentiary challenges associated with formal proceedings, and the greater ease and frequency with which impugned officials either resign voluntarily, or are forced to resign.
- Statistics on crime reporting, prosecutions and convictions do not necessarily differentiate between fraud, bribery or other crimes of deception as committed by public officers against their employer, from equivalent crimes in other circumstances. This means that normal attempts to monitor official statistial trends in these areas are almost certainly incomplete.[18]
- In practice, few if any Australian governments routinely monitor and report this data in an integrated way.

Two examples can be given of the limited use of, and/or co-ordination between, and potentially limited value of, criminal and disciplinary data:

A1 The APSC State of the Service Report (Case Study 1) has analysed for the first time the actions taken by agencies in response to breaches of the APS Code of Conduct, including termination of 70 officers, 28 demotions, 359 reductions in salary and other sanctions.[19] *While this provides a report on some key administrative processes, it does* not *separately identify cases which may also be the subject of criminal proceedings (e.g. crimes against the employer). Nor*

therefore does it identify any criminal cases that have not also been dealt with administratively, even if in practice the numbers of these may be few.

Q8 Criminal charges are more routinely reported by anti-corruption bodies (where these exist), for whom such charges are a key performance indicator. For example, in 2002-2003, the Queensland Crime and Misconduct Commission reported having recommended 180 criminal or disciplinary charges arising from official misconduct, 45 being criminal charges against 31 people. However, current Australian media debate (see Case Study 3) highlights conflicting opinion over whether the charges arising from such investigations are low or high, and even if high, whether this is a measure of these bodies effectiveness (in rooting out corruption) or ineffectiveness (in preventing and containing it).

The second body of caseload outcomes are administrative – actions against government officials under administrative law, or complaints of defective administration investigated by Ombudsman's offices. Here the necessary information to assess general trends in standards of official conduct or public decision-making is even less readily available.

According to the Administrative Review Council, there is no national statistical reporting of case trends before administrative appeals tribunals or in the administrative divisions of the Supreme and Federal Courts, although there may be academic research which interrogates trends. While individual tribunals and courts report basic workload data annually, this is not systematically analysed, other than by the legal profession when providing clients (government or the general public) with advice on prospects of success in individual cases. Tribunal and legal cases are therefore not used by governments as an indicator of rising or falling administrative standards.

Reporting of administrative complaint trends by Ombudsman's offices may provide a more useful overall barometer, due to the volume of complaints handled and therefore the potential for greater accuracy in pinpointing systemic problems with particular areas of administration. For example:

A24 The Commonwealth Ombudsman investigated 6 133 issues pertaining to federal administration in 2002-2003, and identified some agency error or deficiency in 29% of cases – the same rate as the previous year.[20] Ombudsman annual reports may also provide guides to systemic problems with particular agencies, based on complaint trends or major investigations.

However, there is great variability in reporting by different governments. In recent years, the Queensland Ombudsman has reported around 40% of matters as resolved in favour of complainants rather than government while the Tasmanian Ombudsman 14.5% and the Western Australian Ombudsman 17.7%. The various rates probably reflect different data collection, complaint assessment and reporting methods, more than substantive differences in

quality of administration. Other States do not necessarily report how many complaints were resolved wholly or partially in favour of the complainant.

A third body of investigations are financial, in the form of audits. Where auditor-generals have performance audit functions, they may be able to estimate the amount of public revenue saved as a result of their audit, and that therefore may have been wasted had the audit not occurred. This provides some estimate of systemic maladministration risks. For example:

A25 The Australian National Audit Office estimated the potential annual recurring financial benefit from all its performance audits in 2002-2003, based on recommendations agreed with agencies, to be between $79 million and $117 million, depending on the level of improved performance achieved.[21]

Overall, in the Australian experience, a far more systematic and well-thought out approach to compiling, reporting and analysing the outcomes of the many different types of integrity-related caseloads would have to be achieved before these represented a standard resource for monitoring the integrity of the public sector, and quality of administration. While all the current methods of outcome reporting have their own uses, their various separate limitations, current inconsistencies, and lack of integration tend to limit them to these separate uses, even though a more co-ordinated approach might be useful.

Public trust: Public agencies

The three final categories of possible substantive indicators of integrity system success, relate to the degree of public trust, or confidence, in the operations of government. While carrying their own limitations and methodological problems, direct and indirect measures of public trust can help identify where the community-at-large perceives the public sector to be breaking down.

While more work is needed to differentiate public trust from simple customer satisfaction, the degree of public confidence commanded by specific public agencies may be a relevant indicator of their ethical standards. This would need to include objective quantitative or qualitative evidence of the level of trust that the public/clients place in the integrity of individual agencies including such things as complaint-handling systems, responsiveness to complaints and some measures of public concerns about corruption. A further area which would add clarity to such an analysis would be a detailed examination of government service delivery. This might include surveys by agencies and surveys by professional associations on consumer attitude regarding service delivery integrity.

Public trust: integrity agencies

The second area of public trust relates to evidence about the views of the community-at-large towards societal integrity systems, including key institutions dedicated solely or largely to ensuring accountability. These may be direct or indirect sources of information. Currently, there is no rigorous or co-ordinated approach to collecting such evidence, but examples include:

N11 Mechanisms that engage the community in direct advice or supervision of the work of integrity bodies, such as the NSW ICAC's Operations Review Committee. This Committee consists of three ICAC officials, the Police Commissioner, Director-General of the Attorney General's Department, and four people representing community views (currently a representative of a religious organisation, two university lecturers, and the head of a statutory body).

Q9 In Queensland, part-time commissioners of the Crime and Misconduct Commission are appointed to help provide community oversight, including a specified "civil liberties" commissioner under the Crime and Misconduct Act 2001. The use of such mechanisms is similar to the development of advisory committees by the Hong Kong ICAC,[22] in that the participation of community representatives is intended to provide a measure of ongoing community confidence.

A26 Client satisfaction surveys by or about integrity agencies, used to improve their performance and administration. For example, the Commonwealth Ombudsman has conducted regular surveys of past complainants since 1994. The Ombudsman's annual report for 1997 describes the important lessons learnt from that performance measure. The most recently published survey, conducted in 1999-2000, surveyed 2000 people who had approached the office for assistance over the previous two years, establishing that 78% of those whose complaints the office had declined to investigate, still indicated that they would consider using the office in the future. This was regarded as a significant indicator of public confidence in the competence and impartiality of the office.[23]

N12 During 2000-2001, the ICAC conducted extensive research to help develop a profile of corruption risks in local government in New South Wales. The research began by seeking information from General Managers about the organisational culture and presence or absence of corruption risk factors in their council. This was followed by a staff survey in which staff members were asked if they knew about corruption prevention measures in their councils. The aim was to find out if councils were "walking the talk".[24] The survey found that there was a strong consensus amongst managers, councillors and staff on the major corruption risks for local government, but that council practice and procedures did not always reflect a high corruption prevention priority.

N13 Since its inception, the ICAC has conducted periodic community attitude surveys[25] to explore community perceptions of corruption within government and community attitudes to corruption. The studies provide information as part of a longitudinal study on the effectiveness of ICAC's policies and programmes in combating corruption and give an indication of the organisation's profile within the community.

Q10 The CMC (formerly the CJC) conducts periodic public attitude surveys. At first, the primary focus of the surveys was to measure public attitude towards the Queensland Police Service, as well as public knowledge, confidence and experiences regarding the complaint process. The survey has undergone some modifications over the years, including the recent addition of questions relating to public service and local government employees and various questions relating to the CMC. The surveys are a random sample of approximately 1500 adults across Queensland. They provide information as part of a longitudinal study on the effectiveness of policies and programmes in combating corruption and the CMC's profile within the community.[26]

U5 Independent university research is working to find better ways of monitoring and interpreting public confidence in a range of core public accountability agencies. For example, the Australian Survey of Social Attitudes (2003) provides a baseline for monitoring public confidence in institutions such as the court system and police, including select questions about perceived corruption in the latter. These existing questions provide rough indicators of public trust in basic integrity mechanisms, and can be extended to more specific independent verification of trust in other agencies.

I2 International NGOs are able to provide related evidence, for example through the Global Corruption Barometer in which Transparency International uses the Gallup "Voice of the People" survey to monitor public attitudes towards levels of corruption in different key institutions.

Public trust: general

Finally, there is considerable scope for evidence about the relative level of public trust in government in general to be developed as an ultimate indicator of the success or otherwise of integrity policies and systems. Levels of public trust in government are dependent on diverse political and social factors, including media reporting or attitudes.[27] However, it is now widely accepted in many democracies, including Australia, that the results of general elections every three-to-four years are not necessarily expressions of majority confidence in the integrity of the institutions of government under a particular government. A range of surrogate measures of public trust in the

quality of government is evolving, including ongoing social science research of the type outlined above.

In Australia, political parties are in the forefront of such research, because they are now major clients for market research organisations polling the community on key public policy issues on an almost daily basis. However, this is a "private" market in which measures of public confidence tend to be guarded for the potential electoral advantage they may bring. As more public research methods evolve, they can be expected to help broaden the range of performance indicators available for public ethics and integrity activities.

Conclusions: Towards An Assessment Framework

General lessons

The preceding sections highlight some of the reasons why, in Australian experience, there have been few attempts to design and apply more systematic and objective assessment methodologies. Most prominent evaluation efforts are still *ad hoc*, and sometimes scandal-driven, while standard reporting is often driven by agencies' need to justify existing or requested resources, or by central agencies to justify financial or political decisions already made. Integrity institutions and practices are not immune from institutional politics, but rather subsist in a real policy and political environment.

Nevertheless, there is also a range of less well-known, more routine set of information in the public sector that could potentially be used to more systematically gauge the impact and effectiveness of integrity policies. The problem is that not many of these are well designed for a more general performance assessment purpose, some are fragmentary, and are gathered only occasionally, and many are not consistent.

These lessons highlight that conventional performance assessment approaches to integrity systems, while important, cannot supply the full picture. If a particular framework of integrity values and institutions is in place – or if the political decision-making capacity exists to create or alter them – then performance audit and evaluation processes can have an invaluable role in establishing whether they are doing their job. However, there is no existing clear performance assessment framework for political decision-making regarding integrity systems, nor may there ever be, hence the need for performance assessment to be embedded in a broader methodology. Some performance indicators will be quantitative, some will be qualitative, and as usual many will provide a mixture of both, with the final interpretation always necessarily political no matter what indicators are used. The question becomes how to structure a methodology that combines the best, and avoids the worst of administrative performance assessment, as just one part of a holistic assessment process.

The search for best practices in integrity assessment is thus still in relative infancy as an analytical and academic exercise. Although we have identified a number of promising "best practices" (or perhaps "better practices") in the hard work of "doing" integrity assessment, we want to emphasise the prior importance of best practices in the even harder work of "theorising" integrity assessment. This is one area where theory falls far behind practice. An exception to note is Glor and Greene's recent evaluation of what they call "the evolution of ethical government" in Canada.[28] Glor and Greene construct a framework around democratic values of equality, testing the performance of public institutions against a grid of criteria including the impacts on formal equality (*e.g.* equality of rules), social equality (*e.g.* equality of condition) and finally integrity itself, by which they primarily mean impartiality in public decision-making. This is a very promising assessment framework which has the advantage of being provisionally tested through a practical application to one national government, including a comparison of "the view from within" (*i.e.* integrity assessments of internal watchdogs) and "the view from without" (*i.e.* public attitudes).[29] The Glor and Greene approach has yet to be tested against Australian developments. In fact, very few national evaluations have involved the application of assessment frameworks derived from evaluations in other national settings. The preferred alternative seems to be the application of purpose-built cross-national frameworks like that devised by TI and the CPI, both involving top-down approaches with some risk that distinctive national developments might escape attention and analysis.

The National Integrity System Assessment approach falls between these two extremes of uniquely-national and broadly cross-national approaches. It recognises the need for an assessment framework with sufficient specificity to capture the Australian story but also sufficient generality to be flexible enough for adaptation in other national settings. Like Glor and Greene, our starting point is constitutional in that we are trying to locate ethics and values in a constitutional setting. Admittedly, constitutional settings are flexible, responding to evolving political developments and changing community standards. But this focus on what Rohr calls "constitutional practice"[30] is an important way of capturing the larger public purpose of administrative arrangements, including arrangements for evaluating the contribution of many different public organisations to the cause of public integrity.

The next section highlights seven specific threshold issues – practical and conceptual – to be considered in the design of any assessment framework, in light of this discussion. The final section extracts key recommendations for next steps in the development of a possible Australian framework.

Six issues of framework design

Ethics co-ordination

A first fundamental issue for the development of a more coherent assessment framework is clarity as to who can, or should, take institutional responsibility for such performance assessment. This problem is central to the institutional competencies and resources needed to strengthen the assessment of integrity and corruption prevention policies. Any such framework must be either driven by a competent central institution, or shared and adopted by a critical mass of key institutions if it is to be accepted and effective. Although the OECD emphasises the importance of coherence in the integrity systems of member countries by identifying an "ethics coordinating body" as one of the eight elements of the Ethics Infrastructure, the reality is clearly very different from the rhetoric: only 16 of 29 OECD countries reported having any coordinating institution at a national level, and only three reported a central office to oversee ethics-related measures.[31]

The coherence and institutional leadership of integrity systems are live questions in Australia. The fact that different, often strong integrity bodies exist, does not necessarily mean stability or co-ordination in their operation. Nor does leadership and co-ordination occur in the places from which it might be expected. For example, while the NSW ICAC and Queensland CMC perform cutting-edge research of great importance to performance assessment, they often have marginal formal authority to proactively influence management culture across the public sector, their primary authority remaining in the threat that they may mount a formal investigation.

Conversely, central public sector management agencies such as the Australian Public Service Commission have an undisputed leadership role when it comes to public sector standards, but their legislative authority for monitoring and compliance roles can still be relatively narrow, and their reach limited by the amount of public administration that takes place through agencies that are not formally categorised as public service agencies. Their theoretical responsibility for ethical standards generally, often masks the fact that their operations in reality are dominated by core public service management functions (such as industrial relations, budgeting, promotion and training systems, and resolution of staff grievances). Professional discharge of such functions is a necessary prerequisite for high public integrity, but does not necessarily equate to active co-ordination of the different elements of the Ethics Infrastructure.

There are various reasons why too much coherence and co-ordination may be detrimental to an effective integrity system. Part of the effectiveness of a democratic integrity system is presumed to lie in the sharing of different accountability functions between different institutions – a theory of "checks and

balances", "horizontal accountability" or "mutual accountability" extended from the tripartite separation of legislative, executive and judicial power developed in Europe and America in the 18th century.[32] However, areas where clear coherence and co-ordination are necessary include those where institutional support is needed for specific functions embracing the entire Ethics Infrastructure. Achieving a coherent performance assessment framework is one such challenge, with the challenging of then conducting such assessments following closely behind. In Australia, there are perhaps two examples of the type of co-ordination mechanism that might be needed to establish and drive such a coherency of approach, neither of which is particularly adequate:

- At State level, in Queensland, an informal "integrity committee" exists consisting of the Director-General of the Office of Public Service Merit and Equity (OPSME), the Chairman of the Crime and Misconduct Commission, the Ombudsman, and the Auditor-General. However, this is an informal committee that meets only through convenience, and has no statutory functions, powers or resources of its own.
- At a federal level, the Administrative Review Council consists of a number of integrity agencies, but is law-focused and does not include the Auditor-General nor Public Service Commissioner. Nevertheless, it is arguably the nearest federal equivalent to the Queensland committee, and has the benefit of statutory identity and a permanent if small secretariat.

Despite the appearance of clear agency roles, and the benefits of multiplicity and shared responsibilities, the institutional coherence does not currently exist to support development and implementation of a coherent assessment framework. The institutional co-ordination needed to effectively devise and carry out more holistic policy assessment has very real, political and practical challenges in Australia.

Benchmarks

The second threshold issue for assessing consequences is the choice of benchmarks. This choice will highlight different consequences for "constitutional government". An assessment of consequences cannot get very far if it does not address appropriate measurement standards. Currently, the only clearly accepted quantitative measures tend to be those relating to activity and efficiency (number of cases handled and closed, at what rate). Thus, one of the most basic but uncertain problems for integrity assessment is the choice of a broader range of more qualitative standards, in a broader range of contexts, against which to measure performance. The need for benchmarks also further reinforces the need for governments to commit to long-term longitudinal research, since one of the most reliable standards is simply whether and why particular indicators might be changing over time.

Institutional interests of the assessors

Different assessment regimes will assess different consequences. No review of competing assessment regimes can ignore an examination of the merits of different types of consequences. Indeed one way into the thicket of consequences is to relate actual consequences back to intended consequences, based on the intentions of assessors. However in turn, intentions must be related back to the institutional interests of those assessors, using "interests" here in a neutral sense designed to bring out the institutional self-understanding of differently "instituted" assessors. This aspect of self-understanding is a largely-forgotten element in the literature evaluating integrity systems, which typically evaluates according to some external blueprint which might – or more often might not – capture the inner dynamics at work in the real-life operations of integrity institutions.

Accordingly, the "consequences" assessed by particular institutions will vary depending on the "interests" of those institutions, which can also change over time, reflecting the changing priorities of successive leadership teams. Similarly, different bodies approach the task of integrity assessment with different sets of expectations. The fact that institutions share a common task – loosely: performance assessment – does not mean they expect to drive that task in the same or even similar ways. Internal and external assessors approach the assessment task with different expectations; and in turn, these two categories of "internal" and "external" span a wide range of different types of institutions, each with its distinctive approach and set of expectations.

For example, the "internal" category ranges from the self-assessment of individual officers (relevant when reporting on aspects of their own conduct for the purposes of performance reporting) through the various forms which agencies might assess their own performance (from general annual reports to specific reports on particular aspects of public service) down to the many types of service-wide self-assessments orchestrated through the central coordinating agencies, again with varying degrees of critical independence exercised by central agencies. The "external" category ranges equally widely, overlapping with the "internal" category at certain points. What might seem an internal assessment to some observers can just as understandably seem an external assessment to others. Internal audit plays a major role in supporting integrity within government, but opinions differ about whether "internal audit" is basically a part of internal management or of external review or indeed of both. So too, external or "independent State audit" can be seen as arms-length external accountability or as an internal partnership with decision-makers, or both.

