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# Anti-Corruption and Anti-Fraud Policies in South African Universities

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**2024**
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# ANTI CORRUPTION AND ANTI FRAUD POLICIES IN SOUTH AFRICAN UNIVERSITIES

**Freda Madungandaba**

A research report submitted to the Wits School of Governance, University of the Witwatersrand, Johannesburg, in partial (50%) fulfilment of the requirements for the degree of Masters in Management.

Date: 28 March 2024

**DECLARATION**

I Freda Madungandaba declare that this Research Report is my own, unaided work. It is being submitted for the Degree of Master in Management at the Wits School of Governance, University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination at any other University.



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(Signature of candidate)

Name: Freda Madungandaba

31 July 2024

**Abstract**

The escalation of corruption and fraud within South Africa, as accentuated by revelations from the Zondo commission, point out a pervasive governance deficit extending beyond the public sector into the private domain. Media reports have drawn attention to concerns regarding corruption and fraud within South African universities, prompting an inquiry into the mechanisms available within higher education for managing such malpractices. Thus, this study seeks to investigate the anti-corruption and anti-fraud policies and initiatives implemented by South African universities. Employing a qualitative research methodology, the study assessed policies from 10 South African public universities and conducted interviews with university practitioners. The findings revealed that Higher Education Institutions have well-established fraud prevention processes in place, albeit with certain instances exceeding customary norms. However, the role of the Department of Higher Education and Training (DHET) in supporting universities with policy frameworks for combating corruption remained ambiguous. Additionally, communication regarding the newly proposed National Anti-Corruption Strategy to universities was found to be lacking.

## Dedication

I would like to first and foremost dedicate this dissertation to my amazing boys, Amukelani Madungandaba and Minenhle Madungandaba. Your love and support have been the pillars of my inspiration and growth. Thank you for always reminding Mommy how blessed she is.

My second dedication goes to my forever sunshine, my strength, and encouragement throughout my journey—my Mother, Mrs. Milo Jane Madungandaba. I simply would not have done it without your love and support. To my Father, Mr. Msiza Lot Madungandaba, your words of encouragement and ensuring I stay focused have been invaluable.

Lastly, to my brothers, Godfrey Mongezi Madungandaba and Zwelakhe Madungandaba, my sister-in-law, and my wonderful niece Zinhle Madungandaba. Thank you for always supporting me whenever I needed you.

## Acknowledgement

The journey has not been easy, and it would not have been possible without acknowledging my initial supervisor, the late Prof. Ivor Sarakinsky and to also express my deepest gratitude to Dr. Christine Hobden, who stepped into his role and did an outstanding job. Her guidance, patience, and insightful feedback have been invaluable throughout this journey. Your mentorship has significantly contributed to my growth and success.

Additionally, I extend my thanks to the participants who agreed to my interview requests. Your contributions have ensured a fulfilling and enriching research experience.

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List of abbreviations

ACFE : Association of Certified Fraud Examiners
CHE : Council on Higher Education
DHET : Department of Higher Education and Training
HEI : Higher Education Institution
NACS : National Anti-Corruption Strategy 2020 – 2030
PDA : Protected Disclosures Act

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Key words: Anti-Corruption, Anti-Fraud, Policies, South African Universities, National Anti-Corruption Strategy.

# 1. Chapter One: Introduction

## 1.1. Background

Corruption and fraud have emerged as pervasive and destructive phenomena in South Africa, posing significant challenges to society (Ndlovu, 2021; Nortje, 2023). The far-reaching implications of corruption extend beyond mere financial losses but also affect democracy, service delivery, socio-economic development, job creation, public trust in government, and investor confidence in the country (Ngcamu & Mantzaris, 2022; Moeti, 2016). This issue has infiltrated both the public and private sectors, permeated key institutions and undermined national security and the rule of law. Evidently, a notable trend observed across numerous developing nations pertains to their consistently inferior performance in corruption index evaluations (Ndlovu, 2021). For instance, South Africa's position in the corruption perception ranking stands at 72 out of 180 countries included in the index, as reported by Transparency International, (2021)

South African Universities, seen as crucial foundations of knowledge and advancement, have sadly been tainted by matters of corruption and fraud (Ngcamu & Mantzaris, 2023). Prominent cases, such as those at the University of Zululand (UNIZULU) and the University of Mpumalanga, have brought attention to the urgent need for enhanced vigilance and accountability within the higher education sector. During the tenure of Prof Chris De Beer as Vice-Chancellor of UNIZULU, the University faced extensive scrutiny and concerns were raised regarding corrupt practices (Dlamni, 2018). Similarly, the University of Mpumalanga has been pestered by allegations of corruption, mismanagement, and the exercise of undue authority, casting doubt on the university’s governance and management (Naidu, 2021). The recent incident involving an attempted assassination directed at the Vice Chancellor and Principal of the University of Fort Hare has further garnered significant attention, shedding light on the extent to which individuals involved in corruption and fraudulent activities at higher education institutions, are willing to push boundaries (Jansen, 2023). Thus, the incident serves as a stark reminder of the pressing imperative to

address and evaluate the effectiveness of anti-corruption and anti-fraud policies implemented in Higher Education Institutions. These incidents underscore the pressing need for universities to address corruption, strengthen their governance mechanisms, and ensure transparency and integrity in their operations (Ngcamu & Mantzaris, 2022b)

### 1.2. Governance of Higher Education in South Africa

The governance and regulation of South African Public Universities are guided by the *Higher Education Act* 101 of 1997. The act provides a comprehensive legal framework that outlines the rights, responsibilities, and obligations of universities, their management, and other stakeholders involved in the higher education sector. The act sets out the expectations for good governance, accountability, and ethical conduct within the higher education sector (*Higher Education Act* 101 of 1997, 1997) Moreover, the Act grants universities the autonomy to establish their own internal policies and procedures within the framework of national legislation, enabling them to address the unique needs and contexts of their respective institutions (Bengu, 1997).

The *Higher Education Act*,101 of 1997, as amended, mandates the establishment of the Council on Higher Education (CHE) as an autonomous statutory entity. The CHE's mission statement articulates its commitment to fostering a higher education framework characterised by principles of equity, quality, responsiveness to economic and social development imperatives, and the efficient management of provisions (*Higher Education Act* 101 of 1997). The CHE endeavors to fulfill this mandate by providing informed, deliberative, independent, and strategic counsel on matters pertaining to higher education to the Minister of Education. This advisory role is facilitated through the quality assurance initiatives undertaken by its Higher Education Quality Committee (HEQC). Moreover, the CHE contributes to the dissemination of knowledge and information through various channels, including publications such as annual reports to parliament, which offer comprehensive analyses of the current state of higher education and the challenges it faces (*Higher Education Act* 101 of 1997). Additionally, the CHE engages in broader initiatives such as conferences and workshops, aiming to facilitate dialogue and collaboration on advancements in the field of higher education.

Despite the existence of the Higher Education Act and other anti-corruption laws, corruption and fraud remain deeply rooted within South African universities (Jansen , 2023) Ngcamu & Mantzaris, 2022a, 2023). The prevalence of high-profile corruption incidents in Universities highlights the extensive nature of this issue (Mendelsohn, 2014; Ngcamu & Mantzaris, 2023)

Government has further implemented certain mechanisms in its fight against fraud and corruption such as the adoption of the National Anti-Corruption Strategy 2020 - 2030 (NACS). The NACS was introduced as a mechanism to establish an anti-corruption framework within the context of existing legislation (National Anti-Corruption Strategy 2020-2030, 2020). The NACS emphasises prevention through good governance, transparency, integrity management, and early detection of potential corrupt practices (National Anti-Corruption Strategy 2020-2030, 2020). It provides a blueprint for anti-corruption efforts and outlines the role and responsibilities of stakeholders in meeting the objectives of the strategy National Anti-Corruption Strategy 2020-2030.

However, corruption and fraud within the realm of higher education has received minimal attention and scholarly interest, resulting in a scarcity of research on this contentious subject matter (Butmalai, 2022; Singh, 2020). As a result, there is a critical gap in our understanding of the challenges and opportunities associated with combating corruption and fraud in South African Universities, particularly within the context of the *Higher Education Act* (1997) and the National Anti-Corruption Strategy 202-2023 (NACS).

The research aim was to undertake an examination of the prevailing anti-corruption and anti-fraud policies and measures employed in South Africa Public Universities. By exploring the specific provisions and mechanisms outlined in the Higher Education Act, as well as the integration of the principles of the NACS within university governance structures, this study pursued to shed light on the mechanism that are in place in order to eradicate corruption and fraud in their institutions.

Through a qualitative research methodology, an examination was conducted on a selection of ten (10) policies sourced from various Higher Education Institutions (HEI). This examination shed light on the intricacies and nuances inherent in these

policies, thereby facilitating a deeper understanding of their underlying principles and implementation frameworks. Secondly, interviews were conducted with Fraud Risk Specialists/Practitioners from four (4) Higher Education Institutions (HEIs). This qualitative inquiry aimed to engage with professionals who possess specialised expertise in fraud risk management within the Higher Education Sector. The interviews were semi-structured to explore a diverse range of perspectives, experiences, and insights pertaining to fraud prevention and mitigation strategies employed within these institutions.

The Department of Higher Education and Training (DHET), perceived as the custodian responsible for implementing government-directed policies in universities, was invited to participate in this study. DHET's involvement was considered essential for understanding its role in ensuring universities adhere to the principles outlined in the National Anti-Corruption Strategy (NACS) and DHET's anti-corruption and anti-fraud policies within the higher education sector. The *Higher Education Act* 101 of 1997 provides guidelines that govern public higher education, and DHET's input would have been valuable to this study. However, DHET had not responded to the invitation at the time of publishing the report (Higher Education Act 101 of 1997).

The outcome of this research has enriched the academic comprehension of corruption and fraud in higher education, more specifically the study is poised to furnish policymakers, university administrators, and various stakeholders with practical insights and policy recommendations, thereby advancing efforts to fortify anti-corruption and anti-fraud measures within the university domain.

### 1.3. Research Problem

Universities bear the responsibility for cultivating a skilled and competitive human resource (Kasradze et al., 2019), and in nearly all societies, the university represents the apex of the national education endeavour (Kasradze et al., 2019). While the excellence of a university can be associated intrinsically to the effectiveness of its management or governance structures (Wolhuter & Langa, 2021), there is however a gap notable from a report published by the Association of Certified Fraud Examiner (ACFE) titled “Occupational Fraud 2022: A Report to the Nations”, the report

highlighted occupational fraud as an emerging form of fraud within Higher Education Institutions, constituting 49% of reported cases (ACFE, 2022) , and even with the best of controls in place, poor organisational governance is regarded as a major source of corruption and fraud (Singh, 2020 ; Rizky et al., 2018).

