# Research Article

# Perceived Expectation of 'KIM YOUNG-RAN ACT': An Application of the Theory of Planned Behavior

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**Abstract:** The present study examines the effect of perceived expectation of the enactment of 'Kim Young-Ran Act' on intention to behave improper solicitation. The present work is framed with the Theory of Planned Behavior (TPB) to predict behavioral intention to commit solicitation. The target sample (N=291) was among an adult group aged of 30 to 60 years. Seventeen questionnaire items were designed to measure the constructs of the conceptual model. Demographic variables were controlled for by including age and gender. The results from a hierarchical multiple regression reveal that, (1) the model accounted for 26.8% of the total variance of intention and (2) attitude, subjective norm, perceived expectation of the enactment were significant independent predictors of behavioral intention to commit improper solicitation.

Keywords: Solicitation act, Anti-bribery act, Kim Young-Ran Act, Behavioral intention, Theory of planned behavior, TPB.

#### 1. Introduction

Korea has an organizational culture that is strongly associated with school ties and blood ties (Kim, 1998). Corruption cases and non-corruption incidents that influence the public society for private gains continuously occur throughout society (Byun & Ruiz, 2007). According to the 2015 Corruptions Index (CPI) released by Transparency International (TI), for example, Korea ranked 27th among the OECD countries. It is a fact that every new government has made efforts to fight corruption with a name of 'clean and transparent government' and 'corruption of public officials must be rooted out'. However, the law was not strict enough to meet the people's expectations.

In 2002, the Anti-Corruption and Civil Service Act was enacted to eradicate corruption and corruption cases. The Anti-Corruption and Prevention Committee (formerly National Integrity Commission) was also established. However, a well-known corruption case called 'Female Benz Attorney's Incident' occurred in 2016. Contrast to the public's legal feelings, the case was sentenced to not guilty with a name of 'no job relevance'. In response to public indignation and complaints about corruption by public officials, people called for strict legislation to regulate corruption scandals involving public officials who cannot be punished with current useless laws. In June 2011, Kim Young-Ran, the chairman of the Anti-Corruption and Civil Rights Commission, proposed law banning public officials from soliciting and seeking private interests. The execution of the Kim Young-Ran Act led to a legal distinction between the concept of bribes and gifts based on job-relevance. It is a sign of a change in the Korean style of corruption that has been wrapped in a breeze. While there are expectations that the Kim Young-Ran law is able to restore the public's legal sentiment and trust in the public sector and further build a transparent and clean society, several arguments have been also made that the law is likely to weaken consumer sentiment and country economy. However, the EU, Singapore, the U.S., Germany and Japan, which have similar anti-corruption laws as the Kim Young-Ran Act, demonstrate positive economic impact but not negative. In addition, domestic and foreign institutions and economic research institutes predict that the Kim Young-Ran Act will provide opportunities to increase national economic equality. According to the 2016 OECD's report, corruption negatively affects productivity, public finances, poverty and inequality in the private sector, impeding economic uncertainties and economic innovation and productivity.

To our knowledge, there is no study on the perceived effect of implementing the Kim Young-Ran Act, a new paradigm of shipping the criminal law in terms of job relevance and reward. A study on the impact of existing anticorruption laws was conducted mainly on legal systems for preventing corruption and corruption of public officials. Since the Kim Young-Ran Act is a new law that has not been ever implemented, it is worth to assess the positive effects perceived by members of society according to the implementation of the Kim Young-Ran law. To do this, the present work is framed with the theory of planned behavior (TPB) (Ajzen, 1985, 1991, 2015), which postulates that human being act his or her behavior according to attitude, subjective rule and perceived behavioral control. The present work complements the TPB with an addition of perceived effect of Kim Young-Ran Act to predict behavioral intention to engage in corruption behavior.

