Designing a Model for Explaining and Fighting Corruption in the Private Sector, Using Grounded Theory

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Abstract

Many companies around the world face corruption and suffer from its negative consequences. Considering the destructive effects of corruption upon private sector enterprises, urges the need for developing a model in this area. Regarding the fact that most researches till now have been in the public sector, adds to this urgency. Thus the purpose of this study is to articulate a model for fighting private sector corruption. The research method used is Grounded Theory. Using a theoretical sampling method, twenty one semi-structured interviews with experts from Tehran Chamber of Commerce, Industries, Mines and Agriculture were conducted. The government departments in charge of fighting private sector corruption were added. Open, axial and selective coding were applied. Based on the findings, the main category was divided into two financial groups: 1) direct and 2) indirect. Also twelve concepts were classified as individual, interpersonal of casual factors. Moreover, seventeen concepts in context platform template and eleven interfering factors concepts were identified. Besides, twenty eight concepts were distinguished in the form of individual, interpersonal, organizational, inter-organizational and environmental of consequences factors. Furthermore, twenty-five concepts in the form of preventive, control and fighting corruption strategies were diagnosed.

Keywords: *Private Sector Corruption; Corporate Corruption; Grounded Theory*

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Introduction

Studies have been done on the perceived distress of corporate corruption, each of which has looked at this issue from a special point of view. In his article analyzing data from the Latin American and Caribbean region, Sacker and Yang (2012) concluded that bribery is a major impediment to corporate growth. Particularly, corruption is most commonplace for young and low-income companies. In a 2007 survey of more than 5,400 companies in 40 countries, almost one third reported suffering from embezzlement. In contrast to such studies, few studies have been conducted to provide a model for explaining and combating corruption in the company. There are Companies have designed some models for combating corruption within their companies, including models that include Telesapazio and Salingerie Impergiou, which are international companies. Models include generalizations, anti-corruption codes, and ethical codes. Similarly, models for corporate governance, such as the American, German, and Japanese models, can be mentioned (Mahshnari, 2013). These models are very small and do not design a model that examines both the factors affecting the private sector corruption, its implications, and the outcomes and approaches to combating corruption within the companies.

Fighting against corruption in the private sector is on the agenda of many international organizations in developed and developing countries. These organizations have developed models and guides for companies. The UN Anti-Corruption Convention has been critical to the private sector's fight against corruption. It is so important for this convention that a provision of the second chapter of the International Anti-Corruption Convention is devoted to corruption in the private sector. Given that the Islamic Republic of Iran, like many other countries of the world joined the convention in 2009, must make efforts to comply with Article 12 of this Convention, which is related to the private sector. The evaluation results of Article 12 of the United Nations Convention against Corruption in Iran indicate that there are gaps in the fight against corruption in the private sector in our country, which requires a serious and targeted effort to move towards a desirable situation. It is also one of the priorities of the Transparency

International since its inception, support and encouragement for the private sector to play its role in combating corruption (Transparency International, 2009). With respect to Corruption Perception Index (CPI), a methodological index which explores the status of corruption in countries across the world since 2009, Iran is not experiencing good conditions and takes the 131th position in 2016, and 130th in 2017. The Anti-Corruption Commission of the International Chamber of Commerce has encouraged the private sector to legislate to combat extortion and bribery (International Chamber of Commerce, 2015). Organization for Economic Co-operation and Development (OECD) is critical in identifying international models and laws for the identification of corruption (Economic Development Cooperation Organization, 2009). Article 10 of the Ten Principles of the United Nations Global Compact states that: All company must combat all forms of corruption, including extortion and bribery. Global Reporting on Transparency International (2009) provides many directors, shareholders, and other actors within the corporations that are using their power in for personal gain and in conflict with the owners, investors, employees and the community.

Considering the importance of the issue of corruption in the private sector, both internationally and nationally, and the need to provide a model for corporate corruption, and a very small number of models to explain the corruption of the private sector and to combat it, and the need for localization International models in this regard, this study seeks to take action to examine this issue and ways to combat it. The research seeks to answer the question of how the private sector corruption model is and what are the strategies and approaches to combat it?

