

## **Misconduct resistance: The management of restricted drugs in the Western Australian public health service**

### **Abstract**

We employ institutional theory to develop and present a framework – involving institutional drivers, organisational reactions, and outcomes – to examine and further understand misconduct resistance in public sector organisations. This framework is applied to an examination of efforts in the Western Australian public health service to prevent misconduct in the management of restricted drugs. We begin by clarifying a definition of misconduct resistance and then synthesise the extant literature develop a typology and framework of corruption resistance. The second part of the paper is a study in which the framework is applied to an examination of why and how the Western Australian public health service has endeavoured to prevent misconduct in the management of restricted drugs. Top-down imposition of regulations rather than shifts in individual employee attitudes is found. The paper concludes by outlining the potential contributions to theory and practice in approaches to increasing misconduct resistance in public health care organisations.

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## **Introduction**

Public sector organisations that are able to resist misconduct are desirable and necessary to ensure the effective delivery of public services and maintain public confidence in the workings of government. There are number of contemporary challenges in misconduct resistance research relating to the development of theorisations that can be applied to a range of situations and contexts, conceptualising it as an on-going process, and creating systems that go beyond a simple checklist approach (Menzel, 2007). To date, progress has been hampered due to the elusiveness of a definition of misconduct resistance and inconsistent use of the term. Indeed ‘misconduct’ has been used interchangeably with other terms such as ‘unethical behaviour’ and ‘corruption’. Using such broad terms can be problematic if they are not clearly delineated. For example, it is important to separate deviant behaviour (breaking organisational policies and procedures) from behaviour that is illegal (breaking civil or criminal law). The former may be termed unethical but not illegal (misconduct) while the latter is both unethical and illegal (serious misconduct/unlawful/corrupt behaviour) (e.g., Gottschalk, 2012; Newburn, 1999). This may be illustrated by contrasting two definitions. The first is ‘when public officials ... use their position and power to benefit themselves and others close to them’ (Vian, 2007, p.84) and the second is ‘the pursuit of individual interests by one or more organisational actors through the intentional misdirection of organisational resources or perversion of organisational routines’ (Lange, 2009, p.710). The first definition refers to serious misconduct or corruption as it involves (illegal) abuse of power for personal gain. The second refers to a broader set of behaviours that range from misconduct through to illegality and corruption.

An effective framework for examining misconduct resistance needs to be integrative in several ways. First, the framework requires a definition of misconduct resistance that is broader than that which is seen in the extant literature, and it must draw on and synthesise knowledge and concepts from existing theory. This will make the framework potentially valuable and relevant to public sector administration researchers and practitioners. This enables researchers to examine misconduct resistance systems as a whole or to focus on its various components and/or elements. Finally, it should organise a range of relevant variables into a multi-level framework, enabling further analysis of internal dynamics and causal pathways. Together, these attributes will allow for the broad application of the framework across sectors, contexts, issues and time.

Our survey of the literature revealed that misconduct resistance is relatively under-researched and under-theorised. The area of police research is one notable exception. Studies indicate that strategies employed by law enforcement agencies fall into two broad categories: organisational strategies (e.g., organisational culture, policies, leadership, limiting opportunities, and investigation/consequences), and social strategies (e.g., social culture, colleague influence and external influence (Porter and Prenzler, 2012). We draw on this area of research to define misconduct as referring to an array of behaviours ranging from criminal corrupt behaviour, to process corruption, neglect of duties, nepotism, cronyism, bullying and intimidation, and abuses of privilege or power (Prenzler, 2009).

## **Misconduct and restricted drugs**

In the area of public health, misconduct associated with pharmaceuticals is a major global health issue resulting in negative impacts on patient care, lost resources and an erosion of public confidence (World Health Organisation, 2009). Such misconduct takes the form of theft (for personal use) or diversion (for resale) of drugs and can occur at various points

including delivery, storage, distribution, and use (Vian, 2007). Undertaking research in this area is important because vulnerability to misconduct carries with it risks of misdirection of scarce public resources, the impeding of governments and public sector agencies from pursuing their objectives, and the creation of waste and inefficiency. Developing systems that are resistant to such misconduct is therefore necessary to protect the effectiveness of the public health sector.

Misconduct resistance has become of increased interest in the public administration literature but its definition and use remains uncertain and inconsistent. Moreover, the variation in the scope and scale of perspectives on misconduct resistance limits the ability of researchers to develop and test theory. Using an illustrative case example of controlled drug management in the Western Australian (WA) public health sector, the aim of this paper is to address some of these conceptual limitations associated with the study of misconduct resistance. This paper contributes by synthesising and expanding existing theory and research into an integrative framework for researching, practicing and evaluating misconduct resistance.

