

**JGB 1719****Is there a Personality Trait which Correlates to Gray Corruption Tolerance in a Philippine Shipping Company?***Soren Mateo**De La Salle University, Manila**soren\_mateo@dlsu.edu.ph***Abstract**

*Corruption is a problem in every organization. There is no escaping it. Shipping companies are especially susceptible to corruption with their daily transactions with customs, whose very nature makes it vulnerable to corruption. Certain personality traits are believed to affect ethical behavior. This study was conducted to identify which of the big five personality traits positively correlates with tolerance to corruption and, if there is, whether gender moderates it. The Big Five personality traits framework is, arguably, the most important advancement in personality psychology in the past half century and has gained a broad consensus in describing adult personalities. The data was obtained using a larger online survey of the operations department of a Philippine shipping company which included the 5 Cultural Dimensions' CVSCALE and the Big 5 Personality Traits' BFI-2-XS. The data was analyzed using Jamovi, where normality and correlation were tested. The results showed that none of the personality traits correlates to gray corruption tolerance. Consequently, gender as a possible moderating factor was no longer introduced. It was recommended that a future study be conducted using the same methodology but covering several Philippine shipping companies and test again for possible correlation of any personality traits with tolerance to corruption.*

**Keywords:** *Personality Traits, Corruption, Shipping Company*

## Introduction

### Background of the Study

No country is immune to the problem of corruption. The very nature of customs work makes it vulnerable to corruption. The simple fact is that even at junior levels, customs officials enjoy extensive discretionary powers and interact daily with traders with a strong incentive to influence their decisions (McLinden & Durrani, 2013). People's views about moral and ethical conduct differ in important respects. Thus, corruption is often a contested label (Bueno, 2014). Furthermore, conduct labeled corrupt may not be illegal or "legal corruption" (Hough, 2017). Do employees conduct themselves according to what is legal, or perform any task, no matter the label, for as long as it is not illegal?

In the Philippines, familial ties and the cultural value of *utang na loob* (debt of gratitude), for example, have made Filipinos more tolerant of corruption (Bueno, 2014). Filipino values such as *pakikisama*, *kagandahangloob* – social acceptance and cultural reciprocity through “relationship management” – tend to make people engage in corrupt acts, such as favoritism, bribery, and even collusion. Given the complexity of corruption, Zyglidopoulos et al. (2017) suggested four (4) corruption research paths, one focusing on individual motives and characteristics.

The big five personality traits have been studied for their effect on ethical behavior. Sometimes, individuals are led to unethical behavior to resolve dilemmas or avoid conflicts (Hechanova et al., 2014). This behavior of conflict avoidance is one of the many facets of an agreeable personality trait and may seduce the individual to accept or even fall into corruption.

## **Problem Statement**

Which personality traits are correlated with the employees' tolerance for corruption in a Philippine shipping company?

## **Objectives of the Study**

The study will seek to identify the following:

1. A personality trait or traits which correlate/s positively to corruption tolerance.
2. To determine whether gender moderates both correlations of cultural dimension/s and personality trait/s with tolerance to corruption.

## **Significance of the Study**

A shipping company was chosen for the study as they are very vulnerable to corruption in an industry that interacts with customs daily. As such, the author expects a correlation between the company's employees' personality traits with corruption tolerance.

The study will be valuable to creating an employee development program for a shipping company in the Philippines to have employees who will not tolerate corruption and, more so, engage in it themselves. The study will provide a focal point in designing a program, strengthening their company culture, and consequently developing individuals with the right personalities.

## **Scope and Limitations of the Study**

The study will be limited to a sample of employees of the operations department of a Philippine Shipping Company and the so-called "**gray corruption**" (Ko et al., 2012) behavior generally observed in day-to-day transactions with the Philippine Bureau of Customs. These corrupt activities specifically are (1) business transactions without official receipts, (2) "grease money" for transaction facilitation, and (3) giving of gifts and extra payments.