Definitions and meanings

The concepts of corruption in the private sector in various sources are defined in Table (1):

Table 1. Definitions of Corruption in the Private Sector

ICC[1](2011)	**Corruption:** Abuse of power is in the interests of personal or financial gain, which by distorting resources from its optimal performance distorts the competitiveness and inefficiency of the collective in the private and public sectors. **Bribe:** Proposing, promising or accepting any financial or non-financial gain for or against a person in order to obtain or maintain a business or other false interests, such as prizes related to public or private sector purchases Regulatory permissions, taxes, customs and judicial and legislative procedures. **Requesting Bribes or Extortion:** Extortion or bribe request is subject to a request for a non-threatened bribe or threatening to oppose it. **Conflict of Interest:** It occurs when the interests of the individual, relatives, friends, or business partners are different from the interests of the company or organization to which it belongs.
OECD[2] (2016)	**Bribe:** The offer of direct or indirect financial or other illegal benefits to an external government official for breach of official legal obligations for the acquisition or maintenance of a business.
UNODC[3] (2013)	**Private Bribe:** A promise to offer, or give, directly or indirectly, a privilege to any person who operates or administers an activity at any place for the private sector for that person or another person to perform an activity under his or her duties; or Do not refrain from doing so. B. Requesting or Accepting Direct or Indemnity an unreasonable privilege by any person who operates or controls at any place for the private sector is for that person or other person to perform an action by subjugating his or her duties. **Private embezzlement:** Any finance, private equity or securities, or anything worthy of which is attributed to an individual job position. **Conflict of interest:** When an individual has a professional, personal, and private interest in the company, he is faced with the demands of the company.

1. International Chamber of Commerce
2. Organization for Economic Co-operation and Development
3.. United Nations Office on Drugs and Crime

CIPE[1] (2014)	**Bribe**: Offering, promising, giving, accepting, or requesting an advantage as a motive for an act that is illegal or a breach of trust. Bribes are not limited to exchanging money; it can be considered as exchange of other benefits. This ban not only includes employees of a company, but also more important than the activities of the company's agents. **Conflict of Interest**: The other case of corporate corruption that is widely used by managers and employees is a conflict of interest. A conflict of interest occurs when the private interests of a person interfere with the interests of the company as a whole. This occurs when an employee or manager can not perform his or her duties efficiently due to his or her interests.

Theoretical fundamentals and research background

Less studies have been conducted on corruption in the private sector than governmental corruption or public corruption. The first study was carried out in 1977 by the International Chamber of Commerce and for the first time, the code of conduct for combating corruption was presented. These anti-corruption regulations were issued under the heading "Rules of Conduct to Combat Extortion and Bribery ", and reforms were made in 1996, 1999, 2005, and 2011. Since then and to date, studies have been presented in various areas and dimensions of corruption in the private sector. The international organizations most active in this regard include the ICC (International Chamber of Commerce[2]), the OECD (Organization for Economic Co-operation and Development[3] (UNODC), the Office for Drugs and Crime[4] TI (International Transparency International

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1. Center for International Private Enterprise
2. Since its inception in 1919, as the only representative of the private sector in the world, the International Chamber of Commerce has played a unique role in accelerating and facilitating international trade through the efforts to standardize policies and regulations, as well as the management of the largest international commercial arbitration center. Played in addition to developing competing policies and regulating exchanges through regulation, this room has an important role to play in linking businessmen and industrial and mineral entrepreneurs around the world, and provides the context for wider associations of employers in the world.
3. The Organization for Economic Co-operation and Development is an international organization with 35 members, whose members are committed to the principles of democracy and free economy. The organization is, in the words of the main international economic decision-making organization. The headquarters of the organization is in Paris.
4. The United Nations Office on Drugs and Crime is a global leader in combating illicit drugs and international crime. UNODC was established in 1997 through the integration between the United Nations Counter Narcotics Program and the International Crime Prevention Center and is active around the world through a wide range of regional offices.

Organization)[1] and CIPE (International Private International Companies)[2].

Figure (1) shows the milestones of studies on corruption in the private sector. These milestones are as follows:

