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Sustaining Governance Integrity Capacity: A Strategic Opportunity for China-US Public Administration

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The main purpose of this theoretical paper is to delineate the nature, value and accountability of sustaining governance integrity capacity as an intangible strategic asset by public administrators in China and the United States. This study frames professional accountability of cross-cultural public administration in terms of strategic competencies in sustaining four dimensions of governance integrity capacity (process, judgment, development and system). The study provides interlinked management and ethics theories and a six-step implementation process to operationalize and improve judgment integrity capacity in China-US public administration decision-making. Finally, the study recommends two action steps that can be taken to enhance China-US public administration educational preparation.

Keywords: governance integrity capacity, process, judgment, development and system dimensions of governance integrity capacity

Public administration in the contemporary complex world is vulnerable to constant criticism and beleaguered public administrators in China and the U.S. need to expand the range of their constructive theoretical resources to improve accountability, responsibility and public performance (Shafritz, 2010; Sutter, 2010; Cox, 2009). The spread of industry, government and civil society supply chains that contribute to public health crises, food scandals, or unsafe products, social chaos centers in the feral zones of developing countries, political corruption at multiple levels, and globally managed terrorism indicate that principled, reasonable approaches to national and global public value conflict resolution are being challenged or abandoned (Chait, 2010; Genovese & Farrar-Myers, 2010; Simonson & Spindlove, 2009).

These challenges can become strategic opportunities for public administrators in China and the U.S. if they understand and use the theoretical tools to handle two key governance problems: (1) how to accurately frame and comprehensively analyze complex public governance value conflicts; and (2) how to resolve them with principled reasonableness without resorting to violence or succumbing to benign neglect or apathetic cynicism. When public administrators must leave one clear right thing undone in order to do another or when performing a good public service requires doing something wrong, they cannot govern with moral innocence and are usually held accountable for political "dirty hands" (Cooper, 2000; Cody & Lynn, 1992). Simplistic inspirational exhortations to do the right thing, recommendations to impulsively follow what feels comfortable at the time, or appeals to ad hoc abstract moral theories are unlikely to provide practical guidance to public

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administrators in the responsible analysis and resolution of urgent governance value conflicts (Cooper, 2006; Lewis & Gilman, 2005). What is needed is a new theoretical framework that discloses the moral complexity of public office obligations embedded in management and organization experience, offers justification for relying on principled, public reasonableness in making moral decisions, and provides practical guidance that tests and shapes the moral values of managers, organizations and societies so that public honor rather than sleaze will likely prevail in the quest for a better public life in China and the United States (Brown, 2010; Petrick, 2009).

The author presents such a theoretical framework and provides concrete steps to enhance responsible action by public administrators. The structure of this paper is as follows: Section 2 is the nature and neglect of governance integrity capacity as a strategic asset; Section 3 is process integrity capacity and public administration; Section 4 is judgment integrity capacity and public administration; Section 5 is developmental integrity capacity and public administration; Section 6 is system integrity capacity and public administration; Section 7 is public administration education recommendations; Section 8 is the summary.

Nature and Neglect of Governance Integrity Capacity as a Strategic Asset

Contemporary approaches to public sector strategic leadership in global and domestic arenas reflect a shift toward intangible assets rather than physical or financial capital as sources of sustainable, world-class public service (Sveiby, 1997; Moore, 1995). This is true whether the focus is organization-specific resources (Barney, 1991), core competencies (Hitt, Ireland, & Hoskisson, 2010), knowledge management (Davenport & Prusak, 1998; Spender & Grant, 1997), or organizational learning (Nonaka & Takeuchi, 1995). Sustainable world-class public service occurs when an operating unit (whether at the micro managerial level, the molar organizational level, or the macro national/global level) implements a value-creating strategy (originated, exemplified or endorsed by the global leader) that other global units are unable to readily imitate (Hitt, Ireland, & Hoskisson, 2010). Increasingly, this value-creating strategy is based on intangible capability-based factors (Ulrich & Lake, 1990; Thompson, 1987).

