

The Importance of Transparency in Ethical Governance: Current Research and Finnish Citizens' Perceptions

Venla Mäntysalo

Introduction

For a while a consensus has prevailed on the importance of transparency in ethical governance. For citizens, transparency is expected to guarantee the access to information and allow public scrutiny of government and decision-making. In the ideas and strategies of developing public administration, especially from an ethical approach, the quest for more transparency has nearly become a magic trick, or a moral imperative, that has been offered as a solution to a variety of problems spanning from combating corruption to improving citizens' trust in government. It appears that transparency has attained an almost quasi-religious significance in the design and debate of governance (cf. Hood and Heald 2006, Bennis et al. 2008). The aim of this article is to focus on recent theoretical and conceptual debate on transparency and on the significance that is defined by the citizens and to evaluate transparency from their point of view.

Transparency deals with the disclosure of information, and for the purposes of this article it is defined as the *availability and accessibility of relevant, timely, comprehensive, high-quality and reliable information about the functioning of the polity and government activities, and the possibility to give feedback and act upon the provided information* (cf. Gerring and Thacker 2004, Vishwanath and Kaufmann 2001). The word transparency originates from the Latin word *transparere*, combining *trans-* (through) and *-parere* (come in sight appear) (Ucok 2006, www.etymonline.com). Criteria for information listed here include nominators such as timely, high-quality, comprehensive and reliable. The mere provision of information is not enough. Transparent behavior entails that public officials should be as open as possible in all the decisions and actions they undertake. These definitions refer to the relationship between the citizens and the government, but the same systematic and demand for transparency applies to other organizations as well, and for example to the relationship between management and staff.

The freedom of information requirements form the basic premise of transparency, whereas a more demanding perspective to transparency asserts that citizens or stakeholders must be able to react and influence based on the information they have received, therefore transparency becomes a two-way, reciprocal activity (c.f. Bessire 2005, Piotrowski and Van Ryzin 2007, O'Neill 2006, Heald 2006a). The concept of

transparency has evolved over time, and due to popular usage, it is often intertwined with publicity, openness and communication. Transparency is the opposite of secrecy, opaqueness and closed proceedings. Hood and Heald (2006) and Piotrowski and Ryzin (2007) note that the increasing importance and central role of transparency in public administration and governance stems from the usage of the term itself, intertwining and even replacing other concepts (such as openness and publicity). Especially the increase and demand for bureaucratic transparency has been high in recent decades (Hood 2007).

According to Cooper (2004), transparency could well be the value that is most agreed upon and the closest to a universally accepted value in the field of administrative ethics. This is why it is important to account for transparency from the citizen perspective, and it explains why it remains a topical issue in the ethical governance debate. Transparency is by no means a new concept, promoted by Brandeis, with the idea of “sunlight as the best disinfectant” already at the beginning of the 20th century, but especially during the 21st century the academic discussion around the concept has also flourished and expanded, also with criticism (Finel and Lord 1999, Hood and Heald 2006, Bennis et al. 2008, Roberts 2004). Academics in various fields have been debating the role and value of transparency, and whether it should be valued intrinsically or instrumentally, or more in the institutional reforms.

From an international perspective, Finland is considered to have an open and transparent government like other Nordic countries (e.g. World Bank Governance Indicators, OECD Open Government, National Integrity Systems Assessment). The rankings show one side of the coin; there has been some debate over the actual realization of transparency compared to the ideal situation or regulation. Recently Finland has experienced various challenges of transparency and openness in governance, for example the publication and availability of the loan and debt contracts with Greece were hindered. Election-finance scandals have tarnished its corruption-free reputation and brought up the problem of non-transparent practices, as regulation without sanctions did not guarantee the delivery of campaign-finance reports. These events also relate to a longer tradition of questioning the concept of Nordic transparency and how effectively the current legislation guarantees transparency in practice, with all limitations and restrictions that have come to light. Currently, one of the big questions related to transparency and openness is the use of social media as a device to improve the availability of information and encourage new forms of participation (e.g. Mergel 2012).

The National Integrity Systems assessment was carried out in Finland as part of a European-wide project carried out by Transparency International. In the integrity-system assessment, transparency is the essential element of governance alongside accountability and integrity mechanisms (Salminen et al. 2012). The transparency mechanisms of 13 institutions were evaluated by two experts, one in the role of internal expert (e.g. working in the institution) and the other as an external expert (e.g. academician). The items were assessed and scored both from the legislation perspective (normative view) and the practical perspective, assessing what the situation actually is. To some extent the results indicate a gap between the ability of legislation to guarantee transparency in the institutions, i.e. the should-be and the practical aspect, how well transparency actually works. Therefore the discrepancy

between legislation and practice brings about the question of *nominal* vs. *effective* transparency (cf. Hood and Heald 2006). This indicates that the level of transparency remains less effective and influential. The experts interviewed criticized, for example, the exchange of information between different institutions and indicated that there was a culture of preferring to withhold information in case of doubt rather than disclosing it.