There has been an increase in DHET's interventions in Higher Education Institutions, significantly post 1994, with no fewer than 20 instances recorded. The interventions frequently involve the appointment of administrators, or, in certain instances, interim Vice-Chancellors were appointed. Administrators and interim Vice-Chancellors were tasked with taking over the governance or management functions of troubled universities (Jansen, 2023). What (Jansen, 2023) further suggests is that a more thorough understanding of chronic dysfunction in institutions can be found by delving into the origins and histories of these institutions, tracing their evolution over time. In other words, to grasp the root causes of persistent issues within institutions, it is essential to explore the historical context in which they were established and the various transformations they have undergone (Jansen, 2023).

There is a wealth of literature on academic misconduct, including plagiarism, degree fraud, and misrepresenting research data, among other forms of corruption that take place in universities (Denisova-Schmidt, 2020; Hallak et al., 2007; Kirya, 2019) however, little research has been conducted on the corruption and fraud that take place in the professional function of the university.

Thus, the research aim was to undertake an examination of the prevailing anti-corruption and anti-fraud policies and measures employed within South African Public Universities. By exploring the specific provisions and mechanisms outlined in the Higher Education Act, as well as the integration of the principles of the NACS within university governance structures, this study seeks to shed light on the mechanism used by universities to manage incidents of corruption and fraud.

## 1.4. Research Question

The main research question of this study was as follows:

> What are the primary methods and mechanisms employed to address corruption and fraud within South African Higher Education Institutions ?

The secondary research questions were:

- Are there notable differences in the implementation of anti-corruption and anti-fraud measures among various South African HEIs?
- To what extent do the policies and practices implemented by South African universities in preventing fraud and corruption align with and reflect interventions by the Higher Education Act and other legislations, as well as the integration of the principles of the NACS within university governance?

## 1.5. Research Purpose

The research aimed to examine the policies, measures, and strategies adopted by South African Universities to combat corruption and fraud. It scrutinised the influence of these university policies on improving corporate governance standards within the realm of South African Higher Education Institutions. Through an examination of corruption and fraud prevention policies, the study sought to evaluate their alignment with the principles outlined in the National Anti-Corruption Strategy 2020-2030, while also identifying instances of conformity with established best practices in the field, such as those outlined in the King IV Report on Good Corporate Governance 2016.

To deepen comprehension of the implemented policies and mechanisms, a series of interviews were conducted with experts and practitioners specialising in fraud and corruption prevention at four distinct universities. By examining the University policies, the study aimed to discern any disparities or similarities in the approaches taken, thus shedding light on the broader context shaping anti-fraud and anti-corruption efforts within the Higher Education Institution,

while simultaneously examining the extent to which these measures align with established guidelines and frameworks outlined by relevant institutional or regulatory bodies. And to further assess the alignment of such policies to the National Anti-Corruption Strategy 2020 – 2023 (NACS) within the context of South African Universities.

## 1.6. Research Objectives

The research objectives are as follows:

1.6.1. Identify the range of policies implemented by South African Universities to prevent and address incidents of fraud and corruption. This objective aim was to examine the specific policies and guidelines established by Universities to promote integrity, transparency, and accountability in their operations.

1.6.2. Explore the measures and strategies employed by South African Universities to proactively prevent fraud and corruption. This objective pursued to investigate the proactive measures implemented by universities, such as internal controls, risk assessments, and fraud detection mechanisms, to mitigate the risks associated with fraudulent and corrupt activities.

1.6.3. Examine the challenges faced by South African universities in implementing anti-fraud and anti-corruption measures. This objective aimed to identify the obstacles, barriers, and limitations that universities encounter when implementing policies and strategies to prevent and address fraud and corruption, including cultural, organisational, and resource-related challenges.

1.6.4. Examine the role of the Department of Higher Education and Training's (DHET) involvement in developing and disseminating policies, guidelines, and frameworks related to the National Anti-Corruption Strategy (NACS) implementation within South African Universities.

## 1.7. Outline of the Report

- Chapter 1 – Chapter 1 furnishes an introduction and a comprehensive overview of the study. It details the research problem statement, research questions, research purpose, and objectives. Furthermore, it highlights the motivation behind the study and the research methodologies employed.
- Chapter 2 – This chapter explores the key literature relevant to the study. It analyses past and current literature that forms the theoretical foundation for the research.
- Chapter 3 – This chapter outlines the research methodology utilised to fulfill the study. It encompasses the research tools and their applications, the sampling procedures, the analytical process, research limitations, feasibility and positionality considerations, the ethical approach, and the validity, reliability, and dependability of the methodology.
- Chapter 4 – The collected data is presented, analysed, and discussed in relation to the literature review and research objectives.
- Chapter 5 – In this chapter, we will comprehensively present and analyse the findings derived from our research. The discussion will interpret these findings in the context of existing literature and the NACS Strategic Pillars.
- Chapter 6 - In this final chapter, we draw the conclusion of the research, and recommendations are provided based on the findings from Chapter Four, which universities may consider. Additionally, the chapter addresses the limitations of the current study and suggests directions for future research.

# 2. Chapter two: Literature Review

## 2.1. Introduction

The integrity of the global higher education system is presently under heightened threat due to a rare convergence of challenges faced by those working in higher education institutions (Barac et al., 2011; Chapman & Lindner, 2016); The extend of corruption and fraud in universities cannot be measured with accuracy (Shore, 2018), because the complexity arises from the fact that ethical conduct in higher education is regarded as undetermined (Denisova-Schmidt, 2020). Until relatively recently, most corruption estimates relied on perception surveys. These surveys offer the advantage of broad coverage, as it is considerably simpler to inquire about individuals' perceptions of corruption than to directly quantify instances of corruption (Olken, 2012).

Governments, educators, students, and other stakeholders around the world had raised concerns with corruption in higher education (Shore, 2018). Shore (2018) went on further to suggest that "despite the plethora of indicators for measuring and ranking universities by the quality of their research and teaching, credit ratings, reputation, and other factors—such as impact, innovation, graduate employability, and the student experience— "no one has developed a world-wide academic corruption index, not yet at least" (Shore, 2018, p 92).

The challenges within higher education are deeply interwoven within larger institutional and cultural contexts and may be seen from different angles by both insiders and outsiders (Denisova-Schmidt, 2020). In the context of South African Universities, institutions are allocated annual subsidy from the Department of Higher Education and Training (DHET), which is primarily based on their research publication output (Harley et al., 2016). A significant portion of this subsidy is allocated to journal article publications. The calculation of the journal article subsidy is determined by the number of journal output units generated by the university, which is derived from the quantity of research publications in DHET-approved journals and the proportional contribution of authors affiliated with the university (Harley et al., 2016).

This subsidy serves as a financial incentive to encourage an increase in research output among universities. However, it is essential that the allocation of this subsidy aligns with strategies aimed at maintaining or enhancing the impact of South Africa's research endeavours (Harley et al., 2016). Ideally, university researchers should strive to produce high-quality research that makes a substantial impact within their respective scientific fields. Collaboration with other research groups can further augment the value of studies and facilitate the continued development and translation of research findings for societal benefit (Harley et al., 2016).

Furthermore, academic experts theorise that the pressures on universities to increase revenue streams, raise tuition fees, and require faculty to secure external funding, commercialise their research, or undertake other non-profit initiatives, may create conditions conducive to unethical behaviour. (Barac et al., 2011; Sityata et al., 2021). The reforms undertaken by the higher education sector in a form of marketisation of universities has introduced a raft of new forms of accountability and control based on principles of financial accountability and new public management (Shore, 2018).

The attention directed towards governance concerns within South African universities, stemming from various media and government reports has been raised as a concern (Jansen, 2023). The University of South Africa (UNISA) received an official recommendation to undergo administrative intervention, and a suggestion of relieving Senior Management and Council members from their duties (Naidu, 2021). This course of action is based on the findings of an independent assessor's report, highlighted substantial matters of instability, mismanagement, and financial irregularities within the institution (Naidu, 2021). Likewise, in response to allegations of governance irregularities and mismanagement of resources, an independent report commissioned by the Minister of Higher Education and Training proposed the implementation of administrative measures at the Mangosuthu University of Technology (Dlamini, 2023). The reports indicate that individuals entrusted with fiduciary duties have compromised essential components of good governance. This compromise, in turn, has eroded effective and ethical leadership roles and responsibilities, thereby leading to inefficiencies and instability within the Higher Education Institutions (Tondi, 2019a).

The various reports issued by the Council of Higher Education indicate that despite variations in the nature, extent, and complexity of corruption across universities, a common modus operandi is identifiable (Ngcamu & Mantzaris, 2022b). This observation suggests a systemic issue characterised by a deliberate paralysis of internal control mechanisms aimed at detecting and combatting corruption within university settings (Ngcamu & Mantzaris, 2022a). Furthermore, another study by Ngcamu & Mantzaris, (2023) underscores a significant aspect of corrupt practices in universities, highlighting the lack of enforcement of rules and regulations by the institutions themselves. This lack of enforcement contributes to the perpetuation of corrupt behaviors and undermines efforts to foster transparency and integrity within academic institutions (Ngcamu & Mantzaris, 2022b).

Therefore, the forthcoming literature review will explore the legislative framework that has defined the transition of the South African Higher Education Landscape as well as how this change affected the autonomy under which institutions of higher education function, establish scholarly definitions of the terms “corruption” and “fraud”, contextualised within the evolution of various legislative frameworks addressing corruption and fraud. The expansion of the legislative framework would further consider the recently approved National Anti-Corruption Strategy 2020 – 2023 (NACS) as well as the proposed implementation plan. Additionally, the academic delineation of these terms will be meticulously examined, complemented by an exploration of diverse scholarly perspectives and insights concerning potential remedial measures.

## 2.2. Transition of South African Higher Education landscape post democracy

The current Higher Education system in South Africa bears the indelible marks of its historical legacy. Centuries of colonialism and exploitation have left an enduring imprint, fostering a deeply unequal society (Kulati, 2000). The apartheid era, characterised by extreme forms of segregation and discrimination, further exacerbated these inequalities (Kulati, 2000). Within the realm of higher education, racial differentiation and discrimination have perpetuated a divided and fragmented system. Furthermore, during the apartheid era in Higher Education, governmental

regulation of higher education institutions exhibited a complex blend of approaches. Historically, white institutions experienced relatively weak state supervision, whereas historically black institutions were subject to more authoritarian state control (Kulati, 2000).

Public universities in South Africa are required to govern, manage, and structure themselves in accordance with the *Higher Education Act* 101 of 1997. The *Higher Education Act* 101 of 1997, was promulgated in order to:
"*Regulate HE; to provide for: the establishment, composition, and functions of a Council on Higher Education (CHE); the establishment, governance, and funding of public HEIs; the appointment and functions of an independent assessor; the registration of private HEIs; quality assurance and quality promotion in Higher Education*" (*Higher Education Act* 101 of 1997).

