



PERCEPTION OF ADMINISTRATIVE CORRUPTION AMONG BUSINESS MANAGERS IN BAGHDAD,IRAQ

**Research project submitted to the faculty of Business Management in
partial fulfillment of the requirements for the degree of Master of
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Universiti Utara Malaysia

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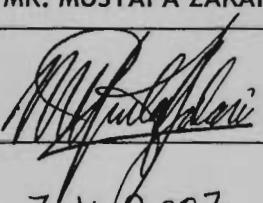
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ABSTRACT

This study is an attempt to examine the perception of administrative corruption among managers of business organizations in Baghdad, Iraq. A survey was carried out among 16 business managers in the area of Resafa in Baghdad .The result of the survey showed that the managers are aware about the incident of corruptions. In addition the managers also suggest some measures to reduce corruption in Iraq.

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In the name of Allah.

Most Beneficent and Most Merciful, Praise and thanks to Allah, first and last, lord and Cherisher of all the worlds who taught humankind everything they knew not. May his blessings and His Mercy be upon the holy prophet Muhammad S.A.W the best of mankind.

My aim in this study to start building my country and this is in shallah the first stage for the Iraq and in shallah Allah help me to continue building Iraq without any corruption.

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CHAPTER 1

INTRODUCTION

1.0 Background of Study

Presently in Iraq the problem of financial and administrative corruption is particularly rampant among government and business officials. While some of the government and business officials in Iraq resort to corruption, the people of Iraq suffered under the yoke of poverty and hunger.

The impact of corruption in the country development is clear .It can be seen from the reluctance of investors to start businesses, weaken development project, high cost of living, and lack of transparency. All these further add to the present problem in Iraq.

The issue of corruption in government and business organizations is a considerable subject to be discussed in the recent time. Corruption is one of the major problems that need to be solved if the country is to develop further.

To conduct a research on the administrative corruption is the first step to come up with a strong administrative system in organization that is going to be able to detect and correct any potential administrative corruption that is present .This study is very important because it discusses one of the most dangerous organizational epidemics that challenge both the private and public sectors together. At the end it destroys the personnel values of the administrative officers and prevents them from achieving the organization objectives, to conduct a research on the administrative system is a first step toward the development of a good administrative system as it is hope that corrupt practices can be prevented and reduces corruption.

Much has been written about corruption, because corruption is a phenomenon which is immoral that lead to the misuse of public power for private purposes, and is the abuse of public office for gain. It also leads to the abuse of public money and the appointment relatives and friends in high positions job without qualifications. (Abdel-Rahman Teshori: 2000)

The concept of administrative corruption is broad. It might be through the spread of bribery, forgery or the appointment of relatives and friends in administrative positions not commensurate with their qualifications. Corruption also takes place through intermediaries, tampering with public money.

As the impact of corruption is to reduce economic growth, encouraging negative values among employees, unfair treatment between customers, a study on administrative corruption is much needed.

This is particularly so in the case of Iraq .Iraq being a country which attempt to reconstruct her self just after the war, a good administrative system is much needed further a good administrative system one which is free from corruption would lead to a more transparent organization.

1.1 The research problem

In Iraq it is expected that there has been an increase in the numbers of incidents of corruption, however studies on corruption is lacking. (Salh M: 2005)

There exist several studies on corruption in Iraq. However most of the studies are focused an administrative corruption in government or public organizations. (Al-Basra net: 2005)

Studies on corruption in the Middle East in general are scarce. The literature review hardly shows studies on corruption among the Middle East countries except for some studies In Iraq.

1.2 The Objective of the Study

The objectives of this study is to identify forms of administrative corruptions in organizations and administrative agencies, and causes and preventive measures available .Specifically, the objective of this study are as follows:

- 1- To identify the prominent form of administrative corruption in Business organizations in Iraq.
- 2- To examine the causes for the emergence of corruption in Business organizations in Iraq.
- 3- To identify the ways and means to curb the phenomenon of corruption in Business organizations in Iraq.