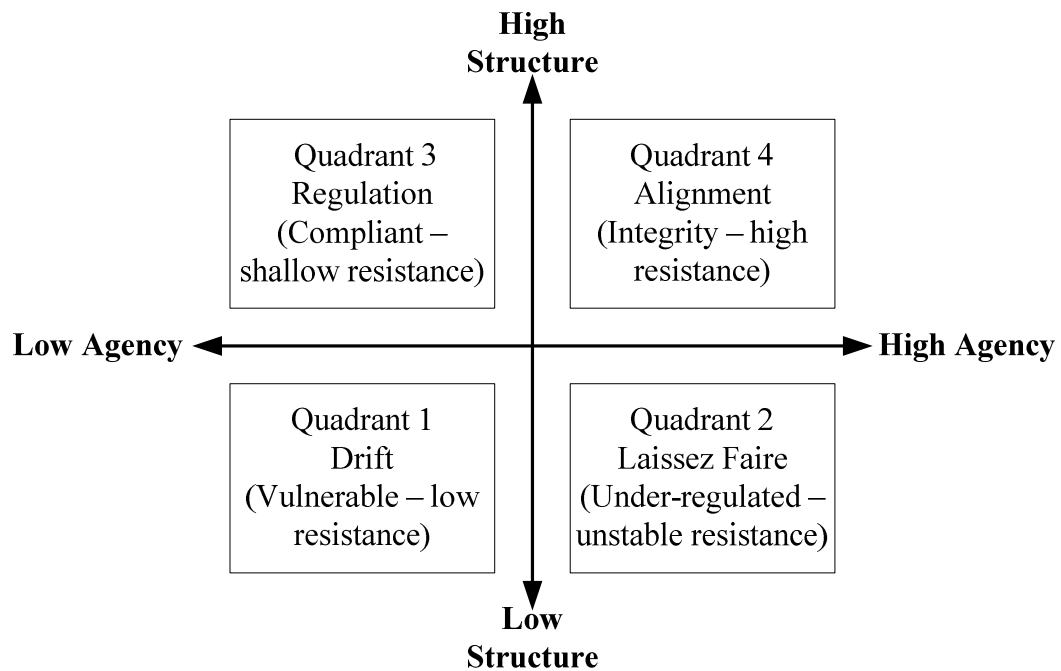
In this paper a definition of misconduct resistance is outlined and an exploration of its scope and origins in the literature is presented. A framework for misconduct resistance is then explained and illustrated by applying it to a critical examination of the management of restricted drugs in WA hospitals. The article concludes with a discussion about the implications of the framework for the management of controlled drugs in the WA public health sector specifically and for public administration theory, research and practice more broadly.

### **Defining misconduct resistance**

Existing definitions of misconduct resistance tend to focus on controlling and minimising misconduct through managing the problem by for example, ‘effective managerial control’ being exercised in an organisation (Lange, 2009), or enhancing the ability of an organisation to identify its misconduct risk profile and implement effective responses to minimise this risk (Gorta, 2006), or by increasing the capacity of organisations and individuals to ‘resist ethical spoilage’ (Kish-Gephart, Harrison and Trevino, 2010, p. 23). Other approaches allude to agency and structural dimensions in discussing the prevention and control of misconduct (e.g., Mulgan and Wanna, 2011) and how it connects to the development of integrity as ‘the application of values, principles and norms in the daily operations of public sector’ involving behavioural change as well as organisational reform as ‘a relative, evolving and culturally defined aspiration’ (Evans, 2012, p. 97/98). As such, integrity can be seen as a key element in misconduct resistance as it enables the establishing of ‘an ethical consciousness in [an] organisation and in the relationships [employees have] with members of other organisations, private and public’ (Menzel, 2006, p. 190) and ensuring ‘wholeness (stressing consistency) ... exemplary moral behaviour [and] the quality of acting in accordance with laws and codes’ (Huberts and Six, 2012, p. 159). Taking this close connection into account, we define misconduct resistance as, ‘*the capacity of an organisation to develop and maintain its integrity*’.

In this paper, institutional theory is employed to develop the above definition of misconduct resistance by re-casting the OECD (1998) principles of public sector ethics and Menzel’s (2006) two-by-two model of integrity/compliance. While the ideas presented by the OECD (1998) and Menzel (2006) are used to assess nations, the typology we develop is applicable to individual public sector agencies and organisations. We conceptualise misconduct

resistance as having two main moments: one that arises from external forces (structure) and the other from action by and within organisations (agency). Together, these forces firstly act on organisations in ways that drive conformity to sets of external (structural) codified moral principles (e.g., honesty, fairness, justice, trust) by which organisations and their employees demonstrably stand. The second propels consistent agency by which organisations retain a state of internal connectedness and wholeness. The two elements of structure and agency included in this definition can be used as axes around which a two-by-two typology of misconduct resistance is constructed (Figure 1).