The study will also be limited to determining the correlation of **the big five personality traits to corruption tolerance**. Furthermore, should a significant correlation be found in any or all personality traits, gender will be introduced as a possible moderating factor. Finally, the participants' job grade level and years in the industry will be collected and will serve as control variables of the study.

### **Review of Related Literature**

The big five personality traits, the five-factor model, arguably the most important advancement in personality psychology in the past half century (Marsh et al., 2010). There has been an emerging consensus that individual differences in adults' personality characteristics can be organized into five broad trait domains. These Big Five factors now serve as a common language in the field and have generated an impressive body of empirical research supporting their stability and predictive validity.

#### **The Big Five Personality Traits and Corruption**

Recent studies provide more empirical evidence regarding the relationship between culture and corruption. If a specific cultural dimension, such as power distance (PD), is directly related to corruption, is there a personality trait with the same relationship? A study by Wankel et al. (2011) showed that moral competencies decline with the rise of PD. Considering that "social interactions" (Aidt, 2011) are one of the major reasons why customs are inherently vulnerable to corruption, are employees with high extraversion more likely to tolerate corrupt practices? Indeed, corruption and corruption perception does not depend only on societies (culture) but also on personal values and moral vies (Melgar et al., 2010).

A study about counter-productive behavior (Kozako et al., 2013) showed a positive relationship between employees with high neuroticism and openness to counter-productive

behavior of the individual. The former, defined as behaviors having seriously adverse effects on the productivity, efficiency, and profitability of an organization or people, include corruption and bribery. Indeed, Sampson et al. (2015) confirmed that neuroticism was a significant positive predictor of corruption engagement. This implies that people with lower levels of neuroticism are less likely to engage in corruption.

However, the same study by Kozako et al. (2013) showed a negative relationship between agreeableness and extraversion with counter-productive behavior. This was supported further by a study by Judge & Zapata (2015) which showed the same personality traits to be more predictive of job performance where strong social skills are required. Shipping operations, specifically concerning getting cargo through customs, would require good interpersonal relationship skills. This would disagree with our hypothesis on the traits closely related to the Filipinos' collectivist culture. Still, the same study showed that agreeableness had the strongest influence on the counterproductive behavior of the organization, a finding which was eventually contradicted. However, this difference was attributed to being in a different industry and geographical area.

This study looked at whether a personality trait makes one side of the equation – the company side versus customs officials – tolerant of corruption. Therefore, the big five personality traits or five-factor model, which has been thoroughly studied, was chosen. We also looked at gender as a possible moderating variable on one's vulnerability to corruption (Mensah, 2013).

### **Framework**

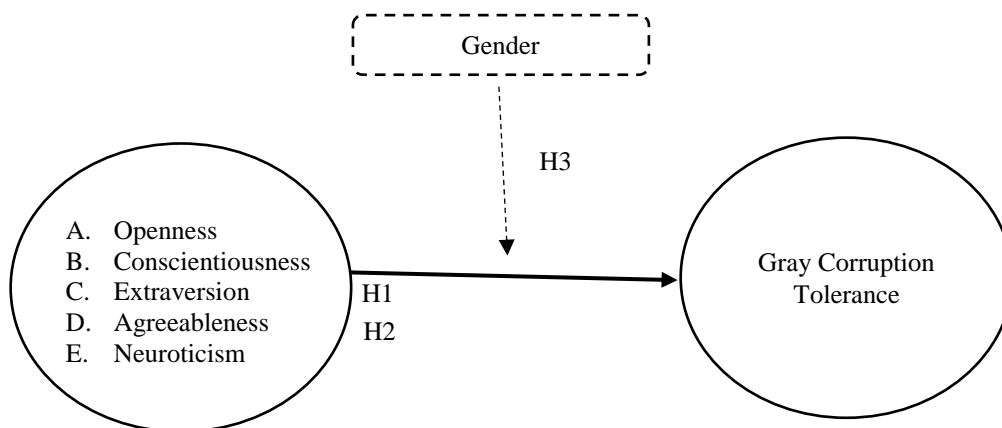
There have been numerous studies on the big five personality traits in predicting ethical behavior or good job performance, and the like, but very little in the aspect of personality and

