INTEGRITI
INSTITUT INTEGRITI MALAYSIA
The Malaysian Institute of Integrity

HOW CAN I ENSURE MY COMPANY IS PROTECTED AND CORRUPTION FREE?

Corruption?

Corruption is the act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his/her job description.

Cause of Corruption?

Political and economic environment

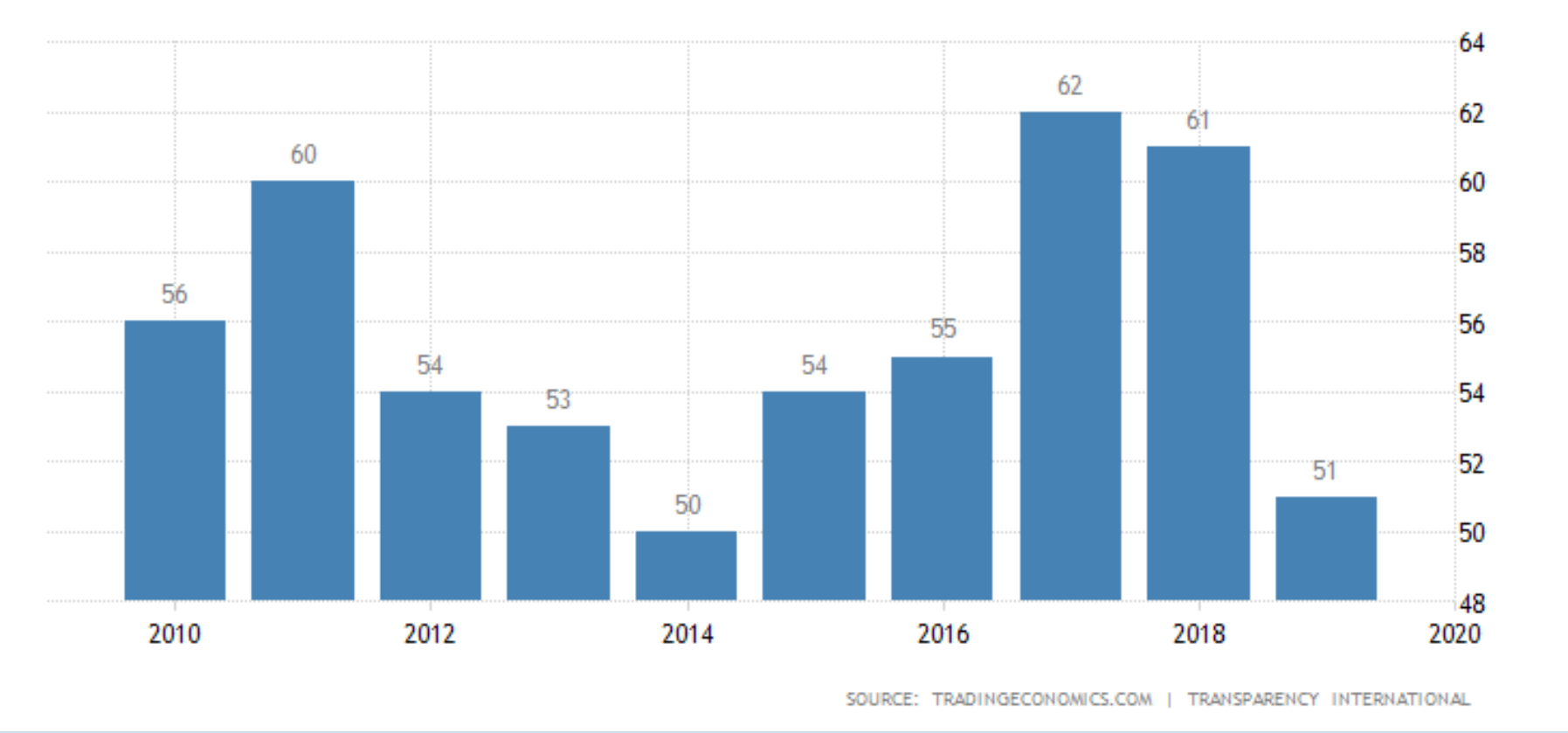
Professional ethics and legislation

Habits, customs, tradition and demography

Low media freedom

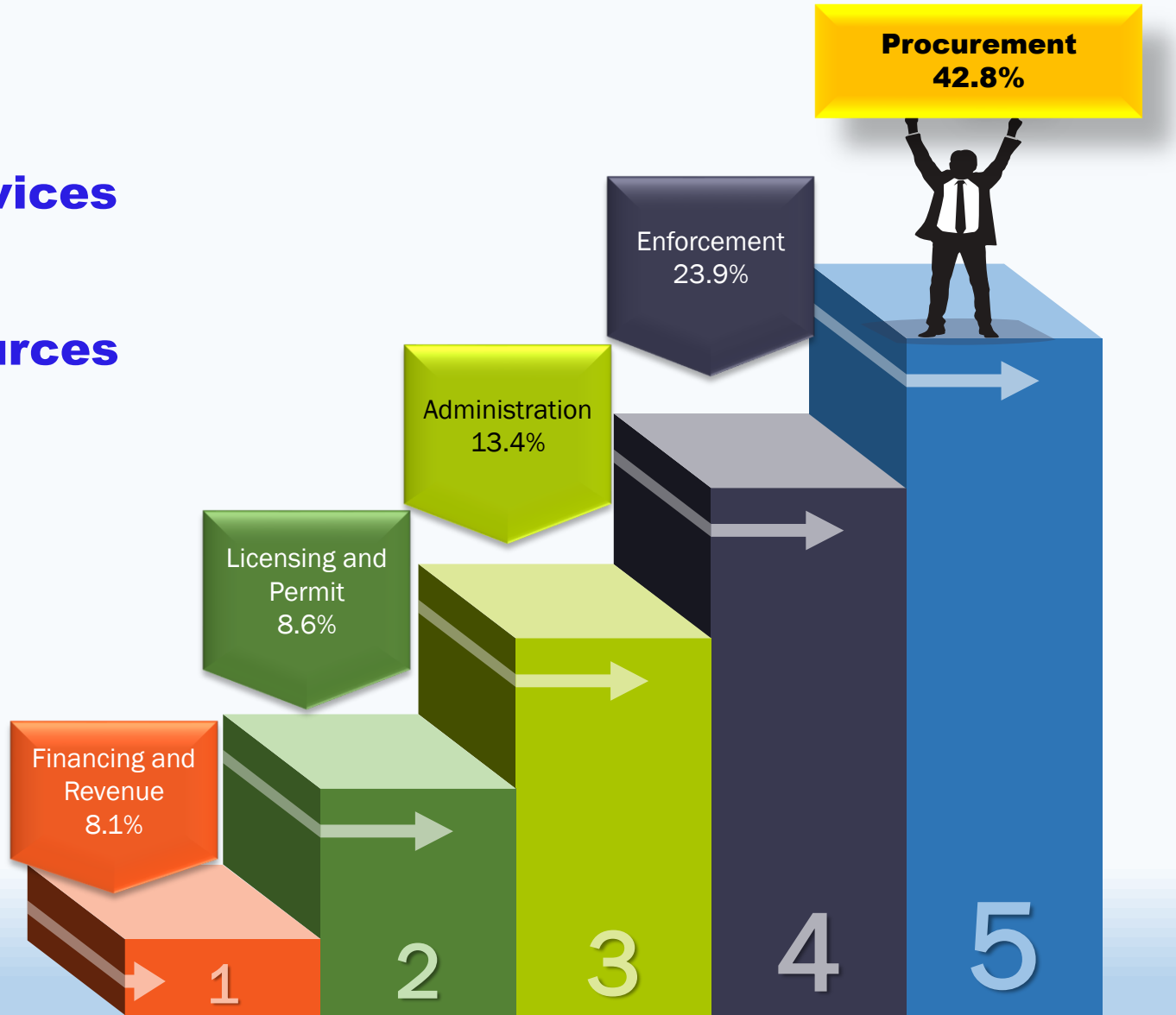
Malaysia Corruption Rank

Malaysia is the 51 least corrupt nation out of 180 countries, according to the 2019 Corruption Perceptions Index reported by Transparency International.



Industries in Malaysia Most Affected by Corruption

- **Construction**
- **Financial Services**
- **Retail**
- **Natural Resources**



Factor of Corruption

- Low salary, threats, low morale
- Using bribery to win contracts
- Implementation of projects without much monitoring
- Taking shortcuts to meet targets by companies when economic times are tough
- To get rich quick syndrome
- Giving of bribe as customary act
- Tough economic times and increased competition

Principle of Prevention

1. Avoid Risk

Effective way of avoiding risk is to entirely eliminate the hazard that gives rise to risk in the first place. Analyze the corruption risk

2. Adopting effective and coordinated policies against corruption. Developing a coherent anti-corruption policy which identifies the causes of corruption and commits to practical, coordinated an effective measures to address these causes.

Principle of Prevention

3. Fair and transparent system of procurement.
Establishing a procurement system, built on the principles of objectivity, transparency and competition.

4. Strengthening the integrity within the company.
Ensuring the administration of the company is transparent, accountable to the staff, free of conflicts of interest, free to be reported and operates on the basis of clear rules.

Effect of Corruption

1.
   - **Organisational impacts of corruption**
     - ➢ **damage to employee morale**

2.
   - **Individual impacts of corruption**
     - ➢ **disciplinary action**

3.
   - **Community impacts of corruption**
     - ➢ **lower community confidence in public authorities**

Any Question?