## 2. Literature Review

#### 2.1. Kim Young-Ran Act in South Korea

Kim Young-Ran Act put the integrity of society in South Korea at the test stage of massive changes. Originally, the official name of the Kim Young-Ran Act was the 'Anti-Corruption and Conflict of Interest Act'. Its target includes government and local government officials, officers of public institutions, faculty members of public schools and private schools, executives of media companies, and board of private school foundations. The first provision for preventing conflicts of interest, which is an official matter of the National Assembly review process, was omitted in the first session of the National Assembly that prevents lawmakers or high-ranking officials themselves or relatives from making inappropriate influence on their job performance. The Kim Young-ran Act is expected to bring a new paradigm shift for bribery, as the unworthy trading was also subject to punishment. In particular, existing laws failed to satisfy the public's trust in the fairness of public officials for bribes targeted at public offices. However, the Kim Young-Ran Act extended the scope of its target to private school faculty and staff of media companies to prohibit the use of illegal solicitation, bribery, and promise-making activities to prevent them from taking advantage of illegal activities.

In the U.S., there is a law against bribery and conflicts of interest, targeting public officials, those elected and appointed, and those who serve as public officials, including lawmakers (Bown, 2017; Kaikati & Label, 1980). Under the Act, even if it is unintentional with a deliberate bribe, it shall be punished by separating the cases of illegal bribery related to official matters. In particular, all public officials shall be punished for up to five years in prison if they receive bribes worth more than \$20 or take meals. In Germany, those who have certain duties for public service or public service shall be punished according to the level of bribery crimes (Cleveland, Favo, Frecka, & Owens, 2009; Lord, 2013; Tomasic, 2018). In Singapore, both the giver and the taker shall be punished with sentences of prison and fines, and the stolen bribes shall be returned to the government (Quah, 2002) .Denmark, anyone who offers or takes bribes shall be sentenced to prison (Cuervo-Cazurra, 2008; Lindgreen, 2004). The EU enacted the EU's General Bureau of Corruption for any kinds of fraudulent activities, including misconduct, abuse of authority, and protection of all the member states' interests (Pacini, Swingen, & Rogers, 2002). The OECD currently operates a system to monitor foreign public officials in international commercial transactions under the 1997 Anti-Bribery Convention.

#### 2.2. The Theory of Planned Behavior (TPB)

The planned behavior theory consists of three variables – attitude, subjective norm and perceived behavioral control towards a certain behavior (Ajzen, 2015). Attitude refers to a set of emotional beliefs that construct a positive or negative subjective evaluation toward the behavior. It refers to a continuous emotional or emotional tendency toward the behavior. According to Ajzen (2015) attitudes toward a behavior are evaluation criteria for consistent reactions to a given symbol (Ajzen, 1985). Attitude is determined by an individual's assessment of their intended behavior. Human beings rationalize the outcome of an action when deciding whether to perform it, and the more positive the attitude is, the more likely the behavior is performed. In particular, positive or negative attitudes are determined by the overall reaction of the behavioral or emotional experience. People can form different attitudes toward a behavior. Subjective norm is normative belief about a behavior. It refers to the opinions of groups with influence around the subject (e.g. family, friends, supervisor, etc.). It is often expressed as a social influence or as a social pressure. Subjective norm is formed based on the belief that others support or do not (Ajzen, 1991). For example, determining to perform a behavior is largely affected by social rules. Eventually, people close to them strongly believe that they expect to participate in certain actions they are about to perform, and the stronger the motivation they have to meet their expectations, the more likely they are to attempt certain actions. Perceived behavioral control refers to the ability and confidence of an individual to perform a behavior (Ajzen, 1985). It indicates the degree to which an individual believes that an action is under his or her control, or a perceived degree that the behavior is easy or difficult to perform. Perceived behavioral control includes physical resource elements (e.g. time, cost, money, etc.) and internal factors (e.g. personal ability and confidence). Both factors serve to promote a better performance of an action. If one has less available resources to perform his or her behavior and lack confidence and control over actions, the behavior is less likely to performed. Perceived behavioral control is considered to affect behavior when there are no obstacles or obstacles, and there are many resources (time, money, technology) or opportunities. In particular, the more resources, opportunities and skills are perceived as necessary in acting, the greater the impact of perceived control on behavior. Three variables of the theory of planned behavior

- attitude, subjective norms, and perceived control of behavior – affect the behavioral intention. Behavioral intention refers to subjective possibilities and tendencies for performing a particular action and the direction of the before the behavior was determined.