1.3 The Research Questions

The research questions for this study are as follows:

- 1- What are the prominent forms of administrative corruption in business organizations in Iraq?
- 2-What are the causes for the emergence of corruption in business organization in Iraq?
- 3-What are the ways and means to curb the phenomenon of corruption in the business organization in Iraq?

1.4 Scope of Study

This study covers Iraq managers in three types of firms, manufacturing, service, and marketing. The firms are located within Baghdad in area of Resafa. The area of Resafa is chosen as there are many companies within the area. Further more it is quite safe to conduct study in the area.

1.5 Sample selection

Sampling for this study is conducted by way of purposive sampling .This is because there is no one sampling frame that can be used at present .Further more purposive sampling is used as the choice of companies would depend on the safety of the particular area.

1.6 Method of Analysis

This study employs a number of statistical analyses .This study uses mean score and percentages to identify the administrative corruption in organization, the causes of corruption, and the ways and means of preventing corruption in the business organization in Iraq.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

The literature reviews consist of four sections. The first section gives an overview on corruption. This is followed by the second section and third section which discusses the definition of corruption and corruption in organization respectively. Finally, the fourth section on factors contribution to corruption.

2.1 Overview on Corruption

The practice whereby some of organization money is illicitly diverted for private gain is present to some degree in all societies. However, corruption's widespread occurrence in developing countries has raised substantial concern. Developing countries particular circumstances rapid economic and social change, strong kinship and ethnicities, new institutions, overlapping and sometimes conflicting views about what is proper behavior - appear to contribute to corruption saliency. Organization monopoly of economic activities, combined with conditions of political softness, widespread poverty and socioeconomic inequalities, ambivalence toward the legitimacy of organizations, may be particularly conducive to corruption as well. In Asia, Africa, Latin America, Corruption has a deleterious, often devastating, effect on administrative performance and economic and political development, for example, corroding public confidence, perverting institutions, processes and even goals, favoring the privileged and powerful few, and stimulating illegal capital export or use of non-rational criteria in organization decisions.

2.2 Definition

What is corruption? There are several answers to this question. Analytically speaking, the most promising answer is the one made by Vito Tanzi : “Corruption is the intentional non-compliance with the arm’s-length principle aimed at deriving some advantage for oneself or for related individuals from this behavior.” There are three basic elements of this definition. The first element deals with the arm’s-length principle as it requires that personal or other relationships should play no part in the economic decisions that involve more than one party. Equal treatment of all economic agents is essential for a well-working market economy. Bias towards particular economic agents definitely violates the arm’s-length principle and fulfills a necessary condition for corruption. If there is no bias, there is no corruption. (Begovic B :2007)

There are two additional necessary conditions for corruption, or rather conditions that must be fulfilled for observed bias (“non-compliance with the arm’s-length principle”) to be specified as corruption. The first condition is that the bias must be intentional – accidental violation of the arm’s-length principle because of, for example, imperfect information, does not represent corruption. Second, there must be some advantage for the individual who commits a violation of the arm’s-length principle; otherwise, there is no corruption. Violating impartiality may sometimes represent racism, but it is not corruption.

Seizing some benefit or deriving some advantage can be carried out simultaneously with a violation of the arm’s-length principle, but those two actions can be taken at different times. Namely, biased behavior of the one who is corrupted makes an informal, but sometimes binding obligation of the corruptor to return or repay the favor, and that obligation does not grow obsolete, so that seizing the benefits from the one who is

corrupted moves into the future. If the returned favor is a well-paid job for the son, and the son has just started college, it is obvious that there is a time gap between the two actions. Furthermore, in formulating the corruption contract, the returned favor is sometimes not even specified, but the obligation is assumed.

