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Corruption in the Public Sector: Determinants, implications and solutions

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Abstract

Corruption in the public sector remains a major challenge, particularly in developing countries. This study explores the psychological, organizational, and situational factors that drive corrupt behavior among civil servants. Drawing on empirical data and theoretical frameworks such as the Fraud Triangle, Public Service Motivation theory, and the Corruption Hexagon Model, this study explores how moral framework, leadership and life events influence corrupt behavior. Findings suggest that corrupt practices, including procurement fraud and bribery, have implications for perpetrators, victims, and national development. The study concludes with solutions that target institutional culture and reform, authentic leadership, and improved law enforcement.

Keywords: Corruption; culture; digitization; leadership

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1.0 Introduction

The use of public funds for private gain and the act of offering or accepting a bribe—whether in the form of money, gifts, or services—to persuade or reward someone to carry out or abstain from carrying out an action related to their official duties or position are both considered forms of corruption. Corruption can take many different forms, from bribery and nepotism to fraud, misappropriation, and embezzlement of public funds or property. The impartiality and integrity of an agency may be compromised by corruption, which violates laws, institutional ethics, moral principles, and standards. Corruption undermines the trust of organizational stakeholders, reduces the agency's effectiveness and efficiency, and compromises ethical standards. It is generally recognized as counterproductive behavior or financial crime (Androniceanu et al., 2022; Abdul-Salam et al., 2024).

Globally, public sector corruption is thought to pose the biggest danger to institutional legitimacy, socioeconomic development, and governance. Persistent corruption undermines the government's credibility as a steward of public resources and fuels public mistrust, which can lead to institutional and national instability. The prevalence of corruption in public institutions, including financial crime, procurement corruption, and administrative corruption, persists despite the existence of international anti-corruption frameworks and regulatory mechanisms. Public employees may act as recipients or mediators of such behavior, undermining transparency and accountability (Zandi et al., 2024; Suardi et al., 2024).

A thorough grasp of the underlying causes, ramifications, and potential solutions of corruption is necessary due to its widespread nature and effects. Therefore, by conducting a methodological content analysis of the body of available literature, this study seeks to examine the determinants and implications of corruption as well as potential ways to control the problem.

2.0 Literature Review

In an attempt to explain corruption's existence and social tolerance, academics have studied it in great detail from psychological, sociological, institutional, and political perspectives. According to existing research, corruption is a complex phenomenon that is impacted by situational, organizational, and individual factors. Individuals' thoughts, ethical judgments, and behavioral tendencies are influenced by psychological characteristics like moral intelligence, personality traits, and psychological capital. These traits can either increase or decrease a person's tolerance for unethical behavior (Ogungbamila & Ajayi, 2024).

The organizational approach places a strong emphasis on how structural and contextual elements influence how people behave. It has been demonstrated that institutional culture, leadership style, political pressure, and governance structures all have a major impact on the probability of corruption. Vulnerability to corrupt behavior is increased by politicized appointments, concentration of power, and inadequate accountability systems, while these risks are decreased by moral leadership and robust institutional oversight (Sri Ramalu & Janadari, 2022; Eryanto et al., 2022). Situational factors that create chances and pressures for rule-breaking behavior include life events, economic instability, and familial history. These factors also lead to corruption. Negative effects at the individual, organizational, and societal levels may result from these situational variables interacting with organizational and personal characteristics (Ogungbamila & Ajayi, 2024; Sulitzeanu-Kenan et al., 2022).

The factors that contribute to corruption have been explained using a number of theoretical frameworks. According to the Fraud Triangle Theory, financial malpractice is primarily driven by opportunity, incentives, and rationalization (Kulmie, 2023; De Waele et al., 2021; Thomann et al., 2025). Individual motivation and social value orientation (SVO) are linked to moral judgment and a tendency toward bribery by the Public Service Motivation (PSM) theory. Concurrently, the corruption Hexagon Model emphasizes the intricate interplay among context, opportunity, supply, capability, rationalization, and motive, highlighting the multifaceted nature of corruption (De Waele et al., 2021).

The literature also emphasizes how crucial technology and structural measures are to reducing corruption. According to studies, when properly implemented and enforced, effective digitalization, procurement governance, transparency measures, and ethical frameworks can considerably minimize corruption. When taken as a whole, these studies show that corruption results from the dynamic interaction of person characteristics, organizational environment, situational pressures, and institutional arrangements rather than from a single source (Androniceanu et al., 2022; Abdul-Salam et al., 2024; Suardi et al., 2024).

