

Unpacking the lived experiences of corporate bribery: a phenomenological analysis of the common sense in the Indonesian business world

Nadiatus Salama and Nobuyuki Chikudate

Abstract

Purpose – *This study aims to investigate the meaning and lived experiences of Indonesian businesspeople who are engaged in corporate bribery.*

Design/methodology/approach – *This study takes a phenomenological approach to gain a deeper and more intense understanding of the real-life experiences of top executives, middle managers and lower-level employees in private companies in a broad range of medium-to-large enterprises in Indonesia.*

Findings – *The analysis resulted in three themes regarding corporate bribery: reasons, rationalization and effects. The results provide a deep and intricate understanding of bribery in the organizational context in general and among Indonesian businesspeople in particular.*

Practical implications – *This study has significant implications for practice because the results revealed how corporate bribery has been conducted and justified in the real practice of the Indonesian business world. Especially for managers who work in multinational corporations, they should consider the results of this study to avoid bribery practices in Indonesia.*

Originality/value – *To the best of the authors' knowledge, this study is the first to investigate the reasoning and mindset of focal people who committed wrongdoings in the Indonesian business world. The findings provide evidence that businesspeople are imbued with the calculating rationality of a profit-focused mindset.*

Keywords *Corruption, Bribery, Qualitative, Business ethics, Indonesia, Islam*

Paper type *Research paper*

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Introduction

Bribery is a key risk for businesses throughout the world. Companies are not the only entities involved in bribery, but businesses have been singled out as among the leading suppliers of bribes paid to corrupt government officials. However, pervading some businesses in Indonesia, bribery creates an environment in which other forms of crime can also thrive.

In terms of corruption, including bribery, Indonesia ranks 102nd out of 180 countries in [Transparency International \(2021\)](#) Corruption Perception Index. Based on a report by [Komisi Pemberantasan Korupsi \(2018\)](#) (KPK or Corruption Eradication Commission), approximately 62.3% of the corruption that was examined by the commission involved bribery. According to the World Gallup Poll, in 2012, 88% of Indonesian citizens stated that corruption was widespread in the Indonesian Government, and 82% claimed that it was also widespread in the business sector ([Crabtree, 2013](#)).

According to the [World Bank \(2015\)](#), companies in Indonesia have received at least one bribe payment request (30.6%) and are expected to give gifts to obtain an import license

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(45.7%) and to public officials “to get things done” (21%). In a survey of legal and compliance professionals, 30% of respondents who did not give bribes reported losing contracts because of bribery by their more successful competitors ([Institute of Business Ethics, 2017](#)). The 12th Global Fraud Survey ([Ernst and Young, 2013](#)) found that 60% of Indonesian respondents tolerated the practice of making cash payments for bribes to gain new business. Additionally, 44% of respondents claimed that providing entertainment to sustain business was acceptable.

Although the phenomenon of bribery has been discussed, there are still few data on bribery practices in Indonesian business. Many previous studies have used perception-based index survey methods and statistical analyses. It is true that the data and analyses based on these techniques are valuable, but in-depth investigations into corporate bribery are rare. There are various reasons for this. First, it would be unsafe for researchers to investigate bribery because too many people are involved in these invisible networks of crime. As a result, the lives of those who investigate bribery would be threatened ([Postero, 2000](#)). Similarly, whistleblowers who reveal wrongdoing may be subject to intimidation, retaliation and harassment by their superiors or coworkers due to their treachery or spying ([Banisar, 2011](#)). Second, in the study of corruption, rapport must commonly be built through prolonged social interaction. Only those who gain access to information can obtain more in-depth information on successful bribery strategies. Finally, it is difficult to investigate corruption, including bribery, because bribery practices have never been made explicit ([Lazar, 2005](#)).

Even under these conditions, we attempt to investigate the phenomena of corporate bribery in Indonesia. The following sections consist of literature review, research design, results, discussion and conclusion.

Literature review

Definition of corporate bribery

Bribery practices belong to a broad definition of corruption ([Jain, 2001](#)) and are closely identified with corruption. [Transparency International \(2009, p. 5\)](#) defined bribery as:

The offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages (taxes, services, donations, etc.).