Importantly, it has been argued that the model of theory of planned behavior may not provide sufficient explanation for an individual's particular behavioral intention. According to Ajzen (1991) addition of external variables to the standard model of the theory of planned behavior should account for behavioral intention better as long as the three original variables of attitude, subjective norm and perceived behavioral control are still taken into consideration. In the current study, findings from reviews provided the basis for adding one external variables – perceived effect of the enactment of Kim Young-Ran Act – to predict behavioral intention to commit corruption behavior.

# 3. Development of Research Hypotheses

In the present work, behavioral intention is operationally defined as an individual's willingness to give or receive money for some kind of influence or action in return. Three basic variables of the model of Theory of Planned Behavior – attitude, subjective norm and perceived behavioral control (PBC) – have been found to be significant predictors of behavioral intentions to engage in anti-social activities (Skrzypiec, 2017).Consistent with the observed patterns in past studies, it is hypothesized that attitude, subjective norm, and PBC will be significant factors in predicting behavioral intention (Hypothesis 1). Also, it is hypothesized that an additional variable of perceived expectation of the enactment of Kim Young-Ran Act will significantly improve the predictive power of behavioral intention (Hypothesis 2).

#### 4. Research Methodology

#### 4.1. Development of Measurement Instrument

A survey approach was used to collect sample data and to test the proposed two hypotheses. The questionnaire was concerned with demographic information and constructs of the measurement instrument of the extended TPB model.

#### 4.2. Survey Questionnaire

Nominal scales were developed to collect respondents' gender and age information. Operationalization of standard TPB variable was developed based upon the guidelines provided by Ajzen (1991). Behavioral intention was evaluated by the mean of three questionnaire items on the seven-point scale. Higher scores for behavioral intention indicate greater willingness to give or receive money for some kind of influence or action in return. Attitude toward the behavior was assessed by the mean of four items on the seven-point scale. Higher scores for attitude indicate positive, favorable, valuable or acceptable attitudes toward the behavior. Subjective norm was evaluated by four items on the seven-point scale. Perceived behavioral control was assessed by the mean of three items on the seven-point scale. Higher scores for perceived behavioral control indicate greater control over the behavior. Lastly, an additional variable of the perceived expectation of enactment of the Kim Young-Ran Act was scored on the seven-point scale, ranging from 1 (= 'strongly disagree') to 7 (= 'strongly agree').

#### 4.3. Sampling Procedure and Respondents

The target respondents were chosen from age groups of 30 to 60 years. The sample size was set to N = 350 respondents as a minimum set. All survey materials were translated into Korean. In the first step, the main questionnaires were completed by N = 350 samples from a paneled inventory. N = 291 respondents returned their questionnaires. All completed materials were usable, yielding a response rate of 83.1%. Respondents in the final sample had an average age of 47.8 years (S.D. = 6.25). They consisted of 153 males (52.6%) vs. 138 females (47.4%). Table 1 describes the demographic characteristics of N = 291 respondents including gender and age.

Table 1: Demographic	Characteristics	of $N = 291$ H	<b>Respondents:</b>	Gender and Age

Demographic characteristics	Frequency	Percentage
Gender		

Male	153	52.6%
Female	138	47.4%
Age		
30-39	95	32.6%
40-49	92	31.6%
50-60	104	35.7%
Total	N = 291	100.0%

# 5. Data Analysis of Hypothesis Test

## 5.1. Descriptive Statistics

Table 2 presents descriptive statistics including item mean, standard deviation and Cronbach's alpha coefficients for each survey item. The mean of perceived expectation of enactment of Kim Young-Ran Act (M = 3.9, S.D. = 0.91) was rated highest among the five variables, while the mean of behavioral intention was rated the lowest (M = 1.7, S.D. = 0.67).