The Act further stipulates the establishment of a unified and coordinated Higher Education (HE) system, aimed at fostering cooperative governance and implementing program based HE. Additionally, it mandates the restructuring and transformation of programs and institutions to redress historical discrimination, ensure representativity, and promote equal access (Moodly & Skae, 2022). Moreover, the Act endeavors to provide optimal opportunities for learning and knowledge creation while advancing the values of an open and democratic society grounded in human dignity, equality, and freedom. It underscores the importance of respecting freedom of religion, belief, and opinion, as well as fostering democracy, academic freedom, freedom of speech and expression, creativity, scholarship, and research (Moodly & Skae, 2022).

The Act advocates for the pursuit of excellence, the realisation of every student and employee's potential, tolerance of diverse ideas, and appreciation of diversity. It emphasises responsiveness to the needs of the Republic and the communities served by the institutions, as well as contributing to the advancement of knowledge and scholarship in line with international academic quality standards (Moodly & Skae, 2022).

However, it became evident that the Higher Education Institution (HEI) environment is critically dependent on the principles of good governance, as well as the presence of ethical and effective leadership roles and responsibilities (Tondi, 2019b). The legislative framework had largely overlooked issues concerning institutional governance and management processes. Consequently, many institutions were struggling to translate the overarching governance framework outlined in the legislation into tangible strategies for institutional transformation. This led to considerable debate surrounding institutional governance centers and the role of leadership, or the perceived absence thereof, in driving institutional change (Kulati, 2000).

Thus, in support of the Act, the publication of White Paper on Education 3 – A Programme for Higher Education Transformation, marked a significant shift in the higher education landscape, aiming to align the sector with the evolving societal dynamics and reinforce the principles of the new democratic order (Bengu, 1997) (Gray, 2017). The White Paper on Education fostered the need for transformation, acceptance of cooperative governance and institutional autonomy (Moodly & Skae, 2022).

This White Paper on Education outlines a framework for reform, emphasising the need for the higher education system to be strategically planned, governed, and funded as a unified national entity. Such a holistic approach was envisioned to address historical legacies of fragmentation, inequality, and inefficiency, while fostering a learning society that harnesses the creative and intellectual potential of all citizens toward national reconstruction and development goals (Bengu, 1997; Gray, 2017; Kulati, 2000). Chapter 3 of the Education White Paper delves into the governance model for Higher Education, advocating for governance structures that reflect core values concerning the distribution and exercise of authority, responsibility, and accountability. Accordingly, Higher Education Institutions were entrusted with the management of their internal affairs (Bengu, 1997).

Central to this governance framework are institutional Councils, serving as the apex decision-making bodies within Higher Education Institutions. These councils bear the responsibility of ensuring an effective governance, mission alignment, financial

stewardship, performance, quality assurance, and reputation management of their respective institutions (Bengu, 1997; Kulati, 2000), and to further ascertain that the executive management carries out its functions responsibly and effectively (Kulati, 2000). Thus, the White Paper on higher Education Transformation and the Higher Education Act, no 101, serve as the cornerstone of the transformation agenda for higher education institutions in South Africa (Kulati, 2000).

## 2.3. The autonomy and governance of South African Universities

In recent years, governments worldwide have pursued the alignment of accountability and control in higher education by granting Higher Education Institutions (HEIs) increased autonomy in managing their inputs and resources (Barac et al., 2011). This autonomy entails the freedom to conduct their own pursuits in teaching, research, and other endeavors, without external interference from government or civil society (Wolhuter & Langa, 2021). Institutional autonomy refers to the independence and self-governing capacity of an institution, allowing it to make decisions regarding its internal affairs, academic programs, policies, and operations without undue external interference (Salmi, 2007). What autonomy further encompasses is the institution's ability to determine its strategic direction, manage its resources, hire faculty and staff, design curriculum, and establish internal governance structures, among other aspects (Nguyen et al., 2022).

In the context of Higher Education, institutional autonomy is particularly crucial as it enables universities to preserve academic freedom, uphold quality standards, foster innovation, and respond flexibly to the evolving needs and challenges of the educational landscape (Le Grange, 2014). While enjoying autonomy, institutions are expected to operate within legal and regulatory frameworks and maintain accountability to stakeholders, ensuring responsible and transparent governance (Le Grange, 2014).

The emergence of neo-liberal governmentality, representing an evolution of liberal governance, has correlated with the restructuring of the public higher education sector on a global scale (Gray, 2017). This transformation stems from a widespread trend of reducing social expenditures and the increasing demand for public institutions to transition into financially self-sustaining entities (Gray, 2017; Enders et

al., 2013) Following the dawn of democracy in South Africa, the higher education environment underwent significant reforms, notably in the empowerment of University Councils. These Councils, established in accordance with the Higher Education Act, Regulations, and University statutes, have become the paramount decision-making bodies (Marx, 2007). They bear the responsibility for overseeing governance, quality, integrity, financial affairs, performance, and reputation within their own institution (Marx, 2007).

While acknowledging the autonomy granted to South African Universities, it is essential to recognise that these institutional frameworks are largely shaped by political, social, and economic dynamics (Kirya, 2019). These external factors exert influence on the standards and operational practices adopted by universities in conducting their affairs (Kirya, 2019). The environment in which higher education institutions operate relies in its entirety on good governance, ethical and effective leadership with clear roles and responsibilities (Tondi, 2019a). Thus, numerous Higher Education Institutions (HEI) have adopted corporate model of operation, with C-suite executives being part of the governing board and reporting to Council and or Trustees (Barac et al., 2011; Tondi, 2019b).

Supporters of this model contend that universities should be managed by professionals with expertise in corporate policy, strategic planning, leadership efficiency, cost-effectiveness, and cost reduction (Trakman, 2008). This expertise is deemed essential in navigating challenges such as declining government funding, reduced fee-paying enrollments, and the necessity for alternative income streams (Gray, 2017; Trakman, 2008). Therefore, the adoption of corporate governance practices by Higher Education Institutions (HEIs) in South Africa have necessitated the demand for effective management of these institutions and a commitment to sound governance practices (Marx, 2007).

Institutional autonomy is generally regarded as a fundamental concept within higher education, divergent perspectives exist among scholars. Some authors express apprehension, contending that the Higher Education and Training Laws Amendment Act imposes significant constraints on institutional freedom and autonomy (Gray, 2017). While Enders et al., (2013) was of a view that autonomy should be re-defined

as the ‘new organisational autonomy’ of universities, acknowledging both strategic actors and as an addressee of governmental control.

### 2.4. Towards Conceptual Clarity: Defining Corruption and Fraud in Higher Education

In the research conducted by Goto and Ogunnubi (2014) title “*Corruption and Development in Africa: Critical Reflection from Post-apartheid South Africa*” the authors recognise corruption as a multifaceted concept that poses challenges when attempting to assign a precise definition. However, the authors argue that there may be contextual factors that need to be considered when defining actions perceived as corrupt. Similarly, Chapman & Lindner (2016) shared a similar perspective, acknowledging the difficulty in defining corrupt behaviours despite a common theme observed in literature, while Shore, (2018) went on to suggest that corruption isn't a fixed or universal concept.

The meanings of corruption and what could be considered as "corrupt" often differ across cultures. This makes it challenging to define and even more challenging to measure or compare (Shore, 2018). Nevertheless, corruption is regarded as a highly complex issue and encompasses an umbrella term for many different forms of dishonest behaviour. It is considered to arise at several levels being government, institutional as well as personal level (Schuetze, 2021). Seemingly, most scholars have endorsed the Transparency International’s definition of corruption, which encompasses the notion of corruption as the exploitation of delegated authority for personal benefit (Chapman & Lindner, 2016; Denisova-Schmidt, 2020; Osipian, 2008; Schuetze, 2021.; Shore, 2018; Transparency International, 2021).

In Chapter 2, of the *Prevention and Combating of Corrupt Activities Act*, 2004 (Act 12 of 2004) corruption is defined as; “*any person who gives or accepts or offers to give or accept any gratification amounting to an unauthorised or improper inducement to act or not to act in a particular manner is guilty of the offence of corruption*” (PRECCA, 2004, p. 32). The Act itself does not provide for the definition of fraud but rather places a duty on a person who holds a position of authority to report incidents of fraud (PRECCA, 2004).

Akers et al., (2006) further implied that the dilemma is fraud detection starts with understanding what exactly constitutes fraud. While the Law Dictionary defines fraud as “consisting of some deceitful practice or willful device, resorted to with intent to deprive another of his right, or in some manner to do him an injury” (www.thelawdictionary.org, 2023). The Association of Certified Fraud Examiners (ACFE) defines fraud as “any activity that relies on deception to achieve a gain. Fraud becomes a crime when it is a known misrepresentation of the truth or concealment of a material fact to induce another to act to his or her detriment” (Jackson et al., 2010).

Jackson et al., (2010) suggest a conceptual distinction between two primary categories of fraudulent activities, namely financial statement fraud and occupational fraud. Financial statement fraud pertains to the deliberate misrepresentation or manipulating of an organisations financial position, while occupational fraud primarily involves illicit actions carried out by the employees with the intention of unlawfully acquiring assets or funds from a business entity (Jackson et al., 2010). This definition places emphasis on a comprehensive interpretation of the term, encompassing the qualities of being "deceitful" or employing "dishonest tricks or stratagems." Consequently, it becomes apparent that there exists an intersection in the conceptual understanding of the term fraud (Maulidi & Ansell, 2020).

While both corruption and fraud involve unethical or illegal behavior, corruption is often associated with acts committed by individuals in positions of power or authority, and while fraud can occur in various contexts and may involve individuals at different levels of an organisation or society (ACFE, 2022). Corruption and fraud are frequently seen as interchangeable, and they continue to be regarded as colossal counterparts (Erbuğa, 2022).

### 2.5. South African Legislation (Anti-Corruption and Anti-Fraud Acts)

Subsequent to South Africa's attainment of independence, the Constitution was formulated as the cornerstone governing all legislative enactments within the republic (Ndlovu, 2021). To further emphasise the commitment towards good governance, section 195 of the Constitution specifies that public administration should be

governed within the realm of promoting high standards or professional ethics, ensure efficient, economic, and effective use of resources, transparency in dealing with the public and providing accurate information, while at the same time being accountable (Naidoo, 2012).

In the realm of anti-corruption measures, a suite of pivotal legislative instruments are employed to deter and address illicit practices. Among these statutes are the *Promotion of Access to Information Act* (PAIA) No. 2 of 2000, the *Promotion of Administrative Justice Act* (PAJA) No. 3 of 2000, the *Protected Disclosures Act* (PDA) No. 26 of 2004, the *Public Finance Management Act* (PFMA) No. 1 of 1999, the *Municipal Finance Management Act* (MFMA) No. 56 of 2003, the *Public Audit Act* No. 25 of 2004, the *Financial Intelligence Centre Act* (FICA) No. 38 of 2001, the *Prevention of Organised Crime Act*, No. 121 of 1998, alongside foundational legislation associated with institutions reinforcement of constitutional governance (National Anti-Corruption Strategy 2020-2030, 2020, p. 21).

Therefore, the subsequent section will explore several key legislative mandates, outlining their historical trajectory and interpreting the purpose of each act.

