1-1-2011

Filling in the Gaps in Culture-Based Theories of Organizational Crime

Adam Trahan
University of North Texas

Recommended Citation

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Adam Trahan
University of North Texas
Department of Criminal Justice
1155 Union Circle #305130
Denton, TX 76203-5017
940-369-8860
Adam.Trahan@unt.edu

Abstract

Scholars have increasingly turned to theories of organizational culture to understand and explain organizational crime. Research supports the basic supposition of this approach – that the cultural milieu in complex organizations exerts a powerful influence on patterns of behavior. However, culture-based theories suffer from two major shortcomings. First, there remains considerable confusion as to exactly what constitutes a criminogenic organizational culture. Second, no model has been offered to explain how criminogenic values spread throughout organizational hierarchies. This paper draws on extant theory and research to fill these gaps and construct a more complete theoretical account of organizational culture and organizational crime. The model articulated here posits that criminogenic organizational cultures can be identified by the presence of techniques of neutralization. Furthermore, the multiplicity and generalizability of different neutralization techniques indicates the degree to which any given organizational culture is criminogenic. Several constituent components of social learning theory, principally differential association-reinforcement and operant conditioning, are applied to detail how neutralizing techniques spread in a top-down fashion throughout entire organizations. Policy implications for the prevention of organizational crime are offered.

Introduction

The study of white collar crime has been wrought with conceptual skirmishes since its inception. Indeed, "few, if any, legal or criminological terms are surrounded by as much dispute as white-collar crime" (Geis, 1992:31). Many of these skirmishes result from the fact that white-collar crime, regardless of how it is defined, includes a wide variety of behaviors. In some instances these skirmishes have severely impeded theory development and evaluation (Cressy, 2001). However, they have also led to the creation of internally consistent subcategories of white-collar crime. These subcategories, much like those employed in the study of traditional crime (e.g., violent crime, property crime, etc.), are distinguished according to the nature of the behavior that comprise them.

One of the clearest distinctions that have been drawn between various forms of white collar crime distinguishes "offenses committed by individuals for themselves…" and "offenses committed by corporate officials for their corporation" (Clinard & Quinney, 1973:188). The latter – organizational crime – refers to illegal acts by employees of legitimate formal organizations to promote organizational goals and interests. The defining characteristic of organizational crime is the ancillary importance of individual reward in favor of organizational benefit (Ermann & Lundman, 1978). Organizational crimes, such as the Enron scandal, include some of the most devastating criminal acts throughout history.

Studies have found that organizational cultures exert a powerful influence on organizational conduct, including crime (Benson, 1985; Braithwaite, 1989a; Braithwaite, 1993; Calavita, Pontell, & Tillam, 1997; Coleman, 1992; Ott, 1989; Vaughn, 1996). Despite these findings, scholars have yet to construct a general and coherent theoretical framework

from which an organizational culture approach could be developed and refined (Colemen, 1992; Shover & Hochstetler, 2002). To date, cultural theories of organizational crime derive from a variety of independent constructs and studies.   As Hochstetler and Copes (2001:219) aptly stated, "whereas all apparently agree that organizational culture is shared, precisely what is shared is less clear." Ott's (1989) meta-analysis revealed that approximately 73 different constructs have been used to define the term organizational culture. Therefore, the first goal of this essay is to construct a definition of criminogenic organizational culture that can be operationalized.

Organizational culture is essentially an ethical tone that can be used to characterize the criminogenic tendencies of organizations (Frerichs, 1996). Locating the origins of these cultures is an imperative theoretical question. Research has demonstrated time and again that the substance and tone of any organization's culture is determined by those at the top of the hierarchy (Jenkins & Braitwaithe, 2001). However, research has yet to demonstrate exactly how these cultural values are transmitted. The second goal of this essay is to identify the mechanisms through which criminogenic values spread across organizations. The theory presented here not only fills a gap in the literature, but also offers policy implications for the prevention of organizational crime. If criminogenic organizational culture and its methods of transmission can be identified, then they can be interrupted or manipulated.