The World Bank uses another definition of corruption. The World Bank defines corruption as “the abuse of organization office for private gain.” This definition considers the cause of corruption and its abuse, and links corruption to the state, its activities, state intervention on the market. In other words, the use of this definition excludes the possibility of corruption in the private sector, and it focuses exclusively on corruption in the business sector. This definition is consistent with the beliefs of Nobel Prize laureate Gary Becker that “if we abolish the state, we abolish corruption.” The problem with the alternative definition is that not all abuses of organization office are corruption. Some of them are straightforward theft, fraud, embezzlement, or similar activities, but definitely not corruption.

It is socially unacceptable, but it is still not corruption, i.e. corruption is not the only thing that is socially unacceptable and illegal. In addition, extortion is something that provides intentional non-compliance with the arm’s-length principle, but since there is no advantage for the victim of extortion (a judge or a prosecutor, for example) a violation of this kind is not corruption. It is important to distinguish between corruption and other illegal activities because factors of corruption and policies to fight corruption usually are or can be quite distinctive from factors and policies against other types of illegal activities.

From the enforcement point of view, corruption is a contract. It is an informal contract because it is illegal – no court in the world will uphold it if there is a problem with its enforcement. On the contrary, a properly operating court would process corruption as a criminal offence. This very specific feature of corruption as an illegal contract generates its

substantial transaction costs, the most important of which are: finding the counterpart, formulating the contract (particularly taking into account all foreseeable and unforeseeable contingencies), monitoring the contract, and enforcing the contract. This is not to say that standard legal contracts are free of transaction costs. This is to say that due to the illegal nature of the corruption contract, its transaction costs are multiplied. The transaction cost feature of corruption is of great relevance and must be taken into account when the consequences of corruption are analyzed. From the point of view of its source, corruption is in most cases, the consequence of rent appropriation. Rent is a factor's income that is above the competitive returns of the factor.

To define official corruption Caiden has quoted the definition of Joseph & Nye's behavior which deviates from the duties of a business role because of private - regarding (personal, close family, private clique) pecuniary or status gains, or violates rules against the exercise of certain types of private regarding influence". Nye specifically included bribery, nepotism and misappropriation.

Official corruption is the specific act of misconduct that disgrace business office and make the offenders to remain in office. It stresses the behavioral element - intentional deviation for personal gain. (Caiden: 1991)

Competitive returns are those achieved on the competitive market; hence in the world of perfectly competitive markets, there will be no rents. Corruption is just a form of rent appropriation and its dissipation, i.e. a situation in which economic agents are willing to pay a bribe to be included in the rent appropriation scheme – they are paying to earn some rent. This origin of corruption should always be taken into account when discussing the factors of corruption. The factors that create rent are the ones that create fertile ground for corruption.

A few words on the ethical aspects in defining corruption should be added. For an overwhelming majority of people corruption is something morally unacceptable; it is the evil that should be fought because its very existence is against basic moral principles. The analysis of corruption which follows is morally neutral. The issue of morality is irrelevant to the considerations in this document. In that sense Tanzi's definition of corruption is morally neutral.

2.3 Corruption in Organization

One of the most striking features of the bureaucracy is rampant corruption. The Annual Report of 1992 of the Bangladesh Bureau of Anti-Corruption compiled 11,384 cases of different types of corruption charges. A survey conducted in Dhaka city in 1992 revealed that 68.25 per cent of the respondents, i.e. household heads either directly or indirectly paid bribes at one point of time or another to get the job done. The data also indicated that most complaints of administrative corruption were against officials of the law-enforcing agencies., (Aminuzzaman, 1996:13-27)

Placing corruption in the context of state of organization, Davies offers an analytical model for comprehending its realities. She conceptualizes corruption in terms, Of its relationship to: (I) power and authority, (ii) law and policy, and (iii) the organization space. Distinguishing between types of corruption, coercive, collusive and non-conjunctive, and indicates five major strategies which have been carefully utilized by its beneficiaries to promote and sustain the system of corruption in various contexts. These are: mystification, distancing, folklore, colonization, and pacification. Efforts at eradicating corruption to be successful, she suggests, must address the task of diffusing the corruption - sustaining contexts and strategies.