**Figure 1** A Typology of Misconduct Resistance

In Quadrant One the situation is of low agency and low structure influence. In this case an organisation has neither the external policy/regulatory/monitoring framework to support its operation or the internal capacity to take action to prevent misconduct. As a result the organisation is in a state of directionless ‘drift’ and vulnerable to malfeasant actions of individuals or networks of individuals. Quadrant Two refers to a situation of high agency and low structure that we call ‘Laissez Faire’ in which the capacity to resist misconduct within the organisation is unsustainable. This is because this type of organisation is unstable as it depends only on its own capabilities to resist misconduct with no external support or framework. Quadrant Three is a situation of high structure and low agency. For these organisations there is only capacity to comply with external regulation. We argue that this leads to compliance or ‘shallow resistance’ in which there is a tendency to adopt an insufficient lowest common denominator approach (Menzel, 2006). In this situation, low-level misconduct is likely to go unchecked. Quadrant Four is where there is both high agency and high structure influences at work. In such an organisation not only are there structures at work that foster and support misconduct resistance, organisations have created their own capacity to resist misconduct within these structures. We argue that this is where internal and external influences are in alignment and misconduct resistance is at its highest and most sustainable.

### **An integrative framework of misconduct resistance**

To expand the typology of misconduct resistance into a framework for analysis, institutional theory is further applied. To achieve this, a broad array of literature needs to be explored and synthesised. Institutional theory draws attention to the environment as a socially constructed context of action that shapes decisions made within organisations (DiMaggio and Powell, 1983; Heugens and Lander, 2009; Scott, 1995) and provides a way of conceptualising public sector organisations as nested systems of individuals, organisations, and political and social structures (Shadnam and Lawrence, 2011). A breakdown in these systems can leave an organisation vulnerable to moral collapse allowing misconduct to flourish unchecked (Shadnam and Lawrence, 2011).

When structure is considered as being a primary influence on public sector organisations they will tend to conform to similar patterns of performance and practice. This is due to isomorphic pressures arising from the external environment. DiMaggio and Powell (1983) identify these pressures coming in the form of coercion (e.g., regulation), mimesis (copying practices from successful counterparts), and social norms (e.g., accreditation). While isomorphic pressure would be considered beneficial in terms of improved organisational performance – desirable in the realm of misconduct resistance in the public sector – similarity also implies a reduction in variation in policies and structures among organisations which could in turn lead to a reduction in an ability to improvise and respond effectively to change thus increasing vulnerability to external shock (Heugens and Lander, 2009).

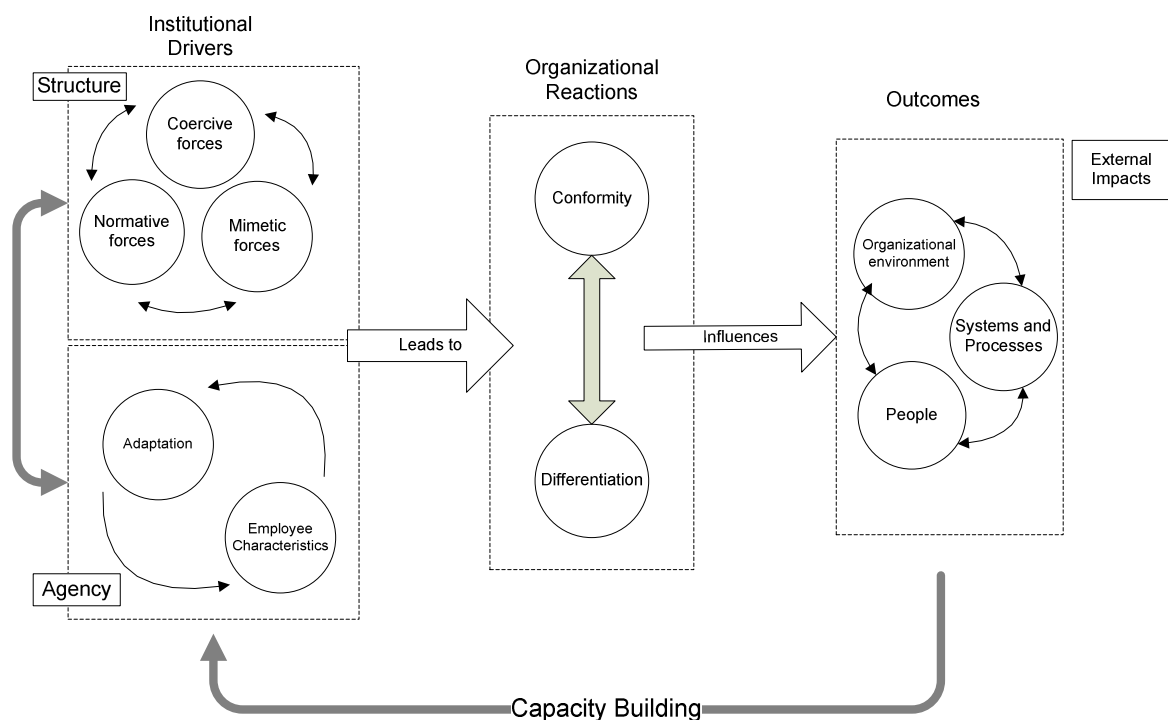
Institutional theory though also includes the idea that such potential vulnerabilities caused by isomorphism leads organisations to respond by developing new behaviours and practices that differentiate them from their counterparts creating variability rather than similarity (Heugens and Lander, 2009). In this respect structures form the basis for organisations to develop autonomous behaviours and thus change and variability (Dacin, Goodstein, and Scott, 2002).