These conflicting perspectives reflect the importance of the leadership orientation of the officials in charge of, for example, audit agencies: the same institutions of audit assessment can function as internal or external assessors

or some combination of both, depending on the sense of professional responsibilities of those leading the assessment. All those seeking to operationalise any assessment framework must remain conscious of the institutional politics that underpin their own role.

The unmeasurable in public administration

The fourth threshold issue of framework design is the further complexity of measuring integrity when the core business of public administrators is itself never fixed, but rather is about the exercise of discretion. Listening to what governments themselves say is their core business, is vital to understanding the core issues of integrity systems. Here Case Study 1 is again instructive. In describing the emerging public service model of values-based regulation, with a balance of *i)* central legislation identifying the underlying principles of ethics and values and *ii)* devolved administrative practices with patterns of responsibility varying according to the nature of the public business, the APSC notes that all this presumes that "leaders must have the highest standards of integrity". Without ethical leadership, public service values will die a death on the statute book. But leadership in ethics and values is easier to see than to plan for or programme into operation. Ethical leadership is not a compliance test, as though public service leaders simply had to ensure administrative compliance with a set of core values mandated in legislation. If only the pursuit of public integrity were that simple. Instead, public service leadership must meet a more challenging test which is to make progress in "an environment where there are fewer rules and there is greater scope for discretion in decision making" by guiding employees "to make the most appropriate decisions in all circumstances".[33]

In this context, growing interest in ethics, values and integrity is not concerned with hard and fast standards, but the need for frameworks of risk management suitable to public decision-makers. With fewer rules to guide or bind them, decision makers have no real alternative but to use their own best judgment about what is appropriate in the circumstances. Among other things, they have to manage the risk to the public interest posed by the many calls on their attention. With fewer rules prescribing the manner and form of official decision-making, officials have to use their own responsibility to devise appropriate processes that honour the spirit of the underlying public service values. But appropriate in what sense? The answer turns on what we understand to be appropriate to the integrity of the decision-maker. As in the Canadian approach taken by Glor and Greene (2003), any overall assessment framework has to remove the false hope that one size fits all. Assessment of consequences should not be driven by mistaken expectations of uniform coherence across systems of government. The institutional diversity associated with constitutional checks and balances is one the basic

democratic values acknowledged by Glor and Greene, with the lesson that the on-the-job integrity appropriate to one role in one institution will not be identical with on-the-job integrity in other roles and contexts. Assessment frameworks have to be subtle enough to accommodate this diversity of public roles and offices, reflecting the range of legitimate functions performed by the many overlapping public institutions that make up "government".

Personal dimensions

A fifth threshold issue is the importance of the personal dimension to public integrity. At the end of the day, it is individuals and people that matter more than organisations and systems. Public services depend on the commitment of individual employees whose support for public integrity will be all the more enduring when it draws on and reinforces personal integrity. Many government assessment systems recognise the importance of clear standards of personal conduct, reinforcing our argument about the link between consequences and standards. An example is the July 2003 Australian National Audit Office (ANAO) "better practice guide" on Public Sector Governance. The first volume deals mainly with institutional framework issues, but the second volume deals more directly with personal dimensions, including an "individual office guidance paper" followed by a guidance paper on "potential conflicts" between official and personal interests. These papers demonstrate the importance of measuring consequences against appropriate standards, including the consequences of institutional performance against personal standards that are basic to constitutional government.

Our discussion above also noted the current and potential role of award schemes for meritorious service or career achievements designed to honour valuable staff. Such prizes reflect integrity assessments at the most personal level. One might think that this would be the most contestable of all exercises in integrity assessment, but it may be that these are among the least suspect. One reason for this might be that these integrity awards force those who assess the claims of the potential awardees to integrate the public and the private – the job and the person, or the office and the officeholder – in ways that "cut to the chase" and see the part that personal integrity plays in sustaining public integrity. The issue is how the integrity value of these existing personal performance measures can be enhanced in importance, and linked into a framework for assessing integrity systems overall.

Relating back to fundamental drivers

Finally, when focusing on the consequences of integrity systems, we must include the consequences not just of those systems but of our assessment framework itself. That is, we must consider the impacts or outcomes of our assessment approaches for basic processes of constitutional government. This

might sound too grand a consequence to measure public service ethics against, but the underlying analytical framework has to acknowledge the broader constitutional setting in which public service activities operate, and be explicit regarding the policy or political drivers of the exercise (such as reviewed above). As we have seen, alternative analytical frameworks focus on important but narrower organisational impacts, either for distinct public entities or for the public service more generally. Valuable as these approaches can be, they may fail the overall consequences test because they do not trace the trail of impacts back far enough, or because they take current public organisations as a given. In contrast, the orienting principle of a larger assessment framework must be to evaluate integrity systems – institutions, policies or processes – as means to a larger end, which in the Australian case we might call, simply and no doubt misleadingly, "constitutional government".

Key recommendations

The aim of the present OECD project is to develop an analytical framework based on selected good practices and emerging lessons, that identifies key ingredients of sound policy assessment. Such an assessment framework is intended to help policy makers recognise the gap between policy intentions and actual practices.

While the search for best practice in integrity assessment may still be in relative infancy as an analytical and academic exercise, the Australian experience shows that there are, nevertheless, many different types of information collected in many different ways, all relevant to the performance of integrity systems: implementation measures, activity and efficiency measures, larger institutional effectiveness measures and outcome measures. Efforts such as the State of the Service reporting of the Australian Public Service Commission and Public Sector Profiling of the NSW ICAC are hopefully typical of the growing sophistication of implementation and outcome measures.

Currently, however, the lack of an agreed overall framework means that the full value of efforts in individual areas is probably not being realised. The overall value of efforts to measure the "consequences" of Australian integrity systems is currently not likely to amount to something more, but rather something less than the sum of their parts. The next challenge is to identify how a practical assessment framework might usefully adapt and integrate a variety of current performance measures into a simple, but comprehensive approach. The six issues above are intended to help in that process. Although it is possible to identify a number of promising "best practices" (or perhaps "better practices") in the hard work of "doing" integrity assessment, best practice in the even harder work of "theorising" such assessment remains just as important.

In light of these lessons, and the broader need for integration and reconciliation of the four categories of performance information outlined earlier, the key issue is how to develop an assessment framework that provides a holistic picture of whether integrity goals are being achieved. Obviously such a framework would benefit from being relatively simple, while not simplistic, and needs to be realistic in terms of the cost of assessment activities themselves. The following recommendations encapsulate some key lessons from the Australian experience:

1. Empirical social-science employee surveys provide an invaluable counterpoint to formal reports of policy implementation on integrity issues, and should be institutionalised as a core implementation measure, regularly conducted across all public sectors. However there needs to be substantial integration of the different (positive and negative) conceptions of integrity driving different employee survey efforts, to provide a coherent picture of the relative performance of different integrity policies (leadership/personal, organisational/management and legal/enforcement).
2. As with any quality research, additional measures are needed to cross-check or validate the accuracy of information being received through public sector surveys (for example by using focus groups facilitated by independent researchers to confirm that respondents are not telling management what it wants to hear, and to investigate non-respondents).
3. To justify the expense of such in-depth ongoing evaluation, benchmarking needs to be undertaken into the relative costs of performance assessment and quality assurance regimes in other policy areas.
4. Substantial new research and policy development is needed in Australia to rationalise, standardise and expand the basic activity and efficiency measures applying to integrity bodies with predictable workloads (*e.g.* case-handling bodies). Standardisation is crucial before effective comparative analysis (one of the simplest evaluative tools) can be used to judge the relative performance of like bodies, and promote the identification and transfer of best practice. Expansion is needed to identify meaningful qualitative performance indicators, where this is possible.
5. An in-depth comparative study is needed of the different types of information collected and/or used by parliamentary committees when evaluating integrity bodies, as one basis for constructing a more routine, politically acceptable framework (or sub-framework) of performance assessment. By regularising a framework based on this experience, integrity agencies and parliamentarians alike can develop a more consistent and potentially less volatile understanding of how integrity performance is to be evaluated from year-to-year. All major integrity bodies should have a designated Parliamentary oversight committee.

6. Australian public sectors need to expand and systematise their search for substantive integrity "outcomes" measures based on (a) empirical corruption and maladministration risk assessment, (b) the accessibility and confidence placed in integrity systems by citizens, and (c) cross-referencing of both these types of information. These efforts need to be substantially elevated in importance, much as employee surveys and public sector profiling have been developed over the past decade. As per recommendation 1, the necessary instruments and sampling strategies need to be designed holistically to more efficiently cover the different dimensions of integrity and varying roles of different integrity institutions.
7. A cross-jurisdictional review needs to be undertaken of the relative value and accuracy of independent, central agency and internally-run survey and research activities in order to determine the most cost-effective mix of external and internal evaluation activities. In general, agency-run integrity assessments are to be encouraged (if not positively required) but cannot substitute totally for central or external assessment activities.
8. The legislative framework governing integrity and anti-corruption measures in each jurisdiction needs to be updated to constitute a central coordinating mechanism, based on representation of all key integrity agencies together with parliamentary and community representation, with an express obligation (and resources) to develop and implement an ongoing evaluation strategy. These legislative provisions should require that each coordinating body confer with other coordinating bodies to identify consistent national and international benchmarks and methodologies, where possible, before implementing or updating its own evaluation strategy.

Notes

1. Mulgan and Uhr, 2001: 159.
2. ALRC, 1996.
3. Gilchrist and Bachelard, 2004; Skelton and Shiel, 2004; Lewis, 2004; Gray *et al.*, 2004.
4. Victorian Parliament, 2004b; Bracks, 2004.
5. May, 2003, quoted Victorian Parliament, 2004a: 12.
6. Ruddock and Ellison, 2004.
7. ANAO, 2001; ANAO 2003a.
8. ICAC, 2000.
9. Zipparo, 1998; Zipparo, 1999.
10. WA Police, 2002.
11. Smith and Jackson, 1995; 1996; Smith, 1998; 1999; 2000.
12. CPA Victoria, 2004.

13. ACT Government, 2004.
14. NSW Premier's Dept, 2004.
15. APSC, 2004.
16. See *e.g.* Homel, 2002.
17. OECD, 2000: 66.
18. See *e.g.* ABS, 2003; ABS, 2004.
19. APSC, 2003a: 103ff.
20. Commonwealth Ombudsman, 2003: 12.
21. Barrett, 2004.
22. See de Speville, 1999: 56.
23. Commonwealth Ombudsman, 2000: 4.
24. ICAC, 2001: 10.
25. Community Attitudes to Corruption and the ICAC (1993, 1994, 1995, 1996, 2003a) and Community and Journalists Attitudes to Corruption and the ICAC (1999).
26. CJC, 2000, 2000b; CMC, 2002.
27. See *e.g.* Coulthart, 2004.
28. Glor and Greene, 2003; Greene and Shurgrman, 1997.
29. Glor and Greene, 2003: 56-59.
30. See Rohr, *J. Public Service, Ethics and Constitutional Practice,* 1998.
31. See OECD, 2000: 24-5 and 66-68.
32. See Schedler, Diamond and Plattiner, 1999: 29-67; Uhr, 2003: 16; Mulgan, 2003: 232.
33. APSC, 2003a: 28-30.

Bibliography

AAT (2003), *Annual Report 2002-2003*, Canberra, Administrative Appeals Tribunal, Commonwealth of Australia.

ABS (2003), *Crime and Safety Statistics 2002, Catalogue 4509.0*. Canberra, Australian Bureau of Statistics, Commonwealth of Australia.

ABS (2004), *Criminal Courts Statistics 2002-2003, Catalogue 4513.0*, Canberra, Australian Bureau of Statistics, Commonwealth of Australia.

ACT Government (2004), *Australian Capital Territory Government: Integrity Policy*, *www.psm.act.gov.au/publications/integrity_policy.doc* (29 June 2004).

Administrative Review Council (1995), *Better Decisions: Review of Commonwealth Merits Review Tribunals*, Canberra, Administrative Review Council, Commonwealth Attorney-General's Department.

Administrative Review Council (2001), *Internal Review of Agency Decision-Making*, Canberra, Administrative Review Council Report No. 44, Commonwealth Attorney-General's Department.

AIM (2004), *Australian Institute of Management: Management Excellence Awards*, *www.managementawards.com.au/* (26 June 2004).

ALRC (1996), *Integrity: But Not By Trust Alone – Australian Federal Police and National Crime Authority complaints and disciplinary systems*, Sydney, Australian Law Reform Commission Report No. 82, Commonwealth of Australia.

ANAO Various Reports and Surveys carried out the by the Australian National Audit Office in Canberra, dated from 1999 to 2004, are fully cited in the bibliography to the full version of this paper.

ANU (2004), *Australian National University: Democratic Audit of Australia*, *http://democratic.audit.anu.edu.au/* (30 June 2004).

APSC (2003a), *State of the Service Report 2002-2003*, Canberra, Australian Public Service Commission. (All APSC Reports Accessible: *www.apsc.gov.au/*)

APSC (2003b), *Embedding Values: Case Studies and other supporting material*, Australian Public Service Commission.

APSC (2003c), *State of the Service Employee Results 2002-03*, Australian Public Service Commission.

APSC (2003d), *Embedding the APS Values*, Australian Public Service Commission, *www.apsc.gov.au/values/values.htm*.

APSC (2004), *Performance Management in the APS: A Strategic Framework*, Australian Public Service Commission.

Australian Government (2004), *Anti-Corruption Policies in Asia and the Pacific: Self-Assessment Report Australia*, Canberra, Australian Government/Asian Development Bank and OECD Anti-Corruption Initiative for Asia and the Pacific; *www1.oecd.org/daf/ASIAcom/pdf/str_australia.pdf* (11 June 2004).

Azuma, N. (2004), *"Performance Measurement of Supreme Audit Institutions in Four Anglo-Saxon Countries: Leading by Example"*, Government Auditing Review (Japan) 11: 65-99.

Barrett, P. (2004). *Performance Auditing in a Changing Australian Public Service Environment*, Canberra, Address to University of Canberra, Graduate Certificate in Performance Auditing. *www.anao.gov.au* (June 2004).

Blackshield, A.R. and G. Williams (2002). *Australian Constitutional Law and Theory: Commentary and Materials*. Sydney, 3rd Edition, Federation Press.

Bottom, B. and J. Medew (2004), *"The Unfair Fight: Why Corruption's Unchecked"*, The Age (Melbourne), 23 May 2004: 8.

Bracks, S. (2004), *"Ombudsman to Receive Additional Funds and Resources"*, Media Release: Office of the Premier of Victoria.

Brogan, M. and H. Phillips (ed.) (1995), *Past as Prologue: The Royal Commission into Commercial Activities of Government and Other Matters*. Perth, Edith Cowan University.

Brown, A.J. (1992), *"The Wig or the Sword? Separation of powers and the plight of the Australian judge"*, Federal Law Review 21: 48.

Brown, A.J. (2003a), *The Australian National Integrity System Assessment (NISA): Towards a Framework Methodology*, Brisbane, Paper to "Integrating Integrity" Workshop, Griffith University, November 2003.

Brown, A.J. and D. Magendanz (forthcoming), *Building positive reporting climates in the Queensland public sector: a manager's guide*, Brisbane, Queensland Crime and Misconduct Commission.

Brown, A. J. and J. Uhr (2004), *Integrity Systems: Conceiving, Describing, Assessing*. Australasian Political Studies Association (paper accepted for programme and submitted for refereeing), Adelaide.

Camerer, M. (ed.) (2004), *Global Integrity Report*, Washington DC, Centre for Public Integrity, *www.publicintegrity.org*.

CJC and CMC: Various Reports and Surveys carried out by the Queensland Crime and Misconduct Commission and its predecessor the Queensland Criminal Justice Commission, dated from 1999 to 2004, are fully cited in the bibliography to the full version of this paper.

Coghill, K. (2004), *Auditing the Independence of the Auditor-General*, Canberra, Occasional Paper to Political Science Program, Research School of Social Sciences, The Australian National University, 11 February 2004 / Democratic Audit of Australia.

Commonwealth Ombudsman (1997), *Annual Report 1996-1997*, Canberra, Office of the Commonwealth Ombudsman, Commonwealth of Australia.

Commonwealth Ombudsman (2000), *Annual Report 1999-2000*, Canberra, Office of the Commonwealth Ombudsman, Commonwealth of Australia.

Commonwealth Ombudsman (2003), *Annual Report 2002-2003*, Canberra, Office of the Commonwealth Ombudsman, Commonwealth of Australia.

Corbett, D. (1997), *"Serving the public: six issues to consider"*, in *Accountability and Corruption: Public Sector Ethics*. G. L. Clark, E. P. Jonson and W. Caldow (ed.). Sydney, Allen and Unwin: 15.

Corbett, D. (1997b), *Institutionalising Ethics: The Queensland Case*, Unpublished Report.

Coulthart, R. (2004), *"Corruption Notebook: Australia"* in *Global Integrity Report*. M. Camerer (ed.). Washington DC, Centre for Public Integrity.

CPA (Vic) (2004), *Commissioner for Public Administration (Victoria): People Management Awards*, *www.ope.vic.gov.au/* (29 June 2004).

de Speville, B. E. D. (1999), "*The Experience of Hong Kong, China, in Combating Corruption*" in *Curbing Corruption: Toward a Model for Building National Integrity*, R. Stapenhurst and S. J. Kpundeh (ed.). Washington DC, Economic Development Institute, World Bank: 51-58.

Dickie, P. (1988), *The Road to Fitzgerald: Revelations of Corruption Spanning Four Decades*, Brisbane, University of Queensland Press.

Doig, A. and S. McIvor (2003a),*"The National Integrity System: Assessing Corruption and Reform", Public Administration and Development* 23: 317-332.

Doig, A. and S. McIvor (2003b). *Qualitative Versus Quantitative Corruption Measurement: The National Integrity Study Approach*, Working Paper/Draft Book Chapter prepared for Griffith University NISA project.

Gilchrist, M. and M. Bachelard (2004), "*Stopping The Rot*". *The Australian* (Sydney), 26 May 2004.

Gleeson, M., T. Allan and M. Wilkins (1992), *An Act of Corruption? Nick Greiner's Years in Power and his Unorthodox Demise*. Sydney, ABC Books.

Glor, E. and I. Greene (2003), "*The Government of Canada's Approach to Ethics*", Public Integrity 5(1): 39-65.

Gray, D., M. Ketchell, *et al.* (2004), "*Victorians want crime panel: poll*", The Age (Melbourne).