1. 1977 (presentation of the first study by the ICC);
2. 1999 (Effect of the adoption of the OECD Convention on Studies);
3. 2003 (Effect of the adoption of the UNCAC Convention on Studies);
4. 2009 (TI Global Report on Private Sector Corruption);
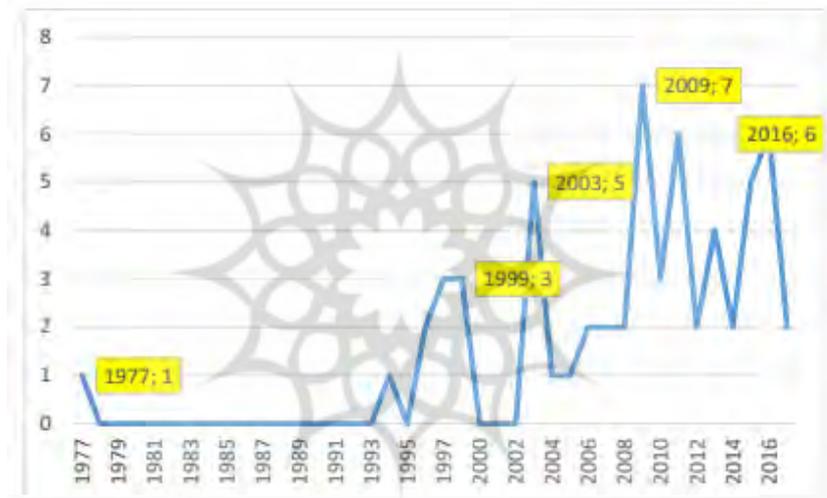5. 2016 (Presentation of new studies on private sector corruption).

Figure 1. Private sector corruption studies in different years

1. Transparency International is a non-governmental organization founded in 1993 with its main office in Berlin, Germany. The organization, which represents around 100 countries, aims to fight corruption and raise awareness about it. The organization annually publishes an index of corruption perceptions. Measuring corruption using indicators such as corruption, embezzlement, bribery, buying and selling government offices, bribery of the judiciary, corruption among politicians and government officials, and lack of adequate or inadequate coping with the narcotics campaign.
2. The center of international private companies is one of the four main institutions of the National Democracy Fund. CIPE has supported more than 1,000 local projects in more than 100 developing countries, including the private sector, supporting institutional policies and reforms, improving governance and building understanding of market-based democratic systems.

From the perspective of the Transparency International, corruption in the private sector is divided into four levels:
- Corruption within companies[1];
- Corruption of the private sector with the private sector (B to B corruption)[2];
- Corruption of the private sector with the public sector (B to G corruption)[3];
- Corruption in Competitive Mechanisms (Transparency International, 2009)[4].

Figure (2) shows the ratio of the number of studies of five international organizations active in the private sector corruption to different levels of corruption in the private sector. As described in the figure below, corruption in market competition has only been studied by the Transparency International Organization, but other levels have been attended by all five international organizations.
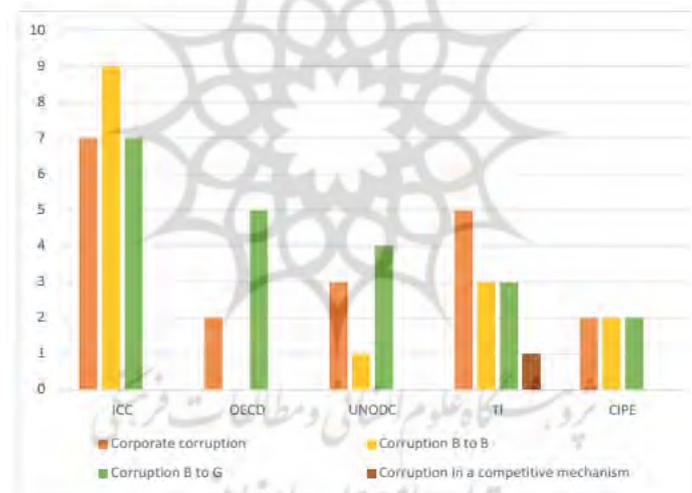

Figure 2. The relationship between the different levels of corruption in the private sector in the studies of five international organizations

1. Corporate Corruption
2. Private to Private Corruption
3. Private to Public Corruption
4. Corruption in market competition

Studies on corruption in the private sector have covered various aspects. Argandona (1996), for example, has been researching an analysis of a study conducted by the ICC in 1977 and edited in 1996 in terms of business ethics.

The following information was obtained in a study by the South African offensive against South Georgia and the GIZ[1] on South Africa's private sector corruption in 2007:

- 11.5% of companies offered bribes;
- 7.3% of companies have people who have accepted bribes;
- 16 % of companies demand bribes;
- 5.5% of the companies have paid people bribes.

Recent reviews of the Iraqi business community by CIPE[2] and the International Zogby Institute showed that corruption accounted for more than 40 percent of the cost of doing business for 38 percent of the company. This study suggests that stability, business leadership, and corporate governance are becoming the hallmark of the private sector's internal protection against corruption (Sullivan, 2006).

