UNIVERSITY OF ZAMBIA AND ZIMBABWE OPEN UNIVERSITY POSTGRADUATE PROGRAMMES

BEST PRACTICE APPROACHES TO LEADERSHIP IN AVERTING FRAUD AND CORRUPTION IN SELECTED ORGANIZATIONS, ZAMBIA AND LESOTHO: A GOOD WORK CULTURE

BY

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SUBMITTED TO THE UNIVERSITY OF ZAMBIA AND THE ZIMBABWE OPEN UNIVERSITY IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE MASTER OF BUSINESS ADMINISTRATION (MBA) DEGREE

INSTITUTE OF DISTANCE EDUCATION (IDE)

LUSAKA. ZAMBIA

YEAR: 2017

Declaration

I hereby declare to the best of my knowledge, that this is my own work. It contains no materials previously published by another person nor materials which has been accepted for the award of any degree of the university except where due acknowledgement has been made in the document. This work is therefore submitted to the University of Zambia in collaboration with the Zimbabwe Open University as a partial fulfillment of the requirements for the Master of Business Administration Degree.

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Namwayi Namukonde Membe

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PROGRAMME FOR WHICH PROJECT WAS PRESENTED Master of Business Administration Degree

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The undersigned certify that they have read and recommended to the University of Zambia and Zimbabwe Open University for acceptance; a project entitled "Best Practice Approaches To Leadership In Averting Fraud And Corruption In Selected Organizations, Zambia And Lesotho: A Good Work Culture", submitted by Namwayi Namukonde Membe in partial fulfillment of the requirements for the Master of Business Administration (MBA) Degree.

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Dedication

This research is dedicated to my late father- Dr. Musyani Simukonde who throughout my childhood to my early adulthood encouraged me to aim higher in academics, my husband, Ian Membe and our four sons Alinani, Shammah, Kirk and Yula.

Abstract

This paper investigated the best practice approaches to leadership in averting fraud and corruption in selected organizations of Zambia and Lesotho: A good work culture. The purpose was to describe the best ways through which leaders can influence all members to want to prevent fraud and corruption in an organization. This was a descriptive survey in which 60 managers, currently employed in organizations in Zambia and Lesotho, were interviewed or administered with a survey form to collect the data. The content qualitative analysis methods and Microsoft excel pivot analysis tool was used for data analysis and presentation.

The study found that the levels of awareness on how leaders can encourage or lose control of preventing fraud and corruption that yields a bad work culture among managers was high. It described, using vivid illustrative examples, the best practice of leaders in averting fraud and corruption in line with the Five Practices of Exemplary Leadership Model. It drew out lessons learned from the past experiences of managers, amidst obstacles and challenges, on how to restore a good work culture. Eight crucial steps that leaders new to an organization should take to recreate a good work culture free from fraud were presented.

It was recommended that managers should: - Encourage and support training of all employees in fraud and corruption risk management to get all on the same page; identify the indicators that show signs of a good work culture and that fraud/ corruption is taking place, monitor and control it; exercise the five practices of exemplary leadership in getting people to commit to preventing internal fraud; and develop psychological hardness in curbing widespread fraud and corruption. Further research is to investigate types of best practices that apply at each level of management and the extent to which it yields impact at organizational level.

Acknowledgements

I would like to acknowledge the support received from the following persons who made it possible for this document to be written. My supervisor, Mr. Victor Muchemwa and co-supervisor, Dr. Sophie Kasonde Ngandu, who provided advice and guided me in the preparation of this dissertation. Gratitude is also expressed to the personnel at the University Of Zambia (UNZA) in conjunction with the Zimbabwe Open University (ZOU), Institute of Distance Education (IDE) for all the technical support that they provided to enable me carry out the research. Appreciation also goes to the various organizations and individuals, (i.e. the chief executives, directors, managers and others in managerial positions), who supported me to collect data in their organizations and all those who made time out of their busy schedule to participate in this survey.

I thank my husband, Mr. Ian Membe for supporting me through the entire program and for the technical support that he provided on the design of the duplicate web based survey. I also thank my older sons, Mr. Alinani and Mr. Shammah Membe for their patience and support in helping to baby sit their toddler siblings during the long hours that I spent working on this research project. Appreciation also goes to Ms. Ngawo Namukonde for helping me in delivering letters to sampled organizations in Zambia asking them for permission to collect data on this survey and for collecting the contact details that helped me follow-up on my request and appointments for interviews when I was based in Lesotho.

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List of Abbreviations

ACFE	Association Of Certified Fraud Examiners
CIMA	Chartered Institute of Management Accountants
DOJ	Department Of Justice
IDE	Institute Of Distance Education
KPMG	Klynveld Peat Marwick Goerdeler
SEC	Securities and Exchange Commission
UNZA	University Of Zambia
ZOU	Zimbabwe Open University

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Outline of the study

The outline of this paper is as follows.

Chapter 1: Introduction

This chapter gives the background to the research topic and provides insight to the study that was done. It enables the reader to appreciate the importance of the study. Further, it gives the aim and the objectives of the research.

Chapter 2: Literature Review

This chapter provides the type of literature and theoretical framework that was used in the study. It also gives the researchers opinions regarding issues covered in the literature review.

Chapter 3: Research Methodology

This chapter highlights the research design and type of the data that was used in the study. It explains how the data was collected and analyzed. It further gives the target population the sample and sampling procedure. The chapter also gives an insight into the research ethics that the researcher had followed.

Chapter 4: Presentation of findings

This chapter gives details of the secondary and primary data that was collected and used in the study for analysis and discussion of results.

Chapter 5: Discussion of Research Findings

This chapter discusses the secondary and primary data that was analyzed and presented.

Chapter 6: Conclusions and Recommendations

This chapter high lights the conclusions that were made on the research findings and the improvements that can be made to the various approaches in averting fraud and corruption in an organization.

CHAPTER 1:

INTRODUCTION

1.0 Introduction

Fraud and corruption affects everyone in the society as it not only distresses the organization but may even affect the livelihoods of the communities served and the growth of the economy. (Taylor, 2015) "Fighting corruption has reached new heights on the global agenda, driven by the recognition that corruption fuels inequality, poverty, conflict, terrorism and failures of development." Many organizations if not all have experienced fraud and corruption either internally or externally. For instance the Chartered Institute of Management Accountants (CIMA, 2009, p. 3) reported that, "Some surveys put the proportion of companies suffering from fraud as high as 85%. Research shows that fraud is growing, with reported cases of fraud being much higher in 2008 than in 2007. Fraud is likely to continue to grow during economic difficulties." Thus intensified efforts through research can help provide the necessary body of knowledge on what are the new trends in preventing fraud and corruption.

According to CIMA, (2009), there are three main categories of internal fraud that affect organizations that is: Asset misappropriation (both cash and non-cash); fraudulent statements (both financial and non-financial); and corruption (that is conflicts of interest, bribery and extortion). The Association of Certified Fraud Examiners (ACFE, 2014) study provided the frequency of occurrence of these cases and the estimated loss as follows:

> Of these, asset misappropriations are the most common, occurring in 85% of the cases in our study, as well as the least costly, causing a median loss of $130,000. In contrast, only 9% of cases involved financial statement fraud, but

> those cases had the greatest financial impact, with a median loss of $1 million. Corruption schemes fell in the middle in terms of both frequency (37% of cases) and median loss ($200,000). (ACFE, 2014, p. 4)

It was reported that, (CIMA, 2009) "no system is completely fool proof, but business can take steps to deter fraud and make it much less attractive to commit." According to the study conducted by the Association of Certified Fraud Examiners (ACFE), (2014) some of the summary findings were that:

> The median duration- the amount of time from when the fraud commenced until it was detected- for the fraud cases reported to us was 18 months. Organizations with hotlines were much more likely to catch fraud by a tip, which our data shows is the most effective way to detect fraud. These organizations also experienced frauds that were 41% less costly, and they detected frauds 50% more quickly. (ACFE, 2014, p. 4)

This paper provides a record of the research carried out to describe the best practice approaches to leadership in averting fraud and corruption to create a good work culture in selected organizations of Lesotho and Zambia. It focuses on the leadership practices to prevent fraud and corruption committed by those internal to the organization. Chapter 1 gives the background to the research topic and provides insight to the study that was done as well as the ethical considerations that were taken on this survey. It enables the reader to appreciate the importance of the study. Further, it gives the aim and the objectives of the research.

1.1 Background

When organizations encounter losses from fraud and corruption it is wearisome because it reduces resources available for servicing people and revenue, impacting negatively on growing profits, earnings per shareholder and maximizing shareholders wealth. (Reed, 2014) "According to the 2014 Report to the Nation on Occupational Fraud Abuse (copyright 2014 by the association of Certified Fraud Examiners, Inc.), research shows that the typical organization loses 5% of its annual revenue each year due to employee fraud." Fraudulent activities and corruption can also cause an organization to collapse and close down. Managers are confronted with the responsibilities of ensuring collective efforts among employees to prevent fraud and corruption and create a good work culture in the organization. Organizational culture influences the way that employees respond or react to stimuli and behave as they have a shared meaning that guides them in the direction that they should take. The following authors supported this. (Free , et al., 2007) “While many companies may claim to have sophisticated management controls, the ultimate effectiveness of such controls is highly dependent on an organizations culture and leadership.”

> (Oates, 2010, p. 1) The culture of an organization is the cornerstone of a sound internal control environment; … it is ultimately determined by the people who make up the organization. It is everyone’s responsibility to understand and uphold the shared values of the organization. It is equally important to recognize that leaders have a special responsibility to “set the tone at the top” and to model the appropriate behaviors.

Managers are informed on what factors cause people to commit fraud as follows. For example:-

> (Kennedy, 2012, p. 8) In order for fraud to occur, three conditions must exist: rationalization by the person to commit fraud, and also the opportunity to do so. These factors are commonly known as the Fraud Triangle, which was first created by Donald Cressey when he was studying criminology, specifically the behavior of fraudsters.

(Taylor, 2015), “Corruption generally occurs because you get a few who are knowingly conducting the transaction, but more importantly, there are leaders who don’t really care about stopping corruption but don’t want to know about it.” We see here that fraud and corruption can take place in many organizations mainly because leaders fail to attend to imparting a good or new work culture that can enhance and sustain organizational change, performance and excellence. Almost all organizations experience fraud and corruption. In some organization the scale at which it had happened was large such that it tarnished the corporate image of the organization, or made it bankrupt and close down. Some leaders and their successors, including the best performing managers have in the past failed to fight or prevent fraud and corruption within the organization. Many leaders who faced such turbulence in the organization have not successfully or let alone attempted to correct the situation before it gets out of hand.

Usually these leaders have ended up losing their jobs. They are asked to resign or to step down while investigations take place. Surely the leader should have done something about it to avoid it. Others have successfully curbed the problem. For instance according to Kennedy (2012), in the past decade there had been many large cases of accounting fraud among organizations. She presented a few of these case studies on Enron, Bernie Madoff, World Com, Tyco International Limited, and Adelphia Communications Corporations, HealthSouth, Global Crossing and Xerox in which excessive fraud and corruption were committed. Some of these organizations such as Enron even ended up collapsing while others like WorldCom successfully created a reorganization plan and emerged from bankruptcy under the name MCI, to free itself of the stigma associated with WorldCom. The fraud and corruption may have even become normalized among organizational members resulting in a bad work culture overtime.

Perhaps this could be because in some organizations, managers might be lacking consolidated information on the best practices to leadership on how to go about resolving widespread fraud and corruption. Curiosity to learn more on how leaders should best play the active role in influencing others in the organization to want to prevent fraud and corruption so as to keep the organization from collapsing was the motivation of the researcher. Several legal agencies provide guidance's and research data on how to develop plans and systems to prevent fraud. For instance, in (Reed, 2014) "Every organization should have a plan in place as preventing fraud is much easier than recovering your losses after a fraud has been committed." KPMG International's, (2014), forensic Integrity survey showed the following:

> 68% of U.S. employees who reported that their CEO and other senior executives set the "right tone at the top" on the importance of ethics and integrity. 60% of U.S. employees who reported that if employees and managers

> were to violate standards of conduct, it would be because they believe that their code of conduct is not taken seriously. (KPMG International , 2014, pp. 11, 14)

Research also shows the following:

> (Taylor, 2015) Many interviewees felt that an overwhelming qualitative emphasis on growth makes any organization vulnerable to corruption. That vulnerability is enhanced by the extent that a culture emphasizes that ends justify means. Reducing corruption risk therefore requires an active emphasis on values and behaviors — one that considers how growth is achieved, not just whether it is achieved.

Another is (Grant Thornton, 2016), which talks of fraud risk management in the public sector and they indicate that the Government Accountability Office's (GAO) framework includes:

> Committing to combating fraud by creating an organizational structure and culture conducive to fraud risk management; assess fraud risk and document the assessment in fraud risk profile; design and implement a strategy with control activities to mitigate fraud risks; and evaluate fraud risk management activities and adapt them to continuous improvement. (Grant Thornton, 2016, p. 1)

There is already in place all this vast information on:- What to include in risk management policies, procedures and controls and guidance documents; causes of fraud and why it takes place and the established fact that work culture and leadership are also important in preventing fraud and corruption in the organization. However, what we do not know is the specific practices of leaders that successfully get others in the organization to commit themselves to prevent and avoid fraud and corruption in an organization.

1.2 Statement of Problem

The issue at hand is that many managers might not know how they can effectively stimulate a good work culture free from fraud and corruption. For instance, (Meriwether, 2000-2017)

“The organizational operating models that provide the baseline for a smooth-running enterprise during normal times evaporate during a crisis, throwing the leadership into a morass of uncertainty and chaos. But the chaos can be managed successfully if its impacts are understood.” Fraud and corruption can cause a crisis in an organization. Thus the study investigated the following. What are the best practice approaches to leadership in averting fraud and corruption in an organization?

1.3 Purpose of Study

The purpose of the survey was to describe the best practice approaches through which leaders can influence employees in an organization to want to prevent fraud and corruption.

1.4 Objectives of the Study

The following were the objectives of the survey. By the end of December 2016 the study sought:-

1. To assess the awareness levels of leaders on how they can encourage or lose control of organizational fraud and corruption that yield a bad work culture.
2. To determine the current best practices of leaders in averting fraud and corruption and relate these to the five practices of exemplary leadership model.
3. To determine the organizational leaders past experiences in recreating a good work culture free from fraud and corruption.

1.5 Research Questions

The main research question was, are there any best practice approaches to leadership in averting fraud and corruption that help to create a good work culture in an organization?

The following were the sub questions:-

1. What are the knowledge levels of how leaders can encourage or lose control of fraud and corruption that yields a bad work culture?
2. What practices of leaders successfully avert fraud and corruption in an organization?
3. What steps/ actions have leaders taken to help restore a good work culture after a bout of organization wide spread or excessive fraud and corruption? What do managers recommend are the crucial steps that a leader, new to an organization that is fraught with wide spread fraud and corruption, should take to revive an organization and recreate a good work culture?

1.6 Significance of the Study

This was an important study that would provide managers the current information on how leader's practices can keep an organizations work atmosphere healthy and free from fraud and corruption. It is an important study that will provide the necessary information from which leaders and managers can protect their organizations from the damaging effects of fraud and corruption. A leader therefore needs to learn from others what strategic moves and leadership practices have been effective in shaping a good work culture that reacts quickly and proactively eliminates fraudulent and corrupt behavior. The information generated by this report can be used to help senior managers and students of MBA, or others involved in management studies, to learn from what others have done to tackle and manage an organization that is in disarray because of widespread corrupt practices and fraudulent activities in an organization.

1.7 Assumptions of the Study

The assumption was that every organization in its life time has experienced fraud and corrupt practices. It was therefore likely that the research would identify individuals from among the research population that had encountered such to share valid experiences. It was also assumed that the research participants will provide accurate, honest and truthful responses.

1.8 Limitations of the study

This was a descriptive study and qualitative in nature. Thus the study only described the data collected from personal experiences and perceptions of individuals and did not draw conclusions on causal relationships nor did it make inferences to a general population. The study only collected data from individuals in managerial positions currently employed in an organization and did not compare with the views of other employees not in the managerial team.

1.9 Delimitations of the Study

Organizational leaders such as chief executive officers, directors, and managers in the organization were the subjects of the study. This is because the researcher expected that they would have the first hand information of fraud and corruption when it was detected. The managers had the power to influence the work culture to make it free from fraud and corruption. The study was focused on the experiences of leaders of organizations. (CIMA, 2009, p. 3) "Fraud is an issue that all organizations may face regardless of size, industry or country." Thus the study targeted organizational leaders from different organization of different industries such as business organizations or corporations, parastatal/ quasi/ government departments, non-governmental organizations, communication and technology, humanitarian organizations, financial organizations and Insurance corporations.

1.10 Theoretical Framework

The knowledge base from KPMG's International fraud risk management reports was used to verify the existence of the relevant policies and internal controls in the research participant's organizations. See appendix 3 for some details. Articles by Julie Rains, (2012) and Thomas Nelson, (2015) written on the signs that show whether a company has a bad or a good work culture respectively and the findings from the research on the collapse of Enron was used to learn from the different perceptions and experiences of the organizational leaders. The study also used information from the "Five Practices of Exemplary Leadership Model" as a guide to draw out the best practice approaches to leadership specifically in preventing fraud and corruption. See appendix 2 for the details on the five practices of this model. The findings from the research done by Clinton Free et.al, on the subversion of Enron's management controls –the worst financial collapse in U.S corporate history, was used as a foundation to search on more information on the steps to take, to restore an organization affected by fraud and corruption.

1.11 Definitions of Terms

The key words of the research are: Best practice approaches to leadership; organizational leadership; fraud; corruption; and a good work culture. This paper defined the key words as follows. Organizational leadership is the management team's ability to understand innate talents, knowledge and skills apply these to identify problems, find the solution and effectively leverage the natural strengths of the organizational team members to solve the problems and accomplish the organizational vison/ mission and goals. Best practice approaches to leadership are exemplary performance/ (s) of leaders on old or new methodologies, generally accepted as effective in delivering the intended results in an organization and it is repeatedly used. Corruption is committed when an employee uses ones position in the organization in transactions to benefit oneself. Fraud is stealing or concealing the truth that strains the resources and reduces the value of the organization. To define good work culture in the context of an organization free from fraud and corruption, this paper defines a good work culture as the morals, customs, practices, values, attitudes, ideologies, language and beliefs held by the organization and its members that make them behave the way they do and makes the organization earn public trust and credibility.

1.12 Summary

This chapter provided background information to the research topic explaining the study that was done. The aim, the objectives and the importance of the study was also highlighted. In the next chapter the relevant literature to this study is explained

CHAPTER 2:

LITERATURE REVIEW

2.0 Introduction

This chapter provides the type of literature and theoretical framework that was used in the study. It explains the relevant literature to this research. The section has three sub headings representing the issues of the research. It also gives the researchers opinions regarding issues covered in the literature review. The research looks at three main issues in order to tackle the research problem. The following is the literature that supports the three main issues.

2.1 Awareness/ Knowledge Levels Among Managers On Leadership That Fails to Prevent Fraud And Corruption

Firstly the survey sought to assess the awareness levels and existing knowledge/ views, among managers on how they can encourage or lose control of organizational-wide-spread fraud and corruption that yields a bad work culture. Relevant literature shows that it is possible for managers to detect early through observation that fraud is taking place. Thus managers can prevent it from becoming widespread. For instance, Wilford Mawanza (2014) in his study set out to investigate the main forces of workplace fraud in Zimbabwe in view of the fraud triangle and he conducted a survey in which he administered a questionnaire to 45 organizations countrywide from various sectors. According to him it was important to note the variability in and prominence of workplace fraud by sector. He confirmed that organizational leadership can through observation of the behaviors of the individual members detect red flags that fraud is taking place and he reported the following red flags:-

> Results indicated a large span of red flags common in companies. Detected were change in life style, friendly attitude, does not go on leave, protests job rotation, incomplete returns, frequency of visits to the hotel, complaints from customers, altered vouchers, overstaying at work after hours, unwillingness to share work, spending spree, resignation, erratic behavior, too protective with financials of the organization, fraternizing supplies, behave like lender of the last resort and behavioral changes. (Mawanza , 2014, p. 93)

Therefore it can be assumed from Mawanza's findings that organizational leadership must first know what to watch out for before they can take action in correcting the work culture or atmosphere before the eruption of wide spread fraud and corruption. The paper therefore checked to see whether the research participants were aware that they can detect early by just observing the behaviors of workers. However, what managers needed to know most through this survey was exactly what best practices/ actions were leaders taking once they detected the signs that fraud was taking place. And what approaches they were using to integrate and influence employees to want to support the prevention of fraud and corruption. It has been very difficult to define what a good work culture is. For instance, Alison Taylor, 2015 in her article indicated the following. "While a successful anti-corruption program required a strong ethical culture, problems of definition and measurement persist." In the same article she quoted the Securities and Exchange Commission (SEC) and Department of Justice (DOJ) guidance's as follows:

> (Taylor, 2015) Guidance for companies published in 2012 states: DOJ and SEC consider the commitment of corporate leaders to a "culture of compliance" and look to see if this high-level commitment is also reinforced and implemented by middle managers and employees at all levels of a business. However, neither regulators nor anti-corruption consultants have much to say about what a "culture of compliance" looks like, how to understand whether a problem exists or how to build a compliance culture.

Thus it becomes necessary for this research to establish first what the managers in different organizations perceive as signs that help to show that there is a good work culture in an organization. Many different authors on the website and in books have provided examples of what signs show that an organization has (1) a bad work culture and (2) a good work culture. For example and just to mention two authors: (Rains , 2012) provided what she perceived as the 10 signs of unhealthy company culture as follows. “Playing favorites, bending rules too much, employees fearing taking risks, employees are defensive, employees only give positive feedback, customers often complain, issues are repeated in meetings.” Thomas Nelson’s, (January 6, 2015) article, (an adapted excerpt from Fairness is Overated: And 51 Other Leadership Principles to Revolutionize Your Workplace by Tim Stevens) provided 12 Signs Your Company Has An Enviable Work Culture. Some of these included the following. (Nelson, 2015) “People are waiting in line to join your team, turnover is low, top leaders are not insecure about other leaders succeeding, team members are energized by the mission, the team believes they are more important than the task, people are smiling, fear is missing, communication is strong, change is welcome.” This paper assessed what is perceived as a good work culture in comparison with the adapted views of these two writers. Then the research participants could possibly comment on how they have contributed to creating a good work culture free from fraud and corruption in the current and or previous organizations that they have worked for.

Agencies that provide training in fraud and risk management have identified that it is important for managers to be knowledgeable about how to prevent/ control fraud and corruption. For example (Integritas 360, 2016) stated that the organizations first line of defense from corruption is to get everyone on the ‘same page. They ask some questions as follows:

> Do you and your staff have a common understanding of how your organization defines corruption, and what constitutes acceptable and unacceptable behavior? Do your managers understand the integral role they play in corruption prevention, and the various red flags to look for? Are they equipped to handle and manage cases of suspected fraud or corruption if reported to them? Despite training and sensitization being an organization’s first line of defense, there is a tendency to overlook the more important ‘softer’ controls, in favor of the less effective but easier to implement ‘harder’ controls. (Integritas 360, 2016)

(Wafield and Associates , 2016) "Fraud awareness training is one of the main tenets of a fraud strategy. Educating staff in respect of what to look for and how fraud happens, empowers them to take the necessary action to mitigate the risk of it occurring or, when it does occur, address it in the correct way." Therefore this research checked to see whether all the managers that participated on this survey had received any form of training to ascertain acquired knowledge.

2.2 The Practices That Work Best In Providing Organizational Leadership That Prevents Fraud And Corruption In An Organization

This research embarked on describing the current best practices that managers were currently committing themselves to doing in order to make others want to prevent organization widespread fraud and corruption. This was information that was rarely shared among organizations. For example when Dr. Timothy Pearson, Executive Director of the Institute for Fraud Prevention (IFP) was interviewed, he said the following.

> (Fraud Magazine , 2010) Despite the enormous scope of the problem, relatively little academic research has been conducted on the costs of fraud; root causes; or effective methods to identify, deter, and prevent it. One problem is that people don't like to acknowledge or disclose fraud. We have a similar problem with fraud, but it's a hidden problem. If we can get organizations to share their experiences and provide resources to examine their experiences in a rigorous way then maybe we can stop fraud before it happens. Perhaps we can stop enough to spare some of the horrible consequences.

However, there is some relevant literature that was done. For example, Huberts L., Kaptein M., and Lasthuizen (2007) explored the connection between three aspects of leadership – role modeling, strictness, and openness – and nine types of integrity violations within the Dutch police force. They used 2,130 questionnaire forms to collect data from regular police officers in five regional police organizations in the Netherlands asking them to describe their direct supervisor's leadership qualities and the frequency of integrity violations in their unit. The response rate was 51 percent. Their findings were as follows:-

> Role modelling is especially significant in limiting unethical conduct in the context of interpersonal relationships. Employees appear to copy the leader's integrity standards in their daily interaction with one another. Strictness is important as well, but appears to be particularly effective in controlling fraud, corruption and the misuse of resources. The impact of openness is less evident. (Huberts , et al., 2007, p. 587)

Guidance's have been provided on what it takes for an organization to prevent fraud and corruption. For instance:-

> (KPMG International , 2014, p. 4) An effective fraud and misconduct risk management approach encompasses controls that have three objectives: prevents instances of fraud and misconduct from occurring in the first place; detects instances of fraud and misconduct when they do occur; and responds appropriately and take corrective action when integrity breakdown arise.

KPMG provided a list of sample elements of a comprehensive compliance program designed to prevent, detect, and respond to fraud. See the appendix 3 for a figure illustrating these elements. In an article that examined the significant problem of fraud within nonprofit organizations and demonstrated that current anti-fraud measures do not adequately reflect the important role employees play in perpetuating or stopping fraudulent activity. It was established that, (Bradley , 2016, p. 711) "to successfully combat fraud, organizations must integrate employees into design, implementation, and enforcement of anti –fraud strategy and procedures." Now as to how managers can go about to successfully integrate and influence employees into design, implementation, and enforcement of anti – fraud strategy and procedures is the gap that this research fills.

