Administrative Appointments in Vietnamese Universities: A Sectoral Analysis of Feasible Anti-Corruption Strategies

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Executive Summary: Corruption in the educational sector in Vietnam is recognized as one of the significant areas of corruption in the country. General prescriptions for attacking corruption have focused on achieving greater transparency, simplification of rules and strengthening oversight and penalties. These prescriptions are partially relevant for the educational sector as well. The approach followed in this paper argues that such generalized approaches have to be complemented with *sector-specific process analysis* to identify critical drivers of corruption in specific activities that are subject to corruption. The sector-specific approach argues that different organizations and individuals participate in corruption that appears to be similar for very different reasons, and unless policy identifies and targets these different reasons, it is unlikely to be effective. The general principle is applied to the case of corruption in recruitments and appointments in public Vietnamese universities. The analysis is based on intensive interviews and the triangulation of responses to construct coherent models of different processes across a range of university types. Even in this narrowly defined domain, we show that participants in these activities have a wide range of reasons for engaging in corruption, and these processes can differ across universities. We also find that some universities are 'positive deviations' in that they have achieved lower levels of corruption despite sharing apparently similar regulatory and financial structures. A closer examination identifies the structural differences between universities, with important policy implications. First, in a number of universities with characteristics similar to the positive deviations, reforms for introducing rules-based criteria for recruitment, promotions and administrative appointments are likely to yield results. However, in most universities where structural characteristics generate strong drivers for different processes of corruption, reforms to develop *university-specific* criteria of financing and for the evaluation of staff need to be instituted first. Finally, in some universities facing predatory types of exploitation, the strengthening of external supervision and monitoring has to be prioritized.

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1. Introduction

There is a growing perception that conventional anti-corruption strategies targeting corruption at a national level have failed to achieve satisfactory results in many developing countries. An important reason for this is that there are several important types of corruption affecting developing countries with very different drivers (Khan 2006; Wedeman 1997). All variants of corruption are not equally easy to address, nor do they all have equally negative effects. Policies that fail to take these differences into account can fail to identify feasible strategies that are likely to have an impact on developmental outcomes. Effective anti-corruption strategies are therefore likely to involve programming *at a sector level* where different types of corruption can be properly identified and targeted (Campos and Pradhan 2007; Spector 2005). A disaggregated investigation of corruption at a sectoral level often shows that corruption in apparently similar activities can involve overlapping types of corruption, and different types of organizations may be involved in corruption for very different reasons. The approach in this paper is to use a *process analysis* at a sectoral level to reveal that what may appear to be a single type of corruption within the same sector often describes quite different types of corruption that are overlapping. The important policy implication is that even to tackle the corruption that appears to affect a single administrative or economic process in a particular sector, policy may have to be designed to tackle a number of different types of processes driving firms or individuals of different types to engage in corruption for different reasons.

Anti-corruption analysis that aims to improve outcomes therefore needs to be detailed enough to identify the most important factors driving corruption within a sector, taking into account different types of organizations and individuals. An anti-corruption strategy targeting corruption in a particular activity is more likely to succeed if the most important drivers of that corruption have been properly identified, and anti-corruption policy designed to take these differences into account. An anti-corruption strategy is therefore more likely to be credible if the motivations of different types of agents engaging in that corruption have been identified and dealt with. As a result, well-designed sectoral solutions based on detailed process analysis are more likely to be substantively supported by important stakeholders compared to broad anti-corruption programmes that everyone is likely to publicly support, but which often do not enjoy much support at the implementation phase.

The Vietnamese education sector is known to be subject to serious problems of corruption. According to Transparency International's Global Corruption Barometer for 2013, 49% of Vietnamese respondents felt that education systems in the country were corrupt or extremely corrupt[2]. Though this was an improvement from 2010 when 67% felt the education sector was corrupt (TI 2011: 1), education remained one of the top five sectors in terms of corruption in Vietnam in 2013. Education is an important sector for the Vietnamese government, with around 20% of the annual budget going to this sector. Vietnam has made significant improvements in its education, but as it moves into higher levels of middle income, the requirements for high quality education become even more demanding. Significant levels of corruption in the education sector may prevent Vietnam from achieving its developmental goals rapidly.

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[2] http://www.transparency.org/gcb2013/country/?country=vietnam

Studies have shown that a variety of types of corruption affect the Vietnamese education sector, each affecting educational outcomes in different ways. These include corruption in the management of public investment projects in the sector, procurements of teaching materials and textbooks, the award of titles and certificates, teacher selection and awards of teaching allowances, getting student places in desired schools and classes, the organization of extra classes for students, the appropriation of funds intended for students and the collection of extra funds from students (TI 2011: 13-22). However, while existing studies have identified the range of activities that are affected by corruption in the education sector in Vietnam, the policies suggested are typically the broad ones of improving oversight, protecting whistleblowers, improving salaries and improving transparency (TI 2011: 34-40). While there is clearly a place for such broad national level reforms, this study argues that a much more disaggregated sector-level analysis is required, and one that moreover distinguishes different processes at that level, so that a multi-pronged policy approach can emerge that targets the types of corruption that can be feasibly attacked at that level.

This study applies the methodological approach of sectoral process analysis to a very specific issue: the corruption involved in the recruitment of academic staff and the appointment of academics to administrative positions in Vietnamese universities. There are several reasons for selecting this particular set of administrative issues in this study. Corruption in recruitment and administrative appointments is likely to have important negative effects on educational standards, on the misappropriation or misuse of construction budgets and on the general ethics and morale at some of the highest levels of the educational system. The presence of significant corruption and irregularities in these processes was confirmed in our preliminary soundings of academics in a sample of educational establishments. In addition, in the last few years, there have been a number of significant incidents where appointments and recruitments at a number of major universities in Vietnam were criticized or blocked by protests, including at the National Economics University, the Foreign Trade University, the Hanoi University of Technology, the Hanoi University of Education, and the Technology and Education University at Hung Yen. These events involved irregularities or alleged irregularities in processes of recruitments and appointments. The result in many cases was that appointments were challenged or delayed, with a consequent disruption of educational activities and a loss of morale in the affected universities.

At a general level, corruption in university recruitment and appointments in Vietnam is not unexpected given some of the general features of the country and the sector. First, the enforcement of formal rules is relatively weak in Vietnam, as it is in most developing countries (Khan 2004). The more limited enforcement of formal rules in developing countries is an important contributor to corruption. Second, this general problem is compounded by the complexity of the financing, regulatory and oversight structures that exist for Vietnamese universities. This complexity and lack of clarity makes it easier for illicit forms of discretion to operate in appointments and other processes, given the overall weakness of formal rule enforcement. Finally, some academic and administrative positions can give incumbents access to significant rents, making these jobs and appointments susceptible to rent-seeking activities including corruption. For instance, individuals in positions of administrative responsibility in universities can influence the allocation of significant resources, and this makes these positions attractive. Some teaching and research positions may also give incumbents

access to rents in the sense that the formal and informal income opportunities in these jobs may be better than in other alternatives available to these individuals.

Given the characteristics of the broad drivers of corruption across developing countries, it is not surprising that the most common policy responses have been to target some broad underlying conditions. The policy analysis of corruption in the education sector in developing countries has generally recommended reforms to simplify and make more transparent supervisory and financing rules, the rules of business including the criteria for making appointments, encourage greater participation of consumers like parents and students, and greater decentralization of decision-making to the organizations delivering services (Poisson 2010). In principle, many of these reform efforts could indeed help to reduce the prevalence of corruption in education. However, the critical problem is that of implementation, since without the achievement of a general capacity to enforce formal rules, many of these recommendations are unlikely to deliver significant results. For instance, some simplification and coordination of procedures for recruitments and appointments is indeed possible, but in the absence of a major improvement in the capacity of the state to enforce formal rules, these steps are unlikely to result in a significant reduction in corruption. Our investigation of overlapping processes of corruption affecting the recruitment and appointments process suggests that anti-corruption policy in this area is likely to be more effective if the types of corruption affecting different types of universities are adequately identified and policies designed to fit the problems faced by specific universities. The study therefore not only sheds light on the corruption processes affecting a specific administrative problem, it also serves a broader purpose in demonstrating the usefulness of our methodology for a policy-relevant process analysis of corruption.

There are important lessons for policy design. One implication is that the strategies that were successful in some universities in reducing corruption in recruitments and appointments are not necessarily replicable in all types of universities, but may be replicable in universities with similar structural characteristics. A further implication is that anti-corruption and reform strategies in different types of universities would be more effective if they take into account the characteristics of the university and the dominant types of corruption it was suffering from. A simple anti-corruption strategy that ignores these differences is unlikely to be effective across the board. This conclusion is similar to the results of our analysis of corruption in the business sector in Bangladesh, where we found that different types of firms were engaging in apparently similar processes of administrative corruption *for very different reasons*. There too, the policy recommendation was that policy needs to separate firms that are potentially compliant from those that will not or cannot comply with regulations, in other words, different strategies are required to deal with firms with different characteristics (Khan 2014). The general conclusion that these studies illustrate is therefore that policy has to be cognizant of and has to address different types of corruption that are likely to be involved in any specific corruption problem if practical and feasible policies are to be designed.

2. Higher Education in Vietnam: An Overview

The higher education establishments in Vietnam include universities and colleges. These establishments have specific features that reflect the history of their development and the evolution of the regulatory structures. Some of these specificities help to explain

differences between types of higher education establishments in Vietnam. However, there are other differences between these establishments that reflect their academic and research capabilities that are no less important in determining the strategies of different stakeholders within these establishments.

Almost all state-owned universities were initially set up by different ministries to develop the disciplines required for their purposes. The ministry concerned would provide the financing for that university and it would be responsible for the supervision of educational quality, and oversight of recruitment and appointments. While some universities are still operating under particular ministries, the situation changed gradually over time. Universities began to diversify into different disciplines and the Ministry of Education and Training (MOET) became more closely involved in the supervision of these types of diversified universities.

In 2010 there were 414 universities and colleges in Vietnam, of which 188 were universities and of these, 138 were state-owned. The other 226 establishments were colleges (196 of these were public colleges) that could in principle become universities if they could meet certain criteria (Vu 2012). More than half of the total number of universities, a total of 101, were located in the two big cities, Hanoi and Ho Chi Minh City. The rest were distributed across the provinces, with a greater number located in important provinces such as Da Nang with eight universities, Hue with nine and six in Thai Nguyen (Tran 2012).

