

Challenges of Integrating Corruption Risk Management (CRM) into Corruption Risk Management Plans (CRMPs) for Construction Companies

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Abstract

The Malaysia National Construction Policy 2030 emphasizes good governance, best practices, and strong anti-corruption measures in the construction industry, aligned with the National Anti-Corruption Strategy for Malaysia, which promotes Organisational Anti-Corruption Plans, where Corruption Risk Management Plans (CRMP). Despite these policy initiatives, the implementation of CRMP within the construction industry remains challenging, particularly among large construction companies such as limited empirical understanding of the barriers affecting its effectiveness. A qualitative case study approach was adopted using guided open-ended interviews with five experts who specialise in corruption risk management and the integration of anti-corruption frameworks aligned with ISO standards. The findings identify nine key clusters of challenges which are lack of CRM understanding, complexity of CRM framework, lack of organisational management commitment, lack of stakeholder competency, ineffective communication, lack of awareness of anti-corruption initiatives, inadequate resource allocation, lack of CRM training, and weak regulatory enforcement. This study advances current knowledge by providing one of the first empirically grounded, multi-level frameworks of corruption risk management implementation challenges in the construction industry. The findings offer robust theoretical and practical insights to support organisations and policymakers in strengthening governance practices, enhancing integrity, and improving overall construction performance.

Keywords: Corruption Risk Management, Construction Industry, Corruption, Anti-Bribery

Introduction

Corruption remains a pervasive global challenge, posing significant obstacles to societies, economies, and governments worldwide. It manifests in various illicit practices such as

bribery, embezzlement, nepotism, fraud, and extortion (Durairaja et al., 2019; Jones, 2022). At its core, corruption is the misuse of entrusted power for personal gain, infiltrating both public and private sectors (Transparency International, 2024). Its repercussions are profound, often leading to political instability, economic inefficiency, developmental hindrances and the erosion of democratic and ethical values.

The construction industry is recognised as one of vulnerable sectors to corruption due to complex process, high-value transactions, and involvement of multiple stakeholders. In Malaysia, the nation contends with its corruption dilemmas, with issues prevalent in both public and private spheres despite the ongoing anti-corruption efforts (Jones, 2022). This trend is reflected in Malaysia's fluctuating performance in the Corruption Perceptions Index (CPI), where the score increased from 47 in 2018 to 53 in 2019, declined steadily to 47 in 2022, and showed a gradual recovery to 52 in 2025, indicating persistent governance challenges despite recent improvements (Transparency International, 2026). High-profile cases such as the 1MDB scandal have exposed vulnerabilities in both public and private institutions and significantly affected Malaysia's economic performance, institutional integrity and international reputation.

To address corruption challenges, Malaysia has continuously strengthened its anti-corruption governance framework through the establishment of committed agencies, formulation of policies, and strategic initiatives. The Malaysian Anti-Corruption Commission (MACC) plays a central role in investigating corruption practices, implementing preventive measures, and promoting public awareness (Kapeli & Mohamed, 2019). In addition, the Malaysian government introduced several national initiatives, including the National Integrity Plan, Government Transformation Programmes (GTP), and National Key Result Areas (NKRA), to improve transparency, governance, and accountability within public administration (Prime Minister's Department, 2019).

Furthermore, to strengthen these efforts, the government initiated the National Anti-Corruption Plan (NACP) 2019–2023, subsequently followed by the National Anti-Corruption Strategy (NACS) 2024–2028, focusing on enhancing integrity, corruption prevention, and improving governance across public and private sectors (Prime Minister's Department, 2024). Under these initiatives, organisations are encouraged to establish Organisational Anti-Corruption Plans (OACP), where Corruption Risk Management Plans (CRMP) serve as a key mechanism for systematically identifying, assessing, and mitigating corruption risks. These initiatives are also aligned with Malaysia National Construction Policy 2030, promoting good governance in the construction industry.

Despite these policy initiatives and regulatory efforts, the implementation of corruption risk management within construction organisations remains challenging in practice. There have been extensive studies on the causes and consequences of corruption in the construction sector. However, limited empirical research has focused on the practical and organisational challenges associated with implementing corruption risk management frameworks, particularly in developing countries such as Malaysia. Previous studies also tend to focus more on corruption determinants rather than the practical problems associated with the implementation of the corruption risk management approach.

Additionally, implementing the Malaysia Standard Corruption Risk Management framework (MS 2764:2022) needs organisations to establish systematic procedures for corruption risk identification, assessment, mitigation, and monitoring. However, construction companies often encounter challenges such as stakeholder understanding, organisational commitment, resource limitations, competency, and governance enforcement during implementation. These challenges may hinder the effectiveness of corruption risk management initiatives and reduce the practical effectiveness of anti-corruption plans within organisations.

Therefore, this study aims to explore the challenges faced by construction companies in implementing corruption risk management within Corruption Risk Management Plans (CRMP). This study adopts a qualitative approach through in-depth interviews with experts in the construction sector and anti-corruption management to obtain practical insights into CRM implementation challenges. This study advances current knowledge by providing one of the first empirically grounded, multi-level frameworks of corruption risk management implementation challenges in the construction industry. The findings offer robust theoretical and practical insights to support organisations and policymakers in strengthening governance practices, enhancing integrity, and improving overall construction performance.

