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GOV/PGC/ETH(2004)3



Organisation de Coopération et de Développement Economiques  
Organisation for Economic Co-operation and Development

10-Aug-2004

English - Or. English

**PUBLIC GOVERNANCE AND TERRITORIAL DEVELOPMENT DIRECTORATE  
PUBLIC GOVERNANCE COMMITTEE**

GOV/PGC/ETH(2004)3  
Unclassified

**REVIEW ON ASSESSING EFFECTIVENESS OF INTEGRITY AND ANTI-CORRUPTION  
MEASURES IN THE PUBLIC SERVICE: THE KOREAN EXPERIENCE**

**Symposium on How to Assess Measures for Promoting Integrity  
and Preventing Corruption in the Public Service**

**9-10 September 2004  
Château de la Muette, Paris**

*This background document provides detailed information of the experience of Korea to support discussion in Session 2.*

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**JT00168018**

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## **REVIEW ON ASSESSING EFFECTIVENESS OF INTEGRITY AND ANTI-CORRUPTION MEASURES IN THE PUBLIC SERVICE: THE KOREAN EXPERIENCE<sup>1</sup>**

### **INTRODUCTION**

Good governance requires proper assessment, and policies promoting integrity and countering corruption are no exception. Defining adequate approaches and developing appropriate frameworks for assessing the impacts of integrity measures is an emerging priority in OECD countries to see the effectiveness of their policy in this critical area. As the recent OECD report *Managing Conflict of Interest in the Public Service* concluded, one of the weakest point in pro-integrity efforts is the lack of assessment of impact. However, it has become essential and a growing priority to provide feedback on measures that have already been implemented.

#### ***Objective***

The overall objectives include:

- Improve governments' understanding of possible approaches and methods for assessing integrity measures.
- Develop the capacity to assess the existing solutions and provide critical feedback to show the gaps between policy intention and actual practice.

Research on the Korean experiences was conducted as a pilot project to serve as a reference for future country reports on approaches, methodologies and processes for assessing the effectiveness of integrity and corruption prevention programmes.

#### ***Scope and method of the survey***

The main focus of the survey is to:

- Identify the type of mechanisms for corruption control that exist in Korea.
- Compare and analyse methodologies that are used in Korea and in selected OECD member countries.
- Contribute to the development of a sound assessment framework based on good practice.

This case study compares key components and phases of assessment methodologies implemented by the Korea Independent Commission Against Corruption (KICAC) and the Seoul Metropolitan Government (SMG) through:

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1. The survey research was undertaken by Seong Youn Kim seconded from the Korean Civil Service Commission. Seong Youn Kim prepared the draft of the study that was reviewed by Korean officials in July 2003 and was also commented in written procedure in the second half of 2003.

- Researching current efforts and practice tools.
- Conducting interviews with people involved in assessment efforts within the Korean Government and through questionnaires.

## **1. MECHANISMS FOR CORRUPTION CONTROL IN KOREA**

### **1.1. Country Context**

Corruption is a symptom of systemic failure that cannot be isolated from the social and economic context. The first chapter reviews the main factors influencing integrity and corruption prevention efforts in Korea.

#### ***Government-led development***

Thanks to government-driven development, Korea accomplished an economic miracle at surprising speed. However, the growth of its economy driven by the State was achieved in conjunction with big business groups that had vested interests, which caused triangular alliance among politicians, business people and government officials. In addition, due to excessive regulation in the process of government-led economic development, politicians solicited campaign funds from conglomerates in exchange for offers of privileged business opportunities, thereby causing political corruption.

#### ***Socio-cultural legacy***

The Korean administrative system stems from the age-old traditional political culture in which government interests took precedence over public interest on the basis of a tradition of centralisation, closed administration and authoritarianism. Coping with corruption of superiors was extremely difficult in the context where authoritarianism and governmental supremacy have long controlled the Korean administrative culture and thereby facilitating corruption.

#### ***Civil Service Career System***

The Korean administration is traditional professional bureaucracy with political neutrality that was based on a merit system. Korean civil servants are recruited through highly competitive examinations with a guarantee of lifetime employment. This system substantially contributed to maintaining integrity and raising prestige and professionalism in the civil service. Assurance of lifetime employment provides government employees with job safety in exchange for low salaries. However, the civil service was also criticised for lacking motivation for productivity and tending to compensate low salaries with honorariums for preferential treatment in implementing the policy.

#### ***Changes in public management and governance***

Over the last two decades, fundamental changes have occurred in Korea and to meet the needs for reform, the Government of Korea adopted elements of the new public management paradigm as a strategic tool for government reform. These initiatives encouraged decentralisation and a small but effective government. In particular, it emphasised transparency with the aim of reducing information asymmetries between public institutions and citizens. As part of these efforts, the Government took reform measures to enhance integrity by opening up the administration through the introduction of transparency measures, such as the OPEN system.

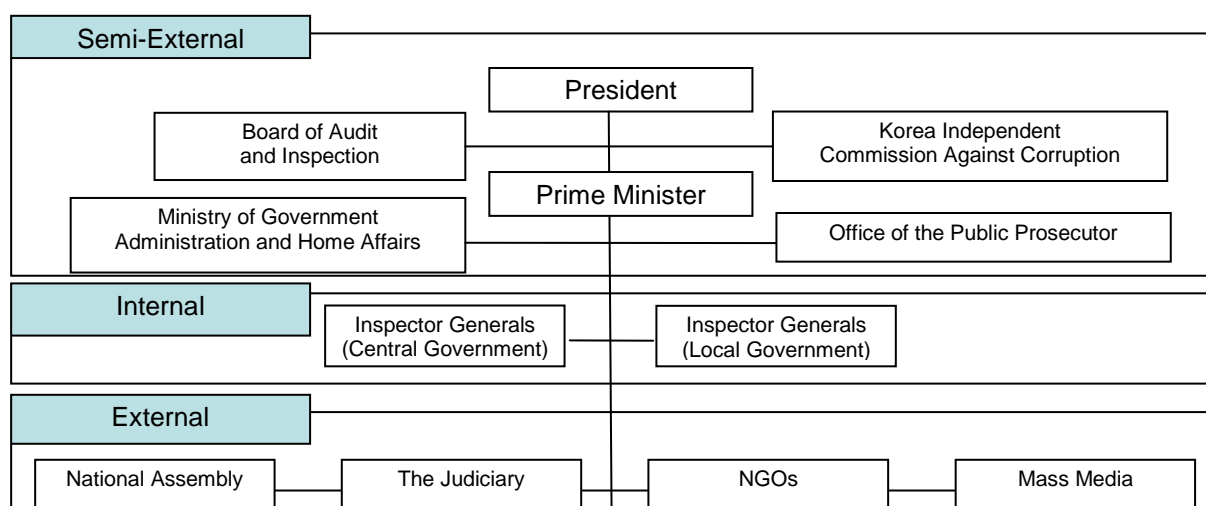
## 1.2. Principal Actors

### *Control Mechanism*

Currently, the corruption control system is composed of three types of anti-corruption organisations which fall into three broad categories: external, semi-external and internal.

- Semi-external Control System: The President's Office, the Prime Minister's Office, the Board of Audit and Inspection, the Korea Independent Commission Against Corruption, the Office of the Public Prosecutor, Ministry of Government Administration and Home Affairs<sup>2</sup>.
- Internal Control System: Inspector Generals in each central government organisation and local government organisation.
- External Control System: National Assembly, the judiciary, non-governmental organisations, mass media.

**Figure 1. Principal actors**



**The Office of the President and the Prime Minister's Office** -- These two offices are in the centre of preparing anti-corruption strategic plans and make strategic analysis of the policies implemented by administrative agencies. From a government-wide perspective, they also co-ordinate and monitor policies and programmes for promoting ethics and countering corruption implemented by the administration.

**The Board of Audit and Inspection (BAI)** --As a government agency regulated by the Constitution, the BAI functions as the supreme audit institution under the President. The BAI retains independence in performing its day-to-day functions. Its responsibilities include audits of all public expenditures and inspection of government operations and the performance of duties of civil servants.

**Korea Independent Commission Against Corruption (KICAC)** – KICAC was established in 2002 under the President as an independent and politically neutral organisation. It integrates and co-ordinates

2. The Financial Supervisory Commission, the Fair Trade Commission, the Tax Service, the Customs Service and the Defence Security also play a role in obtaining information and detecting corruption.

the activities of various anti-corruption organisations. As a dedicated anti-corruption agency, it seeks to improve the legal framework for anti-corruption, formulate and enforce anti-corruption laws and policies, implement the whistle-blowing system and also enhance public awareness of anti-corruption policies.

**The Office of the Public Prosecutor (OPP)** – Public prosecutors working within the criminal justice system carry out the following three functions:

- Investigation;
- Prosecution; and
- Related activities to detect crimes and to enforce sentence.

Public prosecutors are vested with sole authority and responsibility for carrying out criminal investigations, the police is required to conduct such investigations under the direction and instruction of the public prosecutor.

**Ministry of Government Administration and Home Affairs (MOGAHA)** – Within the executive, among a variety of functions, it plays several ethics-related roles such as audit and inspection of local autonomous bodies, investigation of civil petition, management of registration of civil servants' assets and public disclosure system, and operation of Central Disciplinary Action Committee.

**Inspector Generals at the central and local levels** – They inspect government organisations, affiliated organisations and subsidiary organisations. Inspector Generals also resolve petitions within these organisations.

### *Independence and co-operation*

While control mechanisms appear too fragmented and excessive, this system is criticised for being the cause of inefficiency in eradicating corruption. Moreover, public officials are likely to be very self-protective in implementing the policy. The Government has adopted a co-operative system rather than create a single powerful agency, although the success of Hong Kong and Singapore was discussed and concern remained that a single agency is likely to be overpowered by its very nature and also has the potential to abuse of vested power. This is why the KICAC has no investigative authority.

KICAC, as the newly created central anti-corruption agency, began with high expectations, although its actual functions, such as the limitation of investigative authority, also take into consideration the notion of checks and balances in the political system. If KICAC had investigative authority, its assessment or advisory role would be a compulsory policy recommendation in practice. In the Korean context this would mean over-exercise of public power that would also be contrary to the ongoing decentralisation movement. Consequently, KICAC must co-operate with the Office of the Public Prosecutor in investigations. The functions of KICAC are still under discussion. Procedure for individual case management in dealing with corruption is outlined in Annex 1.

In this context where lack of trust among organisations and fragmentation are the major problems special attention has been given to enhance co-operation, including the following measures:

- Horizontal movement of experts.
- Exchange of information on corruption cases.

- Working jointly on individual corruption cases.
- Sharing information and ideas on policy proposals<sup>3</sup>.

The Office of the President also plays a crucial role in sharing information, namely when organisations do not wish to share information with another organisations. When the Office of the President obtains information of a corruption case, it forwards this information to the appropriate agency to process the case.