In this study, we focus on bribery practices involving many organizational members in a given corporation that would be called a corruptive organization. [Anand et al. \(2004, p. 40\)](#) define organizational corruption as “misuse of an organizational position or authority for personal gain or organizational (or subunit) gain, where misuse in turn refers to departures from accepted societal norms.”

Corruption in an organization can be a top-down phenomenon in which members are engaged in corruptive behavior collectively. [Pinto et al. \(2008\)](#) claim that a top-level management team organizes corruptive activities. According to [Brief et al. \(2001\)](#), organization-level corruption is qualitatively different from corruption on an individual basis. Once corruptive practices become habitual in certain organizations, the members tend to be systemic in their practices and take such practices for granted.

Approaches to bribery studies

Below, we will discuss various approaches to bribery, such as politics, economics, religion, history and culture, all of which can play a role in the dynamics of corporate bribery in a variety of ways. We also use those perspectives in the analysis of corporate bribery phenomena through the lens of perpetrators' experience.

Politics. The difficulty of separating politics and bribery is widely believed. Weaknesses in political institutions and structures have a significant impact on how bribery is regarded around the world (Mensah, 2014). The political structure (Treisman, 2000; Fisman and Gatti, 2002), government regulations (Lambsdorff and Cornelius, 2000) and the nature of political environments, including electoral rules (Persson *et al.*, 2003), may be relevant to explaining corruption. A study by Dong and Torgler (2009) demonstrates that the growing interest of people in politics has an impact on the reduction of corruption, which would benefit society by controlling the country's voice and transparency. Regarding bribery in Indonesian bureaucracy, Kuncoro (2004) argues that interjurisdictional competition for firms reduces the level of red tape, and higher sources of tax or intergovernmental revenues help to reduce corruption. There is more evidence of regional decentralization, as government officials and legislators have a more prominent role in local corruption practices (Henderson and Kuncoro, 2011) that come in a variety of shapes, sizes and forms (Kuncoro, 2004, 2006). In the case of rampant bribery in Indonesia, the majority of businesspeople bribe public officials to expedite or finish transactions to advance their business (Kuncoro, 2006).

Economics. Economic conditions could potentially affect bribery because it depends on natural resources as a source of income (Leite and Weidmann, 1999; Robinson *et al.*, 2006). Bribery may be viewed by practitioners as an instrument or transaction cost for their economic rationality. However, there are paradoxical impacts at the country and organization levels. At the country level, high economic competition has a negative impact on corruption (Treisman, 2000; Wu, 2005). Hence, market competition may help decrease corruption. In contrast to these findings, the organization-level literature emphasizes how a fiercely competitive business environment motivates organizational members to participate in corrupt practices (MacLean, 2001; Zahra *et al.*, 2005). Competition to obtain contracts, customers and profits stimulate organizations to drive their employees by engaging in illegal business practices (Ashforth and Anand, 2003; Brief *et al.*, 2001). Meanwhile, concerning profits, Svensson (2003) states that the amount of bribes that are paid by a firm is not related to the degree of reversibility of the capital stock. For Indonesian contexts, we have little knowledge of how practitioners use economic reasoning when engaged in bribery.

Religion. Religion may influence the perception and behavior relating to bribes because it defines the range of acceptability of bribery practices. O'Fallon and Butterfield (2005) say that there is a significant statistical link between religion and ethical decision-making. Paldam (2001) also argues that there is a relationship between religion and corruption. On the other hand, some studies demonstrate that there is no relationship between religiosity and dishonesty, cheating and ethical behavior (Batson *et al.*, 1993; Clark and Dawson, 1996). Thus, there is no correlation between religion and corruption (Gokcekus and Ekici, 2020; North *et al.*, 2013). It may be concluded that practicing religious teaching does not always reflect that individuals have integrity and reject corruption. Corruption is absolutely an individual choice. Indonesia is known as a Muslim country where the majority of nationals have faith in Islam. However, we have little knowledge of how Islamic faith influences bribery practices in Indonesia.