Organizational Culture

The Cultural Approach

Scholars have traditionally applied structural and individual-level theories to the study of organizational crime. Organizational culture theory attempts to account for organizational crime according to group associations. This is not to say, however, that such an approach is a total devaluation of structural or individual effects. In some markets, for example, violations of both criminal and administrative law violations are endemic, while in others it is relatively rare (Clinard & Yeager, 1980; Shover & Bryant, 1993).

Structural theories of organizational crime typically involve explanations related to the performance of industries and variations in opportunity. These theories often resemble general strain theories in that organizations' inherent emphasis on goal achievement and the availability of legitimate means are at the core of their argument. Such theories have, on occasion, been substantiated by empirical research. For example, organizations that experience difficulty competing for scarce resources are often more likely to offend (Simpson, 1986; Staw & Szwajkowski, 1975). Also, organizations with records of poor performance relative to others in the same markets exhibit higher rates of offending (Clinard & Yeager, 1980).

Studies have shown that organizations' internal ethos and consequent actions are influenced by a variety of external forces. That is, organizations are not entirely closed systems. Van de Bunt (2010) found that a culture of silence and concealment created criminogenic conditions in the credit and construction industries. These macro-level forces shaped entire criminal networks and markets relatively independent of individual organizations. Nguyen and Pontell (2010) discovered similar macro-level stimuli underlying the mortgage frauds in the subprime lending industry. Inadequate regulation, the indiscriminate use of alternative loan products, and a general lack of accountability shaped the entire mortgage industry. Stated simply, individual organizations do not exist in a vacuum and do not operate autonomously from general market conditions or other organizations in their industries.

Although individual level theories of organizational crime are somewhat less common, there remains a general belief among some scholars that rational choice models can explain decision-making processes in organizational crime. Perhaps part of the reason such models continue to exert influence is that they seem ideal for application to organizational actors. Popular concepts portray these individuals as not committed to "criminal lifestyles" and, relative to other segments of the population, exceedingly risk-averse (Coleman, 1987). According to Schlegel (1990:16), managers are "unwilling to

engage in activity that poses even minimal threats to the future of the corporation or their own position in it." Not only do typologies of organizational actors seem to fit well within a rational choice model, but so do their actions. As Braithwaite and Geis (1982:302) stated, organizational crimes are "almost never crimes of passion; they are not spontaneous or emotional, but calculated risks taken by rational actors."

Although structural and individual level theories of organizational crime persist, the pathologies of individuals, business cycles, and abstract market forces alone fail to provide a complete account of organizational crime (Hochstetler & Copes, 2001). Despite the performance of industries and organizations themselves, some firms maintain exemplary records of compliance with ethical and legal norms while others habitually violate (Clinard & Yeager, 1980; Shover & Bryant, 1993; Sutherland, 1949). While market forces create conditions that make crime attractive and changes in opportunities structures may create pressure, these factors alone fail to explain of why some organizations violate the law while others do not. Individual level theories also fall short because, as research has often shown, organizations violate laws regardless of the composition of their personnel (Gross, 1980; Vaughn, 1998). Sutherland's (1949:264) seminal study of white-collar crime revealed that "many of the corporations which violated the antitrust law forty years ago are still violating that law, although the personnel of the corporation has changed completely. That is, variations in persons occur without variations in behavior."

Organizational culture theory posits that organizational crime is not a function of structural stimuli or individual characteristics themselves, but rather how they are interpreted. Stimuli from external sources are almost constantly bombarding organizations and the actors who comprise them and certainly shape the environments in which they must operate. Despite the omnipresence of such influences, some organizations violate and others do not because these forces are malleable. Organizational cultures exercise a refracting power over virtually everything (Deal & Kennedy, 1982). Ott (1989:69) argued that organizational culture "shapes members' cognitions and perceptions of meanings and

realities." Thus, structural and individual factors cannot be assumed to have inherent qualities that uniformly affect behavior because, despite these forces, most organizations have a generally ethical or unethical culture (Clinard, 1983). This argument is not an abstract philosophical notion. It simply reflects the realization that "proximate factors mediate the effects of distal factors" (Laub, 1994:247).