The Five Practices of Exemplary Leadership Model is one model that is relevant to this research. It was built through research by John Wiley and Sons Inc. when they first set out to discover what great leaders actually do when they are at their best. They collected thousands of stories from ordinary people on the experiences they remembered when they were asked to think of a peak leadership experience. They discovered that, (John Wiley & Sons Inc., 2016), "when leaders are at their personal best there are five core practices common to all: They model the way; inspire a shared vision; challenge the process; enable others to act; and they encourage the heart to act." According to them this model turns the abstract concept of leadership into easy- to- grasp practices and behaviors that can be taught and learned by anyone willing to step up and accept the challenge to lead. (Kouzes & Posner, 2012, p. 1) "The leadership challenge is about how leaders mobilize others to want to make extraordinary things happen in organizations. It's about the practices leaders use to transform values into actions, visions into realities, obstacles into innovations, separateness into solidarity, and risks into rewards." Wiley provided ten commitments of exemplarily leadership. See Appendix 2 for details on this. This research used this model, (i.e. the Five Practices of Exemplary Leadership Model), as a theoretical framework in drawing out from the personal work experiences of individuals in managerial positions, the specific practices, actions or behaviors that they were deliberately committing themselves to make employees in the organization to work together in combating fraud and corruption.

2.3 Organizations Ailing With Widespread Fraud And Corruption Can Suffer Adverse Effects: Survival Vs Collapsing

The third issue of this paper was to determine what could be done to ensure survival of an ailing organization fraught with fraud and corruption. According to (Ray , 2017), the effects of fraud and corruption are well known for instance it creates inefficiency as resources are used improperly, the efficiency of a business suffers. There is weakened development as lenders, donors or investors are doubtful of conducting business with corrupt organizations and undetected fraud and corruption begets continued criminal activity. According to (Freedman, 2017) fraud hurts you and your organization as you experience financial loss, external confidence is lost as company faces ongoing problem of public trust, company culture and morale is shattered and there are increased audit costs. An example is given from a world report as follows:

> 6 years after a corruption scandal damaged donor confidence in Zambia, funders are preparing to enter into new health agreements with the government. In 2009, SEK 7 million in Swedish aid was stolen by health ministry officials in Lusaka. The scandal threw Sweden's health program in Zambia into disarray. The country, the lead donor in the health sector, immediately froze its health aid and later cancelled general budget support as well. In the years

> that have followed, more than SEK 0·5 billion in Swedish aid has been withheld from Zambia—almost 100 times more than the amount of aid that was originally misused. Although the Zambian Government has paid dearly in lost donor revenues, the human costs for intended beneficiaries of the assistance have been even higher. (Lancet- World Report, 2015, p. 519)

Here it can be seen that something was done about the scandal and the partnership with the donor was restored. Some organizations have been closed down due to the impact of excessive fraud and corruption. For example one might want to ask, was it not possible to restore Enron's normal operations? Surely some organizations like WorldCom had successfully managed as mentioned in chapter 1 of this paper. WorldCom created a reorganization plan and emerged from bankruptcy under the name MCI, to free itself of the stigma associated with WorldCom's fraud scandals. The question is are there leaders in organizations that have experienced excessive fraud and corruption who can share their experiences by describing the outcomes and how they successfully overcame it. Thus this paper first ascertains that there are managers that had encountered organization wide spread fraud and corruption which was successfully curbed despite the many challenges to restore the organizations normal functionality. Then it determined the specific steps that managers can take to restore a good work culture after a threatened downfall caused by organization widespread fraud and corruption.

The findings from the research done by Clinton Free, Norman Macintosh and Mitchell Stein (2007) on the subversion of Enron's management controls supported this issue in the following manner. They asked, "How did a sophisticated and comprehensive set of management controls fail to prevent and detect widespread and continued corporate –wide fraud, information manipulation and dishonesty in Enron?" In (Dessler, 2015, p. 482) it was reported that, "Enron had all the elements usually found in comprehensive ethics and compliance programs: a code of ethics, a reporting system as well as a training video on vision and values led by company's top executives." (Free , et al., 2007) Purported that "Enron provides a blueprint of how insufficient attention to changes in leadership and culture can undermine what at least on the surface, appears to be a state –of-the-art management control system." They compared the two leader's practices, the outgoing leader, Richard Kinder and the successor, Jeff Skilling as follows:-

> Richard Kinder, known throughout Enron as "Doctor Discipline", was both people and numbers oriented. He held a meeting in the boardroom every Monday morning where he interrogated every business unit leader, frequently challenging their strategic plans and numbers. He focused hawk-like on expenses, cash flows, and employee levels. With the appointment of Skilling as CEO, Enron's culture would begin a radical transformation. As Edgar Schein argues, leadership is critical to the creation and maintenance of culture; there is a constant interplay between culture and leadership. (Free , et al., 2007)

Free, et al. drew out the following lessons out of the collapse of Enron under Skilling as CEO.

> Firstly, it underlines the vital role of top management leadership in fostering organizational culture. Within organizations, the impact of culture and leadership on even the most sophisticated management control system must not be overlooked or minimized. Finally, the Enron sag speaks to the importance of not abandoning professional integrity.

According to Stephen P. Robbins and Mary Coulter, 2014, p. 77-78, research suggested seven dimensions that seemed to capture the essence of an organizations culture which were presented in Exhibit 2.5. See appendix 1 for the copy of Exhibit 2.5. They presented the following:-

> Attention to detail: the degree to which employees are expected to exhibit precision, analysis, and attention to detail; outcome orientation: the degree to managers focus on results or outcomes rather than how these outcomes are achieved; people orientation: the degree to which management decisions take into account the effects on people in the organization; Team orientation: the degree to which work is organized around teams rather than individuals; Aggressiveness: the degree to which employees are aggressive to and competitive rather than cooperative; Stability: the degree to which organizational decisions and actions emphasize maintaining the status quo; and Innovation and Risk taking: the degree to which employees are encouraged to be innovative and to take risks. In many organizations, one cultural dimension often is emphasized more than the others and essentially shapes the organizations personality and the way members work. (Robbins & Coulter, 2014, p. 78)

From the findings by Free et. al., (2007) analysis it appeared to point out that Enron's management under Skilling emphasized more of the cultural dimension of outcome orientation and aggressiveness. This is said to have undermined the effectiveness of the strong internal control. Another source of literature that was relevant to this study was as follows.

> (Management Transitions , 2012-2016) Strong cultures exist in organizations where key values are intensely held and widely shared. They tend to have a stronger influence on employees than do weak cultures. As a culture gets stronger, its impact on what managers do increases. It is worth noting that it is more difficult to change strong cultures than weak cultures.

It can therefore be understood that if the fraud and corruption has become normalized it becomes the work culture of the organization. It then becomes a strong culture in an organization which can be challenging for managers to change. It is therefore vital that the most crucial steps to restoring a good work culture free from fraud and corruption be determined and in particular for a successor (incoming) top leader in an organization. Thus this study sought to fill this gap of knowledge. It sought to learn from their experiences on what was done to attain this success and determine what steps leaders can take to recreate a good work culture free from fraud and corruption.

2.4 Summary

This survey did not study a totally new field. It was organized to use the knowledge base from KPMG's International fraud risk management reports as well as the different articles written on signs that show whether a company has a bad or a good work culture. Thus the gap was to assess the knowledge levels and different perceptions/ experiences of the organizational leaders. The study also aimed to apply the Five Practices of Exemplary Leadership Model as a guide to draw out the best practices approaches to leadership specifically in preventing fraud and corruption. The findings from the research done by Free et.al, on the destabilization of Enron's management internal controls was the foundation to close the gap of knowledge on the crucial steps to salvage an ailing organization fraught with excessive fraud and corruption. Whereas the legal agencies guidance's have provided for what constitutes a comprehensive compliance program that prevents fraud and corruption it is normally not the case that it turn out to be effective. This is because for compliance programs to work, like any other project in an organization, it needs leadership that will run it with understanding on how it will work and how to get all involved. Thus it is important for this study to investigate what are the best practice approaches to leadership in averting fraud and corruption. Next in chapter 3, the research methodology, focuses on highlighting the research design, the population, sample and type of the data that was used in the study, how data was collected, analyzed and presented.

CHAPTER 3:

RESEARCH METHODOLOGY

3.0 Introduction

The research design, research population (subjects), research instruments, data collection procedures, data presentation and analysis procedures are presented here. (Blumberg, et al., 2014, p. 152) "The research design constitutes the blueprint for the collection of, measurement and analysis of data. It aids the scientist in the allocation of his limited resources by posing crucial choices." Thus a description is given on the methods that were selected and why they were selected.

3.1 Research Design

This was a descriptive research, (statistical research), that used a qualitative approach based on the constructivism research philosophy. This is in line with the purpose of the research which is mainly to describe the current situation. This kind of research was explained in the following way:

> (Blumberg, et al., 2014, p. 8) A descriptive study tries to discover answers to the questions who, what, when, where and sometimes how. Such studies may involve the collection of data and an examination of the distribution and number of times the researcher observes a single event or characteristic (this is known as a research variable). They may also involve an assessment of the interaction of two or more variables.

In (Research Methodology.net by John Dudovskiy, 2016) Davis Elkind is quoted to describe constructivism research philosophy, "Constructivism is the recognition that reality is a product of human intelligence interacting with experience in the real world. As soon as you include human mental activity in the process of knowing reality, you have accepted constructivism. " This supported this study as it involved studying the experiences through tapping into perceptions and views of organizational leaders. This was done as it was expected that this would help to determine the common traits among individuals so that it could lead to important recommendations on the best practice approaches. A weakness of using the descriptive design is that the research design could only describe the data collected and could not draw conclusions on causal relationships. (Blumberg, et al., 2014, p. 153) "If the research is concerned with finding out who, what, where, when or how much, then the study is descriptive. If it is concerned with learning why that is, how one variable produces changes in another- it is causal." However, the descriptive design with a qualitative approach was chosen because it sought to describe the current best practice approaches to preventing fraud and corruption that managers were consciously committed to doing in organizations. The researcher required to study frequencies, proportions and averages of the research sample that had certain views to discover different variables that could possibly describe the current situation rather than determining the reasons.

Further to that a qualitative approach was chosen because of its advantages. For instance (Occupy Theory , 2014) "This type of research gives emphasis on the value of looking on variables in their natural setting where they are commonly found. The data in qualitative research depends on human experience and this is more compelling and powerful than data gathered through quantitative research." Thus the individuals participated in this study from within the experiences of being currently employed in an organization at a managerial position. It was envisaged that if this study found out that for example certain recommended practices to leadership in fighting fraud and corruption were been used more than others, it could provoke further research to ask the why questions of an explanatory research.

3.2 Research Population

The unit of analysis was the leaders in an organization. Employees in organizations who were currently in senior and middle and or low level management positions for example with job titles such as chief executive officer, director, senior manager/ manager, senior advisor, chief of party, team leader were the research population, (subjects), of this survey. This research population was chosen because there was a common binding characteristic of leadership in organizations. Thus the data collected from such respondents was likely to be reliable and valid to describe the current situation. The actual total number of the research population was approximately 460 individuals from 32 different organizations located in Lesotho and Zambia. A few of the individuals were also overseeing work stations in other countries besides the aforementioned and/ or their work station was in another country.

3.3 Research Sample

The research targeted to recruit a minimum of 60 employees in managerial positions out of different large to medium sized organizations who were voluntarily available to participate in the study. This sample size was large enough for the kind of design chosen on this study. The following sources supported this sample size.

> (WHO, 2016) In qualitative studies the aim is not to be representative of the population. The validity, meaningfulness and insights generated from such studies have more to do with the information richness of the cases selected, and the analytical qualities of the researcher than with the sample size. A qualitative study with 40 informants is a relatively large study.

> (Statistiics Solutions, n.d.) Qualitative analysis typically require a smaller sample size than the quantitative analysis. Qualitative sample sizes should be large enough to obtain feedback for most or all perceptions. Obtaining most or all of the perceptions will lead to the attainment of saturation. Saturation occurs when adding more participants to the study does not result in additional perspectives or information.

In (Latham, 2000-2017), “Guest, Bunce, and Johnson (2006) propose that saturation often occurs around 12 participants in homogeneous groups.” On this research, the sample size of 60 was chosen as it was large enough to allow the researcher obtain the required qualitative data within the limited resources and time allocated for the research. (Statistiics Solutions, n.d.) “Qualitative sample size may best be determined by the time allotted, resources available, and study objectives.”

3.4 Sampling Techniques

The judgement purposive non-probability sampling technique was used to sample out organizations from different industries or sectors on this survey. (Blumberg, et al., 2014, p. 192) “A non-probability sample that conforms to certain criteria is called purposive sampling. Judgement sampling occurs when a researcher selects sample members to conform to some criteria.” The researcher judged organizations based on its size i.e. selected only large and medium sized and according to its appearance of being a successful business and length of time in existence in the country. The type of industry did not matter. Then only employees in managerial positions that volunteered to participate were recruited on this research. (Trochim, 2006) “There are actually two reasons you might do expert sampling. First, because it would be the best way to elicit the views of persons who have specific expertise. In this case, expert sampling is essentially just a specific subcase of purposive sampling.”

Despite its disadvantage of not allowing each population element a chance of being selected, the non-probability sampling design was chosen on this study, because the study did not need to make inferences to a general population, but it would mainly describe the situation. For instance according to (Blumberg, et al., 2014, p. 192) “If there is no desire or need to generalize to a population parameter, then there is much less concern about whether the sample fully reflects the population.”

3.5 Research Instruments

The type of method of data collection was a survey. (Murphy, 2001-2016) “Using a descriptive research design requires the use of specific forms of data collection. This can include case studies, observation or surveys.” Two standard semi –structured survey forms were used as follows. An individual survey questionnaire was administered to 60 employees in managerial positions asking them about their views, experiences and practices in preventing fraud and corruption in an organization. The other form was the organizational survey form that was used to collect data on the organizations fraud and corruption risk management system and policy. The organizational form was used to interview one representative of the selected organization. (Blumberg, et al., 2014, p. 246) “Semi-structured interviews usually start with rather specific questions but allow the interviewee to follow his or her own thoughts later on.” The survey forms on this research contained a mix of closed ended (including rating –scale questions), partially open ended and open ended questions.

This was chosen because having a mix of these questions and a semi structured guide would allow for comparability of responses as opposed to unstructured questionnaire. It would also make respondents more willing to answer or complete the questionnaire, if the questionnaire also provided response categories to choose from rather than thinking through each and every question. That is it would be perceived as less of a tedious process. Now advice is that, (Blumberg, et al., 2014, p. 248) “more structured guides improve the comparability of the answers, but reduce the explorative character of the interview.” Thus the research instrument contained also partially open ended and open ended questions to allow for variable responses of responses from respondents so as not to limit the information that could possibly be collected. (Blumberg, et al., 2014, p. 216) “Exploring a topic needs at least a semi-structured approach that gives the respondent the option to turn the interview in different directions and to come up with new sub-topics that the researcher often has not thought about beforehand.” Further to this on this research the Five Practices of Exemplary Leadership Model and other guidance’s on managing risk of fraud and corruption was used to control the kind of information collected on the practice approaches used by leaders. According to (Blumberg, et al., 2014, p. 149) in a qualitative research setting the researcher can still exercise control on the kind of information gathered for example by selecting the (leading) questions asked.

Collecting descriptive research data has both advantages and weakness. For instance:-

> (Rosa , 2014) The advantages of a descriptive research is that it gives researchers the opportunity to use both quantitative and qualitative data in order to find data and characteristics about the population or phenomenon that is being studied. Confidentiality is the primary weakness of descriptive research. Often subjects are not truthful as they feel the need to tell the researcher what they think the researcher wants to hear. Descriptive research also presents the possibility for error and subjectivity. For example, when a researcher designs a questionnaire, questions are predetermined and prescriptive. Furthermore, the study may contain errors, as the researcher may record what she wants to hear and ignore data that does not conform to the research project's hypothesis.

Therefore the researcher observed ethical considerations of ensuring privacy and confidentiality as described later on, in this chapter, section 3.8 of this paper. The two semi-structured survey forms were administered using three different communication methods that is personal interviews, self-administered surveys and web based surveys. This was to catch those managers that were willing to participate on the research but were not available for interviews during the day time and also to enable respondents the privacy to respond freely and truthfully. Clear instructions on how to fill out the forms were inbuilt on to the form to overcome the challenge that the potential research participant/(s) might prefer to do the self-administered questionnaire and might not know how to fill it out. Most participants interviewed did not want to have their interviews tape recorded thus the researcher tried to reduce error by recording the actual words of the research participants on to the form to avoid subjectivity/ bias in the data and by also asking the respondent if his/ her views were recorded accurately.

3.6 Data Collection Plan

Both primary and secondary data was collected. The procedure for collecting primary data was as follows. Once all the organization were sampled, two weeks' notice was given, to the head of the organization seeking permission to carry out the survey in his or her organization. If the head of the organization gave approval to proceed, the researcher asked for contact details of the management team. Then appointments to conduct the survey was made through telephone or email with those that volunteered. Research participants and/ or organizations were provided with the options to participate through an interview, or a self-administered survey on hard or soft copy or a web based survey. The advantage of an interview was that the researcher was able to probe more and was able to get good cooperation and an established relationship which ensured fully completed questionnaires.

In cases where participants were too busy to have the interview with the researcher and therefore opted for the self-administered survey, it was foreseen that the response rate might become lower than the personal interview as respondents might keep postponing attending to it. Thus a follow up procedure was set up to include an initial call back or reminder email plus 3 call backs or reminder emails which were done at varied timings. This helped ensure a good response too on the self-administered survey questionnaires. All primary data collected was directly recorded on the survey forms. Sources of secondary data that supported the research findings included reviewing books, journals, reports, policies, business magazines, guidance documents and published research in both print and soft copy form.

3.7 Data Analysis Procedures

The data that was collected was processed, cleaned to remove errors and organized in the following way. Some editing was done directly at the time of the interview with the participant when a response looked inconsistent with the previous answer. Cleaning involved removing the name of the organization from the survey forms. The survey forms were organized by assigning each one with a unique identification number, i.e. beginning with P01 through to P60, to avoid using the organizations name in data analysis process. Then the responses to the partially and open ended questionnaires were analyzed manually using the content qualitative method. It involved summarizing textual data such as short narratives into themes, comparing variables and describing what the summary data represents.

The type of content analysis method used was the thematic analysis approach which was used to draw out a general statement from the descriptions provided by the participants, putting similar fragments of data into a category of data or theme. "The main objective of thematic analysis is identifying common seams in a bundle of stories. Thus while structural analysis compares analysis in the detailed investigation of a single story, thematic analysis compares multiple stories from different tellers." (Blumberg, et al., 2014, pp. 289, 293)

The process involved identifying themes in the filled out questionnaires and these were assigned a code e.g. empowerment of employees to speak out. Then this code was given a definition of what it means. For example any statement that has to do with actions taken by management to enable employees speak out against fraud and corruption. Then all other responses to a particular question were compared to the code to see if they fit in a code. If it did not then a new code was assigned with a definition and the same process repeated for all the questionnaires. (O'Connor & Gibson, 2003, p. 68) "When looking at the various responses for one particular question the researcher may find specific words or ideas keep coming up. The researcher should make note of the different ideas as different responses are read through." Thus the codes and their definitions were documented in a manual.

The codes were then used as variables that could be given a value so that generating frequencies, proportions and comparisons of the varied responses could be made possible.

(Blumberg, et al., 2014, pp. 290-291) "…coding units should only fit into one category and entry in one category does not influence entries in other categories. The coding dimensions turn the categories into variables that take values." The data from the survey forms was then entered directly into a computer using the Microsoft excel spreadsheet. Using the Microsoft excel pivot analysis tool, trial summaries in tables and graphs were done and where errors were contained or missing data was detected, further cleaning was done through counterchecking the source material (i.e. the filled out survey forms) and the manual. The researcher then maximized the use of the Microsoft excel pivot analysis tool and automatically generated frequencies, percentages, averages and proportions of the research sample and presented them in form of tables and graphical presentations as was presented in this paper. Some of the data was also presented in text. Then the researcher attached meanings to these various summaries from which lessons and conclusions were drawn. Oral presentation to an audience, using Microsoft power point and a written report in form of a dissertation was the media used for presenting the survey findings.

3.8 Ethical Considerations

Ethical consideration was taken at the recruitment of research participants and during the interviews as follows. Once the organizations were sampled out. The head of each organization was contacted first for an approval to gain access to the employees by sending, through email or hand delivery, a cover letter with the following attachments: An introductory letter from UNZA; an informed consent letter; and the two survey forms. This letter was used to inform the organizational heads of the survey, explaining what the survey was about, the benefits of the study, the participant's rights and protection and the request to collect the survey data from managers. Upon approval, the head of the organization was asked to supply a list of names and contacts of the senior, middle and low level management team. Then all those that were contacted and voluntarily consented, participated in the survey. Prior to requesting for permission from the participants to proceed with the study the researcher disclosed the procedures of the proposed study to create rapport. Thus the researcher observed the participants rights to understand what the researcher was going to do on the survey. Each survey form included an informed consent letter explaining all this. Thus even those that opted to participate through a self-administered survey were covered with this information. The participants were not coerced into the study as participation was voluntary. The research participants were also treated with respect. Ensuring confidentiality is important and according to guidance provided. The following is advised:-

> (Government of Canada, 2015) The ethical duty of confidentiality includes obligations to protect information from unauthorized access, use, disclosure, modification, loss or theft. Fulfilling the ethical duty of confidentiality is essential to the trust relationship between researcher and participant, and to the integrity of the research project.

Therefore the researcher assured all research participants that they had the right to protection of their personal data and that the information they provided on this survey would be held in strict confidence. The researcher ensured this through the following. Firstly, the participants volunteered to participate on the survey. It was an anonymous survey. Thus the participants did not need to write their names or job titles on the survey form for purposes of protecting their privacy. Participants were also informed that they were free to leave out any question that they were not comfortable to answer. The participants were also asked for permission if their interview could be tape recorded. No interviews were tape recorded unless the research participant consented.

The interviews too were a one- on- one basis, face- to- face relationship that were conducted in a private room with a closed door without interruptions. None of the findings on this paper were attached to any organization or individual as it was presented in a generic manner. The participants were also debriefed on how the findings would be shared. In chapter 1, section 1.8 above, of this paper, the researcher showed open and honest limitations of conducting the research. This was so that people know how far that they could go in applying the findings to their own situations as an obligation to the research community**.**

3.9 Summary

This chapter described the research design, research population (subjects), research instruments, data collection procedures, data presentation and analysis procedures. This carefully laid out the plan that guided the researcher to carry out the research in an orderly manner and it was therefore possible to collect and analyze the data. However, it was challenging to carry out this study because the targeted research participants (i.e. the top leaders and managers) were usually very busy during the day and were not easy to access for interviews. Some top managers viewed the research topic as very sensitive and some organizations refused the researcher access to their policy documents or their managers.

However for the organizations that allowed access to its managers (employees), a mix of interviews and self-administered semi-structured questionnaires were used. This was for the benefit of those managers who requested that they respond to the survey in their own time outside working hours. Thus some useful findings were uncovered. Next in chapter 4, the presentation of findings, gives details of the data that was collected and used in the study for analysis and discussion.

CHAPTER 4:

PRESENTATION OF FINDINGS

4.0 Introduction

This chapter presents the results of the study and discussion of the findings. This is presented under four (4) sub headings. Here are some highlights. Section 4.1 shows the background characteristics of the research participants. In answering the research questions, section 4.2 illustrates results that seemed to indicate that there were considerable awareness levels among leaders on how they can encourage or lose control of organizational- wide- spread fraud and corruption that yield a bad work culture. Secondly, in section 4.3, the results prompted that for managers to make employees do extraordinary things to prevent fraud and corruption, they should be committed to five major practices of exemplary leadership. Thirdly the findings, in section 4.4, ascertained that there were certain steps that managers took in the past to revive an organization that had experienced adverse effects from wide spread/ excessive fraud and corruption and a bad work culture. The lessons that could be learned from these experiences were drawn out. The crucial steps that a successor-top leader, (i.e. a new CEO, country director etc.), should take to move the organization from the current status quo of widespread fraud and corruption to a good work culture free from it were determined. Now the following were the details of the major findings.

4.1 Background Characteristics of the Research Participants

The total number of research participant's was 60 individuals in managerial positions who were currently employed in seven (7) different categories of organizations e.g. private limited company or a parastatal or non-governmental organization and others. *See table 4 of appendix 9 for details.* The majority of the participants work stations were located in the countries, Lesotho, 26 (43.3%) and Zambia 26 (43.3%) while a few were posted to work in other countries. Twenty seven, (or 45%), of the total number of research participant's job positions were at senior management level, 22 (36.7%) at middle management level and 10 (16.7%) were low level management. The majority, i.e. 21 (35%), of the research participants years of work experience at managerial level fell in the category of 6-10 years, 13 (21.7%) of them with over 10 years work experience and 10 (16.7%) each, for those that had below three (3) years' and 3-5 years' work experience.

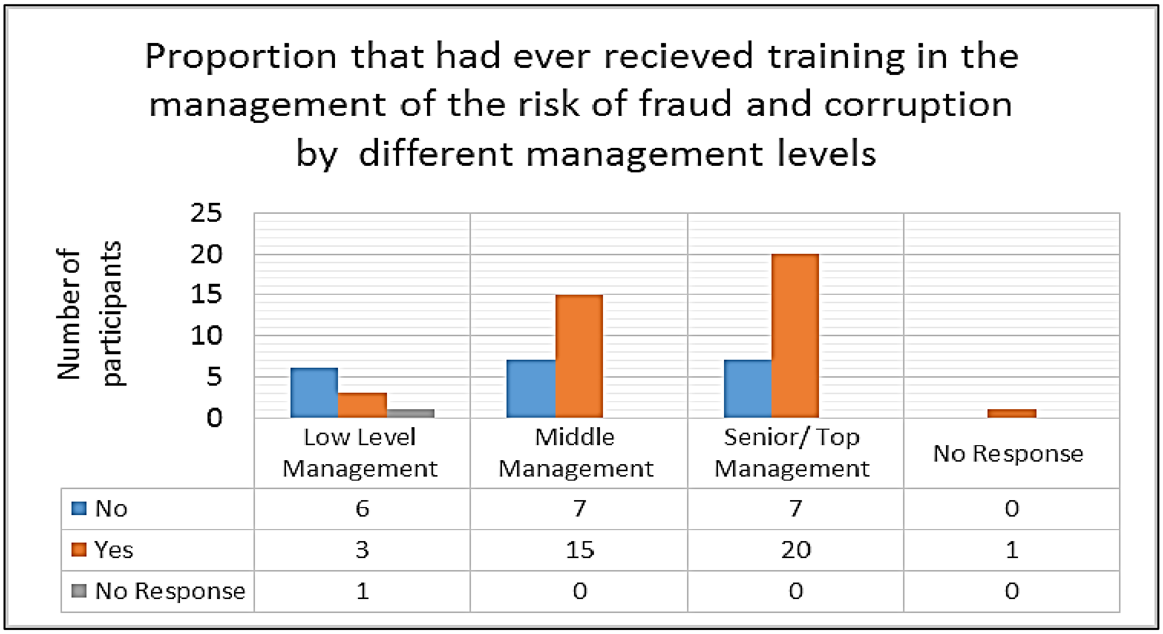
The majority of the participants highest level of education was a master's degree represented by 28 (46.7%), followed by 23 (38.3%) who held a degree. A few, i.e. 7 (11.7%) participant's highest level of education was a diploma. Only 1 (1.7%) participant's highest level of education was a PHD and another 1 (1.7%) was at secondary school level. 19 (31.7%) of the participants were female and 41 (68.3%) were male. The oldest participant was aged 55 years and the youngest was 25 years of age. The average age of the participant's was 39.7 years, the median age was 40 years, the mode was 39 years and standard deviation of the ages was 7. The majority of participants i.e. 26 (43.3%) of them, fell under the age category 41-55 years. For more information see a detailed presentation of the background characteristics of participants in tables 1-13 of appendix 9 of this paper.