Public universities thus dominate the Vietnamese university sector, and moreover, the best universities in terms of teaching and research reputation are all in the public sector. The administrative and regulatory structure under which public universities operate in Vietnam is complex and evolving. In 2012, of the 202 universities in operation in that year (the number is steadily increasing), around 34% were directly supervised by the Ministry of Education and Training (MOET), but 44% came under other ministries such as the Ministry of Agriculture and Rural Development or the Ministry of Industry and Trade. Around sixteen universities, or eight percent of the total, were directly supervised by the Government. These include important universities like the National University. A further 14% were supervised by Provincial People's Committees. The sixteen national universities can do a number of things without having to get approval from MOET, including the award of PhD degrees, sending their staff to study abroad, inviting foreign staff and students, setting up training programmes and initiating construction programmes with their own funds. In contrast, other universities need MOET approval for these types of tasks.
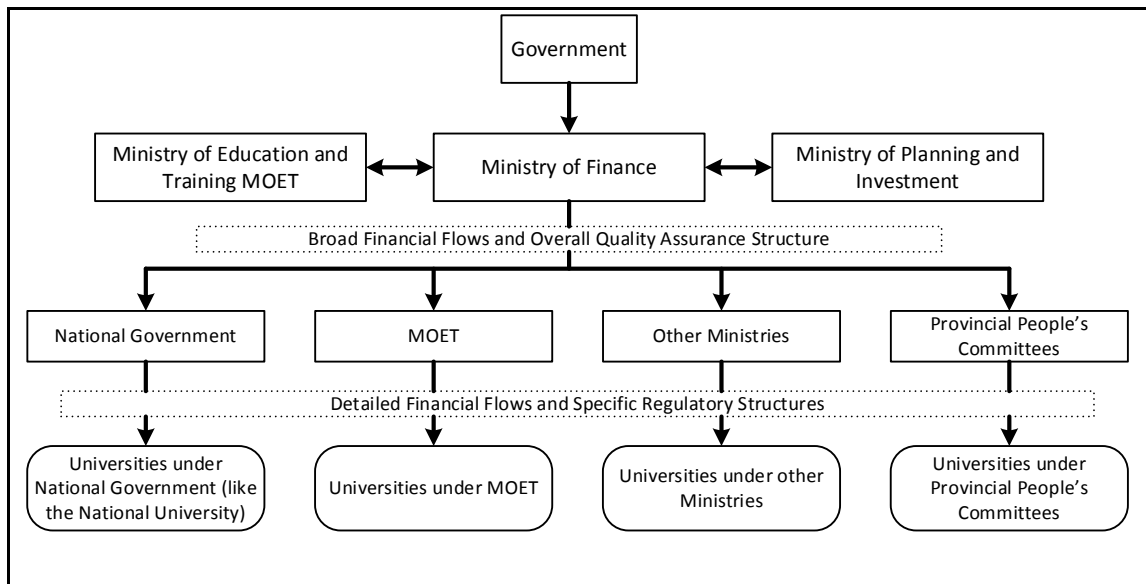
Figure 1. Financial and Regulatory Structure of Vietnamese Universities

As Figure 1 shows, the regulatory structure for Vietnamese universities is complex. At a general level, MOET, the Ministry of Finance and the Ministry of Planning and Investment determine the overall financial allocations for universities and MOET supervises the quality of programmes of all universities, carries out quality assurance and accreditation and approves new teaching programmes. However, at the detailed level of negotiating budgets and arranging supervision, particular universities can come under the supervision of different bodies. Some universities are supervised by MOET but others are under other ministries, provincial governments or directly under the government, and the latter are important universities that have a larger element of autonomy. This evolving structure of funding and regulation has resulted in a complex flow of funds to different types of universities with different supervisory structures, even though the overall supervision of MOET imposes a common minimum regulatory structure and standards (Vu 2012).

The first important difference between universities in Vietnam is therefore that they come under different regulatory and supervisory structures. In the pre-reform period, universities directly supervised and regulated by specific ministries like the Ministry of Commerce or the Ministry of Finance were supposed to provide the skilled manpower required by the enterprises operating under those ministries. Over time with the opening up of the economy and the declining role of state-owned enterprises (SOEs) in employment generation, the planning of sectoral skill requirements by ministries has become much less important. Nevertheless, ministries with universities under them have developed their own training programmes and institutional interests in preserving their universities, and they have developed their own procedures of regulation and financing. In addition, provincial committees in charge of universities have regional development objectives, and again their regulatory procedures and objectives reflect different interests.

A second difference between universities lies in the implicit funding models they operate under. Most Vietnamese universities get around half their funding as government grants, but there is significant variation around this average. Moreover, there are significant differences in university quality, and the level of students the

university caters for, which determines the strategies of revenue generation. Almost all of the revenue coming to Vietnamese universities is for teaching rather than research, but some universities are more successful in putting up additional teaching and training programmes beyond the ones supported by central transfers. The fees for these additional teaching and training programmes constitute an important source of additional income for some universities. The universities that are more dependent on government transfers also differ amongst themselves in terms of teaching quality and the level of students they cater for. Some of the universities that are more dependent on central funding are prestigious universities attracting high quality students, while others are universities catering to students who fail to get admission into more prestigious institutions, and some of these universities have to deal with very large number of relatively poorly qualified students. The internal dynamics of rent allocation and rent control can be quite different across these universities, and these features need to be explored a little further and kept in mind in our investigation of the types of corruption affecting universities.

The Vietnamese government has been trialling a system of full autonomy for some universities under which autonomous universities would have to cover their entire operating costs with their own revenues. Since 2008, five high ranking universities have been under this 'full financial autonomy' model, but in fact, significant budget support from MOET has continued for this small handful of trial universities. If we remember that universities even in advanced countries find it hard to achieve full financial autonomy without very high fee rates that can have detrimental effects on student numbers and access, it is unlikely that a full autonomy model would be viable for most universities in a developing country like Vietnam. The longer-term goal must be to develop a transparent funding formula that is suitable for the needs of different types of universities in the country.

With the exception of these five universities, most public universities in Vietnam have different levels of partial financial autonomy and get a substantial share of their operating costs covered by budgetary transfers. A comprehensive set of figures for university funding in Vietnam is not available, but a survey of fifty public universities in 2012 showed around half of their operating costs were covered by transfers, as shown in Table 1. For the universities surveyed in that study, own revenues generated by teaching and training incomes were only slightly higher than the transfers from the state budget. Research income was very small, on average less than one percent of the own revenues of universities and less than seven percent of the transfers from the state for direct research, though more was available for investments in research facilities.

Table 1 Sources of Revenue in Vietnamese Public Universities

	2009		2010		2011	
	Billion VND	%	Billion VND	%	Billion VND	%
Total Revenue	**4755.9**	*100*	**5813.1**	*100*	**6383.1**	*100*
Own revenue	*2376.3*	*50*	*3077.9*	*53*	*3425.8*	*54*
Regular training tuition	983.5	41	1410.6	46	1805.8	53
In-service training tuition	465.4	20	525.0	17	504.1	15
Joint training tuition	253.3	11	297.4	10	272.3	8
Distance learning tuition	84.3	4	84.2	3	82.5	2
College-to-university tuition	138.3	6	208.4	7	261.0	8
Other training fees	68.0	3	82.6	3	82.1	2
Research	3.0	(<1%)	2.8	(<1%)	2.3	(<1%)
Other non-business revenues	380.5	16	466.9	15	415.7	12
Transfers from State Budget	*2379.6*	*50*	*2735.2*	*47*	*2957.3*	*46*
For regular training	1423.5	60	1622.0	59	1815.5	61
For research	157.9	7	158.8	6	167.3	6
For other purposes	52.3	2	81.8	3	91.9	3
For national target programs	102.0	4	112.0	4	128.7	4
For investment and development (including ODA)	513.5	22	634.2	23	658.0	22
For investment and development in research	129.9	5	95.8	4	75.9	3
For other investments (environment, sports etc.)	0.5	(<1%)	30.6	1	20.0	1

Source: Based on Tran (2012). Figures based on a survey of fifty public universities.

Table 2 shows that the reliance on transfers from the state also varies across different types of universities. While the average university generated just a little more from their own revenues compared to what it got from the state budget, own revenues were higher than state transfers by around 30 percent for universities supervised by MOET. They were even higher for universities supervised by the Ministry of Commerce and the Ministry of Health. This reflects the greater ability of some of these universities to put up training programmes and courses that have high commercial demand. In contrast, the national universities may be more prestigious but they cover a wide range of subjects and therefore the extra revenue they can earn through specialized courses and training programmes constitute a smaller percentage of their total incomes. The less prestigious and lower quality provincial universities have the lowest share of own revenues because here both the capabilities of the universities and the demand from students for specialist training is lower.

Table 2 Own Revenues of Public Universities as Share of Government Transfers

Revenues in billion VND	2009		2010		2011	
	Average Revenue per university	Own Revenue as % of State Transfers	Average Revenue per university	Own Revenue as % of State Transfers	Average Revenue per university	Own Revenue as % of State Transfers
Average for 50 universities		100 %		113 %		116 %
MOET	*105.8*	*127 %*	*127.5*	*131 %*	*136.0*	*130 %*
Other Ministries	*94.4*	*112 %*	*119.8*	*145 %*	*143.3*	*142 %*
Ministry of Commerce	175.0	947 %	241.4	997 %	303.7	776 %
Ministry of Health	91.6	326 %	125.2	488 %	154.7	613 %
Ministry of Culture, Sports, and Tourism	44.3	73 %	36.2	102 %	48.2	120 %
Ministry of Finance	90.7	33 %	112.9	60 %	112.3	68 %
Ministry of Transportation	107.6	26 %	125.9	40 %	122.9	45 %
Ministry of Agriculture and Rural Development	86.9	13 %	77.1	20 %	89.5	17 %
National universities (under Government)	*166.7*	*49 %*	*169.6*	*65 %*	*155.0*	*79 %*
Provincial People Committee	*55.6*	*33 %*	*71.1*	*30 %*	*70.8*	*34 %*

Source: Based on Tran (2012). Figures are based on a survey of fifty public universities.

The rules used by different funding bodies for allocating budgetary transfers to universities are not publicly available and can vary across different types of supervisory bodies and ministries. For universities under direct MOET supervision, MOET is said to use a formula that is primarily based on the official student admission quota. The student quota in turn depends on a number of criteria including MOET's evaluation of the university's infrastructure (land area, classrooms, equipment and so on), and teaching staff (number of professors, associate professors, and so on). However, universities often admit students in excess of their quota to earn extra revenue, and these are often not declared to MOET. Occasionally problems arise because the number of degrees granted *is* monitored by MOET so if a university awards many more diplomas or degrees than it was authorized to do, this can create problems. Not surprisingly, there is a substantial amount of bargaining between universities and MOET on the setting of student quotas, as this determines the public funding going to the university. Other ministries and supervisory bodies in charge of universities use their own formulae for allocating budgetary funds, but the details of any of these formulae and therefore any differences between them are not publicly known. Finally, in all universities, the funds for infrastructure construction are separately negotiated. These infrastructure development allocations follow central plans, but individual universities can also bid for extra resources. Their success in bidding can depend on the quality of the case they can make for particular expansions based on how the university's plans fit in with national plans and fund availability.

3. The Process Analysis Methodology

Our *process analysis* develops the methodology described in Khan (2014) to identify different processes that may be simultaneously involved in what appears to be a specific corruption problem. The methodology is to focus on a specific sectoral problem with the aim of identifying the most important processes through which corruption of different types may be operating in different organizations and the incentives of different types of stakeholders to engage in or resist the corruption. Types of corruption can also be classified in terms of differences in their drivers and we use a classification based on Khan (2006) to distinguish between a number of important types of corruption. The methodology involves identifying the processes at play *in organizations of different types* that are involved in corruption in similar activities. The aim is to identify the different processes that policy needs to address in different types of organizations, if anti-corruption is to be effective.

The identification of different processes is based on intensive interviews by researchers who aim to establish relationships of trust with important stakeholders involved in these processes. As every corrupt transaction has at least two participants, and each is likely to explain the causes of the corruption very differently, an iterative approach is used to cross-check the descriptions and reasons given by different participants till the interviewer is convinced that a plausible and consistent understanding of the motives of different types of participants has emerged. As the reasons and motivations for engaging in the corruption may also be different in different types of organizations or for different types of agents, a number of different processes may have to be identified. This is important from a policy perspective because effective policy has to target the motivations of different types of stakeholders, organizations or firms involved in apparently similar activities. Policy will only be effective if these different drivers are adequately addressed and policies adapted for public universities of different types.