History. Bribery can be studied as a historical phenomenon (i.e. Goel and Nelson, 2010). Treisman (2000) studied some influences of rituals, traditions and colonization on the extent of corruption. For Indonesia, bribery can be considered a legacy of the old, agriculture-based kingdoms of Java that existed before the precolonial era around the 10th century. Kings had absolute power and control over their people; they typically relied on natural resources and the loyalty of high-ranking officials to secure their power. Taking advantage of official positions for self-enrichment was not regarded as corruption if it did not disrupt economic stability or incite public rebellion (King, 2000). The Dutch arrived in Indonesia in the late 16th century, and they colonized the country for 350 years. Colonial history has had a significant impact on numerous aspects of Indonesian lifestyles. It is not a coincidence

that the contemporary characteristics of Indonesian business today are similar to those of the Dutch United East India Company (Vereenigde Oost-Indische Compagnie) before its bankruptcy in the 18th century. Thereafter, even after colonization, bribery practices continued and became widespread in Indonesia. Thus, it was not surprising that the Suharto regime, which ruled for 32 years, continued and tolerated bribery in the government and business (Vial and Hanoteau, 2010).

Culture. Regardless of different political and economic backgrounds, corrupt countries share cultural characteristics. Therefore, discussing cultural attitudes and norms to explain bribery is important. In corporate bribery, money is considered a fertilizer when it engenders social relations in Indonesia. Social relations support patronage networks in shaping institutionalized corruption. Suhardiman and Mollinga (2017) investigated the logic of the *upeti* (a tribute paid to the king by his followers) scheme in Indonesia that reflects the patron-client relationship. In the *upeti* system, bribe givers appear to be the active parties who initiate giving bribery, while bribe takers appear to be passive victims who receive bribery. However, if we look deeper into this issue, bribe takers have pressured and demanded bribe givers to give bribery. Bribe takers can determine and control who will be chosen as a “winner.” These outdated and abused traditions have lingered in Indonesia until today. Furthermore, in Indonesia, bribery relationships are frequently disguised as “a ‘gift relationship’ among ‘friends’” (Henderson and Kuncoro, 2004, p. 5) rather than being viewed as unethical.

Previous studies offer background explanations for corporate bribery phenomena in Indonesia. For example, historical and cultural approaches describe the roots of bribery practices. Because of these roots, bribery practices have been *taken for granted*. However, the taken-for-granted assumptions that are shared by Indonesian businesspeople have not yet been investigated. This notion of taken-for-granted assumptions has been a major research subject in phenomenological studies (Schütz, 1962). By applying phenomenological methods, it is also possible to unpack the taken-for-granted assumptions by exploring the meanings of bribery and lived experiences (Chikudate, 2000) among agents who were involved in bribery practices. Thus, we conducted a phenomenological inquiry based on the following research questions to investigate the nature of corporate bribery in Indonesia:

RQ1. What leads people to commit corporate bribery?

RQ2. How do people working in Indonesian corporations rationalize corporate bribery?

RQ3. How do the practices of corporate bribery influence employees?

Method

Phenomenology is an effective philosophical method for investigating unexplored topics (Campbell, 2015). Moustakas (1994) notes that the purpose of phenomenology is to establish what an experience means for a human who has had that experience and who can provide an exhaustive description of it. In this approach, it is assumed that objective understanding is mediated by the subjective experience of the participants, not constructed by outsiders' opinions (Dukes, 1984). Furthermore, phenomenological research seeks the self-construction or justification of truth in subjective and/or *intersubjective lifeworlds* regardless of evidence and facts. In this study, we are particularly interested in revealing the mindsets and reasoning with which Indonesian businesspeople rationalize bribery practices.

Participants

A phenomenological method uses purposeful sampling (Miles and Huberman, 1994) and does not require large sample sizes because the objective of this method is to encourage participants to reveal the meanings of particular subjects and their lived experiences

(Dukes, 1984) at deep levels. For phenomenological studies, Creswell (1998) suggests interviews with up to 10 participants, while Morse (1994) recommends at least six participants to capture the essence of the experience. In phenomenological research, there is *no specific rule* for determining the appropriate sample size. Thus, data saturation will never be achieved because the findings in this study emphasize the uniqueness of every human experience (Ironside, 2006).

It may be true that measuring bribery by using large sample sizes is unrealistic. Some potential respondents may wish to remain anonymous or avoid being questioned about their unethical behavior. Some companies may also have been reluctant to give researchers free access for fear of raising employee expectations or devaluating their image. Gaining access to the fields of corporate bribery and collecting informants is also difficult because of their hidden, secret and deviant cases (Collins *et al.*, 2009). In this study, one of the authors conducted interviews with inmates in a prison.