In 2011, Yin reviewed the causes of corruption in the private sector and presented solutions to fight corruption in this sector, according to the experiences of the public sector in Singapore. The Global Competitive Report in 2012 and 2013 will provide research in 21 countries of the 28 DFID[3] member states, and it was found that 14 of these 21 countries introduced corruption as the first or second barrier to doing business. Evidence suggests that corruption has a negative impact on cost levels and company decisions. It also has a significant impact on entry, reduced reliability, and reduced long-term investment and corporate stability. Corruption reduces growth and productivity, and has a huge impact on small and medium-sized enterprises (DFID, 2015).

Corruption prevention processes and activities will only be effective when they meet the mission, goals, values and norms of the organization. The complexity of the nature of corruption indicates that

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1. German International Cooperation Society
2. Center for International Private Enterprise
3. Department for International Development

more attention should be paid to organizational culture and behavior as a means of integrating health ethics into company operations. The research findings of Brief (2012) and Schminke (2010) show the appropriateness of the company's health and company culture (Taylor & Trosello, 2015).

In a study in Mexico, in order to understand the concerns of various stakeholders about government corruption, the private sector and civil society were asked to explain the three forms of corruption experienced by their business or institution. The survey showed that stakeholders have similar forms of corruption. Bribes were the most common type of corruption experienced by them. Facilitation payments were ranked second in the survey as a form of corruption in the private sector, and the conflict of interest was ranked third (WEF[1], 2017).

In another study by the World Bank, the OECD and UNODC in 2013, the following steps have been taken to develop and implement a program of compliance and ethics for combating corruption:

1. Support and commitment of top management to prevent corruption; Develop an anti-corruption program; 3. Monitor anti-corruption program; 4. Accessible, clear policies to prevent corruption; 5. Precise Policies for Highly Raised Areas; 6.Applying anti-corruption program to trading partners; 7. Internal controls and document maintenance; 8. Education and communication; 9. Promoting and encouraging compliance and ethics; 10. Search for guidance and identification and reporting of deviations; 11. Detection of deviations; 12. Periodic reviews and evaluations of anti-corruption program. The study also emphasized the importance of risk assessment prior to the anti-corruption agenda.

Methodology of research

Qualitative method is used in this research. The qualitative method used by the researcher is the grounded theory. Grounded theory is one of the main approaches to qualitative research. Grounded theory is therefore a creative process that is appropriate to use when there is a

1. World Economic Forum

lack of knowledge or theory of a topic (Glaser and Strauss 1967; Schreiber and Stern 2001), where existing theory offers no solutions to problems (Chenitz and Swanson 1986) or for modifying existing theory.

Grounded theory uses three sets of coding procedures that help the analyst break down the original data, conceptualize it and re-arrange it in new ways. The three coding stages are termed open coding, axial coding and selective coding (khan, 2014). The ultimate aim of utilizing these procedures is to allow a systematic, dense, explanatory theory to be developed. The data analysis of this research has been done according to Strauss and Corbin guidelines. This method consists of three main stages of open coding, axial coding and selective coding (Strauss and Corbin, 2011). Strauss and Corbin (1998) departed from Glaser's positivism by referring to the construction, rather than the discovery, of grounded theory (Mill et al, 2006).

Like many other types of qualitative studies sample size in grounded theory research can vary but tends to be small. The purposive sampling was used to choose interviwer.The purposive sampling technique, also called judgment sampling, is the deliberate choice of a participant due to the qualities the participant possesses. It is a nonrandom technique that does not need underlying theories or a set number of participants (Bernard, 2011). This involves identification and selection of individuals or groups of individuals that are proficient and well-informed with a phenomenon of interest (Cresswell,2011).

Data collection in a grounded theory study is a "zigzag" process – out to the field to gather information, analyze the data, back to the field to gather more information, compare it to the emerging categories and so forth. The way information is collected through 21 semi-structured interviews with experts from tehran chamber of commerce, industries, mines and agriculture and the government departments responsible for private sector corruption. The data saturation process began with the sixteenth interview. To obtain validity of the data, two methods of reviewing the participants and reviewing non-participant experts have been used in the research.

Research findings

In this part, analysis and coding of data is explained. Finally, a qualitative research model is presented.

