Special Issue Call for Papers

Understanding and Confronting Organizational Corruption and Wrongdoing in the Era of Grand Societal Challenges

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Despite several decades of anti-corruption research and reform, organizational corruption, the “misuse of an organizational position or authority for personal or organizational (or sub-unit) gain” (Anand et al., 2004, p. 40) continues to persist. A similarly persisting and related phenomenon is wrongdoing – violations of formal law, explicit industry and professional codes, or less formal organizational rules, social norms, and ethical principles (Palmer et al., 2016, p. 1). Thus, wrongdoing includes a wide range of behaviors such as money laundering, tax evasion, anti-competitive behavior, manipulation of organizational performance, and human rights abuses to name a few. To address organizational corruption and wrongdoing in their myriad forms requires deep understanding of the contexts in which they are embedded. Yet, today’s rapidly changing world presents a seemingly unprecedented number of emerging and growing grand challenges and crises to confront (George et al., 2016).

Business and society perspective on corruption and wrongdoing

A business and society perspective on corruption and wrongdoing is essential, given the interlinkages between corruption, business, and society in a world where global crises and challenges are the norm. Such a business and society perspective acknowledges that corruption not only impedes economic development (Mauro, 1995), but also links to a range of societal issues including environmental sustainability, public health, equality, anti-discrimination, peace and citizens’ trust in democracy (UNODC, 2023). A systematic analysis of corruption from a business and society perspective could take one of two directions: inside-out or outside-in.

Inside-out direction

First, researchers adopting an inside-out direction could analyze how organizational corruption and wrongdoing can hinder and undermine progress toward resolving crucial
societal issues. Many such issues are represented by the 17 Sustainable Development Goals (SDGs) adopted by the United Nations in 2015. The SDGs are a universal call to action to tackle a range of social, economic, and environmental challenges by 2030 (United Nations, 2022). Indeed, the UN emphasizes corruption and wrongdoing as a foundational challenge to successfully achieving the SDGs (Gabbiiona eta al., 2023; UNODC, 2023). Those crucial societal issues are also encompassed by the rise of environmental, social, and governance (ESG) concerns and initiatives by investors and the companies in which they invest. By extension, anti-corruption policies with a direct impact on governance and social indicators have become one of the core elements of ESG initiatives (Castro & Gradillas Garcia, 2022).

A more nuanced understanding of the inside-out perspective is required to address these intersectional issues. Indeed, numerous opportunities exist for scholars to delve into the intricacies and complexities of how business may hinder the ability to solve societal challenges. We know, for example, that firms may engage in corruption or wrongdoing to impede effective action against climate change (SDG #13) by bribing corrupt officials to engage in illegal logging (Elliott, 2007), by manipulating their environmental performance (Clemente & Gabbiiona, 2017), or by participating in excessive fossil fuel lobbying (Elton, 2022, October 11). We also know that corruption undermines trust in public institutions (SDG #16), creates inequality (SDG #5), and can threaten peace (SDG #16) (Transparency International, 2023). Despite this knowledge, many observers are surprised when global events such as the Covid-19 pandemic or war in Europe are associated with a resurgence of organizational corruption and wrongdoing that exacerbate these crises. For example, wrongdoing, including huge amounts of laundered money hidden in Britain and around the world, contributed to the “wealth of the oligarchs who surround Putin and help him stay in power” (Krugman, 2022, February 24, para. 10).

Firms may also try to circumvent or manipulate new and ambitious ESG targets in companies (Lee & Raschke, 2023), including anti-corruption programs pushed for by pension and sovereign wealth funds and players such as Blackrock who represent key investors in public companies (Clarkson et al., 2008). To meet the new ESG targets and preserve these investor relationships, firms may engage in greenwashing or other types of organizational misconduct (Castro & Gradillas Garcia, 2022). In summary, updated perspectives on the effects of corruption and wrongdoing on the multifaceted and often compounding crises are highly relevant.