2.3.1 Types of administrative corruptions:

Corruption is a complex problem involving many different factors and forces. Caiden spoke about four types of corruption. They are - foreign-sponsored, political scandal, institutionalized and administrative malfeasance. Politicians, representatives of donor and recipient countries, bureaucratic elites, businessmen and middlemen, petty officials and interested individuals are the main actors of these corruptions. (Caiden:1988).

In collusive corruption, the corrupters are active participants and use corruption as an instrument of inducing the wrong gesture of action or inaction on the part of authorities, deriving benefits greater than the costs of corruption for themselves.

Coercive corruption: is one sided victimizing. Corruption, forced upon the corrupted by those in authority.

In the case of non-conjunctive corruption, it is noteworthy that the benefits obtained by the corrupt are obtained at the cost of some one, yet the victims are not aware of their victimization.(Arora:1993).

Carino identifies seven types of norms that are supposed to govern the conduct of a bureaucrat. These are universalistic, priority, efficiency, technical, jurisdictional, propriety and secrecy norms. Carino also describes the norms of the culture. Personalism is in fact the most dominant symbolic feature of Philippines social behavior. Because of the cultural imperatives a Filipino is expected to take account of all facets of an individual's personality and membership in dealing with him. As he does so, he is also expected to treat persons according to the closeness or congruence of their group memberships and their other similarities to him. The bureaucratic legal norms lie a great distance from the demands of personalism. Personalism can be discordant in a bureaucracy where relations are supposed

to be governed by constitutional rules and general interest rather than particularistic considerations.(Carino:1979)

The bureaucratic legal norms are in marked contrast with personalism which the culture demands. The incongruence between legal and cultural standards is such that what are deemed unacceptable by law fall within the ideal and acceptable behavior according to the culture and vice-versa. Nevertheless, the persistence of graft and corruption in Philippine does not necessarily manifest a legal-cultural conflict since the most problematic form of corruption involves cash payments, which are both not legally and culturally acceptable. If an act is recognized as deviant or corrupt both by law and ethics, the author labeled that act as true corruption. (Carino:1979).

. Both central and local bureaucracies are plitted against various scales of corruption such as small scale, individualistic, opportunistic, systematic, group and planned. The author has showed statistics of corruption from 1980-1986.

A. Corruption based on offerings

In corruption based on offerings, company officials used office resources for their personal benefits. It may also means the officials use office resources for their relatives and friend .stealing is also a form of corruption based on offerings.

B- Corruption based on practice

Animul (1978) in his research identifies several criteria of corruption based on practices.

1-The bad use of the routine

badly used the routine and complex dealing with that person make the people to pay the money to the employee to get the serves or achieve some thing in little effort and cost and quickly.

2-The insecurity use of the authorities

We can see this kind of administrative corruptions in case insecurity use of the authorities that grantee to the employee in the administrative system

That makes some of people get like this facilities and another group not get this facilities

3- The practices of disobeying the law

We see in this kind of corruption when the employee male mistake that mistake is wrong with the low and the rule, the employee do that to get on the special win that far for all public commonweal.

C- Corruption in general:

Peter and Welch (1978) identified three forms of corruption according to general opinion the three forms are

1- Black corruptions: this refer to agree the crowd and the employees them work in the body on refused any act or dealings bad.

2- White corruptions: that mean the crowd and the employee agree on this kind from the corruptions.

3- Grey corruptions: in this kind not all the crowd and the employees is agree on it.