### 1.3. Anti-corruption policies

All the administrations in the history of Korea have pledged to stamp out injustice and corruption. Especially at the time of inauguration, new governments announced their strong commitment to fight against injustice and corruption. These were more formalities, slogans, efforts to prolong their stay in power and ingratiate themselves with the public rather than practical measures to eradicate corruption.

The Government recognised corruption as one of the major factors that brought about the 1997 economic crisis, and declared “War on Corruption” and announced “Comprehensive Measures for Corruption Prevention” with the involvement of the civil society.

In recent years, the Government has adopted a new approach to fight against corruption, with a more comprehensive, systematic and well-planned strategy. Key elements of this new approach are:

- Building an anti-corruption infrastructure -- such as disclosure of personal assets and liabilities, protection of whistle-blowers.
- Using scientific methodology -- such as assessment of integrity and introducing perception surveys.
- Promoting public awareness -- with a variety of participatory programmes; and
- Putting equal emphasis on prevention and sanctions -- strengthening both elements in a comprehensive manner.

#### *Central government initiatives*

At the central level the newly created KICAC adopted an extensive and systematic approach to perform its four major functions: policy formulation and evaluation, making recommendations for institutional improvements, handling cases that involve whistle-blowing and government-wide educational and promotional activities.

#### *Institutional Improvements: Protection and Reward*

**Protection of whistle-blowers** -- KICAC took legal and institutional measures to protect whistle-blowers from reprisal in order to facilitate whistle-blowing of corrupt public officials.

**Reward system** -- If a whistle-blower brings material benefits to a related public institution, or prevents a possible loss, the related whistle-blower may receive a reward of up to 200 million won.

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<sup>3</sup> *Anti-corruption systems of Korea: The efforts to balance independence and co-operation among anti-corruption agencies* presented by Wook Bong in Global Forum 3, May 2003.

One year after the whistle-blowing legislation came into effect the protection system in operation is considered to be a prominent measure for eradicating corruption. The corruption exposure rate in whistle-blowing cases (referred for investigation authorities by KICAC after initial examination) was 67% in 2002, higher than the 56% for general reports. Total fines collected in whistle-blowing cases were approximately 50% higher than that amount from general reports. Encouraged by this result, KICAC is working on promoting concrete measures to strengthen key corruption control functions of the whistle-blower protection system, particularly assessing policy implementation and making concrete recommendations for improvement, promoting awareness through educational outreach<sup>4</sup>.

#### *Policy formulation and evaluation*

**Basic Plan for Corruption Prevention** – In 2002 KICAC established a Basic Plan for Corruption Prevention for public agencies. This long-term policy plan regarding political, administrative, and corporate sectors has been under implementation. KICAC works to ensure that public agencies comply with its policy directions and make voluntary efforts to fight corruption.

**Integrity Perception Index (IPI) for Public Agencies** – KICAC annually measures IPI for public agencies to take scientific and systematic approaches to anti-corruption. In 2002, KICAC ranked 71 central government agencies and public corporations according to their IPI. This endeavour aims at promoting anti-corruption efforts and detecting corruption-prone areas to provide solutions.

**The Code of Conduct for Public Officials** – The Code, established by Presidential Decree, was designed to provide guidelines for public officials. The Code can be used as a reference when public officials face situations that demand ethical judgment. It also specifies sanctions to help public agencies to deal with violations. Offenders face disciplinary measures such as having their identities made public, put on record and attached to application for future posts.

#### *Citizen participation programme*

**Clean Korea 21** -- A good example of building coalition between the public sector and civil society groups was the “Clean Korea 21” initiative under which the National Commission for Rebuilding Korea, the Transparency International Korea, the Public Corporations Association and the Federation of Korean Industry have identified and publicised best anti-corruption practices.

**Meetings with stakeholders** -- KICAC holds a meeting involving the President and citizens on the assessment of ethics programmes at the end of each year. This meeting also identifies good practices and support the dissemination of information on lessons learned.

**Co-operative training programme with citizens** -- KICAC institutes a pool of lecturers which consists of government officials and NGOs and assists the training programme of other public organisations.

#### ***Local government level: Seoul Metropolitan Government***

The Seoul Metropolitan Government declared "All-out War on Corruption" on Mayor Goh's inauguration in 1998. An all-out effort was initiated to enhance high standards of ethics and performance of the city administration to recreate it "as transparent as crystal". They adopted a systematic approach, simultaneously pursuing four major lines of action: preventive measures; punitive measures; ensuring transparency in administration; and enhanced participation from the private sector.

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4. KICAC News Brief, Feb-April, 2003.



**Preventive Measures** such as deregulation -- Seoul is promoting deregulation in all areas of administration through eliminating unfounded regulations and clarifying unclear conducts. Seoul City organised the "Regulation Reform Committee" comprising city officials and reputable citizens. The Committee is a prominent element of the public-private co-operation that facilitates the reform process.

**Punitive Measures** such as the Corruption Report Card to the Mayor -- This system was initiated by the Mayor to ensure the principle of zero tolerance for corruption across the entire city administration. Return postcards are distributed to those who have business with the city government in areas prone to corruption and these cards are also systematically placed in the city and in all district civic affairs offices in order to receive direct feedback from citizens (including reports of corruption and proposals for improvement). The Mayor reads all postcards received and ensures that every wrongdoer is properly punished.

**Ensuring transparency in administration** by operating an OPEN System (Online Procedures ENhancement for Civic Applications) -- The Seoul Metropolitan Government introduced the OPEN system as an advanced measure to prevent corruption through ensuring transparency in city administration. This system make public on the Internet those administrative procedures closely related to civic life to satisfy citizen's right to be informed and to prevent corruption.

**Citizen Participation Programme** such as the Citizen Ombudsman System and the Direct Dialogue Channel -- The Citizen Ombudsman System is operated for citizens who have received unjust administrative treatment. Two citizens are appointed as 'citizen ombudsmen' to hear civic affairs and investigate cases. In addition, various channels of direct dialogue are available between citizens and the Mayor, including hot-lines, e-mails, and regular hearing such as "the Mayor's Saturday Date with Citizens".

## 2. APPROACHES AND TOOLS FOR ASSESSING INTEGRITY

### 2.1. Evaluation of anti-corruption programmes

#### *Case 1: National evaluation of corruption-prevention initiative and results by KICAC<sup>5</sup>*

**Legal basis** -- Pursuant to the Anti-Corruption Act and the Enforcement Decree of the Act, KICAC has a statutory responsibility to evaluate the implementation of corruption-prevention initiatives in public organisations. Paragraph 2 of Article 11 of the Anti-corruption Act says, the Commission shall perform the following activities:

Surveying the actual state of the policy and evaluating progress taken to prevent corruption in public agencies.

**Objectives** -- The overall objectives are to diagnose precisely government's efforts in anti-corruption initiatives and analyse their impact. A complementary objective is to proactively analyse problems as well as devise solutions to problems encountered in the course of implementing ongoing corruption-prevention initiatives.

**Timeframe** -- Since 2002, KICAC has conducted the evaluation project on a regular basis. The timeframe was divided into three phases:

- Phase 1 -- Commissioning a specialised institute to determine initiatives to be evaluated, developing an evaluation model and analysing the results;
- Phase 2 -- Conducting paper-based and on-site evaluation of implementation;
- Phase 3 -- Analysing final results and reporting the findings.

**Procedures** -- As a first measure, KICAC formed the 'Policy Measures Evaluation Council' consisted of external experts to ensure fairness and objectivity in the evaluation process. The Council is responsible for general planning of the evaluation as well as coaching and supporting KICAC with the actual implementation.

KICAC then used an independent research institute, the 'Korea Institute of Public Administration' (KIPA) to establish basic plans for the evaluation, to select initiatives to be evaluated and develop evaluation metrics. The Korea Institute of Public Administration appointed 19 examiners then began the analyses of selected programmes through both paper-based and on-site assessment. At the final stage, KICAC involved the evaluated public organisations to actively support the adjustment of corruption-prevention initiatives.

**Scope** -- KICAC evaluates the central administrative agencies including ministries, presidential councils and local administrative agencies. KICAC also plans to expand the evaluations to include municipal governments and government-sponsored organisations. With input from professional researchers from the Korean Institute of Public Administration, KICAC drew up a preliminary list of candidate initiatives and had the list reviewed by the 'Policy Measures Evaluation Council'. Although initiatives change year by year, they substantially review two types of activities -- common initiatives that

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5. KICAC Annual Report 2002, Anti-corruption legal framework published by KICAC in 2003, and KICAC website ([www.kicac.go.kr](http://www.kicac.go.kr))

must be carried out by all organisations, and voluntary initiatives that are internally planned and implemented by individual organisations. Common initiatives include:

- Institutionalising the Code of Conduct.
- Facilitating whistle-blowing.
- Enhancing transparency of contract-related works.

Self-driven initiatives and high-corruption level areas found in the integrity assessment programme are included in voluntary initiatives.

**Evaluation areas and performance measures in 2002** -- KICAC developed an evaluation metrics that took into consideration the entire process of planning, implementation and effect. The method used to evaluate Anti-Corruption Policy in 2002 was a non-measurable one based on working accomplishment of each assessed institution. In practice, each evaluation commissioner analysed the document submitted by evaluation research institute and verified the fact by visiting the institutions on person. The method to evaluate the result is based on qualitative and non-measurable one. For assessing each task, the following evaluation index has been used.

**Table 1. Evaluation metrics**

	<b>Planning</b>	<b>Implementation</b>	<b>Effect</b>
Evaluation Areas	- Input - Plan for output	-The level of commitment of the organisation's head -Implementation structure	- Level of implementation -Prevention Achievement Rate
Performance Measures	Existence of an Implementation Plan: -Including guidelines and related rules -Point of planning -Anticipated problems and effects, means, and interconnection.  Appropriate goals: -Appropriate targets -Appropriate plan vs. goals -Modification of goals and reasons for such modifications	The level of interest of the organisation's head: -Level of the head's involvement in approval and the decision making process in relation to the initiative -Orders from the head -The head's participation in training  Appropriate Implementation Structure: -Appropriate structure for meeting goals -Presence of a planning organisation, commission, dedicated team, dedicated staff and a task force -The makeup of the implementation plan -Clear division of roles and responsibilities within the implementation system	Evaluation of implementation level: -Comparing the implementation performance against the plan -Reasons for non-implementation and the level of follow-up actions  Effect Evaluation: -The initiative's level of contribution to corruption prevention -Level of efforts to address side effects -Exciting achievement that exceeds initial expectation

**Follow-up measures** -- the main types of follow-up measures taken by KICAC include:

- Publication of results -- KICAC made public the evaluation results including suggestions for improvement, identified weaknesses and specific issues related to each organisation.
- Prize-awarding -- In order to show appreciation of achievements based on evidence produced by the evaluation, KICAC officially presented prizes to both individuals and organisations. The prizes ranged from a Presidential Prize to a mark of honour.
- Promotion of best practice -- KICAC distributed information on identified best practices and encouraged other institutions to benchmark their practice across the public sector.

