The Implementation of Anti-Bribery Management System Designed to Mitigate the Bribery Risk in State-Owned Enterprises: A Case Study of The Indonesia Farming Industry

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Abstract

Bribery is recorded as the highest type of corruption cases in Indonesia handled by the Corruption Eradication Commission (KPK) from 2004 to 2020. At the organizational and corporate levels, bribery affects the execution of tenders and contracts, and increases costs and risks. In many countries, bribery has been one of a serious issue that might lead to the deterioration of business operation and company's reputation. Anti-bribery management system (ABMS) is expected to be one of the bribery mitigation strategies that can be applied widely especially in state owned enterprises (SOEs). ISO 37001:2016 is one of the ABMS that is implemented SOEs in Indonesia. The Joint Decree or Surat Keputusan Bersama (SKB) of the KPK, the Office of the Presidential Staff (KSP), the Ministry of Home Affairs (Kemendagri), the Ministry of National Development Planning Agency (BAPPENAS), and the Ministry of Empowerment of State Apparatus and Bureaucratic Reform in 2018 stated that the implementation of ABMS in the government and private sector was part of the focus to prevent corruption in 2019-2020. Thus, the ministry of SOEs released a regulation that encouraged all SOEs to implement ABMS immediately in 2020. Regarding to the issue, this study is aimed to study the implementation of the ABMS in an SOE operating in farming industry, specifically a major fertilizer company. The implementation of the ABMS is expected to contribute to minimizing the risk of legal problems, improve cost efficiency, and increase company competitiveness as a long-term vision. The analysis in this research is carried out by conducting statistical t-tests to analyze how each variable like strategic planning, leadership, evaluation, and improvements correlate to the implementation of ABMS in SOEs.

Keywords

Anti-bribery Management System, Bribery, State-Owned Enterprise

Biographies

Kartika Trisna Putri is pursuing her Master's degree in Industrial Engineering Department, with Industrial Management as specialization at Universitas Indonesia. She completed her Bachelor's degree in Meteorology Department, Faculty of Earth Science and Technology Institut Teknologi Bandung. Her area of interest includes business process reengineering, industrial management, industry 4.0 and quality improvement.

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