2.4 Factors Contributing to Corruption

Caiden in his study try to evolve a proper theoretical framework presents an interesting and comprehensive form of official corruption. As there are many varieties of corrupt behavior so there are multitudinous factors contributing to corruption. The work reflects the wide variety of factors contributing to corruption which includes - ideological, external, economic, political, socio-cultural and technological. Despite the unevenness of research data several attempts at detecting generalized patterns of corruption among different geographical regions have been made corresponding to their relative wealth, political stability, social cohesion, cultural mores, administrative capability and degree of modernization. Caiden has described both the adverse and beneficial effects of corruption. Detailed case studies of specific corrupt practices have disproved most of the supposed benefits claimed for them. Caiden mentioned unchecked official corruption will result in a "softness of state" comprising all manner of social discipline that prevents effective government and obstructs national development. It is almost impossible to eliminate corruption entirely, it can be minimized. Societies could be considerably better off if they could reduce official corruption. Caiden: 1988)

Some examples of bribery and bribe receiving situations include: A city employee, whose job it is to conduct inspections of a contractor's work, offers to refrain from reporting unsatisfactory work on a building in exchange for money or some other thing of value (e.g., supplies; free or discounted work on the employee's house; jewelry; a car; a trip; lunch). A contractor offers to pay a City employee a percentage of each contract or open market order the contractor receives from the City in exchange for being guaranteed future contracts.

An inspector agrees to allow a firm to dump hazardous waste into a City river in exchange for a cash payment.

Khalid (2006) provides eight reasons for the occurrence of administrative corruptions:

- 1- Total lack of justice in the distribution of wealth within the community.
- 2- Low salaries for officers and workers.
- 3 - Lack of incentives or no incentives at all for employees that perform.
- 4- Lack of amenities such as housing, transportation and advances, and cut others.
- 5- Weak and the collapse of the moral value of the staff.
- 6- Poor administrative leadership.
- 7 - The presence of defects and weaknesses in the administrative system.
- 8- Not putting the right person in the right place (D. Khalid So, Civilized dialogue-Number: 1616-2006).

CHAPTER 3

METHODOLOGY

3.0 Introduction

This chapter describes the sampling frame, data collection, research instrument, and statistical analysis for this study.

3.1 Sampling Frame

In this study no particular sampling frame was used. This is due to the fact that at present there is no sampling frame available. However respondents representing 30 companies were contacted out of which only 16 respondents replied.

3.2 Data Collection

The actual study began in July, 2007. The questionnaires were distributed and administered to the respondents from 1 July 2007 until 20 August 2007. A total of 30 questionnaires were distributed to the respondents, and 16 responses were obtained.

3.3 Research Instrument

In this study, the questionnaire comprised 4 sections consisting of 41 items. The first section contained, 3 items that measured the respondents demographic information concerning: (1) type of business (2) academic achievement (3) years of experience. The second section comprises 9 items on administrative corruption.

The third concentrates 17 items on corrupt practices. And lastly, the fourth sections contain 12 items on the prevention of administrative corruption.

This research instrument was adapted based on Basim Faisal Abd -AL- Dliaimi (1999) Several modifications were made to the original questionnaire to accommodate the objective of this study

3. 4 Data Collection

The version (2007) of the Statistical Package for the social Sciences (SPSS 12) was used for the statistical analysis. Items were coded before they were entered into the computer. Continuous variables were entered into the computer as they had responded the questionnaire. In this study, descriptive analysis, mean, and standard deviation and reliability analysis were carried.

3.5 Reliability Analysis

Reliability tests were carried out to determine the reliability of the measure .the reliability tests provided the following results:

(Table 3.5) Measures

Administrative corruption	953
Corrupt practices	969
Prevention of administrative corruption	969

As shown the measure are reliable in view that the cronbach alphas recorded are greater than 0.7.

CHAPTER 4

RESULT

4.0 Introduction

This chapter discusses the results and the finding based on the analysis done on the data collected from respondents this chapter is divided in four parts. The first part shows the background of the respondents. The second part shows respondents. Perception on corruption in Iraq .the third part shows the perception on corrupt practices and the last part on prevention on administrative corruption.

4.1 Respondents background

Table 4.1 shows the business type which the respondent are involved .Most of the respondents are involved in marketing practices (44 percent) this is followed by respondents who are involved in manufacturing (37 percent) and services (19 percent).