What is a Criminogenic Culture?

Despite growing interest in culture-based theories of organizational crime, considerable confusion still surrounds the concept of organizational culture (Shover & Hochstetler, 2002). Combining the various and most prominent explanations of organizational culture leads to the following conceptualization: organizational culture is a set of collective attitudes, techniques, rationalizations, and definitions (Bartnett, 1986; Braithwaite, 1989a; Hills, 1987). Many of these terms, however, are ambiguous. This ambiguity has made it difficult for researchers to operationalize key terms and incorporate them into research designs (Hochstetler & Copes, 2001). What is imperative at this point is to provide a concrete schema that details the constituent components of a criminogenic organizational culture.

Organizations with criminogenic cultures are said to harbor attitudes, definitions, and values favorable to violations of the law (Ott, 1989). However, research has shown that virtually all individuals within any formal organization are averse to being seen as criminals (Benson, 1984). Identity conflict is often what is so perplexing about white collar crime. Consider Hills' (Hills, 1987:190) question, "How is it possible that men who are basically moral and decent in their own families – perhaps even generous in civic and charitable contributions – are able to engage in corporate acts that have extraordinary inhumane consequences?"

Whether this image of the corporate actor represents stereotypes or reality is debatable. However, it represents an important component in the relationship between culture and organizational crime. Deviant self-concepts are an integral force in many other

types of criminogenic cultures (Anderson, 1990; Anderson, 1999; Braithwaite, 1989b) but are aversive to those within criminogenic organizational cultures. Perhaps the best illustration of this point is Braithwaite's (Braithwaite, 1989a) contention that shaming works in the opposite direction in formal organizations. That is, he argued that shaming may deter organizational criminals whereas it often fuels "traditional" offenders.

The notion of criminogenic organizational cultures as comprised of definitions, attitudes, and values favorable to law violations is not necessarily untrue or unimportant. Instead, it is simply too vague to provide a clear point of demarcation from conforming cultures. Any attempt to identify a "tipping point," or point of distinction between criminogenic and conforming cultures, must be guided by the fact that criminogenic cultures must simultaneously promote unlawful behavior and protect positive appearances and self-concepts. From here we can begin to understand how criminogenic culture manifests. If the function of criminogenic organizational cultures is to (a) promote offending and (b) maintain positive self-concepts and appearances, it follows logically that such cultures will manifest in the form of techniques of neutralization. Case studies and qualitative research have often found neutralizing linguistic devices underlying organizational crimes.

Denial of responsibility is the belief that individual offenders are not blameworthy because responsibility for their criminal behavior lies elsewhere. This technique lends well to the context of organizational offending. Responsibility for any type of behavior can easily be diffused because decisions are typically made incrementally by different individuals (Hochstetler & Copes, 2001). Also, the hierarchical structure of organizations allows individual offenders to place blame on their superiors. For example, the following quote comes from a study of false reporting at B.F. Goodrich: "I learned a long time ago not to worry about things over which I have no control. I have no control over this…Why should my conscience bother me?" (Vadivier, 1996:118).

Denial of injury associates the wrongfulness of any action with the harm it causes. Organizational offenders who are able to convince themselves that their behavior did not

harm anyone are, therefore, able to maintain that they did nothing wrong. Denying that

their actions are injurious is relatively easy for organizational offenders because they

seldom witness the harm they cause firsthand. For example, in a price-fixing case involving

the heavy electrical industry, a witness and employee of one of the corporations being

prosecuted claimed that his peers' behavior was "illegal? Yes, but not criminal…I assumed

that a criminal action meant damaging someone, we did not do that" (Geis, 1967:122).