3.0 Research Methodology

In order to synthesize findings from empirical and non-empirical studies carried out between 2021 and 2025, this study employs a qualitative content analysis approach. This method is especially useful for synthesizing complex, context-dependent phenomena because it allows for the structured interpretation of textual data while maintaining theoretical and contextual nuances (Marjerison & Gatto, 2024). The reviewed literature covers contexts like Nigeria, Indonesia, Somalia, Iran, Ghana, the United States, and the European Union. It includes a variety of methodological approaches, such as empirical and non-empirical studies, cross-country surveys, experimental designs, grounded theory, and regression-based quantitative analysis. A thematic content analysis method was used for the data analysis. The study objective led to the logical derivation of three broad analytical categories: determinants, implications, and solutions. The study used methodological triangulation to assure validity by combining data from several research approaches, disciplinary viewpoints, and national contexts. The diversification decreased the possibility of single-source or context-specific bias and improved construct validity. A methodical and consistent coding procedure that was directed by precise temporal bounds and well-defined analytical categories was used to address reliability (2021-2025) (Thomann et al., 2025; Harnois & Gagnon, 2022).

4.0 Findings

This section presents the findings derived from the qualitative content analysis.

Table 1. Determinants, Implications and Solutions of Corruption

Determinants and Sub-determinants	Implications	Solutions
Individual Factors	Individual Level Personality Job and pay insecurity Attitude Relationship problem Perception Legal repercussions Personal Values Psychological distress Gender Discrimination Institutional leadership Performance problem Behavioral problem	Institutional culture and ethics Enforcement and digitization Institutional leadership
Organizational Factors	Organizational Level	

Leadership	Lack organizational efficiency
Culture	Diminish institutional reputation and image
Institutional framework	Erode sense of unity
Reporting mechanism	Resource waste
	Violations of rules
Situational Factors	National Level
Life experiences	Impaired economic programs
National and societal culture	Erode social stability
Family background	Deprive national resources
	Inequality
	Undermine public sector governance
	Raised crime rates

(Source: Self developed by authors)

4.1 Determinants of corruption

As summarized in Table 1, the findings indicate that corruption in the public sector is influenced by three primary categories of determinants: individual, organizational and situational factors.

Personal Factor

At the individual level, corrupt behavior is constantly linked to personal attributes like gender, attitude, perception, personal values, and personality traits. While unhealthy personality traits (such as Machiavellianism), self-interest, and tolerance for corruption increase the likelihood of unethical conduct, positive moral values, moral intelligence, religiosity, and ethical attitude serve as protective factors (Zandi et al., 2024; Ogungbamila & Ajayi, 2024; Sulitzeanu-Kenan et al., 2022; Clemente et al., 2024). Principles of justice and accountability, trust, honesty, responsibility, and the development of justifications and evaluations of the consequences of corruption that condemn wrongdoings are all supported by a healthy personality (Clemente et al., 2024). According to De Waele et al. (2021), people who tolerate corruption develop perceptions and assumptions about how corrupt activities affect general self-pleasure or the accomplishment of specific self-motives, which encourages corrupt behavior. According to Hussain et al. (2021), an action is considered ethically acceptable if it optimizes overall individual pleasure and offers greater delight or advantage to a greater number of individuals, such as financial awards, promotions, and trust from corruption. Individual self-evaluation and moral ideals that may conflict with absolute moral principles (like religious beliefs) are the foundation for acceptance of corruption, meaning that actions deemed corrupt in one situation may be acceptable in another. Because they disrupt male-dominated collusive arrangements and uphold ethical norms to legitimate their leadership, having female bureaucrats reduces the danger of corruption. (Cho & Kim, 2025; De Waele et al., 2021; Hussain et al., 2021).

Organizational Factor

Leadership style, institutional culture, governance structure, and reporting systems are important factors at the organizational level (De Waele et al., 2021; Eryanto et al., 2022; Cheliatsidou et al., 2023; Clemente et al., 2024). By promoting an integrity culture, setting clear ethical standards, putting in place strict oversight procedures, guaranteeing legal compliance and transparency, and boosting public involvement, leaders can aid in the prevention of dishonest behavior. However, an atmosphere that is favorable to corruption is produced by weak ethical standards, politicized appointments, centralized power, inadequate internal supervision, and inefficient whistleblowing procedures. Tyranny, the concentration of authority, the exploitation of subordinates, oppressive actions, irrational expectations, and the removal of job benefits are all examples of a coercive leadership style that fosters corruption. The risk of corruption is increased by cultural traits like power distance and collectivism, inadequate internal audit and control, rule-based governance, improper duty segregation, weak procurement, and poor project management control, monitoring, and execution (Kulmie, 2023; Suardi et al., 2024; Zandi et al., 2024; Sulitzeanu-Kenan et al., 2022). Employees are skeptical of whistleblowing and believe that reported crimes will go unpunished because of perceived low legal protection, low trust in authorities, inadequate whistleblowing education, fear of retaliation, and social isolation (Cheliatsidou et al., 2023; Clemente et al., 2024).