**Outside-in direction**

Alternatively, researchers adopting an outside-in direction could examine how developments in the environment of organizations may foster organizational corruption and provide new avenues for it, while also opening new pathways for mitigating and overcoming corruption and wrongdoing. For example, today’s digital transformation has provided new avenues for corruption and wrongdoing, including blockchain and cryptocurrency fraud revealed in the Bitlato and FTX scandals (U.S. Department of Justice, 2023), hate speech on online platforms (Rieger et al., 2018), and global accounting fraud involving the now insolvent digital payment processor Wirecard AG (Voss, 2020). This is also true for studies on the globalization of value chains, the increased scope of which have resulted in pressing policy questions about how to govern them (European Union, 2023). Furthermore, the complexity in public tender or procurement processes of large-scale development projects to achieve the SDGs may increase the potential for corruption. Similarly, the urgency of addressing grand challenges such as the Covid-19 pandemic has been exploited by wrongdoing, in the form of face-mask scams, for example (Exberliner, 2021, March 18).
The ever-increasing scope and complexity of present-day challenges is compounded by an apparent inability to effectively fight corruption and wrongdoing, which may lead to frustration and cynicism (Misangyi et al., 2008). Or, it may be regarded as a “tipping point,” and an “opportunity in this moment” for us to “all collectively act,” as described by Suneeta Kaimal, president and CEO of the Natural Resource Governance Institute at the 2022 International Anti-Corruption Conference. When we look at the increasing numbers of anti-corruption collective action initiatives around the world (Basel Institute on Governance, 2023), we find both interest and opportunity in fighting corruption.

The United Nation’s 17 SDGs may act as a further catalyst for anti-corruption efforts, as it makes an explicit link between corruption, peace, and inclusive and just societies (see SDG #16). Likewise, the UN Office on Drugs and Crime advises to “mainstream anti-corruption,” by addressing corruption in each SDG subject area (UNODC, 2023). Clearly, these international developments and the related increase of regulation (e.g., the EU Corporate Sustainability Due Diligence Directive, 2022) affect businesses. The UN Global Compact (UNG), that is the UN initiative directly targeting the role of business in sustainable development, increasingly focuses its anti-corruption efforts on collective action and the SDGs. Business executives have recently committed at the 2023 SDG Global Business Forum co-organized by the UNGC to accelerate business action regarding the achievement of the SDGs (UNG, 2023). As another example, shareholder activism has increased recently, “driven in part by economic uncertainty and changes in the regulatory landscape” (Goldman Sachs, 2023, para. 1). Technological advancements may support novel collaborative efforts against corruption, for example, by increasing transparency and accountability through e-governance or the digitalization of financial services. Furthermore, widespread availability of digital media in societies may allow civil society actors and citizens to campaign through social media and to create and employ digital platforms for monitoring and accountability.

Such examples highlight ways a business and society perspective on corruption engages both new types of issues, pressures, actors, approaches, and dynamics across analytical levels, and new dimensions of commitment and collective action. They indicate how present-day corruption and wrongdoing transcend national borders, jurisdictions, and cultures (Schembera et al., 2023), involve more than two parties in the form of a giver and a taker; and are continuously changing based on the societal transformations, challenges, and goals they are linked with. Moreover, corrupt actions are increasingly difficult to detect (e.g., blockchain fraud), and their consequences are increasingly abstract (e.g., the effect of leaked data on affected parties) and temporally distant (e.g., the effect of corporate lobbying on climate change). As a result, the boundaries of corruption and wrongdoing are increasingly contested (e.g., when is environmental lobbying legitimate and when is it corrupt? What is free speech and what is wrongdoing in the form of hate speech?) (Ferraro et al., 2015). Consequently, studying corruption and wrongdoing from a business and society perspective is vital for understanding the inherent contestations and dynamics regarding the boundaries of corruption and wrongdoing that have shaped today’s societal transformations and challenges.