In the case of corruption in academic recruitments and appointments in Vietnamese universities, we find that there are indeed different motivations and processes going on within the broad category of corruption in recruitment and appointments. This is despite the fact that these processes come under the same formal regulations in Vietnam for the recruitment, allocation, and management of state personnel as described in Decision 27/2003/QĐ-TTg of 19/2/2003, Decree 29/2012/NĐ-CP of 12/4/2012 and Circular 15/2012/TT-BNV of 25/12/2012. All universities are also subject to a parallel oversight and validation of these processes by Communist Party structures operating within the university and in related ministries and local governments that have oversight functions for the university in question.

While all universities formally follow the same laws and are subject to the same administrative and political controls, the informal processes through which decisions are reached can and do differ greatly, and in many cases, significant levels of corruption of different types are associated with these operations. Our investigation confirms that the drivers of corruption in recruitment and appointments differ significantly across different types of universities and therefore anti-corruption strategies that may be effective in one type of university may have little effect in others. We also find that some Vietnamese universities have been much more successful in addressing corruption compared to others. The policy question is whether the experience of these 'positive deviations' can inform reform in other universities. If their success was based on strategies that worked because of specific characteristics and processes that are

unlikely to be feasible in all universities, then a more nuanced analysis of corruption in this sector is required. The challenge is to understand the most important differences and develop appropriate anti-corruption strategies for different types of universities.

A useful way of categorizing different types of corruption is to look at the different types of regulations and interventions the corruption is associated with (Khan 2006, 2014). Some corruption can be associated with dysfunctional state regulations and interventions, which hinder the achievement of economic efficiency or developmental goals. For instance, some regulations may be excessively complicated or badly designed such that they do not promote any obvious economic or social objectives, and may even be damaging if they were strictly enforced. These regulations or interventions can be described as 'market-restricting' because their enforcement can prevent or make more difficult efficient or developmental resource allocation. The *corruption associated with market-restricting interventions* can be a rational response to avoid these dysfunctional regulations. As a result, in some cases, the outcome after corruption could paradoxically be slightly better because corruption could provide a (costly) way of working around dysfunctional regulations and interventions. However, the outcome would be even better if the dysfunctional regulations could be removed. In this case, anti-corruption strategies have to address the dysfunctional regulations or interventions because an anti-corruption strategy that simply attacked the corruption and left the dysfunctional regulations in place could be even more damaging than doing nothing. Some of the corruption affecting universities in Vietnam could be linked to unclear or problematic regulations, but this problem is less important than other types of corruption problems affecting the sector.

A second type of corruption is associated with regulations and interventions that are potentially useful for achieving economic and social objectives. Here, corruption can distort the implementation of necessary policies and cause much more damage. This type of *state-constraining corruption* can have significantly negative effects on social outcomes. State-constraining corruption is likely to be very important in developing countries in terms of its negative impact. Anti-corruption strategy here has to be very different compared to the case of market-restricting corruption. Here, the objective is to *keep* the necessary regulations or interventions in place, though they may have to be redesigned to improve their enforcement. Anti-corruption strategy has to ensure that this type of corruption is either eliminated or at least that it does not prevent the achievement of desired outcomes. This requires an understanding of why different types of organizations may be violating regulations. Some violators may simply be trying to capture rents, and they can be constrained with greater transparency and penalties. However, some violators, particularly in developing countries, may be violating regulations because they are unable to comply. In these cases more complex strategies may be required, including exit strategies for some types of organizations or in the case of universities, changing some of the regulatory structures. We will discuss this possibility at greater length later.

A third type of corruption is *political corruption* associated with the strategies of those who seek political power, ultimately for supporting other types of rent-seeking activities. Political corruption emerges when the allocation of resources for maintaining political networks involve violations of formal rules. For a variety of structural reasons, the organization of political power in developing countries is likely to involve high levels of informal rent extraction and allocation of these types, and therefore political

corruption is widespread (Khan 2005, 2006; North, et al. 2013). Political corruption can be more or less damaging depending on how it affects critical services or economic activities. In particular, political corruption can overlap with other types of corruption and make their solution more difficult. Comprehensive solutions to political corruption at the macro-level are likely to take time as forms of financing politics have to become more formal and rule-following. However, in the medium term, some strategies for excluding political corruption from critical areas of social and economic policy may be worth pursuing. As we would expect, there is evidence of variants of political corruption in some Vietnamese universities and the drivers of this type of corruption need to be carefully assessed to identify feasible policy responses.

Finally, some corruption can take the form of *predatory corruption,* where political and sometimes coercive power is used to extort revenue from citizens. This type of corruption is clearly very damaging, but is unlikely to take on serious proportions at a social level except in contexts of state collapse. However, aspects of predatory corruption can operate even in otherwise well-working states, and we find some evidence of predatory corruption in the Vietnamese university sector. At a social level, predatory corruption only becomes significant when higher levels of the state lose control over lower-levels. Higher-level state officials are unlikely to collectively sanction predatory activities because extortion is destructive for the viability of the state. Thus, significant levels of predatory corruption usually indicates some level of state collapse. The policy response must include support for improving the levels of legitimacy and enforcement capabilities of the state. However, in less serious situations, low-level predatory corruption may be addressed by identifying the specific factors resulting in these outcomes. In the Vietnamese education sector, some aspects of corruption in recruitment unfortunately have a predatory character, with the extortion of revenue from job-seekers who face unattractive alternatives.

Each of these types of corruption is associated with specific 'rents', defined as incremental income flows associated with particular regulations, policies or strategies that particular stakeholders can try to capture, using corruption. The type of rent and the effect of the corruption on the underlying policies generating the rent determine the economic and developmental effects of corruption. Our objective in this paper is not to examine the economic and developmental effects of the different types of corruption affecting the recruitment and appointments processes in Vietnamese universities. Rather, we will limit ourselves to examine the related question of identifying the different types of processes at play, the drivers of these processes, the incentives of involved stakeholders, and the implications for anti-corruption policy.

The complex regulatory structure of universities in Vietnam combined with weaknesses in the enforcement of formal rules can give some university administrators the power to allocate critical rents. These positions therefore have a value and the process of getting appointments to such positions can trigger corruption. The attractiveness of an administrative position, like that of a dean or a head of a department or centre within a university depends on the resources that the incumbent can aspire to allocate and the discretion that can be exercised in these allocations. Universities with large revenues, whether that comes from the state or from their own revenues, can be attractive for administrative positions. For instance, universities with a long history and a good teaching reputation can have large student numbers. These universities get significant budgetary transfers from their supervisory bodies based on student quotas. Even

without a high share of their own revenues, senior administrative staff are in charge of significant flows of funds, and can make potentially lucrative recruitment and construction decisions. In some large public universities where there are many jobs to allocate, individuals in administrative positions can also build up networks and loyalties that have a political value.

A different set of opportunities arises in universities that can generate significant revenues on their own outside the state budget. These are universities that have specialized in particular fields where substantial training incomes can be generated, or they have the reputation to attract students in advanced teaching courses, or in a few cases, generate external research incomes. These universities have a higher share of their own incomes in total revenues, and administrative post-holders in charge of internal resource allocation can again benefit from allocative decisions. However, high-quality universities that depend on teaching for their own revenue are more likely to be concerned with teaching quality, and this concern can affect the types of rent seeking that university administrations can engage in or allow. However, all universities in Vietnam (as in many other countries) continue to be dependent on significant state funding, and in all cases the state funds significant new construction and expansion projects. Thus, in both types of universities administrative posts provide access to significant rents even though there may be differences in the strategies for capturing these rents given their different sources.

Ordinary teaching staff confront a very different set of rent considerations, and they can sometimes be the victims of rent extraction. The attractiveness of a university job can be very different in different types of universities. In prestigious universities there is intense competition to get jobs, but it is unlikely that individuals without the minimum level of qualifications will be able to get a job, and these minimum requirements may be quite high. However, while this may restrict the field to some extent, there may still be considerable flexibility for the appointments team to choose one of a large number of acceptable candidates. For the candidates, academic positions in good universities may be attractive not because the salaries are particularly high, but because of the social status, job security and potential opportunities for career advancement through research and training, and eventually, getting administrative appointments. These calculations are different in less prestigious universities, where the opportunities for career advancement or lucrative administrative appointments may be lower. Nevertheless, the competition for recruitment in these universities may be even more intense because larger pools of applicants may meet the lower minimum recruitment criteria. For many of these less qualified individuals, other job opportunities may be even less attractive, and therefore a position in such a university may be attractive even at low salaries. In examining the processes of corruption in recruitment and administrative appointments, these differences in the types of rents across different types of universities and different types of aspirants to positions have to be kept in mind.

To address these questions, the methodology used was to select a small number of public universities (six in all) that demonstrated different types of processes in the recruitment and appointments process. The selection of these universities was based on a preliminary investigation of a larger number of universities to identify the most important processes of corruption in these activities. The methodology did not seek to ensure a comprehensive analysis of processes in the university sector as that would have required an investigation of all Vietnamese universities. Rather the aim was to select

from the most important types of universities a smaller sample highlighting important variants of processes identified in the initial investigation. The preliminary investigation narrowed down the investigation to six universities in the second stage. One of these was a *'positive deviation'* university displaying evidence of low corruption and rule-following behaviour in recruitment and appointments, and a second was a partial positive deviation. Four others provided examples of different types of corruption processes in these activities. Our confidence in our selection of variants was corroborated by presenting the preliminary research findings to a broad selection of representatives from the university and policy-making sector in Vietnam. The responses of these high-powered insiders validated our coverage of the most relevant processes and confirmed that important variants had not been overlooked.

Background information on each university was collected from the relevant official reports and official websites. The detailed university level investigations were based on intensive interviews with at least three insiders in each university and usually more. The respondents were selected to ensure representation from both ordinary teaching staff and managers in administrative positions. The purpose and analytical goals of the research were explained to respondents over several meetings and the research proceeded if sufficient trust was established for a frank discussion of processes in the university. Respondents were assured of anonymity both for themselves and their universities.

The interview methodology was to begin with an explanation of the objectives of the study and a discussion of the possible types of corruption that could be at play, and then engaging in an open and relatively unstructured discussion. Respondents were encouraged to talk freely on all aspects of corruption in their university, with interviewers following up on interesting observations and insights to gain a deeper understanding of processes where necessary. A triangulation of responses across respondents was also used to check the details of processes reported by one respondent with those of others and returning to respondents to corroborate or change details through a process of iteration till a consistent understanding of the dominant processes in the university could be synthesized.

The aim was to develop a *process analysis* for the dominant types of corruption in each university and to identify the most likely factors explaining differences in processes across universities. Using our respondents' descriptions of the extent and intensity of corrupt processes in their universities, we were also able to broadly rank universities in terms of the extent of corruption in the processes of recruitments, promotions and administrative appointments. This approach allowed us to identify the main differences between types of universities and in particular, to analyse the conditions that could explain outcomes in the *positive deviation universities* where corruption was lower than the norm. The approach reveals that positive deviations are possible in otherwise adverse situations, and also that all poorly performing universities may not be able to replicate the processes in the better performing ones because the drivers and types of corruption are different in different types of universities. It is important for policy to take account of these differences. Very different strategies may have to be followed in the less well-performing universities that cannot replicate the best performers, and these lagging universities may well be very numerous if not the majority.

4. Characteristics of Universities Selected for Analysis

Table 3 summarizes some of the characteristics of the six universities selected for analysis and classifies them in terms of the subjective assessments of our respondents on the prevalence of corruption in their processes of recruitment and appointments. Two of our universities had low to intermediate levels of corruption, but the other four displayed much higher levels of corruption. While the ratio of corrupt to less corrupt universities in our sample is not necessarily representative of the population of universities, the broader evidence of widespread corruption in the sector and the responses of experts consulted in our Focus Group suggests that many if not most universities in Vietnam had significant levels of corruption in recruitment and appointments processes and the occasional 'positive deviations' were relatively rare.