4.2 Awareness/ Knowledge Levels On How Leaders Encourage Or Lose Control Of Preventing Internal Fraud And Corruption

<u>Training</u>

The survey found that 39 (65%) out of the entire population of research participants had in the past received training in fraud and corruption risk management while 20 (33.3%) had not. The majority i.e. 34 (87.2%), got trained through an in-house or on the job training program from their employer. *See table 14 and table 15 of appendix 9 for more details.*

The figure 1 presents the proportion of research participants that had ever received the aforementioned training disaggregated by management level in the organization.



	Low Level Management	Middle Management	Senior/ Top Management	No Response
No	6	7	7	0
Yes	3	15	20	1
No Response	1	0	0	0

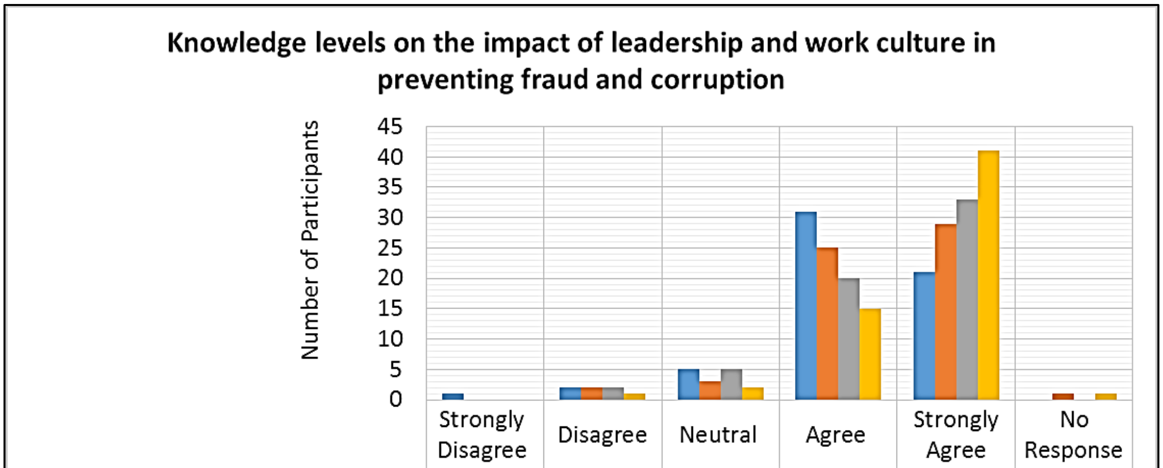
Figure 1: Research participants that had ever received training in the management of risk of fraud and corruption, disaggregated by management level.

Source: Field Data, 2017

The figure 1 indicates that a bigger ratio (i.e. 6:3) of the low level managers, (that is the supervisors of the front line staff), had not received such training. The middle and the senior management staff were better covered with such trainings represented by the ratios 7:15 and 7:20 respectively.

<u>Knowledge Levels On Leadership That Prevents Fraud And Corruption</u>

Prior to determining the best practice approaches to leadership, it was important for the researcher to confirm that participants were aware by agreeing with the findings of the previous research done on the impact of leadership and work culture on the internal control systems of preventing fraud and corruption. The figure 2 illustrates this finding. See also table 16 in appendix 9.



	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	No Response
There are early warning signs to warn leaders that fraud/ corruption is taking place	1	2	5	31	21	0
The effectiveness of fraud and corruption risk managent internal controls is dependent on work culture and leadership practices	0	2	3	25	29	1
The leaders practices can encourage fraud and corruption to take place in an organization	0	2	5	20	33	0
Specific steps can be taken to restore an organization that is fraught with widespread fraud and corruption	0	1	2	15	41	1

Figure 2: Knowledge levels on the impact of leadership and work culture in preventing fraud and corruption

Source: Field Data, 2017

The study found that, on average 54 (90%) of the research participants agreed or strongly agreed with the four statements that they were presented with. These statements revolved around the impact of leadership and work culture in preventing fraud and corruption in the organization. For example in figure 2 the first statement, there are early warning signs in an organization that can tell a leader that fraud or corruption is taking place without anyone voicing it out, had 31 total participants who agreed to it and 21 who strongly agreed to it adding up to 52 (86.7%) responses for the statement. The same reading is applied to the other statements and then the average percentage was found to depict the knowledge levels.

Awareness On Signs That Show A Good Work Culture Vs Bad Work Culture

The study also found that of Nelson's (2015) signs that show that the organization has a good work culture, more than 50% of the research participants agreed that each of his signs were true. The figure 3 below illustrates these findings. See also table 17 in appendix 9. This finding also indicate that, of Rains (2012) signs that show that the organization has a bad work culture it was surprising to note that on one statement 36 (60%) of the respondents felt it was more of a sign that the organization has a good work culture. The argument was that, it was impossible for all members to have access to the mentorship and coaching of the top leader and especially in large organizations.

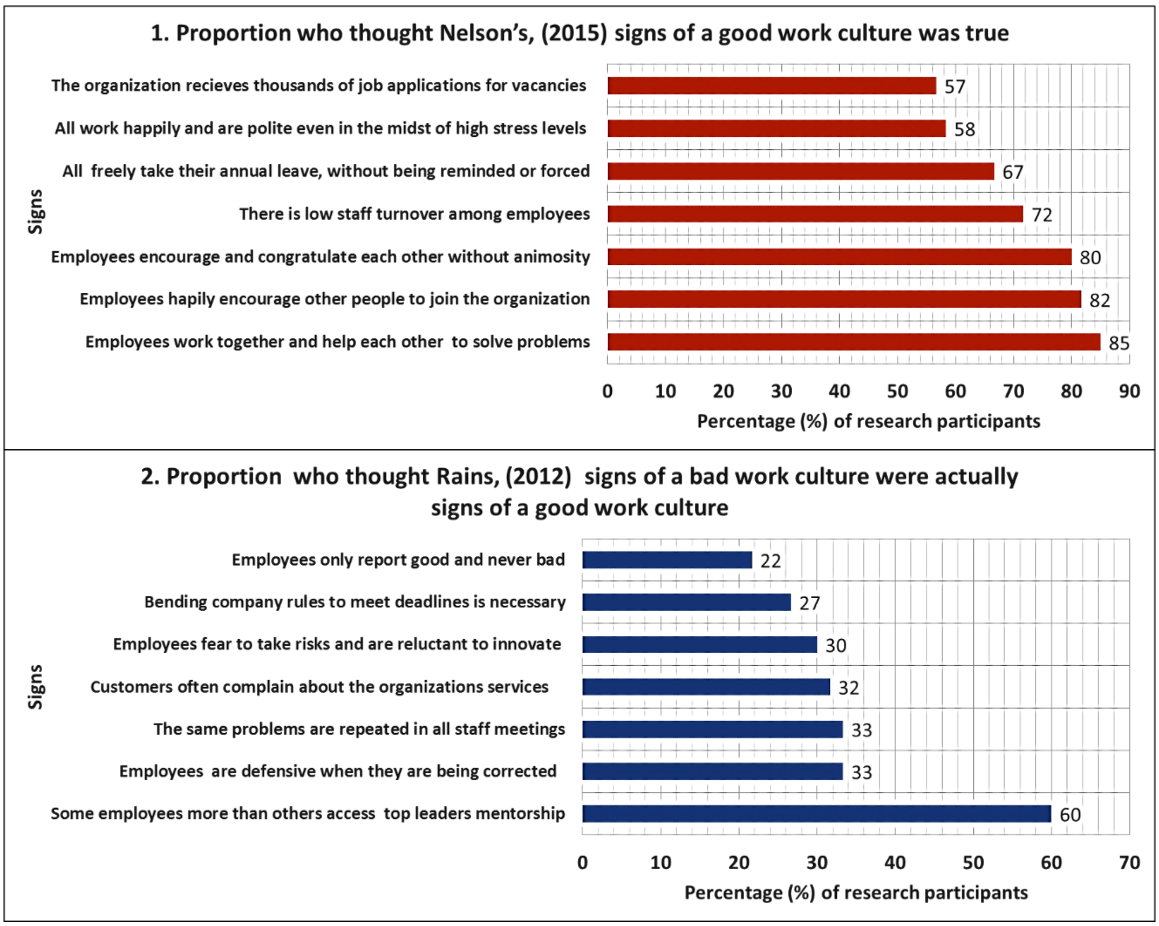


Figure 3: The signs that show that there is a good work culture in an organization

Source: Field Data, 2017

Leadership Practices That Stimulate A Bad Work Culture

The study disclosed 16 behaviors of leaders that managers thought stimulate a bad work culture in which fraud and corruption is perceived as normal. These 16 behaviors are illustrated in figure 4. See also table 19 in appendix 9 for more details on the frequencies of the responses.

16 Behaviors Of Leaders That Stimulate A Bad Work Culture	
1. Not Encouraging openness	9. Lack of seriousness
2. Intimidation/ issuing threats	10. Showing lack of commitment
3. Spending lavishly on Senior management at the expense of operations.	11. Avoiding documenting their communication on financial transactions
4. Occasionally allowing or bending organizational rules	12. Not communicating what constitutes a bad work culture
5. Not taking action against those committing fraud corruption in the organization	13. Lack of providing incentives so staff rationalize rewarding themselves through fraud and corruption
6. Showing favoritism or favoring certain workers	14. Discouraging bad reports
7. Not disclosing conflict of interest	15. Not acting immediately on bad behaviors of employees
8. Having extramarital affairs at work with employees	16. Not being transparent

Figure 4: Sixteen behaviors of leaders that stimulate a bad work culture

Source: Field Data, 2017

Current Status Of The Work Culture

The study also found out that many managers, that is 20 (33.3%), perceived that the current status of their organization's work culture was good. Only four (4) or 6.7% of them thought that it was bad. The figure 5 illustrate these results. See also table 18 in appendix 9 for more details.

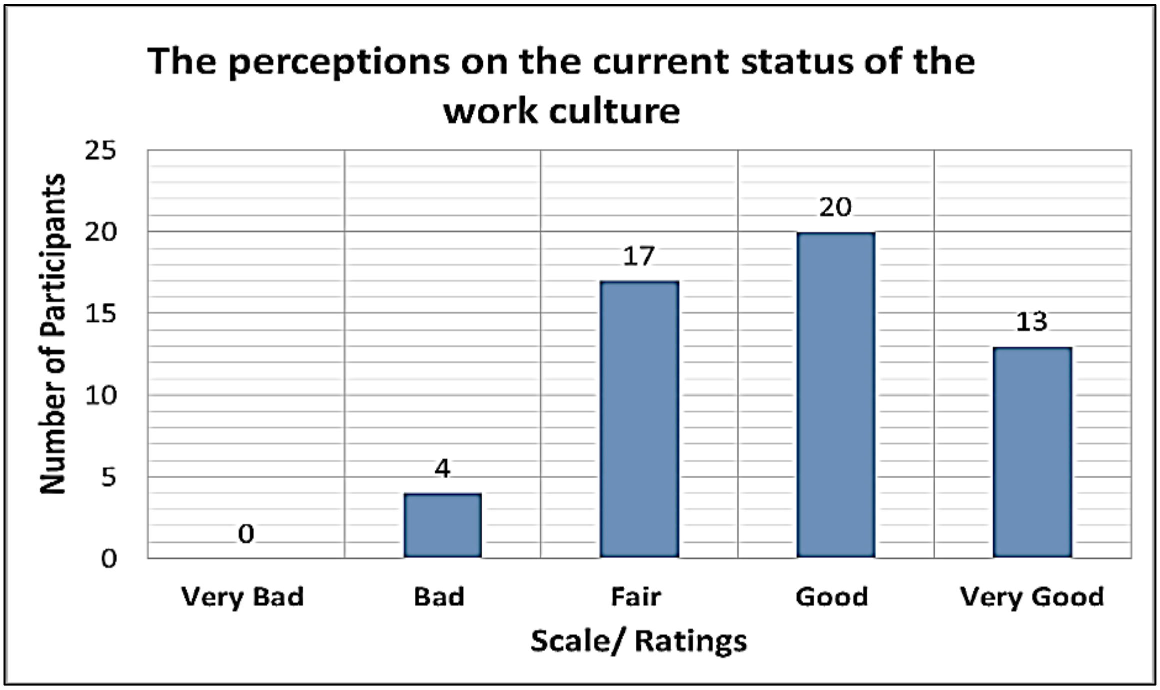


Figure 5: The perceptions on the current status of the work culture

Source: Field Data, 2017

4.3 The Current Best Practices Approaches To Leadership In Successfully Averting fraud And Corruption

The survey sought to determine the current best practices that managers were using to influence others to want to prevent fraud and corruption in the organization. To do this, the researcher firstly ascertained that there were participants whose current organizations were successfully preventing fraud and corruption. Then the researcher drew out the reasons why the participants thought that this was so, the challenges that leaders were facing in preventing fraud in organizations and how these were being overcome. This was done to open up the respondents to share more about the leadership practices that they themselves were committed to, in contributing to alleviating fraud and corruption in their organizations.

The study results show that 49 (81.7%) of the total of 60 participants said that their organizations were successfully preventing internal fraud and corruption. 10 (16.7%) of the research participants did not think that their organizations were successfully doing so. Figure 6 below illustrates this result. See also table 20 of appendix 9.

Figure 6: The number of participants that thought that their organization was successfully preventing fraud and corruption

Source: Field Data, 2017

Reasons For Successfully Preventing Fraud And Corruption

The study discovered the following reasons why the managers thought their organizations were successfully preventing fraud and corruption. The figure 7 below illustrates the findings. See also table 21 in appendix 9 for more details. The majority thought that it was because they had in place strong policies and systems that help management to detect and prevent fraud and corruption early and take corrective action in good time. For example having an integrity framework in place with an integrity committee spearheading the fight against fraud and corruption. This was followed by the reason that managers were regularly communicating and educating employees against fraud and corruption. For example anti-fraud/ corruption awareness campaigns were being done regularly by the relevant department assigned.

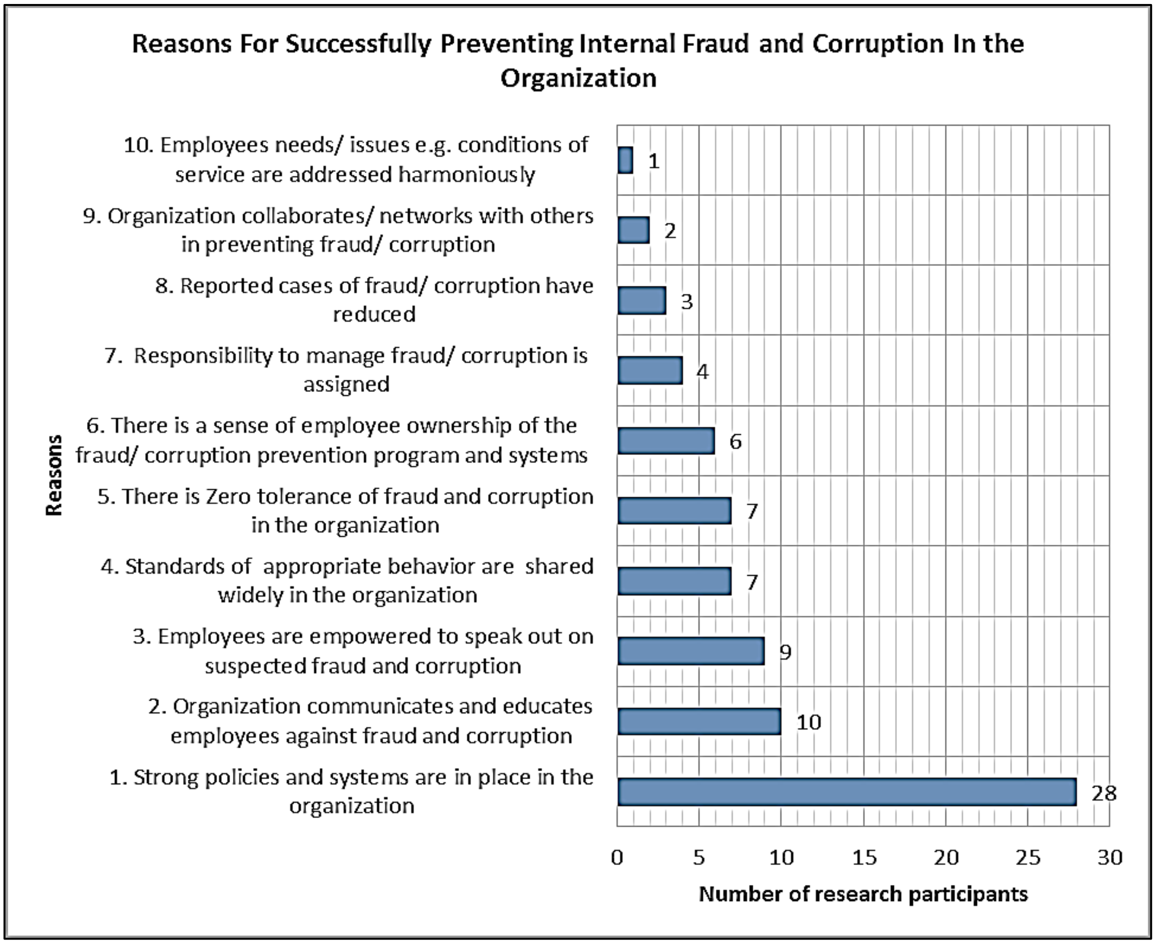


Figure 7: The reasons why the participants thought that their organization was successfully preventing internal fraud and corruption

Source: Field Data, 2017

<u>Factors that hinder Leaders in preventing Fraud and corruption</u>

The study uncovered 14 factors that hinder senior and middle managers in preventing organizational widespread fraud and corruption as listed in the table 1 below. The results show that the most common factor was the failure of leaders to have in place, enforce, implement and ensure that their employees adhere to the fraud and corruption risk management systems, internal controls and standards of behavior represented by 18 (31.6%) of the participants that said so. This was followed by the factor, the leaders own poor leadership practices represented by 16 (28.1%) of the participants that said so.

Table 1: Factors hindering senior and middle managers in preventing internal fraud and corruption

#	Factors Hindering Leaders	Number And Percentage Of Participants	
		No.	%
	Responded to the question	57	95%
1	Failure of leaders to have, enforce, implement and ensure that their employees follow through the fraud and corruption risk management systems and internal controls.	18	31.6%
2	Their own poor leadership practices.	16	28.1%
3	Fear to face fraud and corruption issues and the lack of openness on fraud and corruption issues	10	17.5%
4	Lack of clear and strict policies, rules and regulations on preventing fraud and corruption.	8	14%
5	When the work culture is not conducive to stimulate the right behavior.	8	14%
6	When the organization does not educate, enable, equip, mentor and monitor employees in preventing fraud and corruption	8	14%
7	Hard economic conditions prevailing in the country/ poor remuneration so leaders sometimes fall prey to gain through fraud and corruption e.g. through committing conflict of interest and bribes.	8	14%
8	When fraudulent or corrupt behavior is normalized in the organization due to lack of action against it over time.	5	8.8%
9	When departments/ business units within the organization operate in isolation.	3	5.3%
10	When communication is a challenge in the organization	3	5.3%
11	Lack of employee ownership of the fraud and corruption risk management systems/ controls	2	3.5%
12	Nothing hinders leaders in preventing internal fraud and corruption.	2	3.5%
13	When the support of the board and management does not seem genuine.	1	1.8%
14	Lack of planning in prioritizing issues.	1	1.8%

Source: Field Data, 2017

Cognizance Of Compliance Programs Available For Use In The Organization

The study then revealed that all managers except for 2 (3.3%) were able to identify the elements of a comprehensive ethics and compliance program for preventing fraud, detecting and responding appropriately to it, that they knew were in place and being used in their current organization. The most common were the auditing and monitoring elements and the code of conduct and related standards elements represented by 55 (91.7%) and 52 (86.7%) of the participants that attested that they were in place and was being used in the organization respectively. Figure 8 illustrates these result. See also table 23 in appendix 9 for more details on this results. Now when the average number of responses for the elements of a comprehensive compliance program per risk management approach were calculated, it was found that on average the number of responses for prevention = 32, detection =39 and response = 21.

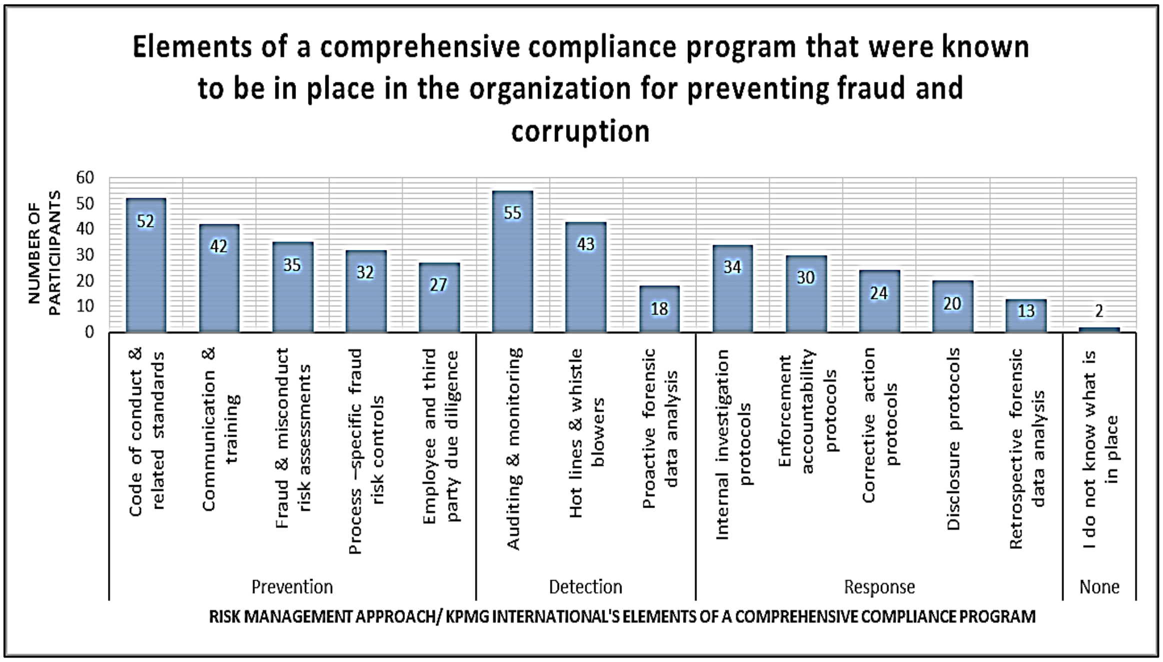


Figure 8: Elements of a comprehensive compliance program for preventing fraud and corruption that were known to be currently in place and in use in the organization

Source: Field Data, 2017

<u>Best Practices to Successful Leadership in Preventing fraud and Corruption</u>

Now when it came to the actual practices to preventing fraud and corruption, the study findings showed that managers were purposely engaged in five core practices of exemplary leadership. That is modelling the right way, inspiring a shared vision, challenging the process from the status quo, enabling others to act and encouraging the heart to act. The Table 2 illustrates this result. For example, it shows that, 60 (100%) managers were currently committed to modeling the right way to prevent fraud and corruption in the organization. This study also obtained 60 illustrative real life examples of what managers were actually doing when they were engaged in each of these five core practices of exemplary leadership and specifically to prevent fraud and corruption. See appendix 10 for details on these illustrative examples.

Table 2: The five core practices that managers were engaged in doing in order to get others to want to prevent fraud and corruption in the organization.

The Five Core Practices Of The Exemplary Leadership Model	Participants Who Responded True	
	Number	Percentage
1. I model the right way to prevent fraud and corruption in the organization	60	100%
2. I continuously inspire a shared vision of creating a good work culture free from fraud and corruption.	54	90%
3. I continuously challenge the process from the status quo, (i.e. the existing state), of a bad work culture to a good one free from fraud and corruption	57	95%
4. I enable others to act in implementing and enforcing fraud and risk management policies and standards.	45	75%
5. I encourage the heart to act against fraud and corruption	53	88.3%

Source: Field Data, 2017

The study also revealed some of the values that the research participant's organizations currently held. The figure 9 shows these different kinds of values.

LIST OF VALUES HELD BY DIFFERENT ORGANIZATIONS	
• ACCOUNTABILITY	• PROMOTE GENDER EQUALITY
• DIVERSITY	• RESPECT
• HEALTH AS A BASIC HUMAN RIGHT	• SERVICES EXCELLENCE
• HONESTY	• SIMPLICITY
• INNOVATION	• SPEED
• INTEGRITY	• COMMUNITY SELF DETERMINATION
• PASSION	• TEAM WORK
• PEOPLE	• TRANSPARENCY
• PERFORMANCE	• TRUST
• PROFESSIONALISM	• WORK AS PARTNERS
• PROMOTE EQUITABLE ACESS	• ZERO TOLERANCE TO FRAUD AND CORRUPTION

Figure 9: The different kinds of values that were currently held by the research participant's organizations

Source: Field Data, 2017

The research findings also indicated that managers perceived that their best practices yielded some positive effects in the organization. For instance, table 3 illustrates that the majority respondents that is 48 (84.2%) of them, noticed enhanced motivation and willingness to work hard among employees. 40 (70.2%) of them said it created higher performing teams.