Situational Factor

Situational factors that affect a person's susceptibility to corruption include family background, national and societal culture, economic pressures, and life events. While rule-oriented and value-based family upbringing lessens such tendencies, financial stress, unemployment, social class, meeting family financial expectations, and cultural normalization of unethical practices increase tolerance for corruption (Ogungbamila & Ajayi, 2024; Zandi et al., 2024; Sulitzeanu-Kenan et al., 2022). Due to shifting lifestyle patterns that justify immoral action, the fulfillment of family requirements has expanded to include property ownership and the fulfillment of desires. Furthermore, Ogungbamila and Ajayi (2024) have shown a substantial correlation between a greater tolerance for corruption and life situations that foster discontent and life imbalances. Cognitive inclinations that discourage corrupt behavior are often present in those who were raised in a positive environment (living with an honest and loving spouse). Additionally, religion can foster a fear of God and raise internal moral standards, which reduces the possibility of corruption (Zandi et al., 2024). In this case, religious principles developed a national culture that can prevent corruption (Sulitzeanu-Kenan et al., 2022).

4.2 Implications of Corruption

The findings further indicate that corruption produces multi-level consequences affecting individuals, organizations and nations.

Individual Level

Legal ramifications, employment uncertainty, psychological pain, strained social connections, discrimination, and performance and behavioral issues that affect both offenders and victims are all consequences of corruption at the individual level. Corrupt officials can also lead to instability and conflict within an organization. When victims—including coworkers and members of the public—are exposed to a culture that condones corruption, their quality of life and services will suffer. For example, it has been found that exposure to minor corruption increases the prevalence of mental health disorders like sadness and anxiety (Kulmie, 2023).

Organizational Level

At the organizational level, corruption weakens organizational culture, reduces institutional efficiency, damages reputation and image, erodes unity, wastes resources, compromises internal procedures, and frequently leads to employee attrition, resistant behavior, withdrawal, or silence. Because of this, companies with immoral cultures typically struggle to keep workers and deliver quality public services (Cho & Kim, 2025). In this instance, corruption-induced public money leakage will erode confidence and strategy coherence and result in a distorted set of core values, work process violations, and a lack of discipline (Eryanto et al., 2022).

National Level

At the national level, corruption hampers economic initiatives, weakens social stability, deprives the country's resources, exacerbates inequality, threatens public sector governance, and increases crime rates. Kulmie (2023) shows how financial crime increases poverty rates in developing countries and affects the distribution of resources. Additionally, corruption reduces international credibility and impedes foreign investment. Poverty and a decline in public confidence in political institutions result from disruptions in the distribution of resources, income, and socioeconomic progress. Kulmie (2023) asserts that financial crimes in the public sector are concerning and have an effect on the economy, wellness, integrity, quality of life, and social advancement.

4.3 Solutions

The analysis identifies three dominant solution clusters: institutional culture and ethics, enforcement and digitization, and institutional leadership.

Institutional Culture and Ethics

Culture serves as a belief system that encourages sustainability, short- and long-term orientation, internal-external focus, and may restrict counterproductive actions in order to minimize corruption. Employers can analyze applicants who have value congruence and are crucial preventive measures attributable to an ethical institutional culture that is supported by value-based recruiting through efficient screening and personnel monitoring (Zandi et al., 2024). Long-term integrity can be promoted in the public sector through institutionalized ethical policies, a clear code of conduct, creating a disciplinary culture, and incorporating values-based training and ethics education (Ogungbamila & Ajayi, 2024; Ramalu & Janadari, 2022; Prysmakova & Evans, 2022).

Enforcement and Digitization

Corruption may be mitigated by enforcement strategies such as a strong auditing system, judicial independence, protection for whistleblowers, procurement governance, and regulatory frameworks (Kulmie, 2023; Suardi, 2024; Abdul-Salam et al., 2024; Cheliatsidou et al., 2023; Clemente et al., 2024). Establishing government anti-corruption agencies and implementing appropriate budgeting rules are crucial steps in preserving the financial stability of the government. Corruption is adversely correlated with a strong legal framework that includes integrity, capacity, competitiveness, fairness, monitoring, and control. It may also improve accountability and prevent corruption (Kulmie, 2023; Suardi, 2024; Abdul-Salam et al., 2024). Strategies to prevent misconduct, fraud, and corruption should incorporate the enforcement of the Whistleblowing Act, since it is linked to sustainability (SDG 16, eliminating corruption) (Cheliatsidou et al., 2023). Whistleblowing policies provide safe and transparent channels for exposing wrongdoing and foster awareness of how social norms and job security affect people's choices to report such instances (Clemente et al., 2024), and are gender-neutral (Prysmakova & Evans, 2022).

