

ENABLING LEADERS AND MANAGERS TO FORMULATE
PRACTICAL STRATEGIES FOR CORRUPTION REDUCTION

THE SECTOR FOCUS & REFORMULATION APPROACH (SFRA)

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WORKING PAPER 5

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ABSTRACT

This paper describes a new approach to assist politicians, leaders and managers develop better strategies to reduce corruption. *The Sector Focus & Reformulation Approach*, or SFRA, is applicable in both developed and developing country environments. The situation that SFRA responds to is this:

I am responsible for delivering policies/services/products. My team and I know the issues, the politics and the context, but we know little about reducing the damaging impact of corruption on our operations. Help us to understand how we should analyse the problem, what reform approaches to consider, and how we then formulate a good strategy.

The SFRA approach has evolved over a period of several years, through a combination of practical engagement with reformers in sectors such as defence, health and education, across a range of countries at various stages of development, and from challenges to the existing research on anti-corruption. It has been married with a deeper understanding of what ‘strategy’ is, based on a review of modern thinking about strategy in military, business and politics, presented by Heywood and Pyman (2020) in a companion paper. The insights that enabled SFRA to emerge as a practical methodology included the following: strategies need to be alert to the language, customs and characteristics of the particular sector; the range of corruption issues in a sector can be encompassed by 20-40 named corruption problems; it is almost always possible to have open discussion about the corruption issues within a sector, even when many of the people in the room are deeply involved in corruption or in the exchange of favours; objectives in corruption reform usually need to be re-formulated; and, finally, most reformers have only the most basic understanding of what a ‘corruption reform measure’ might be.

INTRODUCTION

In this paper we describe a new approach for formulating strategies to reduce corruption: the *Sector Focus and Reformulation Approach*, or *SFRA*. It is for reformers who carry responsibilities as leaders, managers or politicians and who want or need to take constructive measures to curb the damaging effects of corruption. The prime user communities are therefore public officials and politicians (in government or in opposition, national or local), and those working within particular sectors (public officials, regulators, agencies, private sector executives, sector professionals, civil society or citizens). The desired reforms may be within a ministry, department or agency; within a sector or sub-sector, such as health or education; within a single professional group, such as a police force; sub-nationally within a region, province or at city level; or in the private sector.

The SFRA approach is for use in both developed and developing country environments. Though the sort of strategy to adopt obviously depends on the economic and political context, lack of knowledge about corruption reform is a major factor that has contributed in the past to unsuccessful interventions. The archetypal situation that SFRA seeks to respond to is this: 'I am a leader/manager responsible for delivering policies/services/products. My team and I know the issues, the politics and the context, but we know little about reducing the damaging impact corruption has on our operations. Help us to understand how we should analyse the problem, what reform approaches to consider, and how we then formulate a good strategy.' Pyman has been asked almost this identical question across diverse sectors, countries and political regimes: such as health ministers in Greece and Afghanistan, defence officials in Poland and Ukraine.

A logic for formulating corruption reform strategy has to be applicable despite the complexity, unpredictability and inevitable shifting of circumstances; specific to the political and economic context; and specific to the prevailing norms through which corruption is understood and operationalised in that environment. The strategy needs to be sophisticated enough to cut through the complex, deceptive nature of corruption, yet flexible enough to leverage and maximise any advantages reformers may have. However, in order to be usable and useful, the logic of the guidance also has to be straightforward: readily comprehensible by people who will likely be experts in their own fields but with no special knowledge of anti-corruption, and packaged-up sufficiently simply so that the range of possible options to consider does not become unmanageable.

The SFRA approach has developed over a period of some ten years or so since 2008, informed by two main drivers: first, direct engagement with reformers in sectors such as defence, health and education, in settings that ranged from established economies through to conflict-affected developing states; second, collaboration with a number of academic researchers working on better understanding corruption reform. Much trial and error was involved. Out of this experimentation and experience, five main insights emerged that have underpinned the development of SFRA as a practical approach to formulating reform strategy.

- 1. Strategies have to be alert to the language, customs and characteristics of the particular sector.** This is essential to get the engagement and commitment of those within the sector, whether they are supporters or opponents of reform. Each professional domain has its own epistemology and mental models, which easily lead to misunderstanding of the motives of outsiders, or to rejection. Each sector has its own words -- formal and informal -- for the corruption issues and their drivers. Each sector has different structures of economic incentives and different functional complexities. The difference in reform approaches between those that are taken through a sector lens compared with, say, a broader governance view, is stark. To take the health sector as an example, it is a statement of the obvious for many health professionals that reducing corruption requires working on changes within the sector, such as mechanisms to remove corrupt preferment in long surgery waiting lists, or measures to limit the self-interest of the doctors' professional associations. On the other hand, for those in

the broader anti-corruption community and for health professionals taking a governance view, anti-corruption is to do with poor health governance, fraud or finance, which should be dealt with through the finance function or by financial auditors, not by frontline health workers. This latter view has become common in health development agencies, where anti-corruption is seen as having more to do with zero tolerance for the diversion of funds than with removing corruption-related obstacles to better health performance.

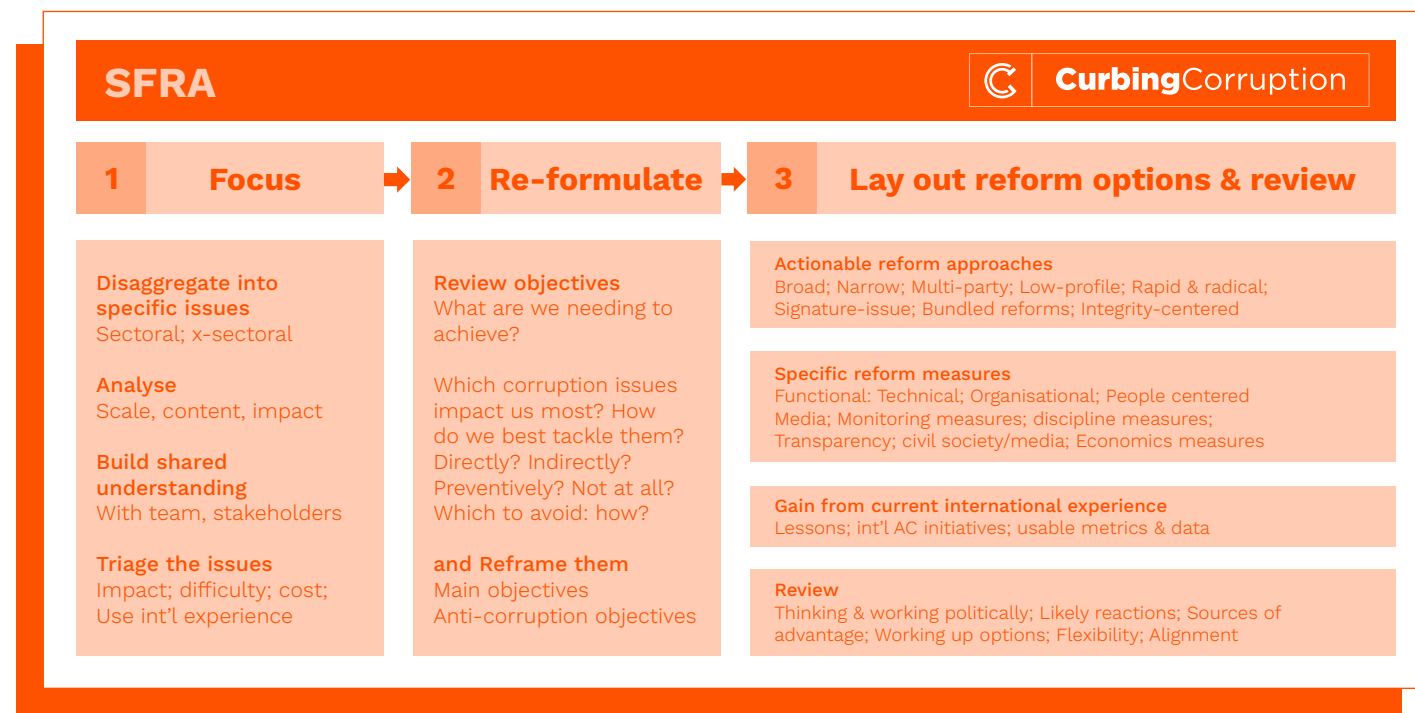
- 2. The range of corruption issues in a sector can be encompassed by some 20-40 specific and named problems.** The range is, of course, broad: from elite capture of sector-level policy-making and incentive structures, through to small bribes to facilitate personal favours like jumping surgery waiting lists. As a result, it is a non-trivial question whether it is helpful or even possible to brigade the issues into a discrete number of specific types of corruption, whether 4, 40, or some larger number. From experience of working on corruption reform in the defence sector, Transparency International (2011) and Pyman (2017) found that it is possible. Over a five year period of trialling draft defence typologies, they found that a typology of 29 issues was sufficient to cover the whole range across a wide variety of countries. The 29 comprised six variants of elite corruption at policy level, four variants of financial corruption, six variants of corruption in salaries and employment, four variants in military operations and nine variants of corruption in defence procurement. The crucial insight here was that this single typology of 29 corruption issues was sufficiently comprehensive to serve as a common starting point for reformers in diverse countries and political regime types. Participants across a wide range of countries recognised each of the 29 issues, even though the magnitude of each one varied significantly from one country to another and from one set of circumstances to another. To take a broad example: whilst relatively rich countries all have defence procurement corruption problems, this is a lesser issue in poorer countries because they procure much less; their defence corruption problems lie elsewhere, for instance in illicit sale of military land or assets or through misuse of intelligence. The corrupt use of military intelligence is also an example of variability across regime types: it is likely to be a major problem in authoritarian countries – as in Peru at the time of President Fujimori and Montessini, for example – but a lesser issue in well-functioning democracies.
- 3. It is almost always possible to have open discussion about the corruption issues within a sector,** even when many of the people in the room are deeply involved in corruption or in the exchange of favours. This is possible within a sector in a way that is harder across a whole government. Everyone in the room knows the functional issues deeply and they know what is holding back improved performance. Though some participants may be personally benefiting substantially, and may therefore be holding back, many of those involved will see themselves more as victims of the patronage system rather than as corrupt beneficiaries. As a result, even within highly corrupt power structures, experience showed participants were mostly ready to work on finding solutions. Only limited ground-rules are required for an open discussion: a problem-solving rather than a blaming approach, and a focus on system faults rather than on investigating individuals. The view that corruption is so sensitive a topic as to be almost impossible to discuss, whilst sometimes true, is exaggerated within a sector context. It may be, in part, a sensitivity amplified by development agencies, in response to their own discomfort at the topic.
- 4. Objectives relating to anti-corruption usually need to be re-formulated.** Corruption is a deceptively tricky topic and setting out with the sole direct objective of reducing corruption may be the wrong approach, a ticket to failure. A reformulation step is required, reviewing the corruption problems in parallel with reviewing what objectives are really desired. A more useful framing of the objective might be about improving a given process in some concrete way, such as a better service for citizens or better procurement of goods. This is an example of using an oblique approach – 'you don't fight corruption by fighting corruption' – as advocated by some anti-corruption experts. Alternatively, a more helpful objective in situations of great opposition might be an appeal to hope, by showing enough action to indicate that more progress against corruption may be possible in the future.