Integrity capacity is one such intangible capacity that acts as a catalyst for other intangible assets and its erosion inhibits the full implementation of other assets for sustainable world-class public service (Petrick & Quinn, 1997, 2001; Carter, 1996). Governance integrity capacity is the private, public and civil society individual and collective partnership capability for the repeated process alignment of moral awareness, deliberation, character and conduct that demonstrates inclusive and moderately balanced judgment, enhances ongoing moral development and promotes supportive systems for sustained moral decision making (Petrick & Quinn, 2000). Chinese and U.S. public administrators can benefit from the enhanced credibility and legitimacy they gain by responsibly managing governance integrity capacity, an intangible strategic asset that contributes to the globally competitive advantage of well-governed collectives (Petrick & Quinn, 2000, 2001). The word "governance" (as opposed to merely government) is used advisedly to denote the aggregate private, public and civil society sector capacity to share resources and effectively partner to address the multidimensional issues faced by public administrators in China and the U.S.. In other words, public administrators need to demonstrate competence in coordinated arrangement of internal government resources and external partnership with private and civil sector resources that may be needed to resolve complex inter-sector issues (Huberts, Maesschalck, & Jurkiewicz, 2008).

Public administrators and their collectives (organizations and extra-organizational entities) with high governance integrity capacity are likely to exhibit a coherent, long-term unity of purpose and action in the face

of moral complexity and conflicting values that enhance social capital rather than succumb to short-term, irresponsible public decision making (Mengkui, 2009; Huberts, Maesschalck, & Jurkiewicz, 2008; Lewis, 1995; Moore & Sparrow, 1990). Indeed, China has an enviable historical record of merit-based civil service and competent public administration that sustained public order in the most populous country in the world for centuries (Berman, 2010; Reid, 1999). On the other hand, public administrators and their collectives with low governance integrity capacity (those that do not walk the talk in the process of daily transactions, those that exercise poor or distorted judgment in policy formulation, those that never morally mature beyond manipulative acquisitiveness and power domination rituals, and those that refrain from enacting supportive contexts for sustaining sound moral decision making) erode their reputational capital, engender public distrust and expose stakeholders to socio-political upheaval and military/economic vulnerability (Guo, 2009; Petrick, Scherer, Brodzinski, Quinn, & Ainina, 1999; Fombrun, 1996). The brief absence of a strong central government in China, for example, usually spelled disaster either from foreign invasion and loss of sovereignty or inability to prevent domestic feudal warlords from engaging in incessant internal strife (Lampton, 2008).

In the U.S., the lack of governance integrity capacity by public administration has contributed to numerous public stakeholder harms from the Great Global Recession to the monumental environmental disaster from the corporate oil spill in the Gulf of Mexico (Petrick, 2009). The policy of government deregulation from the 1980s onward has left Wall Street financial firms and multinational oil corporations free to exploit human stakeholders and plunder nature with relative impunity. In China, the lack of governance integrity capacity by public administration has also contributed to numerous public stakeholder harms alternately by brutally crushing resistance in Tiananmen Square and later by unleashing a legally unconstrained form of raw capitalism that has led to severe wealth disparities, unsafe working conditions and polluted urban environments (Wong, 2009; Shang, 2009). Numerous factors have pressured both Chinese and U.S. public administrators to abandon the standards of governance integrity capacity but victimized stakeholders are demanding more responsible public administration from the two most powerful countries in the world today, China and the United States. Some public administrators have operationally adopted the myth in the U.S. that the public interest is always synonymous with corporate property rights and in China that the public interest is always synonymous with the Communist Party or state directives. The net result is that the "public" as key stakeholder is perceived to have been neglected by mainstream public administration in both countries (Korten, 2009).

Public stakeholders exact a price for this victimization, and they are holding public administrators implicitly and explicitly accountable for their neglect of governance integrity capacity (Genovese & Farrar-Myers, 2010; Guo, 2009). It is an appropriate time for Chinese and U.S. public administrators to obtain a more detailed theoretical understanding of the components of governance integrity capacity to better meet the growing expectations emerging from their respective public stakeholders.

Process Integrity Capacity and Public Administration

Governance integrity capacity consists of four dimensions: process, judgment, development, and system (Petrick & Quinn, 2000). Each of these dimensions will now be treated and related to public administration.