Corruption in Construction Industry

The construction industry plays a significant role in Malaysia's economic growth, contributing approximately 3.4% (RM53.44 billion) to the Gross Domestic Product (GDP) in 2022 (Department of Statistics Malaysia, 2025). In addition to its economic importance, the construction industry in Malaysia is also prone to corruption. Corruption is a complex and multidimensional concept, often defined differently across disciplines due to varying theoretical perspectives (Owusu et al., 2019). From the perspective of construction industry researchers, most of the researchers defined corruption as abuse and misuse of power (Le et al., 2014) and even categorized corruption as unethical behaviour and lack of integrity (Yap et al., 2020).

Within the context of this paper, corruption is defined as the misuse or abuse of entrusted power for personal or other gain, manifesting in any form of fraudulent practices throughout all phases of a construction project. This multifaceted understanding of corruption is crucial especially within the construction industry as the practices may disrupt the contribution of the construction industry towards socioeconomic development. Corruption in the construction industry has severe consequences, including poor construction quality, project delays, cost overruns, and compromised safety standards. Additionally, corruption undermines fair competition and market integrity, leading to the exclusion of legitimate businesses and hindering economic growth. Notably, corruption in the construction industry can also contribute to social inequality and erode public trust in government and institutions. Furthermore, corruption may decrease the quality of project outcomes and the development of the construction industry (Yap et al., 2020).

Globally, the construction industry is known as the most corrupt industry and corrupt practices can be in many forms such as bribery, collusion, kickback, negligence and nepotism which can occur at every phase of the construction project life cycle (Chan and Owusu, 2017; Owusu et al., 2017; Yap et al., 2020). Various stakeholders can be involved in corruption within

the construction industry, including contractors, subcontractors, government officials, project managers, engineers and procurement officers (Yap et al., 2020; Monteiro et al., 2020).

Contractor selection in Malaysia typically uses open tender or direct negotiation approved by the Ministry of Finance. However, variations in procedures across project types and budgets can create inconsistencies and increase corruption risks. Procurement stages are particularly vulnerable due to discretion and limited transparency (Chan and Owusu, 2017; Owusu et al., 2017; Yap et al., 2020).

Furthermore, the construction sector is also plagued by instances of corruption at different stages of the construction life cycle (Le et al., 2014). The Malaysian Anti-Corruption Commission (MACC) reported that a significant proportion of corruption cases in the public sector were concentrated in procurement and construction-related activities, highlighting these stages as high-risk points for corrupt practices (Malaysian Anti-Corruption Commission, 2024). Furthermore, the Institute for Democracy and Economic Affairs (IDEAS) Malaysia (2021) stated that contractors need to prepare around RM20,000 as kickbacks to obtain approvals from enforcement agencies during construction inspections (Amirullah et al., 2021). The impact of corruption in the construction industry can also be seen in property development costs, where IDEAS found that corruption contributes to a 14.8% increase in project costs, which is ultimately borne by buyers (Amirullah et al., 2021).

National construction policy 2030

The National Construction Policy 2030 (NCP 2030) aims to promote sustainable construction practices and innovative ideas aligned with global sustainability initiatives (Ministry of Work, 2022). A key objective of NCP 2030 is to digitalize the construction sector, helping stakeholders adapt to emerging issues by promoting good governance and best practices.

Good governance and best practices are crucial for delivering high-quality services to society and preventing corrupt practices. Poor project management has historically led to low-quality construction, delays, cost overruns, inefficiency, and environmental pollution. Transparency in public procurement is a major concern; thus, construction agencies must improve governance and adopt best practices to enhance project management, prevent corruption, and ensure quality service delivery and customer satisfaction.

To enhance transparency and professionalism in the construction sector, NCP 2030 integrates strategies from the National Anti-Corruption Plan (NACP) under Trust 4.6.7. The Malaysian government strongly encourages all organizations to implement Organizational Anti-Corruption Plans (OACPs) to combat corruption. A crucial component in developing these plans is Corruption Risk Management (CRM), which employs the Malaysia Standard CRM (MS2764:2022) and ISO 31000 Risk Management guidelines to establish and maintain a comprehensive risk management framework. Additionally, adopting an Anti-Bribery Management System (ABMS) within the construction industry is essential to prevent corrupt practices and uphold ethical standards.

Related construction company applied CRM

On October 10, 2022, Berita Harian reported that UDA Holdings Bhd., a construction-related company, successfully implemented Customer Relationship Management (CRM) practices. A

key aspect of UDA's CRM strategy is its commitment to integrity and ethical business conduct, which strengthens trust and relationships with clients and stakeholders.

According to UDA's President and CEO, Mohd Salem Kailany, the company upholds high ethical standards through the Integrity Enforcement Pact, introduced in 2015 to prevent bribery in securing work, contracts, or tenders. This initiative ensures fairness in business dealings, with strict consequences for violations, including contract termination and legal prosecution (Bernama, 2022).

Further demonstrating its dedication to transparency, UDA obtained ISO 37001:2016 certification in 2021 for its Anti-Corruption Management System, ensuring compliance across all workforce levels. The company also collaborates with key institutions such as the Malaysian Anti-Corruption Commission (MACC), the Integrity Institute of Malaysia (IIM), Transparency International Malaysia (TI-M), and the Malaysian Institute of Corporate Governance (MICG) to promote an integrity-driven corporate culture and a robust corruption prevention framework.