Research goals, data and method

The purpose of this article is two-fold; the first aim is to uncover the recent theoretical debate around transparency as an ethical value and its role in public administration; why and how is transparency so important in ethical governance and what kind of constraints does the popular building block of ethical governance actually entail.

The second aim is to study how citizens perceive the role of transparency, to discern and analyze the functions and influence of transparency in practice from the perspective of citizens and account for the development of transparency and the question of nominal vs. effective transparency. The empirical analysis approaches transparency from the aspect of information and communication, the role of transparency in public service and administrative practice. The underlying premise is that for the citizens, transparency holds a key role in creating ethical and trustworthy governance and ethical public services; the availability and clarity of administrative processes is a determinant of transparency in citizens-administration relations and influences the experience of quality in public services. Finally, transparency is achieved when citizens have the possibility to influence and participate in the processes. The research setting is presented in Figure 1 below:

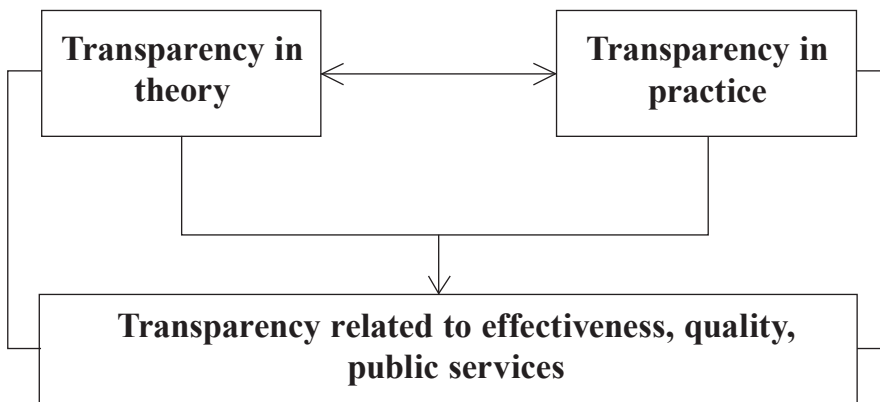


Figure 1. **Research setting**

Definitions of and discussion on the concept of transparency and its evolution are accounted for in the introduction and the theoretical analysis. Aspects of transparency are further analyzed in the review focusing on the critical viewpoint and on the citizen perspective on transparency. There are certain key areas and functions con-

stituted in theory and current research that appear to be especially important for citizens (cf. Park and Blenkinsopp 2011).

The perceptions of transparency, forming the empirical part of the article, focus on assessing how well transparency does, regarding communication and information, service orientation and administrative practice and the functions and value citizens associate with the concept.

Data and conclusions pinpoint aspects that are essential in developing transparency from the citizen-administration approach, bringing about potential pitfalls and critical points that are prohibiting the promotion of ethically good governance. The cases brought up to discussion in this article could provide a potential starting point for a comparative study in different countries. This article continues within the research framework of administrative ethics that has been current in Finland during recent years, on topics such as trust, good governance, corruption and citizen perspective (cf. Salminen 2010, Salminen and Ikola-Norrbacka 2011, Salminen and Mäntysalo 2013).

Surveying is used as the method of empirical data collection, because it provides a large amount of valid and reliable data on the citizen perception. The survey used in this article is a large citizen survey, carried out at the University of Vaasa in 2008, focusing on ethical governance and the ethics of the politico-administrative system. It is a unique survey, among the first surveys in Finland to ask citizens' opinion on a variety of topics in administrative ethics. The questions focused on issues such as ethics of public services, good administration and the ethics of the political system. A variety of ethical values and topic areas, such as justice, trust and accountability were covered. The items that are chosen measure citizens' experiences and perceptions of transparency.

For the survey a large sample was chosen for the study, to represent Finnish population in miniature. Altogether 5000 questionnaires were sent out, out of which 2010 completed forms were returned, producing a response rate of 40.4%. The respondents' age varied from 25 to 65 years old, and respondents were from different regions in Finland. The large sample ensures the validity of the survey, and the question structure in the form of a Likert scale gives the possibility to employ various statistical analyses with SPSS. Initially independent variables include background factors such as age, income level and location. The questionnaire form covers 18 question groups and 128 question items, out of which 4 groups produce relevant and accurate data for the research in transparency. The questions chosen for this article are presented in Appendix 1. In order to gain a more in-depth and elaborate view, open-ended responses are also used in the study (altogether 92 open responses).