Process integrity capacity is the alignment of individual and collective moral awareness, deliberation, character and conduct on a sustained basis so that reputational capital results (Rest, Narvaez, Bebeau, & Thoma, 1999; Fombrun, 1996; Petrick & Quinn, 2000). Each of these four subcomponents will be treated below. The need to address lapses in process integrity capacity is manifest by the routine fragmentation of public

administrator moral attention and behavior that leads the public to perceive moral hypocrisy in government practices, e.g., government institutions that tout their public relations images as responsible public stewards while engaging in ecologically unsustainable development practices that pollute the natural environment, destroy local markets and exploit indigenous workers (Brunsson, 1989; Korten, 1996; Fleishman, 1991). Moral awareness, the first component of process integrity, is the capacity to perceive and be sensitive to relevant ethical issues that deserve consideration in making choices that will have significant impact on others. Moral awareness consists of ethics perception and ethics sensitivity. The former is the collective capacity to "see", recognize or discover the ethical features of a situation, while the latter is the collective capacity to value the relative importance of the ethical features of a situation (Dobel, 1999). Moral deliberation, the second component of process integrity, is the capacity to engage in the analytic process of critical appraisal of causal factors in order to arrive at a responsible decision/resolution/policy that sets a precedent and establishes a standard for future decisions (Lewis, 1991; Petrick & Quinn, 1997). It consists of ethics analysis and ethics resolution. Ethics analysis is the rational step of moral argumentation designed to identify, interpret and weigh the key causes of moral problems and the key resources for ethical problem resolution. Ethics resolution is the rational step of making a firm, justified, publicly announced decision that incorporates and brings closure to all the factors raised in ethics analysis. Public administrators, who poorly analyze and resolve moral conflicts through unbalanced, non-inclusive and unfocused policies, ignore or trivialize aspects of complex moral issues resulting in inadequate diagnoses and inadequate remedies for public problems. For their diminished capacity for balanced moral deliberation and resolution public administrators are held accountable (Dobel, 1999). Moral character, the third component of process integrity, is the individual and collective capacity to be ready to act ethically. Public administrators and their organizations with strong character expand their capacity by the exercise of virtues (Petrick & Quinn, 1997; Moberg, 1997). Intellectual virtues, e.g., understanding, imagination, and wisdom, constitute part of the cognitive readiness to act ethically. The volitional readiness to act ethically is strengthened by the exercise of the following sets of virtues: moral virtues, e.g., courage, honesty, and justice; social virtues, e.g., trustworthiness, cheerful cooperation, generosity; emotional virtues, e.g., sincerity, caring, and loving respect; and political virtues, e.g., fairness, civility and good citizenship (Solomon, 1992). Conversely, administrators and organizations with weak characters lack a clearly envisioned future and the collective will to act ethically, thereby diminishing their readiness to act ethically—for both of which conditions public administrators are held accountable (Dobel, 1999; Rose-Ackerman, 1999). Moral conduct, the fourth component of process integrity, is the individual and collective carrying out of justifiable actions on a sustained basis. It consists of practices that demonstrate responsible responsiveness and sustainable development (Petrick & Quinn, 1997). Responsible responsiveness is the voluntary ownership of intentional conduct for which anyone or any government agency can be held morally accountable. Sustainable development is the intentional adoption of a set of morally justifiable operational practices that preserve natural ecology, indigenous peoples, and intergenerational equity. Governments that exhibit ethical conduct develop a reputation for dependability, constancy in governing pluralism, and alignment of moral rhetoric and reality. Governments that do not act ethically are deprived of opportunities for sustained prosperity because their capacity for "moral follow-through" and trustworthy reciprocity is suspect, thereby diminishing their credibility to act upon promised commitments in the future (Sabl, 2001).