As part of its CRM approach, UDA conducts annual integrity surveys and mandates that all employees declare their assets and liabilities annually, reinforcing transparency and accountability. Additionally, the company aligns with MACC's anti-corruption initiatives, including Section 17A enforcement, and integrates Corporate Social Responsibility (CSR) programs to further support ethical business practices.

Kailany reaffirmed that UDA's strong anti-corruption stance is integral to maintaining a fair and clean business environment. By embedding integrity and ethical governance into its CRM framework, UDA fosters long-term trust and credibility with clients, partners, and stakeholders in the construction industry.

Corruption risk management (CRM)

CRM serves as a vital management approach for identifying the structural vulnerabilities that could facilitate corruption, providing a structured framework that enables stakeholders to identify corruption risks, implement appropriate countermeasures, and integrate anti-corruption practices into organisational governance (MACC, 2024). Corruption poses a threat to every organization, spanning across all levels of management, functions and activities, involving both internal and external stakeholders. Thus, CRM aimed at corruption prevention which necessitates a comprehensive policy framework, a clear articulation of corporate values, a commitment to fostering an organizational culture grounded in honesty and integrity, and the steadfast dedication of organizational leadership (MACC, 2024). CRM is adapted from internationally recognised risk management framework known as ISO 31000:2009, and was further developed by United Nations Global Compact as an Anti-Corruption Risk Assessment.

The CRM was introduced by the MACC in 2018 by providing a framework for an organization to identify structural weaknesses that may facilitate corruption (MACC, 2024). Then in 2022, Malaysian Standard introduced Corruption Risk Management (CRM) – Guidelines known as MS 2764:2022. The process of CRM by Malaysian Standard incorporates the ISO 31000 Risk Management and consists of 7 steps as in Figure 2.

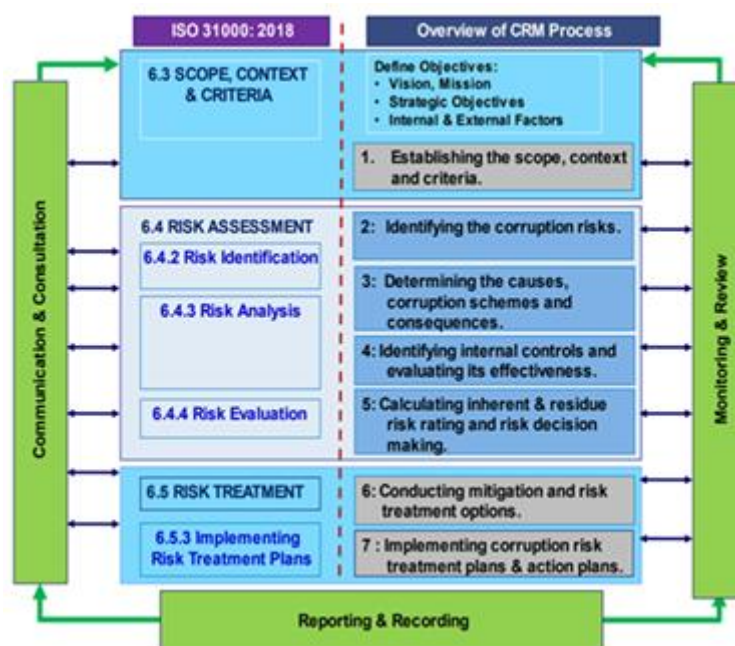


Figure 2. Corruption Risk Management (CRM, 2022)

Corruption Risk Management (CRM) is an essential internal control tool designed to detect and prevent corrupt behaviour within organisations. CRM enables organisations to identify corruption, understand its effects and consequences and develop proactive strategies and treatment methods to combat it. By highlighting weaknesses in the system, CRM helps organizations improve their infrastructure, institutions, societal interactions and cultural practices. While, the Corruption Risk Management Plan (CRMP) is a key component of CRM, facilitating the development of an organization's Integrity Strategic Plan (ISP). It helps to identify corruption issues and governance weaknesses, allowing organisations to recognise the risks that have occurred, are occurring, or may occur and subsequently create a comprehensive CRMP.

The seven steps involved in preparing this plan are fundamental in identifying potential corruption in the organization's management processes. The CRMP also assesses the organisation's health regarding corrupt practices, abuse of power, and malpractice, making it easier to detect and mitigate corruption risks. A CRMP is developed through a thorough corruption risk analysis, leading to the implementation of additional controls for high-level and significant risks. After determining the risk rating, which indicates how the risk might impact the organisation's main activities and objectives, appropriate methods are selected to manage the risk. This process involves studying actions to identify weaknesses or deficiencies. If new corruption risks are identified, a reassessment of the relevant work activities or processes is conducted. CRM not only protects the organisation, its assets, shareholders and directors from the effects of corruption but also enhances international recognition and competitive advantage. It builds trust and confidence among business partners and customers, thus boosting the organization's credibility and image. Demonstrating a commitment to best practices in corruption prevention, CRM provides competitive benefits in public procurement and reduces financial management leakages within the organisation.