The structural perspective on misconduct resistance in the public sector then is about reducing the presence of misconduct through isomorphic pressure. An example of these pressures may be found in the work of Hood and Peters (2004). They argue that public sector organisations prefer process and compliance oriented approaches such as procurement rules, external audit, and surveillance systems that would prevent misconduct through removing opportunity and deter through increasing chances of detection. These are generally standard administrative processes adopted across public sector organisations within a particular jurisdiction. Evidence that such isomorphic pressures lead to conformity is quite strong. Public sector organisations are liable to such pressure to the extent that external influences rival internal controls (Frumkin and Galaskiewicz, 2004). It is important though to distinguish the outcomes of external (structural) influences between compliance (direction of movement) and convergence (resemblance) because the former is more significant than the latter (Ashworth, Boyne, and Delbridge, 2009). When applied to misconduct resistance, these institutional perspectives focus attention on the main problematic of preventing misconduct through effective public sector-wide external measures that encourage compliance and convergence to a set of standards and behaviours.

That convergence is a somewhat weaker influence than compliance suggests that while public sector organisations are subject to isomorphic pressures, this does not necessarily lead to an outcome of resemblance (Ashworth et al., 2009). Institutional theory also leads us to consider that organisations display autonomous behaviours. It is possible to argue that it is not just structure that determines behaviours within the public sector but also agency. This

brings into focus the interplay between enduring belief systems of organisations that serve as templates for thought and action, recurring patterns of behaviour based on organisational structures and logics, and the actions of people as they themselves understand them (Wry, 2009). Together these form frameworks that people draw on to justify their practices. Taking agency into account, understanding misconduct resistance depends on taking into account influences such as organisational leadership and the relationship between employees and their organisations. To understand how these dimensions and components combine to influence misconduct resistance, a framework is developed as detailed below.

The structure of the misconduct resistance framework includes three related components: drivers, reactions, and outcomes. Our framework incorporates other frameworks and research but configures them in a way that suggests causal relationships among the components and elements (Figure 2).



**Figure 2** A Framework for Misconduct Resistance

The first box is composed of *institutional drivers* (structure and agency) representing the range of external influences that constrain public sector organisations and the influences internal to organisations that run – to varying extents – counter to external constraints. These *institutional drivers* generate two organisational reactions as depicted in the second box. These are *conformity* (becoming more similar to other organisations) and *differentiation* (becoming at variance with other organisations). From the interplay of organisational reactions emerge those elements shown in the third box relating to *outcomes*. In this part of the model attention is paid to *organisational outcomes* (e.g. culture), *systems and process outcomes* (e.g., policies and practices), and *people outcomes* (e.g., employee well-being). Together, these outcomes have potential *external impacts* (i.e., results relating to broader community concerns) that in turn have implications for *capacity building* for misconduct resistance (i.e., trending towards ‘alignment’ as detailed in Figure 1).

The structure of the corruption resistance framework includes three related components. Specific elements within these components are listed in Table 1 and described in more detail in the following sections.

**Table 1** A Framework Model of Corruption Resistance

Dimensions and Components	Institutional Drivers Structure			Institutional Drivers Agency	
	Coercive Forces	Mimetic Forces	Normative Forces	Adaptation	Employee Characteristics
Elements within Components	<ul style="list-style-type: none"> <li>– Anti-corruption agencies</li> <li>– Regulation and Legislation</li> <li>– Risk management</li> <li>– Audit</li> </ul>	<ul style="list-style-type: none"> <li>– Model integrity systems</li> <li>– E-government</li> </ul>	<ul style="list-style-type: none"> <li>– Governance Standards</li> <li>– Professional standards</li> <li>– Accountability and Transparency</li> <li>– Ethics training</li> </ul>	<ul style="list-style-type: none"> <li>– Consequence systems</li> <li>– Control systems</li> <li>– Leadership/Management</li> <li>– Communication</li> </ul>	<ul style="list-style-type: none"> <li>– Demographic</li> <li>– Psych. contracts</li> <li>– Level in organisation</li> <li>– Routines</li> <li>– Motivation</li> </ul>