Table 3: Perceived impact of the research participant's best practice approaches to leadership in preventing fraud and corruption

#	Impact Of The Best Practice Approaches To Leadership	Number and percentage of Participants	
		No	**%**
	Responded to question	57	95
1	Enhanced motivation and willingness to work hard	48	84.2
2	Created higher performing teams	40	70.2
3	Fostered greater organizational commitment	38	66.7
4	Fostered renewed loyalty	29	50.9
5	Reduced absenteeism	27	47.4
6	Generated increased sales and customer satisfaction levels	24	42.1
7	Increased staff retention	24	42.1
8	Enhanced spirit of transparency and accountability	2	3.5
9	Created a culture of a fraud free environment by promoting professionalism	2	3.5

Source: Field Data, 2017

4.4 Experiences on Curbing Organization Wide Spread Fraud and Corruption

The study found that 31 (51.7%) out of a total of 60 participants had experienced a situation in which the organization was faced with excessive or organization widespread fraud and/ or corruption. The most commonly reported type of fraud or corruption committed was the misappropriation of finances or assets represented by 17 (54.8%) participants that reported it. The figure 10 illustrates this finding.

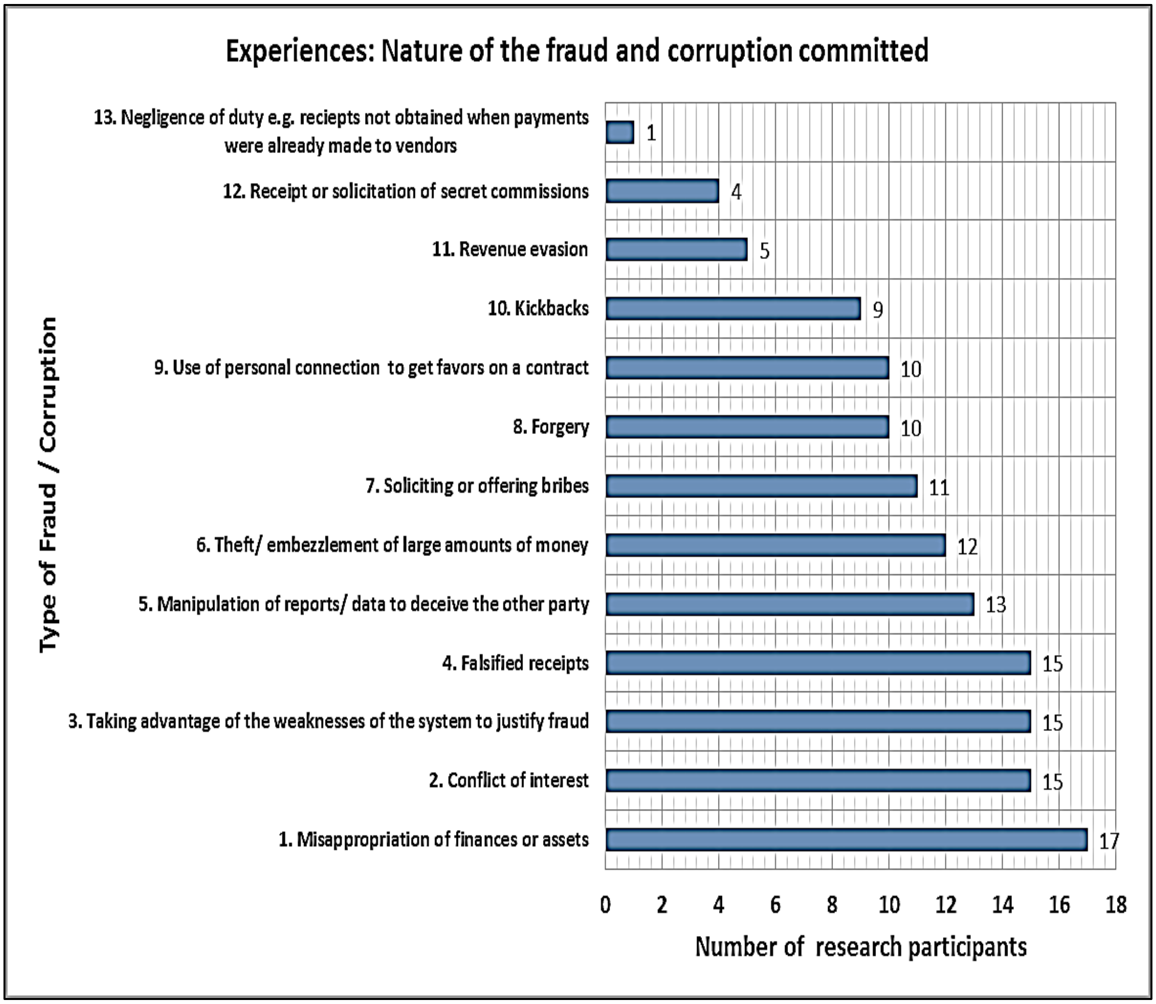


Figure 10: Experiences: Nature of the organizational widespread or excessive fraud and corruption

Source: Field Data, 2017

The study also revealed the impacts of this excessive fraud and corruption that managers had experienced. For instance, figure 11 illustrates that out of the total i.e. 31 respondents who said had ever experienced excessive fraud and corruption 22 (71%) said their organization lost large amounts of finances, 16 (51.6%) said that their organization lost its reputation and only 4 (12.9%) said that their organization eventually closed down.

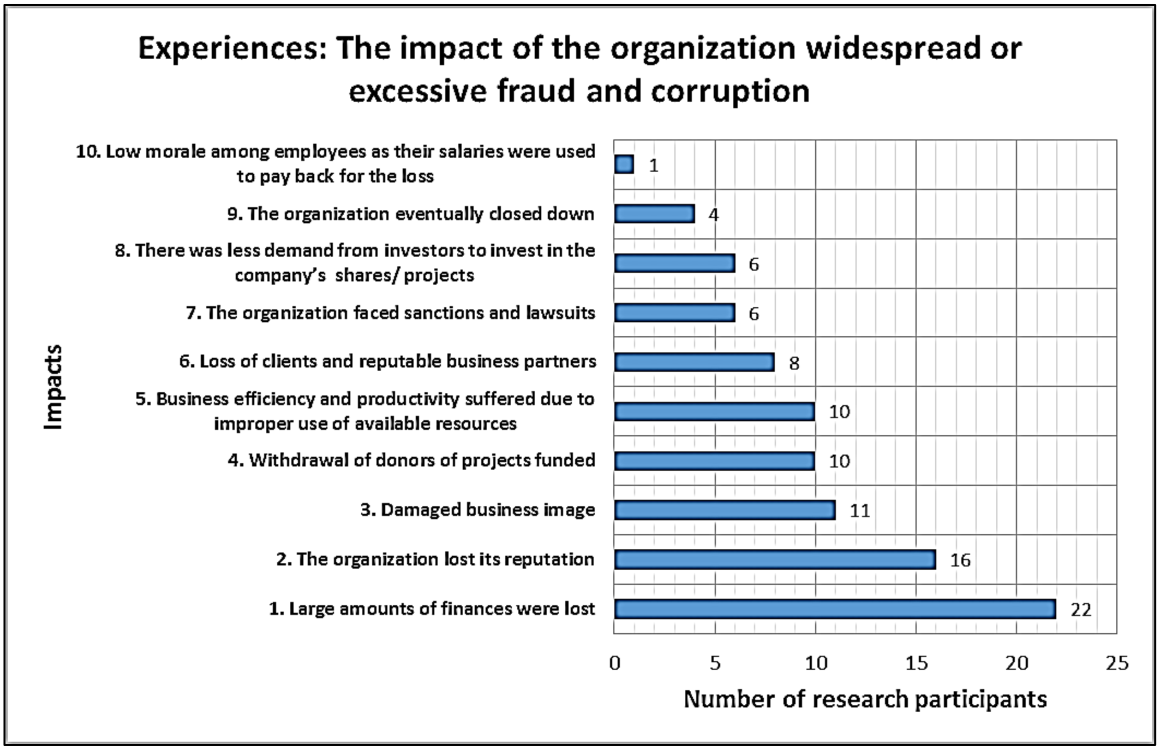


Figure 11: Experiences: The impact of the organizations widespread or excessive fraud and corruption

Source: Field Data, 2017

The study found out that while 26 (83.9%) out of 31 (100%) participants who had experienced excessive organizational fraud/ corruption had their organizational functionality restored and was up and running again. Only 4 (12.9%) participants said that their organization eventually closed down. Table 4 below illustrates this finding.

Table 4: Research participants whose organizations normal functionality was restored after the effects of widespread or excessive fraud and corruption

Were the effects of excessive fraud and corruption contained to the level where the organizations functionality was restored and was up and running again?		
Response	**Number of Participants**	**Percent Participants**
No	4	12.9%
Yes	26	83.9%
No Response	1	3.2%
Total	**31**	**100.00**

Source: Field Data, 2017

The challenges encountered

However the study revealed that managers had faced five major challenges in their endeavors to restore the organizational normal functionality after the impact of excessive fraud and corruption. These challenges are as follows. Firstly, it was difficult to regain competitive advantage of the organization. Secondly, the organization experienced reduced financing, insufficient funds for operations and replacing lost funds was not easy. Thirdly, the excessive fraud and corruption had a negative psychological impact on employees. For instance prosecuting the erring staff members was emotionally straining. Staff morale was affected, others become weary and afraid to make decisions and some thought some of the measures taken were very punitive especially if they had personal connections to staff affected.

Fourthly, managers faced resistance from employees and senior managers on their attempts/ recommendations to change the status quo. The fifth challenge was that engaging the right personnel to transform the organization was challenging too. For example some managers revealed that after the effects of the excessive fraud and corruption i.e. reduced finances for operations, the company lost talent when their professionals and specialists left the company for greener pastures. These staff carried the company's technical knowhow with them which made it difficult for them to compete favorably in the market. The company could not afford to engage new professionals so employed the lower skilled non-professionals.

The lessons that can be learned

It seems that managers can successfully overcome these challenges as the findings of this study show that 23 participants reported that their organizations normal functionality was restored. Therefore this study came up with the following lessons.

Firstly it is good practice to re-start the organization on a new slate in order to regain competitive advantage. The study revealed that top management took the following steps to do this. They carried out investigations to gather more data on the fraud/ corruption experienced; they determined the extent of the damage to the organization and the causes of the fraud; they responded appropriately to it by dismissing the fraudsters and made them pay back the lost funds; for some the top leader was asked to resign as a sign for taking responsibility for the damage; they restructured the organization, conducted team building, redefined the vision and mission of the organization with a new emphasis. Secondly, rebuilding the image of the organization was key in bringing back the funds and restoring public trust and loyalty. Thus managers took the following steps to overcome the challenge of restoring public trust and loyalty. They protected the remaining assets from disgruntled workers that might seek revenge.

They mobilized funds and reimbursed donors/ company owners the lost or unaccounted for funds. They rebranded their organizations products and services. They got independent auditors in collaboration with donors or the board to carry out a forensic audit and the recommendations that were made from the results were implemented by top management. They then communicated to all stakeholders on how they were trying to improve on their internal controls to prevent the re- occurrence of the fraud. They also improved communication both internally and externally in updating all stakeholders of the progress made to clean up the mess. Thirdly open communication after the incidence of widespread fraud and corruption and its impact helps members of the organization to heal from the psychological trauma of the disturbance. Thus managers had provided psychological support to employees through conducting open, constant and regular communication and feedback between management and employees. They also provided one on one counseling to affected employees whose morale went low. They provided performance awards or recognition to deserving employees. Fourthly developing a zero tolerance to fraud and corruption helps to curb resistance to change. Thus managers became more consistent about applying remedial measures e.g. acting against defrauders, investigating the causes of the fraud and tightening up loop holes in the internal controls. Some managers prevented re- occurrence of fraud and corruption through effecting staff transfers and rotations. They collaborated with the law enforcement agencies to do take overs of operations, even for a whole month, to help detect any risk of fraud and recommending the way forward. They improved on the compliance and monitoring and intensified trainings on compliance and work culture.

Lastly it could also be learned that with the impact of fraud and corruption comes the loss of talent in the organization. Thus it appeared that the top leaders were ready to recruit or identify and retain professionals who will not only transform the organization but also rebuild its competitive edge. The study revealed that managers therefore took the following steps. They improvised a succession plan and chartered actions to fill the gap. They avoided blaming anyone of the retained personnel to avoid frustrating them but encouraged team work and unity if things were going to improve. However they acknowledge that it had happened and people should move on. See appendix 9 and tables 31- 33 for extra details on the said results.

The Crucial Steps That Leaders New To An Organization that is Fraught With Wide Spread Fraud and Corruption Can take To Recreate A Good Work

This now led the study to draw out the crucial steps that leaders, new to an organization that is fraught with widespread fraud and corruption can take to recreate a good work culture. The study determined 8 major steps that a leader should take. The steps were as follows. First the successor should ensure sound leadership and shape a good work culture in the organization. To do this, the top leader should apply good corporate governance guidelines and principles, communicate what constitutes a good work culture clearly with all levels of management in writing and speech. Bearing in the mind that it is ok to resign on grounds of maintaining integrity, the successor from the word go should not be afraid to confront his superiors who are fraudsters and/ or are corrupt. The new leader should make integrity a quality for performance appraisal among senior, middle and junior managers. He or she should listen tentatively to both good and bad feedback from subordinates while avoiding been defensive. The leader should monitor the work culture and watch out for warning signs of fraud and corruption, maintain and uphold integrity, and lead as an example in preventing fraud and corruption. If not in place, the successor should help the company set strong rules and regulations and encourage his management team to follow suit.

He or she should not allow favoritism of employees but apply policies regardless of the person and act on cases of fraud or corruption early so as to prevent them from spreading. Secondly, the successor should work on strengthening, revising and implementing the internal controls and risk management policies and systems to avoid re-occurrence. Some participants strongly recommended that the successor should take time to study the history of fraud and corruption of the organization. This is so that he or she finds out why it has been there and should not be quick to judge but come up with solutions if need be. He or she should encourage the existing staff and superiors to freely talk about it and give the details of fraudulent and corrupt activities that have existed in the past pointing out areas that needs immediate attention to avoid a relapse. Then work with the team to solve the issue.

The successor should review internal controls, identify loopholes; engage internal auditors to conduct periodic forensic audits on the organization and report to all stakeholders. The successor should get oneself acquainted with the knowledge on fraud and corruption risk management if it's limited so as to be better equipped to handle the current organization. The successor should support departments/ teams dealing with internal controls right from the beginning and let the fight against fraud and corruption be anchored in policies and procedures. Each suspected report must be investigated thoroughly. Apply provisions of the policies fairly and consistently and ensure tight internal control systems and review them regularly.

Thirdly the successor should conduct change management processes to reduce resistance such as train all staff in new rules and regulations, on the types of fraud and corruption and on how to identify fraud and corruption and what is appropriate behavior or actions to display. Fourthly the successor should start the organization on a new slate. For instance he or she could recruit new management or employ a totally new work force because sometimes it is difficult to influence those who are persistently resistant to change. This is especially when the resistance persists even after implementing the change management programs. The fifth step was that the successor leader, should embark on building a team by acknowledging and celebrating good behaviors and results. Engage in conducting orientation of both new recruits and old staff to zero tolerance of fraud and corruption and encouraging relationships to strengthen team work.

The sixth step was that the successor top leader should improve communication internally and externally. For instance he should hold more regular meetings with staff encouraging open communication on fraud and corruption and how to prevent or avoid committing it while encouraging all staff to ask as many questions and make reference to guidance's where they are not sure. Exercise an open punitive measure policy against violators of company procedures for external stakeholders to have confidence in the organization and encourage open culture where there is freedom to report any suspected matter internally**.** The seventh step was, the successor should institute a zero tolerance to fraud and corruption in the organization. He or she should correct or punish any signs of bad work culture immediately, avoid tolerating it and ensure compliance to rules and regulations by all. Lastly but not the least, step eight was that the top leader should remember not to neglect employees who might have been traumatized. Thus there is need to provide psychological support to such employees acknowledge the issue at hand and avoid blaming retained staff on the issue. The focus should be on moving on to a better tomorrow of the organization.

The findings on the 8 major steps to take seem to indicate that upon joining an organization, a new leader must be prudent enough to first check the history of fraud, corruption and the culture, the current status quo, set the future position of the organization and then assess where improvements must be made while applying the exemplary leadership practices to shape a good work culture free from fraud and corruption. These appeared to be the most important steps that a leader should put on top of the agenda when finding their feet in a new work environment having the said issue.

4.5 Summary

This paper in chapter 4 presented the secondary and primary data that was used in the study to present the findings. The research findings uncovered how that leaders can encourage or lose control of organizational member's behaviors and actions that can lead to wide spread internal fraud and corruption. This paper revealed that leaders have committed themselves to certain core leadership practices in order to influence the right organizational behavior that strongly supports the prevention of fraud and corruption to create a good work culture. It also illustrated how that leaders of organization have in the past restored a good work culture free from fraud and corruption in the midst of challenges. The study succeeded in determining the crucial and major steps to take in restoring a good work culture free from fraud and corruption. Thus, incumbent leaders and or successors can now tap in to the findings of this research and apply them to prevent and curb internal fraud and corruption. Next in chapter 5, the interpretation of these research findings in reference to the previous literature is discussed.

CHAPTER 5:

DISCUSSION OF RESEARCH FINDINGS

5.0 Introduction

Chapter five (5), presents the discussion on all the research findings based on the sub questions of this paper. The research findings were interpreted to give their meaning and relevance and show how they relate to the previous literature discussed in chapter 2 of this paper. This is presented in four sections beginning with the background characteristics of the research participants.

5.1 Background Characteristics of the Research Participants

The background characteristics show that the results of this survey represent views of a diverse group of research participants. That is, the research participants were of different age groups, highest levels of education, management levels and were currently employed in different types of organizations/ industries in two different countries. However all had one thing in common- they were occupying managerial positions in their current organizations.

5.2 Awareness/ Knowledge Levels On How Leaders Encourage Or Lose Control Of Preventing Internal Fraud And Corruption

The findings on the training levels, as depicted in figure 1, seem to suggest that in some organizations leadership was not up to date with their organization's first line of defense against fraud and corruption, which is to get everyone in the organization on the same page as suggested by previous literature. The findings also seemed to show that the awareness levels among managers was very high on the fact that leadership and work culture have an effect on the successful implementation of even the strongest internal controls for preventing fraud and corruption. See figure 2 for the research finding on this. From the research findings, it appears that since managers have the knowledge on what signs show that the organization has a good work culture, as shown in figure 3, then it is possible for them to set performance indicators. Therefore it becomes possible to measure progress towards creating a good work culture that is free fraud and corruption.

The 16 behaviors of leaders that stimulate a bad work culture, uncovered in this research, seem to point towards the lack of integrity among leaders. This finding agrees with previous literature, by KPMG International that leaders set the right tone at the top as a best practice. Thus if leaders show such behaviors then others will imitate the lack of integrity. The results seem to illustrate that leaders lose control of preventing internal fraud when their behaviors do not show integrity to others. Thus, do as I say and not as I do, does not work in getting others to want to prevent internal fraud and corruption. Another of this papers research findings that is in line with the previous literature is that managers can through observation of what's going on in the organization, judge what kind of work culture exists. Refer to figure 5. This result seems to suggest that leadership should therefore be aware of their work environment before they can identify that a problem exists. This awareness itself should make the team of managers in an organization to want to do something about it, i.e. to improve the work culture or maintain it.

5.3 The Current Best Practices Approaches To Leadership In Successfully Averting fraud And Corruption

Conceivably many of the reasons given by research participants on the reasons for successfully preventing fraud and corruption in their current organizations, could possibly provide input into what constitutes a culture of compliance as questioned in previous literature. That is, that which top leaders can commit to reinforcing and ensuring that it is implemented by middle and low managers and employees as a best practice approach. For example in figure 7, the standards of appropriate behavior are shared widely in the organization on a monthly basis or zero tolerance to fraudsters could be constituents of a culture of compliance.

The research finding on this paper, of the fourteen factors that hinder leaders in preventing fraud and corruption can be used to notify managers of the need to be self-conscious of what might hinder them personally in preventing fraud and corruption in the organization. They should therefore find ways of overcoming them as a good practice of leadership. However it was surprising to find that 2 (3.5%) of the managers thought that nothing should hinder leaders in preventing fraud and corruption. They argued that if there were strong internal controls, policies, rules and regulations then all that the manager needs to do is just to be strict to ensure adherence by all. This argument was in agreement with previous literature that strictness is important particularly in controlling fraud, corruption and the misuse of resources. Thus being strict should never be ignored by managers as a good practice

The research results also seemed to indicate that of the KPMG Risk Management Approach, leadership in organizations were weaker when it came to responding appropriately to cases of fraud and corruption than preventing and detecting it. This is so as the results on averages revealed that they were fewer managers who were aware of such programs for their use in their organization. Refer to the results presented in figure 8 and table 23 in appendix 9. It is no wander that it was listed as one of the factors that hinder managers in preventing internal fraud and corruption as presented in table 1 in which 5 (8.8%) of research participants pointed it out as presented in chapter 4. Thus having a comprehensive compliance program in place for use in the organization should be a best practice of leadership.

The research findings confirmed that the manager's best practices to preventing fraud and corruption were in line with the five practices of exemplary leadership model. On this paper, the illustrative examples that the research participants provided were easily associated with the ten commitments of the five practices of exemplary leadership model. It is evident then, that the five practices of exemplary leadership model can be used to guide an organizations leadership in making decisions on how to effectively influence others to prevent fraud and corruption in an organization. Next the illustrative examples are discussed in light of the said model.

- Modelling the right way

One of the hindrances to prevent fraud and corruption mentioned on this paper's, research findings is the lack of employee ownership of the fraud and corruption risk management/ controls and the support of the board and management did not seem genuine. Refer to table 1 for these hindrances. The results seem to suggest that managers were practicing modeling the right way in order to get others to imitate preventing fraud and corruption. Reference is made to the illustrative examples 1-15 in appendix 10 and in illustrative example 1, it appears as though managers first and foremost identify, understand, and let their own values guide their actions, and then they match these to line up with their organizations values. Then they are better able to interpret the organizations values in a meaningful way to others in relation to preventing internal fraud and corruption. In Kouzes and Posner (2012), this is associated with the first commitment, that is, "clarifying values by finding your own voice and affirming shared values." In example 2, it seemed that by making it deliberate policy for all managers to repeatedly share the values through the various organization's media, managers were trying to find commitment from workers through clarifying values.

The study results also gave the impression that it was important for managers to give people in the organization a reason/ (s) to care about upholding their organizations values that speak to them about the importance of preventing fraud and corruption as seen in example

3 in appendix 10. The results also seemed to suggest that managers must endeavor to get everyone in the organization to unite against fraud and corruption through openly discussing and discouraging it rather than just using force to get people to obey. This is spotted in example 4 of appendix 10. Kouzes and Posner, (2012, pp 44-45) explained that the leadership journey begins with finding your voice as a leader and then affirming shared values. They were quoted as follows:-

> You have to authentically communicate your beliefs in ways that uniquely represent who you are... However leaders aren't just speaking for themselves when they talk about the values that should guide decisions and actions…They're saying, we all believe in this…And they must hold others accountable to those values and standards. (Kouzes & Posner, 2012, pp. 44-45)

It was evidenced that managers were also leading by example when they modeled the right way to prevent fraud and corruption by acting the following way: Not engaging in fraud and corruption; adhering strictly to internal controls; emphasizing how important all internal anti- fraud/ corruption programs were through visibly supporting, promoting and personally participating in them; and they were consistently correcting/ taking disciplinary action against those who engaged in wrong behavior that could breed a bad work culture with widespread fraud and corruption if neglected. Examples 5-8 in appendix 10 illustrate this finding.

Managers were also very careful to watch what they say because even if they said it jokingly, it could give the employees the wrong impression that leadership would tolerate fraud and corruption. Instead they were consistent in stating that there was zero tolerance of fraud and corruption in the organization, and the rules and regulations were set and clear against it. See appendix 10 and example 9 for an illustration. The findings also suggest that managers were better placed to fight internal fraud and corruption if they knew the perceptions of their staff on their work environment, conditions of service and work culture and on how they perceive the leadership of their organization. Thus managers were engaged in setting up platforms for staff including other stakeholders to voice out their concerns. See appendix 10 and examples 10 and 11 that illustrates this finding.

The study findings also seem to suggest that managers spent some of their time teaching others with illustrations of real life cases of fraud and corruption on how to act in accordance to company values as well as consistently confronting those staff whose actions were suspicious such as failure to justify a request for funds. See example 12, 13, 14 and 15 in appendix 10. These practices were all in line with Kouzes and Posner, (p71-93) who postulated that in order for leaders to make extraordinary things happen they set the example through living the shared values and teaching others to model their values. According to them the exemplary leaders therefore spent their time and attention wisely, watched their language, asked their workers purposeful questions, sought feedback, confronted critical incidents and told stories.

- Inspiring a shared vision

In inspiring a shared vision of creating a healthy work culture free from fraudulent and corrupt activities, the findings of this study showed that managers appeared to have set specific objectives that addressed the prevention of fraud and corruption in the organization. These objectives had to be met. Thus they were committed to monitoring whether individuals in the organization achieved their targets in line with the values that promote high achievement while maintaining a good work culture free from fraud and corruption. See example 16, 17 and 18 in appendix 10 that illustrate this finding. In this way they were aware of their employee's achievement behaviors in the present and shaping them and lining them up for better performance in the future. Again this is in line with the exemplary leadership model, as it states leaders envision the future by imagining exciting and enabling possibilities and a positive future, they prospect the future, reflect on their past and attend to the present.

The findings also show that mangers seemed to be concerned with finding a common purpose as they were deliberately engaging in warm face to face relationships with their personal through getting their input on how to prevent fraud and corruption. They were encouraging team work to make the organization a fraud and corruption free zone. See examples 19 and 20 of appendix 10. The five practices to exemplary leadership model suggests that exemplary leaders find a common purpose through listening deeply to others and making it a cause for commitment. The results also show that managers were setting the standards on the morals, showing employees why it is important for them to stick to them and showing them how that fraud and corruption affects everyone. The leadership of the organizations even used symbols to communicate such morals throughout the organization. The managers seemed to get excited and they stirred up others to do the same when even only one employee showed commitment to preventing fraud and corruption through their actions.

For example if an employee declared all the gifts from the organizations vendor. This employee would be applauded loudly to all others in the organization. See example 21, 22, 23 and 24 of appendix 10 that illustrate this finding. According to (Kouzes & Posner, 2012, p. 131) "exemplary leaders do not impose their visions of the future on people; they liberate the vision that is already stirring in their constituents." Kouzes and Posner explained how that leaders do this through enlisting others by appealing to common ideals (i.e. morals, in the case of this research subject- in preventing fraud and corruption), connect to what is meaningful to others, animate the vision through use of symbolic language to communicate a shared identity and ignite the passion.