5. Professionals in any given sector have only the most basic understanding of what a 'corruption reform measure' might be. 'Prosecuting the corrupt', however unrealistic that may be, is often the only approach they know. Presenting the many possible reform approaches and measures, and doing so in a way that covered the majority of possibilities within a limited range of reform approaches, was an important and welcome revelation for many trying to deal with corruption issues.

In formalising the SFRA approach, these insights and the experience behind them have been married with a deeper understanding of what 'strategy' is, based on a review of modern thinking about strategy in military, business and politics. That understanding is presented in a companion paper 'Rethinking corruption reform: Strategy, Scale and Substance' by Heywood and Pyman (2020). Several additional observations regarding the substance of good strategy emerged from this review. First, the diagnosis needs to be more than an analysis, it needs to simplify the inherent complexity of the issues in question and lead to possible domains of action. The choice of reform options is then about the solutions, not repeating the problem analysis that rightly belongs in the diagnosis. Furthermore, it is helpful to the logic of strategy formulation to distinguish between the two levels of the reform options: the politically oriented actionable reform approaches and the more technical specific reform measures. And, finally, the analysis of the political and economic context needs to be oriented towards identifying sources of leverage, possible advantage and likely reactions, informing the reform options rather than simply analysing the complexities of the situation being addressed.

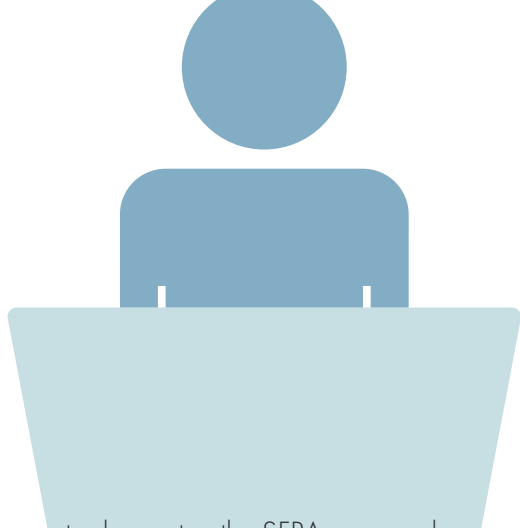
In relation to key reform actions, the literature and current thinking about the nature of strategy emphasise that identifying relevant interventions is much more than a mechanistic exercise. It may in fact lead to more reformulation in order to better align hopes with possible impacts. Consideration of the scale, speed, sequencing and timing of the actions, along with possible reactions to the reforms, is thus also an integral part of the strategy formulation process.

The resulting methodology for formulating an appropriate reform strategy comprises three major actions - focus, reformulate, then lay out and review the options - from which the most appropriate way forward can be decided. These steps, shown in summary form in the diagram below, are described in the following sections.



STEP 1: FOCUS





Working within Sectors

In working sector by sector, the SFRA approach responds to a major shift in the structure of modern economic society. Today, almost every area of national life includes public elements, private elements and regulatory elements. Some areas may still be more public than private, such as taxation and policing, whilst others may still be more private than public, such as fisheries or tourism, but the increasing inseparability of public and private via all sorts of mechanisms, such as outsourcing, the dictates of national strategy and the acceptance of executives having multiple roles, has become a core characteristic of most areas of national life today. At the same time, the trans-national characteristics of each sector have become more pronounced: the major companies are international, the money flows are international, the sector standards are often global.

Working within the sector brings significant benefit for corruption reformers. When they operate inside a given sector (such as in health, construction or telecoms), the reformers understand the economic incentives that drive the sector, the social norms that govern peoples' behaviour, the political specificities in that sector. Greater focus comes from these deeper insights. Thus, for a reformer working in, say, the electricity and power sector, they would be familiar with corruption issues associated with the power regulatory agencies, the state-owned power entities, the immense leverage of power pricing that are accessible to only a few, the leverage of favorable financial investment terms, the political dimensions of public access to cheap, safe power, and so forth. By contrast, a reformer working in health will be attuned to the political power of doctors and of medical device companies, to the immense scale of private payments for health services in poorer countries and its abuse, to the benefits and threats of generic drugs, and so on. What we see, as exemplified by these two sectors, is that many of the openings for corruption and therefore the nature of the possible reforms are quite distinct.

There is also usually ownership and pride among those working in any given sector, powerful motivators if ways can be found to harness them. This is a scale at which commitment is the most personal and therefore where there can be the most potential for reform. The famous quote from American anthropologist Margaret Mead is as applicable here as to any other aspect of life: 'Never doubt that a small group of thoughtful, committed, citizens can change the world. Indeed, it is the only thing that ever has' (cited in Sommers and Dineen 1984, p.158).

Calls to tackle corruption more effectively by focusing on sectors are not, in themselves, new. Previous proponents of a sector-based approach include, notably, Spector (2005) and Campos and Pradhan (2007). Although highly insightful in many ways, both these edited collections inevitably encompass a range of different ideas and approaches in the individual chapters but without developing an overarching framework for reform strategies. Subsequently, Khan et al. (2016) called for the alignment of interests and capabilities of powerful organisations at sectoral level to support the enforcement of rules. Most recently, the World Bank, in its 2020 report on 'Enhancing government effectiveness and transparency: the fight against corruption', returned strongly to the sector theme, devoting the whole of Part 1 to confronting corruption in sectors and functions: 'Sector and function-specific interventions can be effective and complementary to broader government-wide efforts to enhance transparency, integrity and good governance' (World Bank 2020, p.xvi). Whilst we concur with both Khan and the World Bank, our approach in this paper has a much wider frame of reference than countries with low levels of development, and is applicable to all types of governance order in both the developed and developing worlds.

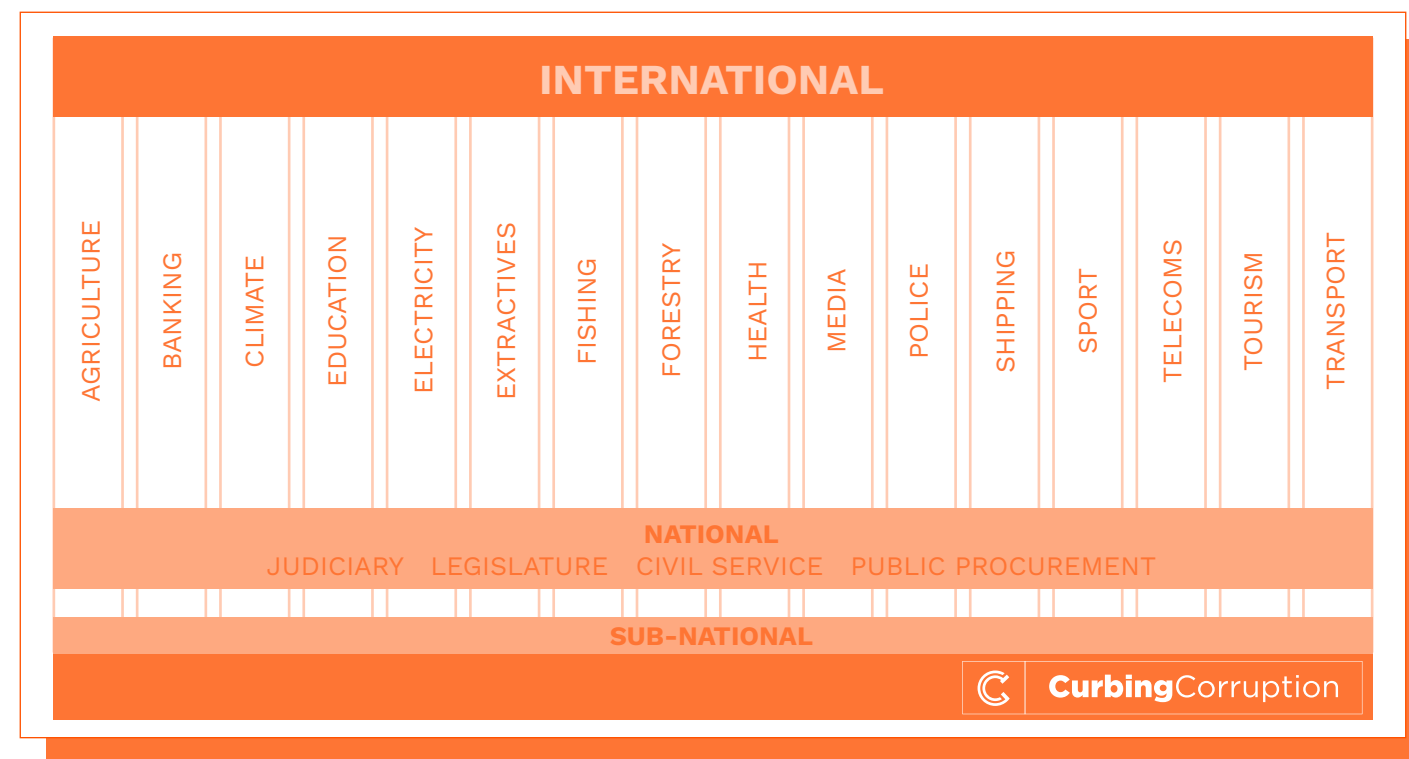
Definition of a Sector

It would seem that there is no universally agreed upon definition of a sector. In economics, besides the generic terms public sector and private sector, sector tends to mean industry sectors, usually as defined in various national and multilateral classifications such as NACE (nomenclature statistique des activités économiques dans la Communauté européenne) and relating almost exclusively to the private sector. In the development world, sector tends to denote the public sector, with particular reference to those areas of the government expenditure most relevant to development agencies, such as agriculture, construction, education, health, power and water.