Judgment Integrity Capacity: Management Theories and Ethics Theories

Judgment integrity capacity is the inclusive and moderately balanced use of key ethics theories and their cognate theoretical resources in the analysis and resolution of individual and/or collective moral issues (Petrick & Quinn, 2000). Among the cognate theoretical resources for ethics decision making in public administration are management and organizational theories. The way public administrators manage and the assumptions they make about the nature of public organizations implicitly aligns them with one or more key ethics theories that influence their judgment integrity capacity (Petrick & Quinn, 1997). Governance judgment integrity capacity is formed by the inclusive and moderate balancing of ethics and related theories in the formation of government policies and practices using the competing values framework (CVF) (Quinn, 2010; Shang, 2009; Belasen, 2000). The CVF displays management, ethics, and organizational performance judgments as tradeoffs occurring within a complex paradoxical network of competing values (Quinn, 2010). Managers respond to these complex paradoxes by addressing two major organizational challenges: Structurally they may place a high premium on the value of flexibility or regard control as more important, and strategically they may choose to have a more external (productivity and innovation) focus or a more internal (process and persons) focus. Judgment integrity capacity is determined by the extent of balanced, inclusive use of ethics and related theories in comprehensively analyzing and resolving complex public issues (Petrick & Quinn, 1997). Biased, distorted judgment of public administrators will omit key factors that need to be incorporated in an accurate, adequate, and satisfactory analysis of complex moral issues. Figure 1 provides a model of the capacity for public judgment integrity that displays the balanced alignment of management, ethics, and organizational change theories in the face of behavioral, moral, and organizational change complexities. Leaders that rely only upon one quadrant of theories rather than all four quadrants or who overemphasize or underemphasize one quadrant inadequately prepare their organizations to handle public sector complexity responsibly, deprive stakeholders of the benefits of balanced judgment, and provoke future resistance to responsible governmental action. Each of these quadrants of judgment integrity capacity will now be treated in light of the complexity challenges public administrators face domestically and globally.
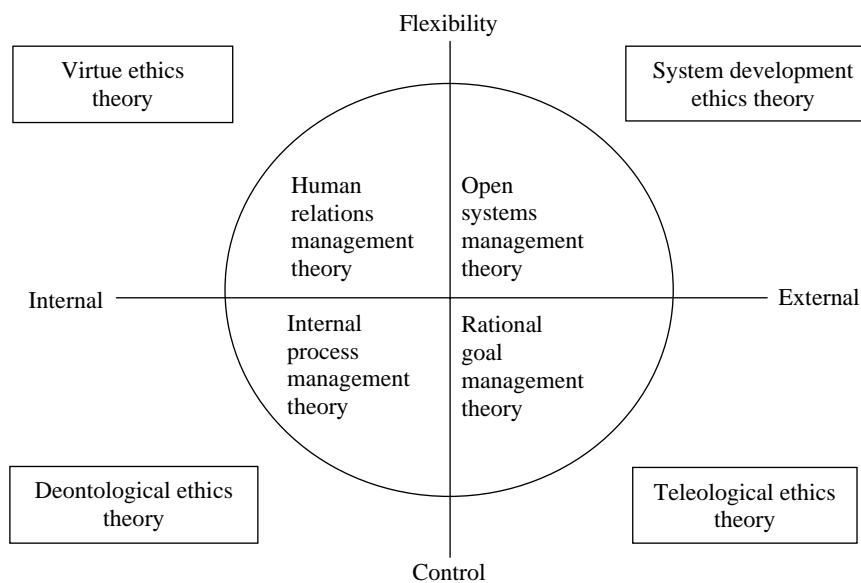

Figure 1. Judgment integrity capacity: Interlinked management and ethics theories.

Public administrators have a management style that generates superior organizational performance by balancing four competing management theories. Management can be defined as the process of reaching individual and collective goals by working with and through human and nonhuman resources to continually improve value added to the world (Petrick & Quinn, 1997). Four major competing theories of management have evolved to emphasize different dimensions of this undertaking: (1) profitability and productivity (rational goal theory); (2) continuity and efficiency (internal process theory); (3) commitment and morale (human relations theory); and (4) adaptability and innovation (open systems theory) (Denison, Hoojiberg, & Quinn, 1995). Reaching collective goals (e.g., a successful political campaign that results in reelection or an administrative reappointment) is an indication of effectiveness (rational goal theory); not wasting resources along the way is an indication of efficiency (internal process theory); working with and through human resources is an indication of stakeholder responsibility (human relations theory); and continually improving value added to the world is an indication of innovation (open systems theory). Balancing these management styles and avoiding extremes in any of them has been termed behavioral complexity and is directly linked with sustainable competitive advantage in business and public administration (Petrick, Scherer, Brodzinski, Quinn, & Ainina, 1999; Cooper & Wright, 1992). In a study of 916 CEOs, Hart and Quinn (1993) found that firms with CEOs having higher behavioral complexity produced the best overall firm performance and Shang (2009) agreed in the public sector.

World-class public administrators, therefore, are able to understand complex issues from different strategic and structural perspectives and act out a cognitively complex strategy by playing multiple roles in a highly integrated and complementary way. The behavioral complexity exhibited by public administrators can enhance or detract from organizational performance. For example, extreme overemphasis on productivity (getting votes or holding onto public office at any cost) offends individuals and destroys cohesion. "Bottom-line" public administrators who use the achievement of political goals (getting or staying in office) as the exclusive performance standard overemphasize short-term results and trivialize the destruction of cohesion and the offense of individuals. They develop a reputation for greediness and callous disregard for others; their overemphasis on staying in power and/or winning elections distorts their managerial judgment resulting in damaged reputations and provoking resistance to future public sector initiatives.