Denial of victim is a neutralization device that manifests as offenders blame their

victims for their own suffering. Hills (1987) found, for example, that manufacturers of the

harmful intrauterine contraceptive device (IUD) stated that infections caused by their

product were not the result of design flaws; instead, users were causing the infections by

improperly inserting the device or by being excessively promiscuous. Also, because of the

complex nature of most organizational crimes, identifying a human victim is difficult even

for law enforcement (Braithwaite & Geis, 1982). Organizational offenders, therefore, are

often able to justify their actions on the grounds that there is no "real" victim.

Condemnation of the condemners occurs when offenders express denial of the

legitimacy of the law and those who enforce it. Organizational offenders often believe that

the authorities' invite, even demand, the behavior for which they are persecuted

(Hochstetler & Copes, 2001). A study of Medicaid fraud found that doctors who file false

claims believed they were forced to do so because the regulatory environment changed

frequently, was ambiguous, and was controlled by people who knew nothing about the

realities of their work (Jeslow, Pontell, & Geis, 1993).

Appeal to higher loyalties is the contention that violating the law is a necessary

component of the pursuit of broader, more important goals. Accordingly, offenders believe

that their behavior is justified or even honorable. In the context of organizational crime,

these "higher loyalties" are often the organization itself and/or its shareholders. For

example, Sonnenfeld and Lawrence (1978) discovered that persons convicted of price-fixing

between two folding-box companies justified their offense by stating, "I've always though of

myself as an honorable citizen. We didn't do these things for our own behalf…[but] for the betterment of the company." Friedman (1962) argued that no where in the cultural milieu of organizational conduct in America does there exist a notion of social responsibility.

The relationship between guilt-neutralizing linguistic devices and the commission of white collar crimes is not new. Cressey (2001) discovered what was later termed "techniques of neutralization" (Sykes & Matza, 1957) in his study of embezzlement over 50 years ago. To date, however, scholars have undervalued the role these techniques play. They are not merely "rationalizations that…make criminal conduct possible" (Hochstetler & Copes, 2001:214). They also represent the substance of an organization's ethos. That is, neutralizations not only provide a mechanism with which potential offenders are able to minimize "damage to his (or her) self-image" (Sykes & Matza, 1957:667). These linguistic devices also provide insight into the locus of authority, the definitions of situations and stimuli, and the set of priorities that any given organizational culture has established.

One additional shortcoming of extant research and theory is that organizational cultures are often treated as dichotomous. That is, organizational cultures are either conformist or criminogenic. A dichotomous model is illusory, however, because the criminogenesis of organizational culture is best represented as a continuum. Some organizations that violate the law do so habitually; others do so sparingly. It is essential both to theory and policy to construct a theoretical model that can be used to identify the degree to which an organizational culture is criminogenic. This paper posits that the presence of neutralizing linguistic devices can act as an indicator of criminogenic culture. Two additional principles – multiplicy and generalizability – will signify the degree to which an organizational culture is criminogenic.

First, multiplicity refers to the number of different devices active within any given organization's culture. Organizations that utilize more neutralizing techniques than their counterparts are able to justify a greater frequency of violations. As individuals acting on behalf of their organization violate more and different types of laws, more and different

types of neutralizing techniques are needed to justify their behavior. Thus, the degree to which an organizational culture is criminogenic can be measured by the frequency of neutralization devices therein.

Second, generalizability refers to any given device's ability to apply to a variety of offenses. Certain types of techniques are more generalizable than others and, therefore, will contribute to a greater frequency of violations. Offenders who justify their actions because they did not cause harm may be unable to justify (or generalize their neutralization technique to) other types of violations which impact different persons in different ways. In contrast, offenders who justify their actions because their definitive loyalty lies in satiating the needs of the organization can extend this rationale more easily to different types of violations. Any action they may take is justifiable regardless of the number of victims, how they are victimized, and who is ultimately responsible to the extent that their actions benefit the organization. Braithwaite (1993), for example, found that certain rationalizations were used to justify multiple different types of offenses in the nursing home industry; others facilitated a specific offense.