Table 4.1: Business type

	Frequency	Percent	Cumulative Percent
service	3	18.8	18.8
manufacturing	6	37.5	56.3
marketing	7	43.6	100.0
Total	16	100.0	

The academic achievement of the respondent is shown in table 4.2 from the table it can be seen that most of the respondents are educated at the master

level (56 present). This is followed by the bachelor holders (31 percent) and MLA diploma holders (13 percent).

Table 4 . 2 : Academic achievement

	Frequency	Percent	Cumulative Percent
MLA	2	12.5	12.5
Diploma	5	31.3	43.8
Bachelor	9	56.3	100.0
Total	16	100.0	

The years of respondents experience is shown in table 4.3 Majority of respondents (56percent) with 21-30 years experience .This is followed by those with 31-40 years experience (25 percent), 11-20 years experience (13 percent),and 1-10 years experience (6 percent).

Table 4.3 : Years of experience

	Frequency	Percent	Valid Percent
1-10 years	1	6.3	6.3
11-20 years	2	12.5	12.5
21-30 years	9	56.3	56.3
31-40 years	4	25.0	25.0
Total	16	100.0	100.0

4.2 Perception on Corruption in Iraq

This section discusses the perception on corruption among managers in private organization in Iraq.

4.2.1 Administrative corruption

The perception on administrative corruption is shown in table 4.4:

Table 4.4 Administration Corruption

	Mean	Std. Deviation
Activities in the organization can be amended for personal purpose.	2.50	.632
Employee tends not to work when supervision is lacking.	2.50	.730
Business transactions require numerous unnecessary steps	1.44	.629
. Requirement of unnecessary documents to do transactions.	1.44	.727
One has to go to many sections to complete transaction.	1.50	.730
Employee act beyond limit of his control.	1.63	.719
Officer is indecisive.	2.31	.793
Officer's tasks are not clear.	1.56	.727
Customer does not follow regulation.	1.13	.342
Valid N (list wise)		

The perception on administrative corruption is shown in table 4.4. The three highest score for administration are, "customer does not follow regulation" (1.13), "business transaction require numerous unnecessary steps" (1.44) "requirement of unnecessary documents to do transaction" 1.44 and "one has to go to many section to complete transaction" (1.50).

The three lowest mean score for perception on corruption , "activities in the organization can be amended for personal purpose" (2.50)"employee tend not to work when supervisor is lacking " (2.50), "officer is indecisive " (2.31) ,and "employee act be youd limit of his control "(1.63).

4.3.2 Corrupt practices

The perception on corrupt practices is shown in table 4.5:

Table 4.5: Corrupt Practices

	Mean	Std. Deviation
Different rules exist for the same transactions	2.00	.894
To seek assistance from friends of officer to facilitate transaction is a form of administrative corruption.	1.13	.342
Bribery is a form of administrative corruption frequently used in organization dealings.	1.00	.000
Payment in cash or in kind from customer to facilitate transaction lead to administrative corruption.	1.25	.577
Lack of control lead to administrative corruption.	2.00	.730
The rapid expansion of organization leads to administrative corruption.	2.25	.577
Complex structure of organization leads to administrative corruption.	2.69	.602
Too much authority to make decisions lead to administrative corruption.	1.94	.854
Leaders can lead the employee to do corruption.	1.87	.619
The lack of salary and wages assist in the increases of corruption.	1.31	.602
Administration corruption may close the gap between people of different classes.	1.63	.719
Corruption contributes to the weakening of the administrative system	1.13	.342
Corruptions lead to change the rules and regulations	1.25	.447
Administrative corruptions did encourage anti - corruption rules	1.87	.806
Corruption hinders the organization to achieve its objectives	1.13	.342
Administrative corruptions limits the capabilities and creativity of workers	1.56	.814
Administrative corruption lead to the weakening of the features of the organizational structure	1.44	.727
Valid N (listwise)		

The corruption practice is shown in table 4.5 the three highest score for corruption practice are, "Bribery is a form of administrative corruption frequently used in organization dealings". (1.00), "Payment in cash or in kind from customer to facilitate transaction lead to administrative corruption."

