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INTERROGATING ORGANISATIONAL DEVIANCE THROUGH A CORPORATE GOVERNANCE LENS

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Abstract

This study sought to interrogate the root causes of deviance in organisations through a corporate governance lens. In this context, corporate governance practices form the lens through which deviant behaviours are interrogated, with the view establish how organisations have failed to prevent these instances. To accomplish the requirements of the above issue qualitative systematic review was conducted to relevant sources covering organisational deviance. Thus, 80 papers were obtained from databases: Web of Science, Scopus, and Google Scholar, with 50 of them meeting the inclusion criteria. From the analysed and discussed data from the selected sources, it was revealed that deviant acts (i.e., political deviance, production deviance, property deviance, etc.), occurs as a result of a delict of the corporate governance systems. In this context, these acts of deviance were mostly caused by a lack of employee motivation, a lack of employee recognition, involvement, and limited participation in decision-making activities. From the analysed and discusses data it can be concluded that the existence of weak corporate governance practices was considered as having an influence on organisational deviance. Based on the above findings, we recommend the adoption of best corporate governance practices premised on increased communication between key stakeholders and getting buy-in from them in operational processes.

Keywords: Organisational deviance, Corporate, Governance, Corporate governance, Lens.

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1. INTRODUCTION

Most business organisations worldwide, are made up of structures or machinery manned by individuals grounded in various corporate governance systems that oversee their operations with the view to achieve set targets (Aguilera, et al., 2018). Thus, these organisations operate under the guidance of set rules, guidelines and procedures, just like any other society in this contemporary world, in which its citizens operate under the guidance of cultural norms and values. However, not all individuals in the organisation adhere to the laid down rules, regulations and procedures, thereby creating deviance from the expected operational standards (Bunnet & Robson, 2015). In this context deviance is seen as the mismatch of employees' behaviour with the expectations and rules of the organisation (Aksu, 2016). It is against this background that organisations have fundamental values and standards, which guide their operations (Filatotchev, et al., 2020).

However, some organisations have been experiencing some deviant behaviour that violate formal work norms amongst its employees, resulting in losses in production (Sharma, 2021). Thus, organisational deviance can be interpreted to mean employees or organisations behave or operate outside of the expected standards, and norms. This calls for the inclusion of corporate governance systems to create a business relationship framework that provides an overarching understanding of organisational expectations (Brown, 2014; Fisher, 2011). However, there is dearth in literature on the interrogation of organisational deviance through a corporate governance lens. It is against this background that this conceptual paper sought to contribute towards the closure of the identified aperture, guided by the following objective: To establish the root cause organisational deviance through a corporate governance lens.

2. METHODOLOGY

In this conceptual paper, the qualitative systematic review approach was used to interrogate the 80 literature sources searched from targeted bibliographic databases (Web of Science, Science Direct, Scopus, and Google Scholar), based on a crafted inclusion and exclusion criteria. Specifically, the search targeted 'deviance*' OR 'deviant behaviour*' OR 'corporate*' AND 'governance*' OR 'corporate governance*' OR 'organisational behaviour*' OR 'organisational deviance*' used in titles, abstracts, keywords and references. The retrieved sources were then scrutinized to select only 50 papers centred on organisational deviance as their central theme. However, the constraint of this approach was that some pertinent sources above and beyond those written in English were not considered.

3. FINDINGS

This section cross-examines the issue at the centre of this conceptual paper guided by the following themes.

3.1 Corporate governance

According to Tricker (2015) corporate governance is about how power is exercised over corporate entities. With Hart and Zingales, (2022) postulating that it covers the activities of the board and its relationships with shareholders and other members. Therefore, corporate governance consists of a system of structuring, operating and controlling an organisation. This is geared towards achieving a culture based on a foundation of sound business ethics to fulfil the long-term strategic goal of the stakeholders (Maune, 2017). In this regard corporate governance reiterate that an organisation through its operational activities takes into account the expectations of its stakeholders. Thus, it fosters healthy relations for employee engagements, accounts for the needs of the environment and local community by maintaining proper compliance with the applicable legal requirements. In this context, the infusion of the corporate governance practices in an organisation's operations can be a panacea for deviant behaviour amongst the stakeholders.

According to Chandrakant and Rajesh (2023) organisations in their operations need to take into account practices such transparency, accountability, fairness and responsibility so as to navigate the concerns of the stakeholders. In this regard, these corporate governance practices are based on statutory and self-regulation to achieve job satisfaction, and employee commitment, resulting in them becoming productive and effective in the execution of the assigned duties or tasks. Therefore, corporate governance practices enhance an organisation to be well structured and be able to cater for the needs of the stakeholders, with aim to achieve the set production targets.