Table 2: Descriptive Statistics and Cronbach's Alpha Coefficients for Each Variable

Construct	Item	Item mean (S.D)	Cronbach's α	
Intention $(M = 1.7, S.D. = 0.67)$	INT1	1.6 (0.63)	0.779	
	INT2	1.7 (0.64)		
(M = 1.7, S.D. = 0.07)	INT3	1.9 (0.69)		
	ATT1	1.7 (0.62)		
Attitude	ATT2	1.9 (0.71)	0.820	
(M = 1.9, S.D. = 0.69)	ATT3	1.9 (0.65)	0.820	
	ATT4	2.0 (0.73)		
	SN1	2.6 (0.80)		
Subjective norm	SN2 2.5 (0.84)		0.728	
(M = 2.7, S.D. = 0.84)	SN3	2.7 (0.86)	0.728	
	SN4	2.9 (0.79)		
PD C	PBC1	2.9 (0.83)		
PBC (M = 2.9, S.D. = 0.82)	PBC2 2.9 (0.81		0.647	
(101 - 2.9, 5.0 0.02)	PBC3	2.8 (0.79)		
Densel - 1 Encoded	PB1	3.8 (0.83)		
Perceived Expectation $(M = 3.9, S.D. = 0.91)$	PB2	4.0 (0.80)	0.782	
	PB3	3.9 (0.79)		

# 5.2. Internal Consistency

Internal consistency was assessed the reliability of questionnaire items. The values of Cronbach's alpha coefficients computed for all cases ranged from 0.702 to 0.820, which exceed the lower cut-off of 0.7 (DeVellis, 2003). (Table 2).

# 5.3. Factor analysis

The appropriateness of factor analysis was examined through the calculation of the KMO measure of sampling adequacy (= 0.802) and Bartlett's test of sphericity (p = 0.000) (Hair, Anderson, Tatham, & Black, 1998). A factor analysis was conducted on seventeen questionnaire items using Varimax rotation with Kaiser Normalization. The extraction method selected was principal component analysis. The result indicates that five distinctive components with eigenvalues that exceed 1.0 were extracted, corresponding to the five constructs of interest in the present

study. The five factors accounted for 68.2% of the total variance of items. Table 3 shows that all factor loadings exceed the recommended threshold of 0.6 ranging from 0.638 to 0.807.

Itom	Item				
Item	1	2	3	4	5
INT1			0.705		
INT2			0.741		
INT3			0.677		
ATT1	0.742				
ATT2	0.666				
ATT3	0.684				
ATT4	0.705				
SN1		0.639			
SN2		0.690			
SN3		0.613			
SN4		0.767			
PBC1				0.778	
PBC2				0.807	
PBC3				0.720	
PE1					0.638
PE2					0.644
PE3					0.692

**Table 3: Factor Analysis: Rotated Component Matrix** 

Note. Exploratory factor analysis technique: principal component analysis; Rotation method: Varimax with Kaiser Normalization; Rotation converged in 5 iterations.

INT = intention; ATT = attitude; SN = subjective norm; PBC = perceived behavioral control; PE = perceived expectation of enactment of Kim Young-Ran Act

Factor loadings below 0.5 are not shown.

## 5.4. Hypotheses test

A hierarchical multiple regression was performed to evaluate two research hypotheses. Survey data were reverse-coded for regression analysis where appropriate. Multicollinearity was not a serious concern, since the Variance Inflation Factors (VIFs) calculated for all variables are below the value of 10.0 (Greene, 2000).

Table 4 presents the predictors of behavioral intention included in each step, the corresponding adjusted squared changes, and the betas and standard errors for each variable. At step 1, demographic variables including age and

gender were entered as control variables. The three constructs of the standard model of Theory of Planned Behavior – attitude, subjective norm, and PBC were entered at step 2. Perceived expectation of the enactment of Kim Young-Ran Act were entered at the final step.

Predictor	В	Std. error	β	$eta_{ ext{final}}$	Adj. R <sup>2</sup>	F
Prediction of intention						
Step 1					0.022	$F = 3.115^*$
Age	-0.031	0.025	-0.024	-0.002		
Gender	-0.315	0.126	-0.114*	-0.029		
Step 2					0.211	$F_{24.513^{***}} =$
Attitude	0.386	0.071	0.351***	0.276***		
SN	0.219	0.069	0.141**	0.125*		
PBC	0.031	0.032	0.028	0.005		
Step 3					0.268	$F = 8.015^{***}$
PE	0.114	0.061	0.141**	0.141**		

**Table 4: Hierarchical Multiple Regression of Intention** 

Note.  ${}^{*}p < 0.05; {}^{**}p < 0.01; {}^{***}p < 0.001$ 

At step 1, inclusion of age and gender for 2.2% of the variance in intention (F = 3.115, p < 0.05). Age was not the significant predictor of behavioral intention ( $\beta$  = -0.024, p > 0.05). However, gender was found to be significantly predictive antecedent of behavioral intention ( $\beta$  = -0.114, p < 0.05). The beta weights in the final regression equation, however, indicates that none of the two demographic variables were significant.