It has been argued thus far that techniques of neutralization are the principal components of criminogenic organizational cultures. The multiplicity and generalizability of the specific devices active within any given organization marks the degree to which its culture is criminogenic. It is imperative, however, to also identify the origins and mechanisms through which these linguistic devices spread throughout complex organizations. Detailing these methods of dissemination not only fills a gap in the scholarly literature, but can also be used by regulators in the prevention of organizational crime.

The Transmission of Culture

There is a general consensus that the substance of organizational culture is determined by those at the top of the hierarchy (Coleman & Ramos 1998). As Jenkins and Braithwaite (2001:222-3) stated:

> There are not many themes in the empirical literature on corporate crime that are repeatedly reported. A recurrent one, however, is that pressure for the worst type of corporate crimes comes from the top. Organizations, like fish, rot from the head down.

Research has shown that it is "top management, and in particular the chief executive officer (CEO), who sets the ethical tone" (Clinard, 1983:132). Although middle-managers typically carry out organizational offenses, these crimes result from the dictates of their organizational culture as determined by their superiors (Jenkins & Braithwaite, 2001). Despite a general agreement that cultural values are learned by subordinates from their superiors, theory and research has yet to explain this learning process. How do criminogenic values spread from the top down in an organizational setting? The principles of differential association-reinforcement and operant conditioning found in social learning theory can fill this gap.

Social Learning Theory

Social learning theory's concepts of differential association-reinforcement and operant conditioning posit that behavior is conditioned through intricate processes of rewards and punishment. Referred to as reinforcers, the consequent stimuli that shape behavior include, but are not limited to, food, money, social attention, approval, affection, and status.   Research has shown that there are two aspects of reinforcement that determine the outcome of the conditioning process. These are the (a) style of reinforcement and (b) the schedule of reinforcement (Akers, 1985).

The style of reinforcement involves both the type of reinforcement as well as the action taken. The former refers to whether the stimuli are positive or negative, whereas the later indicates whether stimuli were added or removed. In combination, these two result in four styles of reinforcement:

1) Positive reinforcement – the addition of positive stimuli.

2) Negative reinforcement – the removal of negative stimuli.

3) Positive punishment – the addition of negative stimuli.

4) Negative punishment – the removal of positive stimuli.

Behavior that produces the first two styles of reinforcement is likely to continue in the future and potentially increase in frequency. In contrast, the last two styles cause a cessation of the preceding behavior.

The schedule of reinforcement refers specially to *how* the style is introduced or removed. Social learning theory identifies four schedules of reinforcement:

1) Fixed-interval – behaviors are reinforced only after a set amount of time has passed.

2) Variable-interval – behaviors are reinforced only after varying amounts of time have passed.

3) Fixed-ratio – the style of reinforcement occurs after a set amount of behaviors.

4) Variable-ratio – the style of reinforcement occurs after varying amounts of behaviors.

From these schedules we see that time and frequency are of the utmost importance in shaping behavior. In a typical scenario, the first two schedules present reinforcement after each response. The difference between these two is that the amount of time that passes between the manifestation of the behavior and the presentation of the reinforcement is uniform in the first and intermittent in the second. The last two schedules reinforce behavior without delay, but do not reinforce each response. In a variable-interval schedule, reinforcement is presented after a uniform number of responses (e.g., after every tenth manifestation), whereas fixed-ratio scheduling presents reinforcement after an intermittent number of responses.