3.2 Organisational deviant behaviour

According to Robinson and Bennett (2011), organizational deviant behaviour is the voluntary behaviour of an individual or group of individuals that violates significant organisational norms and threatens the well-being of organisations and their members. In this regard, deviance is viewed as reactionary behaviour that manifests in individuals as they interact. In addition, organisational deviance can be viewed as an intentional act by employees of the organisation that violates the norms of the organization and can maltreat the organisation or its members (Langan-Fox, et al., 2007). De Vore (2001) insists that workplace deviance related to any intentional behaviour on the part of an organisation member is viewed by the

organisation as divergent and contrary to its valid or legitimate interests. This latter assertion views workplace deviance as the intentional or planned desire to cause damage to an organisation. These acts are usually a response to some issues considered unfair to employees by management in the form of section heads and/or supervisors. Kuklyte (2018) sums up stimulants of deviant behaviour as stemming from inconsistencies that can be between the organisation and individual employees.

In this regard, deviant behaviour can appear as a consequence of a lack of social control devices and a lack of commitment-enhancing policies. This can be in the form of a lack of recognition of effort or exceptional performance. Cheang and Appelbaum (2015) support this approach and add that employees' behaviours have the potential for moving to deviancy if an appropriate accommodation cannot be reached with the organisation. In addition, this can lead to severe dissonance among employees reacting to bureaucratic constraints by engaging in excessive rule tropism. In such instances, deviant behaviours might be initiated by a supervisor and interpreted as corporate psychopathy related to abusive supervision (Cheang & Appelbaum, 2015). Thus, the bureaucracy, reward and control systems, the observation of social norms, job or performance appraisal, the mediating role of trust and justice, partiality and false promises lie under the organizational deviance practice. Table 1 shows categories of workplace deviant behaviours, namely: unproductive behaviour, abuse of property, political and aggressive behaviour.

TABLE 1. TYPES OF WORKPLACE DEVIANT BEHAVIOURS

Type of deviance	Deviant behaviours	Sources
Production deviance	<ul style="list-style-type: none"> • Taking excessive breaks • Intentionally working slowly • Wasting resources • Sabotaging equipment 	<ul style="list-style-type: none"> • Agwa, 2018 • Dobos, 2017 • Humphrey & Palmer, 2013
Property deviance	<ul style="list-style-type: none"> • Accepting kickbacks • Lying about working hours • Stealing from the company 	<ul style="list-style-type: none"> • Chatterjee, & Hazarika, 2020
Political deviance	<ul style="list-style-type: none"> • Gossiping about co-workers • Showing favouritism • Competing nonbeneficially 	<ul style="list-style-type: none"> • Zappala, Sbaa, Kamneva, Zhigun, Korobanova, & Chub, 2022
Aggression deviance	<ul style="list-style-type: none"> • Sexual harassment • Verbal abuse • Stealing from co-workers • Endangering co-workers 	<ul style="list-style-type: none"> • Zappala, Sbaa, Kamneva, Zhigun, Korobanova, & Chub, 2022.

Source: Agwa (2018).

From the issues raised on contemporary organisational deviance, it can be insinuated that organisational deviance is intentional behaviours that violate organisational and societal rules, standards and norms, threatening the reputation, resources and well-being of the organisation, intended to have, the effect of damaging co-workers, managers, or the organisation itself (Bennett & Robinson, 2003; Cheang & Appelbaum, 2015).

This notoriety is often due to the sensational negative consequences associated with inappropriate behaviour within organisations. Many ordinary workers have been financially bankrupted many times due to the illegal actions of corporate leaders. From the cited deviant acts in the workplace are behaviours that prevent or decrease productivity. Workers can spend time standing around the water cooler, taking the 'scenic route' when making sales calls or extending the time it takes to complete a task that hampers productivity, depriving the company of cash. Other examples include being late for work, sick calling, and sneaking out when in perfect health.

From the property deviance perspective, employees can misuse the property of the company to commit deviant actions. In this regard, examples include workers who use company vehicles for personal errands which are prohibited, including those who harm company equipment, or who deface work areas. Furthermore, property abuse may also take the form of outright theft, such as taking home office supplies or refusing to return items borrowed from the company. In political deviance, employees can spread false rumours or gossip about other people to gain a promotion or a more favourable job. In the same vein, a deviant act can also be committed by managers who unfairly favour one worker over others or discourage worthy workers from advancing careers. Last but not least, deviance can emanate from personal aggressive behaviour. Common examples include sexual harassment, bullying, and open hostility toward employees and co-workers. This level of intolerance infringes on the rights and freedoms of other individuals leading to poor performance at work.