Current research on transparency

The aim of this article and the theoretical part is to map out and analyze the state-of-the-art transparency debate, focusing on the *public administration, administrative ethics and governance* perspective. Therefore it focuses on the development of the idea and functions of transparency, especially on the recent research debate. Transparency and openness are often ambiguously used, one useful distinction is that transparency contributes to a larger end of openness in a democratic society and governance, offering a tool and a mechanism with which the purpose of openness can be achieved.

Concerning the functions of transparency, the main arguments revolve around different roles assigned to transparency and openness. They include the control and surveillance function, role in increasing trust and participation of citizens/stakeholders, and the influence of transparency on individuals' behavior. A common assumption is that transparency has mainly positive outcomes, but also it is noted that, for example, trust or service satisfaction may also decrease due to the dissemination and disclosure of information (e.g. Fung et al. 2007, Pasquier and Villeneuve 2007, Sharman 2009, Bauhr and Grimes 2013).

The traditional control function remains on the basic level and underpins other important contributions. In the control function transparency is understood as a mechanism of control and surveillance, making it possible to verify that established rules are being followed. When decision and actions are put under public scrutiny, wrong-doings can be detected, and even prevented due to fear of being caught (e.g. Ball 2009, Bauhr and Grimes 2013).

Recent academic research seems to have an increasingly critical take on transparency. Whereas the previous discussion has positioned transparency as a highly desirable value in public administration and public policies, many academics take on the critical approach, emphasizing the reciprocal nature of transparency. Without the ability to act, participate or influence, many of the transparency policies will remain ineffective, or only nominal. Many definitions and analyses have viewed transparency as the availability and accessibility of information, perceiving it more as a "one-way" street of information flow (implying that transparency in itself requires no communication).

However, later on researchers have emphasized and included the role of citizens as more active participants, suggesting that information availability in itself does not create transparency; according to Mitchell (1998) transparency constitutes the demand for information and if transparency, or other ends through it, is to be achieved, it requires for the citizens to be active participants. It is not enough that governments or companies simply publish information about their decisions and activities. The usefulness of transparency is fulfilled when the public acts on the information the policy and decisions provide (c.f. Finkelstein 2000, Stirton and Lodge 2001, Ball 2009). Researchers suggest that this aspect is the distinguishing element between openness and transparency; transparency goes beyond openness, when the information available is used and interpreted (O'Neill 2009).

Transparency is often considered an *instrumental* value, agreeing with Heald's (2006b), argument that transparency is an instrument with which other values can be achieved (such as accountability, trust, effectiveness). Koppell (2005) views transparency as an element or part of accountability, but on the other hand he also argues that transparency is an end in itself, so embedded into our collective consciousness that it has an innate value. This is especially relevant when we refer to transparency as a larger notion of openness and democratic control over decision-making. Here the concept of the role underpins that transparency has a function or a purpose to achieve an end, therefore emphasizing the instrumental value.

It appears that the recent studies of transparency have begun to question the mantra of the values' omnipotence, and also bringing in the perspective of participation and reciprocity, a novel critical approach focuses on the process of transparency

itself; who decides what is disclosed, and how transparent are the transparency procedures themselves? Transparency policies may also conceal power struggles, and if misused, they can lead to a false perception of openness (e.g. Pasquier and Villeneuve 2007).

In the sense of building and strengthening ethical governance, alongside trust and citizens' satisfaction, the question of integrity, control of corruption and accountability are key issues that are linked to increased transparency (Stirton and Lodge 2001, Fairbanks et al. 2007). Transparency is considered a precondition for accountability. From the citizens' perspective it enables the indication of responsibility. For example Prat (2006) analyzes transparency from the principal-agent model, connecting it to various economic relations, questioning the applicability of the Holmström principle, that means more information about the agent's behavior "makes the agent more accountable and more likely to work for the common good."

Even if transparency serves multiple good and even ethical purposes, it contains multiple challenges and potential pitfalls if it is not carried out with careful consideration for the manner, timing, and direction of information disclosure. An ethical question lies within the responsibility of the quality of communication. When transparency practices and policies give different stakeholders the possibility to monitor others (governments, CEO etc.) it contains the risk of misinterpretation (cf. O'Neill 2009). There is a multitude of issues to be reconciled with the control function, such as the extent of disclosure, and basic questions of how much, by whom and to whom information is provided. The monitoring role of transparency should be reconciled with the issues of privacy, confidentiality, secrecy and efficiency.

Heald (2006) calls it "transparency-illusion", when there is a large discrepancy between effective and nominal transparency. There are several concerns and problems to be solved with the increasing popularity of transparency as well as in general inherent challenges, such as ethical issues related to full disclosure. Basically all roles of transparency, assumingly leading to positive outcomes, have a negative counterpart. Transparency may be in conflict or influence negatively several other values, e.g. efficiency, trust, privacy and confidentiality, to mention but a few examples (cf. Heald 2006a, Prat 2006, O'Neill 2009, Sharman 2009). However, it seems logical that in a society fostering openness and transparency to begin with, further claims to transparency will be tested and considered instead of accepting them at face value, or allow demands of transparency to go unchallenged.