Greene, I. and D.P. Shurgrman (1997), *Honest Politics: Seeking Integrity in Canadian Public Life*, Toronto.

Homel, R. (2002), *"Integrity Testing"* in *Police Reform: Building Integrity*, T. Prenzler and J. Ransley (ed.). Sydney, Federation Press.

ICAC: Various Reports and Surveys carried out by the NSW Independent Commission Against Corruption) dated from 1993 to 2003, are fully cited in the bibliography to the full version of this paper. (All ICAC Reports accessible: *www.icac.nsw.gov.au*).

JSCEM (2002), *The Integrity of the Electoral Roll, Review of ANAO Report No.42 2001-02, Integrity of the Electoral Roll*. Canberra, Joint Standing Committee on Electoral Matters, Commonwealth Parliament.

KCELJAG and TI (2001), *Australian National Integrity Systems Assessment: Queensland Handbook*, Brisbane, Key Centre for Ethics Law Justice and Governance, Griffith University, and Transparency International (Australia).

KCELJAG (2004), *Aligning for Ethics*. Unpublished report.

Kimber, D., J. Lucas and M. Segon (2001), *Business Integrity Systems in Australia*. Melbourne, Royal Melbourne Institute of Technology, School of Management, available at *www.griffith.edu.au/centre/kceljag*.

Larmour, P. and M. Barcham (2004), *National Integrity Systems Pacific Islands: Overview Report*, Melbourne, Transparency International (Australia).

Lewis, C. (2004), *"How Best to Use Fitzgerald"*, The Age (Melbourne), 4 June 2004.

Mulgan, R. (2003), *Holding Power to Account: Accountability in Modern Democracies*, Basingstoke and NY, Palgrave McMillan.

Mulgan, R. and J. Uhr (2001), *"Accountability and Governance"* in *Are You Being Served? State, Citizens and Governance*, G. Davis and P. Weller (ed.), Allen and Unwin: 152-174.

NSW Parliament (2003a), *Report of 11th General Meeting with the NSW Ombudsman*, Sydney, Joint Parliamentary Committee on the Ombudsman and Police Integrity Commission, Parliament of New South Wales.

NSW Parliament (2003b), *Report of 7th General Meeting with the Police Integrity Commission*, Sydney, Joint Parliamentary Committee on the Ombudsman and Police Integrity Commission, Parliament of New South Wales.

NSW Premier's Department (2004), *Premier's Public Sector Awards*, *www.premiers.nsw.gov.au/* (28 June 2004).

NT Government (2004), *Northern Territory Government: Equity and Diversity Awards*, *www.nt.gov.au/ocpe/equity/awards.shtml* (12 June 2004).

O'Brien, P. and M. Webb (ed.) (1991), *The Executive State: WA Inc and the Constitution*, Perth, Constitutional Press.

OECD (1996), *Ethics in the Public Service: Current Issues and Practice, Public Management Occasional Paper No.* 14, Paris, Organisation for Economic Co-operation and Development.

OECD (1999), *Public Sector Corruption: An International Survey of Prevention Measures*, Paris, Organisation for Economic Co-operation and Development.

OECD (2000), *Trust in Government: Ethics Measures in OECD Countries*, Paris, Organisation for Economic Co-operation and Development.

Perry, P. J. (2001), *Political Corruption in Australia: A Very Wicked Place?* Aldershot, Ashgate.

Pope, J. (2000), *Confronting Corruption: The Elements of a National Integrity System (The TI Source Book)*, Berlin and London, Transparency International.

Pope, J. (2003), *"Introducing The National Integrity System"*, (ed.), Working Paper/Draft Book Chapter prepared for Griffith University NISA project.

Preston, N. (1999), *Public Sector Ethics in Queensland Since Fitzgerald*, Paper presented to Australian Society of Archivists.

Preston, N., C. Sampford and C. Connors (2002), *Encouraging Ethics and Challenging Corruption: Reforming Governance in Public Institutions*, Sydney, Federation Press.

Productivity Commission (2004), *Report on Government Services 2004: Steering Committee Report*, Melbourne, Productivity Commission, Commonwealth of Australia. *www.pc.gov.au*.

Qld Parliament (2004), *Three-Yearly Review of the Crime and Misconduct Commission*, Brisbane, Parliamentary Crime and Misconduct Committee, Report No. 64, Parliament of Queensland.

Quah, J. S. T. (2003), *Curbing Corruption in Asia: A Comparative Study of Six Countries*, Singapore, Eastern Universities Press.

Ransley, J. (2001), *Inquisitorial Royal Commissions and the Investigation of Political Wrongdoing*, Brisbane, PhD Thesis, Key Centre for Ethics Law Justice and Governance, Griffith University.

Roberts, P. (forthcoming), *National Integrity System Country Study: Australian Commonwealth Government*, Canberra, Centre for Applied Philosophy and Public Ethics, for A. Doig, S. McIvor and United Kingdom Department for International Development.

Rohr, J. (1998), *Public Service, Ethics and Constitutional Practice*, University Press of Kansas.

Ruddock, P. and C. Ellison (2004), "*Commonwealth to set up independent national anti-corruption body*", Joint Media Release, Offices of the Commonwealth Attorney-General and Minister for Justice.

Sampford, C. (1994), "*Law, ethics and institutional reform: finding philosophy, displacing ideology*", Griffith Law Review 3(1): 1-38.

Sampford, C. and D. Wood (1992), "*The future of business ethics? Legal regulation, ethical standard setting and institutional design*", Griffith Law Review 1(1): 56-72.

Schedler, A., L. Diamond and M.F. Plattiner (eds.) (1999), *The Self-Restraining State: Power and Accountability in New Democracies*, Boulder, Lynne Rienner.

Scott, S., A. Eyland, A. Gray, A. Zhou and C. Coumarelos (2004), *Access to Justice and Legal Needs: A Project to Identify Legal Needs, Pathways and Barriers for Disadvantaged People in NSW: Stage 1 Data Digest*. Sydney, Law and Justice Foundation of New South Wales.

Sedigh, S. and A. Muganda (1999), *"The Fight Against Corruption in Tanzania" in Curbing Corruption: Toward a Model for Building National Integrity*, R. Stapenhurst and S.J. Kpundeh (ed.). Washington DC, Economic Development Institute, World Bank: 151-177.

Shacklock, A., A. Gorta, C. Connors and F. O'Toole (2004), *Exploring the public-private divide: A comparison of some integrity assessment tools*, Australasian Political Studies Association Conference (paper accepted), Adelaide.

Skelton, R. and F. Shiel (2004), "*The Myth of the Clean Police Force*", The Age (Melbourne), 12 June 2004.

Smith, R. (1998), *"Strange Distinctions: Parliamentarians, Political Parties and Legislative Ethics Research"* in *Ethics and Political Practice: Perspectives on Legislative Ethics*, N. Preston, C. Sampford and C.-A. Bois (ed.). London, Routledge: 41-51.

Smith, R. (1999), "*Australian Solitudes: Citizens, Parliamentary Party Politics, Corruption Agencies and Political Ethics*", Legislative Studies 14(1): 36-46.

Smith, R. (2000), *"Inside Moves and Outside Views: An Australian Case Study of Elite and Public Perceptions of Political Corruption"* in *The Politics of Corruption*, R. Williams (ed.). Aldershot, Edward Elgar: 479-500.

Smith, R. and M. Jackson (1995), *"Everybody's Doing It! Codes of Ethics and New South Wales Parliamentarians' Perceptions of Corruption"*, Australian Journal of Public Administration 54(4): 483-193.

Smith, R. and M. Jackson (1996), "*Inside Moves and Outside Views: An Australian Case Study of Elite and Public Perceptions of Political Corruption*", Governance 9(1): 23-42.

Standards Development Unit (2002), *Western Australian Police Service Recruits Practical Ethics Survey*, Western Australian Police Service.

Thynne, I. and J. Goldring (1987), *Accountability and Control: Government Officials and the Exercise of Power*, Sydney, Law Book Company.

TI (2001), *The National Integrity System: Concept and Practice (Country Studies Overview Report)*, Berlin, Transparency International.

Tiffen, R. (1999), *Scandals: Media, Politics and Corruption in Contemporary Australia*, Sydney, University of NSW Press.

Uhr, J. (2003), *Creating A Culture of Integrity*, London, Commonwealth Secretariat.

Uhr, J. (2004), *How Do We Know if It's Working? Activities and Criteria for Assessing the Impacts of Integrity Institutions, Policies and Reforms*, Australasian Political Studies Association (paper accepted for programme), Adelaide.

Varghese, J. (2003), *"The Three Frames and Ethics – An Education Queensland Perspective"* in *Management, Organisation, and Ethics in the Public Sector*, P. Bishop, C. Connors and C. Sampford (eds). Aldershot, Ashgate.

Victorian Parliament (2004a), "*Police: Corruption and Organised Crime*", Legislative Council of Victoria – Parliamentary Debates (Hansard) (9 June 2004): 5ff.

Victorian Parliament (2004b), "*Second Reading Speech: Ombudsman Legislation (Police Ombudsman) Bill*", Legislative Assembly of Victoria – Parliamentary Debates (Hansard) (13 and 27 May 2004): 1317ff, 1364ff.

WA Parliament (2003), *National Conference of Parliamentary Oversight Committees of Anti-Corruption/Crime Bodies*. Perth, Joint Standing Committee on the Anti-Corruption Commission, Report No. 7, Parliament of Western Australia.

Western Australian Police (2002), *Enhancing the standard of ethical performance within the Western Australia Police Service*, *www.police.wa.gov.au/AboutUs/SupportServices/EthicsAndIntegrity.asp?StandardsDevelopmentUnit* (24 June 2004).

Weller, P. (ed.) (1994), *Royal Commissions and the Making of Public Policy*, South Melbourne, Macmillan.

Zipparo, L. (1998), "*Factors which deter public officials from reporting corruption*", Crime Law and Social Change, 30(3): 273-287.

Zipparo, L. (1999), "*Encouraging public sector employees to report workplace corruption*", Australian Journal of Public Administration 58(2): 83-93.

PART III

Values to be Part of the Daily Job: The Finnish Experience

by

Kirsi Äijälä*

* The author is a Senior Adviser for Legal Affairs at the State Employer's Office of the Ministry of Finance in Finland. She has been the chair of the Working Group on "Values to be Part of the Daily Job".

Summary

Introduction

This chapter examines the Finnish model for strengthening core values and retaining and promoting high standards of ethics in State administration. The Personnel Department of the Ministry of Finance, State Employer's Office has actively worked toward these ends since the mid-1990s and has surveyed developments in the daily application of values across the State administration. The latest efforts in Finland have centred on practical issues, and especially on measures in human resource management. The goal is to find the best ways for making general values of State administration, as well as specified values of individual agencies, more real in the work and work-related activities of leadership, managers and other civil servants.

State administrations already operate on common principles and have an ethically strong policy in place. The idea is to strengthen that basis, all the while recognising that values are of no significance as mere words, but must be implemented in the form of practical activity, decisions and actions. The task of the State Employer's Office is to influence the reinforcement of a common value basis and to promote turning the units' own values into practice. To help with that task, a Working Group "Values to be Part of the Daily Job" was set up in September 2002.

Scope

The work was not intended to cover all the ethical questions of the public sector, but was limited to the point of view of civil servants and authorities. The results of an ethics-based survey formed the basis for the working party's conclusions. Questions to do with civil servants were addressed to both managers and personnel representatives in the Finnish ministries and government agencies.

Also, questions concerning political decision making and the related political-administrative interface of civil servants were excluded from the study. Nor did the report deal with ethics issues relating to the operations of State business enterprises or companies, or of anything other than central State administration.

Summary of main conclusions

The Working Group concluded that incorporating value-steered activity and management into everyday work calls for a conscious investment in promoting the matter in numerous sub areas of personnel policy. Each unit must review its own process and thereby gain a common understanding of the practical significance of values in its work. The unit's values steer its activity and take precedence over the individual's values in conflicting situations. Once the values steer the activity and have been internalised, the activity can meet high ethical standards. Implementation of values also requires individuals to know what their role is in the work organisation and how they can implement the values in their own work.

The Working Group's conclusions and proposals tackle:

- Values as a management tool.
- Values as a civil servant's ethical code.
- Monitoring implementation of values.

Values as a management tool

Implementing values in the activity means that they are used as a management tool. This calls for directors and managers to commit themselves solidly to activity in line with the values. The Working Group has gathered its proposals and conclusions into a list of measures. It presents the matters that are the minimum required for incorporating values into practical activity, to steer that activity.

- Definition of values means a value debate that gives all personnel an opportunity to participate and be heard. It also means designating the unit's values and assigning them a uniform significance in the unit's work.
- Values are incorporated into management by results. Values are involved in the control of the administrative sector comprehensively. The values of the ministry and the subordinate department are incorporated into their annual result discussions.
- Values and ethics are part of the development of management and personnel. The significance of the common values basis of the State administration and exercises and discussions relating to ethical procedures are core areas.
- Working atmosphere surveys are put to use. These provide information on management and the well-being of personnel at the time they are conducted. Questions relating to the implementation of values help in long-term monitoring.
- Values are included in personal annual result and development discussions. These discussions contain a section in which the official/employee and manager both assess each other's activity according to the values.

- Directors are assessed. The directors' example furthers implementation of values. Here, values can be linked to overall assessment.
- The department's values are taken into account when developing the departments' new remuneration systems. Applying the systems in practice helps foster activity in line with the department's values.
- Values are involved in the choice of personnel. The State administration's and the unit's own value basis are taken as one subject in the structured recruitment interview.
- Ethical problems are resolved. Discussion of the ethical issues that arise is open. The electronic discussion board, the group assisting management, and public relations are means of resolving ethical problems.
- Activity contrary to values is stopped**.** The significance of values is manifested in actions. Strengthening of values calls for behaviour in line with them to be fostered. Credibility requires activity contrary to values to be stopped as part of normal management and managers' work.

Values as a civil servant's ethical code

- Crystallising the unit's values and their practical significance into an ethics code fosters internalisation of values. One example of an ethics code is a map of rules with a brief description of the content of the value and a list of practical procedures describing how each value translates into practice.

Monitoring implementation of the values

- Responsibilities of a State bureau:
  - Implementation of values is monitored in day-to-day work and individuals can provide their colleagues with feedback. The section on implementation of values in practice, to be attached to the annual report, strengthens monitoring. Various barometers as well as self-assessment of the quality system also act as monitoring tools.
- Responsibilities of the State Employer's Office as the central agency:
  - The State Employer's Office's personnel policy barometer, addressed to the State agencies regularly, will include a question about monitoring implementation: "Is implementation of values be measured in *a)* managers' work and management, *b)* the work of all officials in your agency?"
  - The Working Group's final report, together with pilot annexes and a booklet containing the State administration's values and ethical principles, will be distributed to departments.
  - The results of the project will be presented at suitable fora in collaboration with the pilot groups. The State Employer's Office will assess the effectiveness of the project as regards the pilots and also more broadly.

The Finnish Integrity and Anti-Corruption System

While corruption prevention is not the main focus of the Finnish work on ethics, it is seen as an outcome of the process. Finland's situation is excellent to begin with: according to the most recent Corruption Perception Indexes published by Transparency International in 2001, 2002, 2003 and 2004, the country had the lowest perceived corruption figures. The Index was first published in 1995. That year and the one following, Finland was ranked as the fourth least corrupt country; the next four years it was ranked as the second least corrupt. Strengthening values using personnel policy is expected to maintain this favourable situation.

Values and Ethics in the Finnish State Administration: Main characteristics

Personnel policy and values

Legislation, and in particular the State Civil Servants' Act, contains provisions on ethical norms of conduct. A strong legal basis (as well as tradition) establishes principles for ensuring that authorities fulfil their tasks properly. The provisions are not, however, very detailed. Because of this, they may be interpreted in different ways and act as guidelines rather than strict orders on what specific actions are forbidden, etc. Concerning bribery, for example, there are no exact cost limits on the values of permissible gifts to civil servants.

In recent years, while the State personnel policy has been under reform, an explicit new approach to ethics has been adopted. The significance of ethical rules was clearly emphasised in the State's personnel strategy (approved in Autumn 1995), which provided guidelines and gave the agencies and institutions principles that could be used when drawing up personnel strategies applicable to their own units.

The strategy has been revised by the Government Decision in Principle of 30 August 2001, called "*On State Personnel Policy Line*". The new Decision contains a revised statement of values, now seen to be:

- Effectiveness.
- Quality and strong expertise.

- The service principle.
- Transparency.
- Trust.
- Equality.
- Impartiality.
- Independence.
- Responsibility.

Comparison with the traditional values, legislation and principles reveals two additions in the 1990s: effectiveness as well as quality and strong expertise**.**

In Finland the role of central personnel policy has grown in importance in clarifying basic values as well as in avoiding conflicts of interest in general. The government Decision states that in the midst of an increasingly global environment, the State administration's values are founded on democracy, rule of law and the Nordic welfare society. The aim of State personnel policy is to strengthen and draw on these basic values and a uniform operating culture. In the era of new staff entering the labour force in big cohorts and working communities growing increasingly diverse and multicultural, maintaining that culture depends on sharing common values.

Openness and transparency as a tradition

Openness is traditionally one of the basic principles of Finnish State administration and the Nordic administrative culture. The publicity principle, dating from the 1700s, requires open decision making and documents to be made available to the public. Only matters and documents that have been specifically prescribed as secret are to be kept confidential. The principle of transparency is included in the Constitution and other laws. Thus, unlike most other OECD member countries, Finland has a strong tradition of transparency. This is one of the main reasons for such a low rate of corruption.

Legislation has been developed to foster even greater openness. Public organisations need to ask themselves whether their operating culture is up to date in this aspect. The new administrative culture demands active ways of supplying information, for example to the media.

The legal basis

There is a **stable legal basis for high ethical standards** in the State government and a high degree of compliance with provisions. The actions and conduct of civil servants are primarily governed by the Constitution, the State Civil Servants' Act, the Administrative Procedure Act, the Act on Openness of Government Activities, the Act on Equality between Women and Men and the Act on Public Procurement. The Penal Code provides for the criminal liability of

civil servants and the employees of public corporations. The general principles of administrative law are also significant as ethical norms for guiding the daily actions of administration. The actions and liability of civil servants and the authorities are closely regulated by legislation. Judicial practice draws a strict line between legal and illegal actions in individual situations.