3.3 Impact of deviance on organisational integrity, accountability and transparency

This section introspects on deviant behaviour that diverts the energies of the workforce to other frivolous activities that derail focus on goal accomplishment and productivity. These acts of sabotage seem minute but cumulatively cost the organisation's grand output on goods and/or services offered. Organisational deviance in contemporary business establishments can be defined as detrimental behaviour in conflict situations that lead to coping responses such as avoidance of face-to-face contact where individuals use illegitimate means and methods, which are not sanctioned in an organisation (Kuklyte, 2018). In this regard, Yang, et al (2022) reiterate that these deviant acts violate organisational norms and may be intended to harm the organisation, its members, or both. In support, Ashena, et al (2019) observe that, if behaviour in an organisation violates organisational norms, then that behaviour is considered malicious or deviant. In addition, deviating from organisational norms is not an unfamiliar phenomenon for managers and organisations as the costs of such behaviours continue to burden organisations.

The burden is mainly on the impact of deviance on profit, the quality of work, and the well-being of employees socially, psychologically, and economically. Consequently, business organisations have become aware of the need to prevent negative outcomes as the side effect of several forms of deviant behaviours that impact negatively leading to production deviance, property deviance, political deviance, and personal aggression (Kuklyte, 2018). Thus, deviant behaviours in these categories include different forms such as abusive supervision, workplace ostracism, counterproductive and extra-role behaviours, digital work simulation, absenteeism, corruption, and sexual harassment among other deviant vices.

4. DISCUSSION

Deviant behaviour can be curtailed or nipped in the bud by employing inclusive corporate governance principles. In this regard, this discussion focuses on good corporate governance as a mitigatory measure to reduce or do away with deviant behaviours if properly administered. According to this trajectory, an in-depth analysis of the sources of deviant behaviour is interrogated based on the deviant behaviour in organisations (Uii, 2011). Tian and Guo (2023) hint that organisational deviant behaviour can be very disruptive and costly in terms of both the financial and emotional toll it takes on the company and employees respectively. In the same line of thought Uii (2011) postulated that deviance has often been recognised as a reaction to frustrating organisational stressors, such as financial, social, and working conditions. These stressors were found to increase tensions in corporations due to economic changes, increasing global competitiveness, downsizing and restructuring plans.

All these corporate management strategies have led to significant levels of misconduct. Kalemci, et al (2019) propound that social exchange theory is the basis of the concept of organisational relationships between the superordinate and subordinate. In this view, perceived organisational support attempts to explain employee-employer exchange relationships. Perceived organisational support refers to an individual's perception of how much the organisation values employees' contributions and well-being. In addition, organisational support theory adopts the view that employees perceive their supervisors as representatives of the organisation. Employees may engage in exchange relationships with supervisors that differ from their experience with the organisation (Kalemci, et al., 2019). In this manner, perceived supervisory support refers to employee views about the extent to which a supervisor values contributions and cares about their well-being.

This relationship can be very different from that which exists between the employees and the organisation at large. Inversely, when employees feel neglected by both management and the organisation the consequence is that there is the development of negative behaviours and mindsets. Tian and Guo, (2023)

reiterate that the impact of deviant workplace behaviour includes decreased job satisfaction, decreased organisational commitment, increased turnover intentions, decreased job performance, decreased productivity, increased absenteeism, and increased stress. Therefore, organisations need to identify and address deviant behaviour to maintain a healthy and productive work environment. These sources of deviant workplace behaviour are predicted to have caused deviant workplace behaviour and affected individual performance in work groups.

According to Schmitt, (2015), individuals can be affected by internal dispositions and external situations depending on the circumstances. Schmitt asserts that there are three possible explanations for a person's behaviour when they are exposed to a particular stimulus at a certain time: the person themselves, the stimulus (also known as the entity), and the circumstances of the moment, also known as time. The principle of covariance is used to make this kind of attribution, which states that an effect is attributed to three factors: consistency (does this person consistently exhibit the same behaviour when confronted with similar stimuli at different times in time), consensus (do other people behave in the same way when confronted to similar stimuli), and distinctiveness (does this person display similar behaviour when confronted to different stimuli).