(1.25) "Corruptions lead to change the rules and regulations" (1.25). "To seek assistance from friends of officer to facilitate transaction is a form of administrative corruption "(1.13) "Corruption hinders the organization to achieve its objectives"(1.13)."Corruption contributes to the weakening of the administrative system "(1.13).

The three lowest mean score for perception on corruption , "Lack of control lead to administrative corruption " (2.00) "The rapid expansion of organization leads to administrative corruption " (2.25), "Complex structure of organization leads to administrative corruption"(2.69).

4.3.3 Prevention of Administrative Corruption:

The perception on how prevent administration corruption is shown in table 4.6:

Table 4.6: Prevention of Administrative Corruption

	Mean	Std. Deviation
Regular discussion about work between manager and employees.	1.44	.629
Top managers assist employees them in finding appropriate solutions to their problems.	1.31	.479
The top management does surprise check on employees	1.56	.727
Study the organizational structures identify and solve problems.	1.75	.775
The application of the principle of a proper person in the right place.	1.00	.000
Encourage all workers at all levels to participate in decision-making.	1.19	.544
Rules to reward good employees and reprimand poor ones.	1.31	.602
Abide by the instructions and guidance on preventing administrative corruption.	1.50	.730
Streamlining administrative procedures and Shorten the process of administration.	1.56	.629
Reward successful workers.	1.06	.250
Search for the means and methods legally authority to increase the income of the employee.	1.25	.577
Penalize workers who abuse their authority		
Valid N (listwise)		

Three highest mean score for the Prevention of Administrative Corruption, "The application of the principle of a proper person in the right place" (1.00) "Reward successful workers" (1.06), "Encourage all workers at all levels to participate in decision-making" (1.19).

The Prevention of Administrative Corruption is shown in table 4.6 the three lowest score for administration are, "Study the organizational structures identify and solve problems". (1.75), "The top management does surprise check on employees "(1.56) "Streamlining administrative procedures and Shorten the process of administration "1.56.

Chapter 5

DISCUSSION AND CONCLUSION

5.0 Introduction

This chapter consists of four sections. The first section discusses the result of this study. The second section discusses the implication of the study and the third section on recommendation for future research .Section four is the conclusion of the study.

5.1 Discussion

The general objective of this study is to identify the perception of administrative corruption among managers of private business organization in Baghdad, Iraq.The more specific objectives are to identify what are the more prominent forms of administrative corruption, the causes of administrative corruption, and what are the ways and means to prevent corruption as perceived by Iraq managers.

As for the perception on administrative corruption most of the managers agreed that customers do not follow regulation, requirement of unnecessary requirements are among the forms of administrative corruption.

The managers perceived that there are various corruption practices that can take place in organizations. As shown among the practices that are perceived as corruption is bribery and cronyism, which is making use of friends to facilitate transactions .Also most managers agree that corruption weaken an organization. The lack of salary may also lead employees to participate in corrupt practices. In general this study shows that most of the managers that participated in this study perceived that corruption do

occur in business organizations in Iraq. Corruption may exist in various forms .The managers who participated in this study also suggest several measures which can prevent corruption from their point of view.

5.2 Implication of the study

- 1- In view of the adverse effect of corruption on an organization and country, it is important to make the employees aware of corruption by having a compulsory course on corruption at Universities in Iraq.
- 2- Universities in Iraq should support studies that examine corruption.
- 3- Managers in organization should make plans to prevent corruption in the organization.
- 4- Managers in business organization should rotate the jobs of employees to prevent corruption.
- 5- Companies in Iraq must try to improve their work ethics.
- 6- Companies in Iraq should also improve the reward system in order to reduce administration corruption.
- 7- The government of Iraq should analyze the incident and level of administrative corruption, and improve the present legal system.
- 8- The government of Iraq should also try to reduce the discrimination among various ethnic groups, as this can also add to corruption.