The 1998 Ethics Project

The Ministry of Finance is responsible for promoting high ethical standards in Finland's State administration. In 1998 it set up a working group to seek ways of maintaining the high-quality level Finland had attained. Although generally speaking the country does not have problems in this area due to a number of factors, there could be a risk of decline. The Working Group's aim was also to present a comprehensive picture of the values on which Finnish civil service ethics are based, as well as central norms and principles in the State government.

Methods

The results of an ethics-based survey formed the basis for the working party's conclusions. Questions to do with civil servants were addressed to both managers and personnel representatives in the Finnish ministries and government agencies.

The work was not intended to cover all the ethical questions of the public sector, but was limited to the point of view of civil servants and authorities. Also, questions concerning political decision making and the related interface of civil servant drafting were excluded from the study. Nor did the report deal with ethics issues relating to the operations of State business enterprises or companies, or of anything other than central State administration.

The Ministry of Finance carried out a survey in 1998 under the direction of the Ethics Working Group. Approximately 170 agencies and institutions of the central State administration participated. The targets were the top management and personnel representatives in those organisations. A total of 650 answers were returned, of which about 27% were from heads of agencies, 44 % from other top management and 27 % from personnel representatives.

The reforms since the mid-1980s clearly show that ethics and values have assumed an increasingly key role. In an earlier survey, 85% of the agency executives considered values and ethical questions important from the point of view of the agency's operation.

The 1998 survey focused on the following issues:

- Changes in the values of governance.
- Principles of civil service ethics.

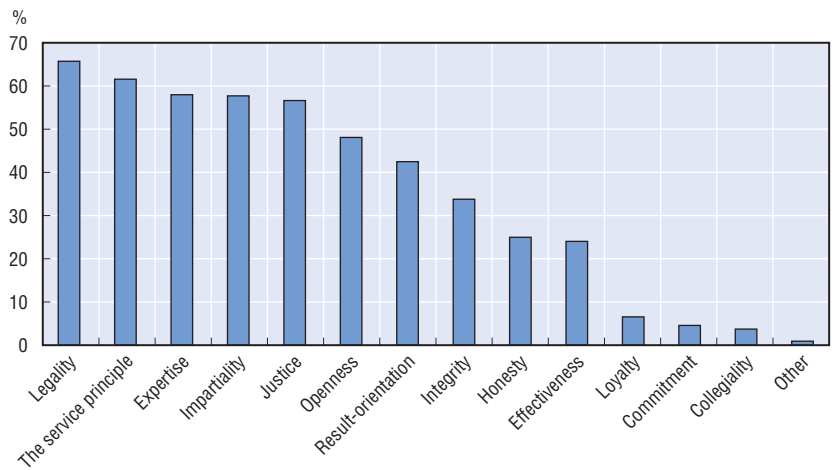
- Unethical practices.
- Factors affecting civil service ethics.

What are the most important values?

The most important values in State administration according to the Finnish survey are listed in more detail in Figure III.16. Over half of those who answered felt these were **legality** (65.5%), **service** (61.5%), **expertise** (58.1%), **impartiality** (57.5%) and **justice** (56.6%). Other values were openness (47.8%), result orientation (42.3%) and integrity, *i.e.* incorruptibility (33.7%). The opinions of the management and the personnel representatives were very similar: the five most important values were the same, only listed in slightly different order (see Figure III.16).

Those answering the questionnaire felt that their own agency's values did not significantly differ from the general values of State administration. The only distinctive feature was the fact that, instead of legality, expertise (82.1%) became the most important value. In the light of the collected documents, the values of different agencies could diverge significantly One agency emphasises expertise, job satisfaction and awareness of quality and cost efficiency while another agency mentions result-orientation, international relations and initiative. The main factors uniting the agencies are **customer orientation, result orientation** and **openness**, which are presented as the most important values in nearly every other document. One in three documents underlined the importance of continuous development, the readiness for change, co-operation and expertise. Other values mentioned

Figure III.16. **The most important values in State administration**



Source: Civil Service Ethics. Ministry of Finance, Working Papers 8/2000.

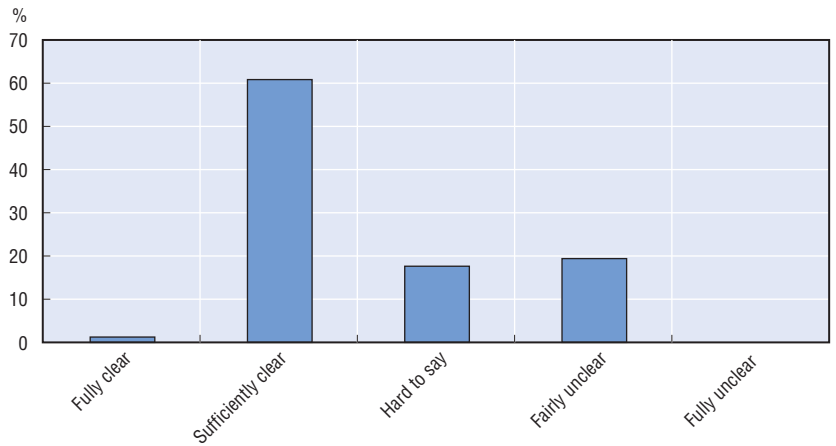
included quality consciousness, reliability, environmental protection and mutual respect. The values of the agencies are specific to their individual functions, supplementing the core civil service values.

Values in practice

The majority of those who answered felt that the values of State administration and practical operations correlated fairly well (78.3%). In other words, it would appear that double standards ("Don't do as I do, do as I say") do not occur very often. Those who answered felt that value discussions are necessary (91.2%). According to the data, values are discussed more often among management (78.3%) than among personnel generally (48.5%). The most usual fora for value discussions were executive groups, co-operation bodies, various value seminars and personnel magazines. On the other hand, values are always present in discussions, if only implicitly, and the recognition of a discussion explicitly as a value discussion requires certain conceptual readiness. This is why the probability of recognising values or ethical sensitivity increases with the level of education (correspondingly the number of "hard to say" answers decreases). In this study the distortion caused by differences in education is slight, however, because as many as 91% of those who answered had academic degrees.

In terms of concrete action, the Ministry of Finance launched a project in September 2002 to provide practical models for determining values and their incorporation in the activities of agencies. The aim was to make the values common to the agency and part of their everyday activities. The project is described more in detail in the next section of this chapter.

Figure III.17. **How clear are ethical principles?**



Source: Civil Service Ethics. Ministry of Finance, Working Papers 8/2000.

The clarity of the principles of civil service ethics

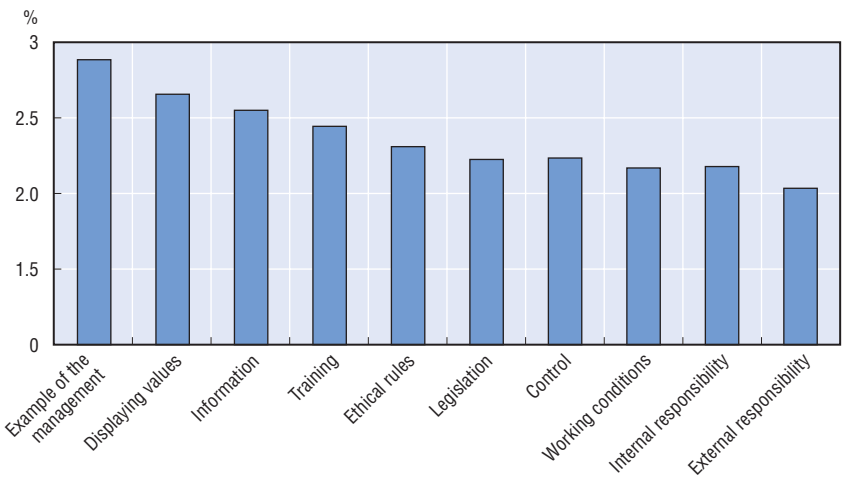
The Finnish managers and personnel representatives were asked about the clarity of ethical principles. "Principles" means rules, rights and obligations based on values. How do civil servants judge the situation – are the principles clear? The majority of those who answered felt that the principles of civil service ethics are sufficiently clear (61.0%), but a significant number felt that they are fairly unclear (19.7%). None of those who answered felt that the rules were completely unclear. By combining the above-mentioned categories, the proportion of those who felt that the principles are clear (*i.e.* "sufficiently" or "fully") is 62.4% and the proportion of those who felt that they are fairly unclear or for whom it was hard to say is 37.6%. This is most likely due to the fact that the central principles of civil service ethics in fact cannot be defined clearly and unambiguously; they differ according to official status and administrative sectors.

Two-thirds (67.5%) of those who answered estimated that ethical codes could be useful in Finland. Among those who felt that civil service ethics are unclear, rules were even more in demand: 75.4% felt that rules are necessary.

Factors affecting high standards of ethics

Finnish civil servants were asked what they considered the most effective measures in promoting high standards of ethics. The Working Group wanted to frame the question using the OECD-developed **Ethics Infrastructure**. The results are presented in Figure III.18.

Figure III.18. **Effectiveness of measures promoting high ethical standards**



(1 practically no effect, 2 slight effect, 3 strong effect)

Source: : Civil Service Ethics. Ministry of Finance, Working Papers 8/2000.

The individual measure judged most effective was **1) the example of management** (2.9). Setting their own example, managers and leaders thus provide standards that in time will be adopted throughout the organisation. Another factor found to have a strong effect was **2) displaying values** (2.7). Factors with a slight effect were **3) information** (2.5), **4) training** (2.4) and **5) ethical rules** (2.3). The effect of legislation and other measures was found to be slighter. Legislation can and should be used to determine the minimum level of ethics in order to prevent abuse (*low road*), but it is difficult to use legislation to motivate and encourage people to behave in an ethically high-level way (*high road*). Internal (2.2, *e.g.* an audit) or external (2.0, *e.g.* inspections by the Parliamentary Ombudsman) mechanisms of responsibility were not deemed very significant. The significance of working conditions was also deemed to be of little importance (2.2).

Values and Ethics as Part of Human Resource Management

The Government Decision On State Personnel Policy Line (2001) introduced explicitly the need for values as the basis for the State's functioning. The Decision also outlines why it is important to keep high ethical standards. As a follow-up to changes in an operating environment that has become more demanding and complex, values and ethics should be emphasised in a new way and reflected in, *inter alia*, management and personnel policy. Skilled and motivated personnel are a prerequisite for successful, result-oriented agency activity.

Maintaining an integrity-based State government

The government considers it important for the State to be a model employer in purposefully implementing good personnel policy. Effectiveness and good service capacity in public management call for well-managed employer and personnel policy and competent, committed personnel. These elements in turn can lead to better productivity and national competitiveness. A virtuous circle is then formed, with competitiveness ensuring competent and committed personnel. The Decision points out the following:

- In jobs of a permanent nature, permanent contracts should be used instead of fixed-term service relationships.
- Putting a motivating pay system in place will call for reform of the entire management culture.
- Recruitment of new staff will be supported with systematic induction and trainee programmes.
- Communicating the State's new operating culture is essential**.**

Because of new demands faced by managers in the public sector, it has been necessary to encourage more professional approaches in public management and the creation of a new generation of managers. This includes systematic promotion of management recruitment, assessment, career planning and training. A comprehensive joint management strategy for the State administration was published in early 2003, and preparation of new legislation based on the strategy is under way.

Box III.23. **Facing the challenge of high staff turnover**

According to the Finnish Government Decision On State Personnel Policy Line, organisations should engage in a real debate about values, and the consensus reached must be integrated into working practices and models. This includes ensuring that any ethical problems encountered by the civil service are solved and that the recognised high ethical standard of the Finnish civil service is maintained, even at times of high staff turnover. It has been estimated that nearly half of the present personnel is leaving because of natural attrition in 2001 – 2011. The forthcoming high turnover can be seen as a real challenge for maintaining uniform culture and values. As stated in the Decision: "*State personnel policy acknowledges that operating units are different, while recognising the need to build a uniform operating culture for the State administration. Individual operating units must be able to compete for labour on the terms of the surrounding environment,* i.e. *also amid regional divergence.*"

The responsibility of the Finnish State Employer's Office is to ensure compliance with the guidelines of the **Government Decision.** The concrete actions include, *inter alia*, a project on values and how they are integrated as a real part of day-to-day work in State units.

Values must not remain mere words. Much more important than words on paper is the meaning which the organisation gives them. They should form a concrete tool for management and leadership, for example in new pay systems that are being adopted in Finland. An ability to reach this target requires persistent and determined work. The values should be simple, clear in their interpretation, and remembered by everyone in order for them to become real.

The 2002 "Values to be Part of the Daily Job" project

In September 2002 the Ministry of Finance initiated a new project to find ways to integrate the values of State administration into the practical work of operational units. The Working Group appointed by the Ministry of Finance in 2002 called itself Values to be Part of the Daily Job. The idea was for the name to describe an objective in which values are not just "obligatory" things mentioned in speeches, but operating and behavioural methods implemented in the day-to-day work of the departments. The principal task of the Values to be Part of the Daily Job group was to select, through the units taking part in the project, practical application methods, *i.e.* good practices which other government units can use in their own value work.

The question concerning good working practices based on values is bi-dimensional. On the one hand it comprises the agency's activities in relation

to citizens and to its other external stakeholders, and on the other it concerns practices applied in internal activities and interaction within the agency itself. One purpose of the project was to obtain answers to the following questions, among others.

- How are the agency's values defined and what are they?
- How does the staff participate in the definition of values?
- What is the impact of the example set by management, and how is that example taken into account?
- How is the realisation of the values assessed annually, both at the agency level and in the activities of individual civil servants?

The ideal outcome of the process would be a common idea of "our way" that is accepted and adopted by both management and staff.

Each of the five pilot agencies chosen by the Working Group carried out its own project in the course of the work and at the same time built a network for ethical dialogue. On the basis of those projects, the intention was to obtain practical working models, which other State agencies and operative units could apply in their own value-related activities.

The assumption was that when values steer the day-to-day activities and have been internalised, the activity also meets a high ethical standard. Implementation of values also requires individuals to be aware of what their role in the work organisation is and how they can implement values in their own work.

The strengthening of the value base and uniform operating culture signifies that government units have common operating principles and procedures and a strong ethical policy. Even though the activities of different units differ, they also have certain unifying factors at a theoretical level. This means that different government units form an entity, a government organisation, or – to use an expression from business life – a group.

The conclusions of the Values to be Part of the Daily Job Working Group do not reveal new areas or shortcuts for internalising values in practical activity. The conclusion in a nutshell is that incorporating value-steered activity and

Box III.24. **Some basic concepts in the Finnish project**

Value	A matter or goal that is regarded as important.
Ethics	The principles for evaluating the correctness of actions.
Morality	Commitment to certain values and principles.
Professional ethics	The profession's own values and principles.
Civil service ethics	The values and principles of civil servants and authorities.

PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

management into day-to-day work calls for conscious investment in promoting the matter in numerous sub areas of personnel policy, and in particular in management. Each organisation must go through its own process; a ready result cannot be bought anywhere, however attractive it may indeed be as an idea.

Methods, scope, expectations and procedures

The Ministry of Finance decided to make this endeavour a "pilot" project, in two senses. Pilots, or selected operational units, carried out their own work to see how they could improve implementation of values, and answered questions posed in the appointment letter. But the entire project was also a "pilot", in that the findings regarding ways that values could be incorporated into action could ultimately serve as models, and thus be of great help to the State administration. Based on their answers and experiences, the Working Group drew its own conclusions and recommendations.

The main expectations focused on exactly that: the project offering State departments practical tools to embed values in work communities. (Even though State operational units have in general defined their own values, they do not direct operations in practice, and the personnel have not internalised them.) Expectations of the project were also linked to the fact that the shared operation culture of the State administration is attainable only through common basic values. Confirmation of the State's common values was also considered important, and ultimately proved not to be a problem.

Theoretical models were not sought; the goal was implementation, taking the practical issues into account so that the benefit would be as concrete as possible. The carefully elaborated idea was to produce tools for different kinds of State units in as simple a way as possible.

The pilots invited to the project were chosen mainly on the basis of their operational features, *i.e.* the extent to which they could benefit from concrete examples applicable in their day-to-day work. Because universities employ a quarter of the State's personnel and educate its future leaders, one of them was also chosen. One ministry was chosen as well, since ministries and the bureaus they guide each form their own branch of administration and each branch has different types of questions to answer. Thus the bureaus chosen for the project were National Bureau of Investigation (NBI) (the work started in one of its units and expanded to the whole bureau), the Employment and Economic Development Centre of Lapland (TE Centre), the University of Jyväskylä, the Criminal Sanctions Agency and the Ministry of Transport and Communications.

In addition to the Ministry of Finance, the Ministry of Trade and Industry and the Ministry of Justice, the bureaus of which acted as pilots, were represented, as well as the Finnish Road Administration, which had its guiding ministry as a pilot. Also, a representative of the National Board of

Customs participated, because values have been put into practice there for several years and it was possible to share that practical experience. Apart from the representative from the pilot university, there were no representatives from the academic field in the Working Group.

The units chosen were in different stages of the value process at the time the project was launched, which was a beneficial starting point. NBI and Jyväskylä University had not yet started their processes, while the Criminal Sanctions Agency and the Ministry of Transport and Communications had defined their values a few years previously but had realised that some action should be taken to get their values to really work. The TE Centre of Lapland had freshly defined its values and had committed itself to a strategic goal for the year 2003 to put the values into practice.

The steps of the project

Project work was divided into two – that carried out independently by pilots, and the Values to be Part of the Daily Job Working Group's shared work. Pilots prepared their own plans, created a project group out of their own personnel, and made an intermediate/temporary report halfway through the project and a final report at the end of 2003.

The task of the project, led by the Ministry of Finance, was to create a network between the pilots and other members of the Working Group, to allow communication on questions related to the project's progress. In this way pilots had a chance, for example, to highlight some problems related to following through their own project, and to discuss them and exchange experiences with others doing similar work.

The Ministry of Finance did not support pilot projects financially. Instead, it organised two seminars during the project. The first, meant for pilot projects, offered instruction to help prepare for the practical implementation of values. In conjunction with that, a discussion for management was also organised. The seminar, which ran a total of 1.5 days, demonstrated the internalising of values with the help of practical tools. The situation and goals of bureaus were also discussed from management's point of view.

