Perceptions of corruption
Survey of Victorian state government employees

September 2017
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1 Overview

The Victorian community depends on the Victorian public sector to deliver a broad range of goods and services that impact all aspects of our lives – including education, health, transport, justice and emergency services – and rightly expects that public sector employees conduct themselves with integrity.

This report outlines the responses of state government employees following research into their understanding of corruption, their perceptions of corruption and misconduct, attitudes to reporting corruption and misconduct, and attitudes towards preventing corruption.

Corruption in any part of the public sector can result in the community losing confidence in the public sector. It usually involves the misuse of public money, depriving programs and projects of valuable and limited funds which adversely impacts the community.

Since becoming fully operational early in 2013, the Independent Broad-based Anti-corruption Commission (IBAC) has conducted a number of major investigations into alleged serious corrupt conduct in the Victorian public sector.

In 2016, IBAC engaged research company Urbis to conduct research on perceptions of corruption. Employees from state and local government were surveyed, as were Victoria Police officers and employees, and members of the Victorian community.

For the purposes of this report, state government includes government departments and public entities including schools and public hospitals. A separate report is available on local government employee perceptions of corruption.

Methodology

An online questionnaire was sent to heads of state government agencies with more than 500 employees for distribution to their employees in late 2016.

Responses were received from 4542 state government employees, mostly in the health, education and emergency services sectors. This should be considered when applying the findings to the broader public sector.

Substantial differences between the results from state and local government employees are noted where relevant.

The results are also compared with the findings of other research conducted by IBAC in 2013 and 2015. Please note: the methodology and scope of these research projects varied.1

1 In 2012 and 2013, the Australian National University conducted research into corruption risks within the Victorian public sector. The research included a survey of senior Victorian public servants (graded VPS6 and above) and their perceptions of corruption in the public sector. In 2015, IBAC engaged Empirica to survey community members in relation to their awareness of IBAC and perceptions of corruption.
1.1 Key findings

The research focused on four areas:

- understanding corruption
- perceptions of corruption and misconduct
- attitudes towards reporting corruption and misconduct
- perceptions and attitudes towards integrity and preventing corruption.

The results suggest state government respondents have a sound understanding of what corruption is and could distinguish between corruption and misconduct behaviours. However, there was a low level of knowledge about how to report corruption. Most state government respondents were confident they understood what constitutes corrupt behaviour (79 per cent). Corruption was more likely to be seen as something that happens in Victoria (59 per cent), than as a problem in my workplace (15 per cent) by state government respondents.

Four behaviours – conflict of interest, misuse of information or material, hiring of friends and family and abuse of discretion – were identified as the areas of highest corruption risk by state government respondents. Those behaviours were considered to be the most likely to occur, most likely to have been suspected of occurring, and most likely to have been observed.

Reporting corruption is important to help expose public sector corruption. Public sector agencies have an important role in educating employees about how to report suspected wrongdoing and the protections available to them under Victoria’s protected disclosure regime.²

While almost three-quarters of state government respondents said they would definitely report corruption if they observed it (72 per cent), there was a low level of awareness about how to report corruption, with only a third of respondents strongly agreeing that they knew how to report corruption (33 per cent).

A sense of personal and community responsibility appears to be the key driver in the decision to report corruption. The majority of respondents viewed reporting as the right thing to do (82 per cent) and agreed that corruption impacts the local community (77 per cent). Most respondents said they would need absolute proof before reporting (69 per cent) and more than half of state government respondents would report only on the condition of anonymity (53 per cent).

Confidence in the levels of protection provided to reporters of corruption was low and some respondents felt they would experience personal repercussions (35 per cent) or could lose my job (25 per cent) if they reported corruption.

Local government respondents were more likely to believe that they know how to report corruption, who to report it to, and to have greater confidence that their organisation promotes a culture of honesty and integrity, than state government respondents.