The better-performing universities appear to have benefited from better leadership, and leaders in these universities appear to have instituted transparent procedures for recruitment and appointments, though not necessarily high levels of formality. It may therefore appear that the standard recommendations of transparency and clarity of rules can contribute to a significant reduction in corruption. While transparency and simplicity of rules can clearly help, a more detailed examination of all our cases shows that the reality is more complex. A deeper analysis is able to explain why similar procedures do not emerge in many more universities, and it also identifies types of universities where such initiatives may have some traction.

Our first university has the lowest reported level of corruption and we describe it as having a '**Transparent Rule-Following Model**' of recruitment and appointments. This is one of the two 'positive deviations' in our sample of universities shown in Table 3. The positive deviations demonstrate that it is possible to achieve low levels of corruption within the existing legal and political structures of Vietnam. Some of the characteristics of this university are not surprising given the observation of transparent procedures in recruitment. It is a leading university located in the South, with a reputation for being one of the best universities in its field. It is directly supervised by the Ministry of Education and Training (MOET), and is one of the universities formally granted full autonomy, though it still receives transfers from the state budget.

Recruitments and appointments in this university are based not only on transparent criteria, but also on formal criteria, and there is limited use of informal processes. The university successfully institutionalized a formal system where recruitment, appointments and rewards are related to transparent criteria of performance. The achievement of rule-following behaviour in recruitments and appointments was based on the development of a transparent scoring system for making these decisions. Staff are regularly evaluated for performance and bonuses and increments are based on these evaluations. Management positions are not particularly attractive in terms of access to rents as managers are also evaluated and have to perform. As a result, there are fewer managers compared to other universities, and these positions do not confer significant rents as higher rewards are related to better performance and greater responsibilities.

Leadership was clearly important in achieving these rules-based outcomes, particularly since many weaker members of staff felt they would be disadvantaged under a performance-oriented system. One interviewee suggested that as many as forty percent of staff were initially not happy with the competitive performance-oriented system that has emerged. Clearly, weaker members of staff feel threatened, and the success of the

experiment depended on a critical minimum number of staff feeling that it was in their interest to support a results-oriented system. The initial distribution of staff capabilities can therefore critically determine the degree of support or resistance faced by a performance-based strategy of recruitment and appointments. This turns out to be one of a number of critical conditions for the successful formalization of recruitment and appointment processes.

Table 3 Summary Characteristics of Selected Universities

Low Corruption	Low to Intermediate Corruption	Higher Corruption
University 1. Transparent Rule-Following Model. Leading university with strong reputation, under MOET and with growing own revenues. Successfully following formal rule-following processes.	**University 2. Enterprise Model.** Moderate-quality teaching university with financial autonomy and substantial own revenues from teaching large numbers of students. Not under MOET. High levels of informality but low to intermediate corruption. Minor instances of political corruption.	**University 3. Blind Bidding Model**. Leading university with strong reputation under MOET. Substantial own revenues but with poor internal transparency resulting in 'blind bidding' auctions for positions. Corruption distorts formal rules: Primarily state-constraining corruption.
		University 4. Centralized Corruption Model. Moderate-quality university, not under MOET, dependent on budgetary transfers. Substantial violations of formal rules, limited transparency and centralized rent collection. Responsive to external power centres. State-constraining corruption with some political corruption
		University 5. Political Faction-Driven Model. Leading university with strong reputation, under MOET. Recruitment and appointments strategy of university leaders based on developing and supporting their factions. Political corruption with some state-constraining corruption
		University 6. Flea Market Model. Lower-quality university, not under MOET, with limited own revenues. Teaching contracts sold in exploitative 'flea market'. Primarily predatory corruption with some state-constraining corruption

Source: Authors, for more details see Appendix Table

The second university in our list has low to intermediate levels of corruption in recruitment and appointments. We describe it as an '**Enterprise Model**' of university management. While the university does not have a high reputation for teaching or research, it teaches large numbers of technical courses in a professional business-like way. Unlike the first case, it does not have the same degree of formality in the use of rules, and uses considerable informal vetting and negotiations. Nevertheless, the informal processes here are relatively transparent and are used to identify potential applicants. It is also not directly under MOET supervision but comes under a separate ministry that it directly serves. It provides technical programmes that are particularly relevant for this ministry and services large numbers of students (almost fifty percent more than University 1) with only a slightly higher number of teachers (see the Appendix Table for detailed university characteristics). The quality of teaching and research is considerably lower than in University 1 and the business model is one of

intensive teaching, applied research commissioned by the supervisory ministry and relatively little pure academic research. Student demand for courses is high because they are technical courses and this generates significant revenues, but not enough surpluses (rents) to make jobs in the university particularly attractive. Thus, this university has very different academic and economic characteristics compared to University 1.

Its enterprise-based management system dates back to the days when it was part of a corporation under its supervisory Ministry. Key Performance Indicators (KPI) were introduced, which allowed the organization's objectives to be specified in clear and measurable ways. To achieve these objectives different types of academics are recruited, a few research-active academics, a few intermediate ones with some capacity to publish, and many with only a Master degree who mainly teach. Although the research-active academics earn a higher salary than the others, most of these jobs do not entail any significant rents because the reputation of the university is low and salaries are higher in other universities with a better reputation, or in other jobs in the same ministry. This is demonstrated by the fact that the university gets very few applications when recruitments are advertised, and the leadership has to engage in significant informal head-hunting to identify candidates and to persuade them to apply. The low demand for positions in this university and the virtual absence of rents for new recruits ensures that the possibility of extracting bribes from applicants is low.

Administrative appointments in this university faces similar constraints. The rewards in administrative positions are related to the achievement of KPIs and this can involve hard work and getting the support of other academics. An informal process is used to identify candidates, and here too there is usually a problem of low demand for these positions and therefore few opportunities to extract bribes during the appointments process. However, our respondents identify some possible areas of corruption in this university. These include the practice of occasionally providing sinecures to senior officials from the ministry who are given administrative positions without adequate qualifications or competition. For older individuals from distant provinces, a sinecure in the capital as a university administrator can be an attractive position at a certain age, and there are some indications that corruption may be involved in the recruitment and appointment of such individuals. This 'political' corruption arguably contributes to maintaining good external relationships with the ministry.

The four other cases are ones of considerably higher levels of corruption. We describe the system of corruption in University 3 as a '**Blind Bidding Model**'. The characteristics of this university provide an apparent paradox because it is a university which still has a high reputation in teaching and research, its academics are highly paid, and yet corruption in recruitment and appointments appears to be widespread. In our assessment the quality of the teaching staff in this university was higher than in the first university, and the research quality was at least as good (see Appendix Table). As a result of its superior performance, the average income of university staff was reported to be about 11 MVND/month higher in 2014 compared to most other universities. Yet our respondents report widespread corruption in appointments, and the corruption appears to take the very inefficient form of blind bidding. Academics seek positions by means of gifting cash or presents, or providing time and effort to support the leadership in order to get particular positions. But these investments are 'blind' in that individuals do not know the 'bids' of others, and therefore do not know if they will get the position

they are aspiring to. As the outcomes of these bids are uncertain, this has the expected negative effect on morale and also occasionally creates obligations on the part of the leadership to create new posts to accommodate bidders who could not be satisfied in one round.

The university is directly supervised by MOET, which implies that the formal supervisory arrangements of MOET are insufficient for preventing the violation of formal rules, or that the supervisory links may indeed sometimes be part of the problem. The university also has significant internal revenues from teaching and research, and this too is similar to some of the conditions in the universities with lower corruption described earlier. Internal revenues should create incentives for maintaining the quality of teaching and research, but it appears that constraining corruption is neither necessary nor sufficient to maintain standards. The university appears to maintain high standards while engaging in substantial internal corruption in appointments. This could be a short-term phenomenon, and indeed the low morale and criticisms of insiders suggests that there may be negative longer-term effects of selecting inappropriate people for leadership positions within the university. The significant difference in this case from the two previous examples is that this university had very little internal transparency and its leadership could regularly violate formal procedures.

University 3 is similar to University 1 but different from University 2, in that there is excess demand for positions because of the university's reputation and the flow of internal revenues gives administrative post-holders access to potential rents. The excess demand for positions in turn potentially enables the sale of offices. The formal processes of appointment are very similar to those in less corrupt universities. However, the formal rules only ensure that applicants who are below a minimum standard are not appointed. But this is not the same as appointing the best person. Job specifications can be calibrated to ensure particular individuals have an advantage. Some individuals may also be informally encouraged to 'run' for particular positions, which requires giving gifts to the leader and making sure that the leader is supported in other administrative and policy matters. Over time, there has been a transition from a practice of bidding with money and gifts to one of bidding by committing time and loyalty to leadership projects.

There is no guarantee that investments of time and money will pay off and this can result in disappointed candidates. The fact that the leadership cannot ensure the recruitment or appointment of particular individuals suggests the leadership has to work through the consent of intermediate levels who sometimes do not agree with the leader or with each other. Failed bidders can sometimes be satisfied with promises of prioritization in the future. But some disappointed candidates openly criticize the system, and this results in growing cynicism towards the leadership and a loss of morale. These effects on staff quality and morale mean that it is unlikely that Blind Bidding is a sustainable model for a high-quality university. The university is likely to either suffer a loss of staff quality and reputation over time or move towards more effective and transparent recruitment and appointments procedures. The danger is that if overall staff capabilities deteriorate as a result of these current recruitment and appointment practices, there may eventually be insufficient support for a results-based system of evaluation, promotion and appointment, as the latter may then be resisted by a majority of the staff. A likely trajectory, if that were to happen, may then be a move either towards the *political faction model* or the *centralized corruption model*, both of

which are discussed later. In the political faction model jobs depend on loyalty to factions that are competing for dominance, while in the centralized corruption model, there the head is more firmly in power and there is greater certainly about the results of corruption.

Our fourth university is an example of a '**Centralized Corruption Model**'. Here the leadership has the power to determine the allocation of jobs, and intermediate levels of management are relatively weak. Decisions and negotiations typically involve the Director of the university. The university comes under a separate ministry and provides training to officials primarily in areas related to the functions of that ministry. It is not particularly well-known and does not have a strong reputation. It does, however, have a very large number of students, almost twice the number of students compared to our first university. More than sixty percent of its budget comes from the state budget for providing teaching. It has a much more limited flow of own revenues from specialized classes. The corruption here is quite similar to the Blind Bidding model, except that the corruption is organized more centrally and the rents going to intermediate levels of management are much lower.

The head of the university determines areas of expansion and has a determining voice in recruitment and appointments. Once the head decides that a particular person should be recruited or appointed to an administrative position, this is usually implemented by the appropriate committees. Opposing the leadership is not a viable strategy for middle management, and this allows leadership decisions to be rubber-stamped. A structure of rates for bribes also exists. When powerful outsiders request jobs for their family members or clients, these 'political' requests are generally considered favourably and the individuals linked to powerful outsiders do not have to pay any bribes. This feature is critical because the power of the Director to act in a centralized way is likely to be related to the fact that the Director is responsive to the requests of powerful outsiders. Family members of existing staff have to pay bribes but at a lower rate. Finally, other individuals introduced by existing staff or approaching the Director on their own pay the highest rates of bribes.

Even though the university does not have a high reputation, and middle management does not have much autonomy to capture rents, there is excess demand for both ordinary academic positions and appointments to management positions. It has a very stable flow of budgetary funds, and the political importance and connections of the university means that these flows are secure. Academic jobs are not very demanding and carry a high level of security, and can also lead to potential external appointments. Middle management positions can also be seen as a stepping stone to higher positions where there *are* greater rent capture opportunities. The Director in this university has more cohesive and centralized decision-making powers. This implies that the Director has strong external support to stay in power and does not require internal support to the same extent. In turn this implies that university autonomy is more limited in this case. One consequence is that there is greater certainty about investments in corruption in this case compared to the Blind Bidding model, because bidders are negotiating with a single person. If the Director is unable to accommodate a bidder, there is evidence that 'investments' can be refunded. On the other hand, the greater transparency about these processes has an even more corrosive effect on morale and morals over time.