corrupt activities or corruption tolerance. In the Big Five personality traits framework, personality can be summarized along five independent and bipolar dimensions – namely, Extraversion, Agreeableness, Conscientiousness, Negative Emotionality (or Neuroticism), and Open-Mindedness (or Openness to Experience) (Rammstedt et al., 2018). This framework and personality measures are increasingly considered valuable tools in applied settings, including education, health, industrial psychology, and economics. Several questionnaires have been developed to measure these personality domains, including the 60-item Big Five Inventory (BFI) 2. The need for a faster method of measuring the Big Five was created by (Rammstedt et al., 2018) and validated to include the 15-item Big Five Inventory-2 Extra-Short Form (BFI-2-XS) used in this study.

The operational framework (figure 2) shows the Big Five Personality Traits in a Philippine shipping company and their impact on tolerance to corruption in day-to-day transactions with the Philippine Bureau of Customs. Gender was studied as a possible moderating factor in cultural dimensions and personality traits. Finally, we looked at how culture impacts personality.

**Figure 1**

*Operational Framework*



**Extraversion and agreeableness** are two personality traits linked to **sociability and friendliness**. Both traits are closely related to Hofstede's collectivism – the degree to which society emphasizes the interest of groups and collective accomplishment – or *pakikisama*, one Filipino trait believed to be directly correlated to corrupt behavior. Therefore, we hypothesized that extraversion and agreeableness would have a direct and positive correlation to corruption tolerance. Finally, a more collectivist culture, versus individualist, will tend to shape more extroverted and agreeable personalities.

### **The hypothesis of the study**

**H1:** Extraversion has a positive correlation with Corruption Tolerance

**H2:** Agreeableness has a positive correlation with Corruption Tolerance

**H3:** Gender moderates the relationship between the cultural dimension/s and personality trait/s, which has a positive correlation with Corruption Tolerance

### **Operational Definition of Terms**

#### *Big Five Personality Traits*

**Openness** to experience describes individuals' tendencies to be interested in learning, new ideas, culture, and aesthetics. An individual with high openness is said to be more creative and imaginative.

**Conscientiousness** comprises traits of achievement striving, cautiousness, dependability, and orderliness. Individuals with high conscientiousness tend to show self-discipline and aim for achievement above expectations (Kozako et al., 2013). An emotionally stable person will possess values, morality, a sense of direction, loyalty, duty-bound, obedience to cultural norms, a sense of altruism, and emphatic. Someone with this trait prefers to conform to rules and regulations

and is reliable. Therefore, highly conscientious individuals are expected to be more observable of good behavior (Karim et al., 2009).

**Extraversion** is associated one being sociable and easygoing (Boakye & Gyambrah, 2017). It is composed of traits of sociability, dominance, and activity. Individuals that have a high extraversion tend to be self-confident and seek excitement.

**Agreeableness** describes individuals' tendencies to be kind, polite, and nurturing. It can also be said that agreeableness is the ability to inhibit disagreeable tendencies. People that show more agreeable traits are likely to be able to get along with people.

Negative emotionality or **neuroticism** describes individuals' tendencies to be depressed, anxious, emotionally erratic, and lacking self-esteem. Neurotics have been observed to be more self-protecting and hence can easily engage in conflicts. The opposite end of this trait is known as emotional stability.

### **Methodology**

The study was a correlational, cross-sectional study where the correlation of the five personality traits with tolerance to corruption was determined. Gender was studied if it moderates the correlation of any personality traits with corruption tolerance if they exist.

A four-part survey was devised from established instruments for the big five personality traits and was part of a larger survey that included the cultural dimensions, where the personality traits were the third part of the survey. A combination of questions derived from various research instruments (RI) from the literature on corruption was used to measure tolerance to so-called “gray corruption” (Ko et al., 2012), such as gifts and payments to government officials. The survey's first part comprised the control variables with special emphasis on gender, which was studied as a possible moderating variable. The study used a sample from the entire operations



department of the company – the department is the only group of employees who would have transactions with the Bureau of Customs officers on a day-to-day basis.