The research suggests that most state government respondents support corruption prevention activities in their organisation (71 per cent). However, there was some uncertainty about the extent to which the culture of their organisation and internal activities supported the prevention of corruption. Only four per cent of respondents agreed that their organisation has strong corruption prevention policies in place.

The willingness of state government respondents to report corruption has not changed substantially, compared with IBAC’s 2013 research.

² Protected Disclosure Act 2012.
2 Understanding corruption

State government employees were asked about their understanding of corruption and misconduct, and their views about behaving honestly and with integrity.

2.1 Where does corruption happen?

While more than half of the respondents to this survey (59 per cent) agreed that corruption happens in Victoria, only a small proportion (15 per cent) felt that corruption was a problem in their own workplace. Corruption was seen as a problem in Victoria for just over a third (37 per cent) of the respondents. Only six per cent of respondents believed there was no corruption in Victoria. These results are presented in Table 1 below.

‘I can’t say I’ve come across it – it is more a perception. I haven’t seen it personally. Corruption is a thing that whoever is doing it is hiding as best they can.’

### TABLE 1: STATE GOVERNMENT UNDERSTANDING OF CORRUPTION

<table>
<thead>
<tr>
<th></th>
<th>Disagree (%)</th>
<th>Neither disagree nor agree (%)</th>
<th>Agree (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corruption is a problem in my workplace</td>
<td>51</td>
<td>34</td>
<td>15</td>
</tr>
<tr>
<td>Corruption is a problem in Victoria</td>
<td>14</td>
<td>50</td>
<td>37</td>
</tr>
<tr>
<td>Corruption happens in Victoria</td>
<td>6</td>
<td>35</td>
<td>59</td>
</tr>
</tbody>
</table>

Base: Total sample, n = 4542. Percentages may not add to 100 due to rounding.

These results are similar to the findings of IBAC’s 2013 research, in which 16 per cent of respondents stated that there was either some (14 per cent) or a lot (2 per cent) of corruption in their department or agency.

2.2 Identifying corrupt behaviour

Respondents were asked about their attitudes to honesty and integrity, and what constitutes corrupt behaviour. State government respondents overwhelmingly agreed that behaving with honesty and integrity is important, with only two per cent of respondents disagreeing or neither agreeing nor disagreeing with this statement.

State government employees are bound by a code of conduct that clearly outlines expectations of behaviour and reinforces public service values such as integrity and accountability. The survey results suggest respondents understand their obligations under the code of conduct in relation to behaving with honesty and integrity.

2 Understanding corruption

FIGURE 1: IDENTIFYING CORRUPT BEHAVIOUR

Behaving with honesty and integrity is important

<table>
<thead>
<tr>
<th>Agreement Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>98%</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>1%</td>
</tr>
<tr>
<td>Disagree</td>
<td>2%</td>
</tr>
</tbody>
</table>

Seventy-nine per cent of respondents believe they understand what constitutes corrupt behaviour. Respondents’ answers indicated a high level of understanding of the difference between corruption and misconduct. This is discussed in the next chapter.

The responses from state government employees were similar to those of local government employees in relation to the questions about respondents’ understanding of corruption.

I know what constitutes corrupt behaviour

<table>
<thead>
<tr>
<th>Agreement Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>79%</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>17%</td>
</tr>
<tr>
<td>Disagree</td>
<td>4%</td>
</tr>
</tbody>
</table>

Base: Total sample, n = 4542. Percentages may not add to 100 due to rounding.
3 Perceptions of corruption and misconduct

Behaviours and scenarios were presented to respondents to gauge perceptions of corruption and whether these behaviours had or could occur in their workplace. Respondents were also asked to rate scenarios as involving corruption, misconduct or neither.

3.1 Corruption and misconduct opportunities

When presented with a list of potentially corrupt behaviours, around half of state government respondents identified there was an opportunity for misuse of information or material (56 per cent), hiring friends or family for public service jobs (51 per cent) and abuse of discretion (49 per cent) to occur in their agency. A lower proportion of respondents said that they suspected these behaviours had occurred in their agency or had witnessed such conduct.