### 2.5.1. The Prevention and Combating of Corrupt Activities Act 12 of 2004

The promulgation of the foundational document precipitated the emergence of additional legislative instruments, notably those pertaining to the regulation of corruption and fraudulent activities (Ndlovu, 2021).The *Prevention of Corruption Act* 6 of 1958, has been regarded as the main piece of legislation in South Africa, governing crimes relating to corruption and fraud. The Prevention of Corruption Act 6 of 1958 Act was however repealed by the *Corruption Act* 94 of 1992. The repeal was initiated as a result of certain challenging aspect such as the lack of definition of corruption itself as well as other terms used in the legislation (Milton, 1993). Following the change in democracy, various proposals were made in relation to the amendment of the *Corruption Act* 94 of 1992. The primary motivation behind amending the law was to ensure that government measures for creating a comprehensive anti-corruption strategy were taken into consideration, as well as to further consider developments in international law. The proposed amendment further

included a variety of distinct clauses regarding various forms of corruption (Government Gazette No 23336 of 18 April 2002).

Following the approval of the above Bill, The Prevention and Combating of Corrupt Activities Act 12 of 2004 came into law in 2004, and was legislated in order to:
"*Provide for the strengthening of measures to prevent and combat corruption and corrupt activities, to provide for the offence of corruption and offences relating to corrupt activities, to provide for the establishment and endorsement of a Register in order to place certain restrictions on persons and enterprises convicted of corrupt activities relating to tender and contracts, to place a duty on certain persons holding a position of authority to report certain corrupt transactions*" (PRECCA, 2004).

### 2.5.2. The Protected Disclosures Act 26 of 2000

The *Protected Disclosures Act* 26 of 2000 was promulgated with the aim of encouraging and protecting responsible whistleblowing (Naidoo, 2012). The act was promulgated in order to:
*"Make provision for procedures in terms of which employees in both private and the public sector may disclose information regarding unlawful or irregular conduct by their employers or other employees in the employee of their employers, to provide for the protection of employees who make a disclosure which is protected in terms of this Act, and to provide for matters connected therewith*" (Protected Disclosures Act 26 of 2000, 2001, p. 1).

The legislation safeguard individuals who expose information regarding illicit or fraudulent activities from facing workplace-related disadvantages (Lubisi & Bezuidenhoudt, 2016; Naidoo, 2012; *Protected Disclosures Act* 26 of 2000, 2001). Whistleblowing constitutes the act of revealing instances of fraudulence, any manifestation of unlawful behaviour, as well as all morally reprehensible actions and activities that pose a threat to the institution and its various stakeholders. This includes but is not limited to unethical conduct, mismanagement of resources, breaches of legal regulations, and any other behaviour that undermines the integrity and trustworthiness of the institution (Pratolo et al., 2020). Accordingly, the author went on further to allude that whistleblowing can either be internal whistleblowing or

external whistle blowing. The distinction between the two is that the internal whistleblowing is reported within the organisation itself, while external whistleblowing is reported to external authorities (Pratolo et al., 2020).

Whistleblowing is often considered as an effective mechanism to eliminate unethical conduct (Dorasamy, 2012; Lubisi & Bezuidenhoudt, 2016; Nortje, 2023)(). Nevertheless, it can be argued that the efficacy of this approach relies on the acknowledgment and resolution of challenges that have the potential to undermine its implementation as an anti-corruption tool. Identifying and addressing these obstacles is crucial to ensuring the successful execution and impact of the anti-corruption measures in place (Dorasamy & Pillay, 2011).

Nortje, (2023) affirms that it is widely recognised that a whistleblowing mechanism should incorporate robust measures for witness protection and confidentiality. The inclusion of such rules and regulations serves to enhance the likelihood that whistleblowers will feel secure and protected when coming forward with information (Dorasamy, 2012). By ensuring confidentiality, individuals may be more inclined to report wrongdoing without fear of retaliation while witness protection measures not only safeguard the identity of the whistleblower but also contribute to creating an environment where individuals are more willing to disclose information about unethical or illegal activities, ultimately fostering a culture of transparency and accountability within the organisation (Dorasamy, 2012). Indeed, the effectiveness of whistleblowing as an anti-corruption tool cannot be undermined (Nortje, 2023).

Even with the protection provided to whistleblowers under legislation such as the *Protected Disclosures Act* 2000 in South Africa, potential whistleblowers are often deterred from speaking out due to the pervasive fear of retaliation (Dorasamy, 2012). This assertion finds reinforcement in statistical data, which suggests a decline in the number of whistleblowers. Despite the enactment of numerous legislations intended to safeguard whistleblowers, there appears to be a notable scarcity in the effective implementation of such legal frameworks. The findings of the 2018 Global Economic Crime and Fraud Survey, conducted by PricewaterhouseCoopers, emphasise this observation. The survey revealed that a mere seven percent of all instances of corrupt activities were reported by whistleblowers on a global scale, indicative of

potential reluctance among whistleblowers to report instances of corruption (Nortje, 2023).

This fear underlines the significance of not only having protective legal frameworks in place but also fostering a culture within organisations that actively discourages reprisals and ensures the genuine safety of those who come forward with information about misconduct. Addressing this fear is crucial to creating an environment where individuals feel secure enough to report wrongdoing without apprehension of negative consequences (Dorasamy & Pillay, 2011). Against this notion, the PDA was further amended to consider the term “Occupation detriment”, which in defined in the Protected Disclosure Amendment Act 2017 (PDA), “as all adverse effects including any disciplinary action, dismissal, civil claim, transfer, threats, harassment, retention, or acquisition of contract to render services among others, to a worker who made a protected disclosure in good faith”(Osiki, 2022, p. 145)

The absence of a culture supporting whistleblowing in higher education governance may hinder valid practices, thus cultivating a culture encouraging whistleblowing through institutionalised policies positively influences potential whistleblowers (Dorasamy, 2012). Such policies signal commitment to transparency, accountability, and ethical conduct. This environment reduces fear of reprisal, fostering trust and confidence among employees (Dorasamy, 2012). Institutional frameworks are crucial for upholding integrity in higher education institutions and emphasise whistleblowing as an essential mechanism to ensure a sound and ethical governance approach (Dorasamy, 2012).

Recognising the significance of an efficient whistleblowing mechanism within organisations, as reinforced by the *Protected Disclosures Act* 26 of 2000 (PDA), concerns were raised during the Judicial Commission of Inquiry into Allegations of State Capture, Corruption, and Fraud in the Public Sector Including Organs of State (the Zondo Commission). The commission highlighted deficiencies in the PDA, noting its lack of a clear procedure for whistleblowers to follow and inadequate assurance of protection for disclosures. Additionally, the act was criticised for its failure to provide proactive physical protection, offer incentives to whistleblowers, or ensure that disclosed information reaches entities equipped with specialised skills for

investigation and utilisation (Department of Justice and Constitutional Development, 2023).

Echoing the observations of the Zondo Commission, it became apparent that whistleblowers often face severe consequences for their disclosures. These repercussions may include financial and reputational ruin, loss of housing and custody of children, harassment, intimidation, criminal prosecution, and unwarranted civil litigation. Furthermore, following blowing the whistle against wrong doing, individuals may have trouble securing employment, personal threats, threats against family members, and mental health challenges such as anxiety and depression. Regrettably, instances of retaliation against whistleblowers typically go unpunished (Department of Justice and Constitutional Development, 2023).

Against this backdrop, the Proposed Reforms for the *Protected Disclosures Act* in is currently under review, highlighting the urgent need to reforms the protection whistleblowers and address the shortcomings of existing legislation.

### 2.5.3. Prevention of Organised Crime Act 121 of 1998

The *Prevention of Organised Crime Act* 121 of 1998, was promulgated in order to."

"*To introduce measures to combat organised crime, money laundering and criminal gang activities; to prohibit certain activities relating to racketeering activities; to provide for the prohibition of money laundering and for an obligation to report certain information; to criminalise certain activities associated with gangs; to provide for the recovery of the proceeds of unlawful activity; for the civil forfeiture of criminal assets that have been used to commit an offence or assets that are the proceeds of unlawful activity; to provide for the establishment of a Criminal Assets Recovery Account; to amend the Drugs and Drug Trafficking Act, 1992; to amend the International Co-operation in Criminal Matters Act, 1996; to repeal the Proceeds of Crime Act, 1996; to incorporate the provisions contained in the Proceeds of Crime Act, 1996; and to provide for matters connected therewith*"
(POCA, 1998).

The *Prevention of Organised Crime Act* (POCA) represents a concerted effort by the South African Government to combat organised crime, money laundering, and criminal gang activities within the country. This legislation empowers law enforcement agencies to impose significant penalties, including hefty fines, and to issue orders such as confiscation and forfeiture of assets implicated in criminal activities (Neì, 2003).

To further strengthen the application of the anti-corruption legal framework and to align South African laws with international treating, the National Anti-Corruption Strategy: 2020-2023 (NACS) was developed and approved in 2020. The strategy was developed in response to the need for coordinated anti-corruption initiatives across various sectors and to address what is being regarded as a corruption pandemic in the country (National Anti-Corruption Strategy 2020-2030, 2020).

### 2.5.4. The National Anti-Corruption Strategy 2020 – 2023

South Africa, as indicated by various scholarly sources (Argandoña, 2007; Nortje, 2023), is a signatory to numerous international conventions and treaties. These agreements include the United Nations Convention Against Corruption (2003), the Organisation for Economic Cooperation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997), the African Union's Convention on Preventing and Combating Corruption (2003), the Southern African Development Community's Protocol against Corruption (2001), and the United Nations Convention against Transnational Organised Crime (2000) along with its associated protocols. These commitments impose an obligation on South Africa to undertake preventive and combative measures against corruption (National Anti-Corruption Strategy 2020-2030, 2020, p. 8).(National Anti-Corruption Strategy 2020-2030, 2020, p. 8)

The development of the National Anti-Corruption Strategy 2020-2030 was initiated following an urgent need to amalgamate efforts directed at combating corruption across various sectors, amidst a context marked by numerous judicial commissions of inquiry and the erosion of governance and integrity frameworks within governmental bodies and institutions (National Anti-Corruption Strategy 2020-2030,

2020). This initiative highlighted the collective dedication of governmental, corporate, and civil societal entities towards realising the objectives outlined in the National Development Plan 2030 (National Anti-Corruption Strategy 2020-2030, 2020).

The foundational tenet of the National Anti-Corruption Strategy (NACS) resides in prioritising proactive measures aimed at thwarting corruption, underpinned by robust governance frameworks, transparent processes, effective integrity management, and stringent accountability mechanisms within societal structures. This approach advocates for the timely identification of nascent corrupt activities to complement the responsive strategies undertaken by law enforcement entities and allied anti-corruption institutions within the societal framework (National Anti-Corruption Strategy 2020-2030, 2020).

