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## ANTI-BRIBERY MANAGEMENT SYSTEM AS A TOOL TO INCREASE QUALITY OF LIVE

**Abstract:** Bribery is one of the issues that influence on quality of live. In this paper, the anti-bribery management system was described. The Polish anti-bribery specification and ISO/DIS 37001 standard were used in the article.

**Keywords:** ISO 37001, Anti-bribery, management systems

### 1. INTRODUCTION

Everybody wants a good life, every human being strains for self-realization using available means [13]. All the aspects related to that goal can be described as a quality of life. One of the aspects of good life is live in a world free from corruption.

Corruption is at least as old as Adam's apple. Bribery is used to refer to the offering, promising, giving, accepting or soliciting of an advantage, directly or indirectly, in violation of applicable law, as an inducement or reward for a person acting, or refraining from acting, in relation to the performance of that person's duties [3]. It can take a form of [9]:

- money,
- other pecuniary advantages, such as a membership in an exclusive club or a promise of a scholarship for a child,
- or non-pecuniary advantages, such as favorable publicity.

Corruption occurs in all countries, regardless of levels of social and economic development. It is most likely to occur where public and private sectors meet [12]. It could be divided into two main categories [12]:

- petty corruption - practiced by public servants who may be grossly underpaid, and depend on small rents from the public to feed their families and pay school fees.
- grand corruption - of high public officials who make decisions involving large public contracts.

Bribery imposes costs on doing business, distorts competition, misallocates resources, undermines market efficiency and predictability, encourages illegal and unethical conduct, erodes public respect for the rule of law, undermines

development projects, and retards economic growth [11]. All those bribery costs, strongly influence on quality of live.

The fight against bribery goes on different levels. On the international level, the big changes starts in 1977 when The USA made bribery of foreign officials a crime under the Foreign Corrupt Practices Act (FCPA). It applied only to persons and organizations who were subject to US jurisdiction. After bribery scandals during the 1990s Organization for Economic Co-operation and Development (OECD) issued the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions [1]. OECD claims that: „fight against bribery is one of the highest priorities of the OECD“[9]. Both FCPA and OECD convention acts are related to multinational corporations and prohibits bribery to foreign officials in business transactions.

On a national level governments set up an anti-bribery law. According to European Code of Good Administration greater benefits are achieved if ethical standards are formed outside the legislation, as worked out rules to regulate these proceedings by the parties concerned and the penalties do not arise from the law, but with the "non-existence of political" or elimination of social life [10]. For this reason it is recommended to fight with corruption on an organization level. Some companies have established their own anti-corruption strategies ([1], [9]). Other implement management systems – e.g. ISO 9001, CSR or specific anti-bribery management systems which can help with reducing corruption problems in public organizations.

One of the tools to minimize bribery on an organization level is anti-bribery management system. It is a voluntary system

that can be implemented and certify in organization.

This paper describes polish and international anti-bribery management systems.

## 2. POLISH ANTY-BRIBERY MANAGEMENT SYSTEM

Quality management system (ISO 9001) is the most popular management system implemented in organizations. It is also very popular in public administration. The main goal of the ISO 9001 is to meet customer requirements [5]. There is no direct appeal to corruption in the standard, but it is possible to find indirect one, e.g. to meet legal requirements. Improvement processes described in ISO 9001 allow to use this standard in organization to cope with corruption processes.

Popularity of quality management system and problems with unethical activities in public sector led to the development of the anti-bribery management system. It was issued in 2006, by one of the biggest polish certification body and Polish Chamber of Commerce with with the support of the Ministry of Justice [2]. System is based on:

- ISO 9001:2008 quality management system,
- SA 8000 - Corporate Social Responsibility.

The system requirements based on ISO 9001:2008 requirements and structure, with additional 28 requirements added that directly point out anti-bribery issues.

The special emphasis of the system is the development of a right moral and ethical stance and awareness among staff on all levels of management through training, incentive schemes, internal communication and evolution of corporate culture [2].

The main benefits of implementing that system are [2]:

- the establishment of company image as a professionally managed one,
- the increase in customer confidence,
- transparency in company-client relations,
- the boost in team spirit and satisfaction, and higher employee loyalty rate; feeling of pride,
- minimizing the risk of corruption-related losses,

- enhanced security of company operations as far as application of law is concerned.

The Polish anti-bribery management system, is one of many possible solutions that help to prevent corruption. It is chosen by organizations that have implemented ISO 9001 quality management system. Other possible options to minimize bribery chosen by public administration in Poland is use of [8]:

- Code of Ethics of Civil Service,
- European Code of Good Administrative,
- Anticorruption Handbook for officials,
- electronic document circulation,
- internal programs and regulations,
- Common Assessment Framework.

## 3. INETRANTONAL ANTI-BRIBERY MANAGEMENT SYSTEM

ISO, the International Organization for Standardization is an independent, non-governmental international organization with a membership of 161 national standards bodies. ISO has published more than 21000 International Standards and related documents, covering almost every industry, from technology, to food safety, to agriculture and healthcare [4].

Huge popularity of quality management system - ISO 9001, caused development of another management system standards, such as: ISO 14001, ISO 22000, ISO 27001. In 2013 ISO started development of anti-bribery management system standard ISO 37001. Publication of the standard is planned in the late 2016. Now there is available draft of the standard – ISO/DIS 37001:2015. The goal of the system is to help large, medium and small organizations from the public and private sectors, and from any country, prevent bribery and promote an ethical business culture. The standard specifies anti-bribery measures and controls and includes guidance for their implementation [3].

Requirements, main text and definitions of ISO 37001 are similar with other ISO management system standards.

The common structure of ISO management system standards HLS (High Level Structure) helps organizations to implement more than one management system and integrate them. Last issue of most popular management system standards (ISO 9001:2015 and ISO 14001:2015)

are developed in accordance with HLS structure. Because of that, the implementation of ISO 37001 system should be easy for the organizations that are running other management standards. The main points of the ISO/DIS 37001 standard that are specific to anti-bribery system and extend beyond the main requirements of all ISO management system are presented in table 1.

**Table 1 - Main requirements of anti-bribery management system specific to this system**

4. Context of the organization 4.5. Bribery risk assessment
5. Leadership 5.1.1 Governing body 5.1.2 Top management 5.3.2 Anti-bribery compliance function 5.3.3 Delegated decision-making
6. Planning -
7. Support 7.2.2 Employment procedures
8. Operation 8.2. Due diligence 8.3. Financial controls 8.4. Non-Financial controls 8.5. Implementation of anti-bribery controls by controlled organizations and by business associates 8.6. Anti-bribery commitments 8.7. Gifts, hospitality, donations and similar benefits 8.8. Managing inadequacy of

anti-bribery controls 8.9. Raising concerns 8.10. Investigating and dealing with bribery
9. Performance evaluation 9.2. Review by anti-bribery compliance function 9.5. Governing body review
10. Improvement -

Source: based on ([6], [7])

Most specific requirements of the anti-bribery management system is in the operational part of the ISO 37001 standard. There are also information's in the appendix that are not using for the purpose of certification, but are giving some guidance on the use of the standard.

#### 4. CONCLUSION

Efficiency of anti-bribery actions on an organizational level can be increased with anti-bribery management system. It is a tool that can support organizations but it will be effective only when there is a real involvement of top management. It is possible to implement the system, just in order to achieve marketing value. To be truly effective it is necessary to change the mind set and culture of corruption in a whole organization. The success of anti-bribery management system is also related with the level of corruption in the nation, e.g. government officials, organizations end citizens that accept or demand bribes.

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