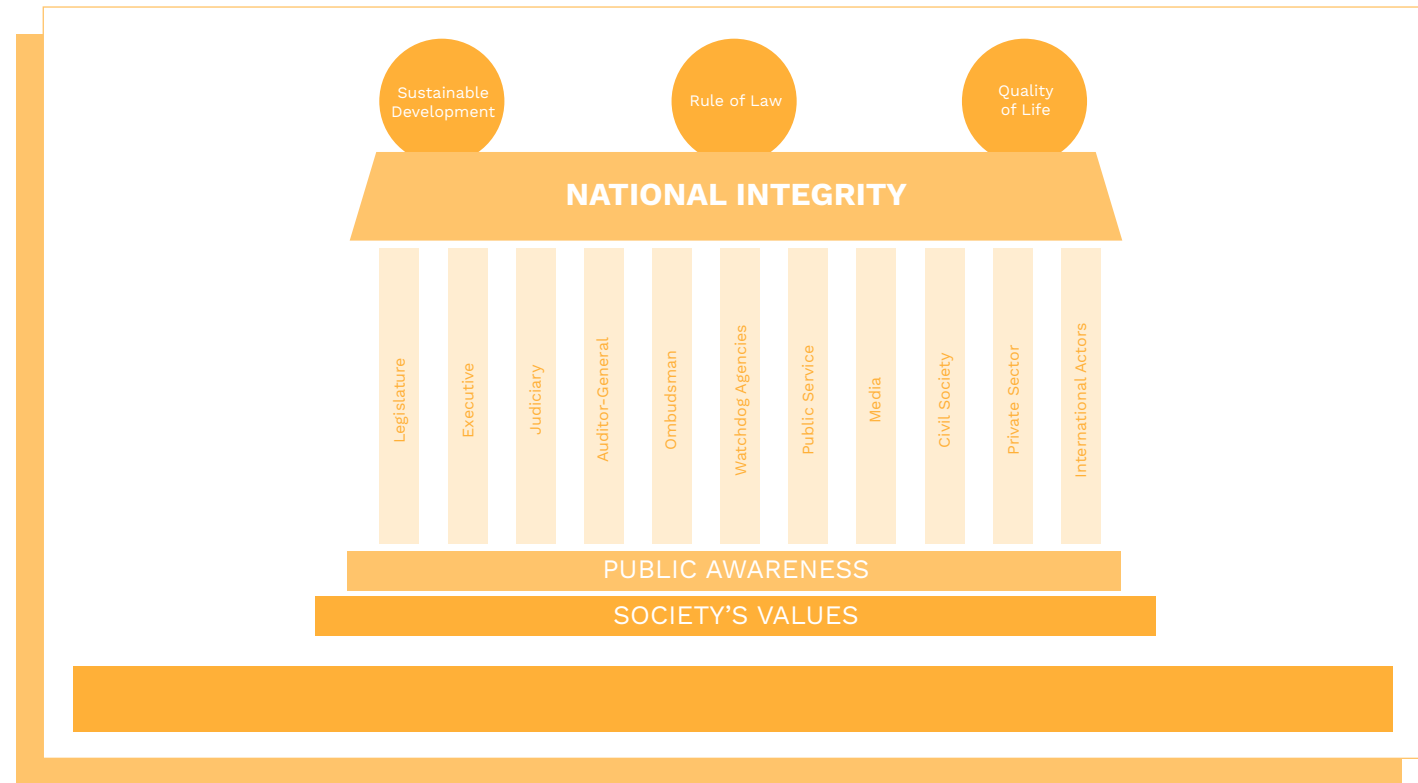
We use the following, updated, definition of sector (adapted from Heywood and Pyman 2018, Pyman 2020):

Sectors are the individual structures and functions through which national life operates. Structures include the legislature, the judiciary and the civil service. Functions include public functions, such as health, education, policing and public financial management; economic functions, such as agriculture, telecommunications, mining, construction and shipping; and the multiple public-private functions that span both public and private, such as sport, infrastructure projects, tourism and land management. A sector comprises some or all of the following: one or more professions, a government ministry, multiple government organisations and agencies, multiple commercial organisations and the relevant industry associations; one or more multilateral organisations concerned with international application; and a functional or market regulatory authority.

We visualise sectors as follows:



It is illustrative to compare this conceptualisation of sectors with the original concept of 'national pillars of integrity', as set out by Transparency International (Pope 2000). What is immediately apparent is that the focus in 2000 was strongly on the national government level, with just four broad pillars - Executive, Public Service, Media and Private Sector - serving to speak for the bulk of the approximately 60 separate sectors identified by CurbingCorruption (see below). This rather reductionist perspective, whereby the complexity of modern socio-political and economic life is represented by just a small number of national pillars, is still common in anti-corruption thinking today.



Number of Sectors

There is no natural number of sectors, and for each sector, such as water, there are always sub-sectors, such as water table management, water services, and further possible sub-division. A parallel with the four-level industry NACE classification system¹ is helpful. The NACE list identifies 21 Economic Areas, which in turn are subdivided into 88 divisions, then into 272 groups and then finally into 615 classes (European Commission 2020). The 21 Economic areas are listed below:

STATISTICAL CLASSIFICATION OF ECONOMIC ACTIVITIES IN THE EUROPEAN COMMUNITY REV. 2 (2208): LEVEL 1 CODES	
CODE	ECONOMIC AREA
A	Agriculture, Forestry and Fishing
B	Mining and Quarrying
C	Manufacturing
D	Electricity, Gas, Steam and Air Conditioning Supply
E	Water Supply; Sewerage, Waste Management and Remediation Activities
F	Construction
G	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
H	Transportation and Storage
I	Accommodation and Food Service Activities
J	Information and Communication
K	Financial and Insurance Activities
L	Real Estate Activities
M	Professional, Scientific and Technical Activities
N	Administrative and Support Service Activities
O	Public Administration and Defense; Compulsory Social Security
P	Education
Q	Human Health and Social Work Activities
R	Arts, Entertainment and Recreation
S	Other Service Activities
T	Activities of Households as Employers; Undifferentiated Goods and Services Producing Activities of Households for Own Use
U	Activities of Extraterritorial Organisations and Bodies

¹The Statistical Classification of Economic Activities in the European Community, commonly referred to as NACE is the industry standard classification system used in the European Union. The current version is revision 2 and was established by Regulation (EC) No 1893/2006. NACE is similar in function to the SIC and NAICS systems: Standard Industrial Classification and the North American Industry Classification System.

The working list used by CurbingCorruption, from Pyman (2020), is shown in the Table below:

A WORKING LIST OF SECTORS (FROM PYMAN 2020)	
<p>EXECUTIVE, LEGISLATURE & POLITICS Office of President, Prime Minister Parliament Elections & Electoral Management Politics Parties Legal Framework</p> <p>SECURITY, PUBLIC ORDER Judiciary and courts Policing services Law Enforcement Prison Services Prosecution National Security Borders, customs & Immigration</p> <p>PUBLIC SERVICES Education & Higher Education Health Social Protection</p> <p>FINANCIAL Public Financial Management Taxation Central Bank operation Financial & fiscal oversight Banking Investment Services Insurance Services Financial Services</p> <p>NATURAL RESOURCES Climate & Environment Agriculture Fisheries; Forestry Land Mining & quarrying Oil & Gas Commodities trading Wildlife</p>	<p>UTILITIES Electricity & power Construction & Public Works Telecommunications Water management & supply Sanitation & Waste Aviation Land Transport; Shipping</p> <p>OTHER COMMERCIAL Professional services (eg legal) Real estate Retail & Wholesale trade Broadcasting & Media Manufacturing - various</p> <p>SPORT Sport associations The Olympics</p> <p>MILITARY AND DEFENSE</p> <p>OTHER GOVERNMENT Foreign Affairs International & Multilateral aid State Owned Enterprises</p> <p>RELIGIOUS ORGANISATIONS</p> <p>CULTURE, HERITAGE & TOURISM</p> <p>VOLUNTARY SECTOR</p> <p>HORIZONTAL SECTORS Civil Service Public Procurement Regional & Local Government Oversight Entities (incl. Supreme Audit, Anti-Corruption Agencies, Ombudsman, Civil Society)</p>

Here we identify sixty sectors, categorised into 13 different areas, though the categorisation is more for the convenience of displaying them rather than for any more fundamental reason.

Disaggregating into Specific Issues



Corruption is not a single phenomenon, but instead encompasses many different sorts of abuse, minor and major. Some of these are specific to the sector, whilst other are more generic, or cross-sectoral. For example, the diagram opposite lists the 29 most common corruption issues in the defence sector. The defence sector was the first to use the kind of approach that would evolve into the SFRA. This list was developed, then refined, by the Transparency International Defence & Security Programme over a period of five years. This happened through discussions with military officers, defence ministry staff, academics and civil society in some 20 countries. Since then, the problems listed have proved robust in application to defence establishments in very different national and political environments (Pyman 2017). Note that for the sake of ease of presentation in a single page template that can be quickly seen and absorbed, the corruption issues are shown in the typology in a highly abbreviated way; the easy way to interpret them is to add 'corruption problem related to improper functioning of X', where X is the issue listed in the typology.