- <u>Challenging the Process</u>

In challenging the process from a status quo of a bad work culture to a good one, the study revealed that managers seemed to first of all focus on reviewing the existing internal controls, the fraud and corruption risk management policies and tools at their disposal. They were engaged in making them work through implementation, or ensuring that they are enforced and adhered to by all employees. They were also sourcing out for innovations/ new ways of implementing fraud and corruption programs both within the organization and outside just so that they are up to date with new trends and that the gaps are filled where the systems were weak. See examples 25-34 in appendix 10 for this illustration. This also was is in line with the model which in Kouzes and Posner indicated that exemplary leaders search for opportunities by seizing the initiative and looking outward for innovative ways to improve. The model states that leaders first of all seized the initiative through making something happen. They, then encouraged initiative in others, challenged the process, exercised outsight through looking outside their experience and also promoted external and internal communication while looking out for good ideas.

It also seemed that managers hinted that in certain organizations such as the civil service it was very hard for one manager to make a big impact on the organization as a whole. Thus managers have had to develop what can be likened to what Kouzes and Posner termed as building psychological hardness. They did this by strengthening their own resilience and that of their junior managers. This is what seemed to encourage the managers to keep fighting fraud and corruption. (Kouzes & Posner, 2012, p. 192) "But instead of being debilitated by the stress of a difficult experience, exemplary leaders said they were challenged and energized by it." See example 35 and 36 of appendix 10 for an illustration of this finding.

These can be considered as developing strong attitudes such as confidence and diligence to know within oneself that they can make something happen despite the status quo. Further to that the examples 37-40 of appendix 10, seemed to be in agreement with what the model suggested in Kouzes and Posner. That is, leaders were committed to experimenting and taking risks by firstly generating and profiting from small wins, learning from their experience through being an active learner and creating a climate for learning for both managers and employees.

- Enable others to act

In enabling others to take action against fraud and corruption the findings of this study show that managers appeared to be committed to encouraging individuals in the organization to speak out against anyone committing fraud and or corruption. Managers appeared to protect those that did so and at the same time they were cautious to protect the rights of the accused. They seemed to be stating that employees must know that the manager will act with fairness once the workers took action to speak out. This is in line with the model in that it states that manager enable others to act by fostering collaboration, creating a climate of trust through, investing in trust, showing concern for others and sharing knowledge and information.

This study also revealed that managers were also facilitating relationships through involving staff in developing cooperative goals and roles and policies and supporting the norms of empathy. They appeared to be encouraging self- willpower in others by cultivating their accountability. They also seemed to be developing competence and confidence when they personally educated or sent employees for trainings on compliance, and shared information even on YouTube with others in the organization. Lastly managers seemed to be organizing work in such a way as to build competence and ownership and coaching employees in understanding the prevention of fraud and corruption. Examples 41-50 in appendix 10 were the illustrative examples from which the descriptions above were derived.

- Encourage the heart to act

The study findings revealed that managers appeared to be making the goals and rules clear and showing employees that they believed in them to implement prevention of fraud and corruption programs when they encouraged the heart to act. They also seemed to be encouraging people to act through giving regular feedback and pointing the way forward.

Managers were regularly getting close to the people by facilitating social gatherings in which deserving staff were rewarded incentives, stories were spread, employees were encouraged to speak out on the bad and good and organizational victories were celebrated. Managers appeared to get personally involved in showing that they care about their employees. This seemed to describe a spirit of community as is in the said model. That is, when people have a strong sense of belonging they will do everything possible to stick to the norms of the group. See examples 51- 60 of appendix 10 for the illustration on this discussion. That was just about what the mangers shared about the actual practices that they were engaged in influencing others to want to participate in preventing fraud and corruption to create a good work culture.

The research findings seem to indicate that the aforementioned best practice approaches of managers can yield positive effects/ changes in the organization as shown by the number of respondents who were able to identify the kind of impacts it had. This is illustrated in the research findings presented in table 3. However, an unexpected finding was that some managers argued that certain core practices of exemplary leadership did not apply at certain levels of management and that in very large organization their practices cannot yield much impact at organizational level but only at department level.

5.4 Experiences on Curbing Organization Wide Spread Fraud and Corruption

This research finding affirm previous literature that many managers had experienced organization widespread fraud and or corruption given that more than half of the research participants attested to it in this study. Their experiences on the effect of the organizational wide spread fraud too was in line with Ray, (2017 and Freedman, (2017) articles on the impacts of internal fraud. The impacts are common to all organizations regardless of the organization. It appeared that many managers had experienced working in an organization that was affected with widespread internal fraud. Managers were also very much aware of the nature of the fraud committed. It also appeared that many organizational leaders knew how to curb organization wide spread fraud and corruption as was revealed in the research findings illustrated in table 4.

From the experiences on challenges and lessons that could be learned in curbing widespread fraud and corruption, we see that some of the steps that the research participants reported were similar to the previous literature i.e. the case studies shared by Kennedy (2012) For example strengthening the organizations brand name or emerging under a new name which is similar to what World Com did. It appeared also that managers were making use of the turnaround strategies and change management strategies to revamp their organizations from the damage caused by excessive fraud and corruption. For example restructuring the organization, applying remedial measures, mobilization of funds and reimbursements e.t.c.

The research finding on the eight crucial steps to curbing fraud and corruption appears to add on to information provided by freeman et. al that insufficient attention to changes in leadership and culture can undermine what at least on the surface, appears to be a state – of-the-art management control system. When putting in place a good work culture that fights fraud and corruption, the findings also seem to suggest that the leader should choose to emphasize more of the team orientation dimension and the people oriented dimension to capturing the essence of the organizational culture. This is evident in the findings of this study that emphasized more of embarking on building a team, communication and providing psychological support to employees in combating the existing internal fraud and corruption. See literature review- section 2.3 and appendix 1 of this paper, for more information and an illustration on the ‘7 Dimensions That Seemed To Capture the Essence of an Organizations Culture’.

5.5 Summary

Chapter 5 presented the discussion of the research findings. The discussion revolved around giving meaning to the research findings with an attempt to describe the current situation. Thus the highlights of what was discussed is as follows: How that leaders can encourage or lose control of preventing fraud/ corruption and how that it is important to watch out for this; how that the current leaders best practice approaches to preventing fraud and corruption could be connected with the ‘Five Practices of Exemplary Leadership Model; and how that organizational leadership can overcome the many challenges in restoring the normal functionality of an ailing organization fraught with fraud and or corruption. This paper also showed some unexpected finding, and how that most of the research findings were in support of previous literature. Next, chapter 6 gives the highlights on the improvements that can be made to the various approaches in averting fraud and corruption.

CHAPTER 6:

CONCLUSSIONS AND RECOMMENDATIONS

6.0 Introduction

This chapter high lights the research problem that was tackled, the research methodology that was used, the major findings of the study and the improvements that can be made to the various approaches in averting fraud and corruption in the management practice, and the research limitations and areas of replicating the research and other future research.

6.1 Conclusions

The study established the signs that managers need to look out for to show that there is a good work culture in an organizations as well as what behaviors/ practices managers should avoid or engage in, in order to create a good work culture free from fraud and corruption. It found out that many managers had received some form of training on the management of the risk of fraud and corruption. The low level managers as compared to the senior and middle managers did not seem to have easy access to such trainings but relied on policy documents passed on down to them. Many managers were aware that the effectiveness of internal controls in preventing fraud and corruption was dependent of a leaders practices and the work culture. They knew that there were early warning signs that could hint to them that fraud or corruption was taking place without anyone necessarily voicing it out. Thus they could act by investigating to ascertain this. It found out that an organization did not need to close down, go bankrupt or face legal sanctions as many managers had devised best practice approaches, through their own experience, for curbing widespread fraud and corruption to re-create a good work culture.

The study also brought out that it is good practice for managers to keep an eye on (or be monitoring) the signs that show that there is a good work culture and the signs that fraud is taking place so that early detection of risk is strengthened other than just through the whistle blowing mechanism or hotlines. Sixteen behaviors of leaders that stimulate a bad work culture with excessive fraud and corruption become known from this study illustrating to managers what they should avoid. The study also determined the current best practices of the managers in successfully averting and stamping out fraud and corruption. It was learned that the current best practices of managers were very much related to the five practices of exemplary leadership model. Thus it indicated that managers should be practicing these in order to influence others, employees, colleagues and their superiors to want to act in preventing or avoiding fraud and corruption.

Organizations do not need to close down or face stringent sanctions or lawsuits as managers can actually take some crucial steps to restore an ailing organization's normal functionality. A successor top leader need not fear upon discovering that their new job entails tackling a huge problem, i.e. organizational widespread fraud and corruption and a bad work culture. They need to take courage/ encourage themselves, (i.e. develop what is called psychological hardiness), that they can do it. This study determined the crucial steps that leaders can take while being committed to the five core practices of exemplary leadership to make this extraordinary change happen in an organization. Given all this, it can therefore be concluded that the three objectives of this study were met.

6.2 Recommendations

In the light of the above research findings it was therefore recommended that top leaders of organizations should consider the following:-

- Encouraging and supporting all levels of the management team to obtain training in fraud and corruption in order to ensure that all members of the management team are speaking the same language.

- Managers should be incorporating in their monitoring and evaluation framework or programs, the monitoring of its work culture and the signs that show that the organization might be at risk of fraud and corruption.
- Managers should be constantly guided and committed to the five practices of exemplary leadership as described on this paper, because it was known by the majority that participated on this study, to work in influencing other people in the organization to want to prevent and avoid fraud and corruption.
- It is also recommended that as managers implement the crucial steps to curbing organizational widespread fraud and corruption they must also be practicing exemplary leadership. This is because that is how to win people over in the fight of such a problem.
- Areas of further research can be to determine what kind of practice approaches are applicable to a management level that would not to another (e.g. senior management vs middle management vs low level management best practices), and the extent to which the impact will be noticed at organizational level.

6.3 Summary

This research set out to investigate the best practice approaches to leadership in averting fraud and corruption in an organization. It was a descriptive survey. A research population of 60 employees in managerial positions currently employed in various organizations was used to collect data. The lack of consolidated information on how managers can get employees to support the prevention of fraud and corruption and the curiosity to learn more about this subject is what prompted this study. This chapter presented the conclusions and recommendations that were drawn out of the research findings and therefore the study objectives were met.

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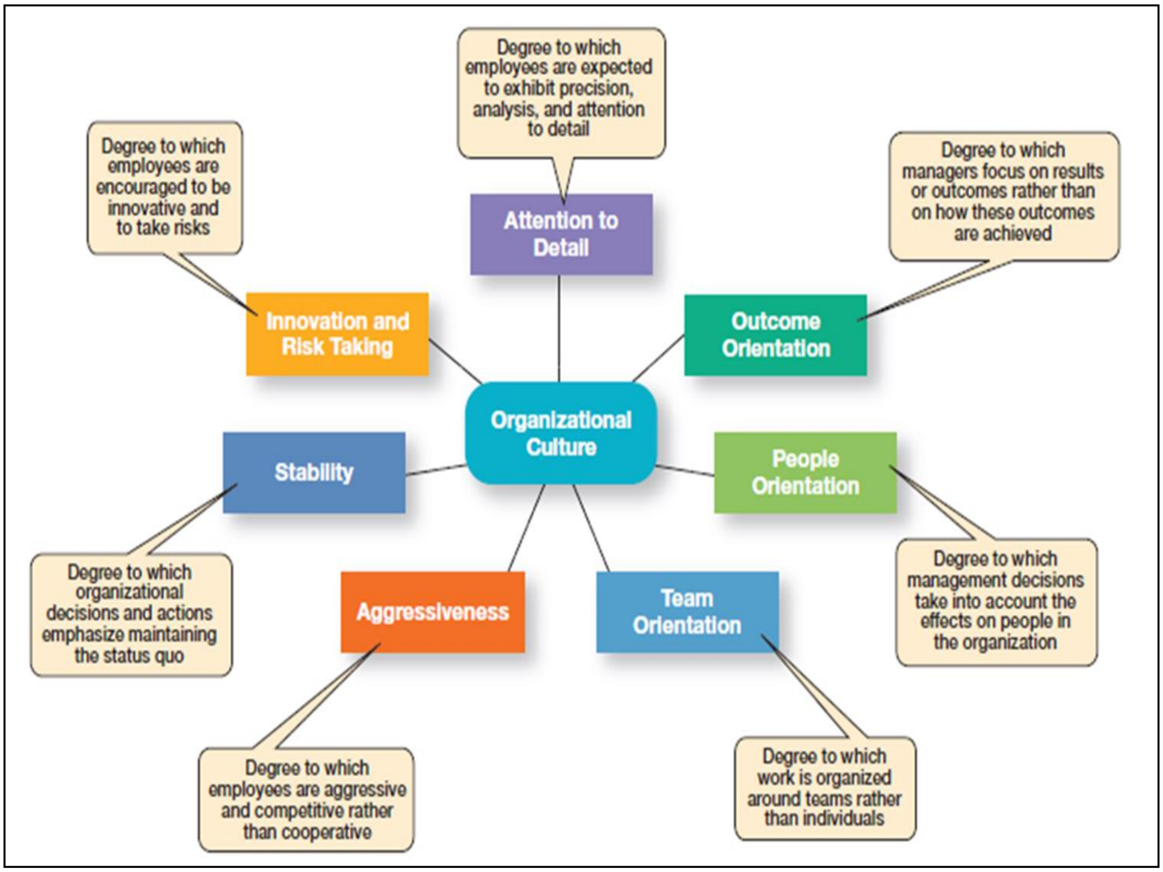
APPENDICES

Appendix 1: Exhibit 2.5- The Seven Dimensions that seemed to capture the essence of an Organizations Culture



Source of the Exhibit 2.5: (Robbins & Coulter , 2014, pp. 77-78)

Appendix 2: The Five Practices and Ten Commitments Of Exemplary Leadership

TABLE 1.1 THE FIVE PRACTICES AND TEN COMMITMENTS OF EXEMPLARY LEADERSHIP

Model the Way		1. Clarify values by finding your voice and affirming shared values. 2. Set the example by aligning actions with shared values.
Inspire a Shared Vision		3. Envision the future by imagining exciting and ennobling possibilities. 4. Enlist others in a common vision by appealing to shared aspirations.
Challenge the Process		5. Search for opportunities by seizing the initiative and looking outward for innovative ways to improve. 6. Experiment and take risks by constantly generating small wins and learning from experience.
Enable Others to Act		7. Foster collaboration by building trust and facilitating relationships. 8. Strengthen others by increasing self-determination and developing competence.
Encourage the Heart		9. Recognize contributions by showing appreciation for individual excellence. 10. Celebrate the values and victories by creating a spirit of community.

Source of Table 1.1: (Kouzes & Posner, 2012, p. 29)

<u>Appendix 3: KPMG Sample of Elements of A Comprehensive Program Designed to Prevent, Detect and respond to fraud</u>

Prevention	Detection	Response
Board/audit committee oversight Executive and line management functions Internal audit, compliance, and monitoring functions		
• Fraud and misconduct risk assessment • Code of conduct and related standards • Employee and third-party due diligence • Communication and training • Process-specific fraud risk controls	• Hotlines and whistle-blower mechanisms • Auditing and monitoring • Proactive forensic data analysis	• Internal investigation protocols • Enforcement and accountability protocols • Disclosure protocols • Remedial action protocols

Source of figure: (KPMG, 2006, p. 7)

Appendix 4a: Research Instruments- Individual Survey Questionnaire

TITLE OF SURVEY:- BEST PRACTICE APPROACHES TO LEADERSHIP IN AVERTING FRAUD AND CORRUPTION IN SELECTED ORGANIZATIONS, ZAMBIA AND LESOTHO: A GOOD WORK CULTURE

INDIVIDUAL SURVEY QUESTIONAIRE

	Individual Form No:	☐	FORMNO
IDENTIFICATION			
Q01	Country ______________________________		COUNT
Q02	District______________________________		DIST
Q03	Name of Organization______________________________		ORG
Q04	Is this: - (1) an interview? ☐ (2) a self-administered survey? ☐ (3) a web administered survey?☐		CHOICEO FSURVEY

INTERVIEW HISTORY				
		1ST VISIT	2ND VISIT	3RD VISIT
Q05	DATE OF VISIT *(DD/MM/YY)*	____/____/____ (DATEVIS1)	____/____/____ (DATEVIS1)	____/____/____ (DATEVIS1)
Q06	INTERVIWER CODE *(INITIALS)*	______ ______ (INTVIS1)	______ ______ (INTVIS2)	______ ______ (INTVIS3)
Q07	RESULT OF VISIT *(SEE CODES BELOW)*	______ ______ (RESVIS1)	______ ______ (RESVIS2)	______ ______ (RESVIS3)
Q08	NEXT VISIT *(DD/MM/YY)*	____/____/____ (NEXTVIS1)	____/____/____ (NEXTVIS2)	
Q09	NEXT VISIT TIME *(e.g. 14:00HRS)*	____:_____hours	_____:_____hours	

RESULT OF VISIT CODES

01 Completed the Interview
02 Made contact –No Consent
03 Incomplete interview –need to return
04 Incomplete interview no return
05 Respondent not accessed –need to return
06 Respondent not available – need to return
07 Other *(SPECIFY)*____________________________

Q10	INTERVIEWERS SIGNATURE_____________________________
Q11	DATA CLERK CODE _______ ________

CONSENT LETTER

Hallo.

I would like to invite you to assist survey entitled "best practices that leaders in organizations are using in preventing fraud and corruption: A good work culture', by participating in filling out this standard individual survey questionnaire. The University Of Zambia (UNZA) in collaboration with the Zimbabwe Open University (ZOU) is providing me with technical support on this survey as a student. You have been identified as a person with managerial work experience holding valuable and valid information to this survey and therefore the invitation. The results of this study will be used primarily for learning and academic purposes and hopefully add to the body of knowledge on the exemplary leadership practices that bring about positive change in organizations.

Participation on this survey is voluntary. You may choose to participate or not. Your confidentiality and privacy will be protected. The questionnaire, is anonymous and you do not need to write your name or job title on it. Thus your answers to the questions will be held in strict confidence. The survey report will not attach any of the findings on this survey to you or your organization as it will be presented in a generic manner. You are also free to leave out any question that you are not comfortable to answer. It is estimated that it will take approximately 30 minutes of your time to get this form filled out.

This questionnaire is being administered in three ways, that is, through an interview, or offline self –administered questionnaire or through a web (internet) based self-administered questionnaire. You are free to choose which one is the best method that you prefer as means of communicating your views.

To fill out the self-administered questionnaire in hard copy proceed to answer the questions that follow on this paper.
To fill out the offline self-administered questionnaire, in soft copy, request for a soft copy from the researcher.
To be interviewed send an appointment date and time to namwayi@gmail.com.
To fill out the individual survey questionnaire through internet, go to the following link https://goo.gl/forms/sbx2sw5vssOT1TPy2

You may also contact me for any queries or information related to this survey on my cell phone: +266 53229890/ WhatsApp: +260 977888693 or email: namwayi@gmail.com

I will be very grateful if you could participate on this survey. Thank you for your time.

Your's sincerely,

Namwayi Membe

SECTION 1: BACKGROUND CHARACTERISTICS				
We will start with a few questions about your background.				
No.	**Questions and Filters**	**Coding Categories**	**Skip to**	
Q12	**How old are you?**	*(Please write your age in the spaces provided)* [_______]_______]		AGE
Q13	**Are you:** Male?…………………………………………………………… 1 Female?…………………………………………………………..2			SEX
Q14	**What is the highest level of formal education you have completed?** *(Please select only one by circling the corresponding number)*	Primary school ……………………………………………. 1 Secondary School…………………………………………. 2 Certificate……………………………………………….... 3 Diploma…………………………………………………. 4 Degree…………………………………………………..5 Master's Degree…………………………………………6 PHD………………………………………………………7		EDULEVEL
Q15	**What sort of business is your current employer/ organization engaged in?** *(Please select only one by circling the corresponding number)*	Insurance...…………………………………………………. 1 Real Estate…………………………………………………… 2 Manufacturing………………………………………….… 3 Food and Beverage……………………………………..4 Financial services……………………………………….5 Communication……………………………………………6 Health……………………………………………………...7 Education………………………………………………….8 Transportation……………………………………….......9 Other *(please specify)*______________________________		NATBUSINESS
Q16	**What level in your organizational structure is your current job title?** *(Please select only one by circling the corresponding number)*	Senior/ Top management…………………………………….1 Middle Management………………………………………..2 Low level management……………………………………....3		MGMTLEVEL
Q17	**In which of these categories would you best place the summary of your job responsibility?** *(Please select only one by circling the corresponding number or specify other)*	Establish corporate policies and make management decision……………………………………………………..1 Controlling and overseen organization……………………...2 Executing plans in compliance with policies……………......3 Supervising employees …………………………………......4 Other *(Please specify :)* _____________________________		JOBSUMMARY
Q18	**In your life time, what is the length of time you have worked at managerial level in the organization?** *(Please write in the space provided the total number of years completed.* ____________ years			YEARSEXPER

Q19	**In what types of organization/ (s) have you ever had managerial work experience?** *(Please select all that apply by circling the corresponding numbers)*	Private Limited company……………………………………1 Public Limited Company/ corporation………………….…2 Sole trader firms…………………….................................3 Partnership………..…………………………….………...4 Public sector (or government) ………………………….…5 Parastatals organization……………………………….….. 6 Non-Governmental Organizations (NGO)……………..……7 Other *(please specify* :) ______________________________		TYPEORG EXP

SECTION 2: KNOWLEDGE/ VIEWS ON PROVIDING ORGANIZATIONAL LEADERSHIP IN AVERTING FRAUD AND CORRUPTION

Now I would like to find out about your training background and views/ opinions on providing leadership on preventing fraud and corruption.

No.	Question and filters	Coding categories	Skip to	
Q20	**During the entire period of your work experience have you ever received any training on managing fraud and corruption risk in an organization?** *(Please select only one by circling the corresponding number)* Yes…………………………………………………….. 1 No……………………………………………………….………………………. 2		If No go to Q23	TRAINING
Q21	**Who initiated/ organized the training on managing fraud and corruption risk in an organization?** *(Please select all that apply by circling the corresponding number)*	In-house/ on the job training……………………………….. 1 Part of my academic qualification ………………………… 2 Personal through e—learning/ Short course ………………. 3 Other *(please specify)*________________________________		TRAINING ORG

CHECKLIST: AWARENESS ON LEADERSHIP PRACTICES, AVERTING FRAUD AND CORRUPTION AND WORK CULTURE

Q22	**On a scale of 5 on which 1 = strongly disagree and 5 = Strongly agree, do you agree or disagree with the following statements?** *(Please tick only one category per statement)*	OPINIONS

1. There are early warning signs in an organization that can tell a leader that fraud or corruption is taking place in the organization without any one voicing it.
   ☐1 Strongly Disagree ☐2 Disagree ☐3 Neutral ☐4 Agree ☐5 Strongly Agree

2. The ultimate effectiveness of fraud & corruption risk management controls is highly dependent on an organizations work culture and leadership practices and approaches.
   ☐1 Strongly Disagree ☐2 Disagree ☐3 Neutral ☐4 Agree ☐5 Strongly Agree

3. Certain practices, actions and or behaviors of a leader/ (s) in an organization can encourage fraudulent activities and corruption creating a bad work culture among employees in an organization.
   ☐1 Strongly Disagree ☐2 Disagree ☐3 Neutral ☐4 Agree ☐5 Strongly Agree

4. When an organization is ailing with wide spread fraud and or corruption and a bad work culture there are certain steps that the head of the organization and his/ her senior managerial team members can take to restore the organization.
   ☐1 Strongly Disagree ☐2 Disagree ☐3 Neutral ☐4 Agree ☐5 Strongly Agree

Q23	**Which of the following statements, (in Q24 a to n), show signs that an organization currently has a good work culture or its leadership is engaged acts that promote good work culture?** *(Please tick true if you agree or false if you do not agree)*
a.	Sometimes bending company rules to meet deadlines is necessary…...........................**True □ false □**
b.	Often the organization gets overwhelming responses in thousands of applications to its job vacancy announcements/ adverts as compared to other similar organizations…..........................**True □ false □**
c.	At least some of the organizations employees more than others have easy contact/ access to the mentorship, coaching and encouragement of the Top Manager….................................**True □ false □**
d.	Low staff turnover *i.e. many of the organizations employees have been around for a long* time…………………………………………………………………………………..**True□ false□**
e.	Employees give only positive feedback/ good reports and never report failures…........**True □ false □**
f.	Employees work happily and are polite even in the midst of high stress level…...........**True □ false □**
g.	Employees are defensive when confronted on their areas of improvements................**True □ false □**
h.	Employees encourage and congratulate, without animosity, a colleague who has executed a project or task successfully…...**True □ false □**
i.	Employees fear to take risks and are generally reluctant to do work differently or to innovate i.e. they do not embrace new ideas…………………………………………………….…….**True □ false □**
j.	Employees work together and help each other to find solutions to problems…............**True □ false □**
k.	Customers complain often about the organizations products, services and relations….**True □ false □**
l.	Employees happily encourage other people to join the organization…........................**True □ false □**
m.	The same problems are repeated in all staff meetings e.g. complaints on conditions of service...**True □ false □**
n.	All employees in the organization freely take their annual leave, without being reminded...**True □ false □**

SIGNSCULTURE

Q24	**On a scale of 1 to 5, where 1 is very bad and 5 is very good, how would you rate your current organizations work culture?** *(Please only tick one)* 1. Very bad □ 2. Bad □ 3. Fair □ 4. Good □ 5. Very good □

WORKCULTURE

No.	Questions and filters	Coding categories	Skip to
Q25	**What behaviors of leaders do you think can stimulate a bad unethical work culture in which fraud and corruption is perceived as normal in the organization?** *(Please circle corresponding number to all that apply.)*	Not encouraging openness among workers……………...…..1 Intimidation of workers/ threats…………………………….. 2 Discouraging bad reports…………………………………….3 Allowing or bending the rules to suit the current pressing needs or emergencies......…………………...……………….4 Not punishing fraudulent and corrupt workers…....................5 Showing favoritism towards certain workers……………..…6 Other *(Please specify)*______________________________	

INITIATINGBADCULTURE

SECTION 3: CURRENT BEST PRACTICE APPROACHES TO LEADERSHIP

Now I would like to find out what are your current best practice approaches to leadership in averting fraud and corruption to create good culture.