The second seminar, entitled Values and Management, was attended by the top management of the State administration in addition to project participants. The goal of the seminar was to reflect on practical situations that arise in State administration with regard to value choices. The goal was also to show how values can inform effective management tools. The leader of the all-day seminar was a professional work community trainer. The day was made up of practical exercises, discussions, and the introduction of pilots' work. About 80 managers who participated in the seminar gave very positive

feedback. Managers also thought that the subject was up to date and useful for their own operational unit.

During the project the Working Group interviewed representatives from different organisations to learn how values had been put into action in, *inter alia,* the municipal administration of major cities and in private companies.

All the above-mentioned theory and information was utilised in the project report. The pilots also got useful material from the seminars to complete their own projects. Cross-sectoral discussions were especially helpful.

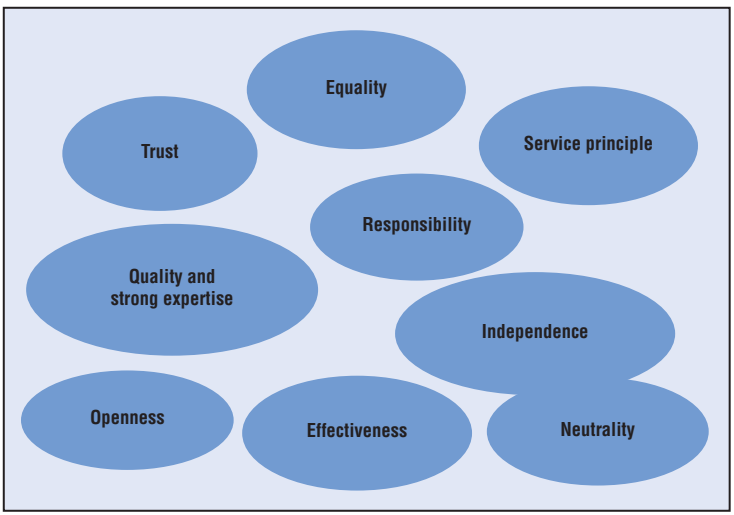
A collective final report of the project was drawn up based on the above-mentioned material and pilot reports. The project proposals were based on the experiences of participants and the general conversations of the Working Group.

Why are a values debate and common values required in State government?

The Decision On State Personnel Policy Line redefined the common values of the government (see Figure III.19) as effectiveness, quality and strong expertise, service principle, openness, trust, equality, neutrality, independence and responsibility of the activity.

The common base is extensive, and instead of values it may be more correct to speak of values and ethical principles. The significance of common values differs from the values of an individual unit, which are defined from

Figure III.19. **Government values**



Source: Government Decision in Principle on State Personnel Policy Line. 30.8.2001.

the operational points of departure of each unit and as a result of joint discussion. The common values and principles of government are by nature general even though, for example, openness is the value chosen most often in the different units. Neutrality and independence are traditional objectives and principles set for the activity of government. Effectiveness, along with quality and strong expertise, has emerged alongside these as a new value of administration.

Would it be best for the values of the departments to be the same as the common values of government? The question is raised from time to time, and arguments can be made for and against. The conclusion of the Values to be Part of the Daily Job Working Group was that the departments can define their own values, as they have indeed done. However, they must ensure that the department's values do not conflict with the common values. If they did, the quality and credibility of government activities would suffer. On the other hand, there is no obstacle to the department using the common values in their own value processes. The objective is for each person working in government to be aware in future of the common-value base and of the practical significance of values. This is rendered more precise by the definition of the unit's own values, so that they support the common values and steer the unit's activity.

Why are values needed?

The debate over, definition of, and practical application of values lead to commonly approved values actually guiding the activity.

Defining values and putting them into practice are of varying benefit to a unit. Figure III.20 shows the disadvantages when values are unclear and the benefits when good values steer the activity. The latter can be described more broadly**:**

- Values create common rules for the unit that establish security and predictability.

Figure III.20. **The significance of values**

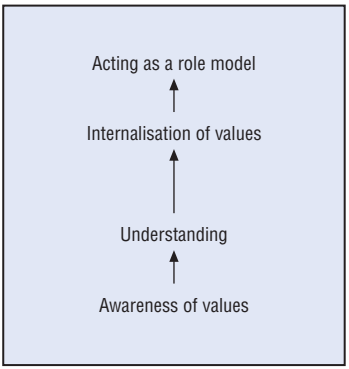
IF VALUES ARE UNCLEAR:	GOOD VALUES:
• People do not know how to treat customers, personnel and interest groups. • A "couldn't care less" mentality. • All management methods and styles are accepted. • The activity lacks permanence and continuity.	• Create permanence. • Define what is permitted and what is not permitted in the work organisation. • Prioritise activity and decision-making at the "moment of truth". • Clarify matters which we value collectively. • Contain the organisation's psychological history.

Source: VM Data.

- Values help people choose the best possible approach in new or difficult situations.
- Values act as a real management tool and thereby support the work of management.
- Values which also work well in practice increase the welfare and job motivation of personnel.
- Care for people is emphasised.
- Values can also give a competitive edge when attracting new personnel or in order to keep existing personnel.

As a whole, the above factors help to improve the unit's productivity.

Figure III.21. **The four levels of operationalising values**



Source: Talent Partners.

Defining values still does not guarantee that they will have an impact on practical work. Even if defined in concrete terms, values at that stage are still usually nothing but issues of which people are aware. The minimum objective ought to be for the values to be internalised by each employee, which means that they should not be thought about as entities apart but naturally steer behaviour. The "highest level" of internalisation of values is to be a role model, which means that values are assimilated to such an extent that individuals serve as an example to others and with their own behaviour guide others. Figure III.21 illustrates the four levels of operationalising values – and the fact that there is still a long way to go from awareness and understanding to the internalisation of values.

Box III.25. **Values in the activity of the Finnish Customs**

Creating a value process

A seminar on management values launched the process at the Finnish Customs in 1998. The seminar defined management's view on Customs' values, how Customs' values were to be ultimately defined and how they were to be incorporated into management and routine activity. It also considered the Customs' future plans, tried to clarify the link between values and management, and created a view and way of proceeding to the value process (draft workbook).

After this, four seminars took place and were attended by approximately 300 people chosen at random from different organisational levels and roles. In one two-day seminar, participants elaborated the form Customs' values should take in the workbook.

In the course of 1999, the entire personnel expressed an opinion on Customs' values with the aid of the workbook in two-day value seminars run by Customs' own value coaches.

At the beginning of 2000, Customs' internal value coaches elaborated Customs' values into their current form on the basis of feedback, and these were validated. The value item was incorporated that same year into Customs' **result** and development (*i.e.* performance) discussions.

In a personnel job satisfaction survey conducted in 2002 inquiries were first made into how Customs' values were implemented in practice. The survey contained four scaled questions on values describing Customs' professionalism, trustworthiness, service-mindedness and respect for the individual. The response scale of the questions was 1-5, with 5 the highest rating.

Results:

Professionalism	Trustworthiness	Service-mindedness	Respect for the individual
3.5	3.7	3.6	3.2

A personnel job satisfaction survey is carried out every other year. In addition, Customs regularly conducts customer satisfaction surveys. On the basis of the responses to the survey conducted in 2001, it can be determined that customer satisfaction has grown in all of the sub areas of the Customs' report compared to the 1996 and 1998 surveys.

The objectives of values

Customs' values are derived from a vision and mission related to the objectives of the activity. The purpose of values is to define uniform procedures at Customs and to steer management, procedures and conduct in all activities and at all organisational levels. They also act as an internal compass and an ethical backbone and foundation in routine decision-making.

Box III.25. **Values in the activity of the Finnish Customs** *(cont.)*

Experiences

At Customs, values form part of resource and operational strategies. The foundation was laid through the solid commitment of management and superiors to activity in accordance with values as well as through personnel's participation in defining them.

At present, the significance of values is central in Customs' control system, management and routine decision making, and in its procedure.

Values are included as part of the operation control in Customs' management-by-results system, as result objective agreements. Management-by-results is complemented by Customs' balanced result card thinking, in which values are incorporated into management procedure at different organisational levels. In addition, self-assessment of the activity (in line with the guide of the European Foundation for Quality Management) gauges and evaluates how personnel and customers have been notified operationally of values, and the results of activity are gauged through the central performance and personnel results.

Customs' new remuneration system has been devised to reward activity and conduct that reflect values. In addition, activity in accordance with values is an aid to career advancement.

Values are incorporated into routine management by improving the personnel management skills of superiors through training, as well as by linking assessment and improvement of implementation of values to annual result and development discussions.

The responsibility of the entire personnel for values-led activity is stressed in recruitment, basic training and communication. Activity contrary to values is tackled immediately, and failure to abide by them in practice has also led to concrete supervisory consequences. However, the aim has been to move from external control to self-control by improving self-steering and the taking of responsibility through the management and feedback system.

Compliance with values will be manifested in the day-to-day work of Customs expected in future, in the form of an improved corporate spirit, helpfulness, trustworthiness and expertise. Through the values, Customs has sought to communicate its approach to its customers and stakeholders, as well as to sharpen its public image.

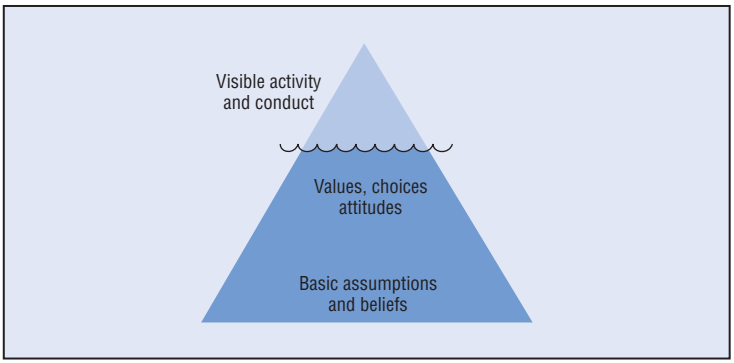
Blending values into routine work was project-related, an endeavour with a beginning and no end.

The significance of the organisational culture

Each organisation has its own culture, which evolves over time. Values are an essential element in this culture and have an impact on other aspects of the organisation.

Figure III.22 illustrates that visible activity and conduct are merely the tip of the iceberg in an organisational culture. Beneath the surface lies the base of the iceberg, formed by basic assumptions and beliefs. Values, choices and attitudes are built on top of these but are left beneath the surface, out of sight. Nevertheless, everything that remains out of sight steers visible conduct. This means that what is central to the organisation is the type of base on which it is built and how its values guide visible activity. The real values debate also reaches the invisible part below the surface, the basic assumptions and beliefs in values. If the values debate relates only to visible activity and conduct, the foundation remains as before and real change does not take place.

Figure III.22. **The organisational culture is decisive**



Source: Novetos.

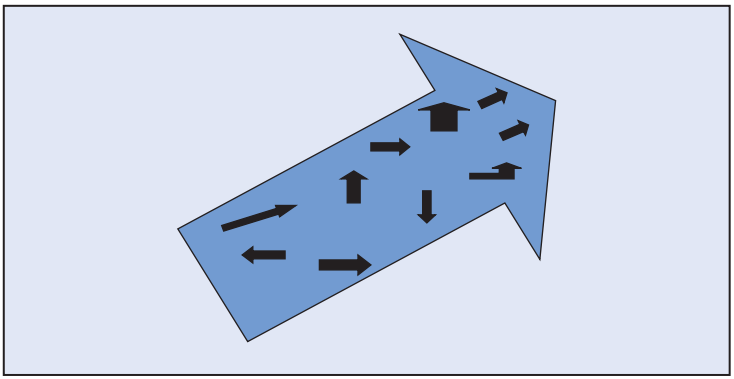
The government's common value base creates a uniform operating culture, which unites government departments with different tasks, procedures and sizes. Within the sphere of the Government, the uniform culture strengthens ministries' ability to implement the Government's programme objectives.

The organisation's values and individual values

The work organisation abides by the organisation's values. Otherwise, the organisation's values could not contribute to steering the activity.

Figure III.23 illustrates the relationship between the organisation's values and the individual's own values in the operational unit. The values of the unit, such as a government department, steer its activity. The individuals working

Figure III.23. **The relationship between organisation's values and individual values**



Source: Novetos.

in the unit have their own set of values, which they are entitled to regardless of the work in which they are involved. In the job organisation the point of departure is, however, that work is guided by the unit's values. The difference between the two sets of values can cause conflicts over choice of procedures or decisions. It is justified to discuss these within the organisation and look for a correct strategy. In Figure III.23, the large arrow shows that the unit's values determine the organisation's policy and procedures, but the values of individuals (*i.e.* the small arrows in the figure) can be different. It should be evident outside the organisation, for example to customers, that the organisation has a common value base, implemented in all activities.

Values as the basis for an organisation's activity

The defining of values is part of the strategy work of an organisation. Mission, vision, strategy and values are the foundation of each organisation. The task of values is to steer the activity so that the other three factors can be implemented. Values are implemented as practical actions, in decisions relating to the activity, in guiding the selection of choices in specific cases, etc. They are the unit's way of acting in order both to implement its own societal task and to safeguard the organisation's internal efficacy.

As emphasised earlier, values do not signify anything as words. They are of benefit only if they have a practical significance and content in both operational management and personnel management and conduct. It takes a long time to internalise values so that each person in the work organisation can perceive them as steering the operation. Purposeful and continuous discussion about implementation of values is necessary for the success of the entire process.

Box III.26. **Implementation of values in the Finnish Road Administration**

The values of the Finnish Road Administration: societal responsibility, customer orientation, and expertise and co-operation were defined on the basis of a broad debate in 1998.

The values were one point of departure when, in 2001, the content of the Finnish Road Administration's new vision was elaborated: The needs of society as the point of departure**,** "We engage in co-operation for the benefit of the transport system, we are responsible as an expert for road maintenance and we create a challenging work organisation".

The vision process was also based on broad participation. It formed the basis for a reform of central strategies, and all major efforts were directed at their implementation. A considerable percentage of personnel has been involved in development work. Nonetheless, the job satisfaction study in 2002 and 2003 indicated that the level of adherence to the values and to the vision and strategies was clearly not satisfactory. At the beginning of 2004, a decision was taken on, *inter alia,* the following measures.

The success of all directors and process owners are to be gauged in 2004 by, among other criteria, how well they have been able to improve the measurable results of their own profit centre or process in the above areas of development. This calls for values to be highlighted and for people to act in accordance with them, and also at a personal level. Strategies have to be implemented in order to direct practical work and related decisions.

Ethical rules, with values as one basis, are being drawn up for the Finnish Road Administration. A discussion on these was launched at the beginning of 2004 in co-operation organisations, at workplaces and on the Finnish Road Administration's intranet.

The experiences and practical procedures emerging from the value project can be used as an aid to development work.

How are values translated into procedures?

The translation of values into practical procedures calls for a debate covering the entire operating unit. Various tools for launching the debate and for perceiving the unit's general objectives have been developed. Each unit can choose the tools that seem most suitable for making its own work easier.

The ethical debate can be assisted by questions, the answers to which can lead to a definition of the unit's desired and forbidden areas, grey areas, and risk areas as regards ethics.

Box III.27. **The ethical debate model**

Desired areas

As an ethical work organisation we want to influence positively the following things:

Forbidden areas

Things we do not accept under any circumstances.

Things with regard to which we are particularly severe towards ourselves.

Things we demand from our partners.

Our own unit's grey areas, areas in which there are no clear guidelines, laws or directives:

Areas in which there is a conflict of interest.

Areas for which an ethical policy has not yet matured.

Areas in which generally accepted ethical norms have clearly been broken.

Areas in which the individual has exceptionally wide power for exercising discretion.

Areas in which different cultures, ways of thinking and traditions collide.

Risk areas as regards ethics

Our activity may involve the following risks.

The magnitude and consequences of the risk.

The risk will occur if… / unless….

Source: Novetos.

Making values part of practical work requires that operations be examined both at the level of the unit and at the level of the work of a single employee. Examination at the level of the organisation is an extremely important strategic action for setting the goal correctly and becoming aware of possible risk factors. For the purposes of this examination, a special model of ethical debate is developed (See Box III.27).

Figure III.24 contains a model of a table to be completed in an individual unit. It is an example of how questions relating to defining values can be analysed at the level of an operational unit. This is one way to illustrate the significance of values in work and to obtain common understanding. The definition is first elaborated for each value separately in small groups comprising representatives of the different units. Then the results are collated for a follow-up discussion involving the entire organisation.

Figure III.24. **A model on defining values in practice**

	Values in practice Value: _____		
	How can this value be seen outwardly?	What does it require of personnel?	What does it require of management?
Normal level = good present level			
Peak performance = future target level			

Source: Talent Partners.

Practical aids in decision-making situations could include different questions to test ideas and evaluate *ex ante* the strength of a solution from an ethical point of view. Questions as a tool in ethical decision-making are handled in documentation relating to the topic.[1] A list of questions of the following type, for example, may help before a decision is made.

Box III.28. **An ethical checklist of a decision maker**

- Have I considered all the facts and analysed the situation sufficiently?
- Have I listened to both my reason and my feelings?
- Have I discussed the matter with others and been presented with points of view different from my own?
- Have I given the decision enough time to mature?
- Have I considered the consequences of the decision sufficiently and does the decision fulfil the requirements of justice and impartiality?
- Is the decision transparent so that I can openly present its basis and the factors affecting it?
- Can I wake up feeling confident knowing that my decision will be discussed in the afternoon papers that day?
- Can I feel reasonably calm when I tell those involved about it?
- What is the combination of skill, expediency, imagination and courage that will help me to act in accordance with my own sense of justice?

Source: Aaltonen-Junkkari.

Policy Recommendations of the Working Group and Good Practices

This section contains the Working Group's proposals and policy recommendations for the necessary measures required for translating values into practical procedures. The measures come under three headings:

1. Values as a management tool.
2. Values as a civil servant's ethical code; and
3. Monitoring implementation of values.

Each of these is explained in detail below. The matter is illustrated with practical examples and good practices taken from the results of the pilots' work. Main points of good practices are highlighted in a summary at the end of the relevant section.