Based on the experiences of evaluations in 2002 and 2003, KICAC further developed the "Evaluation Index" in late 2003. While the fundamental basis of the "Evaluation Index" remained on assessing working accomplishment of each institution through qualitative, non-measurable index, the quantitative, measurable index became more significant in the evaluation process. Furthermore, this advanced "Evaluation Index" applies diverse indices tailored to each task instead of applying an identical single method for all subjects.

*Case 2: Evaluation of the OPEN System of the Seoul Metropolitan Government<sup>6</sup>*

**Objectives** -- The Seoul Metropolitan Government (SMG) developed two survey methods, a regular one (the TI Korea survey) and a one-off survey conducted by the Seoul Institute of Transparency (SIT survey). Commissioned by the SMG, TI Korea has regularly conducted surveys on monitoring the OPEN System since 2000 while SIT evaluated the effectiveness of the OPEN System in 2001<sup>7</sup>. On the one hand the purpose of the TI Korea survey was to adjust the OPEN System process by measuring overall awareness and its use; on the other hand the objective of the SIT survey was to evaluate the effects of the OPEN System on processing civic affairs by the city administration such as anti-corruption.

**Organisational scope** -- The TI-KOREA survey used a random sample of ten district offices with an average of 100 citizens that was randomly selected from each district office to respond to the survey. Altogether 1000 citizens took part in the survey which was based on one-to-one individual interviews. The SIT survey focused on both city officials in city and district offices and citizens who were actually involved in processing civic applications. The survey of citizens was based on tele-research, carried out on 500 citizens who filed civic applications at the SMG and in each district office.

**Table 2. Evaluation metrics of the TI-KOREA survey**

Evaluation area	Questionnaires
The perception level of transparency in implementing civic application	-Opinion regarding efforts of enhancing transparency in the SMG -Satisfaction with the Service -Quality of the Service
The awareness level of the OPEN system	-Awareness level -Mass media channel
The efficiency of the OPEN system	- Usage of the OPEN system - Reason of using the OPEN system - Merit of the OPEN system - Factor for transparency in OPEN system
The effectiveness and challenge of OPEN system	- Satisfaction with OPEN system - OPEN system's effect on preventing corruption - OPEN system's effect on time spent for civic application - Improvement points of the OPEN system

6. Additional sources of this chapter include the following documents: "Clean and Transparent" published by SMG in 2003, "IT and Corruption Control: OPEN system of SMG" by Lee Geunjo, "Implementation on anti-corruption programmes by SMG" by Suntai Ahn, "Monitoring report on OPEN system" by TI-Korea, "Report on assessment of effectiveness of the OPEN system" by SIT, and SMG website ([www.metro.seoul.kr](http://www.metro.seoul.kr))

7. SMG also researched into the costs and benefits of the OPEN System with another consulting company in 2002 with a view to upgrade the OPEN System. According to this study, the present value of social benefit such as corruption prevention estimated from 1999 to 2008 amounts to 11 billion won (approximately 9 million USD). Reference: "B/C analysis of the OPEN system with strategies to upgrade the system in 2002" conducted by I-Finder.

**Table 3. Evaluation metrics of the SIT survey**

<b>Evaluation area</b>	<b>Questionnaires</b>
Anti-corruption effects of the OPEN system	-Perceived OPEN system's contribution to anti-corruption -OPEN system's effect on preventing corruption: most and least effective area
Equity of Access to Administrative Services	-Perceived equity of access to administrative services -Difference in service areas: most and least effective area -Difference in each group, i.e. the rich vs. the poor or those who own computers vs. those do not
Efficiency	-Perceived OPEN system's contribution to efficiency in sharing information -Effect on efficiency: most and least effective area -Easiness in complaints -Perceived processing speed
Evaluation of the introduction process	-Perceived confusion during the introduction period -Individual acceptability -Organisational acceptability -Room for improvement
Successful factor	-The role of leadership -The participation of public officials

## 2.2. Anti-Corruption Index

### *Case 3. Assessment of public organisation integrity and results by the Integrity Perception Index (IPI) by KICAC<sup>8</sup>*

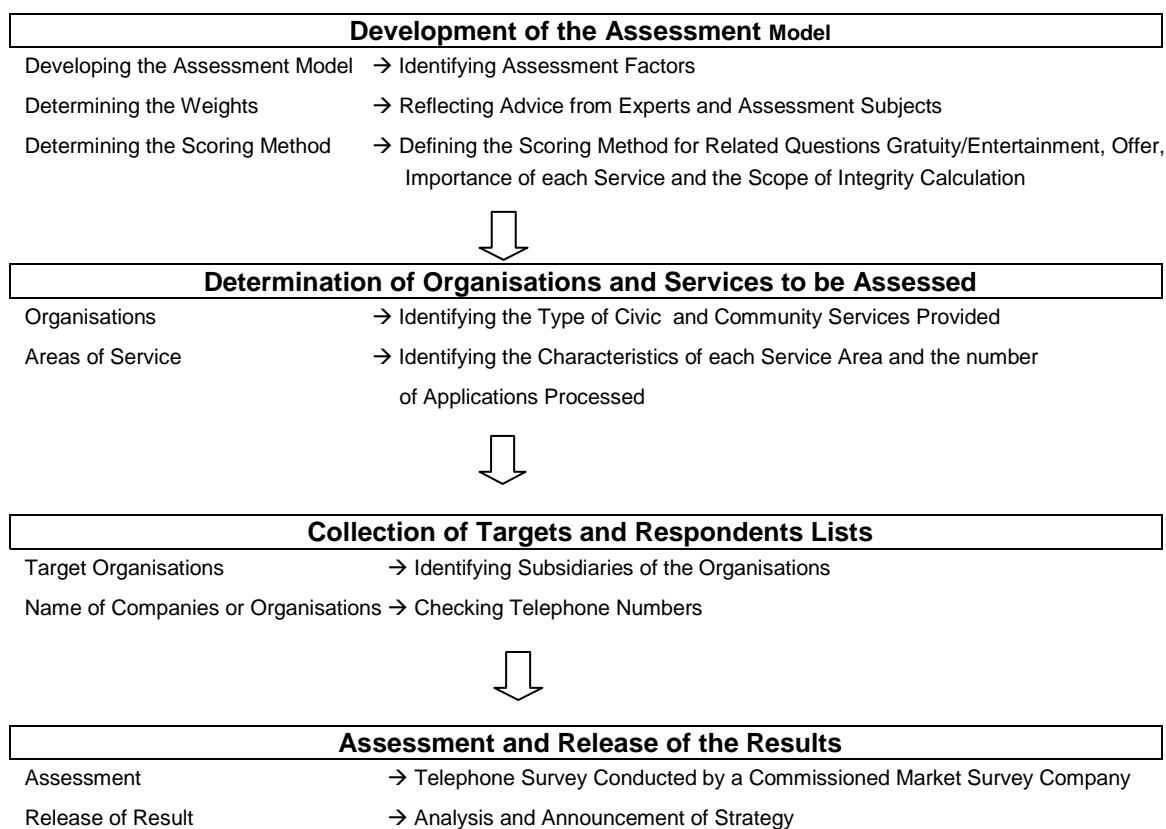
**Objectives** -- KICAC conducted an assessment of the level of integrity in public agencies in order to improve transparency and fairness in the State administration through a scientific approach. The overall objectives of the assessment were to enhance anti-corruption initiatives, identify factors causing corruption and support systemic improvement.

**Timeframe** -- KICAC started the actual evaluation surveys in 2002, although the design of the integrity model dates from 1999. KICAC conducted three rounds of pilot studies in 2000 and 2001 on public organisations to verify the suitability of the model. The first round assessed the accuracy of the model, and a greater number of organisations were involved in the other two rounds to further refine the model.

**Procedures** -- The main elements of assessment process were the establishment of an assessment framework, selection of target organisations and respondents, analyses of collected information and publication of results. The following table outlines the procedures used for assessing the level of integrity in public agencies.

8. KICAC Annual Report 2002, Anti-corruption legal framework published by KICAC in 2003, and KICAC website ([www.kicac.go.kr](http://www.kicac.go.kr)).

Figure 2. Procedures used for the Integrity Perception Index



**Scope** -- KICAC assessed the level of integrity in central administrative organisations, local administrative organisations and government-sponsored organisations. KICAC identified corruption-prone areas particularly where discretionary power may affect citizen's interests as well as organisational decisions (e.g. issuing permits, licenses or performing supervisory tasks). To achieve a balanced representation, the assessment was structured to include at least 10% of the respondents from each service area of the surveyed organisation. To assign the appropriate number of respondents to each area, KICAC analysed the number of actual applications processed in each area.

**Assessment model** -- The assessment model consists of two integrity factors, namely perceived integrity and potential integrity. The first surveys the level of corruption experienced or perceived by citizens using public services or dealing with public organisations. The second reviews the prevalence of potential factors causing corruption as perceived by those citizens. While 'perceived integrity' reflects personal experience and perception of corruption, 'potential integrity' indicates the presence of factors that are likely to correlate with actual incidences of corruption in the future. Integrity scores were calculated according to their weight. Their scores were decided by external experts as well as the Inspector General in organisations reviewed.

$$\text{Overall Integrity, IPI (100\%)} = \text{Perceived Integrity (49\%)} + \text{Potential Integrity (51\%)}$$

"Perceived integrity" is composed of two elements of personal experience and perception of corruption-related problems. These elements are again divided into three assessment items -- the frequency of gratuities/entertainments, their amount and their perceived level of seriousness. 'Potential integrity' indicates the likelihood of the occurrence of corruption from the perspective of citizens in

general. Factors causing corruption are divided into four sections including the working environment, the administrative system, personal attitudes, and corruption control measures. As set out in the following table these four sections are again divided into eight sections.

**Table 5. Evaluation metrics of the Integrity Perception Index**

Integrity factor	Sub-field	Question
Perceived integrity	Experienced corruption	-The frequency of gratuities/entertainment -The amount of gratuities/entertainment offered
	Perceived corruption	-The perceived level of the seriousness of the gratuity/entertainment offer
Potential integrity	Working environment	-Habitual offering of gratuity/entertainment -Additional need for person-to-person contact
	Administrative systems	-Practicality of rules and procedures -Level of information disclosure
	Personal attitude	-Fair performance of tasks -Personal expectations of gratuity/entertainment
	Corruption control measures	-Level of corruption prevention efforts -Ease of raising objections

**Definition of scores** -- The assessment of overall level of integrity derived from the results of the study is measured on a scale of 1 to 10, with 10 being the highest level of overall integrity. KICAC defined the meaning of each score. The following tables show examples of definition for scoring perceived integrity and potential integrity:

**Table 6. Definition of level of overall integrity**

10 Points	0 Point
Respondents are not aware of any corruption in the process of civic and community services, have never experienced any incidence of corruption, and do not perceive any likelihood of occurrence of corruption in the future. Altogether it indicates "zero exposure" to corruption.	All respondents have either experienced corruption or perceive that corruption is prevalent in the process of civic and community services, perceive a very high likelihood of occurrence of corruption in the future. Altogether it indicates "full exposure" to corruption.