Open coding

Open coding is the first step in data analysis and coding. During the open coding process, the data obtained from the interviews are carefully examined, the main categories and subcategories are identified (Croswell, 2005).

Axial coding

In axial coding, concepts based on subscriptions or semantics are put together. In other words, the initial codes that have been created in open coding are compared, while integrating the codes that are conceptually similar, the categories that are related to each other, they move around a common axis. In fact, at this stage, the dimensions of the coding paradigm are formed and include six categories, the axiomatic category, the causal conditions, the intervening conditions, the conditions of the dominant context, the strategies and the consequences (Lee, 2001). Hence, in this research, the analysis of the data from the interview is explained based on the dimensions of the coding paradigm.

In this study, private sector corruption has been considered as the central issue. Private sector corruption is divided into two types of direct financial corruption and indirect financial corruption.

Direct financial corruption involves bribery, extortion, money laundering, embezzlement, theft, manipulation of financial statements, fraud.

Indirect financial corruption involves collusion, forgery, injustice in recruiting, concealment, favoritism, conflict of interest, neglect of labor rights and information rents.

Causal conditions

Causal conditions are a set of events and conditions that affect the axial category. The two main categories of individual factors, interpersonal factors were identified as the causal conditions affecting

the central phenomenon. Open codes and categories related to the causal conditions are shown in Table 2.

Table 2. Open codes and axial coding related to causal conditions

	Sub Categories		Open codes	Example
causal conditions	Individual	value	Immorality	people are getting more immoral
			Uncivil	Those who are unbelievers are more corrupt
		Personality characteristics	Attitude	It depends on attitude of people
			instinct	Some are evil from birth
			Risky person	More risky are more corrupted
			Comfort	Wants to be rich over a night
			Habit	It becomes a habit for some
		Economic	Need	People have problems with their livelihood
			Greed	Some do not have the financial need but they are corrupted
	Inter Personal		Justify	Everyone is corrupting
			Fear of upstream	He is corrupted for fear of losing his job
			Feel inequality	Thinks it's not his right

Context

Environmental substrates are a set of conditions that provide the context for the desired phenomenon and affect behavior and actions. The context of the substrate affects the core category and the results.

In this research, economic, control, structural and cultural factors are considered as literal conditions. Table (3) shows the open codes and the categories related to the dominant substrates.

Table 3. Open codes and axial coding related to context

	Categories	Open codes	Example
	Economic	Reduce Costs	...wants to spend less
	Control	Lack of Oversight	He knows there is no proper supervision
		Inappropriate Audit System	The lack of a proper audit system is one of the most important
Environmental substrates	Structural	The Opportunity	I work on the part that gives me the opportunity to do corruption.
		Size of the Company	The larger the size of the company, the more people are needed to handle bribes
		Corruption of Top Management	If corruption is at high levels, it will spread to lower levels
		Inappropriate Human Resources System	Most companies do not have appropriate human resources system
		Lack of Transparency	Lack of transparency will create multiple financial statements in companies
		Management Separation from Ownership	When the manager and the owner are different, the manager only seeks for his own profits
		Short Term Goals	people who are not supposed to stay for a long time and who are looking for big profits in the short time.
		Lack of Merit	A good employee is not fortunate enough to have a family come to work.
	Cultural	Organizational Climate	different atmospheres cause different deviant behaviors
		Culture of no respect of the Rules	In our country, little importance is given to the law
		Corporate Identity	Someone is corrupt in the interests of his organization

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Intervening conditions

Intervening conditions refer to a broad host of factors that can bear down upon the phenomena. They are those conditions that mitigate or otherwise impact casual conditions on phenomena.

Table 4. Open codes and axial coding related to Intervening conditions the domains

	Categories	Open codes	Example
Intervening conditions	Economic	bad economic situation	The economic nature of the country is very influential
	Legal	Inappropriate Terms and Regulations	there are a lot of rules and regulations, but we do not use these rules and regulations
		Disparity of crime and punishment	Penalties are not commensurate with crime.
	Structural	Sovereignty	Our Sovereignty is full of problems
		Bureaucracy	Wide and long bureaucracy prevents doing works
		Golden sign	When with someone sign, you can do your work
		Distribute money and power	Wherever power is, there is corruption
	Cultural	Luxuriousness	Luxuriousness is increasing day by day
		Eliminating the Gobble of Corruption	Since corruption has been institutionalized in the country, its gobble is eliminated
		Relationship culture	Relationship Culture has taken the place of the culture of the covenant
		Laziness culture	Everyone wants to get everything overnight

Consequences

The consequences are the results of the axial category. Individual, interpersonal, organizational, inter-organizational and environmental outcomes have been identified as the consequences of private sector corruption. Table (4) shows open codes and axial categories of outcomes.