Another possibility to categorize the meaning of transparency in ethical governance and ethics management relates to transparency as a modifier of behavior; this is a more psychological aspect of the control aspect, suggesting that it influences individual or group behavior. It is questionable, how much influence transparency has on individuals. It can be assumed that, for example, public officials will avoid situations in which they might yield to corrupt actions, when there is greater transparency. The suggestion of transparency as a modifier/moderator implies that transparency does alter our behavior, therefore contributing to our honesty, integrity and the service attitude towards citizens, following the assumption asserted by Bentham that the more closely we are watched, the better we behave. When we are accountable for our actions to a third party, it can lead to improvements that might not otherwise occur. This role has been criticized, for example, by Prat (2006), questioning

the positive effect of transparency on the agent's behavior. Also when transparency moderates our behavior or decision-making it may lead to negative side-effects, such as conformism and furthermore to ineffective decisions due to a lack of courage or risk-taking. When there is both *process* and *event* transparency, and decision-making requires either radical policies or status-quo policies, the decisions and the choices may be influenced by the leaders' and politicians' knowledge that will be put under public scrutiny. This, in turn, may not lead to the best end result.

However, research and case studies indicate that transparency serves as an instrument towards a more corruption-free government and business, and possibly encourages more honest transactions in different spheres of governance and business. Transparency or full disclosure may conflict with other values, and especially the public and private interests may be very different.

Citizen perspective to transparency: The context of Finnish public administration

The core of transparency in government and public administration is access to information, or the principle of publicity. In Finland the legislation in regulating access to information originates from a Swedish model. The emphasis on transparency and openness of government actions has been increasing and is seen as a cornerstone of good governance. The Act of the Publicity of Government Activities that was passed in 1999 set high requirements on the transparency of public activities. From the government perspective the access to information has an economic function; well-performing institutions, citizen trust and re-use of information are nowadays seen as components of national economic advantage (Erkkilä 2010).

Traditionally transparency has been valued as a monitoring and control mechanism in Finland. During the past two decades, the understanding of the "principle of publicity" has shifted towards its understanding as the "active communication" of the aims of public actions or result information (Erkkilä 2010). This development is in line with the scientific debate around transparency and the evolution of the concept. However, assessing the quality of communication and the influence of transparency is still challenging. Issues that have arisen in the debates of the principle of publicity or the optimal level of transparency are mainly about the value conflict that the transparency doctrine creates. Even if publishing and accessing information has become easier, faster and less expensive in the digital age, the conflicts and concerns (for example related to privacy and confidentiality questions) become salient (Sharman 2009).

Earlier the idea that greater transparency would make public institutions and officials more trusted and trustworthy was widely accepted. Nevertheless in many countries, trust in institutions and especially in politicians has eroded and is decreasing despite various transparency policies and regulations.

The survey technique is an accurate and useful tool when the purpose is to gather opinions, perceptions and attitudes of a larger population. Often, a division is made on surveys measuring perception and reality, a division of measuring "what should be", and "what is" (Andersson and Bergman 2009). In administrative-ethics research, the use of questionnaires is among the most common methods, even if the amount of field-based empirical research has been in the minority compared to literature-based research (Frederickson and Walling 2005).

The results of Citizen Survey indicated that Finnish citizens consider transparency to be an important value in society, with some major reservations with regard to the actual realization and effectiveness of transparency in governance and public services (c.f. Salminen and Ikola-Norrbacka 2010).

The empirical part consists of three sections with different focuses of analysis. The first part of the empirical analysis focuses on the importance and role of transparency, related to communication and decision-making. These responses emphasize the meaning of transparency as a form of communication in many varieties of transparency: the access to information, openness of decision-making and active communication between citizens and public administration.

Table 1. **Transparency as information, control and communication.**

Functions of transparency in citizen perception	Not at all important	Not very important	Somewhat important	Fairly important	Very important	Total
Free access to Information (n=1981)	0.4%	0.9%	6%	35.6%	57.1%	100%
Openness of decision-making (n=1984)	0.4%	1.4%	8.6%	40.1%	49.5%	100%
Avoiding secrecy and operating in transparent manner (n=1986)	0.3%	1%	7%	35.2%	56.5%	100%
Active communication with citizens (n=1985)	0.3%	1.5%	15.9%	42.4%	49.9%	100%
Duty to give information to citizens (n=1985)	0.2%	0.5%	4.4%	30.1%	64.8%	100%
Citizens' control over decision-making (n=1979)	0.4%	3.5%	18.3%	40.2%	37.6%	100%

On a scale from 1 to 5 (1=not at all important, 5=very important), all questions concerning the importance of transparency and openness got a result above 4 (Table 2): duty to give information, availability of information, transparency and openness of decision-making, active communication with citizens and citizens' control over decision makers. This result is hardly surprising, but when asked whether citizens believe that transparency and openness will increase in the future, only one-fifth of the respondents thought it would increase, and nearly forty percent of the respondents estimated it would not increase at all or only moderately. It is possible to interpret this as meaning that citizens are either doubtful if transparency will decrease due to more secrecy, or that they find that a somewhat adequate level of transparency has already been obtained. One opinion expressed in the open comments linked the secrecy to the decision-making process in the European Union.