5.3 Recommendation for Future Research

Future studies can be undertaken considering several issues had not been addressed in this research. Similar research can be carried out among managers in public organizations in Iraq. Future research can also be carried out in other region in Iraq such as in Kurdistan or Basra, where the situation is less risky. Similar research can also be undertaken in other Middle East countries .Study can also be carried out to test whether corruption may adversely affect performance.

Conclusion

One can easily guess that a country in a state of flux is always exposed to social diseases .Corruption is a form of social diseases. It seems to pervade into the social fabric of the Iraqi life, business organization not exempted. This study shows. That most managers realized that the various forms of administration corruption that are taking place in Baghdad. As for the corrupt practices, the managers are able to provide excellent suggestion that may reduce incident of corruptions. Regardless the question remain, in reality, can corruption be reduced over the long term in Iraq.

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IN THE NAME OF ALLAH

Dear Director

RE: SURVEY ON ADMINISTRATIVE CORRUPTION.

The above refers

I wish to inform you that I am a student at Northern university of Malaysia, and presently, I am completing my master s program at the University.

As part of my graduation requirement .I am conducting a research on administrative corruption in Iraq.

I hope you could spend about 15 minutes of your time to fill in the questionnaire that is enclosed herewith. I wish to thank you in advance for your kind cooperation.

Kindly, take your choice.

Supervisor

Researcher

Mr. Mustafa Zakaria

Student Master

Munadil.K.Faeeq

Your Business:-

Service

Manufacturing

Marketing

Academic achievement:-

MLA diploma after prep

Bachelor

Masters

PHD

Years of experience:-

1-10 Years

11-20 Years

21-30 Years

31-40 Years

	Administrative Corruption	agree	Indifference	disagree
1	Activities in the organization can be amended for personal purpose.			
2	Employee tends not to work when supervision is lacking.			
3	Business transactions require numerous unnecessary steps.			
4	Requirement of unnecessary documents to do transactions.			
5	One has to go to many sections to complete transaction.			
6	Employee act beyond limit of his control.			
7	Officer is indecisive.			
8	Officer's tasks are not clear.			
9	Customer does not follow regulation.			
	Corruption Practices			
10	Different rules exist for the same transactions.			
11	To seek assistance from friends of officer to facilitate transaction is a form of administrative corruption.			
12	Bribery is a form of administrative corruption frequently used in organization dealings.			
13	Payment in cash or in kind from customer to facilitate transaction lead to administrative corruption.			
14	Lack of control lead to administrative corruption.			
15	The rapid expansion of organization leads to administrative corruption.			
16	Complex structure of organization leads to administrative corruption.			
17	Too much authority to make decisions lead to administrative corruption.			
18	Leaders can lead the employee to do corruption.			
19	The lack of salary and wages assist in the increases of corruption.			
20	Administration corruption may close the gap between people of different classes.			
21	Corruption contributes to the weakening of the administrative system			
22	Corruptions lead to change the rules and regulations			
23	Administrative corruptions did encourage anti - corruption rules			
24	Corruption hinders the organization to achieve its objectives			
25	Administrative corruptions limits the capabilities and creativity of workers			
26	Administrative corruption lead to the weakening of the features of the organizational structure			

	Prevention of Administrative Corruption	agree	Indifference	Disagree
27	Regular discussion about work between manager and employees.			
28	Top managers assist employees them in finding appropriate solutions to their problems.			
29	The top management does surprise check on employees.			
30	Study the organizational structures identify and solve problems.			
31	The application of the principle of a proper person in the right place.			
32	Encourage all workers at all levels to participate in decision-making.			
33	Rules to reward good employees and reprimand poor ones.			
34	Abide by the instructions and guidance on preventing administrative corruption.			
35	Streamlining administrative procedures and Shorten the process of administration.			
36	Reward successful workers.			
37	Search for the means and methods legally authority to increase the income of the employee.			
38	Penalize workers who abuse their authority.			