The process and methodology that guided the development of the NACS framework included a review of the existing literature on corruption, international best practice, stakeholder engagements and public engagement. The conceptual framework as adopted, focused on pillars that will guide the implementation of the strategy across all sectors. Henceforth, all sectors are required to take ownership of the implementation of the National Anti-Corruption Strategy (National Anti-Corruption Strategy 2020-2030, 2020).

A set of principles and objectives were created to provide instructions for preventing corruption in institutions. The key components of the strategy were presented as follows:

- Strategic Pillar one: Citizen participation and mobilisation,
  The focus will be on promoting and encourage active citizenry, whistleblowing, integrity, and transparency in all spheres of society,
- Strategic Pillar two: Professional conduct
  The focus on the strategy will be on the advancement of professionalisation of employees in all sectors to optimise their contribution to create corrupt-free workplaces.
- Strategic Pillar three: Ethical governance with oversight and consequence management

The focus of this strategy is to enhance governance, oversight, and consequence management in organisations.

- Strategic Pillar four: Credible, Transparent procurement system
  The focus will be on improving the integrity and credibility of the public procurement system.
- Strategic Pillar five: Strong anti-corruption agencies
  The focus will be on strengthening resourcing, coordination, transnational cooperation, performance, accountability, and independence of dedicated anti-corruption agencies.
- Strategic Pillar six: Protection of vulnerable sectors
  The focus will be on protecting vulnerable sectors that are most prone to corruption and unethical practices with effective risk management.
  (National Anti-Corruption Strategy 2020-2030, 2020)

Over the course of several years, many countries have established anti-corruption initiatives in response to the challenges posed by fraud and corruption. These efforts often place significant reliance on legal frameworks, financial institutions, the judiciary, and financial auditors to enforce accountability and bolster integrity within the public sector (Mccusker, 2000). However, it's important to note that while these proposed measures are essential, addressing corruption comprehensively also necessitates a multifaceted approach that encompasses cultural, societal, and institutional dimensions beyond mere legal and financial mechanisms (Mccusker, 2000).

### 2.5.5. Institutionalisation of the NACS

The NACS is championed by the President supported by the social compact already established through the National Economic Development and Labour Council (NEDLAC). The necessity for sustained commitment in effectively executing the strategy, the recommendations was put forth to establish a National Anti-Corruption Advisory Council (NACAC), whose mandate will be to:

- Oversee the initial transitional implementation of the NACS.
- Conceptualise and draft legislative proposals for the establishment of the permanent overarching body.

- Engage in public consultations and advocacy around the NACS.
- Engage with all stakeholders in line with the whole-of-society approach.
- Liaise with existing anti-corruption structures, including referrals of cases/complaints.
- Act as an interim interface for the coordination of anti-corruption.
- Initiatives with existing anti-corruption operational structures.
- Arrange and facilitate an anti-corruption summit.

(National Anti-Corruption Strategy 2020-2030, 2020)

### 2.5.6. The National Anti-Corruption Advisory Council (NACAC)

The National Anti-Corruption Advisory Council (NACAC) was formally established in August 2023. The representatives from civil society, business and government were nominated to serve on the Council. The aim of the Council is to advise the President with matters relating to fighting corruption in line with the NACS Strategy 2020-2023. The Council's key roles will be to provide guidance to the President on how to effectively put into action the anti-corruption strategy across different sectors, including government, civil society, and the private sector (Magwenya, 2023).

Through the recommendations that will be coming from various judicial inquiries, the Council will be tasked with providing advisory to the responses and ensuring implementation of remedial actions. The recently formed body will provide recommendations to the government about crucial steps to prevent the recurrence of state capture. It will focus on suggesting measures, enhancing institutional capabilities, and ensuring necessary resources are in place to actively curb fraud and corruption in South Africa (Magwenya, 2023).

The critical role of the Council in their advisory role will be to offer guidance on how to effectively put the National Anti-Corruption Strategy into action. This advice is for the government, civil society, and the private sector (Magwenya, 2023). Additionally, it will provide recommendations on reinforcing South Africa's anti-corruption framework. In addition, the Council is tasked with interacting with different stakeholders in specific sectors, such as businesses, labour organisations, academic institutions, and community or faith-based groups. This interaction aims to enhance

the country's efforts against corruption, develop the anti-corruption plan further, and assess how well the strategy is being put into action (Magwenya, 2023).

## 2.6. Understanding the Influence of Ethical Norms

The separation between behaviors classified as "corrupt" and "non-corrupt" may not be readily discernible, particularly in contexts characterised by an absence of clearly defined rules and regulations (Hallak et al., 2007). While certain acts may be perceived by society as embedded within socio-cultural relationships and unrelated to corruption, authors argue that individuals possess a distinct awareness of what should be deemed acceptable or unacceptable, even in instances where the system or regulatory framework is deficient or non-existent (Hallak et al., 2007).

Corruption and fraud are seen as parts of a social system that are intertwined with politics, the economy, science and technology, ethics, and aesthetics. The challenge in conceptualising arises from the diverse and intricate manifestations that corruption and fraud may assume, infiltrating both the internal and external systems, processes, and structures of the university context (Ngcamu & Mantzaris, 2022b). The implication as stated by (Harahap & Isgiyarta, 2023) is that corruption is shaped by community values and norms. These factors can influence individual officials, potentially fostering corrupt behavior (Harahap & Isgiyarta, 2023).

Certainly, we concur with Dorasamy (2012) in asserting that an organisational culture characterised by zero tolerance for unethical conduct can wield significant influence over employees' perceptions of the severity of such misconduct. In such a culture, the explicit stance against unethical behavior communicates a strong commitment to ethical standards, thereby shaping the organisational ethos and reinforcing the gravity attached to any breaches of ethical norms (Dorasamy, 2012). This not only establishes clear expectations but also contributes to fostering a workplace environment where ethical considerations are paramount, potentially deterring individuals from engaging in unethical conduct due to the perceived seriousness of such actions (Dorasamy, 2012).

There are different views when it comes to remediating the impact of corruption and fraud, the role of culture in deterring corruption and fraud is deep-rooted within the solution itself and seems to lie in enhancing "ethical education" "maintaining transparent regulatory systems" and "strengthening management capacities for greater accountability" — all of which will help to build a "virtuous triangle" cultural and behavioral issues rather than systemic problems(Hallak et al., 2007; Harahap & Isgiyarta, 2023; Shore, 2018). Similar comments were expressed by (Lloyd Bierstaker, 2009) who referred to business culture as the primary factor in directing ethical behavior and forming attitudes about fraud and thus, both authors share a similar perspective regarding the role the culture in preventing corruption. This argument strongly aligns to the NACS pillar of good governance.

In order to constitute significant advances in assuring the ongoing integrity of universities, authors appear to concur that universities should grasp the risks and mechanisms of corrupt activity and take measures to remedy them (Chapman & Lindner, 2016; Lloyd Bierstaker, 2009; Shore, 2018), what they further propose is a technical response combined with a political response in implementing anti-corruption efforts (Chapman & Lindner, 2016).

Lloyd Bierstaker, (2009) further suggests that more measures be taken, such as creating an anti-corruption/anti-fraud policy. The creation of anticorruption policies is essential to closing the loopholes that allow corruption in universities (Lloyd Bierstaker, 2009). A similar approach was proposed by (Akers et al., 2006) when it came to how various Universities handle issues with fraud and corruption. According to the author, such policies should explicitly state the kind of behavior they aim to deter and consider making operational risk management easier. While Denisova-Schmidt, (2020) underlined that the absence of codes of conduct and clearly outlined procedures was a significant contributing factor to the issue.

Authors seem to agree that Higher Education Institutions ought to implement ethical guidelines for both students and staff, alongside incorporating systems for reporting corruption through whistleblowing channels. This approach aims to promote the disclosure of unethical practices without the apprehension of reprisals (Ojo et al., 2020). Yet, in a study conducted by (Hapsari & Supriyono, 2020), titled "*Fraud and*

*Whistleblowing in the Management of Student Funds*", indicated a reluctance from informants on whistleblowing. All those interviewed recognised the potential fraud incidents but were hesitant to reveal or report it to the university. This reluctance stemmed from an assumption that it would be better to address it within a more informal or familial setting (Hapsari & Supriyono, 2020).

Given the above-mentioned challenges, there is however consensus among various authors that whistleblowing is an effective approach for reducing the potential of corruption fraud (Dorasamy & Pillay, 2011; Hapsari & Supriyono, 2020; Lubisi & Bezuidenhoudt, 2016; Nortje, 2023). Even moreover whistleblowing emerged as a mechanism aimed at mitigating instances of academic dishonesty (Radulovic & Uys, 2019). Furthermore, the authors extended the argument by suggesting that employees who engage in whistleblowing should be regarded as loyal (Dorasamy, 2012).

Moeti (2016) placed certain recommendations following a study titled "*Quality Higher Education Needed for Development: A Case Study of Perceptions on Ethics and Corruption in South African Higher Education Institutions*", the author proposed the development of training interventions specific to ethics and corruption that all employees within the HEI sector should attend. The second proposal was for top management and the DHET to issue a strong narrative of "zero tolerance" towards corrupt and unethical conduct within HEI. A third proposal was for the extension of the existing institutional policies to consider aspects of unethical and corrupt practices within the education sector (Moeti, 2016).

Putri et al., (2021) seem to suggest that perhaps the solution in fraud prevention lies with the usage of probity audits, specifically when it comes to the procurement of goods and services. Probity audits entail a real time procurement audit for goods and services that are considered high risk, the audit provides a reasonable assurance that procurement procedures were followed in accordance with regulation (Putri et al., 2021) while recognising the pivotal role that audits play in preventing fraud and corruption, it's important to note that probity audits, focusing primarily on procurement processes, have a limited scope in overall prevention efforts. This view

challenges the notion that probity audits are solely effective in procurement and neglect other processes vulnerable to fraud and corruption.

The function of auditors was also explored by (Umar et al., 2022). The author acknowledged that auditors should gather proof connected to different components known as "fraud stars." These components involve factors like opportunity, pressure, rationalisation, ability, and lack of integrity (Umar et al., 2022). However, Shore, 2018) presented a contrasting perspective in his research, revealing that the big four audit firms were discovered to be producing reports that highlighted the risks of fraud and corruption, then subsequently claiming to offer solutions charging fees for their services. This underscores how these firms collaborate with organisations in the risk and corruption they purport to alleviate, showcasing the influential role of anti-corruption discourses in shaping the market. The author went on further to suggest that universities should question the independence of the big four audit firms and their role in being the watchdog and guardian function to protect the organisation against corruption and fraud (Shore, 2018). This view aligns with (Brooks, 2012), who proposed that organisations should consider expanding their in-house fraud investigative capabilities and not so much place reliance on the audit firms.