Secondly, the citizen-administration relationship forms an overview of how citizens perceive the effectiveness of transparency in practice (Table 3) The third area of estimation (Table 4) is based on the requirements of Administrative Procedure Act (434/2003), which aims to enhance the service orientation and ensure good commu-

nication between citizens and administration. The results of the third estimation produce a highly critical image from the respondents.

Table 2. **Service orientation and transparency**

Transparency and service-orientation	Not at all	Poorly	Neutral	Quite well	Very well	Total
Citizens are being heard in matters concerning them (n=1965)	10.5%	39%	37.6%	11.9%	1%	100%
Public servants listen to citizens and are helpful (n=1981)	5.3%	21%	48.2%	22.7%	2.8%	100%
There is a good possibility to give feedback about public services (n=1967)	5.3%	21.1%	19.7%	39.1%	14.7%	100%
Feedback is taken into account (n=1965)	16.2%	37.6%	33.1%	10.8%	2.3%	100%
There is efficient communication about public services (n=1962)	8.1%	37.2%	24.9%	26.1%	3.7%	100%

Table 3. **Quality of transparency in public administration**

Practical aspects of transparency	Not at all	Poorly	Neutral	Quite well	Very well	Total
Administrative issues are easily understood (n=1957)	13.7%	47.4%	30.1%	7.9%	0.7%	100%
Guidance and advice are carried out well (n=1964)	3.9%	27%	42.7%	25.2%	1.2%	100%
Application forms are clear (n=1964)	12.1%	35.2%	31.1%	20%	1.6%	100%
Decisions are explained and justified (n=1963)	8.3%	35.5%	33.3%	20.8%	2%	100%
Decisions are easy to understand (n=1964)	12%	44.7%	29.8%	12.5%	1%	100%
Language used in administration is comprehensible and clear (n=1966)	14.9%	35.8%	29.7%	17.8%	2%	100%

In order to achieve effective transparency, the information provided should be both accessible and assessable, presented with objectivity and clarity (cf. O'Neill 2009). According to citizens' evaluations, these aspects of transparency should be improved. Only one-tenth of the respondents (n=1964) thought that decisions were easily understandable, whereas more than half of the respondents thought vice versa. A few crucial aspects of transparency seem to be on a poor level in Finland, as nearly half of the respondents disagreed with the view that decisions were justified and argued. Also half of the respondent disagreed with the assessment that there was an efficient communication about the public services. Another critical item is feedback; citizens

evaluated the possibility to give feedback positively, but regarding the effectiveness of the given feedback, they were skeptical, as more than half of the respondents thought that the feedback was not taken into account. These results indicate that in certain areas there is no effective, actual transparency, but only nominal transparency, indicating the result that transparency policies and measures appear to function well on paper, but not in terms of reality or the end user, that is, the citizens.

Citizen demand for more effective transparency

More detailed views were presented in the open-ended questions and comments in the survey. Citizens criticized the role of public service in the production of information and communication. Their comments indicate that the information is “out there”, but in order to get it and be fully aware of the rights and services they are entitled to, they would have to take initiative and an active role, and ask the right questions. The internet has remarkably improved the availability of information, but respondents remarked that not all citizens had access to or sufficient knowledge of using services via the internet or searching the necessary information. There is a worry of increasing inequality when it comes to the awareness and use of the information provided by public service. Out of nearly one hundred open-ended remarks (92 comments), more than half represented a clearly negative opinion of transparency and one-fourth of them expressed a positive opinion.

On one hand, especially the difficulty to find information about social services is criticized as well as the opaqueness of preparing legislation and decision-making. On the other hand, the services and e-services of the National Social Insurance Institution (KELA) and the tax administration also receive positive evaluations. One comment represents the problem of finding information and lack of customer service:

*Access to information and receiving information from the public sector and different authorities is quite difficult. If you do not know to ask the right questions, you will easily lack information, and the issues remain unsolved...
A more active role in customer service is needed from the public authorities.*

Another critical comment brings about the notion that decision-making transparency could reduce the doubts of unequal treatment:

The decision-making criteria in KELA are not transparent; in different municipalities you get different decisions, the same cases produce different outcomes. Maybe this is because of different allocation of resources.