**Theorizing and empirically researching corruption and wrongdoing**

This special issue will foster discussion and theoretical insights on the novel challenges and opportunities at the intersection of business, society, and corruption. Based on the examples provided here and recent calls for more integration of corruption and corporate responsibility research (Castro et al., 2020, p. 958), we invite scholars to move beyond studying corruption or wrongdoing in isolation to focus instead on the interrelation between corruption or wrongdoing and current societal challenges and transformations. Possible submissions may address processes of overcoming corruption or other types of wrongdoing at different levels
of analysis—including organizational leadership, industries, national and international contexts, and societal contexts across systems (e.g., industry, sports, and education) (Ashforth et al., 2008; Bitektine & Haack, 2015; Weber & Glynn, 2006).

In addition, we are interested in submissions that recognize that organizational wrongdoing may result from processes of social construction that are subject to change and contestation (Berger & Luckmann, 1967; Slager, 2017). A social construction perspective implies that corruption and other issues of organizational wrongdoing may be socially contested and negotiated in the course of a dynamic process of observers’ interpretation and attribution about what is right or wrong, appropriate or inappropriate (Lange & Washburn, 2012; Tänzler & Maras, 2016). This perspective moves academic research beyond simply considering organizational wrongdoing as a universal and static black-and-white distinction of legal versus illegal behavior and recognizes that social and environmental issues connected to corruption (e.g., excessive fossil fuel lobbying) and other forms of wrongdoing (e.g., hate speech) are increasingly shaped by social construction. To better understand social construction processes, scholars may draw from attribution theory (Lange & Washburn, 2012), discourse (Slager, 2017) or sensemaking perspectives (Schembera et al., 2023; Weick, 1995), legitimation (Bitektine & Haack, 2015), institutionalization (Castro & Ansari, 2017), and normalization and rationalization processes (Fleming et al., 2022). We also envision submissions that focus on the role and relationship between key actors and explore the potential of applying an agency theory perspective on corruption and wrongdoing in dynamic and contested contexts (Cuervo-Cazurra, 2016).

We also encourage scholars to build on and expand research centered on responses to organizational corruption and wrongdoing (Pfarrer et al., 2008; Schembera & Scherer, 2017) by exploring new avenues within today’s rapidly changing world, where grand challenges and crises have become increasingly prevalent. Many multinational organizations have responded to allegations of wrongdoing by installing extensive compliance departments and standardization processes, arguably at the expense of social and cultural controls (Lange, 2008). Such radical organizational shifts have instigated myriad unintended consequences, trade-offs, and non-achievement of envisioned anti-corruption goals (Schembera et al., 2023; Wijen, 2014). Furthermore, organizations that responded to corruption in the past have recently faced renewed allegations of corruption and wrongdoing (Stevenson & Wee, 2019, June 14; U.S. Department of Justice, 2022). New scholarly perspectives may focus on organizational renewal as an ongoing and multi-actor process, by critically addressing the continuous evolution and dissolution of organizational compliance, for example (Bromley & Powell, 2012). To theorize about organizational responses in this dynamic compliance-achievement context, experimentalist (Sabel & Zeitlin, 2012) and democratic governance approaches (Arenas et al., 2020) may prove helpful.

Finally, digitalization offers new theoretical and empirical avenues to study corruption (UNDP, 2021). The transformation of communication through digitalization may provide novel avenues for theorizing bottom-up and multi-actor processes to govern corruption and wrongdoing. Social media platforms and the internet more generally have led to structural changes in public perceptions of current phenomena, including what is right or wrong in the governance of corruption (Habermas, 2022). However, such technological innovations may also be misused to legitimize practices, such as hate against minority groups, that would have been regarded as unacceptable in other communicative contexts (Rieger et al., 2018). With regard to top-down approaches of fighting corruption, scholars may scrutinize the role of established and emerging technologies (including AI, blockchain, and cryptocurrency) in
boosting transparency and accountability, thereby shaping the relation between compliance and achievement (Halter et al., 2009; Osrecki, 2015).