Table 5. Open codes and axial coding of consequences

	Categories	Sub Categories	Open codes	Examples
consequences	Individual	Spiritual	Feel guilty	Do not fall asleep of the torment of conscience
			Stress	Stress, do not cut your income
		Value	Reduce motivation	When employees find who has a stronger relationship, receive more rewards , lose their motivation
			Inheritance	In another world, they will be punished
			Going good and blessing of life	Haram money is not blessed
			Moral decline	Ethics have no place
	Inter Personal	Punishable	Disciplinary action	An employee may be reprimanded or dismissed
			Punishment	person may be called to court
		Disgrace	Distrust	Nobody trust him or her
				person becomes unruly
	Organizational	Economic	Increase Cost	Completed figures for me are more and more expensive
			Reduce Capitalism	The foreign investor said in Iran you must bribe
		Structural	Lack of meritocracy	Companies can not afford decent people
			Preventing Growth	The main obstacle for growthing of companies
			Lack of proper resource allocation	Resources are not used in their own right
			Increase work time	a lot of waste of time for corruption
	Inter Organizational		Distrust	Other will not trust her
			Reduce fame	The corrupt corporation loses its credibility
	Environmental	Business	Prevent growth and development	My case, when I'm limited to my quadrants, will grow too low.
			Increasing competition for corruption	.I suggest a figure to that person. The next person will certainly give more suggestions
			Unfair competition	It is not fair to compete
		General	Unreliability	In general, the mistrust community is spreading
			Poverty	Reduces the income of people looking for
			Dissatisfaction	All people are dissatisfied
			Creating a culture of corruption	Corruption becomes a culture
			Disappointment	The motive of people disappears
			The gap between government and nation	Societies that are more corrupt have more gaps in government and nation
			Reduce government revenue	Bribe for paying less tax

Action strategies

The strategies in the grounded theory refer to providing solutions for dealing with the phenomenon studied, whose purpose is to manage the phenomenon under study, to deal with it, and to show sensitivity to it. Table (5) shows open codes and categories of strategies and approaches to fighting corruption in the private sector.

Selective coding

In the choice of coding, the main variable or the underlying process lies in the data, how it occurs, its occurrence and its consequences. Based on the obtained relationships, the concepts derived from open and axial coding in the selection coding step were linked to each other and reflected as a model (Lee, 2001). Figure 3 illustrates the model for explaining and combating corruption in the private sector.

According to the model, personality characteristics, value and economic factors are known as effective factors in committing people to private sector corruption. In other words, not only acquired factors, such as immorality or uncivil, affect the perpetration of corruption but also personality characteristics, also affect the corrupted ones. A critical factor in financial need can also act as a burden on individuals and lead them to commit corruption.

Interpersonal factors such as justify, fear of upstream and feel inequality are also relevant in this regard. In other words, people sometimes get corrupted by fear of senior executives and losing their job positions. And sometimes they are provoked to commit corruption by feeling inequality with peers on the same level. Many people also justify the practice of corruption with thoughts and sentences such as "Everyone is corrupted"

There are not just individual factors that are effective in committing corrupt acts. Organizations create context of corruption due to economic, control, cultural and structural factors in the private sector. These factors include a variety of issues, and if companies do not do the right things, they will see a lot of disadvantages. Most of the corruption grounds are related to organizational structure and special attention to this structure can be solved.