In the fifth university, the explicitly political aspects of the corruption processes are even more important and we describe this as the '**Political Faction-Driven Model**'. Here, there is a mutual set of interests between leaders and academics to construct and operate factions. A faction in this context is a network of academics, administrators and external supporters who act collectively (in an informal way) to capture and distribute rents within the network. Aspiring academics and administrative position-holders are more likely to get attractive positions in the organization if they identify with and establish their loyalty towards particular factions. On their part, the authority of leaders and their ability to mobilize support for their ambitions inside and outside the university depends on the effectiveness of the factions they can construct. This can quickly result in intensely factionalized universities with bitter conflicts between competing factions. Factionalism implies that the faction currently in power is not assured of remaining there. If the likelihood of that was high, this would be similar to the centralized corruption model. Paradoxically, therefore, the faction-driven model is more likely when universities have a higher level of autonomy, and different groups compete to gain control of internal decision-making positions.

This university is located in the South and is supervised by MOET. It has an excellent reputation as a university specializing in particular types of professional training, and is recognized as one of the top universities in the South. It has a high quality teaching staff and has additional teaching programmes that give it substantial revenue streams outside the official budget. Clearly, minimum standards in recruitments and appointments are being met as the university is doing well, but in fact it is also riven with internal factions and conflicts. Advancement requires belonging to and establishing loyalty towards the dominant faction (or waiting for your faction to become the dominant faction). Those who are excluded because their faction is not in favour have little chance of making progress. If enough individuals are included in the dominant faction, their support for the system on the basis of their own interests can create a powerful force in favour of the status quo and make reform very difficult.

From the perspective of the leadership, organizing and favouring their own factions is also an effective strategy for developing political power that can be used for bargaining for rents both inside and outside the university. Leaders who have big factions supporting them can be secure in their positions and are also credible as university managers to outside political and supervisory agencies. This enhances their own bargaining power to remain in leadership positions and also to bargain for resources for their university. The support of a large group can also be mobilized by university leaders for ambitions that go beyond the university. Some years ago a Director of the university had an opportunity to compete for a high office in Hanoi. He was able to mobilize his faction within the university to actively campaign for him using all their individual contacts, including meeting important people, organizing bribes and payoffs and so on. The appointment of the Director to an external office would allow the entire faction to move on, so the logic of developing these networks is not limited to rent-seeking activities within the university. While the faction-driven model has a strong logic, the negative implications for university operations are obvious. Apart from the intense conflicts that are periodically unleashed, the best people are not promoted or put into administrative positions, with an inevitable impact on quality over time.

In all of the last three cases, 'political' networks play an important role in organizing and sustaining corrupt practices in different ways. In the Centralized Corruption model,

the head has centralized power within the organization to make decisions and is less reliant on internal networks. This is sustainable if the head has powerful linkages with external political networks and as a result is not significantly dependent on internal support. Such a university is likely to lack any real autonomy. In the Factional Politics-Driven model the head has some external political support but also requires internal support. The head's position, and that of the currently dominant faction, is not entirely secure, and this generates internal factional loyalties and factional competition. This type of university is more likely to have a higher degree of effective autonomy than the centralized corruption model. The Blind Bidding model is somewhere in between. The head is powerful but works through trusted lieutenants who approach individuals and urge them to start competing for particular positions. The head cannot always deliver, and this indicates the limited power of the head. The fact that the head needs to operate through lieutenants and encourage blind bidding rather than direct negotiation is also compatible with the more constrained power of the head that makes the head operate through intermediaries who are likely to also influence the outcome. The Blind Bidding model is therefore more fluid and less stable than the other two, and is likely to evolve towards one of the other two models. Each model has negative implications for the career prospects of high quality individuals within these universities who may be left behind for different reasons in each case.

Our sixth and final university is a predatory model of exploitation, which we describe as a '**Flea Market**'. The rents captured by university management appear to largely come from exploiting temporary teaching staff in this large general purpose teaching-intensive university with relatively low academic standards. This case has elements of predatory corruption and a worrying failure of oversight and supervision. The university is not supervised by MOET but by a ministry to which it provides some specialist training. Only thirty percent of its budget comes from budgetary transfers but its own revenue stream largely comes from mass teaching programmes catering to students at the lower end of qualifications who are not able to get into better universities with a higher reputation. The quality of the teaching staff in terms of teaching qualifications and research output is the lowest in our sample of universities (see Appendix Table).

The exploitative aspects of corruption in this university are that almost all recruitment and administrative positions appear to be for sale, and at prices that are quite high given the particularly low levels of salaries in this university. The university makes decisions on new appointments and recruitment in a non-transparent way and then intermediaries make it known that positions are available. The bribe for getting an initial teaching contract can be upwards of four to seven times the monthly salary, and administrative positions are more expensive. The aspirant is introduced to senior decision-makers and the payments are split across several key managers. Occasionally applications are unsuccessful (for instance because of changes in senior management) and in these cases there is some evidence that part at least of the investment is returned, but this does not happen in every case. After some time, the temporary teaching contracts are upgraded to permanent positions after passing a series of exams, but this is a formality as the payments have already been made.

The attractiveness of low-paid teaching jobs in a university with a low academic reputation appears to be a puzzle, but it is easily explained. There are large numbers of graduates in Vietnam whose Masters degrees are not good enough for jobs in better

universities and who for various reasons (including being female or preferring a job with flexible hours and little competition) are willing to buy themselves such safe jobs with limited subsequent competition. The supply of a large pool of potential jobseekers with limited qualifications and aspirations creates an excess demand for this particular category of academic jobs. This allows the emergence of predatory corruption where extortion can be exercised on relatively low-paid teaching staff. At the same time, there are clearly internal 'political' networks within the university as the rents collected are shared with a series of intermediaries. The consequences are, as expected, very severe on staff morale and on incentives for the teaching staff to improve the quality of teaching and research. A particularly irksome problem for staff is that a change of leadership in the form of a new Dean, for example, can bring in a leader who is antagonistic to the appointments and bribes collected by the last Dean. This can result in an implicit demand for new bribes to satisfy the current leadership. Staff who refuse or are unable to do so can suffer from extra workloads and other forms of harassment.

5. Characteristics of Corruption Processes in the Six Universities

The variations in characteristics and types of corruption observed in our six universities show that a simple explanatory model will not suffice to explain the prevalence of corruption even in the narrowly delimited area of university activities. In terms of the types of corruption outlined in Section 2, we find limited evidence in our case studies of corruption that can be classified as responses to inefficient or 'market-restricting' regulations. This type of corruption is triggered by regulations and procedures that are so complex or dysfunctional that even socially desirable resource allocation by agents becomes very difficult and corruption emerges as a second-best response. In these cases, anti-corruption strategy has to focus on simplifying the regulatory structure and making it more appropriate for achieving the objectives of the regulation. This does not mean that the regulatory structure facing Vietnamese universities is effective enough and cannot be improved. The regulatory structure is far too complex, with different supervisory bodies and a dual system of approvals involving both university administrations and the parallel structures of the Communist Party. These procedures could well be streamlined and simplified. However, we did not find significant examples of corruption that were directly a response to this complexity by applicants or universities attempting to by-pass unnecessary restrictions.

Most of the damaging types of corruption in our case studies were of the state-constraining variety where the corruption distorted and violated *necessary* regulations in order to capture rents. Clear procedures were violated either in spirit or in substance in these cases. The state either did not have the capacity to identify and stop these practices or regulators did not intend to stop anything. There was also evidence of political corruption in some universities as 'political' networks were used to maintain bargaining power and to distribute rents and jobs. Political corruption usually operates simultaneously with state-constraining corruption and this means that the viability of anti-corruption strategies is likely to depend on identifying the types of political networks at play and having policies that can work around these networks or that can weaken the networks themselves.

In the cases of state-constraining corruption, the managements of universities were violating rules by selling positions with rents to the highest bidders. Clearly, at one level, the answer to state-constraining corruption is the enforcement of rules-based

recruitments, promotions and appointments. This in turn requires monitoring and enforcement capabilities both within universities and by external regulators. A deeper question is whether such reforms would be implementable in most of these universities. The persistence of corruption in so many universities and positive deviations in so very few cases suggests that we should look for processes that may be blocking reform-minded leaderships from taking over in universities suffering from corruption. We argue that this is indeed the case and with a few exceptions, *most universities with corruption not only have leaderships that are driving corruption, but also large groups of victims who are reluctantly colluding for different sets of reasons.* It is these reasons that we need to identify for effective anti-corruption policy.

Finally, predatory corruption also exists in some universities and is particularly serious in University 6. Predatory corruption is characterized by the extraction of revenue from individuals who have low bargaining power. The distinction here is that predatory corruption is not based on collusion between the bribe-giver and the bribe-taker to share rents, but is rather based on the capacity of the leadership and the management team to push wages below the market rate because of an excess supply problem. Here, the emergence of effective anti-corruption strategies requires addressing the problem of excess supply that results in the poor bargaining power of applicants, and if this cannot be achieved, to mitigate the problem with specific oversight and monitoring arrangements. The next step in our analysis is to identify the factors that may be driving different types of corruption processes in different universities. A satisfactory analysis of corruption in recruitment and appointments has to be consistent with at least the following characteristics that emerge from our case studies.

First, *the supervisory agency does not appear to be decisive in determining the presence or absence of corruption but some regulatory functions are critical.* Of the two universities that had low levels of corruption, one was under the Ministry of Education and Training (MOET), and one was not. Similarly, two of the universities where significant levels of corruption were observed were under MOET, and two were under other ministries. Thus, it is not the case that universities under ministries other than MOET are subject to higher levels of non-academic recruitment pressures. Moreover, as the same regulatory structure is associated with different outcomes depending on the university, the somewhat reassuring implication is that success in anti-corruption does not have to wait till a much more effective regulatory and enforcement structure has emerged. Some Vietnamese universities have achieved much lower levels of corruption within the existing regulatory structure. On the other hand, some of the more damaging types of corruption, like predatory corruption, were associated with weak oversight and regulation in universities that were structurally vulnerable to this type of corruption.

Secondly, *there does not appear to be any simple correspondence between the extent of adherence to formal rules in a university and the prevalence of corruption.* University 1 achieved a high level of adherence to formal rules but University 2, which also had relatively low levels of corruption, used informal practices to a greater extent in its recruitment activities, given its specific recruitment problems. The four universities with higher levels of corruption all had significant formal rule violations and therefore necessarily violated formal rules to a greater extent and implicitly used 'informal' processes. The possibility that low-corruption universities may also engage in informal processes is not surprising given the social context of inadequate formalization of rules and the high transaction costs of operating formal processes in

developing countries. But clearly, anti-corruption strategies do not have to address all types of informality in order to be effective.

Thirdly, while *there is no simple correlation between the share of budgetary funding for a university and the prevalence of corruption, there appears to be a conditional relationship*. The two best universities had very low levels of budgetary support. They generated a significant share of their revenue streams themselves, primarily through their own training programmes. However, University 3 also had a very low share of budgetary support and yet operated a *Blind Bidding Model* of corruption. On the other hand, two of the higher corruption universities (4 and 6) had higher shares of state support, as did University 5, though we do not have a numerical figure for the share of state support to the last university (see Appendix table). This evidence suggests that having significant own revenues is likely to be *helpful* but is *not sufficient* for the achievement of low corruption in recruitment and appointments. Other factors clearly also matter, including in particular, the types of political linkages between the university and external supervisory bodies and ministries.