**Table 7. Definition of perceived integrity**

10 Points	0 Point
Respondents have not experienced any corruption and perceive that no corruption is taking place in the process of civic and community services. Altogether it indicates the perception of zero corruption.	All respondents have actually experienced a significant degree of corruption in the process of civic and community services, and perception that corruption is widespread. Altogether it indicates the perception of pervasive corruption.



**Table 8. Definition of potential integrity**

10 Points	0 Point
There exists no condition at all that could cause corruption in the process of civic and community services of the organisation. There is no likelihood of incidence of corruption.	There is a persistent condition that could cause corruption in the process of civic and community services. There is a very high likelihood of incidence of corruption.

**Follow-up measures** -- KICAC adopted a “naming and blaming” strategy that publicly announces the evaluation result through mass-media to encourage agency’s voluntary efforts in anti-corruption. In addition, KICAC submits official recommendations for systemic improvement. The Anti-Corruption Act stipulates that the agency should provide a report on its actions implementing KICAC recommendations within a limited period of time.

In general the assessment initiatives have achieved their objectives, particularly to encourage voluntary corruption prevention efforts. For example, the agency responded most actively to assessment results was the Korea Electric Power Corporation (KEPCO). After KEPCO learned that it ranked at the bottom of the list of 71 agencies, it organised an Ethics Management Workshop for their employees, which resulted in the creation of an Ethic Management Committee. In addition, KEPCO is operating a computer-based ‘Hotline’ with exclusive access by its chief executive officer. This is an indication that KEPCO pays high attention to assessment results.

When assessment results were made public, the National Assembly initiated hearings at standing committees were heads of agencies who had received low rankings were requested to determine the cause of low performance and present proposals for future improvement.

#### *Case 4 Assessment of Anti-Corruption Index (ACI) by Seoul Metropolitan Government<sup>9</sup>*

**Objectives** -- ACI is intended to promote competition and voluntary efforts among district offices in Seoul. The SMG has been conducting studies on the ACI since 1999 and has announced results for each administrative area to encourage efforts for eradicating corrupt practices in the local-government administration. The assessment principally looked at whether:

- Administrative procedures were conducted in a fair manner.
- The information disclosure and administrative regulation was appropriate.
- Channels to report cases of corruption were open.
- Offering bribes ever paid off.

**Procedures** -- Initiated by the Mayor of Seoul, the Seoul Development Institute elaborated ACI in six months. The civil society had been involved in the design of the model through the Steering Committee of Citizens that reviewed validity of the ACI model in several meetings before finally approved it. Then SMG contracted Gallup Korea to survey the level of integrity in administrative units.

9. “Clean and Transparent” published by SMG in 2003, “Implementation on anti-corruption programmes by SMG” by Suntai Ahn, “Performance evaluation of anti-corruption policy” by Heungsik Park, and SMG website (www.metro.seoul.kr).

**Scope** -- Since 1999, surveys were conducted to measure the level of integrity of public servants in 3 agencies, 25 district offices, construction management offices and 19 fire prevention offices. In the beginning they surveyed the handling of civic applications and licensing in five areas that were considered the most susceptible to corruption:

- Food-and-entertainment.
- Taxation.
- Housing and building.
- Construction works; and
- Fire prevention.

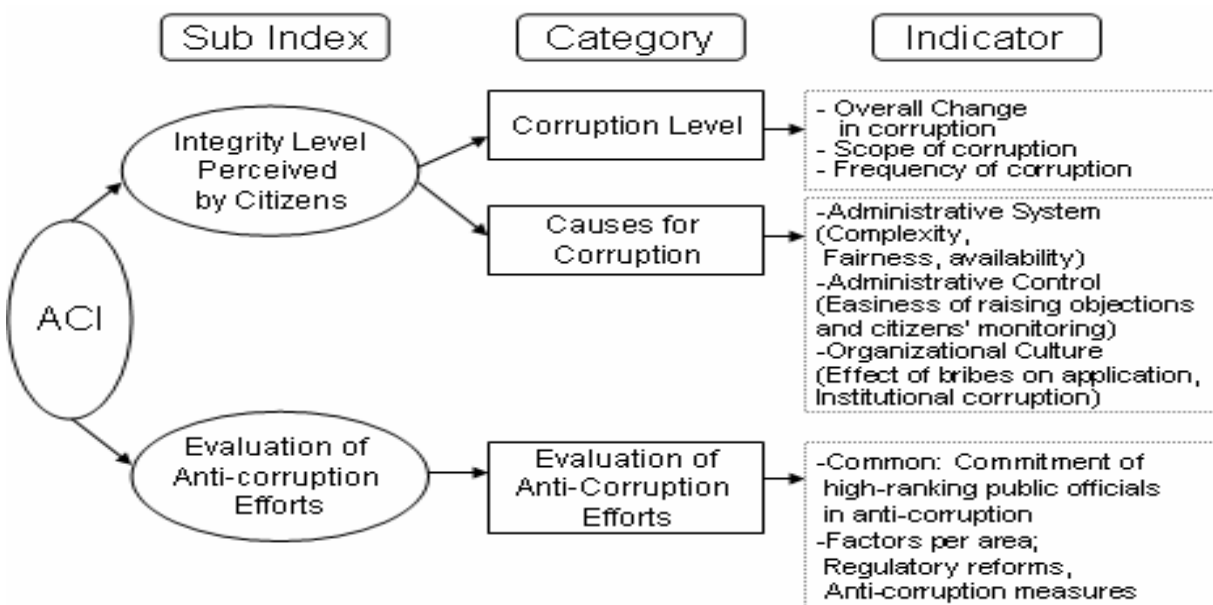
Afterwards, two additional fields were added, namely administration of transportation, as well as park and landscape to the ACI survey.

**Assessment model** -- The Anti-Corruption Index introduced a formula in 1999 that takes into consideration the weighted values of the integrity level perceived by citizens and the evaluation of anti-corruption efforts in the following way:

$$ACI (100\%) = Integrity Level Perceived by Citizens (58.8\%) + Evaluation of Anti-Corruption Efforts (41.2\%)$$

This formula provides a balanced basis blending the results of opinion polls of first hand experience of citizens who actually applied for permits and approvals in the previous year, and tangible statistics on anti-corruption measures taken by each district office.

**Figure 2. Evaluation metrics of the Anti-Corruption Index**



Under the assumption that categories and indicators are not equal in significance weighted values have been applied to each category and indicator. Since the research was first carried out on the subject of

corruption and integrity, no previous data had existed to weigh against the factors used in the model. Consequently, reputable specialists were involved in the design of the model. Thirty-nine specialists from various government and non-government organisations filled in questionnaires to determine the weight of values in each category and indicator. The weighted values calculated in the formula reflect the result of the questionnaires.

After the first application of this formula in the 1999 ACI survey, a number of institutes concerned and some experts challenged the validity of the 'Evaluation of Anti-corruption Efforts' in the model. As a consequence, this factor has been excluded from ACI since the second round of assessment in 2000. Instead, the Seoul Metropolitan Government gives 'Anti-Corruption Effort Award' to selected district offices that have been evaluated excellent in making efforts against corruption by the external evaluation organ composed of civil experts and scholars.

The results of the fourth ACI survey<sup>10</sup> -- published on 23 August 2003 -- show constant progress. The average score for all districts in Seoul has been increased constantly since 1999:

- 64.0 point in 1999.
- 68.3 point in 2000.
- 70.4 point in 2001; and
- 71.5 point 2002.

**Follow-up measures** -- Since 1999 when the Seoul Metropolitan Government announced the Anti-Corruption Index it was extensively covered by the press every year. In the beginning some District Mayors strongly protested against the bad scores their district offices received. Progressively more and more of these district offices started analysing the results, the causes of corruption and have prepared a range of adapted anti-corruption measures. The Seoul Metropolitan Government also introduced incentives -- such as the 'Anti-Corruption Effort Award' -- that was presented to those districts that placed high on ACI ranking and had taken explicit measures, for example intensified audit in districts and related organisations which got low-rankings. On the whole, the Anti-Corruption Index is considered mostly effective in raising public awareness about level of corruption and supporting proactive measures in district offices.

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<sup>10.</sup> 12,218 citizens who raised complaints in eight vulnerable fields have been questioned. The 2003 ACI ranking was announced in eight categories.

### 3. IMPROVING METHODOLOGIES: KEY FINDINGS

#### 3.1. *Major characteristics in process and content*

**Key factors in the procedures** -- The following three factors proved particularly crucial in the process for improving methodologies of assessment and collecting objective data based on evidences:

*Quality assurance* -- The establishment of independent bodies in the evaluation process, such as the Policy Measures Evaluation Council, assured the objectivity and fairness of assessments and also provided coaching for KICAC in the process from design to implementation.

*Capacity expansion* -- Assessment as a new activity in the anti-corruption field required the gathering of all available knowledge and experience available in Korea and abroad. KICAC and SMG successfully expanded their relatively limited capacity in the administration by involving external research organisations, statisticians, NGOs and private consultants with relevant external expertise in research methodology.

*Participation of evaluated organisations* -- Involving evaluated organisations in the process helped mobilise the available expertise in the application of framework methods at the actual evaluation process and also accommodated the acceptability of results.

**Building-up credibility** -- External participation, particularly the involvement of civil society representatives and reputable experts in the development of assessment models substantially contributed to their acceptance in the administration and by the public at large. Independent institutions also played a role in conducting the survey, for example Gallup Korea carried out the ACI survey for the Seoul Metropolitan Government. According to public officials and experts, the participation of independent institutions largely contributed to the enhancement of credibility and validity of the methodology used.

**Publicising results** -- The 'naming and shaming' strategy was generally used to make the results of evaluations public and mobilise influence of public opinion. Both KICAC and SMG have publicised the evaluation outcomes through mass media that put pressure on low-ranked organisations to take follow-up actions urgently. The National Assembly also received information on evaluation under request and called for organisations under its jurisdiction to improve their anti-corruption programmes specifically taking into account the evaluation results. As a result of this naming and shaming strategy, the organisations ranked low by evaluation generally made proactive efforts and initiated specific measures to avoid their low ranking evaluation results in the future.

**Enhancing objectivity** -- A strategic characteristic of the Integrity Perception Index and the Anti-Corruption Index is that they are based on the evaluation of citizens with direct experience of public service. International surveys, for example the TI Corruption Perception Index, could less take into consideration the specificities of country contexts, they focus rather on the perception of selected group of people across countries (for example foreign businessmen with limited experience in a country but be influenced by the person's subjective perception). The IPI and ACI is measured by inquiring whether citizens who have directly contacted the administration, dealt with public officials and received public services, they actually have experienced corruption. This direct assessment method seeks to exclude subjective perception or prejudice to some extent.