The following comments represent the more positive experiences:

Municipal administration: customer service. I have always received the information and service I have needed.

KELA websites are good. There is a lot of information on many necessary things, also the applications are there. Thanks for the clarity and usability.

One example both presents a positive view and points to a need of improvement in the communication about services:

It is really convenient to run errands in agencies that have clearly put an effort into their service and they communicate openly about their services – the public sector should utilize more different media channels when introducing and informing about public services; often the lack of information is critical, especially for marginalized groups.

The answers indicate a problem in achieving an optimal level of transparency and a right way of communication. Greater transparency does not guarantee or ensure communication (or even the understanding of the information). For citizens, communication about public services is relevant, not only the amount and availability of information. (O'Neill 2009).¹

In order to fulfill the requirement of reciprocity and two-way communication, citizens must be able to use and discern the information made public, and also participate in the process of decision-making. The information should be easily accessible and understandable. Media and research can use the information and make it more easily readable for ordinary citizens, but on the other hand this makes the citizen more passive and dependent on the choices and representations made by others. Therefore, in the optimal case, transparency serves as a mediator, when citizens actively use and process the information provided by public institutions.

Three factors of transparency

The chosen transparency items presented in the previous chapter are further analyzed by means of factor analysis. In order to find out groups of opinions and statements, factor analysis is a useful tool, with different possibilities of extracting the values. In this case, Principal Axis Factoring was used in order to achieve a genuine factor analysis instead of Principal Component Analysis. The large number of respondents secures the reliability and validity of the material; in addition a chi-square test is conducted. The process and results of the factor analysis are presented in Appendix 1.

With the use of OBLIMIN rotation (justified to use instead of VARIMAX rotation due to predicted correlation between the items) factor analysis gives the following results of three different factors and the items included:

¹ This is especially important when it comes for example to older people; according to codes and instructions, citizens above 75 years old and disabled people have the right to get the mail delivered to their home door, instead of a mailbox that may be relatively far away). This possibility was hardly communicated and not advertised. Had the citizens been aware of it, the costs for the post office could have increased. Citizens have to know and demand the service. When the media brought up the issue, a year later the post service announced they would only offer the door-delivery service to disadvantaged people. In this case, paradoxically when transparency improved with more communication and thence awareness, the company had to limit it.

The Importance of Transparency in Ethical Governance

Table 4. **Factor Analysis**

Pattern Matrix^a			
	Factor		
	Quality 1	Control 2	Communication 3
Decisions are explained and justified	.633	.038	.128
Decisions are easy to understand	.782	.009	-.043
Administrative issues are easily understood	.630	-.025	-.068
Guidance and advice are carried out well	.670	.003	.085
Application forms are clear	.685	.019	-.024
Citizens are being heard in matters concerning them	.571	-.024	.201
Language used in administration is comprehensible and clear	.723	-.008	-.087
Openness of decision-making	-.006	.761	.053
Free access to information	-.012	.779	.051
Avoiding secrecy and operating with transparency	.015	.794	.061
Duty to give information to citizens	.055	.800	-.013
Active communication with citizens	.010	.622	-.073
Citizen control over decision-making	-.031	.581	-.049
Public servants listen to citizens and are helpful	.493	.015	.184
Feedback is taken into account	.104	-.033	.685
Good possibility to give feedback about public services	-.075	.054	.762
Efficient communication about public services	.184	-.064	.461
Extraction Method: Principal Axis Factoring. Rotation Method: Oblimin with Kaiser Normalization.			
a. Rotation converged in 5 iterations.			

Three factors were created, and they can be divided into topics of quality, control and communication (the first one has the explanatory power of nearly 30%. The second factor accounts for 21% and the third for 7%, having also the least number of items).

Factor 1: Transparency as a determinant of the quality of public administration and public service (service orientation and practical aspects). The first factor focuses

on the quality of public administration, where transparency is a measure or an indicator of the quality. This point emphasizes the argument suggesting that information disclosure itself is not sufficient but that the clarity and comprehensibility of the information is essential. The results indicate that the respondents are not satisfied with the quality of transparency related to decision-making. In the literature review, this aspect of transparency is present as an underpinning principle. The items that are present in the first factor basically create the first, basic criteria for transparency and connect it to the overall quality of public administration and public service.

Factor 2: Transparency as a control tool, information and communication. This factor emphasizes the traditional function of transparency as a tool of control and as a mechanism to ensure accountability. From the citizens' point of view, the right to have access to information is the first precondition of transparency, and the high loadings indicate the emphasis on the public officials' *duty* to give information to citizens. This is a normative take on transparency as a constituent of ethical governance. This type of factor underlines the significance of transparency as an instrumental value. In several articles chosen for the literature review, transparency was weighed more important as an instrumental value, with which other ethical values such as accountability and trust are achieved.