**Table 1** Continued

Organisational Reactions	Organisational environment	Systems and processes	People	External Impacts
<ul style="list-style-type: none"> <li>– Compliance</li> <li>– Convergence</li> <li>– Entrepreneurship</li> </ul>	<ul style="list-style-type: none"> <li>– Networks</li> <li>– Social trap</li> <li>– Ethical climate</li> <li>– Ethical culture</li> <li>– Codes of conduct</li> </ul>	<ul style="list-style-type: none"> <li>– Organisational design</li> <li>– Human Resource Management</li> </ul>	<ul style="list-style-type: none"> <li>– Level of ambiguity</li> <li>– Level of uncertainty</li> <li>– Duty</li> <li>– Fairness</li> <li>– Well-being</li> </ul>	<ul style="list-style-type: none"> <li>– Public trust</li> </ul>
				<hr/> Capacity Building <hr/> Aim will be to improve misconduct resistance (See Figure 2).

*Institutional drivers (structure)*

*Coercive forces* arise from external sources. One of the most researched coercive influences in the misconduct resistance area is the Anti-Corruption Agency (ACA). Research evidence suggests that over the past two decades the ACA has grown to become an important structural force (de Sousa 2010). This is not least because of the numerous cases of

misconduct and corruption they have exposed (Prenzler and Faulkner, 2010) and their activities as key proactive organisations for ensuring public sector integrity (Evans, 2012). While the coercive power of ACAs arises from their legally enshrined independent investigative and prosecutorial functions, they also have broader roles in leadership and standard-setting responsibilities for misconduct resistance (Head, 2012).

*Mimesis* or the tendency to imitate is evident in public sector organisations in that they tend to look towards and emulate others that are seen as being more successful (Frumkin and Galaskiewicz, 2004). This means that mimetic pressures that come to bear on public sector organisation tend to arise from within the public sector itself.

*Normative forces* tend to arise from actors that are related to but outside the particular field in which organisations operate. For example standards set by national or international professional bodies tend to be adopted more or less uniformly across a jurisdiction. The presence of such professional norms tends to move public sector managers towards making decisions that shift their organisation towards similarity with other public sector organisations (Frumkin and Galaskiewicz, 2004). One particular example is the adoption of accountability and transparency norms as a mechanism for promoting wide acceptance of misconduct resistance. Research suggests that a key enabler of this is the implementation of Information and Communications Technology (ICT) and developments in e-government (which themselves have international technological standards). Through their application increases in accountability can be achieved as citizens come to expect a more transparent public sector thus creating new standards of misconduct resistance (Andersen, 2009; Kim et al., 2009). ICT is a key supporting/facilitating technology in the promotion of a culture of transparency and open access government that together increases misconduct resistance of public sector organisations provided a culture of transparency is embedded within the governance system (Bertot, Jaeger, and Grimes, 2010).

#### *Institutional drivers (agency)*

*Adaptation* is defined as a tendency of organisations to continuously reconfigure their composition, plans, policies and practices in response to and in anticipation of shifts in the environment in which they operate (North, 1995) and/or to transform the situation or issue itself (Emerson, Nabatchi and Balogh, 2011). In the case of responding to the environment there are a number of ways that organisations adapt. Public sector managers have an important role in developing and implementing policies and procedures, and fostering positive employee orientations to misconduct resistance (Lee et al., 2011). There are though four mechanisms that managers can deploy: limiting employee freedom of action, consequence/reward systems to deter corrupt conduct, interpretation and transmission of external requirements to employees, and fostering employee orientation towards resisting corrupt behaviour (Lange, 2009).

*Employee characteristics* and how they interact with management are important considerations in affecting the agency dimension of an organisation's ability to resist misconduct. Taking employee characteristics into account means accepting the notion that relying simply on trying to ensure employee compliance with organisational policies and procedures is not sufficient. This is because it 'takes power relations for granted ... rather than understanding them as crucial to the process of making sense of rules and situated contexts' (Gordon, Clegg, and Kronberger, 2009, p. 94).