Having own revenues may be helpful if the sources are such that they create incentives for the university to ensure recruitment and appointments in line with the requirements of providing these revenue-generating services. Getting the best staff to ensure these revenue flows over time may require constraining short-term corruption in selling positions. These universities are also likely to have the internal resources to reward staff in line with the provision of these services. But own revenues may not be sufficient because internal networks could still coordinate the sale of offices as we see in the case of University 3. On the other hand, significant internal revenues may not be *necessary* for achieving low corruption. In principle, state transfers could also be linked to measurable teaching and research outcomes. If budgetary revenue are credibly linked to teaching and research outcomes, universities will have incentives to constrain corruption in recruitment and appointments to ensure their long-term flows of funds. Non-budgetary sources of income only become important for constraining corruption in contexts where the objectives, capabilities or incentives of the supervisory bodies responsible for linking budgetary transfers to teaching and research outcomes are questionable. However, full financial autonomy is not likely to be a feasible strategy for most Vietnamese universities, and indeed budgetary support for universities is common in many advanced countries. As a result, credibly improving the linkages between budgetary support to universities and their teaching and research outcomes is an important policy priority.

Fourth, *while there is no simple correlation between the quality of research and teaching and the prevalence of corruption, there appears to be a more complex relationship that has cumulative and reinforcing effects*. University 1 with low corruption did have high quality teaching and research. But University 2, also with relatively low corruption, had somewhat lower teaching and research quality. Of the universities with significant corruption, some had high quality teaching and research (Universities 3 and 5), some achieved moderate quality (University 4), and some had poor standards (University 6). While there is no simple relationship, a high proportion of high-capability staff (or staff whose capabilities are aligned with the teaching and research objectives of the university) is likely to be *strongly supportive* of anti-corruption strategies. This is because staff whose capabilities are aligned with university goals are more likely to support transparent rules for recruitment and

appointments as these rules will not be threatening to their interests and prospects. The mix of capabilities within the staff body could therefore play a significant role in determining support for reforms. Indeed, our two low-corruption universities had relatively high teaching and research capabilities. But high staff capabilities are not *sufficient* to achieve low corruption, as we can see in some of our other universities. High capability staff cannot on their own ensure the emergence of a rule-following process of appointments without other supporting factors, including a forward-looking leadership and the absence of damaging 'political' networks within the university. The most important observation is that staff quality and the presence or absence of corruption can have significant reinforcing effects over time. If there is corruption in recruitment, it is likely that average staff capabilities will decline over time, and opportunities for reform may therefore decline even in universities that are performing well at the moment. However, even in universities with significant corruption, there may be a floor below which the leadership will not allow the quality of staff to fall, because they have to maintain some level of reputation in teaching and research. But the average quality may become too low in many universities to sustain support for reform in the direction of transparent rules-based recruitment, promotion and administrative appointments.

Finally, our case studies show the *critical importance of the types of 'political' networks within particular universities in determining the types of corruption that are prevalent*. Corruption in recruitment and appointments cannot happen without the involvement or at least the knowledge of a number of people. These internal networks and networks with groups outside the university are important for understanding the variations in the types of corruption that we observe. In the *Centralized Corruption Model* (University 4), the network operating within the university is dominated by the Director, who has strong political links with power centres outside the university. This allows the Director to effectively make most of the decisions on recruitments and appointments and capture most of the rents. A part of the takings is undoubtedly shared with the senior staff who are involved in validating and implementing these decisions, but the balance in this university is tilted towards the chief. The 'political' ability of the chief to protect his or her position and exercise centralized power within the organization is very likely related to the types of external networks as discussed earlier. We know that University 4 was particularly receptive to requests for recruitment coming from its Ministry and there may be other forms of rent-sharing with external networks that sustains the power of the Director.

In all the other universities with corruption, the internal networks are somewhat flatter, with a greater proportion of rents being shared within the internal networks involving senior staff, and a somewhat greater involvement of these staff in decisions on recruitment and appointments. Generally, this indicates a greater dependence of the head on support within the organization. This was most marked in University 5, the *Faction-Driven Corruption Model* but we also see moves in this direction in University 3, the *Blind Bidding Model* where the leadership is increasingly moving away from demanding bribes and instead demanding loyalty to their networks. This tendency is reinforced if the average quality of staff declines and many staff have to join networks to protect their positions. In this sense, the long-term trajectory of University 3 may be in the direction of the Faction-Driven Corruption of University 5, if it fails to move rapidly towards the Rule-Following model of University 1.

6. Analysis of Corruption Processes in Recruitment and Appointments

Some of the drivers of corruption in the education sector are well-known because they are the same as the drivers of corruption in every sector. Complex rules and supervisory structures combined with weak monitoring and enforcement capabilities of a state are the background conditions that affect all types of corruption in developing countries. The importance of leadership quality both within organizations and in the state is also widely recognized in the literature on corruption and anti-corruption. However, in addition there are some specific drivers of corruption that are sector-specific and affect different types of organizations differently. We are now in a position to analytically outline some of the processes affecting recruitment and appointments in the Vietnamese university sector that could explain some of the variations in corruption outcomes observed across universities.

Revenue Sources

The feasibility of a rules-based system of recruitment and appointments can be significantly affected by the sources of revenue that the university has access to, and the conditions it has to fulfil in order to access these revenues. Based on our case studies, Figure 2 outlines how variations in the magnitude of revenue available to the university and the terms on which it can access these revenues could affect the feasibility of rules-based recruitment and appointments processes relative to processes of faction-building and appointments based on factional loyalty. Moreover, both rules-based and factional-politics based strategies can become locked in through feedbacks from the quality of appointments that reinforce particular sources of revenues.

The logic is as follows. Universities that have greater access to performance-based revenues are shown further on the left hand side of the range of sources of revenue in Figure 2. It does not matter whether these revenues come from the state budget or internal sources of revenue. What matters is whether the revenue flows are dependent on performance or not. When revenues depend on assessments of performance (either by fee-paying students or state regulators releasing funds according to formula), the university has an incentive to ensure that staff quality and leadership are aligned with these objectives. In particular, if the revenue stream is also sufficient to reward staff who are contributing to performance, the emergence of a rules-based staff recruitment and evaluation system becomes feasible, as does the appointment of effective managers to senior management positions. Lower down the diagram, we see that this strategy has feedback effects that can 'lock in' such a strategy. Improvements in staff appointments make it easier to achieve performance-related goals, enhancing revenue streams and so on in a virtuous cycle.

In contrast, the right hand side of the range of revenue sources in Figure 2 shows universities where additional revenue flows depend on the political capability of the leadership to bargain for incremental funds. This bargaining can be about permissions to set up new courses, to recruit additional students and so on. When the incremental revenue flows from lobbying are more important than from improving performance, lobbying skills and political connections become more important for the university. In addition, if the incremental revenue flows to the university are also limited, it is not possible to provide incremental performance-related rewards to all staff. If either or both of these conditions hold, the recruitment and appointments process is likely to be characterized by strategies of job-creation for those who belong to or are willing to join factions supporting the leadership. A leadership with limited resources and dependent

on political lobbying is likely to develop factions as a rational strategy to consolidate authority based on loyalty and also to use these political networks to lobby outside the university. The lower part of the diagram shows that when faction-based employment strategies reach a certain point these strategies can also get 'locked in' as the university becomes more specialized in getting lobbying-based revenues.

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┌─────────────────────────────────────────────────────────────────────────┐
│  ┌─────────────────────────────────────────────────────────────────┐     │
│  │     Sources and magnitude of revenues available to the university │     │
│  └─────────────────────────────────────────────────────────────────┘     │
│                                                                           │
│  Revenue flow based on                          Revenue flow based on     │
│  performance in teaching                        lobbying and political    │
│  and/or research                                connections               │
│                                                                           │
│         AND     ←── Range of variation in revenue sources and terms ──→  AND/OR │
│                                                                           │
│  Revenues sufficient to                         Revenues insufficient to  │
│  reward all staff                               reward all staff          │
│  contributing to                                contributing to           │
│  performance                                    performance               │
│                                                                           │
│  Rules-based      ← Range of variation from rules-based to corrupt        │
│  recruitment and    processes of recruitments and appointments →  Factional rent- │
│  appointments feasible                          allocation and loyalty-   │
│                                                 based recruitment and     │
│                                                 appointment               │
│                                                                           │
│  High quality staff and                         Different types of        │
│  management                                     networks (centralized,    │
│  appointed                                      factional etc)            │
│                                                                           │
│  Improvement in performance                     Strengthening of networks │
│  reinforces performance-related                 reinforces lobbying-based │
│  revenue flows                                  revenue flows             │
└─────────────────────────────────────────────────────────────────────────┘
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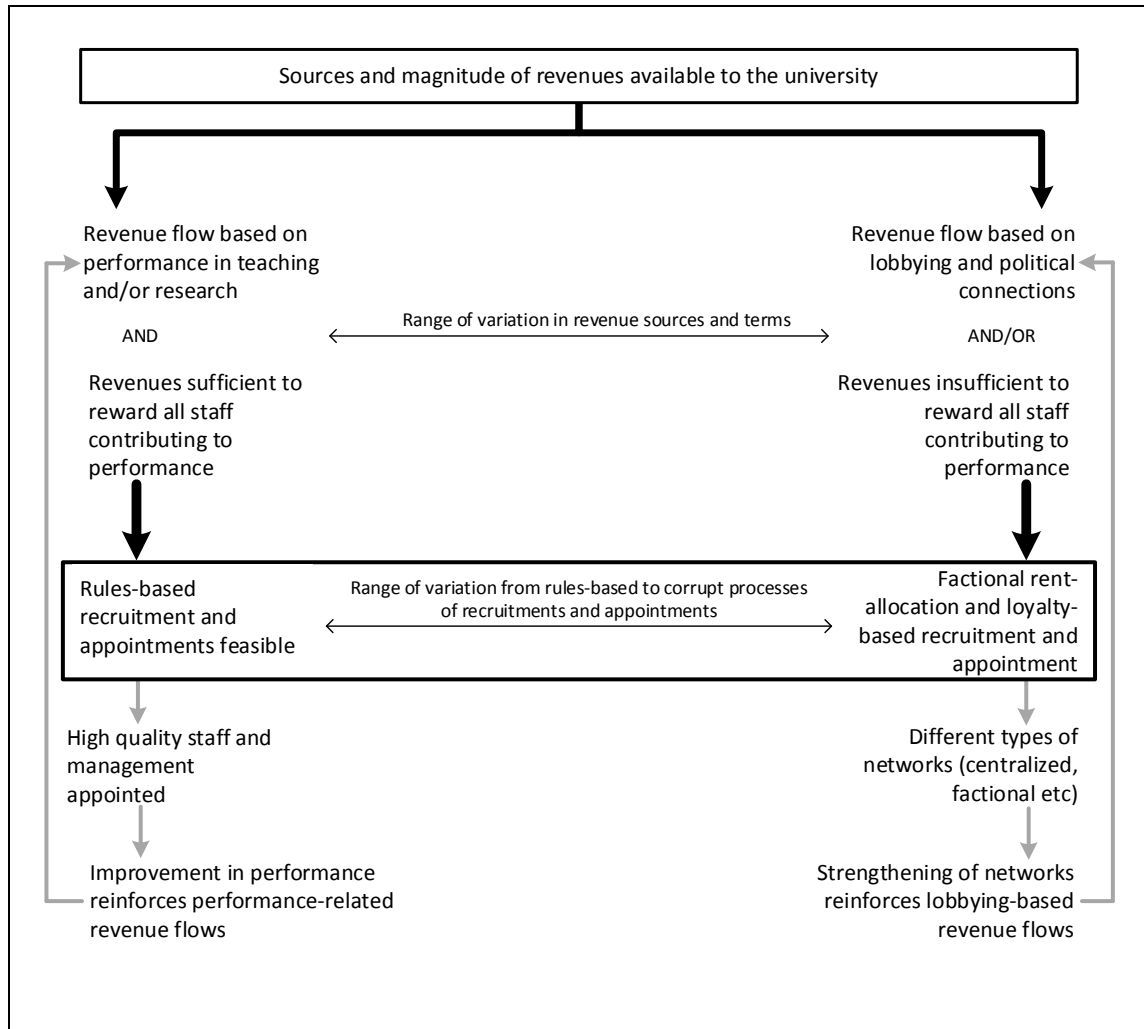
Figure 2 Revenue Sources and Processes of Corruption

As there are a number of overlapping factors affecting the emergence of corruption in recruitment and appointments in different universities, the process driven by the revenue variable in Figure 2 does not on its own provide a deterministic explanation of the degree of corruption in particular universities. Rather, it is one important variable amongst a number of variables that can affect the type of process that is likely to emerge as an outcome. The outcomes can range from rule-following recruitment and appointments to recruitment and appointments according to different factional logics, which are inevitably corrupt processes. As these outcomes define a range, the actual process in a particular university can be a mix of rule-following and corrupt processes. The process actually observed in a particular university is also likely to depend on other factors affecting outcomes, some of which are discussed below.