29 DEFENCE CORRUPTION RISKS					
POLITICAL		PERSONNEL		PROCUREMENT	
Defense and Security Policy	10	Leadership Behavior	4	Technical Requirements/ Specifications	7
Defence Budgets	7	Payroll, Promotions, Appointments, Rewards	5	Single Sourcing	2
Nexus of Defence & National Assets	1	Conscription	2	Agents / Brokers	1
Organised Crime	2	Salary Chain	2	Collusive Bidders	1
Control of Intelligence Services	2	Values & Standards	4	Financing Packages	1
Export Controls	1	Small Bribes	1	Offsets	3
FINANCE		OPERATIONS		Contract Award, Delivery	
Asset Disposals	2	Disregard of Corruption in Country	2	Subcontractors	1
Secret Budgets	6	Corruption within Mission	1	Seller Influence	1
Military-owned businesses	2	Military-owned businesses	1		
Illegal Private Enterprises	1	Illegal Private Enterprises	1		

CORRUPTION TYPOLOGY - SCHOOL EDUCATION

POLICY	FINANCE & CONTROL	FINANCE & CONTROL
1. Misdirection of education budgets	14. Leakage of central education budgets.	26. Payment to obtain a place
2. Misallocation to agencies, projects	15. Leakage of new project allocations	27. Payment to get good grades
3. Over-ambitious curriculum	16. Theft/control of education assets	28. Payment to receive exam results
	17. Bribes to auditors and monitors	29. Payment for exam certificates
		30. Payment for exam questions
TEACHERS	AT SCHOOLS - INDIRECT	31. Payment for others to do the exam
4. Teacher recruitment	18. Accepting high absence levels	32. Payment from discriminated students
5. Teacher promotion, posts, exit	19. Teachers bribe for good postings	33. Requiring use of certain textbooks
6. Licenses & authorisations	20. Schools used for private purposes	34. Duress payment for private tutoring
7. Allocation of teacher allowances	21. Theft of school budgets	35. Duress to work for free for teachers
8. Teacher training (TT): selection	22. Theft of locally raised funds	36. Teacher requiring sexual favors
TT: grading, exams, graduation	23. High prices for meals, uniforms	
PROCUREMENT	24. School food, repair, maintenance	
10. Textbook printing and distribution	25. Resources allocated by politicians to favoured schools	
11. Infrastructure contracts		
12. School repair and maintenance		
13. Improper contract management		

Typologies for two further sectors are also shown here: for school education, with 36 issues (from CurbingCorruption 2018, see also Poisson 2010) and for health, with 42 issues (from CurbingCorruption 2018).

These problem-specific typologies simplify the complexity of corruption. They are broad enough to get away from simplistic binary classifications like grand/petty, need/greed, political/ bureaucratic, yet still allow differentiation between complex sorts of corruption. At the same time, the accessibility of presentation and the focus on specific problems means that they are readily comprehensible by anyone knowledgeable about the sector, who can quickly grasp ways that the typology can be used in practice .

²Corruption typologies are currently available for twelve sectors. Besides the ones for defence, health and school education described above, they can be found in CurbingCorruption for Land, Police services, Prison Services, Higher Education, Shipping, Fisheries, Construction, Peacekeeping, Private Sector, Telecommunications and Electricity and Power.

CORRUPTION TYPOLOGY - HEALTH

HEALTH FUNCTIONS	MEDICAL PRODUCTS, VACCINES & TECHNOLOGIES	HEALTH FINANCING
1. Poor clinical protocols	17. Expert-bias in complaints procedures	34. Improper benefits from companies
2. Unnecessary interventions	18. Improper inducements for conferences, research, placements	35. Improper acceptance of donated devices
3. Informal payments in interventions	19. Fake workshops and fake per-diems	36. Improper research, trial & marketing practices by companies
4. Informal payments in waiting lists	20. Discrimination against groups	
5. Prescribing unnecessary or costly medicines	21. Undeclared or tolerated conflicts of interest	HEALTH INFORMATION SYSTEM
6. Over-charging	22. Fake reimbursement claims	Not usually a source of corruption types
7. Other cases of illegal contract	LEADERSHIP & GOVERNANCE	
8. Inappropriate prescribing and misuse of the electronic system	10. Capture by special interests	
9. Over-treatment	11. Inappropriate care strategies	
	12. Dereliction by fraud, lax controls	
HEALTH WORKFORCE	13. Inappropriate selection for jobs, promotion or training	
13. Inappropriate selection for jobs, promotion or training	14. Inappropriate absenteeism	
14. Inappropriate absenteeism	15. Nepotism in restrictive expert groups	
15. Nepotism in restrictive expert groups	16. Inappropriate professional accreditation	
16. Inappropriate professional accreditation	17. Expert-bias in complaints procedures	
	18. Improper inducements for conferences, research, placements	
	19. Fake workshops and fake per-diems	
	20. Discrimination against groups	
	21. Undeclared or tolerated conflicts of interest	
	22. Fake reimbursement claims	
	23. Substandard, falsified medicines	
	24. Inappropriate approval of products	
	25. Inappropriate product quality, inspection	
	26. Private sector collusion in markets	
	27. Corruption in new product R&D	
	28. Companies 'gaming' the system	
	29. Theft and diversion of products	
	30. Re-packaging of non-sterile and expired product	
	31. Legal parallel trade in drugs	
	32. Overly high pricing on non-medical products	
	33. Inadequate control of non-intervention studies	

Where there is no immediate available typology, it is not hard for the reformers to lay out the sector and cross-sector issues themselves. This is best done collectively, with a group of managers/stakeholders in the sector or sub-sector briefing themselves on the general concept - by reviewing already published typologies such as these - and then brainstorming on what equivalents exist in their own sector or sub-sector.

The point about this disaggregation is not to develop a minutely accurate taxonomic classification of every conceivable type of potential corruption problem, but rather to organise the issues in such a way that it becomes possible to see which are the ones that are most pressing, which ones most damaging, which most resistant to reform, which ones have most co-dependencies. It is an essential precursor to formulating reform measures that are properly targeted at the specific corruption-related problems that need to be addressed.



Analysing the Scale and Content of the Issues

All strategies need data on the scale of the specific problems they seek to address. Survey information may already be available or can be obtained by commissioning separate surveys. Bespoke surveys can be small, such as a straw poll of 50 people, or they can be larger, or structured in the form of interviews. The SFRA approach has no hard and fast rules on this, other than to direct researchers towards the corruption issues that are specific to the sector rather than to general surveys of perceptions of corruption among the population. What is different is the process by which each issue is considered in relation to others. Any given corruption issue will have diverse consequences: some are worst for citizens, some waste large sums of money, some damage trust. Equally, the feasibility of measures to tackle them will differ markedly: some issues are so deep rooted as likely to defy solution, whereas others may be amenable to relatively simple fixes. Here is an example from Poland (Pyman 2017, p.520, Pyman and Wnuk 2006).

Poland

At a time when it was recognised that there was considerable corruption within the Polish military and defence forces, the Polish MoD team identified eight high-risk corruption areas: defence procurement, R&D projects, development projects, disposal of surplus property, conscript procedures, lack of meritocracy in appointments and promotions, and defence investments. The ministry decided to focus on just one aspect of one problem: bribery involving top officials in high-value defence procurements. The chosen solution was a preventive monitoring reform measure, in which the minister established a small but full-time task force of four people inside the Defence Ministry with the remit to review and reject tenders and technical specifications where there was a suspicion of bias. This was a low profile reform, but with a chance of success because the Defence Minister was supportive of greater integrity as one way of improving the reputation of Polish defence forces in NATO. The reform was largely successful and the task force has been an established feature of the MoD for ten years now.

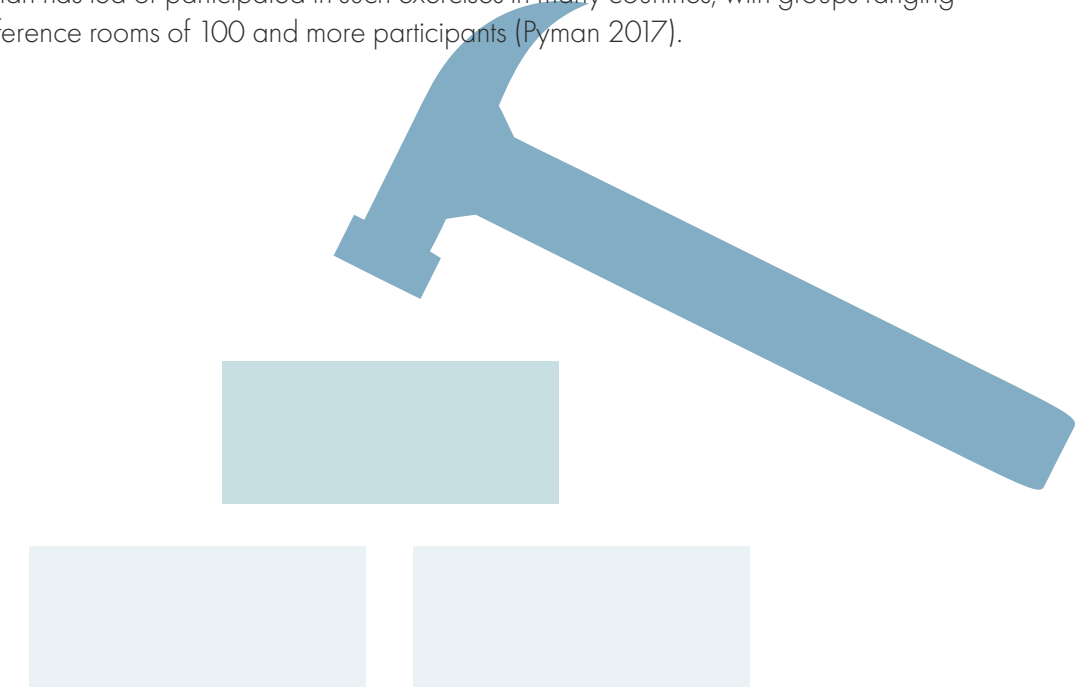
Building Shared Understanding

Even though meaningful discussion of complex and sensitive open system problems like corruption is never easy, the simple tool of the one-page typology presented above is an extremely helpful entry into it. Comprehensible and relevant for anyone working in the sector, it legitimises the reality that corruption is a common problem without the need for euphemisms or skirting round the subject.