We conducted in-depth interviews with 10 informants who had experience offering corporate bribery and were able to articulate it in their own words, consistent with the research questions.

We used abbreviations for the informants throughout the data extraction. To maintain anonymity, we removed all identifying information about individuals and organizations.

Data collection and analysis

Before the interviews, we contacted the informants and asked whether they would like to participate in this study. After arriving at the interview sites that were chosen by the interviewee, the informants provided informed consent. The informants were informed of the purpose and nature of this study.

Because this study involved human subjects, this research was guided by the ethical guidelines of the Belmont Report, which emphasize respect for persons, the principle of beneficence and justice or fair treatment of all subjects (NCPHSBBR, 1979). Additionally, we gave the research proposal and letter of permission to the Ministry of Law and Human Rights of the Republic of Indonesia to obtain approval to enter the prison. Afterward, one of the authors showed the letter of permission to the head of the prison service to conduct an interview with the inmates.

The interview format was a one-on-one interview without any interactions between the participants. All interviews were taped on a voice recorder and then transcribed. Transcripts are meticulously coded, with the emphasis shifting back and forth between the informant's point of view and the researcher's interpretation of the meaning of these. During and after the interviews, we analyzed the overarching themes. The analysis was largely inductive, "bottom-up," and did not begin with preformulated hypotheses.

We used Moustakas' (1994) phenomenological method to analyze the interview data. Moustakas (1994) used a modification of the Stevick-Colaizzi-Keen method of analyzing phenomenology. This process involves epoché, bracketing, horizontalization (essential statements), textural descriptions (meaning units), imaginative variation or structural descriptions and the essence of the experience.

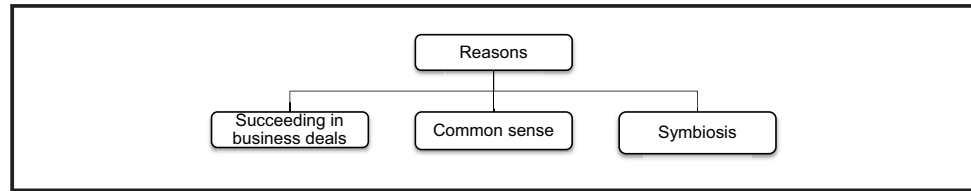
Results

The analysis revealed the following three essences: reasons, rationalization and effects. Below are the detailed results of the interviews.

Reasons

This essence generally concerns the reasons for bribery in business and consists of the following three subessences: succeeding in business deals, common sense and symbiosis (Figure 1).

Figure 1 The reasons for bribery



Succeeding in business deals. This subessence involves the motives for conducting bribery in business. More than 50% of the participants felt that bribery was a strategy to survive and to secure business deals in a competitive business environment. For example, “In fact, if companies do not give bribes, the products may still be bought by other buyers. Nevertheless, the profit for the company is smaller than if I didn’t give a bribe to the client who purchased large amounts of our products” (P1). For P1, as a bribe giver, the strategy to maintain the business was to give bribes to clients to increase the opportunity to obtain profits. Theoretically, it is ethical not to give bribes to clients, but the consequence is that the percentage of the profit would be smaller compared to when bribes are not given. In this situation, it is legitimate to praise employees who secure business deals, as they are considered to be loyal and dedicated to their organizations, who need to survive in business.

Another participant offered a similar statement: “The competition in this industry is very tight. There are thousands of products to sell. This situation forces us to engage in bribery, and if not, it is difficult to retain business with those who purchase our products” (P5).

The fierce and pervasive competition to secure business opportunities in lucrative markets escalates the pressure on companies. Participants tend to fear losing profits and customers. Consequently, P5 and all other participants in this study were engaged in a variety of strategies to increase the likelihood of success and financial payoffs.

In corporate bribery rituals, once corporations start to use bribery as a strategy, they must continue to bribe, often paying larger bribes merely to maintain their position. In other words, once bribe givers become involved in bribery, it becomes difficult for them to find a way out of this predicament. They will continue to give bribes; otherwise, the bribe takers might choose another competitor who offers a larger bribe. In this sense, paying bribes is assumed to be an inevitable cost of conducting business. As a result, the vicious practices of bribery are not easily broken but are established as a convention in the Indonesian business world.