Within the scholarly discourse, there emerges a prevailing perspective underscoring the pivotal influence of culture as a determinant factor in combatting instances of corruption and fraud. This perspective posits that fraud and corruption manifest primarily as cultural and behavioral phenomena rather than systemic issues. Conversely, alternative scholarly viewpoints advocate for responses of a technical or political nature in addressing fraud and corruption, exemplified by the formulation of anti-corruption/anti-fraud policies. One proposed strategy involves the establishment of an anti-corruption workforce tasked with delineating the expected code of conduct for employees. Additionally, advocates suggest the formulation of ethical guidelines applicable to both faculty and students, alongside the implementation of a whistleblowing mechanism to facilitate the reporting of wrongdoing. While assurance mechanisms, notably audit processes, are recognised for their efficacy in detecting instances of corruption and fraud, scholars contend that the establishment of an in-house capacity holds significance as a determining factor in ensuring the effective handling of reported matters.

## 2.7. Institutional Theory Framework

According to (Maphiri, 2020), theory is defined as a collection of ideas aimed at explaining a phenomenon, while a theoretical framework serves as the framework that underpins a theory by introducing and interpreting its fundamental concepts. In the subsequent section, institutional theory will be examined, bolstered by the Old Institutional Theory and the New Institutional Theory.

### 2.7.1. Institutional Theory

Institutional Theory examines how formal and informal rules, norms, and structures shape behavior within organisations and institutions. It explores the influence of external pressures and institutional environments on organisational practices, decision-making, and responses to social issues (Osburg & Schmidpeter, 2013). While (David et al., 2019) views institutional theory as a framework employed to explain the process by which formal organisational structures, such as written policies, standard practices, and novel forms of organisation, are adopted and disseminated.

This theory examines the influence of institutional forces, including regulations, norms, and societal expectations, on the adoption and diffusion of these organisational structures (David et al., 2019). According to (Coates et al., 2023) institutional theory is regarded “as a theory, that can be utilised when investigating the processes by which social and political structures of organisations are established. It is also a way to examine what causes them to evolve, adapt or fall behind” (Coates et al., 2023, p. 6).

The author further suggested that institutional theory can be broken down into three stages being, Old Institutional Theory, New Institutional Theory and New Perspective (Coates et al., 2023). The two theories, Old Institutional Theory and the New Institutional Theory will further be explored.

### 2.7.2. Old Institutional Theory

The Old Institutional Theory posits that organisations should be viewed as institutionalised "social organisms" deeply integrated within their local communities. This perspective is influenced by the work of (Selznick & Carlston, 1957), who distinguishes between organisations and institutions, asserting that organisations become institutionalised when common patterns emerge across similar entities. One notable characteristic of Old Institutional Theory is its capacity to analyze the socio-cultural frameworks of organisations at a macroscopic level (Coates et al., 2023). It is evident that the examination of institutions originated as a response to structural sociology and its deterministic, macro-sociological outlook (Braga & Bataglia, 2022). What can be established is that the studies of institutions were initiated in response to structural sociology and its deterministic and macro-sociological perspective (Braga & Bataglia, 2022).

### 2.7.3. New Institutional Theory Framework

According to Coates et al. (2023), New Institutional Theory directs its attention towards the stability and uniformity of organisations, emphasising the necessity for organisations to adhere to the institutional environment in which they operate. However, while New Institutional Theory acknowledges the significance of an organisation's stability and legitimacy within its institutional context, the authors argue that the New Institutional Theory overlooks the inter-societal systems of organisations, which play a crucial role in shaping institutional change (Coates et al., 2023).

### 2.7.4. Institutional Theory Framework in Higher Education

The landscape of a Higher Education Institution is regulated by the Higher Education Act as the key legislation (*Higher Education Act* 101 of 1997), and this is supported by the Regulations for Reporting by Public Higher Institutions. The proposal of the Education White Paper further advocated for a governance structure within HEI’s that would reflect the core values of the Institution, concerning the distribution and exercise authority, responsibility, and accountability.

The Higher Education Act further authorise for a uniform structure within Higher Education Institution, in terms of establishing the University governance structure and offices. At the heart of this governance framework lies institutional Councils, acting as the principal decision-making entities within public institutions. These Councils shoulder the crucial responsibility of guaranteeing effective governance, alignment with mission objectives, prudent financial management, performance oversight, quality assurance, and reputation maintenance for their respective institutions (Bengu, 1997; Kulati, 2000). Additionally, they are tasked with ensuring that executive management fulfills its duties responsibly and efficiently (Kulati, 2000).

When it comes to the formulation of university policies, considerable autonomy is vested in the Council, allowing them to craft policies that shape the organisational culture (Le Grange, 2014). This autonomy empowers the Council to tailor policies in alignment with the unique values, objectives, and ethos of the institution. By exercising this discretion, the Council plays a pivotal role in sculpting the institutional identity and fostering a conducive environment for academic excellence, innovation, and inclusivity (Le Grange, 2014). This delegated authority enables the Council to respond effectively to evolving challenges and opportunities within the higher education landscape, thereby ensuring the institution's relevance and resilience in an ever-changing world.

Institutional autonomy is particularly regarded as crucial as it enables universities to preserve academic freedom, uphold quality standards, foster innovation, and respond flexibly to the evolving needs and challenges of the educational landscape. While enjoying autonomy, institutions are expected to operate within legal and regulatory frameworks and maintain accountability to stakeholders, ensuring responsible and transparent governance (Le Grange, 2014).

## 2.8. Conclusion

The chapter outlined the evolving landscape of Higher Education as it undergoes transition, examining the influence of proposed governing legislation and its impact on reshaping the narrative of transformed higher education. Additionally, the chapter delved into the implementation of anti-corruption and anti-fraud legislation within

Higher Education, while also elaborating on the National Anti-Corruption Strategy 2020-2023 and its ramifications for higher education. Scholarly perspectives were sourced to enrich the discourse with insights from literature. Finally, the proposed institutional policy framework was elucidated as a lens through which to define the research scope.

# 3. Chapter Three: Discussion of the Research Methodology

## 3.1. Introduction

This chapter furnishes a detailed account of the research methodology employed in the study. The research aims to determine the prevalent corruption and fraud policies and measures implemented within South African Universities. Consequently, the chapter establishes the framework for the methodology and outlines its structural components. Subsequently, the chapter discusses the research paradigm, design, and methodologies utilised by the researcher. Further elaboration is provided on the study setting, population, and rationale behind the chosen research tools. Additionally, the researcher expounds upon the development of the research instruments, comprising an analysis of existing policies and interviews with corruption and fraud specialists/practitioners. The latter segment of the chapter discusses the reliability and validity of the study, along with considerations of research bias. Finally, ethical considerations are deliberated upon, culminating in the chapter's closure with pivotal reflections and a summary of the research methodology employed throughout the study.

## 3.2. Qualitative approach

The study embraced a qualitative research approach, aiming to address a distinct gap in existing literature analysis of the prevailing anti-corruption and anti-fraud policies, practices, and measures implemented within South African Universities. This encompassed an examination of the policies, procedures, and internal controls instituted by universities to mitigate and uncover instances of corruption and fraud. Secondly, through a series of interviews, the research delved into various mechanisms aimed at identifying both exemplary practices and hurdles encountered in combatting corruption and fraud. The primary objective was to gain insight into the efficacy and limitations of current approaches in addressing these critical issues within the academic landscape.

Garner, et al., (2012:126) states that “Qualitative research is concerned with understanding the processes and the social and cultural context which shape various behavioural patterns”. Thus, to uncover the causes behind observed patterns,

particularly those that are unseen or unexpected, qualitative designs are essential (Busetto et al., 2020). Aspers & Corte (2019) further elaborated by expanding on the definition of a qualitative research as an iterative endeavor wherein enhanced comprehension within the scientific community is attained through the clarification of novel, significant distinctions arising from a closer examination of the phenomenon under study. Accordingly, qualitative research, as expounded herein, is characterised by two primary criteria: (i) procedural aspects involving the generation and analysis of empirical data in an iterative manner aimed at refining distinctions, and (ii) the resultant outcome, which entails the advancement of fresh insights relevant to the scholarly community (Aspers & Corte, 2019).

### 3.3. Research tools and their application.

#### 3.3.1. Review of University policies

There were two distinct research tools that were employed for the study to gather data. The first being document analysis and second being interview with participants. In qualitative research, scholars frequently prioritise employing methods such as interviews over document analysis due to their inclination toward active engagement in fieldwork (Morgan, 2022). In addition, researchers in qualitative studies employ a range of data collection techniques, which may involve generating data themselves or utilising existing datasets (Bowen, 2009; Morgan, 2022).

According to Bowen (2009), “document analysis is a systematic procedure for reviewing or evaluating documents—both printed and electronic (computer-based and Internet-transmitted) material” (Bowen, 2009, p. 27). Thus, the qualitative research pulled upon the multiple sources of evidence to not only seek convergence but to further corroborate information through the use of the different data sources and methods (Bowen, 2009).

The first part of the assessment was to analyse the university policies through a document analysis process. Using the key words “Fraud and Corruption Prevention Policy”, “Anti-Corruption and Anti-Fraud Policies”, “Anti-Corruption and Anti-Fraud Procedures / Guidelines”, “Code of Conduct”, “Whistle-blowing policy” and any other documents that is noted as seeing to be addressing the management of fraud and

corruption in universities, a document search was initiated. The yielded multi documents as expected and those were used as the basis for documents that were analysed for the research.

### 3.3.2. Qualitative document analysis: Altheides' vs Braun and Clarke

In the study titled "A qualitative document analysis of policies influencing preeclampsia management by midwives in Ghana," (Garti et al., 2022), the researchers employed Altheide's five-step process for qualitative document analysis methodology to scrutinise national and hospital policies. Following this methodological approach, the authors outlined a systematic procedure for sourcing and analysing the content of written documents. The prescribed steps encompassed sampling, data collection, data coding and organisation, data analysis, and report writing. However, certain articles suggest that the methodology proposed by Altheide and Schneider is particularly effective when analysing media content such as newspaper articles and video sources (Mattson et al., 2021; McGannon et al., 2015, 2017; Popović et al., 2022; Semuwal, 2019; Smith, 2019).

In contrast, Braun and Clarke (2012) advocate for thematic analysis, which entails systematically identifying recurring patterns or themes inherent in qualitative data. Thematic analysis aims to uncover and emphasise significant or noteworthy patterns within the data, encapsulating themes that hold importance or interest to the research inquiry (Maguire & Delahunt, 2017). As such, the authors propose a six-step approach to thematic analysis being, Step 1: Familiarisation with the data, Step 2: Generate initial codes, Step 3: Search for themes, Step 4: Review themes, Step 5: Define themes, Step 6: Write up.

Both Altheide and Schneider's qualitative content analysis and Braun and Clarke's thematic analysis aim to identify patterns or themes within qualitative data. However, they differ in their specific approach and steps involved in conducting the analysis. Therefore, for this research, Braun and Clarke's thematic analysis was deemed suitable as a document analysis process to be applied in the study.

## 3.4. Sampling

The study was based on the analysis of the existing anti-corruption and anti-fraud policies and to gain a deeper understanding of the environment relating to the research topic, a non-probability purposive sampling approach was adopted.