How did the above-mentioned policy recommendations develop? The goal of the Working Group was to discover the most practical ways possible to make the values part of the day-to-day job. When putting the values into practice, the role of management was rated as most significant in improving high-level ethics and also in the work of the previous ethics working group in 2000. The significance of management became stronger when values actually became part of the day-to-day job. The Working Group heard representatives of different organisations and analysed experiences about preconditions of success in value-working. It is clear that enhancement of value orientation and high-level ethics demand full commitment and outstanding example by management, both for the personnel of the organisation and for citizens or clients. It is also necessary that values be truly used as management tools. For this to work in practice, values should be taken into account extensively in different fields of personnel policy. It follows that "**Values as a management tool**" involves the most elaborate of the recommendations.

The second category, "**Values as a civil servant's ethical code**", illustrates the meaning of values inside an organisation. The model presented was developed as a result of the pilot work and is a rule map. It is an example of how the results of an organisation's value discussion can be recorded so that the commonly agreed lines and rules are transparent to everyone. With the help of the model, the management's and personnel's commitment to the methods for

implementing the values can be improved, as each member of the work community has the most important commonly agreed methods in written form. In practice, the implementation of rules does not directly require such a rule map, but the Working Group recommends building one in some form.

The third part of the proposals, "**Monitoring implementation of values**", describes a necessary part of the ongoing values work. Only by constant observation can the organisation guarantee that the values will be adopted in all its operations. Policy recommendations are presented in detail below.

Values as a management tool

Defining values

The definition includes a value debate in which all personnel have an opportunity to take part and be heard. The debate benefits from the fact that appropriately trained individuals chosen from the work organisation steer the project ("value coaches", "value agents"). The visible involvement of the unit's senior management throughout the process is crucial for credibility. This means, *inter alia,* talking about the matter at information and training events arranged for personnel at all stages of the debate. Sufficient time needs to be set aside for the process: the value debate only yields a result once it has got people to participate and think about matters relating to their work.

It is recommended that an individual unit should have from three to five recorded values. If there is a very large number of values, people do not remember them, which weakens their effect in the organisation. In this sense, the common values and ethical principles of the Finnish State administration are a different case because they form not only the elements that steer the activity but also an ethical standard for all civil service activity. One could say that the emphasis here is on principles and attitudes more than on the operational side.

The content of the common values and ethical principles of government is described in a forthcoming State Employer's Office publication, which also contains the general rights and obligations of a civil servant and authority.

An essential part of defining values is that they gain a concrete significance relating to each person's work. The relationship to every employee's job is a prerequisite for a successful debate on values. As a result of the debates, a verbal description of the values may also be drawn up. The defining and description of the values is the first phase in applying them in practice.

To illustrate the values, a form was tested as a working tool. The form will be completed during the value debate of the organisation. Practice has proved that a good way to work is to have the personnel first discuss the questions in small groups. Based on these conversations, a larger discussion is held and as a result, the organisation has a common view about the meaning of each value in the organisation's operations.

Box III.29. **Defining values at the Lapland TE Centre**

Five working groups (one of which was the management group) were set up at the Lapland TE Centre to draft the centre's values, visions and operating ideas. About 30 people took part in the working groups (out of a total of approximately 110 personnel). During the work phase, the values were also discussed at meetings of the working groups. To conclude this work, the values were presented to all personnel and were put on the intranet for all to see. The Lapland TE Centre's values are:

1. Customer orientation

Our customers are the justification for our existence. We serve our customers expertly, individually, and in a friendly and polite way. Trust is a prerequisite for good co-operation. Our activity is transparent and developed continuously in accordance with feedback received from our customers. We focus on channelling our efforts into objectives by anticipating our customers' needs and our operating environment.

2. Effectiveness

We do the right things and focus on essentials. We plan and implement allocation of financing and development and training in an economically efficient and effective way. In both our internal and external activity, we aim for cost-effectiveness and optimum allocation of resources in order to develop our customer relations and area of activity in a sustained way. We obtain good results because our personnel are familiar with the TE Centre's objectives. By investing in the welfare of personnel, an encouraging work atmosphere and the development of expertise, we ensure an effective and successful operation.

3. Openness

Our external and internal communications are both open. Each person deals actively and on their own initiative with publicity relating to their work. We are open to new things and are prepared to try out alternative approaches. We value each other's opinions and continuous interaction across department, unit and hierarchical boundaries. We express openly our opinions, giving reasons, but nevertheless are committed to common objectives. Essential information on our activity is within the reach of each person simultaneously. We actively develop an internal discussion culture as well as giving and receiving feedback.

4. Trust and esteem for the individual

We commit ourselves to co-operation with stakeholders and customers as we have agreed with them. Co-operation both within the TE Centre and with stakeholders and customers is continuous and interactive. We earn the respect of our customers and partners through our expertise and our activity, which is impartial and trustworthy and takes the customers into account.

Box III.29. **Defining values at the Lapland TE Centre** *(cont.)*

At the Lapland TE Centre, the individual and his or her contribution are important. We want and are able to achieve both the TE Centre's and our own objectives. Our expertise is trusted and we put our competence to active use. We are keen to learn new things and each individual bears responsibility for his or her own professional development. The learning and development of personnel are valued. We invest in our competence and create prerequisites for it. We accept difference and foster through our own attitude and behaviour a good work atmosphere.

The implementation of values as procedures of the work organisation and their significance to customers and partners can be illustrated by describing the content of values from these viewpoints.

When the value process is launched, it is useful to share experiences with other units. Common value seminars with a few units can help the work in its various phases.

For example, the significance of values in practical management work is a subject in which debate that transcends unit boundaries is useful. On 2 September 2003, the State Employer's Office held a meeting on values and management for senior government management. Participants found it relevant to their own strategy work.

Each value is being viewed from two points of view: first, how our organisation proceeds in implementing the values in practice and second, the practical meaning of each value for customers and partners in co-operation. Together agreed meanings are written in the form, which can be changed if needed and used also as a follow-up in the future.

The following good practices can be summarised from the results of the pilot project work, as the essential factors in the defining of values:

- The progress of the value process should be planned carefully in advance.
- All personnel are to be given an opportunity to take part in the value process.
- In the larger units in particular, it is recommended that the work be started from a single unit (pilot unit), which begins the process. The process is then extended to the organisation as a whole. This allows the method to be tested and corrections to be made before all personnel are involved.
- Creating a workbook has proved a useful aid to carry out the process.
- Value coaches chosen from the organisation can promote the work in large units in particular.

Table III.12 **The manifestation of values in the activity of the Lapland TE Centre**

Value	How do we proceed at the Lapland TE Centre?	Significance to customers and partners
Customer orientation	• Those who need services are the customers common to us all. • We look for solutions to the customer's needs. • Our service is friendly and expert.	• Our service product is known in the right target groups. • The availability of our services in the province is good and our personnel can be reached. • We find solutions and produce added value for customers. • The TE Centre is a strategic partner in the co-operation network.
Effectiveness	• We recognise our processes and act efficiently. • We work in the management and project group efficiently. • The TE Centre has a common strategy. • We allocate resources in accordance with the strategy. • Our activity is according to result objectives.	• We influence the creation of new jobs and the preservation of existing ones. • We develop a viable countryside. • We help businesses to succeed. • We raise the level of expertise of the work force and reduce periods of unemployment.
Openness	• Essential information on the activity is available to all. • Personnel can influence decision before decision-making. • The entire personnel promote mutual interaction.	• We raise the level of expertise of the work force and reduce periods of unemployment. • We communicate actively our operation and result.
Trust	• We adhere to common agreements and procedures.	• Our activity is anticipatory. • We maintain a high level of data security.
Respect for individual	• We recognise internal customer relationships and make use of expertise. • We respect others' difference. • We support professional growth. • We deal with welfare at work.	• We respect the opinion of the customer and partner.

- The value debate should focus on essentials and be as practically oriented as possible. It is important in the debate for all individuals to feel that it concerns their individual work.
- Publicity is worth investing in so that it is clear to everyone beforehand what is being discussed and what the purpose of the process is.
- It is good to remember that values exist in each organisation even if they have not actually been named in the organisation. It is only through the elaboration of common values that these are put to common use.

One important question in the value process is how personnel take part in defining values. The following practices were identified as recommendations. It is a good idea to hold the value debate in the department in such a way that the largest possible number of civil servants and employees has an opportunity to take part. This ensures that all personnel can feel that

Box III.30. **The value debate at the university**

In a large organisation (*e.g.* a university), the debate should also be decentralised for each section/unit to consider internally the value base of the entire organisation and to communicate it to its own section/unit. As an open forum, an electronic network provides each civil servant and employee with an opportunity to take part in the discussion, to express his or her views and priorities with regard to the organisation's values and to give feedback on proposals. If necessary, discussion of this kind can be directed and based on themes. The units' written feedback or Statement procedure summarises the discussion for defining the common values.

the matter relates to them personally. The term *values discussion* can be explained as discussions about everyone's own work, which makes such discussion interesting for all staff.

- In practice, personnel can take part in defining values – for example, by holding value discussions in small groups, with a suitable number of representatives from the different sections/units. At the same time, they can consider the effectiveness of values in the work organisation.
- Ensuring adequate publicity is one of the prerequisites for success, and it must be worked on at all stages of the process.

Values are incorporated into result steering

Value-orientation as the goal of the activity includes the objective of involving values in the control of the administrative sector as a whole. Otherwise, the values guiding the activity of an individual department may continue to lack significance. The values of the ministry must be compatible with those of the department under its control.

It is recommended that the values of the ministry and the departments in its administrative sector be included in the annual result discussions. The discussions examine the department's objectives and results from the standpoint of the implementation of the ministry's values and the department's own values. If there are unresolved issues associated with their application or reconciliation, these are examined in the discussions in order to find a solution. The objective is to define common policies on matters at the different levels of administration.

How is the strengthening of ethics fostered in the relationship between a ministry and a department subordinate to it? In result talks between a ministry and department, it is a good idea to discuss implementation of government's common values and the organisation's own values. For

example, in the TE Centre's result plans, values are presented at the start of the document in connection with the vision and strategy. Their visibility in result objectives is also assessed in a discussion with the steering ministries. The ministry can support the strengthening of ethics whenever the department's values form part of management-by-results and they can be discussed jointly. Previously, activity of an ethically high standard had been supported afterwards through monitoring. The department's and ministry's value discussion can influence these issues in advance. In result talks, greater effort is needed to ensure that result objectives are set in accordance with jointly approved values.

For example, the Ministry of Justice has launched a project to draw up a personnel strategy for the judicial administration. Its objectives include devising common strategies for personnel management in the entire administrative sector; the values of the judicial administration also feature in this work.

How are government's common values manifested when a department's values are put into practice? In the project it was agreed that government's common values are principles that are followed in all activities. The point of departure is that the department's own values are included in the common values and must not under any circumstances conflict with them. However, the department's values can be emphasised and rendered in different ways. It is important for them to be understood uniformly in the unit. It is a good idea for the common values to be included alongside the department's own values in development discussions.

Values and ethics are part of management and personnel development

The value debate is continuous and does not end when the values have first been defined. Values are assimilated and internalised as procedures evolve to correspond to the values. Testing takes place in practical work as each person can raise a question about procedures or conduct according to the values, and the topic becomes the subject of general debate.

Values and ethics have not figured very much in the government's general training of senior officials and management. The Values to be Part of the Daily Job Working Group proposes that values and ethics be incorporated into all management training in future. Different training events will call for different types of preparation. For example, the Working Group feels the following content and methods are worth trying:

- An introduction to the common values of the government's personnel policy.
- The concepts of civil service ethics and its central significance in official activity.
- Values in a unit's strategy work.

- Guided discussion
  - on the significance of the common values of government from the unit's standpoint.
  - on the content and significance of the unit's own values, *i.e.* their translation into procedures.
- Exercises. For example, the task includes a problem which a civil servant in the target group to be trained may face. An individual exercise and small group discussion are used to select the procedure to which one would commit oneself in that situation. Personal choices are justified in small groups and the various choices are discussed.

The debate on values needs to be linked to all training of senior officials, so that each official thinks about these issues repeatedly as he or she takes part in the courses. Values' training focuses mostly on ethical deliberation relating to the individual's own work. The task arrangements may vary, but the core content takes into consideration the significance of values.

The Working Group recommends not only training for management and senior officials but also the incorporation of values and ethics into all personnel training. The basic topics in the training are:

- The main features and demands of a civil servant's position.
- Familiarisation of all civil servants at the beginning of the service relationship.
- The common values of government and the significance of the unit's values in work.

As with senior officials, the main emphasis in training on values and ethics should be on discussions led by the various tasks.

Making use of work atmosphere measurements

Work atmosphere measurements provide information on the management of the unit and on the welfare of personnel. However, by themselves they will not suffice as gauges because the results may vary considerably depending on the specific agenda topics on the response date. Questions relating to the implementation of values in a work atmosphere measurement can be in both the section on management and a separate section devoted solely to values. The results of a work atmosphere measurement are a long-term monitoring tool. Their credibility in the work organisation calls for responses to the results and for changes to be made if necessary.

Examples of questions:

- Does the senior official treat personnel impartially?
- Does the senior official act justly?
- Does the senior official him- or herself act in the way that is required in the organisation?

Values are included in result and development discussions

Once the values have been defined, they are included in the annual result and development (performance) discussions between the superior and personnel. Both parties assess how the values have been implemented in practical work. If they have not been implemented in the desired way, the parties discuss how to proceed in the next period. Openness is called for if the discussion is to serve as a guidance tool.

Managers act as examples and management is assessed

Managers and senior officials have a responsibility for setting an example by their own behaviour. The managers thereby serve as examples to personnel in the internalisation of values. Senior officials set an example for the impact values have on everyday work. If the senior official fails to comply with the values, he or she cannot credibly require others to comply with them.

The State Employer's Office is currently engaged in developing management in government. This work is based on the proposals of a working group led by Chief Secretary Sirkka Hautojärvi.[2] Assessment of management forms part of this development work, and implementation of values in a manager's work can be linked to overall assessment. In that case, the result of the assessment would be affected at least by the feedback provided by the manager's superior and subordinates, and assessment by stakeholders and peers provides even more wide-ranging feedback. Assessment of managers in a result and development discussion works in the same way as with other personnel.

How does the example of directors exert an influence and how is it taken into account? The experiences in the project emphasised the fact that management's dedicated support is necessary in all stages of the process; above all managers must demonstrate their strong commitment to implementing values. Management also plays a key role in putting agreed values into practice. The following points were summarised as good practices:

- The translation of values into practical procedures requires them to be included in management group work.
- Senior officials must act in an exemplary fashion and conduct themselves in accordance with the organisation's values in all situations.
- Senior officials also set an example by tackling an activity that is not in line with values and by making decisions regarding that activity.
- The new remuneration system provides an opportunity to take values into consideration as part of the work of a manager.

Box III.31. **The Lapland TE Centre's result and development discussion form**

TE Centre result and development discussion form

Confidential

Name of person _____

Department/section/unit _____

Date of preceding result and development discussion _____

The values of the public sector are:

efficacy of the activity
quality and strong expertise
the service principle
trust
equality
impartiality
independence
responsibility

The values of Lapland TE Centre and their visibility in the work of the section/unit, working group and its members

Consider together how the values of Lapland TE Centre described below are manifested in practice.
How are the values manifested in the work of the individual employee, superior or working group?
The discussion may bring up common, clear and concrete proposals for improvement.
These are also recorded in the space set aside for these.

CUSTOMER ORIENTATION
Examples of manifestation of values in practice/common and clear proposals for improvements that have been brought up in discussions:

EFFECTIVENESS
Examples of manifestation of values in practice/common and clear proposals for improvements that have been brought up in discussions:

OPENNESS
Examples of manifestation of values in practice/common and clear proposals for improvements that have been brought up in discussions:

TRUST AND RESPECT FOR THE INDIVIDUAL
Examples of manifestation of values in practice/common and clear proposals for improvements that have been brought up in discussions:

Do you want to add another value which you consider is missing from Lapland TE Centre's values?

The new remuneration systems

The objective is to introduce comprehensively the new remuneration systems based on the demands of the task and on personal work performance and competence in the Finnish State sector by the end of 2004.

The bases for the new remuneration systems include support for successful activity and management in the departments, just remuneration, and impartial treatment of personnel. The new remuneration systems thereby include from the outset a value viewpoint largely in line with the State's value base.

When new remuneration systems are introduced in a department, the department's values are also taken into account. This means that the systems of assessing the demands of tasks and personal work performance and competence cannot be contrary to the department's values. Development work is carried out jointly by management and personnel, which also aids commitment to the common values.

Practical application of the new remuneration systems fosters activity according to the department's values. A new remuneration system is a concrete management tool and presents the work of senior officials with new challenges. Management should ensure that the system is trusted, that people are familiar with its bases and that it is applied in the same way throughout the department. Result and development discussions between a manager and personnel are a central means of applying the system in practice. Sometimes, the department's values may in some respects also be in line with the criteria for assessing the demands of tasks, personal work performance and competence in the new remuneration system – for example, co-operation as a performance criterion and value. In this case, values-based activity also affects pay as an assessment criterion included within the remuneration system.

The new remuneration system should be applied in accordance with the agreed criteria. This calls for the efficacy of the system to be monitored continuously. As the bases of the system are known to all, all levels of the organisation can react to the efficacy of the system.

A merit pay system also improves the department's results and acts as a tool for developing the department. When implemented correctly, it improves management and co-operation and encourages better performance from personnel. As the merit pay system encourages the department to work for a common goal, it fosters the inclusion of common values in the department's procedures.

The role of values in the choice of personnel

The significance of the interview in the choice of personnel cannot be overemphasised. An interview provides the recruiter with an opportunity to

obtain information on the applicant's reasons for applying for the job. The State Employer's Office recommends use of what is termed a structured interview, which means that all candidates are asked the same questions so that the responses can be compared. This yields information for assessing how applicants perceive the job they are applying for and what skills they possess for the job.

The Working Group considered that the government's common value base and the unit's own values should also be discussed in the interview and suitability assessment. The person's own values cannot differ from those of the organisation to such an extent that work in line with the organisation's objectives would result in continuous conflict.

Correspondingly, values should be involved when selecting students for training required for a post. This is the procedure, for example, when selecting students to take the Vocational Qualification in the Prison Service at the Prison Administration Training Centre. Holders of the vocational qualification are recruited as guards in the Prison Service, and so the attitude of training applicants towards the sector's values is determined during a selection test.

Solving ethical problems

Incorporating values into everyday life requires each person to be entitled to raise questions about and discuss these issues. Informal discussions help people think about the real content of values – for example, when making difficult decisions. Discussion is also important when deciding on the correct procedure in the face of two conflicting values. Which value should prevail in the decision?