No.	Question and filters	Coding categories	Skip to	
Q26	**Would you say that your organization is successfully preventing fraud and corruption in your organization?** *(Please circle only one)* Yes………………………………………………………………………………………. 1 No……………………………………………………………………………………….. 2			SUCESSMANG
Q27	**Give a reason/ (s) to your answer above in the space below here.**			REASONSUCESS
Q28	**In your opinion what factors hinder leaders, that is, the senior level and middle level managers in preventing organizational widespread fraud and corruption?**			OBSTACLES
Q29	**How can these hindrances be overcome?**			WAYFORWARD
Q30	**Which of the following <u>ethics and compliance programs</u> to prevent fraud and corruption are in place and are currently been implemented in your organization?** *(Please circle the corresponding number to all that apply)*	Auditing and monitoring…………..………………………...1 Code of conduct and related standards……………….……...2 Communication and training……………………………......3 Employee and third party due diligence……………………..4 Fraud and misconduct risk assessments……………………...5 Process –specific fraud risk controls…………………….......6 Hot lines and whistle blowers…………………………..……7 Proactive forensic data analysis……………………………...8 Retrospective forensic data analysis………………………....9 Internal investigation protocols……………………..………10 Enforcement and accountability protocols…………………11 Disclosure protocols………………………………………..12 Corrective action protocols………………………………...13 None of the above…………………………………………14 I don't know………………………………………………...99 Other (Please specify) ________________________________		PREVPROG
Q31	**Now, please share what have been <u>your best practice approaches to leadership</u> in ensuring that your organizations ethics and compliance programs are effectively implemented in the organization?** *(Please tick true if the statement accurately represents your best practice and false if it does not and briefly describe your practices in the spaces provided)*			BESTPRACTICE
Q31a. I <u>model the right way</u> to prevent fraud and corruption through practicing the following:-				MODELTHEWAY
1.	I often review my own and the organizations values (e.g. honesty and integrity), affirm and share these with employees…………………………………………………………………**True** ☐ **false** ☐			
2.	I consistently walk my talk by setting the example of aligning my actions with shared values (e.g. I also adhere strictly to the internal controls) ………………………………………….**True** ☐ **false** ☐			
3.	I consistently show my commitment to my beliefs in preventing fraud and corruption (e.g. by punishing fraudulent and corrupt behavior and reward exemplary behavior.)……..…**True** ☐ **false** ☐			

4.	I adhere strictly to the internal controls no matter how long the process is and correct those who try to cut corners or bend the rules…………………………………………………………**True** □ **false** □	
5.	I prove to others that preventing fraud and corruption is very important…………….. **True** □ **false** □	
6.	Now please describe briefly in the space below how you have modeled the right way in preventing fraudulent activities and corrupt practices to create a good work culture. If you can add a vivid/ practical example it will be highly appreciated.	
Q31b. I have continuously inspire a shared vision of creating a healthy work culture free from fraudulent and corrupt activities through practicing the following.		INSPIREVISION
1.	I constantly share and remind employees on the vison of having a good ethical work culture……………………………………………………………………………… **True**□ **False**□	
2.	I periodically celebrate progress with employees e.g. by reviewing my organizations history of fraud, corruption and bad culture, the present current state in terms of the progress made in achieving a healthy ethical culture and the future desired state of the organization……………… **True** □ **false** □	
3.	I am clear about the importance of the vision and take time to explain to employees why a healthy ethical work culture is important to them too i.e. it is in their best interest …………**True** □ **false** □	
4.	I deliberately show confidence and enthusiasm of the vision, a healthy ethical work culture, to ignite passion in employees……………………………………………….………….. **True** □ **false** □	
5.	Please describe briefly in the space below how you have inspired a shared vision of creating a healthy work culture free from fraudulent and corrupt activities. If you can add a vivid/ practical example it will be highly appreciated.	
Q31c. I continuously challenge the process from the status quo of a bad work culture to a good ethical culture through practicing the following.		CHALLENGER
1.	I involve employees to search for opportunities by seizing initiatives and looking outward for innovative ways of improving, strengthening and tightening the internal controls that are not as effective as expected controls…………..……………………..........................**True** □ **false** □	
2.	I take risks, support employees to take risks, learn from our failures, and experiment on new things to take the organization forward ………………………………………………….. **True** □ **false** □	
3.	I constantly communicate to employees the key standards of acceptable business conduct and challenge those who are falling short..…………………………………………… **True** □ **false** □	
4.	Please describe briefly in the space below how you have challenged the process from the status quo of a bad work culture to a good ethical culture. If you can add a vivid/ practical example it will be highly appreciated.	
Q31d. I enable others to act in implementing and enforcing fraud and risk management policies standards through practicing the following.		ENABLEWKRS
1.	I foster collaboration by building trust and facilitating relationships e.g. assigning all levels of management with specific responsibilities in managing fraud and corruption prevention……………………………………………………………………….. **True** □ **false** □	

2. I strengthen others by increasing self-determination and developing competence e.g. promote and organize compliance trainings for employees…………………………….………..…… **True** ☐ **false** ☐				
3. Please describe briefly with in the space below how you **<u>enable others to act</u>** in implementing and enforcing fraud and risk management policies standards. If you can add a vivid/ practical example it will be highly appreciated.				
Q31e. I have <u>encouraged the heart</u> to act in implementing and enforcing fraud and risk management policies/ standards through practicing the following.				ENCOURAGE
4. I recognize contributions made by employees such as innovating new ways of intensifying internal controls, or for maintaining integrity and doing what is right, through showing appreciation for individual excellence……………………………………………………………… **True** ☐ **false** ☐				
5. I celebrate the organizational values and victories by creating a spirit of community through caring for employees and not manipulating them, listening to employees with empathy, improving communication and honesty in relationships, rejoicing together and mourning together………………………………………………. ………………………….. **True** ☐ **false** ☐				
6. Please describe briefly with in the space below how you **<u>encouraged the heart</u>** to act in implementing and enforcing fraud and risk management policies/ standards. If you can add a vivid/ practical example it will be highly appreciated.				
Q32	**What do you think has been the impact of your best practice approaches to providing leadership in preventing fraud and corruption in the organization?** *(Please tick all that apply and or specify others in the space provided)*	Created higher performing teams…………..………………..1 Generated increased sales and customer satisfaction levels...2 Enhanced motivation and willingness to work hard..……....3 Increased staff retention……………………………………...4 Reduced absenteeism and staff turnover…………………….5 Fostered renewed loyalty……………………………….…6 Fostered greater organizational commitment……………......7 Other (please specify)________________________________		IMPACTF&C
SECTION 4: EXPERIENCES -CRUCIAL STEPS TO TAKE IN RESTORING A GOOD ETHICAL CULTURE FREE FROM FRAUDULENT ACTIVITIES AND CORRUPT PRACTICES.				
Now I would like to find out what are the crucial steps That one should take in restoring the functionality of an organization immediately after experiencing the bad effects of ethical failure. Please share with me your experiences.				
No.	**Questions and filters**	**Coding categories**	**Skip to**	
Q33	**Think about anyone of the organizations that you have ever worked for. Did you ever encounter a situation in which the organization was faced with excessive or organization wide spread fraud and corruption that became public knowledge?** Yes…………………………………………………….………………………………..1 No……………………………………………………...2		If answer is no go to Q42.	HISTORYF&C
Q34	**What was the nature of the fraud and or corruption committed?**	Theft/ embezzlement of large amounts of money…………....1 Soliciting or offering bribes...……………………………......2 Misappropriation of finances or assets……………….……..3 Conflict of interest...……………………………………....4 Manipulation of reports/ data to deceive the other party..…..5		NATUREF&C

	(Tick all that apply)	Kickbacks……………………………………………………6 Receipt or solicitation of secret commissions………………..7 Forgery………………………………………………………8 Use of personal connection to get favors on a contract…….9 Revenue evasion……………………………………........10 Taking advantage of the weaknesses' of the system to justify fraud/ corruption…………………….................11 Falsified receipts…………………………………….…...12 Other *(please specify in the space below)*_________________		
Q35	**What was the impact on that organization?** *(You may select more than one by circling the corresponding number to all that apply and also specify others)*	The organization lost its reputation…………………………..1 Large amounts of finances were lost………………………....2 The organization faced sanctions and lawsuits……………....3 There was less demand from investors to invest in the company's shares/ projects………...............4 Withdrawal of donors of projects funded……………………5 Damaged business image……………………………………6 Loss of clients and reputable business partners…………….…..7 Business efficiency and productivity suffered due to improper use of available resources…………………..8 The organization eventually closed down……………………9 Other *(Please specify)*______________________________		IMPACTHISF&C
Q36	**Was this problem contained to the level where the organization functionality was restored and was up and running again?** Yes……………………………………………………………………………..1 No………………………………………...2		If yes go to Q39	OUTCOME F&C
Q37	**If your answer is no, what steps do you think the leaders of that organization should have taken to salvage the situation?** *(Please list them in short statement. Give a maximum of 5 steps)*		Then Skip to Q42	PROPOSEDSTEPS
Q38	**What major steps/ actions did you and/ or your colleagues in the managerial positions decide to take to successfully curb the turbulence and bring about restored organizational functionality and an improved work culture.** *(Please list them in short statements and number them. Give a maximum of 5 steps)*			STEPSTAKEN
Q39	**What were the major challenges faced in restoring the organizations normal functionality?** *(Please list them in short statements and number them and give a maximum of 3 challenges)*			OBSTACLES
Q40	**How were these challenges/ obstacles overcome?** *(Please describe)*			SOLVEOBSTACLE
Q41	**What recommendations on the most important steps to take in restoring normal functionality of an ailing organization affected with fraudulent activities, corrupt practices and a bad work culture, would you make to a new top leader, e.g. a Chief Executive Officer (CEO)** *(Please give only up to a maximum of 5 steps)*			RECOMMENDEDSTEPS

Thank you for taking time to respond to this interview/ questionnaire on the best practice approaches to leadership-averting fraud and corruption to create a good work culture. Please return this completed questionnaire to the researcher.

Appendix 4b: Organizational Survey Form

TITLE OF SURVEY: - TITLE OF SURVEY:- BEST PRACTICE APPROACHES TO LEADERSHIP IN AVERTING FRAUD AND CORRUPTION IN SELECTED ORGANIZATIONS, ZAMBIA AND LESOTHO: A GOOD WORK CULTURE

ORGANIZATIONAL SURVEY FORM

	Organizational Form No:	☐	FORMNO
IDENTIFICATION			
Q01	Country ______________________________		COUNTRY
Q02	District______________________________		DISTRICT
Q03	Name of Organization______________________		ORGANIZATION
Q04	Is this:(1) an interview?☐ (2) a self-administered survey?☐ (3) a web administered survey?☐		CHOICEOFSURVEY

INTERVIEW HISTORY				
		1ST VISIT	2ND VISIT	3RD VISIT
Q05	DATE OF VISIT *(DD/MM/YY)*	____/____/____ (DATEVIS1)	____/____/____ (DATEVIS1)	____/____/____ (DATEVIS1)
Q06	INTERVIWER CODE *(INITIALS)*	______ ______ (INTVIS1)	______ ______ (INTVIS2)	______ ______ (INTVIS3)
Q07	RESULT OF VISIT *(SEE CODES BELOW)*	______ ______ (RESVIS1)	______ ______ (RESVIS2)	______ ______ (RESVIS3)
Q08	NEXT VISIT *(DD/MM/YY)*	____/____/____ (NEXTVIS1)	____/____/____ (NEXTVIS2)	
Q09	NEXT VISIT TIME *(e.g. 14:00HRS)*	_____:_____hours	_____:_____hours	

RESULT OF VISIT CODES

01 Completed the Interview
02 Made contact –No Consent
03 Incomplete interview –need to return
04 Incomplete interview no return
05 Respondent not accessed –need to return
06 Respondent not available – need to return
07 Other *(SPECIFY)*_____________________________

Q10	INTERVIEWERS SIGNATURE__________________________
Q11	DATA CLERK CODE _______ ________

CONSENT MESSAGE

Hallo.

Your organization has been sampled out to assist survey entitled “best practice approaches to organizational leadership in averting fraud and corruption: A good work culture’, by participating in filling out this standard organization survey form. The results of this study will be used primarily for learning and academic purposes and hopefully add to the body of knowledge on the exemplary leadership practices that bring about positive change in organizations. The University Of Zambia (UNZA) in collaboration with the Zimbabwe Open University (ZOU) is providing me technical support on this survey as a student.

This form, the organizational survey form attempt to collect data on various organizations management system and policies for preventing fraud and corruption risk. 10 or more organizations will be administered with this standard questionnaire. Participation is voluntary. Please be assured that your privacy is protected on this survey. My survey report will not make mention of your organization as the results of the survey will be presented in a generic manner. The survey is anonymous and you do not need to write your name or your organizations name on this questionnaire. Your answers to the questions will therefore be held in strict confidence. You are also free to leave out any question that you are not comfortable to answer. It is estimated that, it will take approximately 20 minutes of your time to fill out this 5 paged form. The form is being administered in three (3) ways that is through an interview, or self-administered questionnaire in soft or hard copy, or through a web based self-administered form through the internet. You are free to choose which one is the best method for your organization.

To be interviewed send an appointment date and time to namwayi@gmail.com

To fill out the offline self-administered questionnaire, in soft copy, proceed to answer the questions that follow on this form.

To fill out the organizational survey form through the internet, go to the following link https://goo.gl/forms/jsI1MrmhiPRDfNAq2

You may contact me for any queries or information related to this survey on my cell phone: +266 53229890/ WhatsApp: +260 977888693 or email: namwayi@gmail.com.

I will be very grateful if you could participate on this survey.

Thank you for your time.

Regards,

Namwayi Membe

SOURCE OF SECONDARY DATA COLLECTION

I would like to learn more about the fraud and corruption risk and management systems, policies, controls and strategies currently in place in your organization. In responding to the checklist reference will be made to your current organizations policy documents.

No.	Question and filters/ coding categories	Skip to	
Q12	**What is the job title of the custodian of your organizations ethics/ fraud and corruption risk management program documents?** *(Please insert job title)*______________________________		CUSTODIANSOPS
Q13	**Please indicate his/ her level in your organizational structure.** *(please circle one)* Senior/ Top management…………………………………………….1 Middle Management…………………...2 Low level management……………………………………………...3		
Q14	**Does your organization have any written policy/ report/ strategy or plan/ standard operating procedures/ and or other documents specifically showing how management plans to manage, monitor, control, evaluate, report on its activities of preventing fraud and corruption to create a good work culture?** Yes…………………………………………………………………...1 No……………………………………………………………….…...2	If yes go to Q16	CONSENTPTCPN
Q15	**If yes please list the names of the documents available in the organization.**		KEYPERSON
Q16	**What is the purpose of each of these documents listed above?** *(Please state in the space below)*		SOPSAVAILABLE
Q17a	**Have all these documents been shared/ communicated widely to all your organization's members?** (please select only one) Yes-completely …………………………………………………………...1 Partly …………………………………………………………….…...2 No not at all……………………………………………………………3 Not applicable……………………………………………………………4		NAMEOFSOPS
Q17b	**Please insert the reason in the space below if your answer to Q17a above is partly or not at all.**		PURPOSEOFSOPS
Q17c	**Do any of your organization's documents specify the type of media through which policies, internal controls and procedures on preventing fraud and corruption will be shared or communicated to entire management team and workforce in your organization?** Yes…………………………………………………………………...1 No……………………………………………………………….…...2		SOPSSHARED
Q17d	**What are the media specified in your organizations documents for sharing the policies/ procedures on preventing fraud and corruption?** *(Please circle all that apply and or specify other media used)* Meetings *(e.g. all staff meetings, management meetings)*………………...……...1 One-on-one basis with supervisor ………………………....……...…....………2		

	Through emails to all employees…………………………………………..……3 Through intranet (organizations private network) ………………………..…….4 Other *(please specify)*______________________________________		
Q17e	**How often are these policies/ procedures on preventing fraud and corruption shared among organizational members?** *(Please circle only one)* Always………………………………………………………………………..1 Very frequently…………………………………..…………………….2 Occasionally……………………………………………………..………..3 Rarely……………………………………………………………………...4 Never……………………………………………………………….….5		
Q18	**Are any of the following objectives, 'a' to 'e', on managing the risk of fraud and corruption written anywhere in your organizations documents?** *(If your answer is yes then tick true but if it is no then tick false)*		STROBJECTIVES
a. Prevent instances of fraud and corruption from occurring in the first place..........**True □ False □**			
b. Detect instances of fraud and misconduct when they do occur. ....**True □ False □**			
c. Respond and take corrective action when integrity breakdowns arise....................**True □ False □**			
d. Evaluate work culture regularly to give a hint on what are the existing norms……**True □ False □**			
e. We pursue other objectives on fraud and corruption risk management………........**True □ False □** *(Please insert in the space below your organizations other objectives relating specifically to the prevention of fraud and corruption as documented in your program documents.)*			
Q19	**What are your organizations values?** *(Please list them as they appear in your organizations documents)*		ORGVALUES
Q20a	**Is it deliberate policy that your organizational values are reaffirmed or communicated regularly with its members?** Yes……….......……………………………………………………………….…1 No………………………………...…………………………………………………..2 I do not know……………………………...……………………………………...99		FREQUENCYVALUES
Q20b	**How often does your senior or middle management team communicate to / remind/ affirm these organizational values among organizational members?** Always……………………………………………………………………………….….…..1 Very frequently………………………………………………………………………..…..2 Occasionally……………………………………………………………………………....3 Rarely………………………………………………………………….……….….……4 Never…………………………………………………………….……………………5		
Q21	**Which of the following statements best describe the actions that will be taken by your management team to accomplish your fraud and corruption prevention objectives as documented in your organizations policies? (Please tick true or false)**		PREVNTIVE ACTIONS
Source of this checklist: (IBAC Victoria, 2006) a. Endlessly assess fraud/ corruption risk to detect early and manage in good time…**True □ False □**			

b.	Implement and maintain an integrity framework *e.g. prevention policies are part of corporate, strategic and operational planning processes and objectives.* ………………….**True** □ **False** □
c.	Fraud control governance arrangements in place *e.g. a policy, an ethical advocate.* **True**□ **False**□
d.	Management commitment to controlling risks of fraud performance assessments conducted periodically……………………………………………………………………..**True** □ **False** □
e.	A code of conduct is in place and shared widely in the organization……………..**True** □ **False** □
f.	Employees in high risk roles *e.g. procurement personnel are adequately trained on fraud and corruption risk management, supervised and supported*. …………...……………**True** □ **False** □
g.	Internal controls instituted *e.g. internal audits, periodic monitoring and reporting achievements/ challenges, whistle blowing*…………...……………………………......................**True** □ **False** □
h.	Promote transparency throughout the organization:- *e.g. reports are generated to show prevention activities implemented and the achievements and shared internally and externally*……………………………………………………………………..**True** □ **False** □
i.	**Other than the above what other actions are documented in your organizations policy documents for preventing fraud and corruption risk management?** *(Please list these actions in the space provided below here)*

Thank you for taking time to participate in this study, the best practice approaches to leadership in averting fraud and corruption to create a good work culture in an organization. Please return the form to the researcher as she comes to collect it.

Appendix 5: Cover Letter To the Head of the Organization

____
____
____

15th October, 2016

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____
____

Dear Sir/ Madame,

RE: SURVEY: BEST PRACTICES APPROACH TO ORGANIZATIONAL LEADERSHIP IN AVERTING FRAUD AND CORRUPTION: A GOOD WORK CULTURE

I write to request for your permission to grant me access to conduct the above mentioned survey in your organization. I am pursuing this survey as part of the fulfillment of the requirements for the award of a master's degree with the University of Zambia in collaboration with the Zimbabwe Open University. The purpose of this survey will be to describe the current best practice approaches that leaders of organizations are using to better manage fraud and corruption within the organization and create a good work culture. The results will be used for learning purposes and add to the previous body of knowledge on the exemplary leadership practices that bring about positive change.

The survey targets the organizational heads and their senior and middle management team members in selected organization who will be asked to participate in filling out an individual survey questionnaire. Additionally, one (1) representative of your organization will be required to respond to the organizational survey form which is used to collect data on the organization's current risk management system and policy. Your organization has been sampled to participate in this survey. I am available to come and discuss more about my survey and hear from you. My contact details are as stated below.

Please find attached herewith a letter from my school, the University of Zambia, confirming my research and the two survey forms- the individual survey questionnaire and the organization survey form.

I will be very grateful if you could allow me to conduct this survey in your organization.

Yours sincerely,

Namwayi Namukonde Membe
Postgraduate Graduate Student,
UNZA-ZOU Institute of Distance Learning
Email: namwayi@gmail.com, Cell phone: +266 53229890

Appendix 6: Letter of introduction

The following is the copy of the letter of introduction that was used in this survey.

UNIVERSITY OF ZAMBIA – ZIMBABWE OPEN UNIVERSITY

(UNZA/ZOU)

Telephone: +260-1-1-29177/0978 772249 Ext. 3500
Fax: +260-1-253952
E-mail director-ide@unza.zm

P O Box 32379
Lusaka, Zambia

===

13th October, 2016

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RE: CONFIRMATION OF STUDY – MS. NAMWAYI NAMUKONDE MEMBE (714802082)

Reference is made to the above mentioned subject matter.

This serves to confirm that the above mentioned individual of **Passport Number ZNO88260** and **Computer Number 714802082** is a bonafide student of the University of Zambia in collaboration with the Zimbabwe Open University (UNZA-ZOU). Ms. Namwayi Namukonde Membe is pursuing a Master of Business Administration (MBA) programme. She is undertaking a study entitled: "**Best Practice Approaches to Leadership in Averting Fraud and Corruption to Create a Good Work Culture in an Organization**". She requires to collect data from your organization through use of two questionnaires based on the aforementioned topic. The data that she will collect will be used strictly for academic purposes.

Your assistance rendered to her on this matter will be greatly appreciated.

Yours faithfully,

Dr. G.K. Tambulukani
ASSISTANT DIRECTOR (UG)
INSTITUTE OF DISTANCE EDUCATION

THE UNIVERSITY OF ZAMBIA
DIRECTOR
13 OCT 2016
OF DISTANCE EDUCATION

c.c. Assistant Director (PG), IDE
HOD, QAR, IDE
Assistant Registrar (Academic), IDE

Appendix 7: Letter of Informed Consent Accompanying the Cover Letter

Greetings.

My name is Namwayi Namukonde Membe a postgraduate student from the University of Zambia. I am surveying a study entitled, "Best Practice Approaches to Organizational Leadership in Averting Fraud: A Good Work Culture" I am conducting this survey as part of the fulfilment of the requirements for the award of a postgraduate program. The University of Zambia in collaboration with the Zimbabwe Open University is providing me technical support on this survey. The purpose of this survey will be to describe the current best practice approaches that leaders of organizations are using to better manage fraud and corruption within the organization and create a good work culture. The results of this study will be used for learning purposes and add to the previous body of knowledge on the exemplary leadership practices that bring about positive change.

On this survey, a total of 60 employees who are either in the senior, middle and low management team, selected out of a sample of 10 or more organizations from different industries, will be administered a standard questionnaire. Your organization has been sampled out to participate on this survey and you have been selected to participate in responding to the questions set in this surveys questionnaire. You may choose to be interviewed by the researcher, or to complete the hardcopy or web based self-administered questionnaire. However be informed that your participation is voluntary.

Should you choose to participate be assured that the questionnaire is anonymous and the results will not be attributable to your or your organization. Your answers too will be held in strict confidence. The researcher recognizes your right to privacy and you are free to leave out the questions that you are not comfortable to answer. The survey will take approximately 20 minutes of your time. If I have your permission I will proceed to administering to you the survey questionnaire. Can I proceed?

CONTACT PERSONS FOR ANY QUERIES OR INFORMATION RELATED TO THE STUDY: Mrs. Namwayi Membe, University of Zambia, IDE, Lusaka, Zambia Cell +260977888693. Email: namwayi@gmail.com

Appendix 8: Reminder Messages for Online Research Respondents

Dear [Insert Research Respondents Name]

RE: Reminder-Invitation To Participate On The Survey- Survey On Best Practice Approaches To Leadership In Preventing Fraud And Corruption To Create A Good Work Culture In An Organization

Greetings,

Two weeks ago you may have received an e-mail message asking you to assist me in surveying the best practice approaches to leadership in averting fraud and corruption to create a good work culture in an organization, by filling out a web based survey questionnaire. If you have not had a chance to take the survey yet, I would appreciate your reading the informed consent message below and complete the survey. The invitation has gone to everyone in the selected sample population. Since no personal data is retained with the surveys for reasons of confidentiality, I am unable to identify whether or not you have already completed the survey.

To take the web (internet) based survey, kindly go to the following link.
https://goo.gl/forms/sbx2sw5vssOT1TPy2

To fill out an offline soft copy instead you may download the offline form attached to this email and send the completed form back to me through my email- namwayi@gmail.com
To withdraw from the list of persons participating on this survey, please send me an email at: namwayi@gmail.com requesting to be removed from the list.

Please find attached herewith a scanned letter, in PDF format, from my school, the University of Zambia, confirming my survey and the offline individual survey questionnaire.

I will be very grateful if you could respond to this survey questionnaire. Thank you for your time.

Best regards,

Namwayi Membe

Informed Consent Message

The purpose of this survey is to describe the current best practices that leaders of organizations are using to mobilize others to want to make extraordinary efforts to prevent fraud and corruption and to create a good work culture. You were identified as a person with managerial work experience holding valuable and valid information to this survey. You were therefore invited to respond to this survey by filling out this web based Individual survey questionnaire. The results of this study will be used primarily for learning (academic) purposes and hopefully add to the body of knowledge on the exemplary leadership practices that bring about positive change in organizations.

On this survey, a total of 60 individuals in managerial positions, currently self-employed or employed in organizations are being administered with this standard individual survey questionnaire and participation is voluntary. Please be assured that your confidentiality and privacy is protected. The questionnaire, is anonymous and you do not need to write your name on it. Your answers to the questions will be held in strict confidence. The survey report will not attribute any of the findings on this survey to you or your organization. The survey report will be presented in a generic manner. You are also free to leave out any question that you are not comfortable to answer. It is estimated that, if your internet is fast it will take approximately 30 minutes of your time to fill out this form. You may also contact me for any queries or information related to this survey on my cell phone: +266 53229890/ WhatsApp: +260 977888693 or email: namwayi@gmail.com.