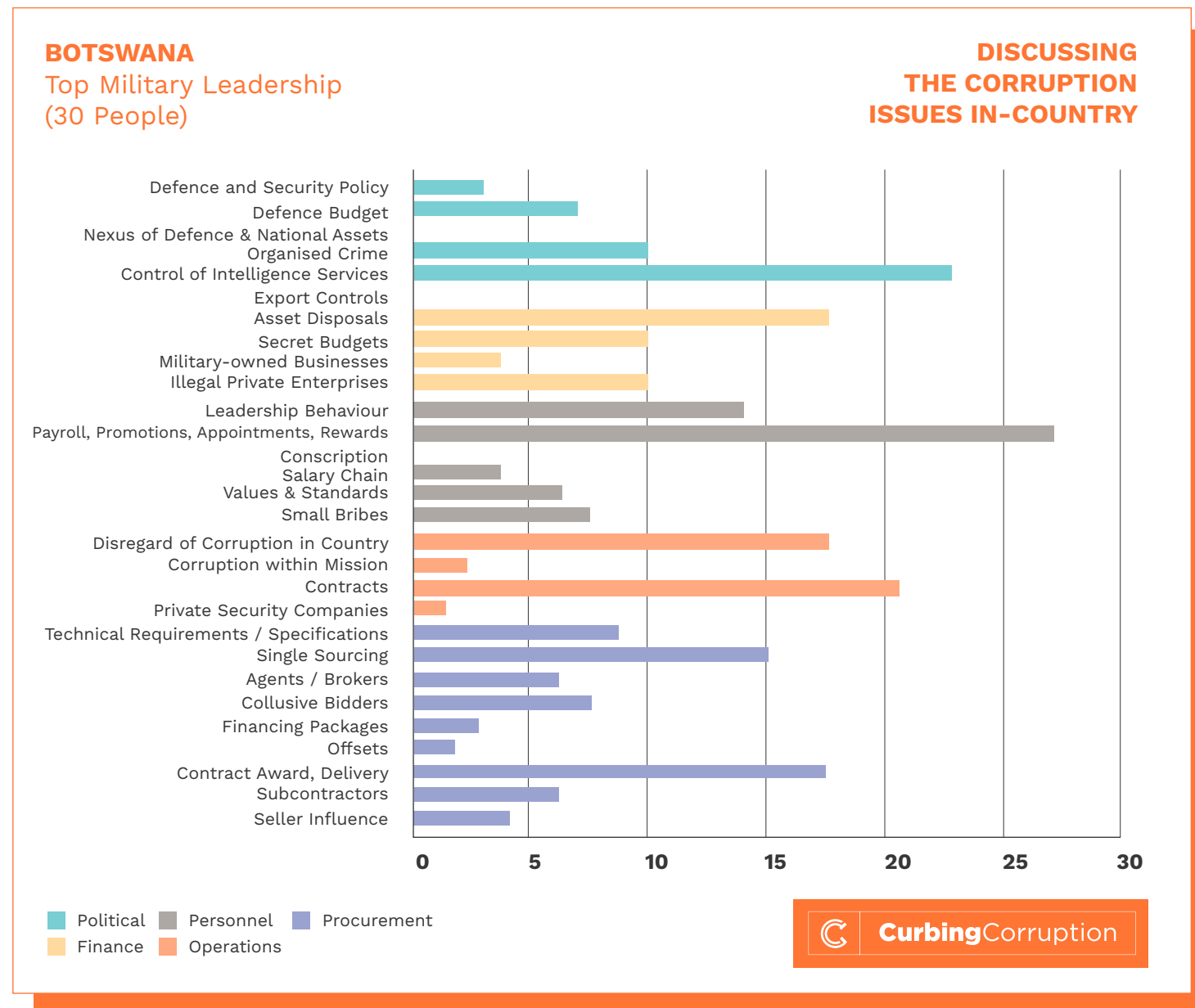
It also allows the leader/manager and their team to make sense of what 'corruption' is for them. One of the eternal difficulties of anti-corruption efforts is that the term corruption is so easily recognised, yet people have quite different personal models of what it means.

The team can now pause at the point where the preparatory work has been done – disaggregation and analysis of the corruption problems – to have a substantive, informed discussion of what corruption means in their context. It allows them then to specify where and how it is damaging or impeding the delivery of effective outcomes. The underlying concept here is 'sense-making', the process by which people develop a shared understanding of their collective experiences. The concept was introduced in the 1970s by Weick (2001), among others, as part of a movement that shifted thinking about organisations away from decision-making and towards how peoples' understanding drives organisation behaviour.

One specific technique for advancing this discussion is for groups of those involved to rank the specific issues, then to compare and discuss the reasons for differences in ranking. This is a powerful mechanism for bringing out how the different people round the table view the importance of each individual corruption issue. Depending on the culture and the context, such ranking can be done publicly across a group, or privately, with each participant submitting their list their rankings of the issues for anonymised aggregation. Pyman has led or participated in such exercises in many countries, with groups ranging from just the leadership teams up to conference rooms of 100 and more participants (Pyman 2017).



Here is an example from Botswana, widely regarded as one of the success stories in national level corruption reform. Botswana instituted changes decades ago on land reform, good governance, and institutional design (Mungiu-Pippidi 2015, p.144, Sarraf and Jiwani 2001). The military, reviewing corruption issues in defence in a day-long discussion in 2014, came to the view that the top three concerns were corruption in HR issues, corrupt use/control of military intelligence and contracts. The 'voting' by the military leadership on all the typology corruption issues was as follows:



This allowed the Botswana military authorities to discuss why the particular issues were important and to agree to focus on particular corruption issues in order to frame their anti-corruption reform efforts in the defence sector.

Similar approaches have been used in developing a common approach to corruption reform in the Philippines (see, for example, Johnston 2010). Klitgaard, also advising in the Philippines, uses the term 'convening' in place of sense-making (Klitgaard 2019). Sense-making has also come up in the corruption reform literature in the guise of complexity thinking, such as the analysis and understanding of anti-corruption experience in Malawi by Bridges and Woolcock (2017).

Gaining from International Anti-Corruption Experience within Sectors

Sectors cross national boundaries. The international perspective as it relates to corruption reform may be in one of several forms: knowledge of the corruption issues specific to the sector; experience of addressing those corruption issues in different national and regional environments; specific initiatives; standards used, aspired to or required in the sector globally; and the sector culture, representing the extent to which sector professionals think alike, tend to work in similar ways, share mental models or have their own language.

There are now several international initiatives for tackling corruption in sectors. Sector organisations include professional sector associations, many of which have an 'anti-corruption working group' or similar forums and programmes targeted at integrity measures and transparency measures. Multilateral organisations working in particular sectors, such as the World Health Organisation or the International Customs Organisation, increasingly provide countries with sector-specific support on anti-corruption. Multi-sectoral international organisations - like the World Economic Forum (WEF), the International Monetary Fund (IMF), the Organisation for Economic Cooperation and Development (OECD), the World Bank and the United Nations Development Programme (UNDP) - also now have a strong focus on public integrity and anti-corruption and are able to assist country initiatives. The table below lists some of the main sector-specific anti-corruption bodies.

SECTOR	NAME OF INITIATIVE
Construction	Global Infrastructure Anti-Corruption Centre (GIACC) CoST Infrastructure Transparency Initiative (CoST)
Defence	Transparency International Defence and Security Programme (TI-DSP)
Education	IIEP-UNESCO Education for Justice (UNODC)
Fisheries	Fisheries Industries Transparency Initiative (FITI)
Health	Transparency International Health Initiative (TI-HI)
Judiciary	Judicial Integrity Group
Mining, Oil & Gas	Extractive Industries Transparency Initiative (EITI)
Police services	Geneva Centre for Security Sector Governance (DCAF)
Procurement	Open Contracting Partnership
Shipping	Marine Anti-Corruption network (MACN)
Sub-National Government	Council of Europe: Centre of Expertise for Local Government Reform The Open Government Partnership (OGP) 'Local' programme UN Habitat, the UN organisation for a better urban future
Water	Water Integrity Network (WIN)

These international organisations and initiatives are not just sources of knowledge and ideas, but also offer advice on specific reform measures, as well as support and assistance.



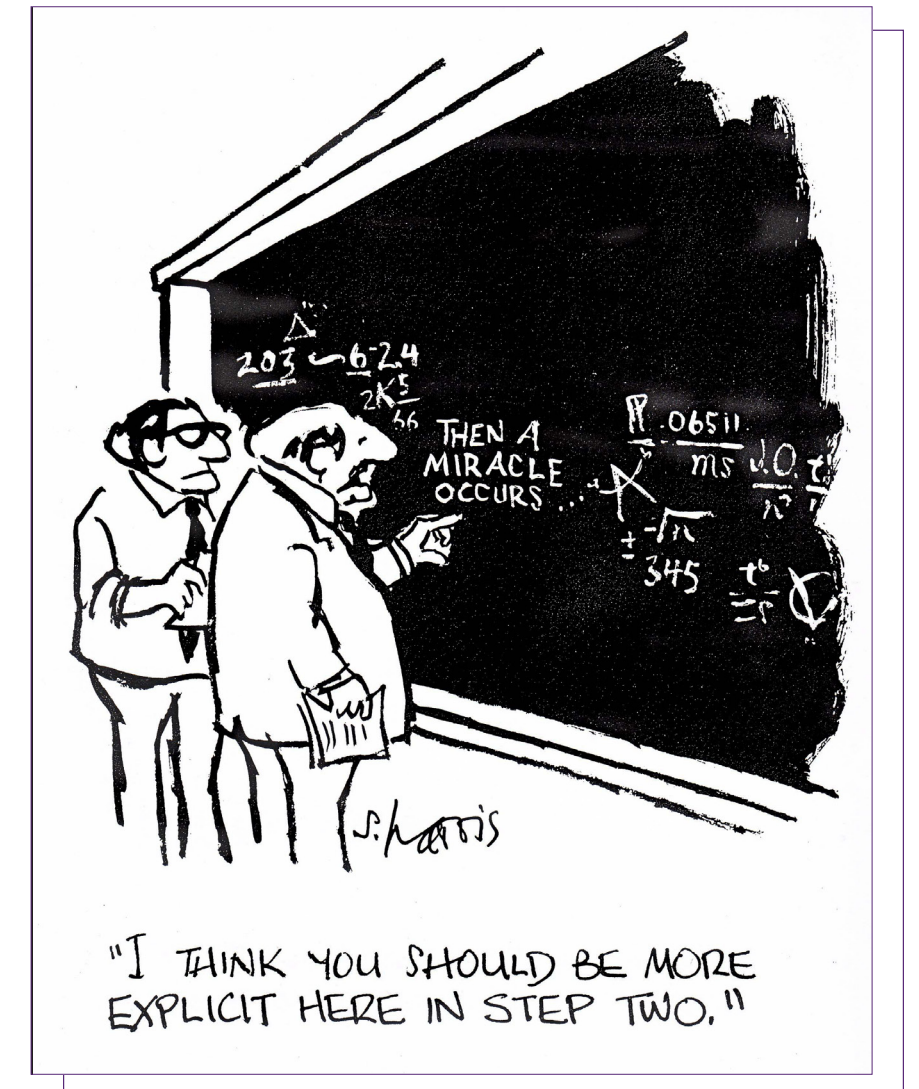
STEP 2:

REFORMULATE

This is a step not usually found in handbooks on strategy making or corruption reform. It has, however, become one of the three core steps of SFRA because of the widespread conflation between corruption as an evil in itself and *corruption as a barrier* to the achievement of other mainstream objectives.