Considering the degrees of consistency, agreement, and uniqueness, observers will attribute causes of another person's behaviour either to internal causes (proper to the person) or to external causes (linked to the stimulus or to the situation). This translates to the individual and the environment used by workers in the organisation set up. With the aid of corporate governance principles organisations are bound to be fairly treated and likewise live up to expectations. From the outline of the basic concepts that drove this research, it is observed that various standpoints have been pegged concerning the effect of corporate governance on deviant behaviour in workplaces. Given this, the following key takeaways have been noted from the literature sources that met the inclusion criteria.

4.1 Corporate governance as a mitigatory strategy to curtail deviant behaviour

Corporate governance is seen as how organisations are managed, controlled, and guided (Maune, 2017). This translates to planning, organising, controlling and directing. In this regard, both human and material resources come into the picture. OECD (2015) acknowledges that this governance strategy is concerned with processes, systems, controls, accountabilities, and decision-making. Fisher (2011) adds that this strategy takes into consideration customs, processes, laws, and policies, and this affects the way the company is heading and how it is administered. To this end, 30% of the articles referred to attest to the strength of corporate governance principles shaping and influencing decision-makers to come up with

decisions that consider the views of other stakeholders. More importantly, there is wide consultation and involvement of stakeholders.

Articles consulted on organisational deviance agreed that deviant acts are harmful to the status of the organisations. In this regard, 26% of the consulted articles accentuated that deviant acts such as theft, sabotaging, abusing, rumour spreading, arriving late, tardiness, disciplinary problems, wasting resources, vandalism, lying, slowdown strike, harassment, gambling, disobedience, violence, embezzlement and mobbing which lead to the diversity of problems for organisations (Demir, 2009). In this regard, corporate governance offers solutions as it has laid out principles and structures to follow in dealing with organisational human and material resources.

Recent studies have analysed both constructive (positive and functional) and destructive (negative and dysfunctional) deviant workplace behaviour, in a bid to try and provide a deeper understanding of its main antecedents, that lead to such behaviour (Braje, et al., 2020). It has been established that positive and functional deviance has attributes that work in favour of the organisation goals such as creative acting, disobeying non-functional orders, criticising insufficient management, and easing things for the organisation without permission. Although this is out of the norm it aids the development of goal achievement.

4.2 Organisations with strong corporate governance have committed workforce

From the literature review, 20% of the papers consulted claimed that organisations with strong corporate governance ethos have pumped and committed employees. This translates to the reduction of deviant acts as a result of the use of corporate governance principles or tenets. Inversely those with weaker corporate governance thresholds have weak and demotivated employees who can easily be drawn into deviant acts that derail the mission and vision of organisations. Thus, good corporate governance practices in the context of business organisation can be recognised as being concerned with the need to create a balance between organisational economic and social goals, while assuring the effective use of resources in the provision of services. In this context, good governance can be as acknowledged referring to the procedures, rules, and regulations, which guide how organisations plan, organise, control, and direct activities to do with human and material resources (Jiang & Kim, 2021).

5. CONCLUSION

Overall, the results of the study suggest a great deal that management styles make a greater contribution to deviant behaviour due to gaps in management deficiencies. This study implores management to utilise

corporate governance tenets as a strategy to deal with situations of deviant behaviour. This is mainly because it is a strategy that takes into account both individual employees and the working environment factors of the workplace. This is of great importance to human resources managers and all those engaged in workforce development as it means that to solve the problem of deviance, it is important to look for solutions that lie within individual workers and their working environment factors such as organisational culture. All this leads to conclude that to prevent the occurrence of deviance in organizational settings, a greater emphasis of managers and human resource practitioners should be put on individual selection, socialisation, education, and training aimed at enhancing personal value systems and individual beliefs on the forms of acceptable behaviour. Furthermore, a deliberate realisation of positive deviance should be acknowledged through strategic and informed interventions by management as such deviant acts have become sources of stakeholder input.

6. RECOMMENDATIONS

Management can make use of surveys focus groups or informal discussions with employees to establish fairness perceptions. In addition, management should protect employees through psychological safety. In this regard, avoid punishing or rebuking employees who express their honest opinions and concerns. Freedom of expression should be allowed especially for work-related issues. It is prudent under such circumstances, that management uses fair, clearly explained procedures to select, promote, reward, and discipline employees. This reduces further unsanctioned informal meetings that can then be sources of deviant behaviour. Management can also create a representative committee of employees to oversee these processes and involve them when making decisions. This increases workers' confidence and ownership of the decisions that have affected their well-being. Consequently, management should reward ethical behaviours through linked incentives.

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