Extreme over reliance on procedural continuity stifles progress and neglects possibilities. "By-the-book" public administrators who use rigid adherence to conventional, ethnocentric expectations as the exclusive regulatory performance standard, overemphasize internal bureaucratic control and trivialize the neglect of pluralistic opportunities and the stifling of socioeconomic and technological progress. They develop a reputation for procedural rigidity, indifference to progressive opportunities, and regulatory unreasonableness (Bardach & Kagan, 1982).

Extreme dependence on morale building slows production and abdicates decision making authority. "Bleeding heart" public administrators who use smooth human relations networking as the exclusive performance standard overemphasize getting along with people and trivialize the loss of productivity and the abdication of decision-making authority. They develop a reputation for doting, cliquish camaraderie, and neglect of decisively achieving public service goals.

Finally, extreme over reliance on innovation disrupts continuity and wastes energy. "Change-agent" public administrators who use continuous system improvement as the exclusive performance standard, overemphasize change for the change's sake, and trivialize the disruption of organizational stability and the waste of human

energy due to envisioning unrealistic futures. They develop a reputation for being utopian dreamers who squander limited resources and destabilize work units with the "fad-of-the-month".

World-class public administrators, therefore, avoid the dysfunctional results of inadequately managing behavioral complexity by balancing and incorporating all four management theories into their decision making. In addition, as indicated in Figure 1, the way public administrators manage implicitly commits them to certain ethics theories, and just as narrow-minded, distorted management judgments produce poor results in handling behavioral complexity, so also do narrow-minded, distorted ethical judgments produce poor results in handling moral complexity (Petrick & Quinn, 1997). Moral complexity is the cognitive and operational capability to act with integrity in the face of multiple, competing expectations with regard to balancing moral results, rules, character, and context. The inadequate handling of moral complexity discloses weaknesses in judgment integrity capacity, retards moral progress and may even stimulate moral regression at the individual, organizational, municipal, state, national, and/or international levels (Petrick & Quinn, 2000, 2001).

For public administrators, exhibiting moral judgment integrity capacity means achieving good results (outcome-oriented teleological ethics), by following the right rules (duty-oriented deontological ethics), while habitually being motivated by honorable intentions and developing virtuous character traits (character-oriented virtue ethics), in an existing or generated context that is supportive of sustained moral decision making (innovation-oriented system development ethics) (Trevino & Weaver, 2003; Petrick & Quinn, 1997). Although all four theories of ethics (teleological, deontological, virtues, and system development) can be isolated, the main point is that all four theories are necessary to understand moral phenomena fully, to make balanced, inclusive ethical judgments, and to demonstrate enhanced judgment integrity capacity. Just as handling behavioral complexity requires the balanced use of all four management theories by public administrators without overemphasizing any theory, handling moral complexity requires the balanced use of all four ethics theories by decision makers without overemphasizing or underemphasizing any theory if moral judgment integrity capacity is to be developed.

Managers that overemphasize or underemphasize good results, right rules, virtuous character and/or morally supportive contexts when facing morally complex problems incur the same adverse consequences as managers that cannot handle behavioral complexity (i.e., offended individuals, neglected opportunities, eroded trust and corrupt environments) (Quinn, 2010). In effect, judgment integrity capacity is shaped by the degree of behavioral and moral complexity that global leaders can handle in a balanced manner.

This approach to moral judgment is particularly important, because it accepts the aporetic and communal nature of ethics and explicitly requires a structured deliberative process for feasible integration and implementation (Makau & Marty, 2001). The individualistic, combative approach of conventional moral argumentation in public administration settings designed to take the "high ground" with conclusive certainty needs to be supplemented and/or supplanted by a dialogic, collaborative discourse approach of achieving collective judgment integrity capacity by building a competent deliberative community that can arrive at timely, tentative agreements to reconstruct "common ground" in the face of competing values and interests. To engage in this style of moral discourse, it is not enough to deconstruct or criticize past conventional approaches to ethics, expect to conclusively prove one view is absolutely superior to others for all time, or ignore political resources in enacting public reasonableness; public administrators must engage in and facilitate the input of diverse voices that contribute to the moral dialogue in order to explicitly reconstruct the consciousness of a better "common ground" public life desired by all public stakeholders. It is one thing to claim that the old style

of ethics is impossible; it is quite another to explore what is possible with a more modest interdependent approach with modest agreements to proceed.