**Integrating subjective and objective data** -- The evaluation models intended to integrate objective factors, such as statistics of corruption, and subjective factors, such as the results of perception measurement. However, problems emerged in the integration process, for example how to interpret and analyse trends such as increased number of disciplinary punishment (could it reveal severity of corruption or stronger prosecution?). In the fine-tuning of assessment models certain factors have been excluded (for

example the Seoul Metropolitan Government has not included the factor on 'Evaluation of Anti-corruption Efforts' in the Anti-Corruption Index since 2000) but other factors remained in use, such as statistics on frequency and scale of offering money, valuables and entertainments.

**Identifying strengths and weaknesses** -- The series of evaluations provide a considerable database for analysing results across the administration at the central and local level. The evaluation results confirmed that among 'the common initiatives' organisations paid more attention to relatively less costly and easy to do initiatives, such as increasing transparency in personnel management systems and organising anti-corruption training and promotion campaigns. On the one hand, initiatives enhancing open government, such as increasing the disclosure of administrative information, still have room to improve. The results of agency specific initiatives demonstrated a diverse trend related to the level of organisational. While central administrative agencies received high scores in planning function-intensive initiatives, they received the lowest scores in executing these initiatives. On the other hand, local government organisations obtained the highest scores in the aspect of implementation.

**Table 9. Effectiveness of measures by the national evaluation of corruption-prevention initiative**

Organisation	Most effective measures	Least effective measures
Ministries	- Increasing transparency in personnel management systems	- Enhancing the transparency of contract-related works
Semi-Ministries (Service-level organisations)	- Increasing transparency in personnel management systems	- Implementing and operating the OPEN system
Local governments	- Increasing transparency in personnel management systems - Enhancing the transparency of contract-related works	- Increasing disclosure of administrative information - Implementing and operating the OPEN system

In the Seoul Metropolitan Government the results of specific evaluation of the OPEN System revealed that the most effective anti-corruption areas were related to housing and construction work which were generally considered highly corruption-prone areas in the past. On the other hand, the least effective areas were related to culture and tourism which were relatively less regulated and had less civic applications.

**Table 10. Effectiveness of the OPEN System in Seoul**

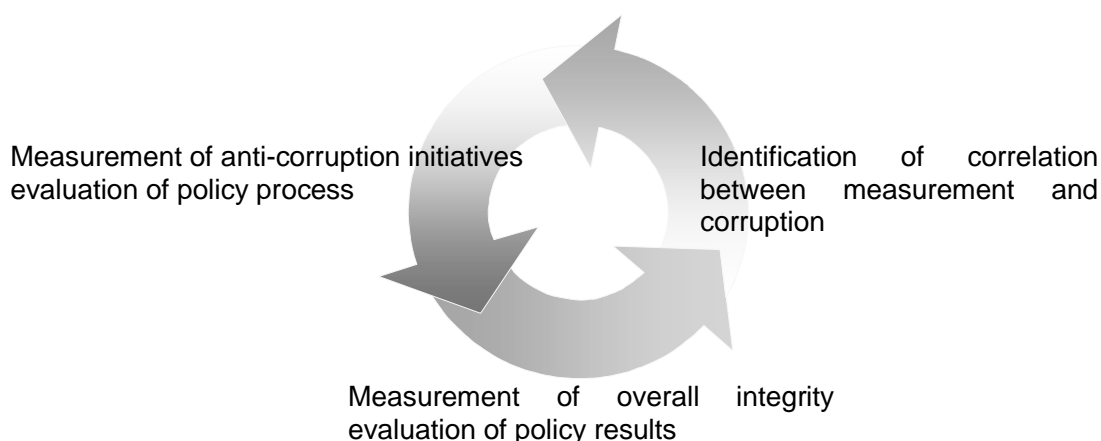
areas	Most effective	Least effective
Housing and construction	1461(29.8)	221(4.8)
Construction work	833(17.0)	238(5.1)
Urban planning	486(9.9)	300(6.5)
Transportation	479(9.8)	407(8.8)
Environment	398(8.1)	448(9.7)
Fire-fighting	316(6.4)	429(9.2)
Sanitation & welfare	372(7.6)	575(12.4)
Industry and economy	197(4.0)	511(11.0)
Administration	246(5.0)	779(16.8)
Culture and tourism	119(2.4)	730(15.7)
Total (N=1,636)	4907(100)	4638(100)

The biggest methodological challenge in the evaluation process was how to provide comparable data that may possibly rank agencies in spite of existing differences in tasks, objectives, activities and responsibilities among agencies. The involvement of assessed agencies was a crucial step to define common elements, approaches and functions suitable for the assessment model. This process also fostered the credibility and validity of methodology used and made acceptable both the procedures and results of evaluation in the assessed organisations.

### 3.2. *Impact assessment*

Establishing connections between assessment models requires the understanding how the measurement of policy implementation (particularly evaluation of policy process) is linked to the measurement of the overall integrity level, in other words, the evaluation of policy impacts. By assessing the level of integrity in public organisations, KICAC identified high corruption level areas and focused its efforts on these areas. KICAC both encouraged specific voluntary actions, such as prevention initiatives, and conducted further evaluations primarily on the identified high corruption level areas. Although the verification of correlations between assessments require more information to draw trends on actual impacts of integrity and anti-corruption policies, the identification of impacts on level of corruption could ideally be added in the policy cycle, in which the three factors are dynamically interrelated as the following figure shows:

**Figure 3. Dynamic connection of assessment**



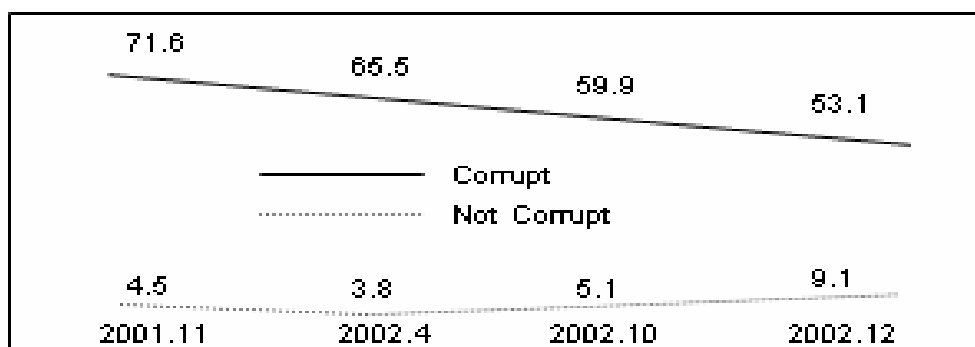
### *Impact on corruption*

Collection of sufficient historical data provides a ground for verifying the accuracy of assessment models and also indicates level of implementation of policy measures in surveyed areas as well as their effectiveness, the impact on the level of corruption. Although evaluation efforts started relatively recently in Korea, several rounds of evaluations have been conducted in the last few years that could provide sufficient statistical data to identify trends. On the whole, general trends indicate continuous improvements in last years, although reliable analysis require sufficient historical data, with reasonable time series that has not been accumulated, to allow examination of data collected with the application of new methodologies and compare them with data collected before. Preliminary results of evaluations suggest that the assessment of anti-corruption initiatives may contribute as a factor to enhance integrity in government.

The national corruption perception surveys have regularly collected accurate information on the level of perception of citizens, public officials and experts. According to these survey carried out quarterly by

KICAC, the perception level of corruption is declining. For example, a comparison with surveys conducted in November 2001 and in December 2002 showed that the percentage of general citizens who thought civil servants are corrupt has declined from 71.6% to 65.5%, to 59.9% and then to 53.1% within a year.

Figure 4. Trend of perception level of corruption

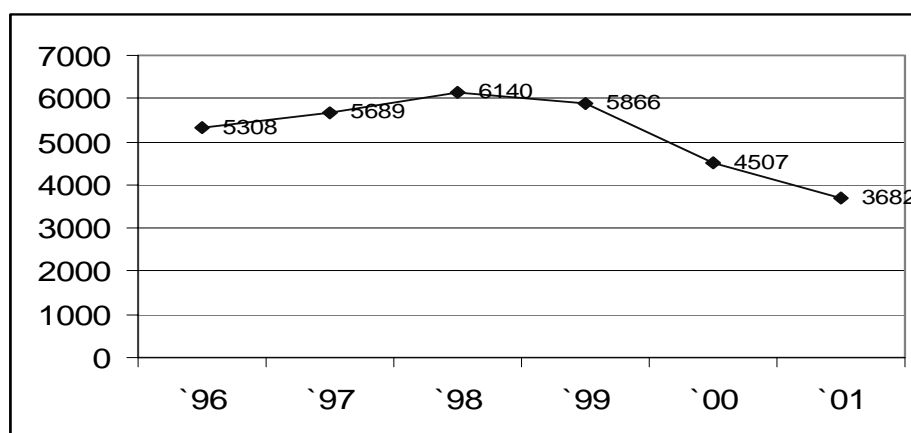


The results of the most recent two surveys in 2003 indicated slight improvement, the level of perceived corruption had been gradually lowered in 2003:

- Corrupt (59.3%), not corrupt (5.6%) (March 2003)
- Corrupt (58.2%), not corrupt (5.8%) (June 2003).

The level of corruption measured by traditional statistical methods has also been improved since 1999. For administrative punishment, the number of reprimanded public officials has significantly decreased by more than 40 % between 1998 and 2001<sup>11</sup>.

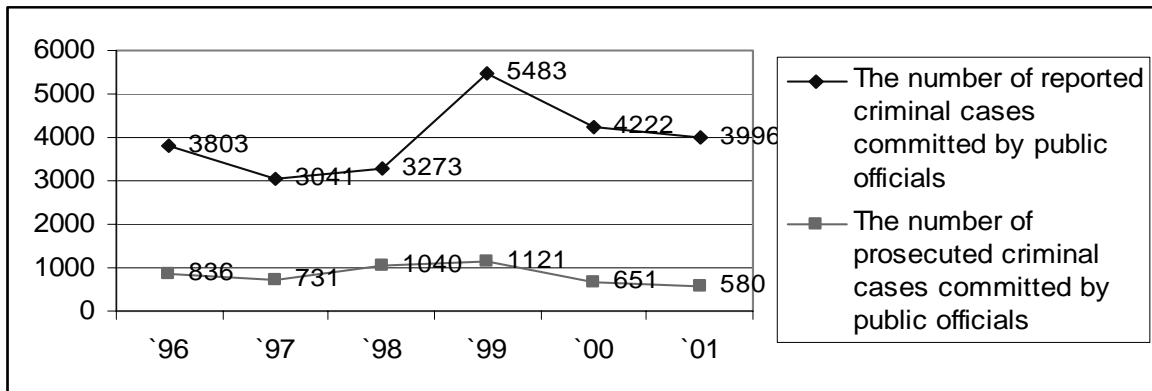
Figure 5. Administrative punishment; number of reprimanded public officials



Concerning the more serious cases, the criminal punishment of corruption by the justice system, both the number of reported and prosecuted criminal cases committed by public officials are on the decrease since 1999<sup>12</sup>.