Transparency, accountability, and corruption control are improved by digitization, especially e-government, e-procurement, and e-participation (Suardi et al., 2024; Abdul-Salam et al., 2024; Androniceanu, 2022). By using administrative and technical technological tools, especially the public finance management system, digitization through technological innovation creates robust public institutions that increase public sector efficiency, adaptability, and responsiveness. (Kulmie, 2023; Marjerison & Gatto, 2024; Ogungbamila & Ajayi, 2024).

Institutional Leadership

According to Cho and Kim (2025) and Cheliatsidou et al. (2023), ethical, authentic, and transformative leadership plays a crucial role in promoting integrity, decreasing opportunities for collusion, and promoting transparency in order to limit corruption. Leadership training is likely to prevent corruption and emphasize value-based decision-making and public service motivation, especially among high-level bureaucrats (Sri Ramalu & Janadari, 2022). By promoting positive psychological capital and corporate citizenship practices, authentic leadership—genuine, self-aware, integrity, developing trust and connections, and supporting an open and honest approach—minimizes corruption (Sri Ramalu & Janadari, 2022).

5.0 Discussion

The findings show that the interplay of situational, organizational, and individual factors shapes corrupt conduct. The study additionally examines the detrimental effects that corruption has on individuals at the organizational and national levels, whether they are victims or perpetrators. In line with earlier theoretical frameworks like the Fraud Triangle Theory, Public Service Motivation (PSM), and the Corruption Hexogen Model (CHM), the results verify that corruption is a multifaceted and systemic problem. Individual moral principles and psychological characteristics combine with social and organizational constraints, supporting the claims that single-level remedies are insufficient to combat corruption (Kulmie, 2023; De Waele et al., 2021; Thomann et al., 2025).

Prior research highlighting ethical leadership and governance changes as essential to corruption control is supported by the significant importance of institutional culture and leadership. By emphasizing how digitalization and enforcement measures work effectively when integrated into moral institutional settings, the findings also add to the body of current literature. Additionally, the implications that have been observed at the national level support the idea that corruption is a governance and development dilemma rather than just an administrative shortcoming (Clemente et al., 2024; Kulmie, 2023; Marjerison & Gatto, 2024; Ogungbamila & Ajayi, 2024).

Content analysis blends qualitative and quantitative data, offers a low-cost, discrete research approach, and helps identify issues, consequences, and appropriate solutions. However, because content analysis is descriptive in nature, it has limitations when it comes to establishing cause and effect, as well as the possibility of researcher bias in coding and interpretation, a tendency to be reductive and overlook contextual nuances, and an incapacity to gather nonverbal clues or look at unrecorded data. Using qualitative techniques, including in-depth interviews, allows researchers to document participants' subjective experiences and opinions while reducing study bias. Additionally, because of their objectivity, dependability, generalizability, efficient analysis, and ability to draw clear conclusions, quantitative approaches are advised (Marjerison & Gatto, 2024; Harnois & Gagnon, 2022).

6.0 Conclusion and Recommendations

The study draws the conclusion that situational, organizational, and individual factors interact to cause public sector corruption, which has far-reaching effects at the individual, organizational, and national levels. While economic pressures, political governance, and inadequate accountability structures increase the likelihood of corruption, moral principles, moral leadership, and institutional integrity serve as important remedies. Corruption erodes public confidence, the effectiveness of governance, and socioeconomic advancement in the absence of effective intervention.

The study suggests multifaceted, all-encompassing anti-corruption strategies, such as enhancing an ethical institutional culture through value-based hiring, ethics education, and ongoing integrity training. Additionally, to improve procurement governance, auditing systems, judicial independence, and whistleblower protection in order to strengthen enforcement procedures. It is also crucial to use digitization to advance accountability, openness, and citizen participation, especially in public finance and service delivery. As a result, it is crucial to cultivate an ethical and genuine leadership style through training that emphasizes responsibility, integrity, and public service motivation. Lastly, in order to strengthen causal inference and supplement content analysis, it is advised that future research use primary empirical research or mixed-method studies.

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Paper Contribution to Related Field of Study

The study discusses the methodological, practical, and theoretical contributions in the discussion of corruption-related behaviors; determinants, implications, and solutions, within the purview of public administration.

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