Appendix 9: Detailed Data Presentation Of The Results In Tables

Source: Field data, 2017

SECTION 1: BACKGROUND CHARACTERISTICS OF THE RESEARCH RESPONDENTS

	Table 1: Number of Research Participants	Number	Percentage
1	Total number research participants	60	100%

	Table 2: Location Or Workstation of Research Participants: Country	Number	Percentage
1	Lesotho	26	43.3%
2	Zambia	26	43.3%
3	Afghanistan	1	1.7%
4	India	1	1.7%
5	South Africa	1	1.7%
6	South Africa and Zambia	1	1.7%
7	South Sudan	1	1.7%
8	Swaziland	1	1.7%
9	Zimbabwe	1	1.7%
10	No Response	1	1.7%
	Total	**60**	**100.0%**

	Table 3: Location- Work Station of Research Participant (Province/ District)	Number	Percentage
1	Berea	1	1.7%
2	Chipata, Katete and Chadiza	1	1.7%
3	Harare	1	1.7%
4	Herat Province	1	1.7%
5	Johannesburg and Lusaka	1	1.7%
6	Kitwe	3	5.0%
7	Luanshya	1	1.7%

	Table 3: Location- Work Station of Research Participant (Province/ District)	Number	Percentage
8	Lusaka	19	31.7%
9	Mansa	1	1.7%
10	Maseru	26	43.3%
11	Swaziland, Mbabane	1	1.7%
12	New Delhi	1	1.7%
13	Siavonga	1	1.7%
14	Western Cape	1	1.7%
15	No Response	1	1.7%
	Total	**60**	**100.0%**

	Table 4: Type of Organization of the Research Participants Current Employer	Number	Percentage
1	Private Limited Company	22	36.7%
2	Non-Governmental Organization (NGO)	18	30.0%
3	Parastatal Organization	6	10.0%
4	Public Limited Company/ Corporation	6	10.0%
5	Public Sector (or government)	4	6.7%
6	Faith Based Organization (FBO)	1	1.7%
7	Partnership	1	1.7%
8	No Response	2	3.3%
	Total	60	100.0%

	Table 5: The Sort Of Business That The Research Participant's Current Organization Was Engaged In	Number	Percentage
1	Health	10	16.7%
2	Insurance	9	15.0%
3	Communication	6	10.0%
4	Education	6	10.0%
5	Transportation/ road construction	4	6.7%
6	Financial services	3	5.0%

	Table 5: The Sort Of Business That The Research Participant's Current Organization Was Engaged In	Number	Percentage
7	Not for profit / NGO	3	5.0%
8	Development and relief	2	3.3%
9	Manufacturing	2	3.3%
10	Retail	2	3.3%
11	Revenue administration	2	3.3%
12	Community development	1	1.7%
13	Grassroots development	1	1.7%
14	Humanitarian	1	1.7%
15	Integrated agriculture	1	1.7%
16	Logistics and procurement	1	1.7%
17	Mining	1	1.7%
18	Mobile phone solutions in agriculture	1	1.7%
19	Regional water development	1	1.7%
20	Religious	1	1.7%
21	Research in health and development	1	1.7%
22	Technology	1	1.7%
	Total	**60**	**100.0%**

	Table 6: Management Level In The Organization Of Research Participants	Number	Percentage
1	Senior/ top management	27	45.0%
2	Middle management	22	36.7%
3	Low level management	10	16.7%
4	No response	1	1.7%
	Total	**60**	**100.0%**

	Table 7: Current Job Summary of Research Participants By Category	Number	Percentage
1	Executing plans in compliance with policies	35	58.3%
2	Establish corporate policies and make management decision	10	16.7%
3	Controlling and overseen the organization	9	15.0%
4	Supervising employees	6	10.0%
	Total	**60**	**100.0%**

	Table 8: Length of Time of Work Experience at Managerial Level Of Research Participants	Number	Percentage
1	6-10 years	21	35.0%
2	over 10 years	13	21.7%
3	3-5 years	10	16.7%
4	below 3 years	10	16.7%
5	No response	6	10.0%
	Total	**60**	**100.0%**

	Table 9: Types of Organizations That Research Participants Have Ever Worked For at Managerial Level	Number	Percentage
1	Non-Governmental Organization (NGO)	30	50.0%
2	Private Limited Company	27	45.0%
3	Public Sector (or government)	14	23.3%
4	Public Limited Company	7	11.7%
5	Parastatal Organization	7	11.7%
6	Sole Trader	3	5.0%
7	Partnership	1	1.7%
8	Faith Based Organization (FBO)	1	1.7%

	Table 10: Educational Level Of Research Participants	Number	Percentage
1	Master’s degree	28	46.7%
2	Degree	23	38.3%
3	Diploma	7	11.7%
4	PHD	1	1.7%
5	Secondary school	1	1.7%
	Total	**60**	**100.0%**

	Table 11: Sex of Research Participants	Number	Percentage
1	Female	19	31.7%
2	Male	41	68.3%
	Total	**60**	**100.0%**

	Table 12: Age category in Years Of Research Participants	Number	Percentage
1	20 - 30 years	6	10.0%
2	31 - 40 years	24	40.0%
3	41- 55 years	26	43.3%
4	No response	4	6.7%
	Total	**60**	**100.0%**

	Table 13: Age Statistics Of Research Participants	
1	Oldest age	55 years
2	Youngest age	25 years
3	Average age	39.7 years
4	Mode age	39 years
5	Median age	40 years
6	Standard deviation of ages	7

SECTION 2: TRAINING AND KNOWLEDGE LEVELS ON HOW LEADERS ENCOURAGE OR LOSE CONTROL OF AVERTING FRAUD

	Table 14: Research Participants That Had Ever Received Any Training On Managing Fraud and Corruption Risk In An Organization	**Number**	**Percentage**
1	Yes	39	65.0%
2	No	20	33.3%
3	No response	1	1.7%
	Total	**60**	**100.0%**

	Table 15: Training In Managing The Risk Of Fraud And Corruption Was Initiated By	**Number**	**Percentage**
1	In-house/ on the job training	34	87.2%
2	Part of my academic qualification	5	12.8%
3	Personal through e-learning/ short course	1	2.6%
4	Other	3	7.7%

	Table 16: Knowledge Levels On The Impact Of Leadership And Work Culture In Preventing Fraud and Corruption							
		Strongly Disagree	***Disagree***	***Neutral***	***Agree***	***Strongly Agree***	***No Response***	***Total Number Responses***
1	There are early warning signs to warn leaders that fraud/ corruption is taking place	1	2	5	31	21	0	60
2	The effectiveness of fraud and corruption risk management internal controls is dependent on work culture & leadership practices	0	2	3	25	29	1	60
3	The leaders practices can encourage fraud and corruption to take place in an organization	0	2	5	20	33	0	60
4	Specific steps can be taken to restore an organization that fraught with widespread fraud and corruption	0	1	2	15	41	1	60

	Table 17: Sign Of That Show What The Current Prevailing Work Culture In The Organization									
	Sign	**Previous Literature Good Vs Bad Work Culture**	**True Response**		**False Response**		**No Response**		**Total Responses**	
			Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
1	Some employees more than others access the top leader's mentorship and coaching	**Bad**	36	60.0%	24	40.0%	0	0.0%	60	100.0%
2	Employees are defensive when they are being corrected	**Bad**	20	33.3%	39	65.0%	1	1.7%	60	100.0%
3	The same problems are repeated in all staff meetings e.g. poor salaries / poor working conditions	**Bad**	20	33.3%	39	65.0%	1	1.7%	60	100.0%
4	Customers often complain about the organizations products, services and relations	**Bad**	19	31.7%	41	68.3%	0	0.0%	60	100.0%
5	Employees fear to take risks and are reluctant to innovate	**Bad**	18	30.0%	40	66.7%	2	3.3%	60	100.0%
6	Bending company rules to meet deadlines is necessary in an organization	**Bad**	16	26.7%	44	73.3%	0	0.0%	60	100.0%
7	Employees give only positive feedback / good reports and never report failures	**Bad**	13	21.7%	47	78.3%	0	0.0%	60	100.0%
8	Employees work together and help each other to find solutions to problems	**Good**	51	85.0%	8	13.3%	1	1.7%	60	100.0%
9	Employees happily encourage other people to join the organization	**Good**	49	81.7%	11	18.3%	0	0.0%	60	100.0%
10	Employees encourage and congratulate each other without animosity	**Good**	48	80.0%	12	20.0%	0	0.0%	60	100.0%
11	There is low staff turnover in the organization	**Good**	43	71.7%	16	26.7%	1	1.7%	60	100.0%
12	All employees freely take their annual leave, without being reminded or forced	**Good**	40	66.7%	19	31.7%	1	1.7%	60	100.0%
13	All employees work happily and are polite even in the midst of high stress levels	**Good**	35	58.3%	24	40.0%	1	1.7%	60	100.0%
14	The organization receives thousands of job applications for its advertised job vacancies	**Good**	34	56.7%	25	41.7%	1	1.7%	60	100.0%

*According to authors, (Rains , 2012) those marked bad were the signs that show that there is a bad work culture while according to (Nelson, 2015) the ones marked good were signs that the organization has a good work culture.

	Table 18: Perception Of Research Participants Of the Current Status of Work Culture In Their Organization	Number	Percentage
1	Good	20	33.3%
2	Fair	17	28.3%
3	Very good	13	21.7%
4	Bad	4	6.7%
5	Very bad	0	0.0%
6	No response	6	10.0%
	Total	**60**	**100.0%**

	Table 19: Views Of Research Participants On Behaviors of Leaders That Can Stimulate A Bad Work Culture In Which Fraud And Corruption Is Seen As Normal In The Organization	Number	Percentage
	Total number of participants that responded to the question	59	98.3%
1	Not encouraging openness among workers	44	74.6%
2	Intimidation of workers/ threats	37	62.7%
3	Discouraging bad reports	33	55.9%
4	Allowing or bending the rules to suit the current pressing needs or emergencies	41	69.5%
5	Not punishing fraudulent and corrupt workers	44	74.6%
6	Showing favoritism towards certain workers	36	61.0%
7	None disclosure of conflict of interest	1	1.7%
8	Having affairs with junior staff or dating them	1	1.7%
9	Not proving themselves as being serious leaders	1	1.7%
10	Lack of commitment from the top leadership	1	1.7%
11	Not respecting workers	1	1.7%
12	Not communicating what constitutes a bad work culture	1	1.7%
13	Not acting immediately on bad behavior among employees	1	1.7%
14	Lack of rewarding staff who might be inclined to reward themselves through fraud	1	1.7%
15	When the supervisor avoids to document their communication	1	1.7%
16	Low pay for stressful work	1	1.7%
17	Spending lavishly on senior management at the expense of operations	1	1.7%

SECTION 3: THE CURRENT BEST PRACTICE APPROACHES TO LEADERSHIP IN AVERTING FRAUD AND CORRUPTION IN AN ORGANIZATION

	Table 20: Is Your Organization Successfully Preventing Fraud and Corruption?	**Number**	**Percentage**
1	Yes	49	81.7%
2	No	10	16.7%
3	No response	1	1.7%
	Grand Total	**60**	**100.0%**

	Table 21:Opinions of Research Participants On The Reasons why Their organization was successfully preventing fraud and corruption		
	Total number of participants that responded to this question	59	98.3%
	Reasons (Themes)	**Number of Responses Falling Under This Theme**	**Percentage Responses falling under this theme**
1	Strong policies and systems are in place to prevent fraud and or corruption	28	57.1%
2	Organization communicates and educates employees against fraud and corruption	10	20.4%
3	Employees are empowered to speak out on suspected fraud and or corruption	9	18.4%
4	Standards of appropriate behavior are shared widely in the organization	7	14.3%
5	There is zero tolerance of fraud and corruption in the organization	7	14.3%
6	Employees own the fraud and corruption risk prevention program/ system	6	12.2%
7	The organization has assigned the responsibility to manage fraud and corruption	4	8.2%
8	Reported cases of fraud and corruption have reduced overtime	3	6.1%
9	The organization collaborates/ networks with others on the fight against fraud and corruption	2	4.1%
10	Employees needs/ issues are addressed amicably	1	2.0%

	Table 22: Opinions Of Research Participants On Factors Hindering Leaders From Preventing Fraud And Corruption	Number	Percentage
	Total number of participants that responded to this question	57	95.0%
1	Failure of leaders to have, enforce, implement/and ensure that their employees follow through the fraud and corruption risk management systems/ controls	18	31.6%
2	Their own poor leadership practices	16	28.1%
3	Fear to face fraud and corruption issues/ lack of openness on fraud and corruption issues	10	17.5%
4	Lack of clear and strict policies, rules and regulations on preventing fraud and corruption.	8	14.0%
5	When the work culture is not conducive to stimulate the right behavior	8	14.0%
6	When the organization does not educate, enable, equip, mentor and monitor employees in preventing fraud and corruption	8	14.0%
7	Hard economic conditions prevailing in the country/ poor remuneration so leaders sometimes fall prey to gain through fraud and corruption e.g. Conflict of interest, bribes.	8	14.0%
8	When fraudulent or corrupt behavior is normalized in the organization due to lack of action against it.	5	8.8%
9	Departments/ business units within the organization operate in isolation	3	5.3%
10	Communication is a challenge in the organization	3	5.3%
11	Lack of employee ownership of the fraud and corruption risk management systems/ controls	2	3.5%
12	Nothing hinders leaders in preventing internal fraud and corruption	2	3.5%
13	Support of the board and management does not seem genuine	1	1.8%
14	Lack of planning in prioritizing issues.	1	1.8%

Table 23: Elements Of A Comprehensive Compliance Program In Place In the Research Participants Organization For Preventing Fraud And Corruption					
		Responded to the question	60	100%	
	Risk and Management Approach	*Elements of a Comprehensive Compliance Programs*	*Number*	*Percentage*	***Average Number***
1	**Prevention**	Code of conduct & related standards	52	86.7%	**38**
2		Communication & training	42	70.0%	
3		Fraud & misconduct risk assessments	35	58.3%	
4		Process –specific fraud risk controls	32	53.3%	
5		Employee and third party due diligence	27	45.0%	
6	**Detection**	Auditing & monitoring	55	91.7%	**39**
7		Hot lines & whistle blowers	43	71.7%	
8		Proactive forensic data analysis	18	30.0%	
9	**Response**	Internal investigation protocols	34	56.7%	**24**
10		Enforcement accountability protocols	30	50.0%	
11		Corrective action protocols	24	40.0%	
13		Disclosure protocols	20	33.3%	
14		Retrospective forensic data analysis	13	21.7%	
15	**None**	I do not know what is in place in my organization	2	3.3%	**2**

Table 24: The Five Practices Of Exemplary Leadership And Commitments That Research Participants Were Engaged in To Prevent Fraud and Corruption In The Organization		Number	Percentage
a. Modelling The Right Way To Prevent Fraud And Corruption by committing to the following:		***60***	***100.0%***
(i)	I often review my own and the organizations values (e.g. Honesty and integrity), affirm and share these with employees	58	96.7%
(ii)	I consistently walk my talk by setting the example of aligning my actions with shared values (e.g. I also adhere strictly to the internal controls)	60	100.0%
(iii)	I consistently show my commitment to my beliefs in preventing fraud and corruption (e.g. By punishing fraudulent and corrupt behavior and rewarding good behavior.)	53	88.3%
(iv)	I adhere strictly to the internal controls no matter how long the process is and correct those who try to cut corners or bend the rules	56	93.3%
(v)	I prove to others that preventing fraud and corruption is very important	52	86.7%
b. Inspiring a shared vision of creating a good work culture free from fraud and corruption by committing to the following:		***54***	***90.0%***
(i)	I constantly share and remind employees on the vision of having a good ethical work culture and what it entails of their actions and behaviors	52	96.3%
(ii)	I periodically celebrate progress with employees e.g. By reviewing my organizations history of fraud, corruption and bad culture, the present current state in terms of the progress made in achieving a healthy ethical culture and the future desired state of the organization culture.	39	72.2%
(iii)	I am clear about the importance of the vision and take time to explain to employees why a healthy ethical work culture is important to them too i.e. It is in their best interest	51	94.4%
(iv)	I deliberately show confidence and enthusiasm of the vision of having a healthy ethical work culture, to ignite passion in employees	54	100.0%
c. Continuously challenging the process from the status quo by committing to the following:		***57***	***95.0%***
(i)	I involve employees to search for opportunities by seizing initiatives and looking outward for innovative ways of improving, strengthening and tightening the internal controls that turn out not as effective as expected	47	82.5%
(ii)	I take risks, support employees to take risks, learn from our failures, and experiment on new things to take the organization forward	44	77.2%
(iii)	I constantly communicate to employees the key standards of acceptable business conduct and challenge those who are falling short	49	86.0%
d. Enabling others to act against fraud and corruption by committing to the following:		***45***	***75.0%***
(i)	I foster collaboration by building trust and facilitating relationships e.g. Assigning all levels of management with specific responsibilities in managing fraud and corruption prevention	42	93.3%

Table 24: The Five Practices Of Exemplary Leadership And Commitments That Research Participants Were Engaged in To Prevent Fraud and Corruption In The Organization		Number	Percentage
(ii)	I strengthen others by increasing self-determination and developing competence e.g. Promote and organize compliance trainings for employees	44	97.8%
e. Encouraging the heart to act against fraud and Corruption by committing to the following:		***53***	***88.3%***
(i)	I recognize contributions made by employees such as innovating new ways of intensifying internal controls, or for maintaining integrity and doing what is right, through showing appreciation for individual excellence	51	96.2%
(ii)	I celebrate the organizational values and victories by creating a spirit of community through caring for employees and not manipulating them, listening to employees with empathy, improving communication and honesty in relationships, rejoicing together and mourning together	50	94.3%

	Table 25: Impact of the Research Participants Best Practice Approaches To Leadership In Preventing Fraud And Corruption		
		Number	Percentage
1	Participants that responded to the question	57	95.0%
2	Enhanced motivation and willingness to work hard	48	84.2%
3	Created higher performing teams	40	70.2%
4	Fostered greater organizational commitment	38	66.7%
5	Fostered renewed loyalty	29	50.9%
6	Reduced absenteeism	27	47.4%
7	Generated increased sales and customer satisfaction levels	24	42.1%
8	Increased staff retention	24	42.1%
9	Enhanced spirit of transparency and accountability	2	3.5%
10	Created a culture of a fraud free environment by promoting professionalism	2	3.5%

SECTION 4: EXPERIENCES ON CURBING ORGANIZATION WIDE SPREAD FRAUD AND CORRUPTION IN THE ORGANIZATION

	Table 26: Ever Experienced Excessive Or Wide Spread Fraud And Corruption In the Organization		
#		Number	Percentage
1	Yes	31	51.7%
2	No	29	48.3%
	Total	**60**	**100.0%**

	Table 27:The Nature of the Fraud/ Corruption Committed In that Particular Organization As Reported By The Research Participants		
		Number	Percentage
	Participants that had ever experienced widespread fraud and corruption in the organization that responded to this question	31	100.0%
1	Misappropriation of finances or assets	17	54.8%
2	Conflict of interest	15	48.4%
3	Taking advantage of the weaknesses' of the system to justify fraud/ corruption	15	48.4%
4	Falsified receipts	15	48.4%
5	Manipulation of reports/ data to deceive the other party	13	41.9%

	Table 27:The Nature of the Fraud/ Corruption Committed In that Particular Organization As Reported By The Research Participants	Number	Percentage
6	Theft/ embezzlement of large amounts of money	12	38.7%
7	Soliciting or offering bribes	11	35.5%
8	Forgery	10	32.3%
9	Use of personal connection to get favors on a contract	10	32.3%
10	Kickbacks	9	29.0%
11	Revenue evasion	5	16.1%
12	Receipt or solicitation of secret commissions	4	12.9%
13	Negligence of duty for example receipts not obtained when payments were made to vendors	1	3.2%
14	Customers did not honor their monthly installments on good purchased on credit	1	3.2%

	Table 28: Experience: The Impact Of Excessive Internal Fraud And Corruption		
	Participants that had ever experienced widespread fraud and corruption in the organization that responded to this question	31	100.0%
1	Large amounts of finances were lost	22	71.0%
2	The organization lost its reputation	16	51.6%
3	Damaged business image	11	35.5%
4	Withdrawal of donors of projects funded	10	32.3%
5	Business efficiency and productivity suffered due to improper use of available resources	10	32.3%
6	Loss of clients and reputable business partners	8	25.8%
7	The organization faced sanctions and lawsuits	6	19.4%
8	There was less demand from investors to invest in the company's shares/ projects	6	19.4%
9	The organization eventually closed down	4	12.9%
10	Low morale among employees as their salaries were used to pay back for the loss	1	3.2%
11	Not very large amounts of funds were lost as the issue was addressed quickly	1	3.2%

	Table 29: Was the Problem Contained To the Level Where The Organizational functionality restored?		
1	Yes	26	83.9%
2	No	4	12.9%
3	No response	1	3.2%
	Total	**31**	**100.0%**

	Table 30: Steps That Should Have Been Taken To Restore The Organizations That Closed down due To Excessive Fraud and Corruption		
	Participants that said the organization closed down after they experienced excessive internal fraud that responded to this question	3	75.0%
	Steps (Themes)	**Number**	**Percentage**
1	They should have given customers a grace period to pay their debt on goods purchased on credit.	1	33.3%
2	Should have improvised a proper successional plan	1	33.3%
3	When repossessing the goods from defaulting debtors, the employees should not have been rude	1	33.3%
4	Steps should have been taken to correct the situation	2	66.7%

	Table 31:Major Steps Taken by Management To Successfully Restore the Normal Functionality Of The Organization		
	Participants that had ever experienced widespread fraud and corruption in the organization that responded to this question	26	100.0
	Steps (Themes)	**Number**	**Percentage**
1	Applied remedial measures/ acted on it	18	58.1%
2	Found means of limiting the possibility of re-occurrence of fraud and corruption	11	35.5%
3	Rebuilt the organizations image	9	29.0%
4	Investigation to gather data on the fraud	7	22.6%
5	Restructured the organization	7	22.6%
6	Determined the extent of the damage to the organization	3	9.7%
7	Determined causes of the fraud and corruption	2	6.5%
8	No steps were taken	2	6.5%

	Table 32: The Major Challenges Faced In Restoring The Organizations Normal Functionality After Experiencing Excessive Internal Fraud And Corruption		
	Participants that had ever experienced widespread fraud and corruption in the organization that responded to this question	26	100.0%
	Major Challenges (Themes)	**Number**	**Percentage**
1	Re-gaining competitive advantage of the organization	16	61.5%
2	Resistance to change/ change management	11	42.3%
3	Reduced financing/ lack of funds / replacement of funds	8	30.8%
4	Psychological impact on employees	7	26.9%
5	Engaging the right personnel to transform organization	1	3.8%
6	Communication was a challenge	1	3.8%
7	I cannot say	1	3.8%

	Table 33:How The Major Challenges Were Overcome		
	Participants that had ever experienced widespread fraud and corruption in the organization that responded to this question	26	100.0%
	Actions Taken To Overcome Major Challenges (Themes)	***Number***	***Percentage***
1	Started the organization on a new slate	9	34.6%
2	Worked on strengthening the image of the organization	7	26.9%
3	Mobilized funds, reimbursed donors/ company owners the funds lost due to fraud and corruption	6	23.1%
4	Team building	4	15.4%
5	Conducted change management process to reduce resistance	4	15.4%
6	Provided psychological support to employees	4	15.4%
7	Developed a zero tolerance to fraud and corruption	3	11.5%
8	Protected the assets from disgruntled workers that might seek revenge	3	11.5%
9	Improve communication internally and externally	3	11.5%
10	There were not overcome the company closed down	2	7.7%

	Table 34: Recommendations On The Most Important Steps To Take In Restoring Normal functionality of An Ailing Organization		
	Total number of participants that responded to the question	47	78.3%
	Actions Taken To Overcome Major Challenges (Themes)	***Number***	***Percentage***
1	Ensure sound leadership and shape a good work culture in the organization	26	55.3%
2	Strengthen/revise and implement the internal controls and risk management policies and systems to avoid re-occurrence	21	44.7%
3	Start the organization on a new slate	13	27.7%
4	Conduct change management process to reduce resistance	13	27.7%
5	Build a team	11	23.4%
6	Improve communication about fraud and corruption prevention internally and externally	9	19.1%
7	Develop a zero tolerance to fraud and corruption	8	17.0%
8	Provide psychological support to employees	5	10.6%

Appendix 10: Illustrative Examples Per Core Practice Of The Exemplary Leadership Model

Source: Field Data, 2017

The following presents 60 illustrative examples. These examples were the actual quotes and reported speech of the research participant's responses on what they thought was their best practice to leadership that they have employed in their organizations in averting fraud and corruption. These are presented under the respective categories of core practices of the exemplary leadership model.

1. <u>Modelling the Right Way To Prevent fraud and Corruption</u>

Example 1: "*I inform the team members of my own set of values that are in line with the organization. These are respect and integrity which are in line with the organizations value of trust. I say if you respect others you will not generate an inaccurate report or manipulate the data. I also tell them to maintain integrity in generating reports as people in the decision making positions need to have accurate data/ information on which to make decisions that will take the organization to greater heights in success. It does not matter how bad or negative the report generated. Stick to the actual data, just tell it as it is."*

Example 2: The research participant's organization's representatives gave varied responses of what their organizational values were. The most common values were integrity, teamwork, innovation and accountability. Most organizations reported that it was deliberate policy that managers at different levels, ensure that the organizational values were re-affirmed or communicated regularly with all its staff members. The values were contained in the organizational policy documents which were regularly shared through the carefully planned and agreed upon media:

Example 3: *"One of our organizational values is trust and our goal is to make customers smile. If customers don't trust us they will not smile at us. Thus, there is no room for fraud and corruption in our organization. This is what I preach to individuals in my department, which deals with customers and communication. Whenever I notice bad behavior among my subordinates, I use staff meetings to challenge staff to improve so that they get in line with the organizations standards of behavior and core values."*

Example 4: *"As management we are constantly and openly discussing and discouraging fraudulent activities to get all members to unite in the fight against it."*

Example 5: *"I just don't participate in any fraud and corrupt practices. I abide by all the rules and regulations of our organization. In short I live by example."*

Example 6: *"As a top leader of the organization, I promote and actively participate in fraud and corruption prevention activities such as awareness campaigns. I have given the internal forensic audit team a slot of time in all staff meeting to present the current status of the fraud and corruption incidences, feedback on actions taken, and new developments on how staff can avoid been found wanting with fraudulent acts."*

Example 7: *"When retiring per diem, if a conference/ meeting/ workshop that I attend has provided any meals, I have removed that from my per diem and returned it to my organization. I have also refused to sign procurement transactions when these should have gone to the bid selection committees and haven't because staff are claiming that there is a time constraint."*

Example 8: *"As a top leader, I have always followed procedures in procurement, finance and transport. For example whenever I want to use an organizational vehicle for personal reasons, I always formally apply and I am charged per kilometer in line with our organizational policy as opposed to just diverting the vehicle for personal errands."*

Example 9: *"I do not say anything that will give the wrong impression that it is ok to steal. For example saying, "anywhere, I understand that a person can steal when the economy is biting" and then not act against a person who has committed fraud, is likely to give the impression that you as a leaders are ok with it. Thus I stress it is important to be strict. Instead remind staff that according to our standards it is impossible to cheat, steal or do such fraudulent and corrupt acts because the consequences are clear. Once caught, you face punitive action. There is zero tolerance for fraud and corruption in our organization. I am consistent about these words."*

Example 10: *"Staff are given a platform where they say all their grievances and as management we do not mind as staff are teaching us on what areas to watch for and improve or intensify controls. They are free to say anything positive or negative even against us managers and we are not defensive about it. We ask a lot of leading or provoking questions so that we get a feel of what is the current norm in the organization."* This participant gave the following example of how that employees were complaining that they had to account even for meals with receipts and reimburse the remainder cash from their per diems when they traveled out. And not only that they were not even given out of station allowance as compared to their counterparts in other organizations. Such could breed falsification of receipts if management did not hear it from staff and take preventive action.