'Reformulate' thus relates to the objectives of remedial efforts. First, the objectives of the efforts undertaken to reduce the corruption that impacts on the mainstream objectives. Second, whether those mainstream objectives of the organisation might also need to be modified or amplified in response to the corruption problems.

For any leader or manager, the primary objective relates to delivering the policies, services or products for which they are responsible. Even when there are significant corruption issues, the primary delivery objectives are usually unchanged. The objective of the corruption-related efforts is to improve delivery by avoiding, preventing, limiting or eliminating the negative impacts of corruption. Many of these impacts *directly* damage the organisation. Examples include siphoning off funds, over-pricing, illicit sale of products, operation of patronage networks inside the organisation, reducing effectiveness through absenteeism or restrictive practices or corrupt recruitment. The impacts may also be *indirect*, notably the damage caused by perceived tolerance of corruption: to reputation, to internal morale, to international standing.



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What actually happens here? The practical answer is that the team convenes people in intensive discussion of the situation, first on the problems and then on the objectives. The people involved may be co-workers, officials, stakeholders, a wider leadership group, or citizens, where appropriate:


Which **problems** are causing the most under performance? Which problems can be most easily addressed? Which problems are the most serious in preventing the organisation from delivering the services it is supposed to? Which ones are most important for public confidence? Which ones are costing the most money? Which of these problems are we best placed to address because of any advantages and/or leverage that we have, be that political, technical, motivational or social?

How many **objectives** do we have? Are we being realistic about the objections we will face, about the time scale, about the level of ambition? What it is that we really want to achieve? Would we be better served by having some form of intermediate objective? Would we be better served by having a proximate objective, that might be more easily articulated? Which of these objectives are we best placed to achieve because of any advantages and/or leverage that we have, be that political, technical, motivational or social? If the situation is complex, is there a hierarchy of objectives (small ones being addressed by small projects, etc).

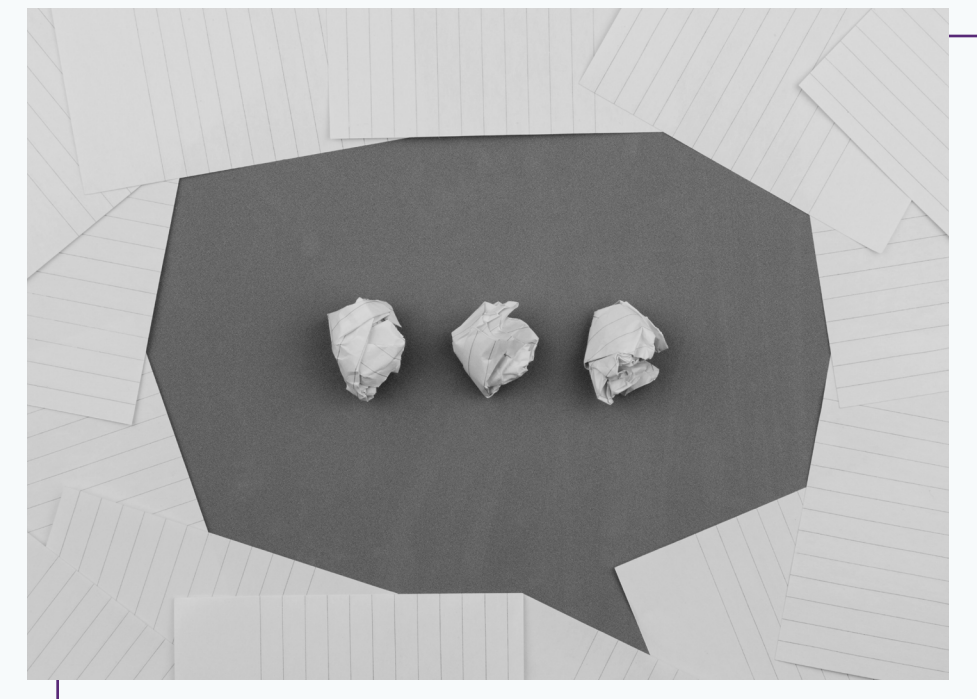
One example of such reformulating was in relation to school education reform in Afghanistan. Whilst the Minister was not keen on reform, several of his senior leadership were keen to see corruption reforms underway and supported a deeper analysis. That analysis, which consisted of 542 interviews in the ministry and in schools across the country, led to a reformulation of the challenge. Instead of corrupt construction of schools as the expected key challenge, what emerged from the analysis and the discussions as the issue seen as most damaging for Afghanistan’s future was the nepotistic appointment of teachers across the country. It was also an issue that was possible to address (MEC 2019, Pyman 2018).

A current example of reformulation of the mainstream objective, is the effort by Indonesia, supported by Norway, to reduce greenhouse gases from deforestation. It is clear that many of the barriers to achieving this outcome are corruption-related ones, but it would seem to be more prospective to retain the objective of a quantified reduction in greenhouse gases, rather than to set an objective of reduced corruption. Indonesia has in the time of the partnership introduced three types of moratoria – against logging, against peat exploitation and against the expansion of palm oil concessions – whilst at the same time having various initiatives that strengthen police action against illegal loggers (Norad 2020).

TIER	CATEGORY OF INTERVIEWEE	NUMBER
1	Ministry Officials in	109
2	Provincial Education Directorates and Teacher Training Colleges	126
3	School Principals and Management Team	76
4	Teachers	93
5	Parents and Students	125
6	Development Partners and INGOs, NGOs nad IGOs	13
	Other	9
	Total number of interviews	542

 **CurbingCorruption**

STEP 3: LAY OUT REFORM OPTIONS AND REVIEW



This is the point at which strategy formulation shifts from analysis to possible actions. The SFRA schematic, below, shows visually how this next step is of equal size, intensity and importance to the previous two.

In part, this is because leaders and managers, when asked about tackling corruption, have an overly narrow view of what this entails. Most think first of prosecution, or avoiding prosecution, and see it primarily as a law enforcement matter. The other common response is to think of anti-corruption as being about safeguarding money and therefore a finance matter, for the finance people and for auditors. The many other possible specific measures that can be used to limit or prevent corruption are not familiar to most people.



There is also a broader scale calculation, thinking about how to shape the overall approach, over and above particular measures. Would it be most effective to mainstream the anti-corruption improvements within a larger improvement initiative? Or to adopt an incremental approach, keeping the anti-corruption measures below the political radar? Or tackle just one vital aspect of the corruption problem so as to concentrate effort and have a visible result? Would the organisation's output be better if the overall anti-corruption approach was framed as integrity-building, as confidence-building, or directly as confronting corruption?

The range of *reform* options encompass both these levels – the *actionable reform approaches* and the *specific reform measures*. The two levels do, of course, sometimes overlap. For example, even though a wide range of specific measures can be identified in response to the individual corruption issues, the context, whether political or economic, may mean that only a few low profile reforms can be considered. Conversely, specific integrity-building measures may form part of an overall approach that stresses the importance of integrity. But this separation of ways forward into an overall actionable reform approach and the specific reform measures allows for better political and management calculation of how most effectively to proceed. Both are described in more detail below, along with how to *review* the reform options, taking into account leverage, sources of advantage, political risk, costs, and other relevant factors.

The authors' experience in facilitating such discussions is that the exercise of laying out a wide range of possible reform options is often revelatory for the leader/manager and their team. Usually there are many more options for limiting or preventing the corruption issues than they had initially conceived. Thus, well before the process of narrowing down towards decision happens, consciously widening the range of options to be considered is necessary and valuable.

Actionable Reform Approaches

Identifying the possible range of actionable reform approaches is about how to put the specific reforms together in ways that will best navigate the local circumstances, so as to have the best chance of helping to deliver the overall objectives of the organisation. The actionable reform approach will be more political, more contextual and more time-bound than individual measures. SFRA assists by setting out *eight possible actionable reform approaches*. This list is not comprehensive – circumstances will always be too complex for that – but they direct reform leaders towards a set of possibilities from which they can adapt and extrapolate.

1. Broad approach
2. Narrow approach
3. Multi-party collaboration
4. Low-profile approach
5. Rapid and radical approach
6. Signature-issue approach
7. Bundling approach
8. Keeping-up-hope approach

Broad Approach

A broad approach is when a wide set of anti-corruption measures are to be adopted. This may be because the organisation, or the public may be clamouring for action against corruption; or when the leadership believes that a strong and broad anti-corruption drive is necessary. The downside is that they are hard to manage, hard to motivate diverse groups of actors, and prone to run out of energy. They are also a favourite tool for those who wish to appear active but actually desire to subvert the initiative; their insight being exactly that the initiative will either collapse under its own weight, or run out of steam.

Example: Bulgaria and defence corruption reform.

The Bulgarian Ministry of Defence (MoD) team of 2009-13 implemented a broad-based reform of all the main defence corruption problems. The new leadership established an anti-corruption council in the MoD as the key leadership change body, introduced transparency into the decision-making process as a basic weapon against hidden practices related to abuse of office for personal gain, improved the transparency of the defence budget, legislated that any contract over €50m should be approved by the parliament, developed a code of conduct for military and civilian personnel, introduced specialised training in anti-corruption practices, implemented rules on preventing and determining conflicts of interest, changed the rules for secret tenders, and moved to open management of surplus defence property. Although some of these reform measures were successful, overall the strategy must be deemed a failure. In part, this was likely down to not acting fast enough across the various reforms; in part, the overall approach was probably too ambitious to be realistic (see further, Pyman 2015).

Narrow Approach

The narrow approach avoids the above problems and is generally more likely to have a measurable impact. In the public sector, this approach is safer, given the frequency with which ministers can be replaced. Limited time in office does not stop ministers from working hard to have a positive impact against corruption in their ministry: either from a genuine desire to see improvement, or because they were being pressed hard by the president or chief executive to deliver promised improvement. Pyman's observations from Afghanistan was that many of the reform-minded ministers had thought hard about how to reduce corruption in their ministry/sector and were implementing well-chosen narrow strategies. What was most interesting was how greatly the chosen strategies differed from one ministry to another. See Pyman (2019a) for more detail.

Low Profile Approach

There are many environments where it can be counter-productive to emphasise corruption issues, or to draw attention to the fact that the reform measures are aimed at tackling corruption. For example, some anti-corruption reforms in Saudi Arabia have been successful partly as a result of hardly mentioning corruption, yet implementing tough measures that would be categorised as anti-corruption in most other contexts. See, for example, the description of the reforms to the recruitment processes by the Saudi private sector company AEC in Pyman (2019b). In situations where the political regime is hostile, low profile reforms are likely to be the only ones that will be tolerated, or be safe to implement.