The cooperative moral argumentation approach to building judgment integrity capacity normally follows the following implementation steps: (1) affected stakeholders voice a moral concern and the responsible public administrator facilitates the conceptual framing of the moral issue and determines the representativeness and intensity of the concern; (2) each aggrieved stakeholder states (orally and/or in writing) and quantitatively weights the reasons why the current policy/practice is morally objectionable using the structure of moral results, rules, character and context, requiring at least two arguments for each category (moral complaints that cannot be "seconded" lapse from moral discourse), with metaethical argumentation for category prioritization and superior aggregate value; (3) defenders of the status quo must state (orally and/or in writing) and quantitatively weight their reasons why the current policy/practice is morally acceptable using the same structure of moral results, rules, character and context, requiring at least two arguments for each category (moral defenses that cannot be "seconded" lapse from moral discourse and the better reasoned change recommended by the aggrieved stakeholders is presumed to have the privilege of enactment by default), with metaethical argumentation for category prioritization and superior aggregate value; (4) if the second and third steps are completed and result in moral stalemate without resolution, the deliberative community (including the public administrator) weigh the arguments, evidence, prioritization claims, and aggregate value determinations and use additional internal and external resources to determine if a change is warranted and if so, to propose an integrated, comprehensive, creative alternative using the structure of moral results, rules, character and context, requiring at least two arguments for each category (moral creative alternatives that cannot be "seconded" lapse from moral discourse and the status quo is presumed to have the privilege of enactment by default), with metaethical argumentation for category prioritization and superior aggregate value; (5) if the aggrieved stakeholders accept the proposed alternative provided by the deliberative community, the dialogue ends; if not, the aggrieved stakeholders and/or the defenders of the status quo may propose a counter-alternative using the structure of moral results, rules, character and context, requiring at least two arguments for each category (counter-alternatives that cannot be "seconded" lapse from moral discourse and the creative alternative is presumed to have the privilege of enactment by default), with metaethical argumentation for category prioritization and superior aggregate value; and (6) if the new counter-alternative is accepted, the dialogue ends and the policy is enacted; if not, the issue is regarded as currently irresolvable by principled moral argumentation alone but will require democratic political intervention in the form of a majority vote of the affected parties. The vote of the majority is regarded as a practical finality with respect to the value conflict resolution until such time as new, contravening, overwhelming evidence can be produced (Nielsen, 1996).

This implementation process has the following benefits: (1) supplements individual moral reflection with responsibility for voicing moral concerns and participating in communal deliberative activity; (2) requires that public administrators be competently engaged in the judgment integrity capacity building process rather than abusing or evading their use of power; (3) requires that aggrieved stakeholders be responsible for morally justifying a claimed harm or a proposed change rather than assume that intense collective whining or "unseconded" grievances automatically merit moral approbation; (4) requires the defenders of the status quo and/or the deliberative community to rationally justify the status quo or a new creative alternative rather than assume that tradition, creativity and/or "unseconded" defenses automatically merit moral approbation; (5) requires the deliberative community to generate morally integrative, creative alternatives if possible rather than

stagnate in a moral stalemate; and (6) ensures that practical action can be taken by democratic political means if principled moral reasoning over time cannot resolve issues.

Developmental Integrity Capacity and Public Administration

Developmental integrity capacity is the cognitive improvement of individual and collective moral reasoning capabilities from pre-conventional self-interested regard (collective connivance) through a stage of conforming to external conventional standards (collective compliance), and finally, to a stage of post-conventional commitment to universal ethical principles (collective integrity) (Wood, Logsdon, Lewellyn, & Davenport, 2006; Rest et al., 1999). Post-conventional moral reasoning by public administrators supports group and organizational process and judgment integrity by establishing principled norms based on mature moral reasoning for work culture decision making. Morally mature public administrators make a positive difference and strengthen the developmental integrity capacity of the groups and organizations they lead (Dukerich, Nichols, Elm, & Vollrath, 1990).

Developmental integrity capacity can be understood and implemented by cultivating individual, group and organizational moral development stages that parallel those of morally mature public administrators (Petrick & Quinn, 1997). Public administrators, for example, can morally develop from pre-conventional, self-interest through conventional conformity and onto post-conventional principled conduct. Similarly, groups and organizations can morally develop through three stages: from a pre-conventional stage of collective connivance; through a conventional stage of collective compliance; and on to a post-conventional stage of collective commitment to principled moral reasoning in resolving ethical conflicts. Only the last stage of collective commitment indicates individual and collective developmental integrity capacity—the attainment of which stage public administrators are held accountable (Petrick, 1998).

