

Two types of corruption in the business world and their factors

[Business](#)



On the other side, grand corruption involves multinational entities negotiating with systems in the government to bring systems in their favor. One major corruption which is increasingly being recorded in businesses across the world is personally favoring acts by senior executives. This type of corruption has been observed to be of serious consequences, as there are reports that the business failure of multinational companies like WorldCom, Qwest communications, Tyco International, ImClone Systems and Enron have been due to corruption from its senior executives (James, 2009). Unfavorable activities like fund misappropriation and accounting irregularities have been observed in these cases. Out of many other business corruptions including Accounting irregularities, Tax evasion, Insider trading, Money laundering, Embezzlement and Falsifying documents, tax evasion has been found to be seriously prevailing in today's business environments (James, 2009). Companies which receive waivers on taxes, falsify their records to fall into this category. This not only creates unfavorable business environments but also poses serious ethical issues. Governmental systems and international business regulatory mechanisms will have to be strengthened so as to assure that business corruption is controlled.