Each schedule has the ability to produce results on a short term basis. Over longer periods of time, however, research has found that the effects produced by some schedules tend to subside. Scholars refer to this phenomenon as extinction (Burgess & Akers, 1966; Bandura, 1969). The first two schedules – fixed-ratio and variable-ratio – are the most robust and are, therefore, able to produce steady results over longer periods of time. The

interval schedules, both fixed and variable, are the most susceptible to extinction. Ratio

schedules are more powerful, according to operant conditioning scholars, because there is

no temporal delay between the response and stimulus. Thus, how quickly behavior is

reinforced is more powerful than how often it is reinforced (Bandura, 1977). The following

section applies the principles of social learning theory to organizational crime and the

transmission of criminogenic culture.

Social Learning Theory in an Organizational Context

The principles of social learning theory are particularly well-suited to explaining how

criminogenic values are learned in a top-down process in an organizational setting. Within

any given formal organization, those who occupy positions atop the hierarchy exercise a

high degree of control over rewards and punishments. Intentionally or not, top-level

managers' application of these stimuli shapes the attitudes and behavior of their

subordinates. Thus, the relative autonomy they enjoy in choosing what types of behavior to

reward and punish, and how to go about doing so, affords them almost unrestricted control

in the establishment of their organizational cultures.

Persons atop the hierarchy are able to discriminately apply and remove very

powerful stimuli. Organizational leaders have at their disposal money, social attention,

approval, responsibility, and status. Managers will inevitably distribute these resources

disproportionately to subordinates who appear to share (or are willing to adopt) their

attitudes, values, and definitions of certain circumstances and behavior. Members of

organizations who perform the tasks they are given in a manner keeping with the

expectations of their boss are likely to be praised and given more responsibilities in the

future. Continuing to act in accordance with these expectations, and to do so with

enthusiasm, may lead to promotions and raises that can represent substantial amounts of

money and status. Emulating the values of those atop the hierarchy also leads to more

informal rewards such as social inclusion, approval, and trust. Conversely, those who fail to

espouse the attitudes and priorities of their superiors are likely to incur punishment.

Members whose values conflict with those their supervisor's, and whose actions do not conform to the expectations of their boss, will be met with shame, disapproval, and marginalization if not outright dismissal.

This distribution of rewards and punishments not only affects recipients, but, through a process of vicarious reinforcement, shapes the attitudes and behavior the entire organization's workforce. Vicarious reinforcement, or "imitation," explains how effective reinforcement can influence those who witness its administration. A study by Lott and Lott (1960) found that when child A was reinforced in the presence of child B, child A would later select child B as a companion. The child's selection of child B as a companion was not reinforced, however. The investigators concluded that neutral people will assume the conditions of stimuli the respondent learns to associate with them. In a similar study, Bandura, Ross, & Ross (1963) paired an adult with positive reinforcers. Overtime, these adults became positive reinforcers themselves and the children whose behavior was being studied began to imitate these adults behavior. Through these processes of vicarious reinforcement, people can assume reinforcement qualities and others will mimic their behavior. Thus, organizational actors will imitate the behavior of coworkers who are rewarded. This phenomenon can, over time, have far reaching effects within any given organization. Moreover, it is plausible that coworkers will themselves become reinforcers. Members who resist the tide of their organization's culture will likely be met with disapproval from their colleagues based on a perception that they are obstructing organizational goals and are not "team players."

Social learning theory contains several important implications for the prevention of organizational crime. Preventing organizational crime requires interrupting or manipulating the mechanisms through which criminogenic cultural values are transmitted. The transmission mechanisms identified here involve three important aspects of reinforcement scheduling: a) *amount* – the greater the amount of reinforcement, the higher the response rate; b) *frequency* – the shorter the time period between reinforcements, the higher the

response rate; and c) *probability* – the lower the ratio of responses per reinforcement, the higher the response rate (Burgess & Akers, 1966). These aspects provide insight into why the law has historically been ineffective at controlling organizational crime. Learning theory posits that "a criminal act occurs in an environment in which in the past the actor has been reinforced for behaving in this manner, and the aversive consequences attached to the behavior have been of such a nature that they do not control or prevent the response" (Jeffery, 1965:295). Organizations simply can and do exercise much more effective schedules of reinforcement than the criminal justice system is able to maintain.