The study used random sampling, where Survey Monkey's sample size calculator (<https://www.surveymonkey.com/mp/sample-size-calculator/>) was used to determine the study's sample size, with a 90% confidence level (10% margin of error). Slovin's formula was considered in determining sample size, but Tejada & Punzalan (2012) concluded that this formula is only accurate when the confidence level is 95% or when the margin of error is close to 5%. The result was a sample size of 24 out of the 36 employees in the department.

A pre-test was conducted on two employees of the same department to validate our chosen RI and determine the instrument's reliability by its alpha (Cronbach's alpha = .793). The latter was calculated again using the survey results from all 24 participants to validate the initial alpha (Cronbach's alpha = .795). These 2 participants were identified by listing all 36 email addresses in Microsoft (MS) Excel and generating a random number via the function =rand().

Data was collected from the larger 52-item, 4-part questionnaire. Part 1 collected the control variables, parts 2 and 3 measured the five cultural dimensions and five personality traits, respectively, and finally, part 4 measured tolerance to corruption. Parts 2-4 used a 5-point Likert scale where 1 was the lowest score and five was the highest. Gender as a control variable was studied as a possible moderating factor. Part 3 used the 15-item big Five inventory-2 extra-short form (BFI-2-XS) from (Soto & John, 2017). The extra-short form is reliable and valid for the 60-item BFI-2 at the level of the big five domains (Rammstedt et al., 2018).

The study made a conscious effort to keep the survey brief as the survey was conducted in the middle of a global COVID-19 pandemic, where shipping companies were significantly

negatively impacted. Soto & John (2017) recognized the need for very brief measures to prevent participant fatigue, frustration, and careless responses in such a situation.

The questions for corruption tolerance were chosen from the questionnaires from (Hechanova et al., 2014) and the United Nations Office on Drugs and Crime (UNODC, 2018), focusing only on **gray corruption (corruption) questions, specifically payments, and gifts.**

The study was a quantitative, mono-method study where the data was collected online via Google Forms. The survey was sent to the official company email addresses of the participants, where the said participants were given two business days to complete the survey, which resulted in 30 completed questionnaires. 1 of the 30, however, the participant missed or did not "agree" with the consent form and was consequently excluded. Four responses had multiple missing data and were excluded as well. As only 24 of the remaining 25 responses are needed, Microsoft (MS) Excel's generating a random number via the function =rand() was used to make the final exclusion.

As the study was quantitative, all analyses, discussions, conclusions, and recommendations were based solely on the quantitative data gathered from the survey. The correlation, or the absence, of each personality trait with corruption tolerance was determined through open statistical software, Jamovi, a freeware in the R environment. The software was used to determine the descriptive statistics, specifically Mean and standard deviation, test for normalcy, correlation, and finally, moderation. The majority of the questions, and consequently the numeric values of the data, except for a few in part 3 – for the personality traits – were affirmed. 6 of the 15 questions in this part were reverse-keyed, and therefore, their scores were also reversed to ensure uniformity and accuracy of the scores.

For every personality trait and tolerance to corruption, the number of questions to measure such ranged from 3 to 8. Consequently, averages were calculated from all the answers to avoid skewing the results.

### Results and Discussion

A summary of data gathered was presented to describe the overall average scores of the personality traits and corruption tolerance and their standard deviations. A test of normality was conducted to correctly determine the correct correlation coefficient, i.e., Pearson's  $r$  or Spearman's  $\rho$ . The correlation was determined for each of the personality traits with corruption tolerance.

There were nine female and 15 male respondents. Comparing the personality traits scores between males and females, the averages were between .01 to .47, which are relatively small, meaning, not much difference between males and females. It is important to note that generally, all the scores are above 3.0 except for negative emotionality, where both male and female mean scores are 2.33 (SD = .74) and 2.32 (SD = .92), respectively. This meant both genders were emotionally stable, implying **positive personalities across all five traits**. It is also important to note that the corruption tolerance scores were very close, with the male mean score only .08 above the score of 2.0, which meant **general intolerance to corruption**.