Staff Capabilities

Another variable that appears to affect processes of recruitment and appointments is the mix of staff capabilities relative to the formal requirements of the university. Staff capabilities refers not just to the quality of degrees and qualifications, but also to the capacity of the staff to adapt to and cope with the university's teaching and research objectives. The logic, derived from our case studies, is as follows. If staff capabilities are aligned with formal university objectives, a rules-based system of staff evaluation and rewards will not be perceived by staff as being against their interests. In contrast, if a significant number of staff do not have the capabilities to meet the formal objectives of the university, there may be considerable support for procedures that violate rules and protect existing staff. This is likely to lead to support for factional politics and loyalties to particular leaders. Moreover, in these contexts, recruitment and appointments processes that strengthen factions are likely to find considerable support, and these processes inevitably involve corruption. The effects of the distribution of capabilities on processes of recruitment and appointment are summarized in Figure 3.
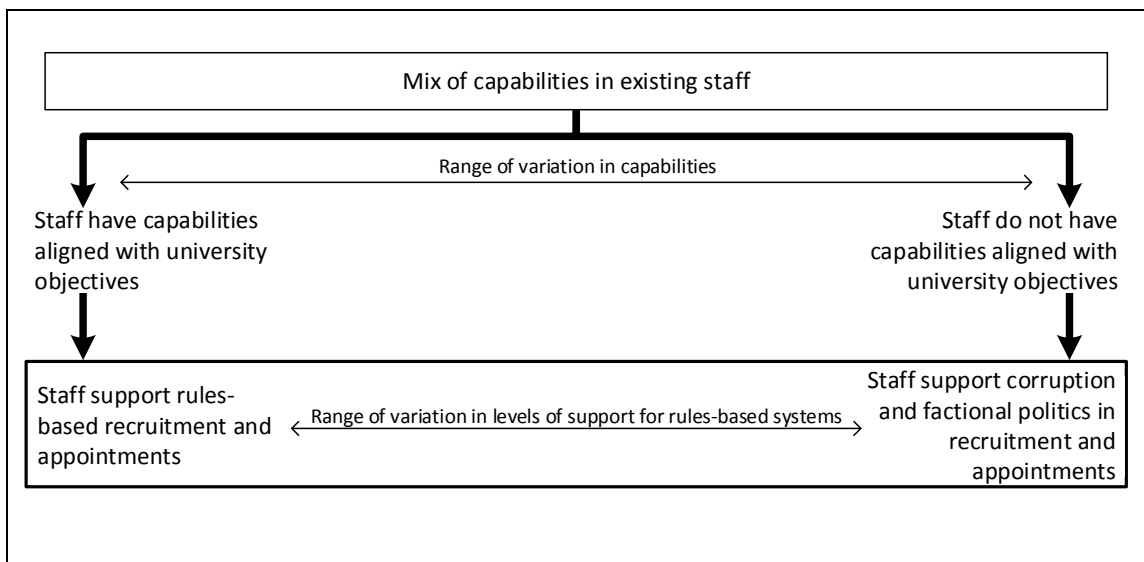

Figure 3 Staff Capabilities and Processes of Corruption

As in Figure 2, here too there are likely to be feedback effects, particularly at the extreme ends of the left to right spectrum, with rules-based recruitment strengthening staff quality over time and faction-driven appointments resulting in a deterioration of quality. For the sake of simplifying the diagrams we do not include these feedback effects in Figure 3. We have to see the drivers in Figure 2 and Figure 3 as overlapping ones. The effects of inadequate revenues can to some extent be offset by a high degree of alignment of staff capabilities with university objectives, or the two drivers can reinforce each other to support either rule-following or corrupt processes. From a policy perspective, the revenue problem may be more difficult to address, even though it is an important problem that has to be addressed if corruption in universities is to be significantly reduced. In contrast, the alignment of staff capabilities with university objectives could be easier to address. Although the distribution of actual staff capabilities can take a long time to change, an alignment between existing capabilities and university objectives can be more quickly achieved by defining current objectives in line with what the university can actually deliver. For instance, in universities catering to students with low levels of initial qualifications and where the staff

themselves have intermediate levels of qualifications, university objectives can be aligned with staff capabilities by recognizing that in this university staff should be assessed by the value they add to disadvantaged students. The implication is that staff will be selected, rewarded and promoted in terms of the enhancement of student quality (or value added to the students) that they achieve, which can be measured by the improvement in student performance between joining and leaving particular courses. In contrast, if formal staff evaluations in such a university gave a high weight to research, measured by the numbers of publications in international peer-reviewed journals, the lack of alignment of evaluation objectives with staff capabilities can create incentives for factional politics and corruption.

Excess Supply of Applicants and Predatory Corruption

An important variable affecting corrupt outcomes in our case studies is the supply of applicants competing for available places. Given the weakness of regulatory and supervisory structures, an excess supply of applicants can lead to predatory exploitation of applicants. The excess supply of applicants can be due to a number of factors. One factor that is potentially easy to address is to define the job specification properly. If academic positions are described in very general terms, a very large pool of individuals can be induced to apply, giving considerable discretion to selectors. However, other reasons may be quite specific to the country and may be difficult to fully address in the short term. The willingness of professionally educated individuals to travel across the country to take up positions is still relatively limited, and this can create an excess supply of applicants for university jobs in some localities where alternative employment opportunities are limited. The excess supply of applicants can allow resource extraction from job-seekers. Predatory corruption has to be distinguished both from the corruption driven by factional politics and the corruption driven by rent-protecting strategies of staff whose qualifications are not aligned with university objectives, in the ways discussed earlier. The drivers of predatory corruption are summarized in Figure 4.
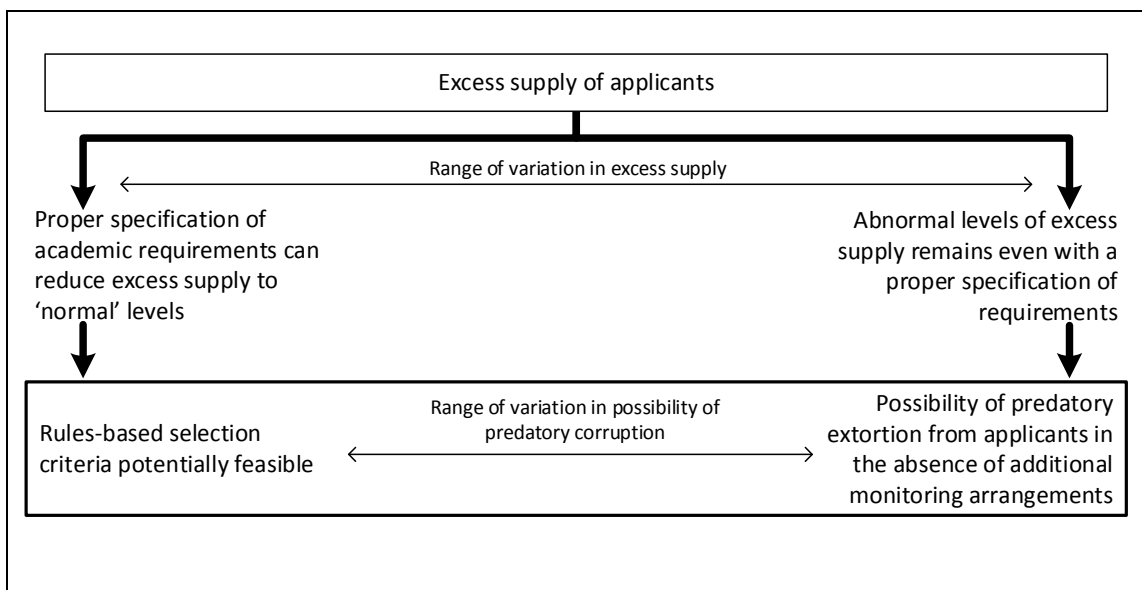

Figure 4 Excess Supply of Applicants and Predatory Corruption

In some universities the academic and professional level of the required applicants may be so low that even a proper job specification can result in an excess supply of applicants. This was the case in the *Flea Market Model* described earlier. In such cases, predatory corruption can only be countered by improving the monitoring and enforcement capacities of supervisory bodies to prevent these practices. In general, predatory corruption reflects a significant breakdown in enforcement capacities of the state, and this is true in the education sector as well. In those universities where a process analysis suggests predatory corruption is likely to be a significant problem, additional regulatory steps have to be taken to address the problem.

7. Implications for Policy

We can now bring together our analysis of processes to see how it sheds light on the variations of corruption observed across our sample of six universities. An important result of this analysis is to show that a number of different processes are in operation in the corruption affecting recruitments, promotions and administrative appointments in different types of universities. Anti-corruption strategies can be better designed by taking these differences into account. The observation of low corruption in a small number of universities with strong leaderships and formal rules can give the impression that the enforcement of formal criteria for recruitment, promotion and administrative appointments are the main ingredients required for a substantial reduction of corruption. Our process analysis suggests that while strong and committed leaderships undoubtedly played a vital role in institutionalizing formal rules and thereby reducing corruption in the positive deviation cases, they were unlikely to have been successful in the absence of supportive underlying conditions. Similar strategies are unlikely to work on their own in other universities where the underlying conditions create structural tendencies for higher levels of corruption or different types of corruption.

In many of the universities where corruption is a problem, it is important to begin with an analysis of the factors driving different types of processes. In these universities, other steps may have to be undertaken in parallel to alter some of the factors that are driving different types of corruption. For instance, in some universities the political networks linking the university to external power sources, or linking different academics and administrators within the university may be a significant problem. To the extent that these factional networks are persistent, reform may be slow, and deeper reforms may be necessary to undermine factions. These may include a clearer identification of university objectives and linking appointments and promotions to these objectives, and carrying out financing reforms giving universities the incentives to generate revenue in ways that add value in terms of teaching and education and reward the academics providing these services. Finally, the strengthening of regulatory capacity in some areas may be a critical component of anti-corruption in some cases.

Table 4 summarizes the different processes affecting corruption across our sample universities and the implications for a broader discussion of policy.