**Illustrative themes**

We invite conceptual and empirical (qualitative and quantitative) submissions for this *Business & Society* special issue on “Understanding and Confronting Organizational Corruption and Wrongdoing in the Era of Grand Societal Challenges.” Papers may address, but are not limited to, potential research questions in the following areas:

**New challenges and opportunities associated with current societal challenges and SDGs**

- **Climate change (see SDG #13)**
  - How does corruption and wrongdoing emerge from climate-change pressures?
  - How do organizations use corrupt practices to fight or diminish environmental protection policies and laws?
- **Good health and wellbeing (see SDG #3)**
  - How and why can combatting wrongdoing help to prevent future pandemics?
  - How does the urgency, uncertainty, and complexity involved in global scandals or crises foster wrongdoing, such as face mask scams or disinformation?
  - How and why do changes in business routines—such as a shift to (recorded) online meetings, conferences and education, and flexible work arrangements—reveal opportunities for tackling corruption (e.g., by leading to more empowered and productive employees)?
- **War, kleptocracy, and threats to democracy (see SDG #16)**
  - How do wars and related energy crises affect anti-corruption efforts?
  - How does corruption stand in the way of overcoming wars and threats to democracy?
  - How do firms choose whether or not to do business in countries with authoritarian regimes?
  - How does corruption affect the military industry and how is it different from other industries?

**New challenges and opportunities in today’s business and society transformations**

- **Globalization**
  - How can actors best deal with inherent tensions between policy compliance and achievement of intended goals in a global, dynamic business environment where it seems impossible to formulate “perfect” anti-corruption policies?
  - What are implications of wrongdoing and organizational responses to wrongdoing for organizational legitimacy in times of global business and society transformations?
  - Are ESG initiatives having an impact on organizational and societal corruption?
  - How can corruption and wrongdoing be overcome in the global value chains of, for example, extractive and labor-intensive industries?
  - How does the recent trend toward mandatory public regulation of corruption and human rights issues in global value chains affect the role of public, private, and societal actors in governing corruption?
- **Digitalization, (anti)corruption technologies, and new approaches to investigate corruption (see also SDG #9)**
When and how does the increased digitalization of current societies represent an opportunity for anti-corruption efforts, both bottom-up and top-down?

When and how does the increased digitalization of current societies, and the emergence of novel digital technologies like AI based applications, offer novel opportunities for organizational corruption and wrongdoing?

How is digitalization affecting the ways in which we can investigate corruption in current societies?

What potential does “big data” bring in observing corruption and wrongdoing? What are the “dark sides” of such a sheer mass of data?

How can configurational approaches generate new insights in the fight against corruption and wrongdoing?

New types pressures, collaborations, and dynamics across analytical levels

- How do today’s business and society transformations affect the collective governance of corruption and wrongdoing across the world?
  - How and why does the current trend towards public regulation of global supply chains affect the role of public versus private actors in governing wrongdoing (see, e.g., the EU Corporate Sustainability Due Diligence Directive, 2023)?
- What are the processes of corruption or other wrongdoing across different levels of analysis, and why do they change over time?
  - When, how, and why do small instances of corruption (i.e., petty corruption) become institutionalized over time?
- How do corrupt networks evolve and how can they be overcome?
- Might some actors facilitate their own change and growth as they sacrifice compliance for goal achievement, and if so, why?
  - Are some firms (e.g., small, entrepreneurial or family-owned firms) more susceptible to this?
  - How are sovereign wealth or pension funds ESG initiatives impacting the anti-corruption fight?

Submission Process

Submissions must fit with the aim and scope of Business & Society. To understand the fit with the journal’s scope, vision and expectations related to rigor and contribution, we strongly encourage authors to refer to editorial insights published in Business & Society. A collection of these is available at https://journals.sagepub.com/topic/collections-bas/bas-1-editors-insights/bas.

All manuscripts must be uploaded via the journal’s online submission system (https://mc.manuscriptcentral.com/bas) between September 1 and October 31, 2024. Make sure to specify in the cover letter that the manuscript is for the special issue on “Understanding and Confronting Organizational Corruption and Wrongdoing in the Era of Grand Societal Challenges.” All submissions will be double-blind peer-reviewed by multiple reviewers. Interested scholars are welcome to contact any of the guest editors.