State government respondents identified conflict of interest as the behaviour that had the greatest opportunity to occur in their workplace (62 per cent). 34 per cent of respondents suspected conflicts of interest had occurred in their agency and 21 per cent said they had observed conflicts. This is consistent with the findings of IBAC’s 2013 research.\footnote{Failure to declare or properly manage conflicts of interest is not, of itself, corrupt but can represent misconduct or be an element in corrupt conduct. Conflicts of interest routinely occur in the public sector but many conflicts of interest present no issue if they are declared and managed transparently.}

As shown in Figure 2 on the next page, four behaviours stood out as the most commonly observed, suspected and potential areas of corruption in the workplace. The task of hiring friends or family for public service jobs was the most commonly observed (25 per cent) and suspected (35 per cent) corrupt behaviour, closely followed by conflicts of interest. Around a quarter of respondents also identified abuse of discretion (24 per cent) and misuse of information or material (24 per cent) as areas of suspected corruption in their workplace.

Almost half (45 per cent) of the respondents had not observed any of the listed corruption or misconduct behaviours in their workplace, while around one in ten (11 per cent) did not believe there was an opportunity for any of the behaviours to occur in their workplace.

These results are similar to those reported for local government, with the same four behaviours identified and a similar range of results from opportunity through to observation.
3 Perceptions of corruption and misconduct

FIGURE 2: SUSPECTED AND OBSERVED CORRUPTION IN STATE GOVERNMENT

Base: Total sample, n = 4542.
3.2 Corruption or misconduct?

Financial rewards and bribes were unequivocally identified as corrupt conduct by state government respondents:

- 96 per cent identified a state/local government employee accepting a bribe to award a contract to a supplier as a corrupt behaviour.
- 93 per cent identified a state/local government employee receiving a kickback (bribe) from a contractor as a corrupt behaviour.

The use of information to gain financial advantage was also seen as corrupt conduct by the majority of respondents (90 per cent), in the context of a state/local government employee using confidential information to buy land that will be re-zoned (and increase significantly in value).

The state and local government respondents provided similar responses in relation to their perceptions of corruption.

FIGURE 3: PERCEPTIONS OF CORRUPTION BEHAVIOURS

Only one scenario prompted a spread of responses as to whether it represented corrupt conduct. Less than half of the respondents felt that a local council hosting an extravagant party for employees was corrupt (46 per cent). This scenario was presented to respondents to test their ability to distinguish corruption from misconduct. The result for this question suggests that state government respondents generally understand the difference between corruption and misconduct.

Base: Total sample, n = 4542. Percentages may not add to 100 due to rounding.

Of the local government respondents: 96 per cent identified a state/local government employee accepting a bribe to award a contract to a supplier as a corrupt behaviour; 92 per cent identified a state/local government employee receiving a kickback (bribe) from a contractor as a corrupt behaviour; while 33 per cent felt that a local council hosting an extravagant party for employees was corrupt.
Understanding attitudes towards reporting corruption and whether people know how to report helps to identify and overcome any barriers – real or perceived – to reporting.

State government respondents were asked about their attitudes to reporting, whether they knew how to report corruption and how confident they felt about the protections offered if they were to report corruption.

4.1 Drivers for reporting corruption

State government respondents tend to report corruption for social and moral reasons. Eighty-two per cent agreed that reporting corruption *is the right thing to do* and 77 per cent agreed that they would report corruption *because it impacts the Victorian community*. Seventy-two per cent of respondents said they would report if they personally observed corruption. This is consistent with IBAC’s 2015 survey of community members, where 78 per cent of respondents agreed they would report if they witnessed a state government employee acting corruptly.

‘Reporting is within my own value set. I have to show a role of leadership, I have to model it.’