Discussions are an important step towards solving ethical problems. In addition to informal discussions, the organisation can create its own forum for seeking solutions to practical problems. Tools to this end can include:

- An electronic chat forum, for open discussion of problems raised by anyone and/or for responses from designated individuals responsible for ethics.
- A group assisting management that resolves and formulates policies on issues arising within the work organisation.

Dealing with activity contrary to values

Values are manifested as actions. If a unit allows activity or behaviour contrary to values, the values are not real and lose their significance. If the aim is to keep values in place, compliance must be promoted. If someone behaves contrary to the values or acts, for example, in policy issues contrary to the common interest, management must deal with the matter at least by talking to the person in question. Repeated activity that violates values can call for stronger reactions provided that the procedure in line with the values is known.

Box III.32. **The significance of values in agencies**

The National Bureau of Investigation (NBI)

Once common agreement has been reached on values, each person is responsible for acting in accordance with them. If it is agreed, for example, that quality and trustworthiness are values of the National Bureau of Investigation, each person must manifest them in his or her activity, both in relation to the customers and stakeholders and in relation to other members of the work organisation. A value is not something that is implemented only during office hours or only in relation to a superior, or only in some tasks and not in others. The agreed values ought to steer the activity comprehensively. Internal trust is fostered by discussing typical situations in which the boundary between right and wrong is not constant. The objective is to learn to recognise these kinds of value pain spots relating to one's own job profile.

The Prison Service

Civil servants in the Prison Service have been required, owing to the nature of their tasks, to be of an emphatically high morality and conduct, in their leisure time as well as on the job. Failure to comply with this has been dealt with in accordance with legislation on civil servants. At the Probation Service, staff only became civil servants just over two years ago. As civil servants, they have been provided with related training in the drafting phase of organisational reform and during the current organisation. Due to the nature of the tasks, particular attention should continue to be paid to the morality and ethical conduct of civil servants, and in this connection the sector's values are an essential factor.

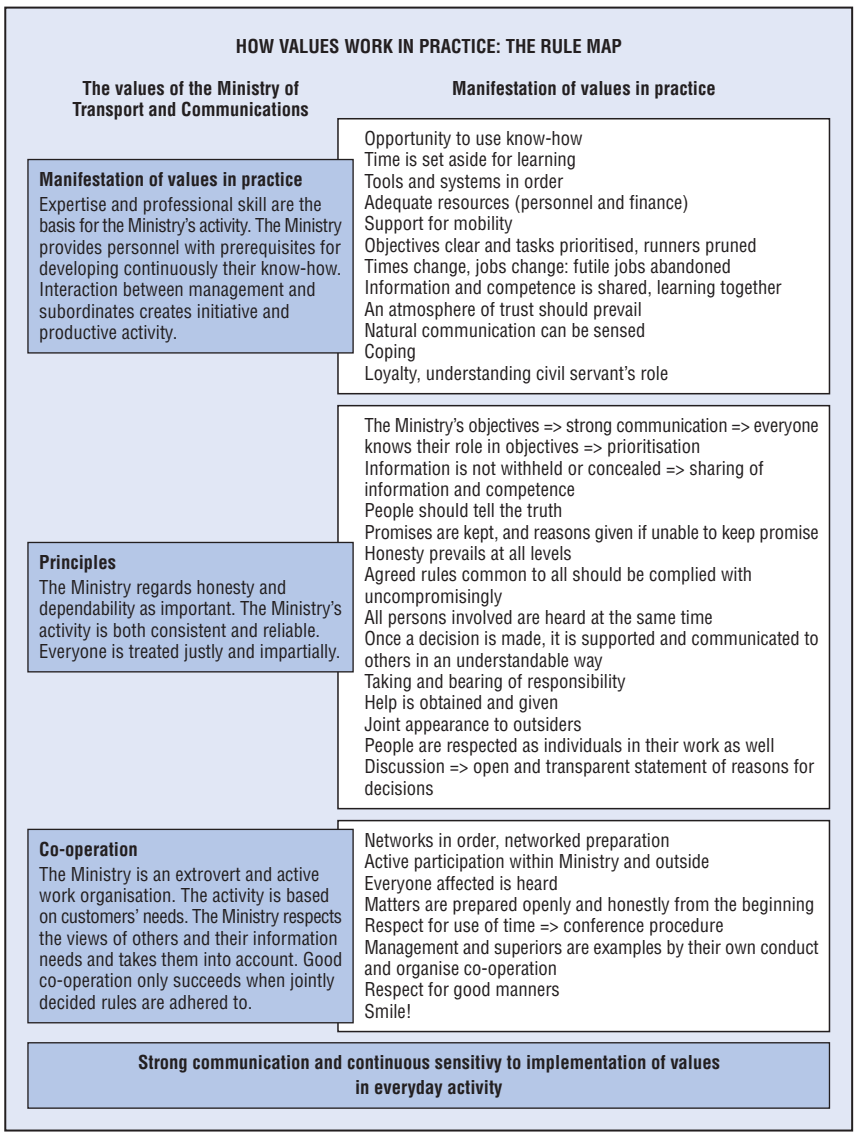
Defining values and putting them into practice make it easier to tackle negative phenomena. This is due to the fact that during the process, the entire work organisation has had an influence and has become aware of the limits placed on activity and behaviour in a service relationship. The reaction to activity contrary to values is then known beforehand, and does not come as a surprise. This provides personnel managers with a practical tool.

Values as a civil servant's ethical code

Apart from the fact that values function as a management tool, it is important to get them internalised by the management as well as by all personnel. This goal is reached partly through management, *e.g.* in performance discussions. To create as extensive an impression as possible and to facilitate common understanding of values, they can be illustrated with the help of a rule map, which can complement the above-mentioned management elements.

The Ministry of Transport and Communication's rule map, created as a result of Values to be Part of the Daily Job, is an example of a tool through which internalising of the values among all personnel can be improved. How Values Work in Practice is a rule map containing the Ministry's values, a description of the content of each value and its manifestation in practice (Figure III.25).

Figure III.25. **The rule map**



PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

The objective of the Ministry of Transport and Communications' project is to implant values in such a way that they **strengthen the Ministry's procedures in support of co-operation** and reinforce mutual respect and trust and openness in the entire Ministry. The objective is also for the practical implanting of values to be manifested in the form of a growth in job satisfaction. Implanting of values here refers to internalisation of values, their manifestation in decision making, and proceeding as agreed.

People within a department need to be notified of values and their content as effectively as possible. These can be placed, for example, on internal web pages. They should also be publicised on external web pages and otherwise, so that citizens, customers and other stakeholders know what the unit's values are and how they are manifested in the activity.

How are good procedures meeting high ethical standards created, so that each civil servant can internalise them? After the unit's own values have been confirmed, the objective is for the values to be made an essential and everyday part of routine work. In practice, this includes the following sub areas:

- Values are on the agenda in result objectives, result and development (performance) discussions and all other activity by managers.
- That values are in place and reflected in everyday work activity is confirmed by incorporating them systematically into training of managers and personnel.
- Effective internal monitoring fosters activity in line with a civil servant's ethical code, even though the main emphasis is on guiding people towards good procedure through internalisation of values.
- Discussion of guidelines and rules in co-operation organisations promotes internalisation of values and monitoring of activity in line with them.
- Values are described so that they express the procedure both in the unit's core tasks and as a work organisation – "our way of doing things".
- The results of the values debate can also be recorded as an "ethics code".
- The units engage in a continuous values debate, in which the content and significance of values are considered and repeatedly given prominence.

Monitoring implementation of values

The third recommendation of the Working Group, follow-up of the values, is as important as the two previous ones and an essential part of taking values into action. Focused work for implementing values in activity presumes that implementation is being followed regularly. If there is lack of internalising and appearance of values, follow-up makes it possible to intervene and improve the situation.

The Working Group recommended monitoring at two levels: **each individual bureau** as an operational unit, and the **State Employer's Office** as a central organisation. Continuous monitoring should be performed at both levels for wide coverage in the State administration.

Responsibilities of a State bureau

Implementation of values can be monitored with the aid of different metres, and as a matter of course in the daily **work**. This means that each member of the work organisation can give feedback to his or her colleagues and also ask questions about whether a given procedure is in line with the values. Values can also be used in improving and monitoring the quality of the activity.

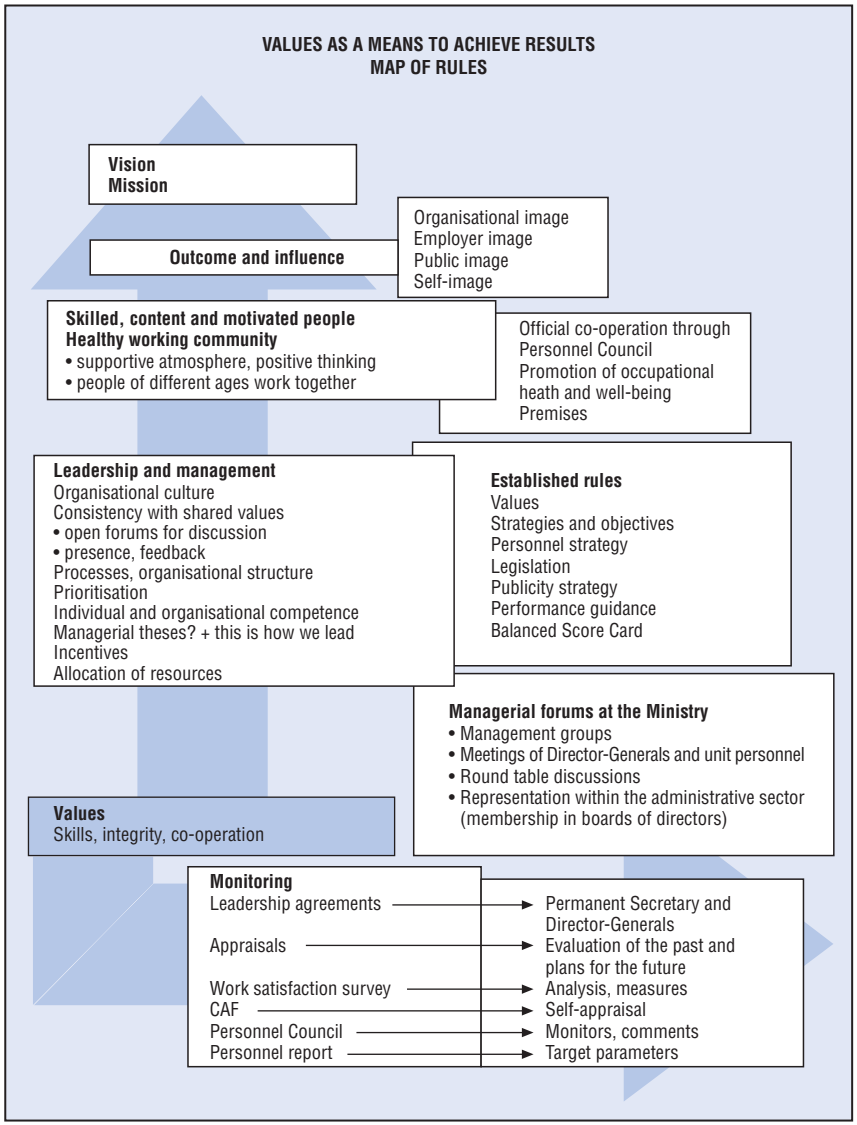
Proper metres for following the implementation of values include **personnel job satisfaction and managers' barometers** in which the same questions are asked at regular intervals. The results of the barometer can be analysed at joint meetings for all personnel and at result and development (performance) discussions between the unit's manager and his or her immediate subordinates. These barometers also function as management tools. Their credibility depends on management taking actions against the disadvantages, solving problems in the organisation which have been reported and trying to improve the situation with any available help. In Finland there are examples of bureaus whose job satisfaction barometer results have improved since the value process was started and management committed itself to implementing values (*e.g.* Customs). The following examples show the variety of methods used in the monitoring process to provide feedback on developments:

- At the level of the operating unit, monitoring can be conducted using **self-assessment** according to the quality manuals.
- **Customer satisfaction** with the activity can be gauged by quality feedback **surveys** at regular intervals.
- The reports of **the State Audit Office and auditors** act as a guide. Procedures can if necessary be altered to correspond more closely to the values and ethical principles.

Monitoring of values is rendered more forceful if **the annual report** includes a reference to how values-led activity has been furthered during the year and how successful it has been.

An example of a practical way of monitoring is the **map of the value process**, developed in the project. This process map is a tool enabling personnel to monitor how values are implemented and to tackle any defects they observe.

Figure III.26. **Map of the value process**



How implementation of values is assessed annually at organisational level and in the activity of an individual civil servant

The value process includes regular assessment of value implementation. The effectiveness and implementation of agreed values can be fostered by the following activities:

- Values are taken into account in management group work and its decision making.
- The unit's personnel policy is built upon the values.
- The values and their practical implementation are publicised. For example, the annual report and internal web pages serve as information channels.
- The values are incorporated into the personnel selection procedure.
- The values are taken into account when assessing the conduct required by the Act on civil servants.
- An item on values is included in result and development discussions.
- At organisational level, implementation can be monitored – for example, by the self-assessment of the EFQM quality manuals and by quality feedback surveys targeted at customers. Procedures and processes are altered if necessary so that they will in future comply with the values and ethical norms.
- The values are discussed in the department's internal management training and in assessment of management.
- Values are emphasised in result planning and quality work.
- The effect of activity or conduct contrary to the values and the unit's attitude towards it are investigated.
- The personnel barometer survey can also be used for assessing the activity of immediate superiors and the unit's manager. The values are discussed, for example when employees are not satisfied with performance of superiors, to assess the impartiality and fairness of superiors towards their subordinates as well as the good model provided by their own example of how to proceed in the unit.

Responsibilities of the State Employer's Office

The State Employer's Office monitors implementation of values in the State administration as a whole. The Working Group recommended that the following actions be taken:

- The State Employer's Office's personnel policy barometer is an assessment tool and regularly addressed to State agencies. The proposal is that it will include a question about monitoring of implementation of the values: "Is

implementation of the values being measured in *a)* managers' work and management, *b)* the work of all officials in your organisation?"

- The Working Group's final report together with pilot annexes and a booklet containing the State administration's values and ethical principles will be distributed to departments.
- The results of the project will be presented at suitable fora in collaboration with the pilots. The State Employer's Office will assess the effectiveness of the project as regards the pilots and also more broadly.

Notes

1. *E.g. Tapio Aaltonen and Lari Junkkari: Yrityksen arvot & etiikka* [The Values and Ethics of an Undertaking] p. 283-284.
2. *Ammattimaiseen johtamiseen valtionhallinnossa. Johdon kehittämisen strategia*, 2002-2012 (Towards Professional Management in Government. Management Development Strategy 2002-2012). Ministry of Finance, Working Group Reports 1/2003.

Bibliography

Civil Service Ethics: A Study of the Grounds of Civil Service Ethics, its Present State and Areas of Development. Ministry of Finance, Working Papers 8/2000.

Government Decision in Principle on State Personnel Policy Line. 30.8.2001.

Values to Be Part of the Daily Job: The Experiences of Pilot Organisations and Conclusions of the Working Group. Ministry of Finance, Working Papers 6/2004.

ANNEX III.A6

"Values to be Part of the Daily Job" Questionnaire for Agencies

I. Change in administration and values in administration

1. Have the values of State administration changed in the last ten years?

- Administration in general ❒ yes, strong change ❒ yes, some change ❒ remained the same
- My own agency ❒ yes, strong change ❒ yes, some change ❒ remained the same

2. The table below lists a number of values usually considered significant in the handling of public tasks. The values are emphasised slightly differently in different countries and at different times. Many of the values in the table are evident *inter alia* in the personnel strategy of the State, the policy decisions of the Council of State and in public debate. The following questions (3-5) aim at finding values that are of major significance in your opinion.

1. **Collegiality:** acting loyally and displaying solidarity towards fellow workers
2. **Expertise:** acting on the basis of competence and expertise
3. **The service principle:** acting with respect towards citizens and helping them
4. **Effectiveness:** acting so that the goals are achieved with minimum costs
5. **Honesty:** acting truthfully and keeping promises
6. **Loyalty:** acting in accordance with the instructions and decisions of superiors
7. **Impartiality:** acting free from outside influence, independent of interest groups
8. **Integrity:** acting with integrity, committed to one's official tasks
9. **Openness:** acting openly and transparently without secrecy
10. **Result-orientation:** acting efficiently and economically
11. **Legality:** acting in compliance with existing laws, regulations and instructions

12. **Commitment:** performing one's tasks zealously and diligently

13. **Justice:** acting in accordance with the general idea of justice and equality

14. **Other, please specify:** . . . . . .

3. Which of the values in the table are the most important for *State administration on a general level*? Circle a maximum of five numbers below indicating the most important values.

1 2 3 4 5 6 7 8 9 10 11 12 13 14

4. Which of the values in the table are the most important from the point of view of the operations of *your own agency*? Circle a maximum of five numbers below indicating the most important values.

1 2 3 4 5 6 7 8 9 10 11 12 13 14

5. Which of the values in the table are the most important for the operations of *the private sector* on a general level? Circle a maximum of five numbers below indicating the most important values.

1 2 3 4 5 6 7 8 9 10 11 12 13 14

6. How well does the practical operation of State administration correspond to the ideal values referred to above?

❒ Very well ❒ Fairly well ❒ Hard to say ❒ Fairly poorly ❒ Very poorly

7. Is there a need to discuss values and the principles of good governance in your agency?

❒ Yes, a lot ❒ Yes, some need ❒ Hard to say ❒ Hardly at all ❒ Not at all

8. Has your agency had a discussion about values?

- Among management ❒ A lot ❒ Some ❒ Hard to say ❒ A little ❒ Not at all
- The personnel at large ❒ A lot ❒ Some ❒ Hard to say ❒ A little ❒ Not at all

9. Does your agency have fora or procedures suitable for discussion on values?

❒ No ❒ Cannot say ❒ Yes, please specify .....

II. Principles of civil service ethics and discussion about them

10. Are the central principles of civil service ethics clear, *i.e.*, do civil servants know everything that the handling of public tasks requires of them (administration in general)?