Factor 3: Transparency as a two-way communication. The third factor brings out a concern regarding the final realization of transparency and groups together the variables concerning reciprocity: the actual way in which transparency should work as a two-way road, where producing information is not merely a duty of public officials, but their ethical requirement is to take the given feedback into account. The actual responses to these items indicate a clear dissatisfaction with these qualifications, so in citizen perception, transparency in practice does not correspond to the ideal. This take on transparency brings in a more developed and demanding perspective of transparency, from merely being an instrument for access to information and a control tool, the current debate folds around the two-way influence and the possibility to act and participate based on the information that has been disseminated and communicated.

Conclusions and discussion

The research questions set in the article were why and how transparency is so important a value in ethical governance, and how citizens perceive the role and functioning of transparency in Finnish public administration. My main conclusions stem from three themes; the quality and effectiveness of transparency, transparency as a part of public service, and the value and use of transparency with its tradeoffs and limitations. In this study, a survey was implemented as a useful tool to analyze the general viewpoints of the larger population.

When governance and public services are explored from the citizens' perspective, the results confirm that transparency plays a key role, and citizens highlight the importance of transparency as a control mechanism and as the access point to information, thereby agreeing with the arguments made in theory and research. However, empirical analysis points to an imminent need to improve the practice of transparency in the Finnish public services, especially to focus on creating effective transparency instead of nominal transparency.

The quest for *effective* transparency is one part of the dilemma around the whole concept and its realization in governance. The illusion of transparency occurs when there is a large discrepancy between effective and nominal transparency (Heald 2006a,). Another challenge for the development of transparency in practice, expressed in the citizens' views, is the feedback, to move from the first premises of transparency toward two-way communication. This would enhance the experienced quality of transparency in governance by taking into account the citizens' feedback. Also the quality of transparency itself attracts criticism; there is a need to enhance service orientation with clear and timely communication in the citizens-public services relations. In theory this is expressed as the need for citizens to become more active participants.

It is still questioned whether transparency leads to increased trust, or whether more transparency, or excessive transparency, is actually in contradiction with the notion of trustworthiness (cf. O'Neill 2009). From a citizen point of view, especially transparency's role as a monitor, which is closely linked to the control function, raises the question how stricter control and surveillance really contributes to trust and trustworthiness. Here again the purposeful and correct timing, manner and level of transparency and publicity are crucial.

Information and better communication can encourage citizens to become active participants, when there is open mutual scrutiny. The availability and quality of information should be assessed, so especially in this sense the quality, efficiency and manner of communication are quintessential. Some useful distinctions were presented by Heald (2006a, 2006b); between *event* and *process* transparency ("events" viewed as constituting points at which measurement is feasible and "processes" as being what connects these events), between transparency in *retrospect* (providing a comprehensive account after the event) and transparency in *real time* (exposing internal processes to public scrutiny and influence when decisions etc. are still being made) and between *nominal* and *effective* transparency. The precondition for effective transparency is a capable receptor; i.e. the recipient of information must be able to understand, interpret and use the available information (Heald 2006b).

The question of service quality and transparency is another instrumental aspect of transparency. From the citizen point of view, as the end user of public services, the traditional functions of transparency, such as oversight and access to information, remain crucial, but most importantly, in the daily activities it is the service encounters that occur within public services and government entities that define the experience of service quality.

Regarding the belief in the importance and usefulness of transparency as a fixer of a multitude of governance problems, the critical standpoint has gained more footing. Criticism toward the effectiveness and influence of transparency has started to diminish the all-powerful reputation of transparency; however, most often a rational and effective increase of transparency is still argued for. It is still a poignant question what the actual ends are that transparency serves best, whether they are related to democracy and citizens or to other issues, such as performance and control of an organization.

There are several concerns to be solved with the increasing popularity of transparency, as well as general inherent challenges, such as ethical issues related to full

disclosure. Transparency may be in conflict with several other values or influence them negatively, such as efficiency, privacy and confidentiality (cf. Heald 2006b, Prat 2006, O'Neill 2009, Sharman 2009, Piotrowski & Borry 2010). However, it seems logical that in a society fostering openness and transparency to begin with, further claims to transparency will be tested and considered instead of accepting them at face-value or allowing demands of transparency to go unchallenged.

The value of transparency should be understood as a more complex building block of ethical governance and public services. It is reasonable to assume that timely provision of information and good communication about the public service will benefit the citizens, the question how demands new methods and innovations. Therefore transparency understood as information provision and communication provides another argument for its importance. With greater transparency it is possible that stakeholders' trust will increase (or decrease) as well as their satisfaction with government and politics.