‘Well, the most prominent drivers as a public servant is the VPS code of conduct – integrity, professionalism, respect, professional responsibility – we have signed up for that. It’s a professional commitment we have made. For me personally, it’s a moral conviction.’

It is of concern that a substantial proportion of respondents did not agree with the statements about the need to report corruption. For example, more than a quarter of respondents did not agree with the statement *if I personally observed corruption I would definitely report it* and almost one in five respondents did not agree with the statement *I would report corruption because it is the right thing to do*.

State government respondents who stated they would not report corruption even if they observed it were more likely to say they were not confident of protection than those who said they would definitely report (76 per cent compared with 28 per cent). Respondents who stated they would not report if they observed corruption were also more likely to agree that:

- their direct supervisor would not be supportive if they chose to report (51 per cent compared with 12 per cent of respondents who said they would definitely report)
- their organisation discouraged reporting (23 per cent compared with 12 per cent)
- they would report only if anonymous (62 per cent compared with 50 per cent).
While there are strong indications that respondents would report corruption for social or moral reasons, only 21 per cent of respondents felt they would be protected from victimisation if they reported corruption and 13 per cent felt their organisation actively discourages the reporting of corruption.

These results, together with the indication from just over half the respondents that they would report corruption only if they knew my report would be anonymous (53 per cent), suggests that respondents may be less willing to report if they have doubts about their organisation’s openness to reports of corruption, as well as anonymity and protection from victimisation. IBAC’s 2015 research highlighted similar concerns regarding protection for people reporting corruption, with 59 per cent of respondents believing that they would be victimised or harassed by people associated with the organisation that I reported.

Most respondents agreed their direct supervisor would be supportive if I chose to report corruption (62 per cent). A similar proportion disagreed with the statement my organisation actively discourages the reporting of corruption (60 per cent). These results suggest respondents generally perceived their agencies as supportive of reporting, which is important to ensure employees feel confident to report.

Compared with local government respondents, a smaller proportion of state government respondents believed they would be protected from victimisation if they reported corruption (21 per cent compared with 30 per cent) or that their direct supervisor would be supportive if I chose to report corruption (62 per cent compared with 71 per cent).

These results suggest more can be done to address perceived barriers to reporting corruption and to increase knowledge of the protections that are available under Victoria’s protected disclosure regime.
4.2 Reporting corruption

The willingness of public sector employees to report suspected corrupt conduct is affected by their understanding of the reporting process and their level of comfort in reporting corruption to someone in their own organisation or externally.

Knowing how to report corruption was relatively low among state government respondents. Only a third of state government respondents agreed that they confidently knew how to report corrupt activities (33 per cent) compared with local government respondents (41 per cent). In IBAC’s 2013 research, respondents reported higher levels of reporting knowledge, with more than two-thirds stating that they knew where to report corruption (69 per cent). This may reflect the fact that the respondents to the 2013 survey held more senior positions in the public service.

State government respondents were most likely to report serious corruption to IBAC (28 per cent), followed by their immediate manager (26 per cent). A smaller number said they would report corruption to their organisation’s designated protected disclosure coordinator, namely the person appointed by the public sector agency to receive disclosures about the conduct of the agency or staff (15 per cent). Only one per cent of respondents said they would not report corruption.

‘I can absolutely guarantee that I do [know how to report corruption]… can I absolutely guarantee that I would report it? No, not every time. The cost to the individual (myself) would be too much.’

IBAC’s 2015 research found that most community members would report corruption to the police, the Victorian Ombudsman, their Member of Parliament, or the employer responsible for the corrupt employee.

FIGURE 5: WHO WOULD YOU REPORT SERIOUS CORRUPTION TO?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>IBAC</td>
<td>28</td>
</tr>
<tr>
<td>Your immediate manager</td>
<td>26</td>
</tr>
<tr>
<td>Your organisation’s protected disclosure coordinator</td>
<td>15</td>
</tr>
<tr>
<td>Victorian Ombudsman</td>
<td>8</td>
</tr>
<tr>
<td>Victoria Police</td>
<td>6</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
</tr>
<tr>
<td>Your organisation’s Secretary or CEO</td>
<td>5</td>
</tr>
</tbody>
</table>

Base: Total sample, n = 4542.
In comparison, local government respondents indicated that they would be most likely to report corruption to their immediate manager (33 per cent), followed by their council’s protected disclosure coordinator (21 per cent) and then IBAC (15 per cent).