As the previous sections suggest structural factors or agency factors alone are not adequate for ensuring misconduct resistance. Integrity is not just about adhering to self-defined values and principles (Dacin, et al., 2002) (*agency*), it is also about ‘the application of [widely accepted] values, principles and norms in the daily operations of public sector organisations’ (Evans, 2012, p. 97) (*structure*). This includes: work-plan integration, risk mitigation, effective monitoring, ethical behaviours, compliance, audit, and capabilities (training, learning, mentoring, coaching) (Evans, 2012) that suggest effects of structure and agency. Evans (2012) also points out though that there is a problem of an integrity paradox evident in the existence of gaps between the aims of policies designed to improve public sector integrity and the absorption of the norms and values implied in the reforms by individual organisations. In particular there is a tendency to focus on compliance behaviour rather than inculcating integrity values amongst employees.

### *Organisational reactions*

One of the central themes of institutional theory is that the influence of structure leads organisations to conform to a set of broadly accepted rules or standards. On the other hand, the influence of agency leads to differentiation in that organisations become more diverse. This depends on the relative strength of institutional drivers. *Conformity* and *differentiation* are valued in the public sector, for example in higher education (Rabovsky, 2012). There is though debate about what each of these mean. Some argue that institutional theory is vague about the meaning of conformity (Frumkin and Galaskiewicz, 2004). Others though respond to this challenge by identifying ‘compliance’ (movement towards similarity) and ‘convergence’ (a state of resemblance) as being two dimensions of conformity (Ashworth et al., 2009).

With regard to differentiation, agency theorists refute the idea that organisations are unconstrained (Heugens and Lander, 2006) arguing instead that they are capable being different to other organisations as a response to institutional pressures (Dacin, et al., 2002). For example an organisation can display a degree of entrepreneurship marking them out as being somewhat different (Battilana, Leca and Roxenbaum, 2009). It can be argued then that within an institutional framework, conformity is a product of structure while differentiation is a product of agency. As such it is possible to develop components to assess how organisations are reacting to structure and agency by examining structure, culture and strategy (Ashworth, et al., 2009).

### *Outcomes*

In our framework, we focus on outcomes that can be discerned in the organisational environment, systems and processes, and employees (people). There is evidence that an improved *organisational environment* is an outcome of enhanced misconduct resistance. The key areas are: ethical climate and culture (Kish-Gephart, et al., 2010) and networks (Warburton, 2001). Ethical climate and culture are predictors of conduct (Pinto et al., 2008). Improvements in these should accompany enhanced misconduct resistance, in particular, the shift from a culture of mistrust to one of trust (Pelletier and Bligh, 2006). Connected to climate and culture is the role of networks in that they are the means by which ethical cultures spread.

*Systems and processes* that control networks and maintain and improve the effectiveness of the public sector are a significant outcome of enhanced misconduct resistance. One of the major challenges here is ‘to formulate a model of bureaucracy and policy formulation that can integrate the reality of personalised relations and social networks whilst ensuring

decisions are always made in the interests of the “the public” alone’ (Warburton, 2001. p. 235). Effective misconduct resistance brings with it organisational designs and practices that not only inhibit corrupt networks but also encourage misconduct resistant networks (Pinto et al., 2008). A key aspect of this is collaboration throughout an organisation (Porter and Prenzler, 2012). The ultimate outcome of this is that misconduct resistance results from systems and processes that create a situation where codes of conduct, ethics training, and integrity indicators are an integral part of an organisation’s operations (Huberts and Six, 2012).

For *people* who work in public sector organisations, a significant outcome of misconduct resistance is reduced ambiguity and uncertainty about what is acceptable and unacceptable behaviour. Improved awareness and intuition coupled with rationalisation, and reasoning facilitates the development of effective approaches that minimise uncertainty and prevent misconduct (Murphy and Dacin, 2011). Such uncertainty can be understood by employing the concept of ‘liminal space’ (where existing rules are softened) to help understand why sometimes it is difficult to separate what is and is not misconduct in organisations (Cunha and Cabral-Cardozo, 2006).

#### *External Impacts*

A key impact of misconduct resistance is maintaining public trust. This is important to the effective functioning of the public sector and has thus received a great deal of attention by researchers. Misconduct resistance can be connected to public trust and the overall quality of democratic life (Anechiarico, 2010). This involves public sector organisations ‘getting their processes right, treating people fairly, avoiding favouritism and containing misconduct’ (van Ryzin, 2011, p. 755). Maintaining public trust ensures that citizens have confidence in public sector organisations and institutions (Salminen and Ikola-Norrbacka, 2011).

### **Controlled drug management in Western Australian hospitals**

In this study, the framework outlined above is applied to critically examine the effects of attempts to improve controlled drug management practices in WA hospitals in order to minimise misconduct. It traces the playing out of changes that occurred following an investigation by the Corruption and Crime Commission of Western Australia (CCCWA) (2010) into the risks of theft and misuse of Schedule 4 drugs (those that have potential for abuse) and Schedule 8 drugs (drugs of addiction) in hospitals.