Transparency has several roles and functions in governance, and when it is properly used, it can lead to a variety of improvements, such as a reduction of corruption, increased trust and satisfaction and better accountability. The effectiveness of transparency should be measured from both perspectives, the information provider and the information receiver. Negative consequences inflict mainly the information provider, but they may also harm the information receiver, if the information is misinterpreted or the information provided is not accurate or clear enough. Where the boundaries of transparency should be drawn, must be considered in different contexts.

Certainly, at its best transparency offers a solution to various problems, but a further question is what the best practices of transparency are, and whether it is possible to achieve an optimal level. The assessment of transparency and its role should be made in relation to the context and aim of a policy or the public service. What the purpose of transparency is and how it should be applied varies according to the desired goal and the limits set by the matter at hand. These questions should all be considered, of course, when new transparency mechanisms and policies are designed, but more importantly also in the everyday administrative practices and public services.

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Appendix 1. Factor Analysis (Eigenvalues)

Total Variance Explained											
Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings _a				
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total				
1	5.005	29.439	29.439	4.483	26.368	26.368	4.252				
2	3.615	21.267	50.705	3.172	18.660	45.028	3.207				
3	1.225	7.207	57.913	.719	4.230	49.258	2.819				
4	.969	5.701	63.614								
5	.731	4.300	67.914								
6	.706	4.156	72.070								
7	.593	3.486	75.556								
8	.577	3.393	78.949								
9	.518	3.045	81.994								
10	.500	2.941	84.935								
11	.467	2.748	87.683								
12	.439	2.581	90.263								
13	.402	2.364	92.627								
14	.367	2.159	94.786								
15	.330	1.941	96.727								
16	.303	1.784	98.511								
17	.253	1.489	100.000								
Extraction Method: Principal Axis Factoring.											
a. When factors are correlated, sums of squared loadings cannot be added to obtain a total variance.											

Appendix 2. Questions selected from Citizen Survey 2008.**1. Do you agree with the following statements about the public services?**

	Disagree	Somewhat Disagree	Neutral Agree	Somewhat	Agree %
1. The communication about the services is efficient (n=1962)	8.1	37.2	24.9	26.1	3.7
2. It is possible to give feedback about public services (n=1967)	5.3	21.1	19.7	39.1	14.7
3. The given feedback is taken into account (n=1965)	16.2	37.6	33.1	10.8	2.3

6. According to you, how are the following principles of governance functioning in practice?

	Not at all	Quite badly	Neither badly nor well	Quite well	Very well %
1. Administration is simple and easy (n=1957)	13.9	47.4	30.1	7.9	0.7
2. Guidance and advice are carried out well (n=1964)	3.9	27.0	42.7	25.2	1.2
3. Application forms are clear (n=1964)	12.1	35.2	31.1	20.0	1.6
4. Application forms are easily accessible (n=1962)	4.2	20.8	31.9	39.0	4.1
5. Decisions that have been made are explained (n=1963)	8.3	35.5	33.3	20.8	2.0
6. Decisions are easy to understand (n=1964)	12.0	44.7	29.8	12.5	1.0
7. It is easy to run errands in administration (n=1962)	9.7	38.1	37.1	14.0	1.1
8. Language used in administration is comprehensible, clear and understandable (n=1966)	14.9	35.8	29.7	17.8	2.0
9. Citizens are heard in matters concerning them (n=1965)	10.5	39.0	37.6	11.9	1.0
10. Public servants listen to citizens and are helpful (n=1981)	5.3	21.0	48.2	22.7	2.8
11. The possibilities of appeal are well communicated (n=1984)	5.2	21.7	29.7	26.4	16.9
12. The mistakes of public officials are corrected without delay (n=1978)	11.0	29.1	18.9	16.3	24.7

13. How important do you consider the following things to be, related to the openness (transparency) of political decision-making?

	Not at all important	Not very important	Somewhat important	Fairly important	Very important %
1. Openness of decision-making (n=1984)	0.4	1.4	8.6	40.1	49.5
2. Free access to information (n=1981)	0.4	0.9	6.0	35.6	57.1
3. Avoiding secrecy and operating in an open and transparent way (n=1986)	0.3	1.0	7.0	35.2	56.5
4. Duty to give information to citizens (n=1985)	0.2	0.5	4.4	30.1	64.8
5. Active communication with citizens (n=1985)	0.3	1.5	15.9	42.4	39.9
6. Citizens' control over decision-makers (n=1979)	0.4	3.5	18.3	40.2	37.6

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VENLA MÄNTYSALO is a PhD candidate and researcher at the Department of Public Management, University of Vaasa, Finland. Her research focuses on ethics and integrity of governance and management, transparency, corruption, public service ethos and whistle-blowing. She has also participated in the Transparency International research projects in Finland. Correspondence: Venla Mäntysalo, Po Box 700, 65101 Vaasa, Finland; E-mail: venla.mantysalo@uva.fi