Collective connivance is a molar stage of moral development characterized by the use of direct force and/or indirect manipulation to determine moral standards. Public administrators who sustain this stage of collective moral development are either issuing threats of force (e.g., "get it done now or else") or developing exclusively exploitative relationships based on mutual manipulation (e.g., "what's in it for me and forget the others?") (Sejersted, 1996). This "moral jungle" stage of development entails exploitation and intimidation of public servants through long hours, unsafe working conditions and low wages that create of climate of fear and distrust which undermines developmental integrity capacity and diminishes aggregate integrity capacity as a strategic asset.

Collective compliance is the intermediate molar stage of moral development characterized by the use of popular conformity to work processes and/or adherence to externally imposed standards by authorized officials. Public administrators who sustain this stage of collective moral development are either admonishing employees to secure peer approval by "getting with the program" or commanding them to comply with organizational hierarchy and/or government imposed regulations. Compliance efforts look to conventional hierarchy and law for guidance, rather than to conscience, because they are driven by past peer practices and/or by changing legal/regulatory standards which are externally imposed. This is a necessary but not sufficient stage for public developmental integrity capacity. A compliant public sector manager and agency are not necessarily ethically committed to act with integrity when no watchdogs are around; that requires internalized collective commitment. Furthermore, public administrators and organizations whose highest strategic aspiration is to avoid indictment or imprisonment are not likely to be world-class public service providers.

Collective commitment is the highest molar stage of moral development characterized by the use of democratic participation and/or internalized, principled regard for other stakeholders as a basis for determining moral standards (Petrick & Quinn, 1997). Public administrators who sustain this stage of collective moral development are either surveying majority trends or responding to the question, "what principled system is worth multiple stakeholders' ongoing participation and commitment?" Administrative leadership approaches that focus on challenging followers to develop (transform) beyond the compliance stage, use total quality leadership styles and advocate team empowerment to democratize the workplace, and ennoble principled performance exhibit this level of moral development (Lindsay & Petrick, 1997). In effect, the highest cumulative achievement of individual development integrity capacity over time forms the optimal ethical work culture, which in turn supports collective commitment to enhancing developmental integrity capacity as a strategic public asset. In highly developed ethical work cultures, shared pride in moral development intrinsically motivates associates to be responsible organizational citizens for internal stakeholders and goodwill ambassadors for external stakeholders. Public administrators who do not cultivate and nurture this highest level of work culture moral development are held accountable.

System Integrity Capacity and Public Administration

System integrity capacity is the alignment of organizational processes and extra-organizational infrastructure to provide a supportive context for sustained moral decision making (Petrick & Quinn, 2000; Driscoll & Hoffman, 2000). Collective commitment work cultures, for example, emerge by the regular practice of principled moral reasoning in everyday decision making, but they are sustained only if system integrity capacity processes are institutionalized (Petrick & Quinn, 1997; Petrick, 1998). System integrity capacity skills of public administrators are pivotal in sustaining a committed rather than a conniving or conforming work culture. Part of public administrator accountability today is determined by the extent to which leaders continually improve the agency's internal ethical processes and work to improve the public sector's external moral environment, so that moral performance can be realistically sustained, even in partially corrupt contexts (LeClair, Ferrell, & Fraedrich, 1997).

At the organizational level, one of the key system decisions is whether to focus on a compliance-directed system or an integrity-directed system (Hartman & DesJardins, 2011). Although both systems can be complementary, world-class public administrators are expected to ensure a supportive intra-organizational context (barrel) for enhancing individual (apples) developmental integrity capacity. One guideline in the U.S. for building a compliance-based system is the U.S. Federal Sentencing Guidelines for Organizations (FSGO). Organizations that install a compliance-based system invest in this ethical risk management technique to minimize potential financial losses in the event of illegal activity (LeClair, Ferrell, & Fraedrich, 1997).

The FSGO specifies seven fundamental organizational compliance requirements: (1) Standards and procedures must be developed that are reasonably capable of reducing the propensity for criminal conduct; (2) specific high-level personnel must be responsible for the compliance program; (3) persons known to have a propensity to engage in illegal conduct must not be given substantial discretionary authority in the organization; (4) standards and procedures must be communicated to employees, other agents, and independent contractors through training programs and publications; (5) the organization must take reasonable steps to achieve compliance with its standards, by using monitoring and auditing systems to detect criminal conduct and a reporting system that allows employees and agents to report criminal activity; (6) standards and punishments

must be enforced consistently across all employees in the organization; and (7) after an offense has been detected, the organization must take all reasonable steps to respond to the offense and prevent further criminal conduct. These seven steps represent the minimum that an organization can take in demonstrating due diligence in complying with externally imposed standards. This type of system is regulatory, does not allow for statistical variation and demands conformity to external commands.