Table 4 Factors Determining Corruption Processes Across Universities

University	Key Factors Affecting Processes	Policy Implications
1. Transparent Rule-Following Model	Substantial performance-related revenues; High staff quality aligned to university objectives; Supply of applicants not excessive. These factors in turn allow delinking the university from factional politics.	Leadership plays a critical role in ensuring transition to rule-following model by aligning evaluation and rewards with performance. But leadership success depends on supporting factors being present.
2. Enterprise Model	Substantial performance-related revenues; Moderate staff quality but aligned to university objectives; Few applicants because low rewards. Enterprise culture based on history under a particular ministry. Some external political networks.	Enterprise culture important for this model, and may not be easy to reproduce. Leadership and enterprise history played a critical role in institutionalizing Key Performance Indicators (KPIs). The main constraints to moving towards a full rule-following model are the low levels of teaching and research, and external political networks.
3. Blind Bidding Model	Some performance-related revenues; Staff quality aligned with objectives; Excess supply of applicants because minimum criteria set quite low. External political protection of leadership and some dependence on internal support. Rump of old-fashioned staff threatened by performance-based evaluations.	Anomalous case because lower-corruption model appears to be feasible but is actually blocked by political protection of leadership as well as rump of low-capability staff. Policy would be to support strategies for improving staff quality to create constituency for supporting reform, and delinking leadership from external political connections before staff quality deteriorated too much.
4. Centralized Corruption Model	Low performance-related revenues; Staff quality moderate and not always aligned with university objectives; Supply of applicants not excessive. Leadership with strong political connections and not very dependent on internal support.	Leadership change insufficient for reform without addressing external links of university: Government financing has to be linked to performance criteria. De-linking university from strong external political links also likely to be necessary. These changes may allow the introduction of performance-related appointments and promotions.
5. Political Faction-Driven Model	As in previous case except that leadership is more dependent on internal factional support and dominant group faces competition from other factions.	Policy implications as above except that apart from delinking university from external political connections, greater attention on aligning recruitment rules with university objectives required to reduce the incentives for factional organization..
6. Flea Market Model	Moderate levels of performance-related revenues; Poor staff quality, not aligned with university objectives and university objectives not clearly articulated; Significant excess supply of applicants.	Structural drivers of corruption so leadership change alone will be insufficient; Evaluation criteria have to be linked to actual operations of the university. Supervisory and monitoring functions of external bodies have to be strengthened to identify and prevent predatory corruption.

Good leadership that can move a university towards the formalization of a rules-based approach to recruitment and appointments can work in universities where most of the underlying structural conditions are favourable. This may be the case, for instance, in University 3, the *Blind Bidding Model*, where adverse leadership could be the most pressing problem right now. Even in this case, some prior incremental reforms that

enhanced the overall quality of staff may be a necessary precondition for creating sufficient internal support for rules-based reforms. In the other corrupt universities that we investigated, a number of other necessary policy steps would need to be implemented before a forward-looking leadership could feasibly introduce a rules-based reform agenda. These include the following, depending on the type of university in question (Table 4).

First, in some cases it may be necessary to begin by reforming the criteria of funding and linking these to achievable performance targets. Effective criteria have to recognize the differences in the missions of different universities. Some universities will be carrying out high quality teaching and research in a variety of subjects, others will be providing vocational training to students with low academic pre-qualifications and will be doing little research, and so on. The *same* funding criteria cannot work for such different universities, and the government has to work out appropriate goals and funding criteria for different types of universities. The proper specification of performance-related funding can create incentives for universities to aspire to improve the quality of services they provide and be rewarded for that.

Secondly, in some cases it may also be necessary to examine the mission of the university to develop a set of internal criteria for staff evaluation, reward and promotion that is consistent with actual university objectives and the capabilities of the majority of staff. A potentially serious problem in universities is that formal evaluation criteria that are out of line with the real capabilities of many staff members can result in strong support for factional politics and corruption. This too has to be a careful university-specific approach rather than the application of general rules to all universities. If the majority of staff carrying out the normal mission of the university feel that their hard work will be fairly evaluated and the value they add to students will be fairly recognized, support for a rules-based evaluation system can begin to emerge.

Thirdly, in some universities the category of teaching staff required are in significant excess supply and this can create strong incentives for predatory behaviour by university management. Here, some progress can be made by clearly defining the range of qualities required, but in addition, there may have to be a significant strengthening of supervisory and monitoring capabilities of the supervising ministry. Without such oversight, the exploitation of applicants may not be easy to prevent.

The research in this paper supports the claim that a process analysis of corruption in different types of organizations can shed light on the complex factors that can be driving similar types of corruption in different organizations. The range of universities we have looked at is not necessarily comprehensive and there may be other types of universities with distinctively important processes driving corruption in these activities. However, we think that we have covered a range of universities and we are likely to have identified the most important types of processes that are relevant in these activities. Most importantly, we hope to have demonstrated the usefulness of a process-based analysis for identifying practical measures for furthering anti-corruption strategies in critical areas.

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Appendix Table: Summary Details of Sample Universities (2013-14)

Items	University 1. Transparency and Formal Rule-Following Model	University 2. Enterprise Model	University 3. "Blind bidding" Model
Number of teachers	**600**	**More than 700**	**700**
Total revenue of the most recent financial year		**300 billion VND**	**730 billion VND**
% from state budget	na	2%	5.68%
% from regular training outside budget	na	64%	45.30%
% from irregular training outside budget	na	10%	20.68%
% from research projects	na	23%	19.41%
% from other sources	na	1%	14.61%
Total number of students per year	**11000**	**15590**	**14620**
Regular undergraduate students	4000	12000	5000
Domestic Masters students	1500	560	1050
PhD students	70	30	120
Students in joint-programs or programs managed by foreign universities	250	0	200
Students in short-term course or irregular programs	5000	3000	8250
Quality/Brand name compared to other universities in Vietnam	**Top in the field**	**Intermediate**	**Top in the field**
Teaching quality of teachers	8/10	6/10	9/10
Research quality of teachers	7/10	3/10	7/10
Autonomy level	Autonomous under Decree 43/2006/ND-CP since 2008. From 2015, fully autonomous in principle. The board of rectors can decide everything from personnel, finance, and training.	Autonomous university (no state budget for regular training programmes)	Autonomous under Decree 43/2006/ND-CP since 2008. From 2015, autonomous in principle. The board of rectors can decide everything from personnel, finance, and training.

Supervising authority			
Name of the supervising authority	Ministry of Education and Training	Directly under another ministry	Ministry of Education and Training
Other related supervising authorities	No others	Ministry of Education and Training	No others
Supervision	Used to be closely monitored but now MOET can only approve new training programs and ministry-level research projects. MOET still approves construction and development.	Closely supervised by supervising ministry (all issues related to management and personnel have to be reported and approved by the ministry)	Used to be closely monitored but now MOET can only approve new training programs and ministry-level research projects. MOET still approves construction and development.
Location (relative to HQ of supervising Ministry)	HCM, far from the supervising Ministry	Hanoi, near the supervising Ministry	Hanoi, near the supervising Ministry
Short history of the university	Established in the mid-1970s from a pre-independence university. In the mid-1990s integrated into a bigger university in the South and then separated back by the end of 1990s to become one of the 14 top universities in the nation.	Established in the mid-1990s by combining several training and research units under the supervising ministry and made part of a big corporation in the ministry. All the training and research units were established a long time ago (1950s) to support the development of the industry. Recently transferred to belong to the Ministry and operate as a non-business unit. It has been the key research and training unit for human resources in the industry.	Established in the mid-1950s and became one of the first universities in Vietnam. Since then, the university has been always the leading one in the field.
Powers of the rector and other institutions			
Rector's power	na	Determine personnel, finance, and expertise issues under direction of the Ministry	Determine all issues related to personnel and finance under the autonomy mechanism, and final decisions on expertise (in consultation with the university scientific committee)
Deputy rector's power	na	Assistant to the Rector in personnel and finance. Can direct some operations with rector's approval.	Assistant to the rector in some areas as empowered by the rector.
Power of head of faculty/ institute	na	Consult with rector's board on recruitment issues. Determine issues related to training and research programs in the faculty/institute.	The head is in charge of financial and personnel management issues. Head of each discipline (within each department) is in charge of developing training programs

Items	University 4. Centralized Corruption Model	University 5. Political Faction-Driven Model	University 6. Flea Market Exploitation
Number of teachers	**767**	**600**	**600**
Total revenue of the most recent financial year	**Na**	**Na**	**110 billionVND**
% from state budget	60%	Na	30%
% from regular training outside budget	1%	Na	50%
% from irregular training outside budget	35%	Na	10%
% from research projects	1%	Na	Small
% from other sources	3% (library, book sales and sponsors)	Na	7%
Total number of students per year	**19835**	**Na**	**4500-5000**
Regular undergraduate students	15000	na	5141 (2014)
Domestic Masters students	840	Na	167 (2014)
PhD students	35	Na	0
Students in joint-programs or programs managed by foreign universities	60	Na	0
Students in short-term courses or irregular programs	3900	Na	N/A (may be not a lot)
Quality/Brand name compared to other universities in Vietnam	**Intermediate**	**High**	**Lower middle**
Teaching quality of teachers	7/10	7/10	Low in general. Some subjects including social work and imaging techniques better (5/10)
Research quality of teachers	5/10	7/10	Low in general (2/10)
Autonomy level	Autonomous under Decree 43/2006/ND-CP with partial autonomy. Can design training programmes with MOET approval and programmes without certificates. Overall personnel numbers have to be approved by the ministry. Responsible for 40% of regular operating costs.	Na	Autonomous university under Decree 43/2006/ND-CP) with partial autonomy: Personnel decisions need approval from the ministry for personnel from the level of deputy head of department/faculty. Needs approval from the supervising ministry and MOET to open major new programmes.

Supervising authority			
Name of the supervising authority	Directly under another ministry	Ministry of Education and Training	Directly under another ministry
Other related supervising authorities	Ministry of Education and Training	No others	Ministry of Education and Training
Supervision	Managing and approving training programs in the university. Inspecting and monitoring the programs	Managing and approving training programs in the university. Inspecting and monitoring the programs	Pretty closely with the supervising ministry (issues such as operation cost plans need to be submitted and approved by the supervising ministry annually).
Location (relative to HQ of supervising Ministry)	Hanoi, near the supervising Ministry	Tp. HCM, far from the supervising Ministry	Hanoi, near the supervising Ministry
Short history of the university	Established by the end of 1950s but became university just by the end of 1990s. In the period between, training personnel for state authorities.	Established in the mid-1970s from a pre-independence university. Integrated into a bigger university in the South in the mid-1990s and then separated back at the end of the 1990s. One of the 14 top universities.	Became a university in the mid-2000s. Predecessor was a school established in the early 1990s to train human resource for the industry. This university has belonged to the Ministry and operated as a unit under the Ministry.
Powers of the rector and other institutions			
Rector's power	Determine all issues related to personnel and finance under the autonomy mechanism, and final decisions on expertise (in consultation with the university scientific committee)	Na	Determine personnel, finance, and expertise issues. Rector can sign contracts and projects, grant degrees and notarized copies of degrees for students
Deputy rector's power	Assistant to the rector on some areas as empowered by the rector.	Na	Deputy rectors supervise activities such as research, graduate training, inspections and administration.
Power of head of faculty/institute	The head is in charge of issues such as developing training programmes and materials, managing personnel, but not financial matters.	Na	The head consults the rector's board on personnel, expertise, and other activities, including training programmes, teacher evaluation, etc.

Source and Notes: Based on information published by the respective universities in their reports and on their websites. The assessments of university rankings and quality of teaching and research were judgements made by the authors based on information about the qualifications and publications of teaching staff.