### 3.4.1. Documentation Sampling and data collection

The policies under examination were acquired through comprehensive searches of university websites. Among the ten policies reviewed, nine were readily accessible online. One policy was obtained directly from the university due to a recent policy review, which had not yet been published on their website..

The sampling process was conducted with Universities within South Africa. The initial pool for the study encompassed 26 South African Public Universities. According to the Department of Higher Education and Training (DHET) Higher Education is classified as 12 Traditional Universities, 8 Universities of Technology, and 6 Comprehensive Universities. However, for the purpose of this research, only 10 University policies were selected for analysis. The sampling strategy aimed at a Traditional University and Universities of Technology. Policies from these universities were systematically downloaded between November 1, 2023, and January 31, 2024, to ensure a comprehensive representation of the sampled universities' policies and practices.

### 3.4.2. Protocol development and data collection.

A protocol development to guide the data collection outlined the search terms, databased and other sources. A protocol was created to guide the data collection process. The protocol outlined the search terms, databases and other sources, inclusion and exclusion criteria and data analysis procedures. Websites were searched to locate a comprehensive set of policies from universities and the key words selected for the search were:

- Fraud and Corruption Prevention Policy
- Anti-Corruption and Anti-Fraud Policies.
- Anti-Corruption and Anti-Fraud Procedures / Guidelines.

- Code of Conduct.
- Whistle-blowing policy.
- Other documents related to the management of corruption and fraud.

### 3.4.3. Data coding

Inductive coding was employed, wherein codes were developed directly from the data without relying on preconceived categories from prior literature reviews or theoretical frameworks. This methodological approach enabled the emergence of new themes and categories directly from the data itself, rather than imposing predetermined codes onto it. By allowing the data to dictate the coding process, the researcher was able to capture the distinctions and complexities inherent in the policies under examination, thus ensuring a more nuanced and comprehensive analysis of the anti-corruption and anti-fraud measures implemented within the sampled universities.

## 3.5. Participants Interview

The second research methodology employed in this study involves a purposive sampling approach, which focuses on selecting individuals or groups with relevant knowledge and experience pertaining to the research topic (Etikan, 2016). Garner, et al., (2012) further defines purposive sampling as a type of non-probability sampling technique, whereby using experience the researcher can find participants who will be representative of the population by using certain selection criteria. Unlike probability sampling methods that aim to ensure every member of the population has an equal chance of being selected, purposive sampling involves selecting participants who are believed to provide the most relevant or informative data for the study. This method is often used when researchers seek to target a particular subgroup or when specific expertise or characteristics are required for the research objectives (Campbell et al., 2020).

This method considers factors such as availability, willingness to participate, and the ability to articulate experiences and opinions clearly (Etikan, 2016). Homogeneous sampling, a technique concentrating on individuals sharing similar characteristics, was chosen for participant selection (Etikan, 2016). This signified that interview

participants were primarily individuals engaged in employment within the Higher Education Sector, currently fulfilling the role of anti-corruption/anti-fraud specialists or practitioners within universities. However, it is noteworthy that among those interviewed, individuals were identified as directly accountable for overseeing these functions. The selection criteria aimed to ensure representation from stakeholders directly involved in combating corruption and fraud within the higher education context, thereby enhancing the comprehensiveness and relevance of the research findings. The decision to utilise purposive sampling was motivated by the recognition that individuals with specific expertise may offer diverse and pertinent insights relevant to the study's objectives (Campbell et al., 2020).

To facilitate an in-depth analysis of the strategies and initiatives employed by universities to combat corruption and fraud, four universities were selected to participate in the study. This targeted approach ensures a comprehensive examination of anti-corruption and anti-fraud measures within higher education institutions.

### 3.6. Interview questions.

A combination of structured and unstructured interview questions was developed for data collection purposes.

### 3.7. Interview data analysis.

The data analysis adopted a thematic analysis approach. Thematic analysis is “a general approach to analysis qualitative data that involves identifying themes or patterns in a data” (Garner et al., 2012, p. 231). This methodological framework facilitated the systematic examination of qualitative data, enabling the identification and interpretation of overarching themes and patterns inherent in the dataset (Byrne, 2022).

### 3.8. Limitations, Feasibility and Positionality

#### 3.8.1. Limitations

One notable limitation encountered in this research pertained to the challenge of the interview component of the study. In particular when trying to secure access to universities and obtaining permission from gatekeepers. This process proved to be

arduous and at times caused potential delays in the research timelines. Each Higher Education Institution (HEI) operates under its own unique protocol for access to employees and students, typically requiring approval from a standing committee convened on a monthly basis.

While certain universities provided information on the access process online, the majority required proactive outreach via cold calling and guidance sought through the Registrar's office. Compounding this challenge, the study period coincided with the December holiday season, resulting in restricted access to some universities and necessitating the postponement of interviews, that were ultimately conducted in January 2024.

The second limitation that was experienced was access to DHET. Request for access to DHET was sent to an email address provided by the main reception. Firstly, it became unclear as to the process to follow to seek access within DHET, but once contact was made, the request was channeled through to the Office of the Deputy Director General, however no response was received.

### 3.8.2. Feasibility

Within the scope of the research topic, feasibility within a South African University setting aligns with the parameters outlined in the Higher Education Act. Initially, a three-month timeframe was proposed for data collection; however, due to the constraints mentioned in the limitations paragraph, the duration was extended for four to five months. This timeframe encompasses both policy analysis and interviews to be conducted.

The feasibility of the study was facilitated by the accessibility of policies through online sources, eliminating cost implications associated with obtaining these documents. Furthermore, interviews were conducted utilising Microsoft Teams, a collaborative platform developed by Microsoft. This platform offers functionalities for communication, file sharing, virtual meetings, and real-time document collaboration, thereby minimizing expenses related to research activities. Additionally, consent was

obtained through an online signed document, further streamlining the research process while maintaining ethical standards.

## 3.9. Ethics

### 3.9.1. Gate keeping

The study aimed to gain access to information pertaining to anti-corruption policies and related documents within the university context. This aspect of the research encountered minimal challenges, as the majority of institutions made their policies publicly available online. Only one university chose to send the policy directly to the researcher.

### 3.9.2. Consent

The research commenced with the acquisition of consent from the Wits School of Governance Research Ethics Committee. Subsequently, requests for access to university staff were submitted to multiple institutions, resulting in approval from four (4) universities.

Preceding the interviews, confirmation was sought from the identified staff members slated to participate in the research. Additionally, prior to the commencement of interviews, participants were tasked with completing and signing a consent form, undertaking their voluntary participation and affirmation of informed consent.

### 3.9.3. Confidentiality

Both the participant and the researcher provided signatures to signify consent for the study. Participants were explicitly informed that disclosing their identities and the names of their respective universities was optional. It was emphasised that the results of the study were not dependent upon the disclosure of participant information. Therefore, the request for such disclosure would not impede the timely completion of the study. Participants were assured of their right to maintain anonymity and were granted the assurance that any reference from the participating universities will be concluded using generic categories.

### 3.9.4. Data safe keeping

All data collected is securely retained by the researcher and will be retained for a duration of five (5) years from the date of publication. The data will be stored on a cloud-based account owned by the researcher, which is safeguarded by password protection measures.

### 3.9.5. Informed consent

Prior to their involvement, participants in the study were provided with comprehensive information regarding the research objectives and aims. They were furnished with key documents including the approved research proposal, the endorsement issued by the Wits School of Governance Research Ethics Committee, the interview's research questions, and an information sheet detailing participant expectation. Additionally, participants were assured of their right for consent and their right to withdraw from the study at any point should they choose to do so. Anonymity was offered as an option to safeguard participants and their institutions from potential identification based on their responses.

## 3.10. Validity, Reliability and Dependability

### 3.10.1. Validity

For this study, a construct validity approach was employed. The research instruments utilised consisted of interview protocols crafted in accordance with established theoretical frameworks and tailored to align with the study's objectives. Upon completion of the interviews, participants were asked for feedback. Subsequently, at the conclusion of the interview, participants were informed that the findings would be shared with them upon request.

### 3.10.2. Reliability

The following threats to research reliability were observed:

a) Participants error:

Participant error may occur if the participant is unable to allocate sufficient time for the interview due to other work commitments Garner et al., 2012.To mitigate this potential error, participants were asked to nominate a convenient time for the

interview, preferably one that does not clash with their existing work obligations. Furthermore, participants were furnished with details regarding the scope of the interview and an estimate of the expected duration, aiding them in scheduling accordingly.

b) Participant bias:

Participant bias may manifest if participants intentionally provide responses that portray a favorable image of their university Garner et al., 2012. To mitigate potential bias, the information obtained from the universities was cross-referenced with the policies acquired. This validation process served to corroborate and authenticate the data, reducing the likelihood of biased or misleading responses. Furthermore, uniformity was maintained across all participants by posing identical questions to each individual, and their responses were meticulously documented accordingly.

c) Researcher error:

To mitigate the risk of research error stemming from insufficient time allocated for interviews, a strategic approach was adopted to ensure accuracy in data collection Garner et al., 2012. Interviews were deliberately not scheduled to take place within a single day, allowing ample time for thorough discussion and accurate data provision. Efforts were made to accommodate participant schedules effectively, with one participant indicating weekend availability, resulting in the scheduling of a meeting during that time to honour their commitment.

d) Researcher bias:

To prevent researcher bias, meticulous efforts were undertaken to transcribe the collected data as faithfully as possible, preserving the original wording of participants' responses verbatim. This approach aimed to uphold the integrity of the data by minimizing the potential for interpretation or alteration by the researcher.

### 3.10.3. Dependability

The research process was meticulously documented, encompassing various stages from the initial distribution of invitations to potential participants, tracking those who expressed interest in participating, obtaining signed consent forms, coordinating

interview scheduling, conducting the interviews, and ultimately reaching the conclusion of the study.

## 3.11. Chapter summary

This chapter provides an overview of the research methodology and design adopted for this study. The research methodology employed a qualitative approach, which is well-suited for exploring complex phenomena in depth. The study primarily relied on the analysis of policies and interviews to gather data and gain insights into the research topic. The chapter outlines the rationale behind selecting a qualitative approach and discusses how the research design was structured to achieve the study objectives effectively. Additionally, key considerations such as sampling, data collection methods, and data analysis techniques are discussed in detail to provide clarity on the research process.

# 4. Chapter Four: Presentation and Analysis of Data

## 4.1. Introduction

The research aim was to undertake an examination of the prevailing anti-corruption and anti-fraud policies and measures employed within South African Universities. This was completed by exploring the specific provisions and mechanisms outlined in the Higher Education Act and other legislations, as well as the integration of the principles of the NACS within university governance structures.

The main research question was: What are the primary methods and mechanism employed to address anti-corruption and anti-fraud measures within South African Higher Education Institutions?