Organizations can ensure that behavior is reinforced often (probability), immediately (frequency), and overwhelmingly (amount). In contrast, the criminal justice system seldom even detects violations and, when it does, is met by extreme difficulty in effectively prosecuting offenders (Braithwaite & Geis, 1982). Organizational actors can also exercise control over the reinforcements they receive from the law. When organizations and their actors are charged with crimes, they often use company resources to avoid punishment (Barak, Leighton, & Flavin, 2007). Coleman's (1985) study of the enforcement of the Sherman Antitrust Act in the petroleum industry revealed four major strategies that organizations utilized to evade the law. The first strategy, endurance and delay, involves mobilizing legal resources to prolong litigation and prevent the discovery of damaging evidence by filing as many motions as possible. Second, many organizations use their financial resources and political connections to persuade regulators, judges, and prosecutors away from full enforcement. Third, organizational actors often use secrecy and deception to mask who was responsible and in control. The last strategy involves threats of economic consequences to local communities and/or the economy if laws are fully enforced. These and other strategies prevent the law from enacting effective schedules of reinforcement.

Organizational actors are somewhat insulated from the effects of external stimuli by the culture of their organization. As previously explained, organizational cultures exercise a refracting power over external stimuli. Through the conditioning process, those at the helm

of reinforcement can mold their subordinates' perceptions of the external world. For instance, the neutralization techniques "condemnation of condemners" and "appeal to higher loyalties" essentially marks a rejection of external codes, including the law, in favor of those established by their organizational culture. To effectively prevent organizational crime requires disrupting criminogenic cultures from within organizations. Research has shown that organizations that have formally institutionalized compliance divisions – departments tasked with ensuring their organization conforms to the law – are far less likely than others to engage in delinquency. These departments achieve even greater success when they are "given real power within the organization and a central location in its information flow" (Coleman, 1992:69). Compliance divisions are tasked with ensuring that their organization observes regulatory laws and are often afforded the authority to punish violations and/or reward compliance. Internal compliance divisions have been effective at curtailing organizational crime in the nursing home industry, the pharmaceutical industry, and corporations (Braithwaite, 1984; Braithwaite, 1989a; Braithwaite, 1993). According to the perspective taken in this essay, these departments are successful because they prevent the creation of (or eradicate existing) criminogenic cultures by interrupting their flow of communication, impeding the utility of neutralizing techniques, and, most importantly, establishing and maintaining effective schedules of reinforcement.

Summary and Conclusion

Research suggests that variations in organizational culture can explain patterns of organizational crime. However, exactly what the criminogenic characteristics of these cultures are and how they spread throughout complex organizations has yet to be identified. Preliminary studies have described criminogenic organizational cultures as harboring attitudes, definitions, and values that promote unlawful conduct. In addition to promoting illegal acts, such cultures must also function in a way that allows perpetrators to maintain positive self-concepts. If criminogenic organizational cultures must simultaneously (a) encourage offending and (b) promote positive images of offenders, it follows logically that

techniques of neutralization are their most discernable characteristic. This paper has argued that the multiplicity and generalizability of these neutralizations can be used to determine the degree to which organizational cultures are criminogenic.

Research has further shown that criminogenic values trickle down the organizational hierarchy. Thus, organizational actors learn techniques of neutralization from those who occupy positions atop the hierarchy. The process through which these techniques are learned is less clear. It has been argued here that social learning theory can explain this process. Top-level managers have the authority to administer very powerful stimuli however and to whomever they choose. Their discriminate application of these stimuli will inevitably mold the ethos of their subordinates and, over time, their entire organization. The most promising strategy for preventing organizational crime is the establishment of internal compliance divisions. These divisions, if given real authority to maintain schedules of reinforcement, can disrupt the transmission of criminogenic cultures within complex organizations.

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