This paper uses data collected from published policy documents and reports produced by the WA Health Department and the CCWA relating to the management and control of Schedule 4 and Schedule 8 drugs. Supporting information about the practice of administering management in hospitals was obtained from a key hospital staff member. The data collected was analysed using qualitative methods to assess the extent to which the framework outlined in Figure 2 provided a useful and relevant approach to examining the effectiveness of efforts to enhance misconduct resistance. A thematic data analysis was conducted by firstly reflecting on the content of the documents and discussions to achieve an overall sense of the data. Initial codes were developed from the data that referred to the similarities and differences between the perspectives provided by the sources. Categorisations were then generated and crosschecked to ensure consistency and authenticity.

The broad context of the study is the WA public sector environment. The State of WA is responsible for the delivery of public health services within the jurisdiction. However, public

health services are partly funded by the Federal Medicare system with the remainder being covered by the State Government. In WA, private health companies also provide public hospital services through contracting agreements with the State Government.

Looking at the specific context of controlled drugs, two Acts of Parliament govern their management and administration. These are: The Poisons Act 1964 that defines Schedule 4 and Schedule 8 drugs (drugs of addiction), and the Misuse of Drugs Act 1981 that created two types of ‘specified Schedule 4 drugs’ that while not being addictive, may be open to abuse (Division 1, e.g., barbiturates and ephedrine, and Division 2, e.g., androgenic substances). The Acts require hospitals to have systems to control the storage and administration of these types of drugs.

In 2003, an Act of Parliament established the CCWA. It is the major agency involved in the investigation and prosecution of cases of official misconduct. It also has a major role in developing misconduct resistance within the WA public sector of which the Health Department is one of the largest agencies.

### *Institutional drivers*

The coercive forces at work in this case begin with laws that delineate the control of potentially dangerous and addictive drugs and the institutions that enforce these laws. In WA the primary enforcement agency is the CCCWA but also the Police have a role where there is unlawful activity. In 2010 the Commission undertook an investigation of these systems in the major hospitals (Crime and Corruption Commission of Western Australia, 2010). It was found that:

The Commission formed the opinion the Department was not adequately managing the misconduct risks associated with the day-to-day management and handling of Schedule 8 and Schedule 4 drugs.

No clearly articulated responsibility ownership and direction of misconduct management within WA Health.

WA Health is currently unable to adequately account to the wider community for the way it manages misconduct risk and related occurrences of misconduct in a demonstrably fair, reliable and transparent way.

In their report, the CCCWA (2010, p. xiii) made four recommendations:

That the Department of Health articulate and promote its commitment to managing misconduct throughout WA Health.

That the Department of Health, through the Senior Health Executive Forum, identify and commit to a strategy for managing misconduct, including a plan to give practical effect to that strategy.

That the Department of Health, through the Senior Executive Health Forum, commit sufficient resources to that strategy to make it work.

That the Department of Health work with the Commission to achieve progress.

As a result of this investigation the third coercive force came into play. In response to the CCCWA report, the Health Department of WA issued a directive to all public hospitals and private hospitals admitting public patients concerning the reporting of missing Schedule 8 and ‘Specified’ Schedule 4 drugs. It also directed that the management of Specified Schedule 4 drugs conform to a process that included having two staff sign for these drugs when

required by a patient and maintain these drugs in separate locked cupboard with a single set of keys kept on a separate fob (Government of Western Australia Department of Health, 2012). This went somewhat beyond the requirements set down in an earlier directive about the management of specified Schedule 4 drugs widening the range and imposing a stricter regime (Government of Western Australia Department of Health, 2009).

The actions of the Health Department were designed to coerce hospital staff to conform to a particular standardised process. There is no evidence of mimesis. Practices in other jurisdictions (e.g., UK or USA) did not appear to have been used to inform policy. There is also no evidence that standards from other jurisdictions were consulted (norming). For example, standards for effective drug control are published by the UK National Health Service (National Prescribing Centre, 2010) which provide appropriate guidance for establishing robust systems that addresses a the range of issues associated with effective drug control that corresponds to the model outlined in Figure 2 and Table 1.

This also meant that existing practices of drug management and control were ignored. Agency dimensions of misconduct resistance were not recognised by decision makers at the WA Health Department. In particular the need to make sufficient resources available to make any interventions work effectively. The approach was to issue directives and expect front-line nurse managers and nursing staff to comply.

While hospital managers were efficient in transmitting Health Department directives to medical and nursing staff, there was no room allowed for interpretation to suit particular circumstances or changing employee attitudes. *Employee characteristics* and how they interact with management were not considered in this process and as a result it was simply assumed that a rules-based approach would be adequate. This is an example of relying on compliance with organisational policies and procedures rather than also trying to find out about and take into account good practices that already existed.