❒ Fully clear ❒ Sufficiently clear ❒ Hard to say ❒ Fairly unclear ❒ Fully unclear

11. Does the personnel employed by the State have a uniform idea of ethically correct procedures?

❒ Very uniform ❒ Fairly uniform ❒ Fairly diffuse

❒ Fully diffuse, varies according to the person ❒ Hard to say

12. Are issues relating to civil service ethics discussed at your agency?

❒ Frequently (weekly) ❒ Regularly (monthly) ❒ Hard to say

❒ Seldom (once a year) ❒ Very little or never

13. Is there a more general need in society to discuss civil service ethics?

❒ Very much ❒ Much ❒ Hard to say ❒ A little ❒ Not at all

14. Have values or other issues relating to civil service ethics been taken into account in the action strategy, personnel strategy or other personnel development programme of *your agency*?

❒ Yes, explicitly (send a copy of the programme with your answer)

❒ Yes, but it is built into the programme

❒ No, but a project thereon is pending

❒ No

15. Many professions *e.g.* lawyers and journalists have their own code of ethics. In the case of civil servants, civil service ethics is supported by several general provisions of the Civil Servant Act, the Administrative Procedure Act and the Act on the Openness of Government Activities as well as specific rules, *e.g.* in the field of public procurement. Do you see a need or a possibility to draft *separate written rules* concerning all the civil service (so-called codes of ethics)?

❒ Yes, the rules would be necessary to guide the operations

❒ Yes, the rules could be useful

❒ Hard to say

❒ No, no rules are needed

❒ No, the rules would only hamper operations

III. Ethically problematic situations and procedures

16. In what situations do you encounter ethically problematic situations? Circle the relevant numbers.

1) all the time	2) sometimes	3) hard to say	4) seldom	5) never

- In the interaction and co-operation between the public and the private sectors 1 2 3 4 5
- In work between different public-sector agencies. 1 2 3 4 5
- In internal work within my own agency 1 2 3 4 5
- When working with political leadership. 1 2 3 4 5
- In personnel management 1 2 3 4 5
- In customer relationships 1 2 3 4 5
- In public procurement (goods purchases, consultancy agreements) 1 2 3 4 5
- In personnel and labour-market policy 1 2 3 4 5
- In other issues, please specify 1 2 3 4 5

17. Generally, how do administrative practices that are considered unethical occur?

1) Weekly	2) Monthly	3) Hard to say	4) Once or twice a year	5) Never

1. Favouring friends 1 2 3 4 5
2. Use of excessively difficult official language 1 2 3 4 5
3. Accepting economic benefits (bribery) 1 2 3 4 5
4. Political discrimination 1 2 3 4 5
5. Influencing the handling of a matter despite one's disqualification 1 2 3 4 5
6. Sexual discrimination 1 2 3 4 5
7. Decision making without proper preparation 1 2 3 4 5
8. Withholding information. 1 2 3 4 5
9. Unnecessary delaying of a matter 1 2 3 4 5
10. Identification with an interest group. 1 2 3 4 5
11. Reluctance for changes 1 2 3 4 5
12. Sexual harassment at the workplace. 1 2 3 4 5
13. Withdrawing from one's responsibility when errors occur . 1 2 3 4 5
14. Placing one's tasks above the overall benefit 1 2 3 4 5
15. Scheming of job packages and trading with offices 1 2 3 4 5
16. Refraining from giving proper information on issues 1 2 3 4 5

17. Unnecessary complicated handling of matters 1 2 3 4 5
18. Harassment at work 1 2 3 4 5
19. Protection of fellow workers 1 2 3 4 5
20. Other unethical procedures, please specify 1 2 3 4 5
21. _____ 1 2 3 4 5

18. Of the above, which are the five most important practices which should be eliminated from public administration? Circle below the five most detrimental practices.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21

19. Do the tasks typical for your agency contain decision-making situations, differ from other agencies?

❒ Special features ❒ Yes, these include .....

20. Do you encounter situations in your work in which your idea of an ethically justified practice and the *official practice* of the agency differ from each other?

❒ Often ❒ Sometimes ❒ Hard to say ❒ Seldom ❒ Never

21. What is your attitude to different operating practices regarding the above-mentioned situations (question 20)?

1) Always acceptable 2) Depends on the situation 3) In exceptional cases only 4) Never acceptable 5) Hard to say

- Be loyal or resign 1 2 3 4 5
- Express disagreement within the agency and continue in the task 1 2 3 4 5
- Express disagreement within the agency and withdraw from the task (no resignation) 1 2 3 4 5
- Open public protest (in your own name in public) 1 2 3 4 5
- Covert public action (leaking the issue to the public) 1 2 3 4 5
- Active work against decision with others' help (*e.g.* seeking support from opposition) 1 2 3 4 5
- Other means, please specify _____ 1 2 3 4 5

IV. Trips, presents, luncheons

22. Are the civil servants of your agency offered trips, presents or luncheons etc. paid by third parties and to be considered gift-like?

- Trips: ❒ A lot ❒ Somewhat ❒ Hard to say ❒ Seldom ❒ Never
- Presents: ❒ A lot ❒ Somewhat ❒ Hard to say ❒ Seldom ❒ Never
- Luncheons: ❒ A lot ❒ Somewhat ❒ Hard to say ❒ Seldom ❒ Never

23. Have these situations increased during the last decade?

- Trips: ❒ Increased strongly ❒ Increased somewhat ❒ Remained the same ❒ Decreased a little ❒ Decreased strongly
- Presents: ❒ Increased strongly ❒ Increased somewhat ❒ Remained the same ❒ Decreased a little ❒ Decreased strongly
- Luncheons: ❒ Increased strongly ❒ Increased somewhat ❒ Remained the same ❒ Decreased a little ❒ Decreased strongly

24. Have you yourself had to refuse or forbid your subordinates to accept trips, presents, luncheons or part-time jobs for ethical reasons?

- Trips: ❒ Often ❒ Sometimes ❒ Hard to say ❒ Seldom ❒ Never
- Presents: ❒ Often ❒ Sometimes ❒ Hard to say ❒ Seldom ❒ Never
- Luncheons: ❒ Often ❒ Sometimes ❒ Hard to say ❒ Seldom ❒ Never
- Part-time jobs: ❒ Often ❒ Sometimes ❒ Hard to say ❒ Seldom ❒ Never

25. Does your agency have guidelines for these types of situations?

- Trips: ❒ No ❒ Yes, written guidelines ❒ Established practice
- Presents: ❒ No ❒ Yes, written guidelines ❒ Established practice
- Luncheons: ❒ No ❒ Yes, written guidelines ❒ Established practice

26. Is there a need for guidelines?

- Trips: ❒ No ❒ Present guidelines sufficient ❒ Need to clarify ❒ Need for flexibility
- Presents: ❒ No ❒ Present guidelines sufficient ❒ Need to clarify ❒ Need for flexibility
- Luncheons: ❒ No ❒ Present guidelines sufficient ❒ Need to clarify ❒ Need for flexibility

V. Use of different responsibility mechanisms

27. Should the responsibility mechanisms monitoring State administration be increased?

- Reporting: ❒ Yes ❒ Sufficient ❒Preferably less ❒ Not necessary ❒ Hard to say
- Audits: ❒ Yes ❒ Sufficient ❒ Preferably less ❒ Not necessary ❒ Hard to say
- Evaluations: ❒ Yes ❒ Sufficient ❒ Preferably less ❒ Not necessary ❒ Hard to say
- Legal control: ❒ Yes ❒ Sufficient ❒ Preferably less ❒ Not necessary ❒ Hard to say
- Personal resp. for results ❒ Yes ❒ Sufficient ❒ Preferably less ❒ Not necessary ❒ Hard to say
- Other, please specify ❒ Yes ❒ Sufficient ❒ Preferably less ❒ Not necessary ❒ Hard to say

28. Should a leading civil servant himself resign in cases of serious lack of trust and should firing be made easier?

- Resignation ❒ Yes ❒ No ❒ All right at present ❒ Hard to say
- Firing ❒ Yes ❒ No ❒ All right at present ❒ Hard to say

VI. Openness of administration

29. Are the activities of administration generally open enough?

❒ Yes ❒ No ❒ Hard to say

30. How actively do the media follow the activities of your agency?

❒ Actively ❒ Reactively ❒ Passively ❒ Hard to say

31. Does your agency monitor the opinion of the citizens regarding openness *e.g.* through citizen feed-back?

❒ Yes ❒ No ❒ Hard to say

32. Do you consider it necessary that the highest civil servants declare their economic and other interests? Should this practice also be extended to managers on a lower level?

- Present situation ❒ Necessary ❒ Not necessary ❒ Hard to say
- Extension ❒ Necessary ❒ Not necessary ❒ Hard to say

33. Does your agency have cases of disqualification due to part-time jobs or other reasons?

❒ Weekly ❒ Monthly ❒ Hard to say ❒ Annually ❒ Never

34. Does your agency have a regular system to avoid cases of disqualification?

❒ No ❒ Hard to say ❒ Yes; what kind of system .....

35. Do the civil servants of your agency present in public personal views differing from the official viewpoint of the agency?

❒ Whenever the person himself considers it necessary

❒ In exceptional cases only

❒ Never

36. How often are there such cases in your opinion?

❒ Weekly ❒ Monthly ❒ Annually ❒ Hard to say

VII. Personnel management and development of the personnel

37. Are civil service ethics included in personnel management in your agency?

❒ No ❒ Hard to say ❒ Yes, please specify .....

38. Does your agency need outside development support (*e.g.* training services) to solve questions of civil service ethics?

❒ No ❒ Hard to say ❒ Yes, please specify .....

39. Do your subordinates or colleagues contact you on issues of civil service ethics?

❒ No ❒ Hard to say ❒ Yes, the issues typically relate to.....

40. Are issues of civil service ethics taken into account when choosing new personnel?

❒ No ❒ Hard to say ❒ Yes, please specify .....

41. Are ethical requirements relating to a person's civil-servant status discussed in the orientation of a new *person*?

❒ No ❒ Yes, systematically ❒ It varies, depending on the person handling the orientation

42. What is the preparedness of the personnel of your agency to

- Identify and solve ethical problems in their own administrative field?

❒ Very good ❒ Good ❒ Hard to say
❒ Poor ❒ Very poor

- Act in accordance with professional responsibilities of an expert in applying the rules in their specific administrative field?

❒ Very good ❒ Good ❒ Hard to say
❒ Poor ❒ Very poor

- Carry out a thorough discussion on ethical issues relating to their own actions?

❒ Very good ❒ Good ❒ Hard to say
❒ Poor ❒ Very poor

43. Does your agency use methods to disclose abuse or other unethical behaviour (*e.g.* a suggestion box)?

❒ No ❒ Yes, please specify.....

VIII. Present state and future of civil service ethics

44. To what extent do the values of civil servants and private-sector personnel differ from each other?

❒ Nearly identical ❒ Pretty much the same ❒ Hard to say
❒ Fairly different ❒ Completely different

45. How much corruption do you think exists in public administration and in business life?

- State administration ❒ A lot ❒ Some ❒ Hard to say ❒ Seldom ❒ Very seldom
- Municipal administration ❒ A lot ❒ Some ❒ Hard to say ❒ Seldom ❒ Very seldom
- Business life ❒ A lot ❒ Some ❒ Hard to say ❒ Seldom ❒ Very seldom

46. Does the convergence of the public and private sectors affect corruption in State administration?

- Increased interaction (such as joint projects, networks)

❒ Considerable increase ❒ Some increase ❒ No effect
❒ Some decrease ❒ Considerable decrease ❒ Hard to say

● Use of new accounting and audit models

❒ Considerable increase ❒ Some increase ❒ No effect
❒ Some decrease ❒ Considerable decrease ❒ Hard to say

● Open competitions for public services

❒ Considerable increase ❒ Some increase ❒ No effect
❒ Some decrease ❒ Considerable decrease ❒ Hard to say

47. In your opinion, how does corruption in Finland compare to other EU member States? In Finland things are

❒ Very well ❒ Fairly well ❒ Like elsewhere
❒ Fairly badly ❒ Very badly ❒ Hard to say

48. Are there differences between the values of different agencies?

❒ Nearly the same ❒ Fairly similar ❒ Hard to say
❒ Fairly different ❒ Completely different

49. How uniform do you think the values of the civil service are in *official acts*? The values of civil servants are:

❒ Completely identical ❒ Fairly identical ❒ Hard to say
❒ Fairly different ❒ Completely different

50. How could the level of civil service ethics be maintained and improved in the future?

	Large effect	Small effect	Hardly any effect
Legislation and other norms	❒	❒	❒
Information	❒	❒	❒
Training (*e.g.* a short course)	❒	❒	❒
The example of the management	❒	❒	❒
Displaying the values	❒	❒	❒
Internal mechanisms of responsibility (*e.g.* audits)	❒	❒	❒
External mechanisms of responsibility (*e.g.* Parliamentary Ombudsman)	❒	❒	❒
Control	❒	❒	❒
Taking working conditions into account (salaries, etc.)	❒	❒	❒
Ethical rules	❒	❒	❒
Other, what	❒	❒	❒

51. In your opinion how does civil service ethics compare to the situation ten years ago? At present the situation is:

❒ Considerably worse ❒ Slightly worse ❒ The same
❒ Slightly better ❒ Considerably better

52. Compared to the situation ten years ago, do issues of civil service ethics come up stronger today than before?

❒ Yes, considerably stronger ❒ Yes, somewhat ❒ No change
❒ No, fewer situations ❒ No there are no such situations

53. Finally, we would like to hear your opinion on what recent developments in the last ten years have influenced *the operations of your agency* and how? Circle the relevant numbers.

1) increased strongly	2) increased somewhat	3) no change
4) decreased somewhat	5) decreased strongly	

- Market guidance 1 2 3 4 5
- Interaction with the private sector 1 2 3 4 5
- The agency's own competence 1 2 3 4 5
- Political guidance 1 2 3 4 5
- Discretionary powers of civil servants 1 2 3 4 5
- Services subject to a charge 1 2 3 4 5
- Responsibility for results 1 2 3 4 5
- Savings policy 1 2 3 4 5
- Normative guidance 1 2 3 4 5
- Use of external services, out-sourcing 1 2 3 4 5
- Internationalisation 1 2 3 4 5
- Other, please specify 1 2 3 4 5

IX. Background information

54. Name of the agency:

55. Field of administration:

56. Answers given by:

57. Official position:

58. Year of birth:

59. Education:

60. (If answers given by two or more): Were the answers easy to agree on?

❒ Yes, the persons were unanimous
❒ Yes, the persons were unanimous on most questions
❒ Hard to say
❒ No, the persons disagreed in several cases
❒ No, the persons disagreed totally

61. How did you feel about the questions? Was something important left out?

(If necessary, continue overleaf or on a separate sheet.)

ANNEX III.A7

Contacts of the Project on "Values to be Part of the Daily Job"

PUBLIC SECTOR INTEGRITY – A FRAMEWORK FOR ASSESSMENT – ISBN 92-64-01059-9 – © OECD 2005

Ministry of Finance P.O. Box 28 FIN-00023 Government	*Senior Adviser, Legal Affairs* *Kirsi Äijälä* Tel. +358 9 160 34929 Fax. +358 9 160 34839 *kirsi.aijala@vm.fi*
Jyväskylä University Department of Special Pedagogics Pitkäkatu 1C P.O. Box 35 FIN-40014 Jyväskylä University	*Deputy Principal* *Paula Määttä* Tel. +358 14 260 1650 Fax. +358 14 260 1621 *pamaatta@edu.jyu.fi*
National Bureau of Investigation P.O. Box 285 FIN-01301 Vantaa	*Chief Super Intendant* *Antti Turkama* Tel. +358 9 8388 6700 Fax. +358 9 8388 6508 *antti.turkama@krp.poliisi.fi*
Lapland Employment and Economic Development Centre Ruokasenkatu 2 FIN-96200 Rovaniemi	*Director* *Pirkko Saarela* Tel. +358 16 368 7001 Fax. +358 16 368 7106 *pirkko.saarela@te-keskus.fi*
Ministry of Transport and Communications P.O. Box 319 FIN-00023 Government	*Head of Personnel Development* *Kirsi Karppi* Tel. +358 9 1602 8337 Fax. +358 9 1602 8620 *kirsi.karppi@mintc.fi*
Criminal Sanctions Agency P.O. Box 319 FIN-00181 Helsinki	*Head of Administration* *Heli Herna* Tel. +358 9 1608 8419 Fax. +358 9 1608 8410 *heli.herna@om.fi*
Finnish Road Administration P.O. Box 33 FIN-00521 Helsinki	*Head of Personnel* *Matti Hermunen* Tel. +358 204 222 096 Fax. +358 204 222 202 *matti.hermunen@tiehallinto.fi*
National Board of Customs P.O. Box 512 FIN-00101 Helsinki	*Deputy Director* *Eino Hämäläinen* Tel. +358 20 492 2382 Fax. +358 20 492 2850 *eino.hamalainen@tulli.fi*

OECD PUBLICATIONS, 2, rue André-Pascal, 75775 PARIS CEDEX 16
PRINTED IN FRANCE
(42 2005 14 1 P) ISBN 92-64-01059-9 – No. 54099 2005

Public Sector Integrity

A FRAMEWORK FOR ASSESSMENT

Citizens demand evidence of governments' efforts and achievements in fighting corruption and promoting integrity. But assessing the effectiveness of governments' measures poses specific challenges, in particular the definition of a thorough and objective methodology. The political sensitivity and hidden nature of corruption make this task particularly difficult.

This *Assessment Framework* provides policy makers and managers with a pioneering roadmap to design and organise sound assessments in specific public organisations and sectors. It includes practical checklists, decision-making tools and options for methodologies based on good practices.

At a time when governments are increasingly required to assess pro-integrity and corruption prevention measures, this report provides a unique inventory of methods and solutions used world wide for crafting well-designed assessments. Selected case studies give more details on recent assessments in the specific country contexts of Australia, Finland, France and Korea.

FURTHER READING

Evaluating Public Participation in Policy Making

The full text of this book is available on line via this link:
http://www.sourceoecd.org/governance/9264010599

Those with access to all OECD books on line should use this link:
http://www.sourceoecd.org/9264010599

SourceOECD is the OECD's online library of books, periodicals and statistical databases. For more information about this award-winning service and free trials ask your librarian, or write to us at SourceOECD@oecd.org.

www.oecd.org

ISBN 92-64-01059-9
42 2005 14 1 P

OECD
OECDPUBLISHING