**Table 1***Descriptives 1 – Big Five Personality Traits and Corruption Tolerance*

	Gender	Open-Mindedness	Conscientiousness	Extraversion	Agreeableness	Negative Emotionality	Corruption Tolerance
N	Female	9	9	9	9	9	9
	Male	15	15	15	15	15	15
Mean	Female	3.83	4.11	3.30	3.37	2.32	1.97
	Male	3.65	3.87	3.39	3.84	2.33	2.08
Standard deviation	Female	0.775	0.674	0.695	0.742	0.916	0.960
	Male	0.684	0.776	0.602	0.770	0.737	0.751

A normality test was done for the personality traits (Table 4), and all had Shapiro-Wilk p values  $> .05$  and therefore were **normally distributed**.

**Table 2***Personality Traits Normality Test*

	Open-Mindedness	Conscientiousness	Extraversion	Agreeableness	Negative Emotionality	Corruption Tolerance
Mean	3.72	3.96	3.36	3.66	2.33	2.04
Shapiro-Wilk p	0.152	0.060	0.272	0.089	0.116	0.112

The correlation following the normality test, Pearson's  $r$ , was used for the personality traits and corruption tolerance. Running the correlation matrix, it was found that the relationship **between all five personality traits and corruption was insignificant**.

Table 3 - Correlation between Personality Traits and Corruption Tolerance

		Open-Mindedness	Conscientiousness	Extraversion	Agreeableness	Negative Emotionality	Corruption Tolerance
Open-Mindedness	Pearson's r	—					
	p-value	—					
Conscientiousness	Pearson's r	0.529 **	—				
	p-value	0.008	—				
Extraversion	Pearson's r	0.449 *	0.601 **	—			
	p-value	0.028	0.002	—			
Agreeableness	Pearson's r	0.445 *	0.467 *	0.185	—		
	p-value	0.029	0.021	0.386	—		
Negative Emotionality	Pearson's r	-0.580 **	-0.546 **	-0.518 **	-0.340	—	
	p-value	0.003	0.006	0.010	0.104	—	
Corruption Tolerance	Pearson's r	0.217	-0.013	-0.022	0.112	0.022	—
	p-value	0.308	0.951	0.921	0.604	0.918	—

Note. \* p < .05, \*\* p < .01, \*\*\* p < .001

Since not one of the personality traits was found to be a significant relationship, gender was no longer introduced as a possible moderating factor.

### Conclusion and Recommendations

The study found that none of the big five personality traits correlates to gray corruption tolerance. The relationship of the two personality traits most closely related to sociability and friendliness, which were hypothesized to have a positive relationship to tolerance to gray corruption, was found to be insignificant. Therefore, as H1 and H2 were not supported, H3 – which hypothesizes gender being a moderating factor to corruption tolerance – was no longer introduced. This was a surprising finding considering the industry's vulnerability to gray corruption. Since the study supported none of the three hypotheses and could not pinpoint which personality traits correlate to corruption tolerance, we cannot recommend an employee

development program addressing specific personality traits so that the shipping company can strengthen its culture and have its employees not tolerate corruption.

Furthermore, this surprising result was likely due to the limited sample size from one company or the fact that the survey was conducted during a pandemic. The answers to the questionnaires may not have been as truthful as they should have been, or even the employees did not see the specific behaviors in the survey questionnaire as being corrupt behaviors as they may have seen them as legal conduct. Recall that corruption is often a contested label.

It is recommended that a study be conducted with a broader sample by having different shipping companies participate instead of just one, and perhaps later on, expand the types of corruption beyond the so-called "gray corruption." Furthermore, this study was better conducted in a less stressful period, like the COVID-19 pandemic, and participants were given an even longer period to complete the survey.

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