Common sense. Bribery was considered common sense by some Indonesian businesspeople, with one stating that it “is assumed that the sector of the world taken for granted by me is also taken for granted by you, my individual fellow man, even more, that it is taken for granted by ‘Us’” (Schütz, 1962, p. 12). As bribery is a common practice in business, both those who are giving and those who are receiving bribes might assert, “Everyone does it.” P2 explicitly expressed this phenomenon: “Because other companies engage in bribery, we do that as well. Otherwise, we would collapse.”

As a manager of a company that has more than 2,300 employees, P2 engaged in bribery because other companies also gave bribes. For him, this activity was not bribery. He argued that he was merely doing business by being involved in bribery, which he considered to be normal. If he was not engaged in bribery, he feared that his company would be ruined.

Likewise, P5 had similar reasoning about bribery. He believed that bribery was a standard strategy to help the company survive. For example, “Offering bribes to clients is considered a standard operating procedure (SOP) by my company to obtain market share. If not, they will laugh at us” (P5).

As a member of the marketing staff, P5 had learned much about transparent and modern business administration. However, P5 wanted to work in a “normal” way like any other employee in his company because he was still a junior employee. As a result, P5 conformed to the *norm*, collective behavioral expectations (Habermas, 1988), that existed in his workgroup, whose other members were all engaged in bribery practices rather than acting differently from others. He was encouraged to conform to a sociocultural logic by the market environment and organizational culture.

P6, a manager, explained that bribery had long been a common tradition in business. Companies caught making bribe payments have sometimes argued that they cannot operate effectively or at a profit without conducting unethical business practices. He said, “When I was caught red-handed by KPK because of a bribe, that was not my first time giving a bribe. Bribery has been a long tradition and culture in business. It has been done for many years in my company.”

The bribery offered by P6’s company to the bribe taker continued from June 2009 to November 2014 through an agreement to pay bribes in monthly installments. This was a component of a routine process of bribery between P6 and local government officials as bribe takers. When he was appointed, the amounts increased from month to month. In addition, his company sometimes gave more significant bribes than regular payments. In total, the value of the bribes reached Rp 18.85bn (US\$1,314,436). For this misconduct, the court sentenced P6 to three years in prison and ordered him to pay a fine of Rp 250m (US \$17,433), whereas the bribe taker was imprisoned for 13 years and was ordered to pay a fine of Rp 3bn (US\$209,194) (KPK, 2016).

P6’s case indicated that there is an interlocking pattern of bribery derived from a long relationship between bribe givers and bribe takers. This case is not surprising because the more often bribes are given, the more sensitive to and more skilled at illegal practices those who give bribes become. Bribe participants know the perfect time and place to give bribes. As bribery must be hidden from the public eye, it is carried out with no specific location. Participants have the skills to know when to remain silent and to keep information confidential to protect their clients. Managers and marketing staff frequently deal with sensitive details. They always keep information and secret to themselves. In illegal business, establishing trust and being able to keep those secrets is truly valuable.

Symbiosis. This subessence describes bribery as a symbiosis between bribe takers and bribe givers conducted by a mutual agreement between them to promote benefits for both parties. For example, as P5 argued, “It could be a reciprocal need, like symbiotic mutualism. The company wants the products to be sold, whereas the client wants to get an extra payment other than official wages.”

Some participants stated that when they gave something to bribe takers, the bribe takers were more inclined to buy their products in the future. The bribe givers then felt compelled to give something back in return to encourage repeat purchases, if necessary. This was the principle of reciprocity in corporate bribery in Indonesia. This reciprocity then became a common characteristic of most bribery situations. Eventually, it became difficult to break the relationship between bribe givers and bribe takers.

The methods of carrying out bribery are varied. Treating clients to thousands of dollars’ worth of entertainment and hospitality was a common practice. However, it was not too expensive for bribe givers to achieve desirable results. For example, P1 routinely gave an inexpensive small bucket of palm sugar to one of his clients. He said, “I tried to gather information about what my client liked. Apparently, he liked to snack on palm sugar [...]. Finally, I brought palm sugar for him [...]. Therefore, I continued to be remembered and expected (by him). He looked for me when the palm sugar ran out” (P1).