Case study on challenges in CRMP implementation

This case study was conducted to identify the challenges associated with implementing Corruption Risk Management Plans (CRMPs) in large construction companies. According to Creswell (2014) suggest that sample size of 4-10 respondents is adequate in qualitative research involving expert respondents. Furthermore, (Creswell, 2014) emphasized that the richness and quality of data more important than the number of participants. This study employed face-to-face interviews as the primary method for data collection. Following the purposive sampling method recommended by (Creswell, 2014), five experts were carefully selected based on their extensive experience and knowledge in the Malaysian construction industry, as suggested by (Rahim, Ismail & Latif, 2019).

The criteria for selecting these experts included their expertise, experience, skills, and knowledge related to both corruption and the construction sector. Each expert was required to have a minimum of five years of experience in the industry, aligning with the guidelines proposed by (Brown and Loosemore, 2015). The chosen experts, who specialize in CRMPs and have practical experience in assisting construction companies with plan implementation, were interviewed to gain valuable insights.

The primary objective of the face-to-face interviews, conducted between May and July 2024, was to identify the challenges faced during the implementation of CRM in the Malaysian construction industry. During these sessions, experts provided their demographic information and addressed the key question: "What are the challenges in implementing CRMPs in the construction industry?" Their responses were intended to illuminate the difficulties and supportive factors affecting the successful adoption of CRMPs within the sector.

Demographic of Experts

To assess their knowledge of the subject matter, these experts were selected based on their qualifications, professional expertise, and deep understanding of corruption issues. Given the sensitive nature of the topic, the experts' identities were kept anonymous to ensure confidentiality. This approach was intended to protect both the experts' privacy and the integrity of the qualitative data collected. The criteria for selecting these experts included having over five years of relevant experience, qualifications pertinent to anti-corruption efforts, and holding positions within their companies that involved anti-corruption responsibilities. Table 1 outlines the demographic characteristics of the experts who participated in the interviews.

Table 1

Demography of experts

Experts	Qualifications	Designation	Working experience (Years)
A	Master in Anti-Corruption Compliance and Collective Action of International Anti-Corruption Academy (IACA)	Head of Ethics & Governance of Government Agency	11
B	Trainer & Lead Auditor: ISO 37001:2016 Anti-Bribery Management System	Senior Manager of Integrity of GLC Construction Company	10
C	Master in Education (Anti-Corruption), Organizational Leadership and Governance at Genovasi University College	CEO, Consultant of Anti-Corruption Company of Private Company	7
D	Master of Business Administration (MBA), Islamic Finance; Lead Auditor ISO 37001:2016 Anti Bribery Management System	Head of Group Risk & Integrity Management of GLC Construction Company	12
E	Master in Education, Urban Education and Leadership of Genovasi University College ISO31000 Risk Management Standard Assessor & Implementor Malaysia Anti-Corruption Academy (MACA-SPRM)	Expert & Advisor of Principal Subject Matter in Consultant Company	11

Table 1 confirms that all the experts possess relevant qualifications related to corruption, obtained from both national and international bodies. They hold top-level management positions within their respective organizations, reflecting their deep knowledge and extensive experience in addressing corruption issues within the construction industry. Collectively, these experts bring a substantial total of 51 years of experience in fields directly related to corruption in construction. This considerable combined expertise underscores the reliability and comprehensive nature of their opinions on corruption in the Malaysian construction sector

Findings from the interview on implementation challenges of CRM

The interview session with the experts was conducted using a guided open-ended interview approach. This method involves providing a general structure or set of topics to guide the conversation while allowing the interviewee the freedom to elaborate and express their thoughts and experiences in their own words. Open-ended interviews encourage participants to provide detailed responses, insights, and perspectives on a particular topic. The interviewer may prompt the interviewee with broad questions or topics, allowing for flexibility and depth in the discussion. This approach enables researchers to gather rich, detailed qualitative data and gain a deeper understanding of the interviewee's experiences, attitudes, and opinions (DiCicco-Bloom and Crabtree, 2006).

Following the interview sessions, the responses were transcribed, and content analysis was employed to analyse the data. Initially, each expert's answers were documented in an Excel spreadsheet. Subsequently, thematic analysis was conducted by categorizing similar

responses to identify key themes (Creswell, 2014). Based on the data analysis, the experts expressed their concerns about corruption in the Malaysian construction industry. Regarding the Corruption Risk Management (CRM) implementation in the construction industry, several challenges emerged from the data analysis. These challenges were categorized into nine patterns which are lack of understanding, complexity of CRM, insufficient management commitment, inadequate stakeholder competency, ineffective communication, lack of awareness, insufficient resource allocation, inadequate training, and weak regulatory enforcement.

Lack of CRM Understanding

When the experts were asked about the challenges of CRM implementation, they immediately responded that they used the MS2764 CRM framework to plan anti-corruption measures for their companies and clients. Understanding corruption risk management is essential to establishing an effective anti-corruption plan. Without in-depth understanding, stakeholders involved in the corruption risk management process will consume a lot of time, which is considered a significant challenge by the experts during the interview.

Expert A shared, "My team and I found that a lack of understanding of corruption risk management became a main challenge as we tried to implement it in the company".

Echoing this sentiment, Expert B stated, "During the postmortem with our top-level management regarding the challenges of CRM implementation, we found that the level of understanding by stakeholders impacts the process. We need to ensure that all stakeholders fully understand corruption risk management before proceeding with the next steps".

Expert C added, "I found that a lack of understanding of corruption risk management is evident during the sessions I have conducted with my clients. This causes the sessions to take longer, as I need to explain the concept and provide examples. While it's part of my job, I wish people were more aware of it".