Example: Ukraine and integrity training in the military.

Pyman's experience in Ukraine is an example of finding some sort of advantage in a politically hostile environment. The Ukrainian security and military forces underwent several small reform attempts in the period 2009 to 2014, working with Transparency International Defence and Security Programme during the time of President Yanukovich, before the 2014 Maidan revolution. Using the defence corruption typology shown above, the Ukrainian assessment was that almost none of the corruption problems could be tackled, because of the depth of the corruption and the extent of political hostility to reform. Any reform had to be low-profile. A committee of the National Security Council did then identify one possible reform that could both be low profile and connect with a distinct source of advantage: the Ukrainian military and security services could organise large-scale training as a normal part of their activities and could do so without raising concerns at leadership level about its purpose. The Ukrainian Defence Ministry subsequently set up a substantial anti-corruption training effort, involving week-long training for some 1200 Colonels, as well as setting up their own integrity training capability (Pyman 2017, p.524). Arguably, this low profile action was one reason why the defence ministry was quicker to make reforms than other ministries after the Maidan revolution.

Multi-Party Collaboration

It is almost a cliché today that corruption reforms have to involve several parties; in the jargon of the anti-corruption world, these are called 'Collective Action' initiatives, as exemplified and curated by the work of the Basel Institute of Governance (2020). Cliché or not, it can be helpful to think whether an approach that starts from the concept of multi-party action may be the best route to success. A good example was the collaboration of very diverse groups that led to the passing of the 'Sin Tax' in the Philippines that addressed corruption issues in tobacco as well as the health issues (Sidel 2014).

Rapid and Radical

Occasionally the political timing – whether external politics or internal politics – is ripe for a rapid, radical change. Hence this option should always be on the list of possible actionable reform approaches, even if it can only rarely be used. This was the approach taken in Georgia in relation to police sector and education sector reform (see Heywood and Pyman 2020, Pyman 2020).

Signature-Issue Approach

One of the dilemmas of corruption reform is that the more fundamental changes, typically technical, administrative or organisation reforms, take a long time to come to fruition, carry the risk of running out of energy, and have little public visibility. Therefore, in order to maintain public and organisation support for change, it can be advantageous to lead with something different, and to make this different issue the main lead element of the actionable reform approach.

Example: Health Sector in Greece.

The Minister and his team had a good understanding of the health corruption issues, including overpricing by doctors and medical device companies, bribery in surgery waiting lists, regional health authorities seeking preferential access to resources, and unnecessary surgical procedures. Among possible reform measures, prosecution was not realistic due to the endless legal appeals and the stalled judicial process and internal monitoring by clinical audit was not feasible as the doctors were too strong as a professional group. On the other hand, the Ministry had made rapid progress in improving management information systems and the transparency of analysis this offered had strong potential as a reform measure. After discussion of the thirty or so health corruption issues, the diagnosis suggested that the reform approach should be in two-parts: first, to show seriousness of intent, a high profile attack on a single issue, that of surgeons bribing surgeons to queue jump; second, with much less fanfare, a narrow set of structural improvements such as tighter medicine stock management and stronger controls over outside health agencies (see Pyman 2020). In the event, the strategy was not tested, because the government fell shortly after the strategy was completed.

Bundling Approach

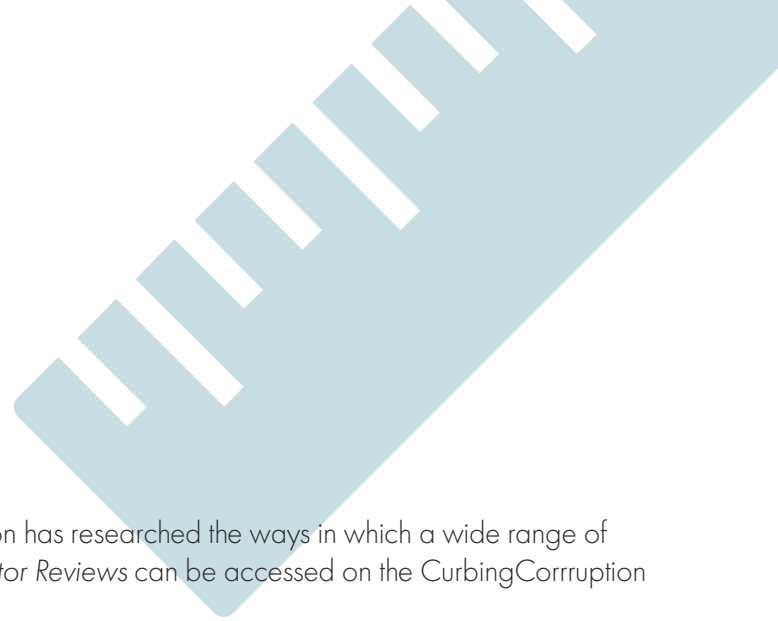
This approach, described in the companion paper to this one (Heywood and Pyman 2020), is a deliberate bundling of specific reform measures where each individual reform will be seen through a polarised political lens. Well understood by politicians, such an approach may allow the package of reform measure to be approved even whilst individual ones are strongly opposed by particular groupings.

Keeping-Up-Hope Approach

Also outlined in Heywood and Pyman (2020), this may be a suitable approach in highly hostile environments. The purpose is not to have material impact - almost by definition the reforms would be shut down if they did have an impact - but to continue to give hope to those working in the system that change is still being contemplated and that they should not despair.

Several other approaches are also described in Heywood and Pyman (2020).

Specific Reform Measures



SFRA provides guidance in two ways here. First, CurbingCorruption has researched the ways in which a wide range of specific reforms have been applied in different sectors. These *Sector Reviews* can be accessed on the CurbingCorruption website.

Second, SFRA sets out the different categories of measures that can be considered. Listed in the box, each category is expanded into specific reform measures. The point here is that, for many politicians and manager, viewing the wide range of measures that others have used may stimulate thoughts and options for their own circumstances.

SPECIFIC REFORM MEASURES - 8 CATEGORIES

1. **Functional: Technical, Administrative & Organisation Reforms**
2. **People Measures: Building Networks, Coalitions**
3. **Monitoring, Oversight and Whistleblowing Measures**
4. **Rule of Law and Civil Discipline Measures**
5. **Transparency Measures**
6. **Integrity Measures**
7. **Civil Society and Media Measures**
8. **Incentives, Nudge and Other Economic Measures**

Functional Reform Options: Technical, Administrative & Organisational

Technical, administrative, financial, system & institutional reforms tend to be the largest set of measures and to get the most attention; they are often – beneficially – mainstreamed within broader reform initiatives. Functional reforms make sense, especially when they involve systematising something that previously relied on many human-to-human interactions. However, exclusive attention to technical measures alone is a high-risk strategy: technical solutions often fail, they can be slow, they can be deliberately slowed down, and sometimes they are used by political leaders as an impressive-sounding excuse for making little real change. So, use functional reforms, but in combination with other approaches, and with sufficient prior analysis. Here are some examples:

- Improve the administrative processes
- Improve Public Financial Management (PFM)
- Improve the Management Information Systems (MIS)
- Organisation reform or splitting of the Ministry
- Mainstream functional reforms within the broader Ministry reform efforts

People Reforms: Building Networks and Coalitions of Supporters

Networks and coalitions come in all sorts of shapes and sizes. Creating one could be as simple as building up a team of committed people around you in your area of responsibility. Or it could be on a larger scale, collaborating with groups in the private sector or professional associations, such as doctors or engineers. Or it could be working with civil society organisations or in collaboration with relevant international initiatives. Here are some examples:

- Build your initiative around the people that live in the affected area or are involved in the relevant sector
- Build a critical mass of committed supporters inside your Ministry or organisation
- Build appropriate coalitions
- Set up one or more forums where people can discuss tackling the corruption issues and demonstrate their commitment to your plans
- Bring national civic groups on board and collaborate with civil society organisations
- Bring in enthusiasts from the private sector

Monitoring, Oversight and Whistleblowing Reforms

Monitoring and oversight mechanisms are important for controlling corruption in a lasting, sustainable way, such as through auditors, regulatory agencies or through independent organisations within civil society. But these reforms have a disappointing history, often quickly becoming ineffective. The reasons are all well known: lack of budget, staffed by people unchanged from predecessor organisations, institutional neglect, deliberate marginalisation, being subverted in the political environment, denied access to key people and records, bribed or threatened. Finding ways to get multiple forms of independent scrutiny into action is therefore a core part of anti-corruption strategies. Here are some examples:

- Review and strengthen core operational and financial controls
- Demand more from your internal audit function
- Commission focused audits and reviews
- Demand more from the external auditors
- Consider pressing for a formal Commission of Inquiry
- Set up monitoring by citizen groups and NGOs
- Institute Citizen Report Cards
- Strengthen the regulators and the relevant professional agencies
- Actively exploit the international peer review mechanisms
- Actively exploit sectoral country-comparison mechanisms and indexes

Whistleblowing is now recognised as an important mechanism to support integrity in organisations. However, in reality these mechanisms are usually weak, or may exist on paper only, and the whistleblowers usually end up suffering. Yet they are vital in identifying and calling out corruption: the challenge is to find a way in your context to make them effective, and to publicise this. Here are some examples:

- Examine if there is a part of your organisation/directorate/ministry is already doing something good, and build on it
- Contract a civil society group to operate a sector-specific whistleblowing system
- Call the NGOs PROTECT and Whistleblowers International Network (WIN) for advice
- Use the UNODC best practice guide to improve your current system

Rule of Law and Civil Discipline Reforms

Routine prosecution of corruption cases is one of the hallmarks of a state that has control of corruption, and some experts describe routine prosecution as the definition of success against corruption: 'Reducing corruption to the status of exception in a sustainable way thus defines a successful evolution' (Mungiu-Pippidi and Johnston 2017, p.9). However, prosecutions are high risk: they can be very slow, often taking many years to come to court; they can be unpredictable, as powerful individuals find ways to escape prosecution or conviction. Worse, in countries where the judiciary is corrupt, effective corruption reform will take decades (World Bank 2011, p.109). Perhaps only Sicily, in Italy, has had success against corruption by a directly prosecution-led strategy. Whilst prosecution may be a tactical response to public pressure, it is unlikely to form a major part of a strategy. Here are some examples:

- Exert pressure via discipline, sanctions and penalties
- Call out corruption
- Carry out a legal and constitutional review
- Encourage broad reviews by academics
- Search out policy capture cases
- Consider what changes in policy, even small ones, might change the corrupt dynamics
- 'Corruption-proofing' statutes and regulations

Transparency Reforms

Along with independent review and monitoring, transparency is one of the most important tools in reducing corruption, though it does not always work as intended. Corruption problems naturally thrive when the relevant data is not going to be made public. Here are some examples:

- Identify public service data that needs to be transparent
- Require that engagements with public officials and public bodies be recorded in an accessible register
- Require that national, regional and project budgets, and the spending against those budgets, are transparent
- Make all internal and external audit reports public

Integrity Reforms

Instilling pride is an attractive way to curb corruption. 'Integrity', from the Latin (*integritas*) and then French (*intégrité*) in the Middle Ages, combines good moral character of the individual and wholeness of a larger entity in one single word. This relationship between the individual and the organisation they work for is often overlooked in so-called integrity approaches, which all too often are simply re-labeled anti-corruption measures. Increasingly, a focus on 'institutional integrity' is seen as a core starting point for reform that can harness the positive connotations of the term and translate them into practical measures (see Heywood and Kirby 2020).