P1’s situation implies that bribe givers are actually quite competent salespeople, not only in the sense of selling their products but also in the sense of building and maintaining long-term

relationships with their clients. These acts of bribery were encouraged to maintain continuous, robust and intense relationships between companies and clients. This subessence indicated that it was a prerequisite for salespeople to be involved in bribery to maintain business deals with clients. As a result, corporate bribery has become a common element and a symbiotic function of the marketing apparatus in the business practices of Indonesia.

Rationalization

This essence generally indicates the rationalization of bribery among businesspeople in Indonesia. It also consists of three subessences: contracts, not harming others and rational calculation (Figure 2).

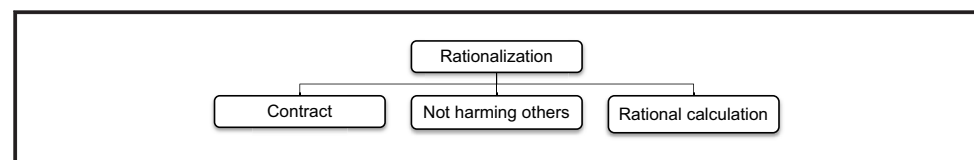
Contracts. This subessence describes the rationalization of bribery as a contract or an agreement. For example, P2 stated, “For me, this is just a contract, not a bribe.” P2 denied that his action was bribery. As anyone who became involved in business transactions agreed, P2 and his clients agreed to make contracts. Later, P2 stated that he also gave a rebate if he wanted his product to be bought by clients. These practices were common before business transactions were completed in Indonesia. As a result, the rebates in these business transactions were added to the prices of goods and services. Then, consumers eventually have to pay extra cash.

P2’s view was that business transactions between sellers and buyers were based on voluntary agreement but not coercion. As a result, even though he acknowledged his activities were bribery, he did not want to believe what he did was bribery because other parties voluntarily agreed to receive the bribes. P2 assumed that these negotiations were lawful because everyone who was involved in these business deals agreed with the contracts. Bribery participants continuously feigned ignorance and used various strategies to rationalize their behaviors when engaged in bribery situations.

Not harming others. This subessence illustrates that bribery participants were convinced that their practices did not harm other people. P7, for example, mentioned this reasoning: “This is not a bribe. I think this is not bribery because no one gets harmed. Additionally, we do this transparently, not secretly.” P7, as a business owner of a corporation, claimed that bribes were not harmful to the general welfare of a given society. Thus, according to him, there was no significant reason to prohibit such transactions because they should not have been regarded as illegal or illegitimate businesses. P7’s statement reflected that he did not recognize that corporate bribery might be detrimental to any other members of the Indonesian business community, especially to smaller firms. Small businesses with less capital and fewer assets do not have enough money for luxury bribes. In this situation, corporate bribery makes large corporations richer and small businesses poorer.

Rational calculation. This subessence indicates that informants believed bribery was financially rational. For example, P9 mentioned that “giving a bribe indeed reduces the profit of the company in the short term. However, profit and loss rates have already been calculated for the long term. There is no such thing as a free lunch” (P9).

Figure 2 The rationalization of bribery



The excerpt above indicates that bribery participants often rejected the idea that corporate bribery was an offense in business. They justified bribery by rationally calculating both short-term and long-term business benefits for their own sake.

Even though the bribe participants in this study were knowledgeable, well-educated and religious persons, these characteristics did not influence the integrity of individuals. The results of this study indicated that 90% of the participants held bachelor's and master's degrees. The majority were also consistently engaged in religious activities, such as praying five times per day and fasting during the Islamic holy month of Ramadan. They also avoided practices forbidden by Islamic law. For example, they abstained from pork and alcohol. Thus, while Islam may influence some human behaviors, it does not always have an impact on restricting bribery practices in Indonesia.

In summary, the findings provide evidence that the participants rationalized corporate bribery by considering it not as bribery but as part of a contract. They argued that this unethical conduct did not harm others and they engaged in corporate bribery based on rational calculations.