State government respondents who said they would report to another person or organisation were asked to indicate who this would be. A number of comments indicated that respondents would decide who to report to depending on the situation and the seniority of the people involved.

‘Who I reported corruption to would be dependent on the level of seniority of the person/s involved. If it was an employee who is not a senior manager, then I would speak to the disclosure coordinator or my manager. If it was a senior manager and I was concerned the response would not be appropriate, I would use an external agency such as IBAC or Vic Police, as corruption at the highest level in my department is not appropriate for them to investigate themselves.’

Respondents who said they would not report corruption were asked why, and the most common reason was ‘I’d need to have evidence to back up the allegation’ (27 per cent). Others raised concerns that ‘making a report could affect my career’ (12 per cent) while a smaller number felt that ‘senior management wouldn’t do anything’ (6 per cent).

Other reasons provided by respondents for not reporting corruption included perceptions about the impact on their professional and personal lives (including their personal safety), not knowing how to report, and knowing the people involved.

‘Making a report would affect my career, my job and my health.’

These findings are consistent with IBAC’s 2015 research, where community members cited fear of personal consequences, a concern that nothing would be done or simply that they would not be believed, as reasons for not reporting corruption.
4.3 Protecting those who report

Uncertainty about the level of protection available to people reporting corruption, as well as perceptions of the potential repercussions of reporting, are concerns for state government respondents. These issues can create barriers to reporting.

Almost two-thirds of respondents could neither agree nor disagree with the statement to the best of my knowledge, the protections for people who have reported corruption are adequate (63 per cent). Only 16 per cent of respondents agreed with this statement.

Similarly, in IBAC’s 2013 research, almost half of state government respondents stated they were not confident they would be protected from victimisation if they reported corruption while a third stated that they were confident of protection.

This uncertainty is further reflected in responses to the statement it is possible to protect people who have reported corruption. Only 38 per cent of respondents agreed with this statement, with most respondents neither agreeing nor disagreeing (47 per cent).

Local government respondents expressed greater confidence in the protection for people who have reported corruption (27 per cent for local government respondents, compared with 16 per cent for state government respondents) and in the channels available in their organisation to report corruption (48 per cent for local government respondents, compared with 36 per cent for state government respondents). This highlights the need for improved education and awareness raising about Victoria’s protected disclosure regime across state government departments and agencies.

FIGURE 6: PROTECTING THOSE WHO REPORT

To the best of my knowledge, the protections for people who have reported corruption are adequate

- Disagree: 21
- Neither: 63
- Agree: 16

My organisation has channels through which I can report corruption

- Disagree: 13
- Neither: 51
- Agree: 36

It is possible to protect people who have reported corruption

- Disagree: 15
- Neither: 47
- Agree: 38

Base: Total sample, n = 4542.
4.4 Perceptions of the impacts of reporting

The personal cost of reporting corruption is perceived to be high for some state government respondents, with a quarter of respondents agreeing with the statement *if I reported corruption, I could lose my job* (25 per cent). More than a third of respondents also agreed with the statement *if I reported corruption, I would experience personal repercussions (other than losing my job)*. This suggests that concern around potential consequences for reporting corruption may be a barrier to reporting.

In addition, less than a third of respondents agreed with the statement *if I reported corruption, meaningful action would be taken* (29 per cent). This suggests it is important for organisations to demonstrate to staff that they value reports and will take appropriate action. In IBAC’s 2013 research, respondents were slightly more confident in the investigation process, with 36 per cent of respondents agreeing that they *felt confident that the corruption would be investigated and the organisation held accountable*.