Some sectors naturally focus on integrity as an acceptable, preferable language to discussing corruption explicitly. The military is one such sector, reflected in the 'Defence Integrity Framework' of the Canadian military, NATO's initiative Building Integrity and Saudi Arabia's defence integrity initiative. Only a few countries have used integrity as the core of their anti-corruption measures, Bhutan being one (Pyman et al. 2017, p.31). Here are some other examples of possible approaches:

- Consider how the national religious authorities can have a useful impact
- Establish a small, full-time Integrity Unit or Transparency Unit within the Ministry/organisation

- Set up an ad-hoc 'Integrity Committee' or 'Integrity Advisory Group'
- Set out an Integrity Framework for your Ministry/organisation
- Train your leadership team in integrity and anti-corruption
- Conduct ethics/integrity surveys of staff
- Consider radical change to personnel to raise integrity
- Introduce integrity into your community via social media
- Initiate long-term societal change through education
- Review the effectiveness of Integrity standards and Codes of Conduct and improve them
- Review and publicly call out Conflicts of Interest

Civil Society and Media Reforms

Both civil society and the mass media are widely seen important players in helping to reduce corruption. In the case of civil society, this has been the orthodox view since it was proclaimed by the World Bank back in 1997. However, civil society projects often have no discernible impact. As recorded by Mungiu-Pippidi (2015, p.174), out of some 471 civil society projects in Eastern Europe in the period 2000-2010, only about a third had any traceable impact. These projects were the ones that targeted corruption directly and concretely, were done in collaboration with journalists, and were set up by grass roots organisations rather than by donors. An analysis of 200 projects sponsored by the Partnership for Transparency Fund came to similar conclusions (Landell-Mills 2013). Successful projects needed to: i) focus on a single set of problems and not be too ambitious; ii) not start until the problem is well understood; iii) be non-confrontational and patient; iv) work with key champions of reform within the power structure; and v) seek to reform the official accountability system with the evidence gained from the project (Landell-Mills 2013, p.230).

The mass media and investigative journalism are clearly both important, with the role of investigative journalism being self-evident in bringing to light the details of corruption in practice. The problem in recent years has been the increasing antagonism towards the media in many countries, attacks on corruption-focused journalists, and the declining appetite or ability for news corporations to employ them. The key lesson is to bring civil society and relevant media figures on board as collaborators from the outset, not as after-thoughts or add-ons.

Economics Reforms: Incentives, Nudges and Other Measures

Economists have long argued that successful implementation of any policy requires that the preferences of all those involved be appropriately aligned with achieving the goals of that scheme. In tackling corruption, for example, experts consider the criminal law measures that can act as incentives not to be corrupt, such as legalisation of payments, reform of public programs or procurement systems or privatisation (Rose-Ackerman and Palifka 2016, p.126).

However, in its application to tackling corruption, the incentive-based approach has had a mixed reception, as it is often unclear who is the agent and who is the principal. Furthermore, monitoring agent behaviour and holding agents accountable is particularly difficult in the public sector. This has led to other sorts of approaches being preferred, such as 'collective action' by all the involved stakeholders. Nonetheless, once we are down at sector level – as opposed to national-level measures like criminal law reform – it becomes easier to see how specific incentives can help to re-align policies so as to promote less corruption.

There is also a raft of economic measures that have a place in reducing corruption. Examples include more competition, more consumer choice, better information, fewer layers, firm incentives, better banking rules, spillover and demonstration effects, and so on. These measures can all have significant influence on corruption, but there is little written up about their specific anti-corruption impact.

REVIEW

All three steps of SFRA entail review. Most of the focus of such review is self-evident: the costs involved, the feasibility, the disruption involved, the expected impact, the risks, the available timeframe, the likely support, the likely opposition, and so forth. Leaders and managers will be experienced in evaluating the issues and the options against such criteria.

Thinking and Working Politically



Reformers and their colleagues are likely to know the political context, but it can be valuable to consider this in more granular detail. Who may be gaining from each corruption issue, and why? Who might gain and who might lose from reducing corruption in this specific area? For each corruption type, who are the likely supporters and who are the possible spoilers? More to the point for a reform strategy, what are the sources of leverage for the reform group? What advantages might they have that they can use?

Sometimes, doing a Political Economy Analysis (PEA) helps to address these issues, and lays them out in a structured way, so as to help decide which corruption types to address and how. Reformers can do such an analysis themselves, or can commission someone to do it more formally. There are many guides available, such as those from Hudson et al. (2016), ESID (2015) and Whaites (2017).

The supposed need for 'political will' is generally an unhelpful way to frame any strategy for change. Whilst strong political support is a benefit, it is still a remarkably hard task to implement corruption reform. Even where you do not have top-level political will, each sector will still contain many people committed to working for reform and to improve outcomes. The purpose of the strategy-formulation process in such situations is to identify ways to progress despite the lack of top-level political commitment. Reformers have shown that tactical reforms can occur successfully under conditions of limited political will, even in the most unfavourable situations of endemic corruption or violence, such as the improvements in public procurement in Ukraine and Afghanistan.





Sources of Advantage

Like the availability of large scale training capability in the Ukraine example mentioned earlier in this section, organisations have all sorts of features that can be turned to advantage when seeking to reduce corruption. The biggest of them all is to tap into the pride and professionalism of the various professions working in the sector. Most professionals want to do a good job, and look on in despair when their organisation is viewed as corrupt. Thus possible sources of advantage need to be considered explicitly at this stage of reviewing the reform options.

Working Up the Reform Options into Plans



A statement of the blindingly obvious: Strategy is about action, getting from current state A to desired state B. None of the reform options can be considered ready for decision unless an outline plan has been developed to show how the individual elements are going to be put into place. Sadly, this vital step is ignored in most strategies. The error has grown up that strategy is somehow too broad/grand/conceptual to require basic testing on how it can be implemented.

Flexibility



One further aspect of this last stage of the strategy formulation exercise, before moving to implementation, is to give thought to how the reformers will work with the inevitable changes of circumstances that will happen. As the Prussian military commander Helmuth von Moltke said, 'No strategy survives first contact with the enemy' (Keyes 2006). One good example of the need to be adaptable in face of that reality is the so-called problem-driven iterative approach (PDIA) to enhancing state capacity (Andrews, Pritchett, and Woolcock 2012); PDIA is a step-by-step way of breaking down problems into root causes, identifying entry points, searching for possible solutions, taking action, reflecting upon what you have learned, adapting and then acting again. Another, favoured by the military, is to set out in the reform concept (or the 'Commander's Intent', in military jargon), broad guidance to help the reformers respond as circumstances change unpredictably.



The Value of Very Small First Steps

Corruption is a subject where, to use a British phrase, it is very easy to 'frighten the horses'. Thus, one review element is whether the approach can be sequenced in a way that starts with unthreatening change.

An example of this experience from Pyman was the early years of the Transparency International Defence & Security Programme, when it started collaborating with NATO on anti-corruption. After much discussion of the momentousness of the change for NATO and multiple large committees considering the engagement, the first NATO actions were the drafting of a handbook of good anti-corruption practice and developing a methodology for integrity peer reviews of NATO partner countries. Despite the disappointment of the TI folk, the modesty of these initial actions was most probably the right strategy, as it allowed the subject to percolate into the machinery of NATO despite widespread nervousness, and thereby to grow over time into an established part of NATO's desired capabilities.



Alignment

One of the lessons learnt about tackling corruption is that to do corruption reforms 'on their own' is usually a recipe for failure. At the very least, they should be embedded in the organisation's overall programmes. Usually it makes sense that they be included in larger cross-organisation alignments. A good example is the sector-specific reforms that form part of the UK Government's National Anti-Corruption Strategy and how they are drawn into the overall coordination (HM Government 2020). Note, though, government coordination mechanisms can be so labyrinthine, and/or predestined to fail, that it may be better to stay outside of them.

Once the decisions on the preferred reform options have been taken, the final phase is application and implementation. How to implement projects and programmes, especially in politically sensitive contexts, is a separate topic – one that most leaders and managers are already familiar with – and not pursued in this paper.

CONCLUSION

Though it can be complex, deceptive and tricky, it is nonetheless possible and practical to curb corruption; to have some impact, however small, in almost all sorts of sectorial and political circumstances. We believe that the Sector Focus and Reformulation Approach (SFRA) presented here offers a powerful way to help leaders and managers, in whatever sector or location they may be based, to formulate reform strategy in a more effective way. Curbing corruption need not be the impossible mission that some believe.

There are of course circumstances where SFRA will not be applicable and other strategies will be required. The case that most obviously comes to mind relates to initiatives where protest is the core strategy. Though protest will be the right strategy in many circumstances, it is not what SFRA is for. There is a lot of experience on strategy formulation for protest initiatives, and there are some good guides on the subject (see, for example, Green 2016).

Finally, despite setting out what we feel is an effective approach in SFRA, we do not see better strategy as the holy grail that will automatically succeed in tackling corruption. As Rumelt (2011, p.243) puts it, 'A good strategy is, in the end, a hypothesis about what will work'.

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