Effects

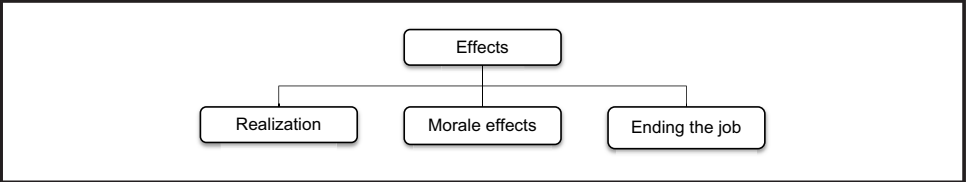
This essence depicts the aftereffects of bribery in business. Although the informants stated that bribery did not harm anyone, they thought that it was morally problematic because it violated the fairness principle and undermined other small and medium-sized businesses, societies, communities, governments and laws. This essence consists of the following three subessences: realization, morale effects and ending the job (Figure 3).

Realization. This subessence indicates that the informants acknowledged what they had done was bribery. For example, “For me, a bribe may be taken to fulfill requests. A bribe is a dirty act. One of the characteristics of a bribe is giving something with a certain purpose but in a wrong way” (P5). Bribery, according to P5, is not only immoral but also the wrong way to achieve organizational goals.

Morale effects. This subessence indicates that corporate bribery affects informants' morale in their workplace. For example, P5 mentioned that “working in a workplace in which bribery occurs affects my work morale. Bribery does not make me feel at peace.” P5's statement suggests that corporate bribery eventually resulted in a reduction of employees' morale. However, as a young employee, P5 had no choice but to stay in an organization that encouraged bribery. However, he thought that he was too weak to change the environment of his workplace, which encouraged bribery. In this condition, the voices of some employees have been marginalized. P5, as a junior employee, was required to follow the policies that were decided by the leadership or by senior employees, regardless of his opinion. For him, it was challenging to go against a local milieu encouraging wrongdoing or to change coworkers' minds and the organizational culture.

Ending the job. This subessence indicated that some people tried to leave situations of corporate bribery by quitting their jobs. For example, P4 said, “Frankly, I am so grateful I got out of my previous workplaces that were involved in bribery” (P4). P4 and some other participants in this study eventually ended their involvement in corporate bribery because of their ethical consciousness. However, it was likely that others with the same feelings and the

Figure 3 The effects of bribery



same sense of responsibility were still engaged in corporate bribery. If their workplaces were untenable, the easiest way to escape from questionable working conditions was to quit and start looking for new employment elsewhere. However, adjusting to a new job can be a challenge; new employees must learn new skills, find a new routine and get used to a new organizational culture. Furthermore, this gives those who quit a paradoxical situation. They feel comfortable leaving their jobs to protect themselves. On the other hand, it requires real courage to leave a job when one does not yet have another job arranged.

In conclusion, although bribery is unethical in business, the participants did not realize that their practices were improper strategies and thought they were inevitable to survive in a competitive business environment. However, some employees felt that engaging in bribery or observing others' bribery practices worsened morale in workplaces, and some confessed that they had to quit their jobs because they could no longer tolerate their immoral organizational culture.

Discussion

In general, we found that organizational members tended to dismiss ethical considerations and care only about their own benefits in business. It was also normal to win tenders and increase profits through unlawful practices, and they were prone to becoming entrapped in these practices, which, in time, appeared normal (Chikudate, 2000; Gino and Pierce, 2009). Furthermore, they justified bribery practices as a survival strategy, and they pragmatically distorted ethical considerations (De Cremer and De Bettignies, 2013). In this way, many corporations tend to use bribery as a method to secure or facilitate business deals (Liu *et al.*, 2017) in Indonesia.

Because of these pragmatic interpretations of bribery and the economic rationality justifying bribery, many corporations in Indonesia tended to create and maintain norms that forced their staff members to engage in misconduct. Then, the members believed that bribery practices would secure their profits in Indonesia. In this situation, many members of Indonesian corporations were compelled to conform to existing norms, even if they were aware that their actions were unethical. As a result, it was nearly impossible for Indonesian corporations to resist doing business with bribed corporations because practitioners believed that all other organizations engaged in such business practices (Brooks, 2016). Given these phenomena, the members were in a state of *collective myopia* (Chikudate, 2015, p. 2), describing "the situation in which the members of certain communities or organizations are able to make sense in and of each context in which they live, but are not able to monitor the emerging order or pattern as a whole created by themselves." In collective myopia, malpractices continue within the same organizations as well as the same sectors of the economy. If companies refuse to participate in bribery, they find themselves in difficult situations later (Hess and Dunfee, 2000) because they may be perceived as unusual by others.