Expert D emphasized, "From my experience, corruption risk management can be effectively implemented when there is an understanding of its value. Stakeholders should understand its importance and benefits to promote a culture of corruption risk awareness and accountability". Furthermore, the level of understanding among stakeholders can be improved through education on corruption risk management topics.

Expert E noted, "One of the main challenges for me in assisting client companies with CRM implementation is the level of understanding among employees. The top management needs to brief the employees before my consultation sessions on corruption risk management and the development of an anti-corruption plan".

Due to the lack of understanding of CRM implementation among stakeholders, the timeline for its implementation was delayed. For example, Experts C and E mentioned that the process, which typically takes about three months, was extended to six months due to this challenge.

Complexity of CRM framework

There are seven steps in the Malaysia Standard (MS2764:2022) for Corruption Risk Management (CRM), structured as clauses, with each clause representing a specific

requirement or process that must be effectively implemented. Additionally, the risk levels consist of two types of risk ratings: a 3-level risk rating and a 4-level risk rating. The risk matrix is a vital tool used to analyse corruption risks within the organization, helping to prioritize which risks are addressed first (Malaysian Standard, 2022). This complexity caught the attention of all the experts during the interview sessions.

Experts' responses highlighted the complexity of the framework. All respondents indicated the need to identify corruption risks, define the elements of corruption risk, set probabilities and impacts, and take appropriate actions during the sessions for preparing the anti-corruption plan. Expert B pointed out, "There is a need to set which level of risk rating you are going to use for the corruption risk management because it sets different priorities in items (identified corruption risks)".

Furthermore, another complexity of CRM lies in its implementation methodology, which primarily relies on qualitative methods. Expert D stated, "It depends on the company to choose which one to use. But from my experience, it becomes a big challenge if you try to prioritize everything from different points of view of team members, such as HR managers and engineers. Additionally, people involved in the CRM courses are asked to form a list of corruption risks through qualitative methods, which can be confusing. Some lose control over the listing and fail to see similar corruption risks. So, implementing Corruption Risk Management is considered complex".

These insights show that one of the challenges of corruption risk management is its complex framework. Expert A stated, "A complex framework such as Corruption Risk Management can be overwhelming without top management support. Incorporating top management into company policy might help address this issue". Expert C agreed and added, "MS2674 is a very good standard specifically for curbing corruption, but its framework is too complex. The guidelines can still be improved, perhaps through visualization tools that can simplify the framework".

Meanwhile, Expert E pointed out, "I think it becomes much easier to manage after you learn to do the corruption risk management, especially the assessment inhibits". Expert B added, "If it had a simpler framework and good visualization, I think construction companies would be able to implement it better".

In summary, all the experts stated that the main challenge of the CRM framework is its complexity, which consists of seven clauses. Additionally, two experts mentioned that another challenge is that stakeholders need to choose the appropriate CRA method for their organization. Furthermore, one expert noted that stakeholders need to decide between a 3-level or 4-level risk rating to suit their organization in mitigating corruption risk.

Lack of Organisational Management Commitment

Another key observation from the interview sessions is the importance of management in curbing corruption within the company. Support and involvement from top management are critical and represent the first steps in implementing anti-corruption plan guidelines. Experts emphasize that top management's commitment is essential to ensure the success of corruption risk management initiatives.

Expert A noted, "In some cases, employees repeatedly reported corrupt practices to management, but no action was taken, indicating a lack of support for anti-corruption practices within the organization".

Similarly, Expert C mentioned, "From my consulting experience, corruption risk management often faces resistance from employees who fear extra work and from management concerned about costs and training. There's also the risk of appearing distrustful of staff and partners". Expert B added, "Ultimately, it comes down to management challenges, which are the responsibility of managers to address".

Expert D emphasized the need to "demonstrate the usefulness of Corruption Risk Management, particularly in construction companies, so they can incorporate it into their policies".

Expert E observed, "The primary issue is gaining buy-in from top management. They are often reluctant to commit and lack the necessary knowledge to implement effective corruption risk management". While there was initial support from management during the early stages of CRM implementation, Expert E noted that this support waned during the implementation stage, resulting in a lack of full commitment.

All the experts highlighted that the organization's challenges include a lack of consistent support and involvement from top management, which is crucial for the success of anti-corruption initiatives.

Lack of Stakeholder Competency

The competence of stakeholders in the construction industry is essential, especially when implementing new standards. Without a solid understanding of corruption risk management, available tools, and their application, the implementation process will be hindered. Experts agree that competency in corruption risk management is crucial.

Expert B stated, "In other ISO manuals, such as the Anti-Bribery Management System (ABMS), there is an element of competence in clause 7.2. Therefore, it is clear that competent stakeholders are necessary to implement corruption risk management effectively".

Expert A noted, "It has been challenging due to the lack of competent stakeholders in organizations and the scarcity of expertise in corruption risk management techniques. This is because corruption risk management is still new in Malaysia".

Expert B highlighted that the competency levels of stakeholders involved in project implementation can vary significantly depending on their roles and responsibilities. However, a shared understanding and proficiency in corruption risk management principles among stakeholders is beneficial, as it can streamline and enhance the effectiveness of CRM implementation processes. Expert E remarked, "As we know, construction projects involve many stakeholders with different roles and responsibilities, leading to varied competencies. But a cohesive team is crucial for enhancing CRM implementation".