11. Annual report on administrative statistics published by the Ministry of Government Administration and Home Affairs in 2002.

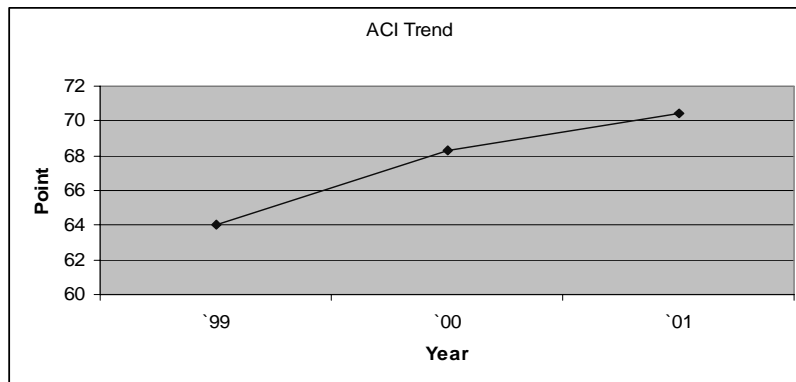
**Figure 6. Criminal sanctions: number of reported and prosecuted criminal cases**



Evaluations using traditional statistical methods, such as the justice statistics, could also provide more historical data (over a five-year period) that is considered necessary to verify the impact of policy implementation in mid-term. Although, the information provided by traditional statistical methods should be carefully analysed (for example identify the causes for the decrease of cases that may also mean less effective investigation than less actual corruption cases).

Similarly to the national level, at the sub-national level the figures resulted by the evaluations commissioned by the Seoul Metropolitan Government show constant improvement. The average of the Anti-Corruption Index of Seoul Metropolitan Government was 64 in 1999, 68.3 in 2000, and 70.4 in 2001 (100 is the maximum point for a corruption-free score), indicating steady improvement in the level of integrity in the city administration.

**Figure 7. Trend of Anti-corruption Index**

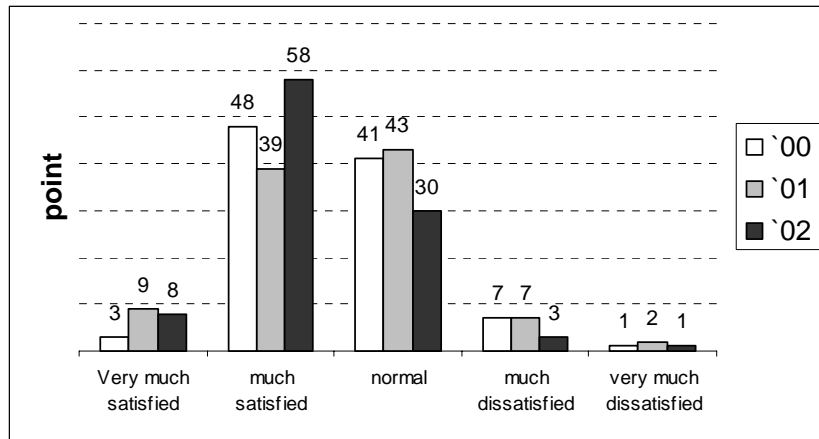


The level of satisfaction with the OPEN System and perceived opinion of citizens that the OPEN system contributed to eradicating corruption also show constant improvement since its launch.

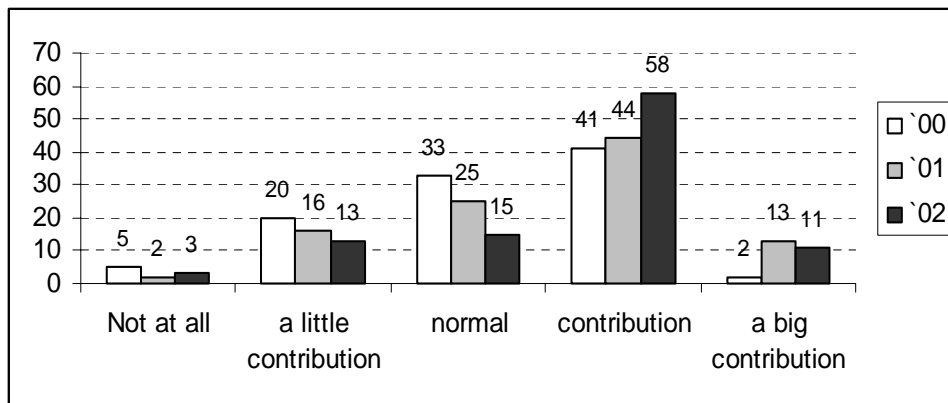
12. Annual report on prosecution statistics published by the Supreme Public Prosecutor Office in 2002.



**Figure 8. Satisfaction with the OPEN system**



**Figure 9. The OPEN system contribution to anti-corruption**



#### **4. EFFORTS TO EVALUATE INTEGRITY AND CORRUPTION PREVENTION MEASURES IN OECD COUNTRIES**

##### **4.1. *Executive Branch of the United States***<sup>13</sup>

The ethics programmes in the Executive Branch of the United States have moved from an approach that put the emphasis on reactive criminal prosecutions to a more proactive approach with training and counselling. The Office of Government Ethics (OGE), a dedicated central agency within the executive branch has general responsibility for the overall direction of executive branch policies related to ethics. As a part of its oversight responsibilities, OGE periodically reviews agency ethics programmes to ensure that they are carried out within a consistent framework. Specifically, OGE is exploring ways to raise its policy focus from simple compliance to aspiring to the highest principles. In order to monitor the implementation and evaluate the programme, OGE has been regularly carrying out reviews since 2001. The survey had two primary objectives to assess:

1. The effectiveness of the executive ethics programme from an employee perspective;
2. The executive branch ethical culture<sup>14</sup>.

##### *Methodology*

The survey was distributed to a random sample of employees in 22 executive branch departments and agencies. There were three key employee demographic variables:

1. Financial disclosure filing status.
2. Work location within or outside the Washington, D.C. area; and
3. Supervisory status.

The ethics survey was conducted by an international private consultancy firm that sent out questionnaires by mail. In the process, the consultancy firm developed and customised the “IntraSight Assessment”<sup>15</sup>, an assessment tool to the policies and ethics programme.

OGE set up and distributed guidelines and tips for the ethics programme review. The ‘Guidelines for Conducting Reviews of Ethics Program’ provides specific guidance to OGE reviewers on the requirements to which they must adhere when conducting an ethics programme review. ‘The Tips on Preparing for an Ethics Program Review’ provides a detailed listing of the key programme elements OGE examines during a routine ethics programme review. These tools constitute a useful road map for preparing for a review.

##### *Follow-up measures*

After the first review in 2001, OGE revised the survey questionnaire and changed programme review procedures to evaluate the programme more effectively. A pre-review step was introduced to determine

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13. “Guidelines for conducting reviews of ethics programs”, June 2002. “Executive Branch Employee Ethics Survey 2000 final report”, OGE Memorandum March 2001 and December 2002; Report on the United States Experience prepared for Expert Group on Managing Conflicts of Interest, January 2003.
  14. Ethical culture means the climate and environment of the executive branch that supports employee conduct responsive to executive branch ethical standards.
  15. Details on the evaluation areas and the questionnaires can be found in Annex 2.

the type of review for agencies. This pre-review consists of examining OGE internal documents filed by the agency, an examination of prior agency review reports and discussions with the agency's OGE desk officer, the agency's ethics officials and the Inspector General's Office. Based on the pre-review work, a decision is taken on the type of review to be carried out. If the pre-review finds no weaknesses in the programme, generally no further review will be performed. If the pre-review finds problem areas, three types of reviews are implemented:

- Level 1 Review -- This is a quick inspection of the programme or parts of the programme.
- Level 2 Review -- This is an in-depth review of one or more aspects of the ethics programme which appeared to have some weakness in the pre-review process.
- Level 3 Review -- It is the full review as done in 2001.

This review process did not attempt an agency-level analysis and evaluation of individual agency culture or programmes. The overall purpose of these reviews was not to rank or compare agencies but rather to inform the entire executive branch regarding the overall awareness and perceived effectiveness of the programme.

After review, OGE sends a report to agencies with recommendations for improving the programme. Then, the agencies must respond to OGE recommendations within 60 days as to the actions taken or plans for action.

Even though OGE does not send the reports to the Congress, a Congressional committee requests a report by an agency under its jurisdiction and OGE sends the reports. In addition, periodically, OGE releases reports to the media.

A follow-up review is conducted after six months from the date of the report in order to determine whether the agency has taken adequate and effective action on each of the recommendations. By doing this, OGE ensures that the plan has actually been implemented.

#### **4.2. Finland<sup>16</sup>**

The Finnish state administration has developed a strong legal basis as well as long tradition for ensuring that authorities fulfil their task properly and public officials meet high standards of conduct in exercising public power. Finland has a strong tradition of transparency and openness, which resulted in the lowest perceived corruption figures world-wide published by Transparency International.

As a principal actor, the Personnel Department of the Ministry of Finance, the State Employer is responsible for the general personnel policy of state administration and development of legislation relating to State civil servants. There is no separate agency in Finland responsible for ethics. The Personnel Department set up the Ethics Working Group that conducted the survey on values and ethics in 1998. The two overall objectives of the survey were to:

- Examine ways of maintaining and enhancing traditionally high quality ethics in the central government; and

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16. "Values and Ethics in the Finnish State Government", report prepared for the Expert Group Meeting on Managing Conflicts of Interest, January 2003.

- Present a comprehensive picture of the values upon which the Finnish civil service ethics is based.

The questionnaire survey on ethics and values of civil servants was addressed to both managers and representatives of personnel in the Finnish ministries and government agencies. It was limited to the point of view of civil servants and authorities. The questionnaire<sup>17</sup> was sent to 170 agencies and institutions of the central State administration. This survey intended to improve the specific elements of human resource management by clarifying and integrating basic values into the practical work of operative units as well as avoiding conflicts of interest. The decision of the Government in 2001 forced government organisations to integrate the values consented through the debate process into working practices.

As a follow-up, the Ministry of Finance launched a pilot project on 'Values to be part of the daily job' in September 2002. The main objective of the project is to provide practical models for determining values and their incorporation into the daily activities of the agencies. Another aim is to make the values common to the agency and also part of their everyday activities. The results of the project will be presented in spring 2004.

#### 4.3. *Australia*

As a principal actor, the Australian Public Service (APS) Commission is responsible for ethics-related policy at the Commonwealth. The 2002-03 State of the Service Report<sup>18</sup> primarily focused on the values in the public service, for the first time, used an employee survey results to provide statistical evidences. The APS Commission also conducted a project of assessing how six selected central agencies were applying the APS Values and ensuring compliance with the Code of Conduct.