Table 6. Open Codes and axial Coding of Action Strategies

|	Categories	Subcategory	Open codes	Example
Solutions		Individual	Education	We need to put courses on the fight against corruption
			Strengthening moral values	Consideration of morality must be considered worthwhile if the better car is worth now
			Religious teachings	religious should be addressed to people with their own language
	Prevention	Organizational	Top management commitment	Most important is commitment of senior management
			The Will to Fight Corruption	When there is no will, nothing is done
			Preventing conflicts of interest	At the beginning of the recruitment, a sheet must be signed for conflict of interest
			Payment based on performance	If payment is based on the work people do
			Systematizing the path of employee development	companies need to constantly keep personnel up
			Adequate pay to employees	you must pay higher than the basic salary to your employee
			Worthy of mercy	Suitable people should be well-known
			Increase transparency	In particular, pay and reward systems should be transparent
			Identify the bottlenecks of corruption	The CEO needs to see the islands where more corruption occurs
			Compilation of anti-corruption program	Must comply with international guidelines
			Audit systems	Apply appropriate audit system
		Environmental	Identify the environment	We need to identify the environment, the nature, activity, and competitiveness of the firm in which it operates
			Creating Anti-Corruption Discourse	We need to talk about corruption in order to learn from each other.
			Coalition to fight corruption	Public, private and NGO must work with each other
			Use the experiences of other countries	We should use best work of other countries.
			E-government development	When you do not have a computer system, it's a suspicion that you are choosing the seller to pick up your envelopes
			Correction of laws and regulations	Our rules must to be update
			Reduce the role of government	Transferring the economy to the private sector
	Supervision		Internal controls	Controls within companies should be targeted
			Disclosure	The best way to expose corruption is through disclosure
	Confront		Disciplinary action	if they have not been corrected after giving the reminder, they should be expelled.
			Punishment	Judges must be treated with people in management positions

Experts in this field acknowledged that there are also interference conditions that the organization may face more corruption in the context of these conditions. The factors that interfere with the corruption of the private sector are economic, legal, structural and cultural factors which require large-scale planning.

As noted in theoretical foundations, the private sector corruption has devastating consequences. The psychological, costly, and punitive consequences will await those who are corrupting. Many people will be stressed and persecuted. Ethics and religion are also diminished by doing corrupt things in people. Many employers are faced with disciplinary action in the event of corruption, or even at a higher level, judicial punishment may be awaiting them. Corrupt organizations will also face structural and economic problems. A person who is corrupted, lose his honor and others do not trust him. Other organizations will not trust the organization that corrupts, and its reputation will decrease.

Corruption has also devastating effects on the business environment and the general public. As pointed out in theoretical foundations, corruption prevents companies from developing, and in an environment where corruption exists, companies try to outpace each other in terms of corruption. Poverty, distrust, dissatisfaction, disappointment, reducing the gap between the government and the nation, and many other adverse consequences are devastating effects of corruption on the general environment.

According to the research results, in three general stages, corruption can be fought. First preventive actions can be taken at individual, organizational and environmental levels. At the individual level, since the most important factors in private sector corruption are immoral an uncivil, individuals must be strengthened in their ethical values and given the necessary training in dealing with corruption. At the organizational level, the most important issue is senior management commitment, which should be explicitly stated. Fight against corruption must be created throughout the organization and all processes and procedures will be transparent. Also, human resources systems from recruitment processes to employee development and payments should be based on more and more reduce corruption. To

monitor corruption, internal controls and disclosure channels can also be created in companies. But if corruption occurs, it can be countered by disciplinary action or punishment of the judiciary.
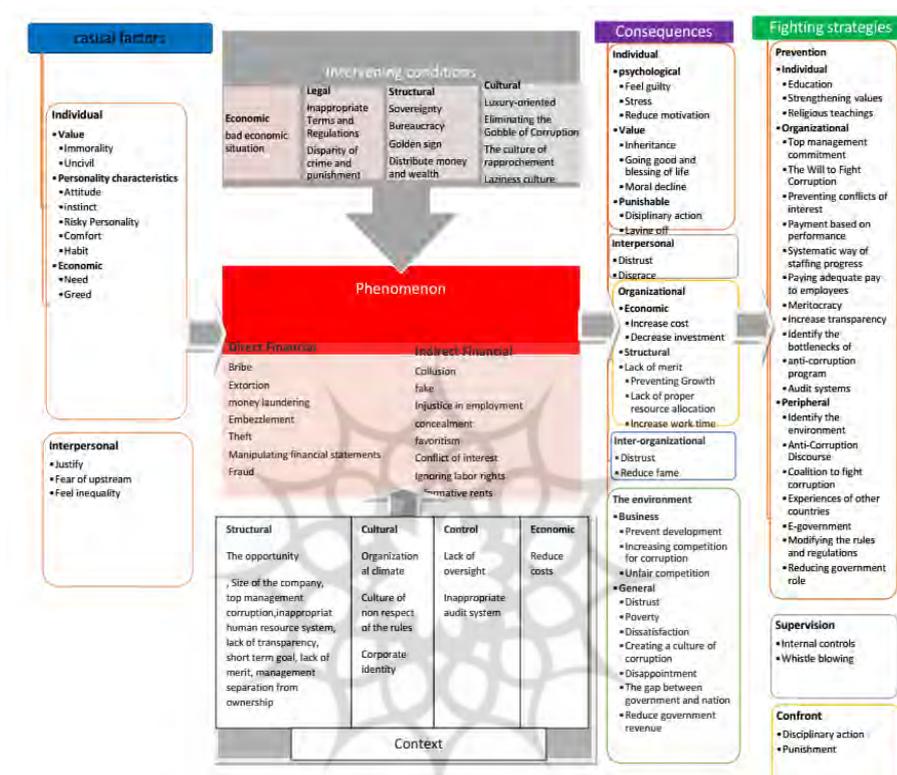
Conclusion and suggestions