Example 11: *"As a leader you need to know how well you are matching your words and action by getting feedback from your subordinates. Thus in our organization all managers practice what is called tell it as it is. We use a matrix that consists of four, that is, good, ugly, bad and awesome. We use this to get subordinates to tell their boss what he or she is good at, ugly at, bad at or awesome at doing. We buy drinks/ refreshments and all employees interact in a friendly and relaxed atmosphere. They have found it easy to say even the worst things which have helped us as managers to improve on our leadership practice approaches in terms of integrity and conditions of service. Note that we do not* *become defensive we listen to all that is said. Our staff are very free to say anything. Externally we inform the public including customers that we are committed to ethics and compliance and ask that they share with us if they notice any fraudulent or corrupt behaviors from our organization."*

Example 12: *"I try to mimic the company's ethical standards of behavior and professionalism and I teach the people in my department to do the same. For example I always check that people do not cut corners in transactions or provide false information or information without source materials in reports. I ensure that we all maintain integrity and honesty."*

Example 13: *"Some people try to cut corners by not breaking down the cost per unit when making financial requests for project implementation, without even justifying it. For example requesting for a block figure of money, 500 million for the construction project in our project proposal. One must confront such and ask that the staff break down the cost to give details. This helps avoid misappropriation of funds. Our management takes time to explain in-depth to all employees including managers what each type of fraud looks like. This is so that all employees know that if I do this it means that I am committing a bribe, or if I take money from the organization for personal use then I am stealing even if there are intentions of bringing it back secretly."*

Example 14: A respondent from a large parastatal organization said that he commits himself to tell stories on his past experiences during the semi-annual workshops conducted for employees in his section. He said, *"I share how that here is zero tolerance of fraud and corruption in the organization and that many including managers do not last long in this organization all because of having had engaged in fraudulent and corrupt acts. I share with them that the secret to why I had lasted this long in the organization was that I maintained my integrity. This has seen me rise from a junior position in the organization to middle management when I first just joined. Everyone said this is how it is done around here however I did not do as everyone else was doing. I stuck to my values of maintaining integrity. When these people including my superiors were found with fraudulent cases, they were all fired and I was promoted to be in charge. Now I head the legal and ethics department of my organization."*

Example 15: *"We use actual events in our environment to illustrate the effect of the fraud and corruption in the organization such as the incidences we had of staff being made to refund expenses and the actual cases of two people being fired for having had engaged in fraudulent activities."*

2. <u>Inspiring A Shared Vision</u>

Example 16: At organizational level the participants reported that their management team had set specific objectives to prevent fraud and corruption which were documented in their policy documents. The most common contents of these objectives were: Prevent instances of fraud and corruption from occurring in the first place; detect instances of fraud and misconduct when they do occur; and respond and take corrective action when integrity breakdowns arise. The other objectives mentioned included: Evaluate work culture regularly to give a hint on what are the existing norms; commit employees to preventing fraud and corruption annually through signing for policies; and 6. improve transparency and accountability in the organization.

Example 17: In a public limited corporation, one research participant said that one way that their management attends to the present is the practice of looking around to notice what's going on right now to assess progress towards a good work culture, free from fraud and corrupt activities. They held weekly departmental status meetings. These status meeting assessed individual performance based on their organizations three values: speed, simplicity and trust. For example if on average an individual's number of clients served in the previous week was exceptionally high. An assessment would be conducted to see how he/ she achieved this in line of speed, simplicity and trust. If it was found that he/ she scored high on speed but scored very low on trust i.e. because he/she did not adhere strictly to internal controls/ standards of procedures when serving clients, then the individual will get a very low score on the overall performance. Thus this particular staff member would be encouraged to improve in that area to ensure a better score in the future. The staff were also reminded that if each member of staff was keen to score high on all values then it would enhance the organization performance on the overall. It was each member's responsibility to act responsibly in line with the vision, mission and values of the organization.

Example 18: *"I conduct repetitive conveyance and enforcement of policies, making reference to them whenever there is doubt. For example our organization members are not allowed to accept gifts from suppliers/ vendors to avoid the situation that they might start controlling the decision that employees, such as procurement personnel, make. This is detriment to the organization if decisions made on procurement are not objective. In short we encourage staff to live by the policies of the organization no matter who is in charge. It helps with the management of the risk of fraud and corruption. I constantly remind staff on the consequences of engaging in fraud. I support them by encouraging them to engage in other income generating activities such as membership to a cooperative where they can also access loans and other benefits as opposed to just relaying on a salary."*

Example 19: *"I use the input output model to find a common purpose with workers. At the beginning of each year, I facilitate discussion with employees to review the good practices that have in the past helped us reduce the incidence of fraud and also review the bad practices that had costed the company loss. Then we agree on what good practices e.g. encouraging speaking out on issues affecting the company that we should keep and take on and identify ways of eliminating the bad practices that could possibly encourage occurrence of fraud and corruption."*

Example 20: *"I have encouraged team work in accomplishing organizational goals. If you make all members to work in teams they become more committed to the organization and are less likely to commit fraud and corruption. Team work promotes good work culture."*

Example 21: *"I encourage all employees to declare any gifts given by vendors no matter how small it may seem. I hold team meetings to revisit our purpose and vision and agree on zero tolerance for fraud, corruption and cutting corners. Having a performance based appraisal that rewards good performers with an incentive is a good practice for example a reward for outstanding performance in maintaining integrity."*

Example 22: One research participant said that they have made preventing fraud and corruption compulsory in their organization. They regularly educate employees showing them clearly how that it is every ones responsibility to do so as it affects everyone. If the organization collapses due to fraud and corruption they all lose out too. They remind workers that they have a stake in the organization as they also benefit through it through emoluments and other benefits. This sets people free to act against fraud. An example was given as follows. One time when a supervisor in a department was suspected to be committing internal fraud. A neutral person (junior to this supervisor) from another department secretly investigated it and after ascertaining beyond doubt reported it through the "speak out system" of the organization. The senior management rewarded her for saving the company of a bad image that could have resulted from this behavior. After further investigations that particular supervisor was found guilty and was dismissed from his duties."

Example 23:*"Pamphlets, login on our computers / laptops and posters on all our walls at the office are all talking the same language reminding workers of our values and to avoid and stop internal fraud and corruption in the organization. We also rotate a banner among departments sharing information on fraud and corruption risk management policies. We have given specific fraud and corruption risk management tasks to committees a symbolic name to give them a sense of community and to enable them act by its name for example these were the Conflict of Interest Evaluation Committee; Ethics Committee, the Risk Management Committee; and the Doing What's Right Campaign Committee and two departments oversee these such as the Human Resource department and the Legal and Regulatory Affairs."*

Example 24: *"I show confidence and enthusiasm of the vision of having a good work culture in staff meetings and individually to staff who have raised the flag that some transactions look suspicious."*

3. <u>Challenging the Process</u>

Example 25: Leaders in the organization were committed to taking actions that influence others to want to change the status quo of a bad work culture in which there were incidences of fraud and corruption. A prevention checklist for controlling fraud and corruption by (IBAC Victoria, 2006) was adapted and used in this study to determine the actions that the leadership in the organizations were taking. The research participants confirmed that these actions were said to accomplish the fraud and corruption objectives set by the organization among others that they added. Among the actions taken were:-

- Making available up to date fraud control governance arrangements such as a policy, engaging an ethical advocate or forming committees;
- ensuring that a code of conduct is in place and shared widely in the organization; employees in high risk roles e.g. procurement personnel were adequately trained on fraud and corruption risk management, supervised and supported;
- Promoting transparency throughout the organization: - e.g. reports were generated to show prevention activities implemented and the achievements were shared at least internally and other stakeholders like donors and partners.
- Sharing donor policies and expectations to all members of staff when it comes to preventing fraud and corruption and conducting spot checks even at the lowest point of service delivery to ensure accountability to donors on the services provided with the financial aid.
- They were also committed to implementing and maintaining an integrity framework (a comprehensive approach for fostering integrity and preventing fraud and corruption) as well as forming integrity committees to implement programs that reduce instances of fraud and corruption. An integrity framework provides the instruments, processes and structures for deter timing and defining integrity, guiding , monitoring and enforcing; ensuring that performance assessments are conducted periodically on management's commitment to controlling risks of fraud and corruption;
- Internal controls were instituted such as internal audits, periodic monitoring and reporting achievements/ challenges, whistle blowing;
- They ceaselessly assessed fraud/ corruption risk to detect early and manage in good time;
- And constantly reviewed the existing internal checks and controls to see if there were any weaknesses.

Example 26: "*We are constantly enforcing our organizations fraud and corruption risk management systems/ controls to ensure that our employees follow it right through. To prevent fraud we have instituted various checks and balances including whistle blower policies, forensic audits, flagging up tale signs among staff and to probe when suspicion is raised."*

Example 27: *"I took time to review some of the organizations member's practices and where there were gaps I developed tools e.g. checklists to make implementation of policies to do with preventing fraud and corruption more effective through monitoring and controlling."*

Example 28: *"I have pushed an employee to find an innovative way in restricting confidential information from party B that was actually easily accessible to party A."*

Example 29: *"Our organization has a strong ethical and compliance system. We get awards for being innovative or win a prize. There are even programs that encourage employees to speak out on how do you think we should do work. We in leadership encourage members of staff in our departments to recommend new processes to replace what is not working well. Sometimes the most innovative employee of the year gets awarded* *even with a brand new car. Prices are very rewarding. In short we empower staff through open dialogue. To say what should improve and what is very bad that should be removed."*

Example 30: *"*As *managers we challenge the process by constantly reviewing the existing internal checks and controls to see if there are any weaknesses. I chair the purchasing committee and so I always look out for any unfair or possible vices in the processes by following laid down policies on internal controls e.g. due diligence and transactions of the organizations and the conflict of interest."*

Example 31: *"I worked with the current finance and administration director to put in place different mechanism that help prevent fraud- such as paying directly by a bank cheque for services and goods and also ensuring the retirement for advances are within a maximum of 10 days. The site level staff have been providing direct services to beneficiaries and no one from the head office followed up to interact with the beneficiaries to ascertain that they had benefited. I since developed a system to close that gap. I worked with colleagues to create a vendors list which the organization now uses to select vendors for procurement of goods. I also ensured the relevant documents (quotes) for procuring goods and services were adhered to depending on the approved thresholds.*

Example 32: In some organizations the research participants reported that when there was no expertise internally, management partnered with the external bodies such as Business Action Against Corruption (BBAC) in Lesotho to teach organizational members on how to detect, prevent and report corruption. In Zambia collaborating with the Anti-Corruption Commission (ACC) to do periodic take overs, once a year of a business units operations/ service delivery point even for a month while doing the actual job that the organizations officers do to observe whether there were any anomalies pointing to fraud and corruption and taking action where there were such findings. Along these lines a research participant was quoted, *"I have provided funding to enable certain staff to attend trainings on compliance, management of cooperative agreements and contracts management provided by partner organization, legal agencies and donors."*

Example 33:"*We have a monthly staff meeting where several issues are discussed including fraud particularly on issues of producing false reports with regard to targets set and false accounting. Externally we share with our partners what our stand is on the fight against fraud and corruption."*

Example 34: *"In civil service people fear for their jobs and so they are fearful to challenge the process. However, the organization loses out on these ideas that would make it advance. Thus to draw out these hidden ideas due to fear I circulate an anonymous template to employees to fill out their suggestions on how we can improve on our internal control systems. My office is focused on the enforcement of rules and regulation. Thus we use these templates to review and recommend how to expose loop holes and close the gaps. Most of the time they give very good ideas that we would have not thought about in the management team. We call this employee engagement. One time there was so much corruption going on in the organization. Thus I as the person in charge of enforcing the anti-corruption policies in the organization had to work with my team to come up with a* *way of curbing the problem. I looked both inside and outside the organization for good ideas. Thus I came up with the recommendations that we needed to install closed –circuit televisions (CCTVs), i.e. surveillance cameras, work with a law enforcement agency to do take overs periodically of the organizations service delivery points operations for a month.*

The law enforcement agency were to carry out all the operations to observe if there were any anomalies in the transactions or customer relations. For example if they found that most customers kept asking for a particular employee and did not want to deal with other employees. Then investigation was carried out. If there was no proof of corruption then that staff member in question was transferred to reduce the chances that this familiarity could bring about corruption. The other method was to carry out spot checks and random checks of all transactions. A budget line was effected and this was now been implemented in the organization and has reduced the incidence of fraud and corruption."

Example 35: A participant from a non-governmental organization said, *"An example that comes to mind is the retirement of operational cash imprest/ advances which can be a challenge in many organizations. I have had to get staff retire their advances within the stipulated period which has helped improve reporting and management of cash."*

Example 36: *"Managers from other units were not concerned how their respective unit's requisitions were made and spending thereof. I returned each and every requisition with no motivation which made managers authorize spending mindfully and take care of resources. I also uphold highly the values of integrity, which I have demonstrated in my professional conduct. I have disciplined employees who have been found wanting, for example, I have had to relieve some of their duties."*

Example 38: *"I have demonstrated what taking risks is. Once I seized an opportunity to design a system to provide a way of comprehensive reporting and sharing information in the organization by making it a user friendly system. However it caused a leak of confidential data by mistake. It was painful but I learned from that on how I could improve on it."*

Example 39: *"I employ systems that are already provided from the mother company of our organization. I enforce these systems by educating others and following up to ensure that there is compliance."*

Example 40: *"I use a matrix of five that is simple, complicated, chaotic, disorder and complex. I involve my team to analyze work patterns or issues in the department through consulting the organizations policies such as fraud policy, anti-corruption policy, ethics policy and code of conduct and use of other sources of data. For example, staff present issues such as, 'if I use my personal money to implement a project at work because the request has not yet been approved by management because I want to achieve my targets for the year as a good employee and I expect that the organization will refund my monies spent. Am I acting in line with company policies? Supposing the company decided later that they scrap that project and not approve the request what would you do as an employee? Commit fraud out of frustration?' So then we look for actions/ measures/*

initiatives that will help us to move from a chaotic space as is in this example to the simple space. I inform staff that every time we need to be getting to the simple space where we can feel free and secure to work in the organization."

This research participant must have been referring to the leader's framework for decision making. This framework is quoted as follows. "The framework sorts the issues facing leaders into five contexts defined by the nature of the relationship between cause and effect. Four of these—simple, complicated, complex, and chaotic—require leaders to diagnose situations and to act in contextually appropriate ways. The figure 1 below illustrates this.

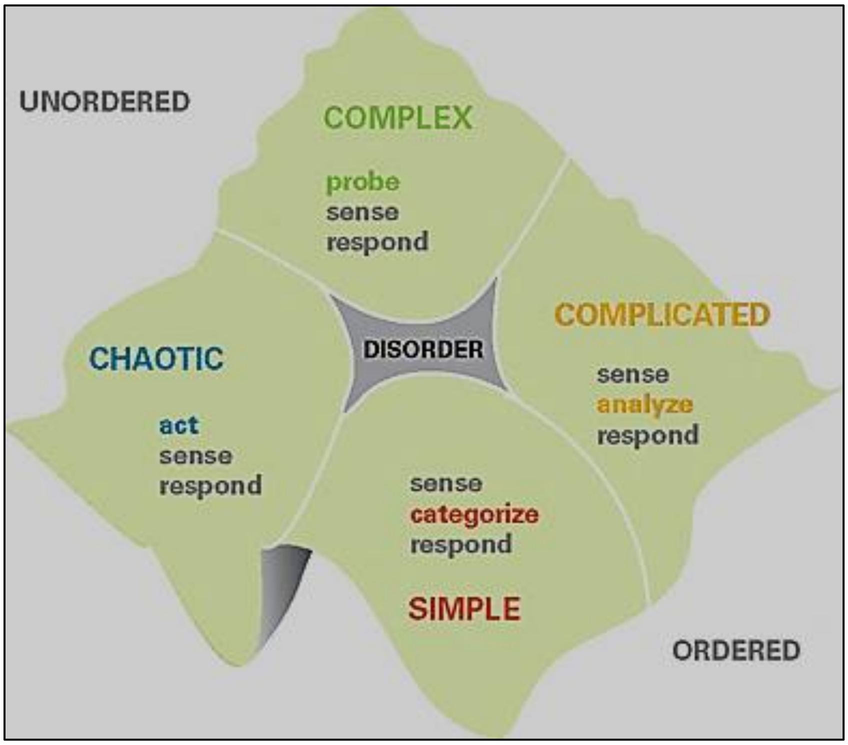

Figure 1: A leader's framework for decision making- the Cynefin framework.
Source: (Snowden & Boone, 2007)

The fifth—disorder—applies when it is unclear which of the other four contexts is predominant. People generate innovative ideas that help leaders with development and execution of complex decisions and strategies. For example, "positive deviance" is a type of LGM that allows people to discuss solutions that are already working within the organization itself, rather than looking to outside best practices for clues about how to proceed." (Snowden & Boone, 2007)

Example 37: *"I celebrate with my team when we have met our targets and applaud the best team player such as when as a team we manage to submit a quality management report with no errors or inconsistencies in time for the decision makers meeting. In individual appraisal sessions that occur every year for staff that I am responsible for. I discuss with each of them issues of integrity and how the staff member being applauded has contributed to upholding the image of our organization in cleaning the data as an example."*

4. Enabling others to Act

Example 41: *"I foster collaboration by building trust and facilitating relationships by following through reports that came through whistle blowing. I was mindful to protect the person/ (s) that reported and verified that they were not doing any acts of malice that was not substantiated. When we have worked on audit findings also we ensured that corrective action is put in place to avoid similar occurrences in future. This has led to clean audits and it has built the confidence of our stake holders in the organization."*

Example 42: *"In handling disciplinary cases, I have insisted that the laid down procedure of allowing the accused to respond to allegations and receive fair judgement be followed, I have equally reminded the staff about the right to appeal."*

Example 43: *"To facilitate relationship with others in the organization. I share YouTube videos with people in the department that I head. These are the videos which have strengthened me and made me grow professionally and I intend to give them inspiration and guidance through this sharing."*

Example 44: *"We develop cooperative goals and roles by asking staff to participate in the revision of organizational policies."*

Example 45: *"In our company we are our brother's keepers. We do not want any bad for the company. So we are all tasked to watch out for, prevent/ avoid fraud and corruption because no one wants the company to have a bad image. I enabled the finance manager launch an investigation of some suspicious transactions resulting in an increase in the number of transactions that we regularly call to verify how much monies were received. To protect personnel, we moved from staff carrying a lot of cash to disburse to workshop participants and partners for their daily subsistence allowance (DSA) to straight to bank for government workers and mobile money via Airtel, (a mobile communications network provider), for others and thereby reducing cash risks for our staff implementing training workshops outside the province."*

Example 46: *"I enabled our admin manager to employ a company to track vehicles so that we can monitor their movement and parking times to avoid misuse of company vehicles."*

Example 47: *"My job involves investigation so it would not be a nice thing for me to investigate anyone whom I have not previously given awareness on fraud and corruption. Thus I send a lot of awareness messages, invite different law enforcement agencies to come and talk to staff members. I have a platform to consult and confront anyone that I learn something wrong may be going wrong in his or her department. I also encourage anyone to use the 'speak out line' to raise any discomforts. All supervisors reporting to me take charge at their individual stations and independently detect fraud cases. They take appropriate disciplinary measures and by doing so we make all in the organization accountable for preventing fraud and corruption."*

Example 48*:* *"Through holding monthly campaigns on doing what is right in the company we educate and share information and knowledge on fraud and corruption. Such campaigns in my organization have communicated to all internal stakeholders how to conduct deals in the correct way that makes them safe from committing fraud and corruption and secure to continue working in the organization. Through carrying out (1) trainings, (2) survey on staff to voice out what they were not happy with, (3) quizzes that assess how much is understood during the trainings on fraud and corruption. Prices are awarded for the person who scores the highest on these quizzes, we enable others to act against fraud and corruption."*

At organizational level the representatives, (research participants) agreed about the following. They made available and share widely written policies with all members of staff. Some examples of policy documents that organizations were currently using were as follows:-

- Operational Manual;
- code of conduct or code of corporate values,
- ethics and conduct;
- grievance and disciplinary procedure;
- finance/ accounting manual;
- risk report;
- safe work procedure;
- emergency procedures;
- whistle blowing policy;
- fraud response plan;
- enterprise risk register;
- standard operating procedures;
- annual fraud awareness campaign procedure;
- And ethics and or anti-corruption policy.

The purposes of making available and sharing widely these documents were as follows. These included the following:-

- to make procedures uniform;
- to bring about transparency and accountability;
- to inform on separation of duties;
- to guide on managing risks;
- to provide guidance in corporate values and ethical standards;
- to establish standards of behavior and conduct that is expected of all organizational members;
- to provide guidance for those in authority on how to solve fraud and corruption issues;
- To provide guidance to clients, beneficiaries or customers who have business dealings with the organization on what to expect when they came into contract with their organization.

Then they planned and agree as management what media and how often these policies would be disseminated to remind or educate employees. Some of the media mentioned were through:-

- Meetings (e.g. all staff meetings, management meetings, departmental meetings);

- One -on -one basis to assess understanding of employees;
- Internet or telephone such as emails, conference calls, skype calls, and go to the meeting internet medias;
- Intranet (i.e. the organizations private network) or installed on all computers such that when workers turn it on, it is the first thing that pops up to remind employees;
- The induction process at recruitment;
- Print and sticking them on the notice board, office equipment, key holders, posters in the office and banners;
- Through training workshops and refresher training for employees and managers on fraud and corruption;
- And provision of hard copies for which they sign for as a sign of their commitment.

Most organizations said that they share these policies frequently like at least monthly, others quarterly and others semi-annually.

Example 49: *"I encourage ownership of the prevention of fraud and corruption program in the organization. First of all workers in my department are taught on what constitutes fraud and corruption, how to prevent and report it. Then I allow them to teach others that they too supervise. This gives the workers a feeling of responsibility that they are part and parcel of management. It builds trust in workers of their managers and facilitates relationships."*

Example 50: *"I try to ensure that staff understand and take policies seriously. Making staff sign that they understand policies and will adhere to them and make them understand that action will be taken against them if there is no compliance. I facilitated the development of a risk management framework which aids the identification of fraud risks among others and their mitigation measures. Then I ensured provision of training on compliance for staff.*

5. <u>Encouraging the heart to act</u>

Example 51: *"Some staff members feel comfortable to report matters to me knowing that I will make a follow-up to see to it that the matter gets addressed and give feedback."*

Example 52: In accordance to his knowledge one research participant narrated the following. *"In every organization it has been established that there are 10% bad apples that are prone to commit fraud and 10% good apples that are just naturally very good. Thus it's the leadership's role to make sure that it is very difficult for the 10% bad apples to commit fraud such that they fail to influence those in between to engage in fraud and corruption. It therefore becomes crucial for the organizational leadership to set strict rules and regulations, educate employees regularly, clearly explaining what constitutes fraud and corruption. For instance, in my organization, we conduct education through a software package installed on all company computers. The computer is programmed in such a way that it will not allow the employee to do anything unless they go through this package. Thus every morning when employees open their computers the first thing that pops up is the* *program- Five ways to work securely in this organization. Therefore each employee starts each day by running through the education on what constitutes fraud, how to detect it, and how to report or act against it. There is literally no excuse to commit fraud in my organization. As leadership, we have over time observed that people in our organization now ask before they engage in any behavior if they are not sure. For example, they ask questions like. A supplier has invited me for lunch and I am on the bidding committee in the organization, is it ethical for me to attend that lunch? And as such we have been able to design policies and internal controls and intensified them to the point where fraud and corruption is frowned upon in the organization."*

Example 53: *"Internally we promote transparency by generating reports on achievements made on preventing fraud and corruption. We provide ongoing training to employees during the general staff meetings in which we also use organizational audit findings particularly management letters to provide further guidance."*

Example 54: *"As supervisors we meet our employees quarterly to review performance and have dialogue on what is affecting them. We treat our employees well. We provide team buildings and trainings. People are taught how to manage fraud and corruption once it's identified. I have praised staff both privately and publically for innovation on reducing risk and preventing fraud including introducing a 'simply the best' monthly award to staff who are recognized for excellence in staff meetings."*

Example 55: *"In individuals staff performance appraisal sessions that occur every year, I discuss with each one issues of integrity and how the staff member has contributed to upholding the image of our organization."*

Example 56: *"I celebrate all our successes as a department loudly through an email sent to all members praising loudly those employees who have made significant contributions to enforcing fraud risk management standards, such as producing a highly accurate report with no discrepancies through regular reconciliations."*

Example 57: *"Staff meetings and functions such as company celebrations are used mainly to celebrate the organizational values and victories and recognizing the contributions made by employees. Adding a social element to the way people engage at work, can inspire a good work culture."*

Example 58: *"We organized a savings group where people in our organization can go and borrow monies in times of need. This was in order to provide an alternative to getting loans from the organization. This helps with employees emergencies such as bills, children's school fees, other needs like purchasing a family car, and investing in the future such as building a home and setting up family businesses. We also listened to employees when revising the employee handbook and we moved to pegging the kwacha salary to the USD dollar ($) when the local currency collapsed last year thereby protecting the staff spending power. If you treat staff fairly they are more likely to adhere to company loyalty. If an employee was demanding for more rewards than the company could afford, as managers we held individual discussion with such employees to see if we could point them to our* *sister organizations that might be offering better remuneration packages. Then if they decided to leave we supported them even with a good recommendation. When this position becomes vacant, we have employed new younger professionals and trained them to work. We understand that the younger professionals will be more motivated to work under the current terms and conditions of service. While if we kept the disgruntled and more experienced staff they were more likely to be tempted to commit fraud and or corruption."*

Example 59: *"We use the policies to guide and make references to previous matters which lead to suspensions, refunds or even dismissals to spread stories in the organization about the incidences of fraud and how we curbed it."*

Example 60: *"As management we make celebrations part of organizational life such as celebrating milestones that teams achieve and rewarding the outstanding staff to encourage them to continue the good work."*