#### *Organisational reactions*

There is evidence of convergence and differentiation between the public and private sector organisations within the WA health sector. When administering of drugs to public patients in public and private hospitals adhering to Health Department directives are mandatory. This resulted in convergence of practice across WA hospitals treating public patients. There is though no such requirement on private hospitals treating private patients. As a result there is now clear differentiation between private and public hospitals where there was none before.

Regarding *outcomes* in organisational environment, systems and processes, and employees (people). The changes had little or no effect on the organisational environment in terms of ethical climate or culture other than ensuring compliance with directives. The main effect was on systems and processes in that additional controls and administrative procedures were implemented. This resulted in additional time being taken in the administration of Schedule 4 drugs. The outcomes for the people involved (i.e., patients and staff) were significant, for example, in the case of pain relief drugs (e.g., Tramadol), patients do not now receive timely and adequate pain relief because a previously 1 or 2 minute task undertaken by one nurse changed to a 15-minute task requiring two nursing staff. These additional administrative tasks were added without additional resources. This means more is now required of nurses leading to higher stress levels, greater workload, and less time available for other tasks.

The *external impacts* the issue of drug control was not an issue of public concern until the CCC undertook their audit. Then the results were reported in the local press that resulted in raised public awareness of the issue but no real concern. Consequently, public trust was not an issue in this case especially given that medial staff and nurses are generally held in high esteem and as such there were few, if any, external impacts.

Overall, the approach taken by the WA Health Department to this issue is unlikely to be totally successful as it tackles only one aspect of the problems associated with misconduct in this area. This is because the focus has been solely on coercion (top-down) directives while missing other key elements in developing misconduct resistance (Table 2). As a result, misconduct resistance with regard to the management of controlled drugs in hospitals will be most likely at the level of ‘Compliance’ (Figure 1). This means that while hospital staff will comply with the directives, they will do so with some difficulty, in a way that creates new problems in other areas. Far better would have been to adopt a more consultative approach to developing new ways of working that satisfied the need to manage controlled drugs more effectively in a way that fitted with the operational needs of the people responsible for the procedures and practices. This would have created an alignment between legal requirements and the day-to-day operation of the hospitals (Figure 1).

**Table 2** WA Health Department Approach

Dimension and Components	Institutional Drivers Structure			Institutional Drivers Agency	
	Coercive Forces	Mimetic Forces	Normative Forces	Adaptation	Employee Characteristics
Elements within Components	<ul style="list-style-type: none"> <li>– Anti-corruption agency</li> <li>– Regulation and Legislation</li> <li>– Risk management</li> <li>– External Audit</li> </ul>	– None present	– None present	– None adopted	– Not considered

**Table 2 Continued**

Organisational Reactions		Outcomes		External Impacts
Conformity vs Differentiation	Organisational environment	Systems and processes	People	
– Compliance – Convergence	– Little change	– Additional controls – New instructions and reporting system implemented	– Increased work load for nursing staff	– No impact
				Capacity Building Misconduct resistance established through compliance (See Figure 1).

**Conclusion**

While this research is limited to the extent that it focuses on one jurisdiction, it does make theoretical and practical contributions. For theory there are three main contributions. Firstly, this study clarifies misconduct resistance by developing a framework for understanding based on institutional theory. Secondly, the typology of how misconduct resistance varies between organisations is established that provides a way of assessing the degree to which it is likely to have sustained effects. Thirdly, existing research into misconduct resistance is synthesised with institutional theory to formulate an integrative framework for researching and assessing how organisations are addressing misconduct resistance. The usefulness of this framework is demonstrated by applying it to a study of controlled drug management in a public health service context.

This study also has relevance to practice. For health care policy makers and managers, this study demonstrates the usefulness of the typology and integrative framework for assessing the effectiveness efforts to improve misconduct resistance. In applying the framework in this study it seems that to be successful, managers cannot simply rely on directives to combat misconduct. It appears that in addressing misconduct resistance, attention needs to be paid to taking lessons from other jurisdictions in how institutional and agency factors have been taken into account. For example, from an institutional perspective, information and communications technology can be used to monitor how controlled drugs are managed. This will ensure that a combination of external controls in the form of audit assessment, risk management, transparency, and accountability combine to enabling misconduct resistance (Vian, 2007). From an agency perspective, consultation with staff and accounting for contextual factors would probably be useful. This will help to make misconduct resistance personally relevant to those it affects (Warburton, 2001). This study suggests that without the additional development of behavioural norms, applying lessons learned in other jurisdictions, and allowing some ‘bottom-up’ development of procedures and practices, the development of misconduct resistance will be at best based on compliance alone. We hope

that this study assists further research that builds on the strengths and addresses the weaknesses of the framework presented.

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