Furthermore, we revealed that bribery in Indonesia was justified for the sake of individual benefits. Both bribe givers and bribe takers expect that their income will significantly exceed their formal entitlements. A regular salary may not be sufficient to survive and fulfill one's needs, and extra earnings may be necessary to provide for one's family (Brooks, 2016) or for luxury vehicles. On the other hand, bribe givers may obtain bonuses or promotions (Campbell and Göritz, 2014). Employees collaborate with their colleagues to achieve a goal and increase their organization's profits (Palmer and Maher, 2006; Pinto *et al.*, 2008). In this way, both salaries and bribes are sources of income for organizational members. As a result, they could no longer judge their bribery practices as wrong and unethical.

We also found that some employees who did not acknowledge ethical principles were likely to accept corporate bribery. They tended to be newcomers. By observing the approval of unethical practices in their workplaces, they directly perpetuated corruption within the organization (Beugré, 2010). As newcomers to organizations, they were expected to be loyal and involved in or, at least, to remain silent about bribery. This condition is the result of Indonesian culture's oligarchic tradition. In this situation, reducing the centralization of

powers held by senior employees who force younger people would be a clue to changing the existing norms facilitating bribery.

The results of this study also imply that corporate bribery scandals often involve well-known and influential people who might be colleagues, neighbors, acquaintances and even friends in Indonesia. Additionally, they are often regarded as noble and generous people in society. According to Tidey (2016), when respected people are engaged in bribery, it is far more difficult for average people to condemn them. Sanctions against reputable people or organizations who are engaged in unethical activities are also weak (Kihl *et al.*, 2018). As a result, bribery has been institutionalized in *common sense* (Schütz, 1962). Common sense is one of the most difficult subjects to judge because it is part of an intersubjective lifeworld (Schütz, 1962). Although we do not dismiss any initiatives to institutionalize compliance, we suggest that they should reflect on their rationalizations and dissolve the *spell-binding power of normative controls* that operate as the norm in the Indonesian business world (Habermas, 1987) if people are serious about terminating bribery. The deconstruction of normative controls is considered a type of rationality, but not in an economic and *instrumental* sense, in the process of modernization (Habermas, 1987).

Conclusion

In this study, we conducted a phenomenological study to investigate the meaning of bribery and the lived experiences of those who were involved in corporate bribery in Indonesia. Rationality in the Indonesian business world tends to be synonymous with egocentrism, by which people are urged to seek profits by any means, and businesspeople also seek a “rational” choice for their own corporations, among many other choices (Montigny, 2015). Their scope of rationality does not include the negative impacts on society they live in; they do not see their own society as a law-bound system. As a result, it is difficult for them to distinguish bribery as a morally bad behavior from behavior considered “as ‘being good’ or ‘doing things right’” (Tidey, 2016, p. 665).

We also found that this reasoning could endanger morale among workers. Corporate bribery has negative effects on employees’ performance, including a lack of motivation (Serafeim, 2014; Anand *et al.*, 2004). Furthermore, corporate bribery often makes employees leave their jobs. Thus, while corporate bribery may be viewed as an effective short-term strategy, corporations may eventually lose their most valuable strategic assets and their members’ capabilities and integrity in the long run.

In the future, the results of this study should be compared across cultures; bribery may be a phenomenon that spreads across cultures to some degree. New meanings and reasoning for bribery may be found in different historical, cultural and religious contexts, and some of these findings may be repeated. For example, Malik and Qureshi (2020) mentioned *biradari* (Urdu language), implying an “extended family,” brotherhood or tribe. Pakistanis have responsibilities, not only to their families but also to their *biradari* to live a decent life. However, if their income is underpaid, it compels them to take a bribe. Both Pakistan and Indonesia are Islamic societies, and their governance systems have complex histories, encompassing kingdoms and colonization. Perhaps conducting comparative analyses to find similarities and differences using in-depth data would produce transcultural knowledge (Chikudate, 2015), which academicians, practitioners who work for multinational corporations, lawyers, compliance officers and regulators would find beneficial.

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