The large number of respondents in the neither agree or disagree range for all three questions in Figure 7 below, suggests a high level of uncertainty around these issues, which is likely to influence the decision to report.

**FIGURE 7: THE COST OF REPORTING**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree (%)</th>
<th>Neither (%)</th>
<th>Disagree (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>If I reported corruption, I could lose my job</td>
<td>25</td>
<td>45</td>
<td>30</td>
</tr>
<tr>
<td>If I reported corruption, meaningful action would be taken</td>
<td>29</td>
<td>56</td>
<td>15</td>
</tr>
<tr>
<td>If I reported corruption, I would experience personal repercussions (other than losing my job)</td>
<td>35</td>
<td>49</td>
<td>16</td>
</tr>
</tbody>
</table>

Base: Total sample, n = 4542.
A larger proportion of local government respondents (40 per cent) agreed with the statement that *meaningful action would be taken* if they reported corruption compared with state government respondents (29 per cent). A slightly lower proportion of local government respondents (28 per cent) agreed that they would *experience personal repercussions* for reporting corruption, compared with state government respondents (35 per cent).

These results suggest it is important for Victorian state government agencies to improve confidence in the investigation process and to address concerns around possible repercussions of reporting corruption. Removal of the barriers that may deter state government employees from reporting corruption is an important opportunity.

When asked if there were any other barriers to reporting corruption, state government respondents commented on uncertainty around understanding the process, the definition of corruption and intimidation as obstacles to reporting.

‘Hierarchy of authority can make it difficult to report corruption due to intimidation by people in higher positions.’

‘I wouldn't know where to start to report it. I have no confidence that the process would protect me and I wouldn't be personally affected.’
5 Perceptions of integrity and preventing corruption

The research looked at the role organisational culture, personal integrity and organisational practices play in preventing corruption.

5.1 Organisational support for corruption prevention

While state government respondents generally agreed with the statement I support corruption prevention activities in my organisation (71 per cent), only four per cent of respondents agreed that their organisation has strong corruption prevention policies in place. This indicates there is an opportunity for state government agencies to more clearly communicate about the corruption prevention policies and systems they may have in place.

Respondents were asked about the extent to which their organisations communicated about reporting corruption and their organisation’s support for anti-corruption activities. Only around a third of respondents agreed with these statements – my organisation regularly communicates information about reporting corruption (37 per cent) and my organisation supports anti-corruption activities (31 per cent).

Local government respondents were far more likely to agree that their council supports anti-corruption activities (60 per cent) than their state government counterparts (31 per cent), but a smaller proportion of local government respondents agreed that their organisation regularly communicated about reporting corruption (27 per cent compared with 37 per cent of state government respondents).

5.2 Identifying corruption risks

As shown in Figure 8 on the next page, only 14 per cent of state government respondents agreed that they find it easy to identify corruption risks in my organisation. A slightly higher proportion agreed that they were confident that I know how to prevent corruption (17 per cent). For both measures, almost two-thirds of respondents could not agree nor disagree with the statements.

In comparison, a relatively higher proportion of local government respondents expressed confidence in preventing corruption and identifying corruption risks in their organisation. Overall, 48 per cent of local government respondents agreed that they were confident they knew how to prevent corruption while 41 per cent agreed that they found it easy to identify corruption risks in their organisation.
5 Perceptions of integrity and preventing corruption

**FIGURE 8: STATE AND LOCAL GOVERNMENT ATTITUDES TOWARDS PREVENTING CORRUPTION**

Base: Total sample, n = 4542 (state government), n = 1019 (local government).
5.3 Organisational culture

In response to the statement *the culture at my organisation encourages people to act with honesty and with integrity*, just over one in three state government respondents agreed with the statement (34 per cent) while almost one in five disagreed (19 per cent).

In comparison, a substantially higher proportion of local government respondents agreed that their councils encouraged people to act with honesty and integrity (74 per cent).