Expert C pointed out that competence presents a significant challenge, which needs to be addressed by appointing experts in corruption risk management. "Building an

implementation team is difficult due to the lack of CRM experts. Additionally, some organizations struggle with lengthy timelines, confusion between CRM and Enterprise Risk Management (ERM), and the technicalities of risk assessment," said Expert C.

All experts agreed that a significant challenge in implementing CRM is the varying levels of competency among stakeholders. Expert D emphasized the need for organizations to hire certified professionals to assist in formulating a CRM framework tailored to their specific needs. Furthermore, Expert C highlighted that the lack of competency is evident in the confusion between the CRM framework and other risk management frameworks.

Ineffective Communication

Communication is a crucial aspect of any organization, especially in ensuring the success of construction projects and corruption risk management processes (Rimšaitė, 2019)). Poor communication, particularly in efforts to curb corruption, can stem from a lack of communication skills. However, transparency and honest communication can effectively address the corruption risks faced by the organization.

Highlighting this issue, Expert A shared, "Based on my experience, poor communication in an organization affects project delivery. For instance, launching a company policy such as a code of conduct without providing clear guidelines and training can create confusion and frustration among employees, leading to breaches of the code".

Expert B highlighted, "In my company, one manager effectively communicates about corruption risks and discusses these risks openly. Additionally, we have established transparent and two-way communication, which has helped us curb corruption risks more effectively".

Expert E noted, "During our sessions, employees have clear expectations and procedures, and they communicate better about the corruption risks the company faces, as top management emphasizes the importance of transparency and corruption risk management".

All the informants stated that one of the challenges of CRM implementation is ineffective communication. Expert A mentioned that ineffective communication often results from underdeveloped communication skills, which can impede project delivery and hinder adherence to established policies and ethical codes. Expert B emphasized that a culture of transparency and honest communication is vital for effectively identifying and addressing potential corruption risks and overcoming communication challenges. Expert E highlighted the importance of clear and concise communication protocols and robust two-way communication channels to mitigate communication ineffectiveness within the organization and foster an understanding of corruption risks.

Lack of Awareness of Anti-Corruption Initiatives

Raising public awareness is increasingly recognized as a crucial element in anti-corruption strategies (Rimšaitė, 2019). Governments, donors, and non-governmental organizations are routinely incorporating awareness campaigns into their efforts. These campaigns utilize various channels such as billboards, posters, murals, radio, and television to educate the public about the detrimental effects of corruption and to promote a culture of integrity

(Rimšaitė,2019). However, lack of awareness remains a significant challenge in curbing corruption (Le et al., 2014).

Expert A highlighted this issue by stating, "Of course, awareness is crucial in any part of implementation, especially in anti-corruption initiatives. In the context of implementing corruption risk management, one of the challenges is the lack of corruption risk awareness". Expert C echoed this sentiment, saying, "I think awareness is key to successfully curbing corruption risks, as it enables individuals to identify both current and potential risks". Expert D added, "Without stakeholder awareness, we might not be able to properly implement corruption risk management in the organization".

Furthermore, Expert E noted that some construction organizations remain sceptical about the benefits of corruption risk management. "From my experience, some companies are uncertain about how corruption risk management can contribute to their organization," Expert E observed.

Expert B suggested that awareness levels can be improved through the introduction of corruption topics in construction curricula and through collaboration between parties to introduce corruption risk management. "Based on my knowledge, Construction Industry Development Board Malaysia (CIDB) has already made a move by requiring contractors to attend and pass integrity and code of conduct courses. I think CIDB can also provide courses on the introduction of corruption risk management to construction stakeholders through collaboration with parties such as MACC and Malaysian Institute of Integrity (IIM)," Expert B explained.

In summary, all the experts highlighted that a lack of awareness regarding corruption risks, especially in the construction industry, impedes the effective implementation of CRM. Experts A, C, and D stated that one of the main challenges during the implementation of CRM in organizations is the lack of awareness among employees. Expert E found that some organizations are sceptical about implementing corruption risk management. However, Expert B highlighted that awareness levels can be improved through courses on corruption, integrity, and ethics, managed by MACC, IIM, and CIDB.

Inadequate Resource Allocation

Resources in the construction industry, including manpower, materials, finances, and machinery, significantly affect project success (Monteiro et al., 2020). Furthermore, a lack of resources is one of the challenges in determining whether corruption risk management can be effectively carried out. Unfortunately, not every construction organization has unlimited resources.

Expert C illustrated this issue, stating, "To implement corruption risk management, it comes back to the question: Does your organization have enough resources? This includes staff and budget. For example, if your company wants to implement corruption risk management and the board of directors allocates a budget for the course, but upon examining the situation, you find that the company lacks the staff to establish an anti-corruption committee, this can become a challenge for your company".

In contrast, another expert suggested a different approach to managing limited resources by ensuring the right use of resources and time during implementation. Expert E explained, "Actually, with limited resources such as staff for a corruption risk management committee or an integrity department, the issue can be managed by hiring new employees. Of course, this requires time for implementation. It cannot be done within one month; it may take a year or at least a minimum of six months. Systematically adopting corruption risk management principles can help the organization be more prepared within limited resources".