At the state level, specialised agencies such as the Independent Commission Against Corruption (ICAC) in New South Wales undertook research projects to develop a snapshot of corruption-related issues. The objectives of the ICAC project<sup>19</sup> launched in late 2001 were to:

- Have public sector organisations indicate the corruption risks they believe they face and detail the prevention strategies in place.
- Identify differences among public sector organisations in respect to the risks they face and the prevention strategies in place.
- Assist the ICAC in developing sector-specific advice for dealing with corruption risks.
- Promote discussion of the corruption risks facing New South Wales public sector organisations.
- Provide information to individual organisations to assist them in targeting areas where the development of further prevention strategies is warranted.

The ICAC developed two surveys<sup>20</sup> for this research: an organisational survey for Chief Executive Officers and Chairpersons and a staff survey for public sector staff.

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17. The specific assessment areas and the questions can be seen in Annex 2.

18. The full text of the Report can be consulted on the Internet at <http://www.apsc.gov.au/annualreport/0203/index.html>.

19. "Profiling the NSW public sector" published by ICAC in 2003

#### 4.4. *Japan*<sup>21</sup>

The National Public Service Ethics Board (the Ethics Board) established in 2000 is responsible for conducting research and studies concerning ethics in the national public service as well as developing standards for disciplinary actions as sanctions against employees violating the ethics laws.

In order to recognise how the Ethics Law and Ethics Code are being applied in each Ministry and how they affect work practices and what public employees expect of them, the Ethics Board collected opinions from representatives of the society. Since 2000, the Ethics Board has continued to gather opinions from intellectuals in different regions. The Ethics Board held meetings with private sector managers, newspaper editors, scholars, local government heads and social critics in cities. At these meetings, the Ethics Board gathered information about the various opinions people held on the ethics system, such as the effectiveness of anti-corruption measures.

Moreover, the Ethics Board carried out a survey about employee ethics in 2001. The areas reviewed by the questionnaire included:

- Respondents' impressions of the sense of ethics among public officials.
- Their overall impression of the code of conduct, e.g. the level of detail and strictness.
- The opinion that public employees are too restricted by the code of conduct and that information gathering has become more difficult due to the code of conduct.

#### 4.5. *Trends from a comparative perspective*

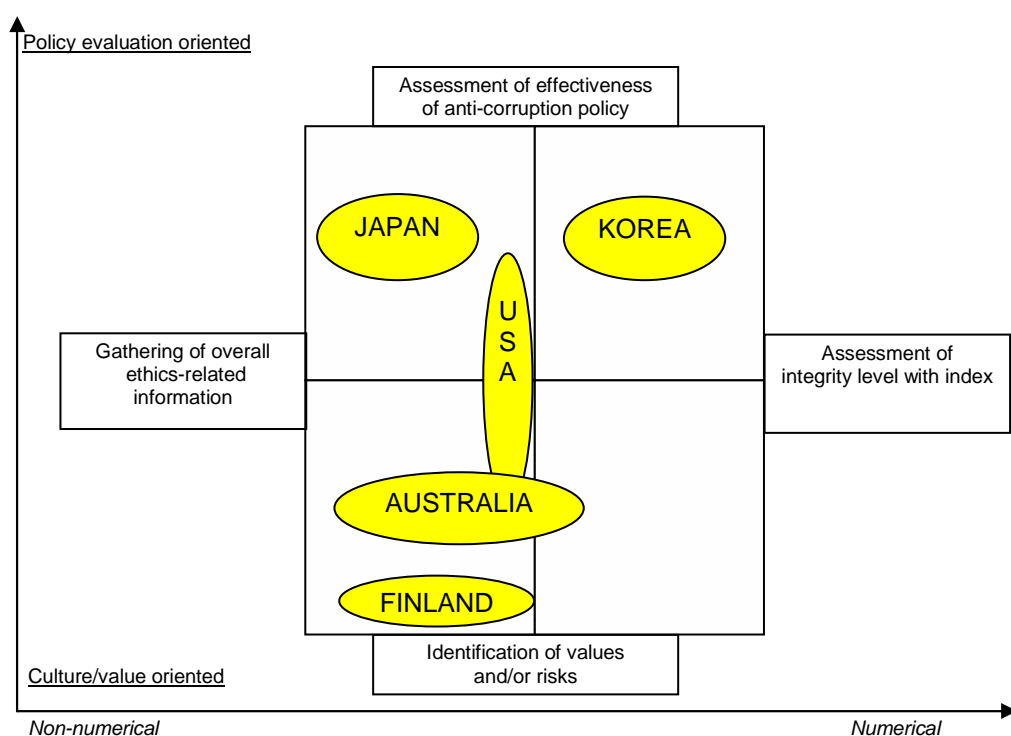
The experiences of Korea, the United States, Australia, Finland and Japan show that that these countries have started collecting evidence to provide feedback for improving ethics policies in the government organisations. These initiatives aimed at mapping out systemic, significant ethics-related issues in organisations rather than focusing on individual cases. Their overall objectives<sup>22</sup> showed that difference resulted from the various cultural, administrative and historical country contexts. The following chart attempts to outline these different objectives:

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20. Information on the specific assessment areas and the questionnaires used can be found in Annex 2.

21. Annual Report FY 2001 published by National Personnel Authority Japanese Government

22. Key objectives include Korea: Assessment of anti-corruption policy and assessment of integrity level with index, USA: Assessment of the ethics program and identification of ethical culture, Finland: Identification of values and integration values into organisations, Australia: Application of values and identification of risks and corruption prevention strategies, Japan: Assessment of anti-corruption measures and gathering overall ethics-related information



#### 4.6. Common elements: Developing an assessment framework

The Korean experience, although these methodologies are at an experimental stage and it may be premature to recognise them as best practice of developing and verifying innovative methodologies, they could provide preliminary ground for identifying key elements of a sound assessment framework. Some features in their methodologies were identified as good components in the Korean context and have also been reported by heads of agencies as good practice.

With the recognition that there is no one-size-fits-all solution across countries, the methodologies reviewed in the Korean study provided a preliminary outlook to determine principles and components of a sound assessment framework that can support the design and implementation of assessment in OECD member countries. Taking into account the results in case studies, the following list consists of the first preliminary inventory of common elements:

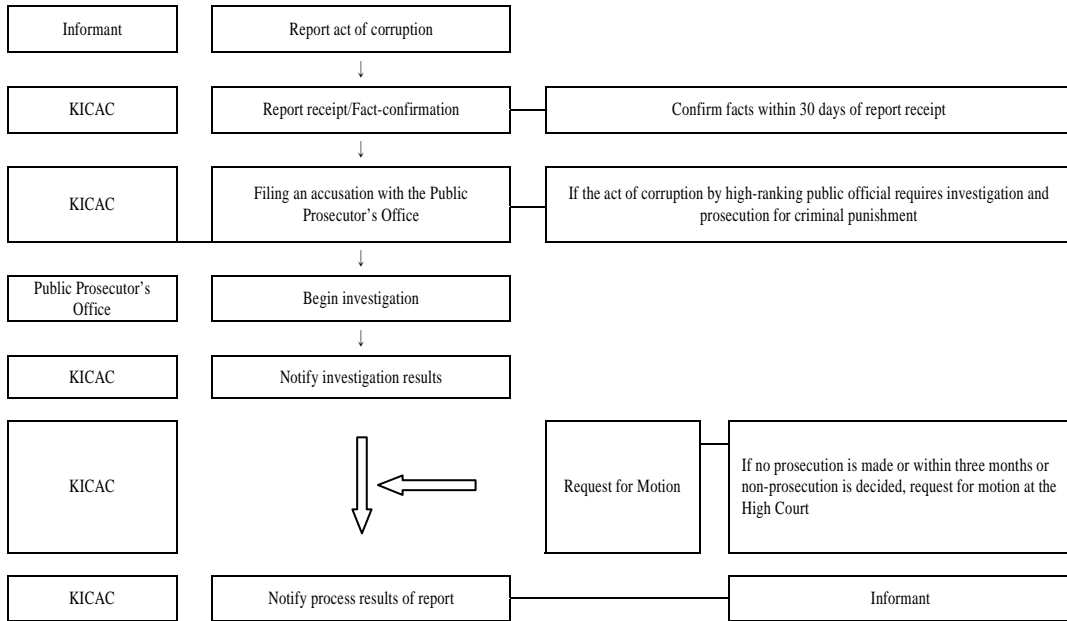
1. **Aims are in line with country context** -- Adapting the objectives to policy demands that take into consideration the administrative context of a country.
2. **Regular review** -- Conducting regular reviews enables comparison of outcomes. The reviews will then provide a useful means by which to assess the effectiveness of programmes implemented and identify gaps between practice and theory.
3. **Involving external experts** -- Involving external professional capacities can be used effectively when internal knowledge and experience is not sufficient but it could also enhance the credibility the evaluation process by ensuring quality both in the design and implementation.
4. **Evaluation by citizens** -- Engaging citizens concerned in the evaluation provides direct feedback from service user and also exercises public scrutiny (watchdogs). Citizen participation can also contribute to building public trust in government.

5. **Participation from the evaluated organisations** -- Involving the evaluated organisations in the design process could support applicability/feasibility of methodologies and also make more acceptable the results in the evaluated organisations.
6. **Balanced assessment framework** -- Compiling subjective evaluation data with objective data could contribute to achieve a well-balanced assessment framework.
7. **Publicising results** -- Publicising evaluation results could generate support from the Parliament and the media. Public announcement of results is an effective incentive to generate voluntary actions in low ranked organisations.
8. **Using the evaluation results** -- Determining the most effective and the least effective areas and measures provides impetus for action in assessed organisations. Distributing good practices has a positive spill-over effect on other organisations and allows each organisation to determine the future direction of their corruption-prevention efforts.
9. **Follow-up measures** -- Supporting with adequate follow-up mechanisms starting with recommendations for improving programmes, mandatory responses from executives within a limited timeframe and follow-up reviews to ensure implementation.
10. **Assessment of assessment methods** -- Last but not least, investing adequate time and resources in identifying the adequacy and actual impact of evaluations. Good evaluation methodologies include not only evaluation of tools and programmes, but also evaluation of the impact of evaluation itself.