These results suggest state government agencies may need to do more to promote organisational cultures in which employees believe they are encouraged to act with honesty and integrity. However 98 per cent of state government respondents agreed that behaving with honesty and integrity is important (see Figure 1), so it appears there may a discrepancy between perceptions of organisational culture and how employees conduct themselves.

**FIGURE 9: STATE AND LOCAL GOVERNMENT PERCEPTION OF ORGANISATIONAL CULTURE**

The culture at my organisation encourages people to act with honesty and with integrity

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>State government</td>
<td>34</td>
</tr>
<tr>
<td>Local government</td>
<td>74</td>
</tr>
</tbody>
</table>

This research shows there are significant opportunities across state government agencies for better communication and education about corruption prevention and reporting, and recognition of the important role managers and protected disclosure coordinators play in supporting employees to report corruption.

The research provides valuable insights into the awareness of corruption, attitudes and behaviours of the Victorian public sector towards corruption prevention and reporting.

6.1 Commitment to integrity

An overwhelming majority of state government respondents agreed that behaving with integrity and honesty is important. This demonstrates a high level of commitment to the code of conduct for Victorian public sector employees and an understanding of their obligations under the code.

While this commitment is strong, it is concerning that more than a quarter of respondents did not agree that they would report corruption even if they observed it. This presents an opportunity for Victorian state government agencies to undertake targeted communication and education activities to address these concerns.

6.2 Risk of corruption and misconduct

A substantial proportion of state government respondents said they believed there were opportunities in their agencies for misuse of information, abuse of discretion, and the hiring of friends or families for public sector jobs. Respondents were generally more likely to agree that there were opportunities for these behaviours to occur, than to agree that they had ever suspected or witnessed such conduct in their workplace.

The most commonly identified corruption or misconduct risk was undeclared or unmanaged conflicts of interest. About one in five respondents said they had observed conflicts of interest in their workplaces. A quarter of respondents said they had observed the hiring of friends or family for public service jobs.

All state government agencies need to be alert to corruption and misconduct risks. Vigilance is needed to ensure policies, practices and systems are corruption resistant, and that they foster a work environment in which employees feel confident to speak up and report any suspected wrongdoing.
6.3 Opportunities to reduce barriers

Barriers to reporting, caused by a lack of awareness of the process or concern about potential personal costs, can have a direct impact on the willingness of people to report corruption.

The personal cost of reporting is perceived to be high for some respondents, with a quarter believing they could lose their job if they reported corruption. Only 16 per cent believed protections for those who report corruption are adequate. This presents a challenge for the public sector to address this barrier by encouraging state government employees to report suspected corrupt conduct including by demonstrating that those who report will be protected.

Respondents also want to know that the potential risks that they face in reporting corruption will be worth it. Less than a third of respondents felt that their organisation would take meaningful action if they reported corruption, so it is important for organisations to demonstrate to employees that they value reports and will take appropriate action.

A further barrier, which provides an opportunity for awareness raising, was the relatively low level of reporting literacy, illustrated by only a third of respondents stating that they were confident that they knew how to report corruption.

6.4 Organisational culture and support

While there was only a small difference between reporting willingness levels when comparing state government and local government respondents, there were more substantial differences observed when considering the impact of organisational culture on preventing corruption and knowledge of reporting processes.

Only four per cent of state government respondents felt that their organisation had strong corruption prevention policies in place, while more than half of the local government respondents had the same belief. Local government respondents showed higher confidence in their organisation providing a culture where people were encouraged to act with honesty and integrity, and they were more likely to know how to identify and report corruption than state government respondents. The findings suggest Victorian state government agencies can do more to make employees aware of their systems to prevent corruption.

IBAC has an important role to inform the Victorian public sector and community about the detrimental effects of corruption and the ways in which it can be prevented. The findings from this research will inform the development of IBAC’s prevention and engagement activities.