In this study, a model for corruption in the private sector was presented that covers casual factors, phenomenon, context, intervening conditions, consequences and strategies and approaches to fight it. According to the results of this study, personality traits, economic and financial factors have been identified as casual factors in committing people to corruption in the private sector. Also, interpersonal factors such as justification, fear of top manager and inequality are also involved in this. Contexts are economic, control, cultural and structural factors in the private sector. Also, intervening conditions are

responsible for the corruption of the private sector by economic, legal, structural and cultural factors.

As mentioned in theoretical foundations, the corruption of the private sector has devastating consequences. The psychological, costly, and punitive consequences will await those who are corrupting. Corrupt organizations will also face structural and economic problems. A person who is corrupted will lose his honor and others will not trust him. Other organizations will not trust the organization that is corrupting, and its reputation decreases. Corruption also has devastating effects on the business environment and the general public.

According to research findings, in three general stages, corruption can be fought. First and foremost, effective measures can be taken at individual, organizational and environmental levels. To monitor corruption, internal controls and disclosure channels can also be created in companies. But if corruption occurs, it can be countered by disciplinary action or punishment of the judiciary.

This research is pioneering in this regard, considering that there has been no serious investigation into the corruption of the private sector in Iran. But compared with the international studies of corruption in the private sector, it can be argued that these studies have more to offer a solution to the fight against corruption in the private sector, or whether other dimensions of private sector corruption have been investigated separately. This research has looked at the issue with a modeling approach and examines all dimensions related to casual factors, phenomenon, context, intervening conditions, consequences, and fighting strategies to present the model.

Since models for private sector corruption have not been designed, and international organizations guidelines or corporate codes of ethics has been published as a model of private sector corruption, the comparison between the concepts of the research model and the concepts mentioned in the theoretical foundations has taken. Comparing the two, most of the concepts of the research model are mentioned in the theoretical foundations, and there are few cases in which there are differences in them. Concerning the causal factors, context and intervening conditions, the instability (OECD, 2016), the business model of company, the geographical area (UNODC, 2013),

and the increase in the payment to managers (TI, 2009) are concepts that are mentioned in theoretical foundations, but the research experts did not mention it. And immorality, uncivil, instinct of individuals and bad economic conditions exist only in the research model. In the case of the phenomenon of private sector corruption, all the concepts mentioned in the research model and theoretical foundations are the same. Concerning the consequences of private sector corruption, reducing innovation (Yin, 2011), impeding entrepreneurship (CIPE, 2011) reducing employee safety (TI, 2017), negative effect on decision making (DFID, 2015), and reducing the recruitment (CIPE, 2014) are the concepts mentioned on theoretical foundations, but not referred to by research experts. The feel guilty, going good and blessing of life and moral decline are particular concepts of the research model. In the case of the combating strategies against private sector corruption, all the concepts mentioned in the research model and theoretical foundations are the same. According to the above, the concepts of the model have almost good alignment with international guides

The proposed model of this research can be used as a basis for the formulation of programs and anti-corruption activities in the private sector and, given the dimensions and categories achieved, special attention should be paid to these dimensions. It is suggested to custodians and private sector managers to eliminate the anti-corruption programs from the theoretical point of view and provide the necessary premises for their practical implementation, and according to the categories obtained from the model to assess the situation. The existence of the private sector in terms of corruption and determining the desired situation with regard to strategies and approaches. It is also suggested to future researchers that other levels of corruption in the private sector include corruption of the private sector with the public sector, corruption of the private sector with the private sector and Corruption in market competition. Concepts such as corporate governance, conflict of interest, and behavioral considerations can be investigated and investigated separately.

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