Both experts agreed that inadequate resource allocation is a significant challenge during the implementation of corruption risk management. Expert C highlighted the mismatch between allocated budgets for corruption risk management initiatives and the availability of qualified personnel to execute these initiatives. For instance, an organization may earmark funds for CRM but lack the requisite staffing levels to establish a dedicated anti-corruption committee. However, Expert E emphasized that limited resources, such as staff, can be mitigated by staging the implementation of corruption risk management while hiring new staff.

Lack of CRM Training

The lack of training can become a significant challenge in implementing corruption risk management. This task is complex and requires expert skills to identify corruption risks and initiate anti-corruption measures. This was confirmed by the experts during the interview sessions.

Expert D stated, "Of course, the lack of training can become a challenge in the implementation of CRM, as it is tricky to understand the procedures and how to use them properly. However, there is an opportunity for consulting companies to provide training programs for staff and organizations to implement CRM".

Expert E added, "As the implementation of CRM progresses, it's essential to provide training to ensure employees fully understand and remember the processes and execution steps before establishing the anti-corruption plan. Therefore, we offer a reassessment service in CRM training following the initial CRM courses".

In summary, both experts agreed on the need for comprehensive corruption risk management training as it is a significant challenge in implementing CRM. Experts D and E found that training programs held by the organization, through hiring specialists, can provide the requisite skills to navigate the corruption risk processes, which can otherwise lead to suboptimal implementation and compromised efficacy.

Weak Regulatory Enforcement

Regulation is one of the challenges to implementing corruption risk management in the construction industry. The Malaysian government mandates the implementation of anti-corruption plans only for Ministries, Government Agencies, including state-owned companies, and Government-Linked Companies (GLCs) (GIACC, 2019). In 2023, the government encouraged small and medium enterprises (SMEs) to implement organizational anti-corruption plans (Prime Minister's Department, 2024). As a result, only entities such as Malaysian Public Works (JKR), CIDB, GLC companies, and state-owned companies related to the construction industry have implemented corruption risk management as part of their anti-

corruption initiatives. Consequently, there is no regulation requiring corruption risk management in the construction industry, especially for contractors and suppliers. Furthermore, there is no incentive scheme to support this implementation, as agreed upon by the experts.

Expert D stated, "Through our discussion, I realized that there is no specific regulation regarding the implementation of CRM for construction organizations, nor an incentive scheme to support it. However, the National Construction Policy 2030 promotes good governance and best practices, which is why some large construction companies choose to implement corruption risk management. In the future, I hope the government will mandate the implementation of CRM in the construction industry, especially since this industry is highly prone to corruption or as a statutory requirement for contractors before tendering government projects".

Expert E added, "As we know, construction companies are also part of small and medium enterprises (SMEs). In 2023, the government encouraged the implementation of organizational anti-corruption plans within SMEs but did not mandate it. Furthermore, SMEs in the construction industry still struggle to implement these plans due to limited resources and many businesses still believe corruption is common to increase their chances of securing lucrative contracts with large companies and public sector bodies. The government still needs to build confidence among SMEs to combat corruption".

Regarding this challenge, both experts, D and E, mentioned that the lack of regulatory backing in the Malaysian construction industry makes CRM implementation optional rather than compulsory. According to them, all government agencies are mandated to implement CRM. However, only large construction companies with their initiatives are driven to implement CRM to minimize corruption practices, improve governance, and increase their ESG scores. This approach aligns with the National Construction Policy 2030.

Discussion

Corruption risk management (CRM) has developed over time, influenced by various organizations and frameworks. A significant milestone was the United Nations Convention Against Corruption (UNCAC), which took effect in 2005 (Johnsøn, 2015). This convention provided a global framework for combating corruption and highlighted the importance of risk management in prevention. Additionally, the U4 Anti-Corruption Resource Centre has played a key role in advancing CRM practices. In 2015, Jesper Stenberg Johnsøn from the U4 Centre published a detailed CRM framework that has been widely used by development practitioners.

In the context of Malaysia, CRM was introduced in 2019 to government agencies as part of the initiative to formulate the National Anti-Corruption Plan. By 2022, CRM evolved into the Malaysian Standards known as MS 2764:2022 (Department of Standard Malaysia, 2022). Extending this effort, the construction industry has taken initiatives to incorporate CRM into its strategies to curb corruption practices, aligning with the National Construction Policy 2030. However, the construction industry faces many challenges in implementing CRM, with the primary challenge being a lack of CRM understanding among stakeholders. This lack of understanding significantly delays the process. Concurrently, experts interviewed

emphasized that without a thorough grasp of CRM, establishing effective anti-corruption plans takes much longer, highlighting the need for better education on the topic. This point is reinforced by Hart (2016) and de Oliveira et al. (2021), who noted that a better understanding of corruption challenges across sectors will help implement corruption risk management in a more informed and constructive manner based on the working environment.

Furthermore, the complexity of the CRM framework, which consists of seven clauses, was identified as a major challenge by all respondents. The task of forming a list of corruption risks through qualitative methods adds to this complexity. Additionally, stakeholders must choose an appropriate Corruption Risk Assessment (CRA) method and determine the suitable risk level rating (either 3-level or 4-level) for their organization to effectively mitigate corruption risks. This is consistent with findings by Vitskyi et al. (2022), which state that corruption risk management can be complex due to the qualitative methods used to form lists and their interpretations, potentially causing confusion and loss of control. Experts suggested simplifying frameworks and providing visualization tools for easier comprehension, alongside opportunities for prioritization.