A more integrity-directed system can complement this approach and go beyond external compliance to collective commitment and institutionalized improvement (Petrick & Quinn, 1997). This can be found in a values-driven organization ethics development system (OEDS) that includes the following 16 components: (1) moral leadership and top management team ethical influence patterns; (2) ethical work culture and ethics needs assessments; (3) ethics in organizational strategy and structure; (4) formal statement of prioritized values and written codes of conduct; (5) ethics steering committee; (6) ethics policy and procedure manuals/handbooks; (7) ethics in the human resource selection, socialization, and performance subsystems; (8) ethics in human resource appraisal, reward/recognition/incentive, and development subsystems; (9) ethics in formal and informal communication processes and work attitudes; (10) ethics training and education programs; (11) ethics in decision making processes; (12) ethics officer and/or delegated organizational ethics operational role responsibility; (13) ethics reporting and conflict resolution processes; (14) fair and uniform enforcement processes of ethical standards; (15) ethics audit and evaluation subsystems, including the growing range of social and environmental accounting initiatives (Lehman, 1999); and (16) ethics system and quality work process control and improvement.

In addition to the intra-organizational system, the extra-organizational system needs to be shaped by public administrators. Public administrators can take steps to eliminate or control corruption outside the organization and support those domestic and international groups that do likewise (Elliott, 1997). Public administrators, for example, can use social and environmental auditing and reporting mechanisms that are responsive to patterns of triple bottom line accountability, e.g., the UN Global Compact, the Global Reporting Initiative and/or the Earth Charter (Wankel & Stoner, 2009).

The caliber of intra-organizational and extra-organizational system integrity capacity building skills demonstrated by public administrators determines the extent of contextual support for sound decision making and, in turn, the extent to which collective integrity capacity as a strategic asset is institutionalized and culturally sustained. In essence, leaders, organizations and societies will not improve system integrity capacity by merely controlling connivance or enforcing compliance (Petrick & Quinn, 1997). Not only must public administrators become role models for process, judgment and developmental integrity, they must also build and sustain system integrity capacity to protect and enhance the public's strategic asset of institutional and national reputational capital (Fombrun, 1996).

Public Administration Education Recommendations

If public administrators cannot afford to neglect governance integrity capacity as an important public strategic asset and they need to develop competencies in all four dimensions of governance integrity capacity (process, judgment, development and system), the following two practices are recommended for improving Chinese and U.S. public administration education in the future.

Practice I: Provide education for public administrators to develop their competencies in sustaining governance integrity capacity as a strategic public asset through the development of process and judgment

integrity capacity building skills.

The more competent public administrators are in exercising process and judgment integrity capacity, the sooner they can avoid the adverse effects of integrity capacity neglect. In addition, by demonstrating professional process integrity (speaking and acting ethically) and judgment integrity through the balanced integration of management, ethics and organizational theories in a deliberative workplace community, public administrators can hold themselves and others accountable for responsible public policy decisions that inclusively and systematically address moral results, rules, character and context and restore the "public" concern to public administration.

Practice II: Provide education for public administrators to develop their competencies in sustaining governance integrity capacity as a strategic public asset through the cultivation of development and system integrity capacity building skills.

Developmental integrity capacity skills are honed through progressively nurtured moral reasoning that can mature from individual connivance to conformity and onto internalized commitment to principled workplace conduct and work culture norms. System integrity capacity skills are cultivated by first designing ongoing processes and policies within public work organizations that sanction unethical behavior and commend ethical behavior. Next, system integrity capacity skills are further cultivated by improving the extra-organizational context to control/eliminate corruption and to promote triple bottom line administrative performance that meets and exceeds public stakeholder expectations, e.g., the transparent social and environmental accounting literature (SEAL) and public progress reports generated by many continental European governments.

Summary

This paper has delineated the nature and neglect of governance integrity capacity as a strategic public asset by public administrators in China and the U.S.. It has elaborated on each of the four dimensions of governance integrity capacity (process, judgment, development and system) as they related to improved public administration. Finally, the paper recommends two practices that would improve the quality of public administration education in the future.

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