Preparing Your Submission

Manuscripts should be between 7000-12,000 words, including tables, figures, and references. Research notes should be no more than 5,000 words. Please follow the manuscript submission guidelines for authors of Business & Society at https://journals.sagepub.com/author-instructions/bas
We can only consider submissions in English. If your first language is not English, financial support may be made available by Business & Society for translation on a case-by-case basis. Please write to the SI editors with your request.

The guest editors will organize two paper development workshops. A first virtual pre-submission workshop, where authors present their ideas and receive constructive feedback, is planned to take place on May, 27, 2024. To be eligible for the workshop, interested scholars should send a proposal of up to five pages or about 3,000 words to Stefan Schembera (stefan.schembera@ru.nl) by April 15, 2023. A second post-submission workshop, where authors whose manuscripts are granted a “revise and resubmit” decision can receive feedback and instructions for the process going forward, will take place in December 2024. Further details will be announced in due course. Attending the workshops is neither a guarantee nor a prerequisite for publication in the special issue.

Contact details
Questions can be send via email to any of the Special Issue editors: Stefan Schembera (stefan.schembera@ru.nl), Armando Castro (a.castro@ucl.ac.uk), Don Lange (don.lange@asu.edu), Kathleen Rehbein (kathleen.rehbein@marquette.edu)

Special Issue timeline
May 27, 2024 Virtual pre-submission workshop (participation optional)
Sep–Oct 2024 Submission window open for two-months from 1 September 2024 to 31 October 2024.
March 2025 Post-submission workshop (participation optional)

ABOUT THE GUEST EDITORS
Stefan Schembera is an Assistant Professor of Business Administration at Radboud University in The Netherlands. Using qualitative and quantitative analytical approaches, his research focuses on organizational corruption and wrongdoing, organizational legitimacy, corporate social responsibility, and global governance. Stefan’s work has been published in peer-reviewed journals such as Business & Society, Organization Science, and Strategic Organization. He has regularly reviewed for journals including Business & Society, Organization Studies, Academy of Management Review, Journal of Management Studies, Business Ethics Quarterly, Journal of Business Ethics and Ephemera. Along with Kathleen Rehbein and Armando Castro, Stefan convened a subtheme on corruption and wrongdoing at EGOS 2022 in Vienna, and he chaired several sessions at previous organization and business ethics conferences including the annual meetings of EGOS, Academy of Management (AoM) and Strategic Management Society (SMS).

Armando Castro is an Associate Professor of Management at the Bartlett School of Sustainable Construction at University College London, where he directs the Centre for Sustainable Governance and Law in the Built Environment. His research interests include various topics in organization theory, corruption, corporate social (ir)responsibility, ESG, and business ethics in empirical contexts such as the construction industry. Armando’s work has been published in peer-reviewed journals such as Academy of Management Annals and Journal of Management Inquiry. He has regularly reviewed for journals including Business
Don Lange is Professor of Management and Entrepreneurship and the Lincoln Professor of Management Ethics at Arizona State University (ASU). After earning his PhD in Management from the University of Texas at Austin, he joined ASU’s W. P. Carey School of Business, where he teaches managerial ethics in the MBA program and organization theory in the PhD program. His research interests include bad behavior within organizations, corporate social (ir)responsibility, organizational reputation, and stakeholder strategy. His published work appears in top academic management journals, including Academy of Management Review, Academy of Management Journal, Strategic Management Journal, Organization Science, and Personnel Psychology. Don has served as Associate Editor at Academy of Management Review and as Program Chair of the Stakeholder Strategy Interest Group at the Strategic Management Society.

Kathleen Rehbein is an Associate Professor of Management at Marquette University College of Management. Her research focuses on understanding business/government interactions, how firms manage and integrate their corporate social responsibility and corporate political efforts, corporate governance and shareholder activism, and business and human rights. Kathleen’s work has been published in Academy of Management Journal, Business & Society, Journal of Business Ethics, Business and Politics, and Journal of Management Studies.

REFERENCES