Another challenge faced by the construction industry is the lack of commitment from the organization's management during CRM implementation. Experts noted that while there is initial support from stakeholders, especially top management, sustained commitment is often lacking. This finding aligns with studies by Oliveira et al. (2021) and Rimšaitė (2019), which emphasize the importance of top management's commitment as they are involved in decision-making during the CRM implementation process.

Additionally, the lack of competence in CRM is a significant challenge faced by construction industry organizations. Experts highlighted that varying levels of competency among stakeholder negatively impact the implementation process. Moreover, the deficiency in understanding and expertise in CRM, confusion with other risk management frameworks, and the resulting need for certified professionals further exacerbate these challenges. This finding aligns with studies by Kopanchuk et al. (2021) and Vivitskyi et al. (2022), which suggest that appointing external experts to convey CRM knowledge, recommend suitable methods, and analyse CRM processes can mitigate competency-related issues.

Ineffective communication within construction industry organizations is another challenge in implementing CRM. Experts emphasized that poor communication skills, lack of transparency, and unclear guidelines impede project delivery and adherence to policies. Promoting transparent, honest, and two-way communication can help address these issues and better manage corruption risks. Furthermore, this finding is consistent with Rimšaitė (2019), who notes that communication skills are essential for implementing proper corruption risk management instruments.

The lack of awareness of anti-corruption initiatives among construction industry stakeholders is also a significant challenge. Experts emphasized that insufficient awareness hinders the identification and management of corruption risks, while some organizations remain sceptical about CRM's benefits. However, experts also stated that raising awareness through targeted courses and collaborations can improve the situation. This finding is consistent with Rimšaitė

(2019), who highlights the importance of corruption awareness among project teams, especially top-level management, to identify possible outcomes from CRM.

The construction industry also faces challenges in implementing CRM due to inadequate allocation of resources, including manpower, materials, and finances. Experts stated that while some organizations may allocate budgets for CRM initiatives, the lack of qualified personnel and proper resource management can hinder effective implementation. However, systematic adoption of CRM principles and staged implementation can help mitigate these limitations. This finding is consistent with the study by Kopanchuk (2021), which states that limited resources, especially human resources, can affect the level of readiness to implement CRM. To address this challenge, organizations should prioritize strategic resource allocation, which may include recruiting new employees with specialized expertise in CRM or providing professional development opportunities for existing staff (de Oliveira et al., 2021; Kopanchuk et al., 2021; Vitvitskyi et al., 2022). Furthermore, recognizing that CRM implementation is not an instantaneous process, organizations should allocate sufficient time, typically between six months to one year, for a comprehensive and systematic rollout. By embracing a phased approach and adhering to CRM principles, organizations can optimize resource utilization and operate more effectively within budgetary and staffing constraints.

Moreover, the lack of training is another significant challenge in implementing CRM. Experts stated that it is crucial to understand and apply corruption risk management procedures effectively. Comprehensive training programs provided by specialists are essential to overcoming this challenge and ensuring successful CRM implementation. This finding is consistent with studies by Rimšaitė (2019) and Kopanchuk (2021), which suggest that organizations should prioritize robust training initiatives, incorporating elements such as ongoing professional development opportunities, periodic reassessments, and knowledge refreshers, to ensure that employees possess a thorough understanding of CRM principles and can confidently apply these principles in their respective roles. A sustained commitment to training and development in CRM is essential to fostering a culture of awareness, accountability, and ethical conduct within organizations.

A key challenge in implementing CRM in the construction industry is the lack of mandatory regulation and incentives, as current requirements only apply to government agencies and state-owned companies. Experts noted that while large construction companies may voluntarily adopt CRM due to their initiatives and the National Construction Policy 2030, smaller enterprises and contractors lack regulatory pressure and support, hindering widespread CRM implementation. Based on the government's NACP and NACS documents, there is no specific regulation mandating the implementation of corruption risk management in construction industry organizations. While the Malaysian government mandates this for government agencies, it only suggests that corruption risk management can be applied to other industries, including the construction sector.

This study contributes to the body of knowledge as it brings empirical support to the challenges associated with CRM implementation in the Malaysian construction sector. Previous studies discussed more on the general corruption risk factors while this study has emphasized the obstacles related to CRM implementation from an organizational perspective.

Conclusion

This paper presents a case study investigating the challenges faced by large construction companies in implementing corruption risk management plans (CRMPs). These plans are critical for preventing corruption, which can have detrimental effects on both the performance of companies and the broader national context. The study was conducted through guided open-ended interviews with five experts who specialise in assisting companies with integrating corruption risk management (CRM) into their CRMPs. These experts, who often work with firms to align their anti-corruption strategies with ISO standards related to anti-bribery and risk management, provided valuable insights into the complexities of CRM implementation. The findings from these interviews are aimed at helping construction companies overcome the challenges they face in enhancing their CRMPs. By addressing these challenges, the study seeks to improve the effectiveness of anti-corruption strategies within the construction industry and contribute to better overall performance and integrity in the sector. Future research should explore quantitative validation of these findings and examine the effectiveness of CRM implementation across different perspectives of stakeholders, particularly SMEs contractors.

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