The second step tested the first hypothesis by examining the three variables of attitude, social norm and perceived behavioral control. In step 2, inclusion of those three variables accounted for a 21.1% of the variance in intention (F = 24.513, p < 0.001). Attitude ( $\beta$  = 0.351, p < 0.001) and subjective norm ( $\beta$  = 0.141, p < 0.01) were significant in the prediction of behavioral intention, but PBC was not ( $\beta$  = 0.28, p > 0.05). Inspection of the beta weights indicates that in the final regression equation, both attitude ( $\beta$  = 0.276, p < 0.001) and subjective norm ( $\beta$  = 0.125, p < 0.01) remained significant independent predictors of intention. But, an independent effect for PBC was not statistically significant in the final regression equation ( $\beta$  = 0.005, p > 0.05). The results partially support hypothesis 1. The addition of perceived expectation of enactment of Kim Young-Ran Act at step 3 significantly increased the proportion of total variance explained to 26.8% (F = 8.013, p < 0.001). Perceived expectation was found to be significant predictor of behavioral intention ( $\beta$  = 0.141, p < 0.01). The results provide a support for hypothesis 2.

# 6. Discussion

In line with the TBP, and in line with modest support for hypothesis 1, the findings confirm the significant role of attitudinal and normative influence on behavioral intention to commit giving or receiving money for some kind of influence or action in return. Respondents with unfavorable attitudes had less intention to commit the behavior or those with favorable attitude had stronger intention; and increasing or decreasing levels of approval for engaging in the behavior were significantly associated with increasing or decreasing intention, respectively. When perceived expectation of enactment of Kim Young-Ran Act was included in the final regression model, it increased the overall explained variance in intention by 5.7%.

In Korea, the enactment of the Act is necessary for the purpose of eradicating public corruption and unjust solicitation. As the periodical situation changes and the social demands change, there is sufficient necessity to expand the range of punishment or to incorporate it as a new crime which is punishable according to the letter of the law. However, the legislation that emphasizes realistic necessity and thus ignores the legitimacy of legal norms or legal logic should be alerted in this case to uncover any discrepancies. Therefore, a low level of job relevance as a minimum subjective component factor is considered necessary. However, the requirement for job relevance

does not result in narrowing down of the scope of the bribery act under the Improper Solicitation Act, or making it hard to achieve the purpose of punishment of corruption crimes other than a formal bribery charge. It may be a problem to what extent job relevance would be acknowledged through the interpretation of requirements of job relevance. In this case, referring to the current interpretation of bribery charge, if job relevance rather than compensational relationship which is a core component is interpreted in a broad sensor, the broadly-interpreted job relevance can be a criterion that can be identified for a job relevance in the case of bribery-taking act and the aforementioned issue will be overcome.

# 7. Conclusion and Limitations

The present study is a prospective work that identified factors helpful in understanding individuals' intention to commit improper solicitation. The findings indicate that behavioral intention of commit 'giving or receiving money for some kind of influence or action in return' is possibly governed by attitudinal and normative belief toward behavior, as well as the extent to which individuals feel confident that enactment of Kim Young-Ran act would improve the integrity of society.

A major limitation of the current study is the fact that the model should be better formulated by incorporating more sophisticated sample target group. Another limitation is that this work used a non-random convenience sample of South Korea only. Thus, the results cannot be generalized to other settings of different countries. Future research should extend the design to conduct cross-cultural comparisons of policies for various improper solicitation acts.

# Acknowledgement

## **Declaration of Conflicting Interests**

The author declared no potential conflicts of interest with respect to the research, authorship, and publication of this article.

## Funding

The author(s) received no financial support for the research, authorship, and publication of this article.

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