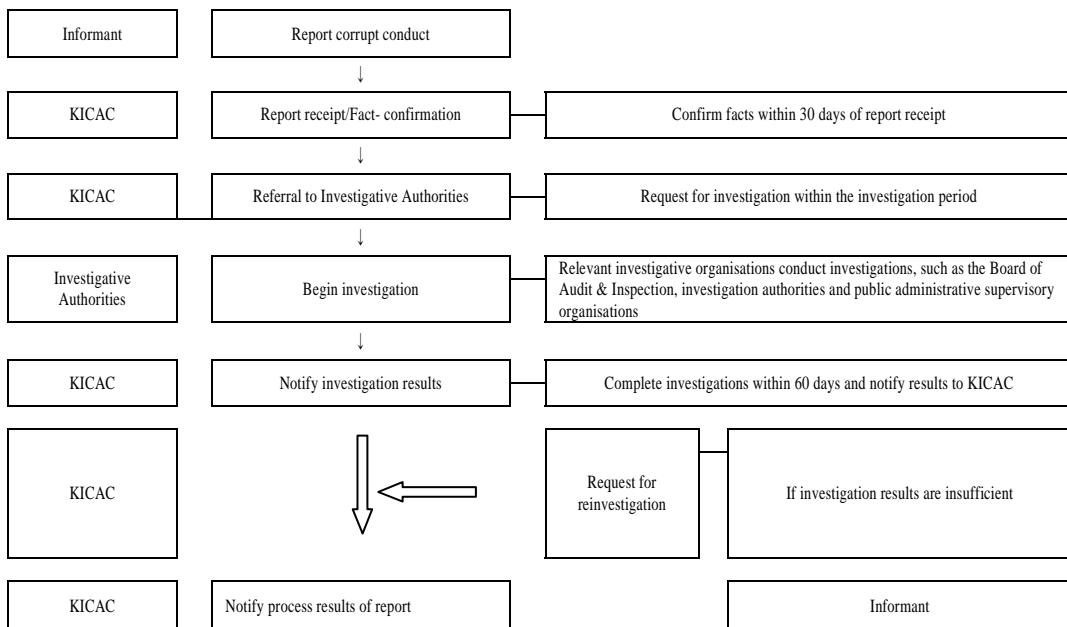
**ANNEX 1.**

**PROCEDURES TO DEAL WITH CORRUPTION CASES**

**1. Procedure for High-Ranking Officials<sup>23</sup>**



**2. Procedure for Ordinary Public Officials**



23. High-ranking public officials include: Mayors of Seoul and other metropolitan areas and provincial governors at vice-ministerial level and higher, police officers with the rank of superintendent-general and higher, judicial officers or public prosecutors, military officers at ministerial level and members of the National Assembly



## ANNEX 2

## EVALUATION METRICS OF THE UNITED STATES, FINLAND AND AUSTRALIA

Table 11. Evaluation metrics used in the Executive Branch of the United States

Assessment area	Questionnaire
Programme awareness	<ul style="list-style-type: none"> <li>- Familiarity with the ethics programme</li> <li>- Familiarity with the Rules of Ethical Conduct</li> <li>- Awareness of ethics officials in the agency</li> <li>- Perceived objectives of the ethics programme</li> </ul>
Programme effectiveness	<ul style="list-style-type: none"> <li>- The usefulness of the Rules of Ethical Conduct in guiding decisions and conduct</li> <li>- The helpfulness of resources consulted when ethics issues arise</li> <li>- Reasons for not seeking advice and, if advice was sought, for not seeking advice from ethics officials</li> <li>- The frequency with which employees received ethics training</li> <li>- The usefulness of training in making employees aware of ethics issues and in guiding decisions and conduct</li> </ul>
Agency culture factors	<p>Employees' perceptions that in their organisational culture:</p> <ul style="list-style-type: none"> <li>a. Supervisors pay attention to ethics,</li> <li>b. Executive leadership pays attention to ethics,</li> <li>c. There is consistency between ethics and agency practices,</li> <li>d. Open discussion about ethics are encouraged and occur,</li> <li>e. Ethical behaviour is rewarded,</li> <li>f. Unethical behaviour is punished,</li> <li>g. There is follow-up on reports of ethics concerns,</li> <li>h. Efforts are made to detect violators,</li> <li>i. Unquestioning obedience to authority is expected, and</li> <li>j. Employees are treated fairly</li> </ul>
Culture outcomes	<p>Employees' perceptions regarding the extent to which:</p> <ul style="list-style-type: none"> <li>a. Unethical behaviour occurs in their agency,</li> <li>b. Employees are aware of ethical issues when they arise,</li> <li>c. Employees seek advice when needed,</li> <li>d. It is acceptable for employees to deliver bad news,</li> <li>e. Violations are reported by employees when they occur, and</li> <li>f. Discussions on ethics are integrated in decision-making processes</li> </ul>

**Table 12. Evaluation metrics used in Finland**

<b>Assessment areas</b>	<b>Questionnaire</b>
Changes in the values of governance in the last 10 years.	<ul style="list-style-type: none"> <li>- Perception level of value-basis of civil service ethics</li> <li>- Traditional values and new values</li> <li>- The most important values</li> <li>- Values in practice (correlation of the values and practical operations)</li> </ul>
The clarity of principles of civil service ethics	<ul style="list-style-type: none"> <li>- The clarity of principles</li> <li>- The necessity of the duty to declare one's interests</li> <li>- The evaluation of the permissibility of ancillary jobs</li> </ul>
Unethical practices	<ul style="list-style-type: none"> <li>- The most harmful unethical administrative practices</li> <li>- The most usual unethical practices</li> </ul>
Factors affecting civil service ethics	<ul style="list-style-type: none"> <li>- The most effective measures</li> <li>- Communicating values</li> <li>- Training</li> <li>- How is ethics taken into account in recruitment?</li> </ul>

**Table 13. Evaluation metrics used by ICAC in NSW, Australia**

<b>Assessment areas</b>	<b>Questionnaire</b>
Perceptions of corruption risk	All respondents were asked to provide their perceptions of corruption risk areas within their own organisations. The survey set out a number of business processes and activities and asked a number of questions about perceived risk in these areas
The organisation and its function	A range of questions were asked about the organisation, e.g. the main area of business, the number of locations the organisation possessed, etc. The organisational survey had considerably more questions than the staff survey. Additional questions asked of CEOs and Chairpersons included how the organisation was funded and the size of the recurrent budget. The organisational survey also asked whether organisations performed 15 business functions of interest to the ICAC (e.g. allocating grants of public funds, performing an inspectorial and/or regulatory role, receiving cash payments, etc)
Organisational corruption prevention strategies	Both survey asked a range of questions on corruption prevention strategies in place (e.g. code of conduct, gift and benefits policies, etc). The organisational survey included additional questions directed at CEOs and Chairpersons, such as whether an internal audit strategy was in place and whether the organisation complied with particular legislation. The staff survey asked specific questions of staff, such as how useful they found their code of conduct.

## ANNEX 3

**SURVEY QUESTIONNAIRE  
USED IN THE STUDY RESEARCH OF THE KOREAN EXPERIENCES**

*1. General framework<sup>24</sup>*

1.1. Organisation's name \_\_\_\_\_

1.2. Organisation's roles and responsibilities related to the ethics/anti-corruption programme

1.3. Relevant organisations referred to or with which there was cooperation in order to implement the organisations' functions. (i.e. other executive bodies or the justice structure) How organisations co-ordinate with each other?

1.4. Current ethics programmes or anti-corruption policies established by your organisation

*2. Methodologies of assessing the effectiveness of ethics/ anti-corruption programme*

- Does your organisation have relevant principles, guidelines, or laws mandating the programme review or the assessment of the ethics/anti-corruption programme?
- Did your organisation carry out programme reviews or assessment during the past 5 years? Or is there an on-going project? Please specify one or two review cases.

For easy reference, possible examples are provided after this table.

	<b>Case 1</b>	<b>Case 2</b>
2.1. When and how often		
2.2. Aims		

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<sup>24</sup> NOTE: You may attach the relevant materials or web site address of your organisation.

2.3. Objectives		
2.4. Commission		
2.5. Criteria		
2.6. Preparatory procedure		
2.7. Implementation of the assessment		
2.8. The related materials		

*EXAMPLES: These examples are provided for reference only*

**2.1 When and how often**

- Regular review (annual/biannual) since when
- Irregular review when

**2.2. What were the aims?**

- To find out whether objectives were reached (i.e. control)
- To adjust the process under evaluation (i.e. management)
- To document experiences (i.e. learning)

**2.3. What were the objectives?**

- Research the changes in the values of governance, principles of civil service ethics
- Identify unethical practices and factors affecting civil service ethics
- Evaluate anti-corruption policies and their enforcement in public institutions
- Research the mindset and behaviour of public servants

- Other, such as information provision, consultation, public participation

2.4. Who **commissioned** the evaluations?

- The government service directly concerned
- Other government services (e.g. internal audit unit, evaluation unit)
- External oversight bodies (e.g. parliament, supreme audit institution)
- Other (e.g. civil society organisations, think tanks)

2.5. What **criteria** were used? Please specify the evaluation factors and sub-factors.

- Realised corruption level (corruption experienced or perceived)
- Potential corruption level (work environment, institutional system, individual behaviour, or corruption control)
- Programme awareness (familiarity with ethics programme, familiarity with the rules, awareness of ethics officials in the agency, perceived objectives of the ethics programme)
- Programme effectiveness (usefulness of rules, helpfulness of resources consulted, the frequency of ethics training)
- Organisational culture factors (attention of supervisors, consistency between policies and practices, open discussion), etc.

2.6. What was the **preparatory procedure**? How was the methodology developed?

- By consensus with internal public officials
- By agreement with citizens, NGOs, or the Congress
- By external research organisation

2.7. How did your organisation implement the assessment?

- Method: Surveys, Interviews, Observation, Reviews of document
- Sample : citizens, public official, etc
- Job categories assessed, etc.

2.8. Please indicate the document title and attach the **materials** if any

- Survey questionnaire
- Guidelines of programme review
- Training material of programme review

*3. Follow-up measures*

3.1. Did your organisation provide feedback to other public organisations? e.g. an official recommendation, a written or verbal recommendation, administrative action, prosecution, etc.

3.2. Is there any principle regulating the mandatory/voluntary response from other executive organisations to the feedback?

3.3. How did your organisation adjust the policies or make specific decision according to survey outcomes? e.g. revision of the survey questionnaire for new statistics, introduction of the pre-review step or the electronic system, improvement of the human resource management system, etc.

3.4. How were the results communicated and used?

- Was there a communication strategy?
- Which communication channels were used?
- How much did it cost to disseminate the results of the evaluation?
- How were the evaluation results used? e.g. report on the outcomes to the other organisations such as the Congress
- If you have the reports on outcomes or findings of the survey, please attach them.

3.5. Does a policy on evaluation of citizen engagement exist?

- Do general or specific guidelines for evaluation exist?
- Are guidelines for evaluating citizen engagement being developed?

3.6. Please specify the quantitative and/or qualitative results of the assessment. e.g. the positive feedback from internal employee or citizens about the assessment programmes, the lower level of corruption, etc.

3.7. What institutions and procedure were identified as best practices or as problems? Please specify why?

3.8. Please specify the problem encountered in the assessment process

3.9. Please advise on how to reduce errors and solve problems that may occur in the process

**Your response is greatly appreciated. Thank you for your assistance.**