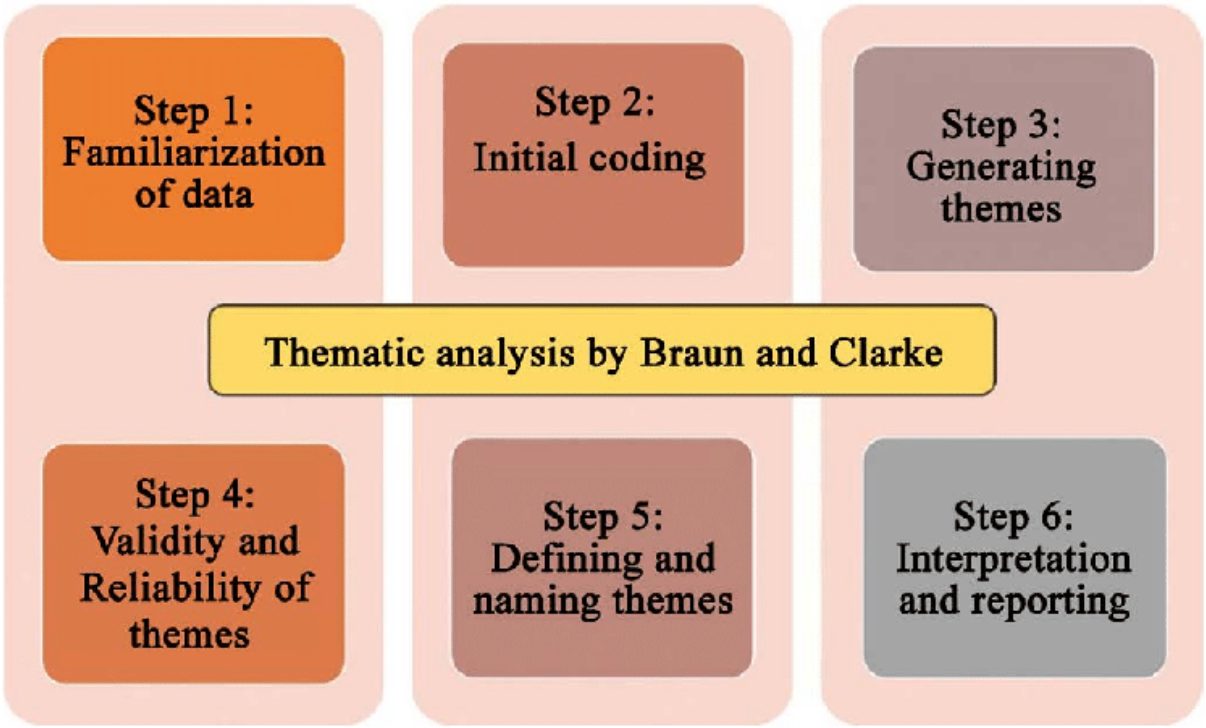
Through the examination of anti-fraud and anti-corruption policies from South African Public Universities and interviews with Fraud Specialist / Practitioners. An analysis was established on the prevailing mechanism employed within Higher Education to prevent fraud and corruption. Thus, this chapter aims to shed results from the analysis of anti-Fraud and Anti-Corruption Policies, combined by the feedback from interviews.

## 4.2. Thematic Analysis of Policies

A qualitative research methodology was employed, characterised by an inductive content analysis approach. This method involved the adoption of open coding, as described by (Elo & Kyngäs, 2008) wherein written material was systematically reviewed, and headings were generated as needed to comprehensively describe all facets of the content.

Document analysis was conducted utilising thematic analysis methodology proposed by (Clarke, 2019), in conjunction with the recommended policy document analysis approach outlined by (Cardno, 2018). Additionally, thematic analysis, as portrayed by (Clarke, 2019), was employed as a secondary analytical tool. This method entails the systematic identification of recurring patterns or themes present in qualitative data (Maguire & Delahunt, 2017). The aim of thematic analysis was to elucidate and accentuate significant or noteworthy patterns within the data, encapsulating themes

of importance or interest (Maguire & Delahunt, 2017). Byrne's (2022) suggested that the six-phase process should serve as a guiding framework adaptable to fit the data and research questions, rather than being strictly adhered to as a rigid protocol. As such the research applied the proposed steps.




Thematic Analysis by Braun and Clarke. Source: Braun and Clarke (2006)

### 4.2.1. Step 1: Familiarisation with the data

The initial phase of familiarisation assumes significance within various qualitative analytical frameworks, necessitating researchers to acquaint themselves with the dataset through comprehensive re-examination (Byrne, 2022). This procedure encompassed the manual transcription of the dataset (Byrne, 2022). In the context of this study, an examination of policies was conducted, focusing on the identification of the relevant policies that will be examined. The list is attached in Appendix A.

#### 4.2.2. Step 2: Generating initial codes.

Codes are regarded as fundamental building blocks of what will later become themes. The process of coding was undertaken to produce succinct, shorthand descriptive or interpretive labels for pieces of information that may be of relevance to the research question(s) (Byrne, 2022).

The methodology employed involved inductive coding, wherein codes were generated directly from the data itself. This process entails creating codes as data analysis progresses, allowing for a dynamic and emergent understanding of patterns and themes within the dataset. The approach involves labeling codes in real-time as they become apparent during the analysis (Byrne, 2022).

In the evaluation of coding methods, a consideration of the pros and cons of each approach was undertaken. The decision to use inductive coding was likely influenced by the desire for flexibility and responsiveness to the nuances present in the data. By adopting this method, the analysis aimed to capture the richness of the information without preconceived categories (Byrne, 2022).

Subsequently, by quantifying the occurrences of specific codes, an assessment of common themes within the data was conducted. This frequency-based analysis provides a quantitative perspective, allowing for the identification of prevalent patterns and themes. The approach enhances the interpretive power of the study by combining the advantages of inductive coding with a systematic exploration of recurring elements in the dataset (Byrne, 2022). Each policy was categorised in terms of headings and sub-heading that aligned with the policy wording as per Appendix A.

The policy document table of content was utilised to generate initial codes. Through the utilisation of open coding, no predefined codes were established; instead, codes underwent modifications during the coding process (Maguire & Delahunt, 2017). The creation of initial codes led to the identification of generic terms inherent in the policy structure. Subsequently, these terms were grouped together to discern prevailing trends.

### 4.2.3. Step 3: Searching for themes

Phase three followed once all relevant data had been coded. According to (Byrne, 2022) the focus now shifts from the interpretation of individual data items within the dataset, to the interpretation of aggregated meaning and meaningfulness across the dataset (Byrne, 2022). The coded data was reviewed and analysed as to how different codes may be combined according to shared meanings so that they may form themes or sub-themes (Byrne, 2022). Thus, a theme is defined as “a pattern that captures something significant or interesting about the data and/or research question” (Maguire & Delahunt, 2017, p. 6)

Following the coding of the data set, themes were developed with the wording that best describes a certain section within the policy and as such those were grouped to establish consolidated theme/s.

### 4.2.4. Step 4: Validity and Reliability of themes

Step four took place in order to establish themes that may not function well as meaningful interpretations of the data or may not provide information that addresses the research questions. It may also come to light that some of the constituent codes and/or data items that inform these themes may be incongruent and require revision (Byrne, 2022)

### 4.2.5. Step 5: Defining and naming themes

Following a review of the themes, the following themes formulated the framework for the policy document analysis:

Table 4: Final list of themes

| Theme | Defining and naming themes |
|---|---|
| Ethical Standards | The ethical standard and culture that the university has adopted through its mission and values |
| Scope of policy | The scope of the policy sets boundaries within which the policy is intended to operate and the parameters that define its applicability. The scope of a policy helps clarify its purpose and objectives, guiding stakeholders on what is covered and what falls outside its purview. |
| Laws and Regulations | The term "laws and regulations" within a policy document defines the statutory framework to which the policy aspires to adhere. These legal provisions are explicitly cited and referenced within the policy document, serving as foundational elements that inform and guide its development and implementation. |
| Roles and Responsibilities | The thematic focus on roles and responsibilities seeks to elucidate the governance structure within the university, tasked with ensuring accountability and overseeing the implementation of the policy |
| Protection of whistle blowers | This particular theme aims to establish the provision within the policy that specifically addresses protection of those who report matters. |
| Reporting mechanism | The theme of reporting mechanism provides a guideline of how matters are to be reported and may include specific process that is expected to be applied when reporting. |
| Definitions and terminology | The theme will outline the various definitions provisioned within the policy and the terminology that applies for each university. |

### 4.2.6. Step 6: Interpretation and reporting

The final stage of the thematic analysis process involved interpretation of the data as well as reporting against the themes.

#### 4.2.6.1. Theme one: Ethical Standards

The policy's background aids in interpreting its rationale, objectives, and intended outcomes, facilitating informed decision-making, and ensuring alignment with overarching organisational goals and societal needs (Cardno, 2018). This thematic emphasis aimed to capture the ethical standards that the university aspires to uphold. Ethical standards are further emphasised through literature as established in the (King IV Report, 2016), which states that “Council should approve codes of conduct and ethics policies that articulate and give effect to its direction on organisational ethics” (King IV Report, 2016).

Dorasamy (2012) asserted that an organisational culture characterised by zero tolerance for unethical conduct can wield significant influence over employees' perceptions of the severity of such misconduct. In such a culture, the explicit stance against unethical behavior communicates a strong commitment to ethical standards, thereby shaping the organisational ethos and reinforcing the gravity attached to any breaches of ethical norms (Dorasamy, 2012). Throughout the review process of the policies, all universities echoed the ethos and culture that the university aims to embody within the policy.

University 4: *The University is a public institution and is obliged by legislation to put effective policies and control measures in place in order to ensure good corporate management and/or governance. In addition, the Council and management are committed to good corporate management and/or governance and, specifically, compliance with King IV, as far as practically possible.*

University 8: “*To formalise the University’s zero-tolerance approach to fraud, corruption and related acts of dishonesty or misconduct; To encourage the maintenance of the highest standards of ethical and professional conduct and*

*responsibility by employees, students, prospective students and external stakeholders."*

University 5*: The Policy aims to foster and maintain an environment that encourages employees and other relevant stakeholders to voluntarily report suspected wrongdoing without fear of punishment or unfair treatment, and ultimately assist in preventing fraud, corruption, and other misconduct within the university.*

University 7*: "Committed to upholding its reputation as a leading higher education institution. We aim to protect our reputation with our stakeholders in the local and international community through effective prevention, detection, and response to fraud.*

University 10*: To articulate the institutional expectations of staff and other stakeholders, in relation to the upholding of integrity in conducting university activities. In this regard, to re-affirm the Council's unequivocally resolute stance against fraud, bribery, and corruption – including academic and research misconduct.*

The analysis of the ethical standards outlined in various university policies revealed distinct emphases among institutions. University 4 highlighted the commitment of its Council and Management to uphold ethical principles. In contrast, University 8 focused on a zero-tolerance approach to fraud and corruption. University 5's policy aimed to foster an environment that encourages voluntary reporting of wrongdoing, whereas University 7 prioritised the protection of its institutional reputation. This variation demonstrates the diverse strategic priorities and approaches adopted by universities in addressing ethical concerns.

#### 4.2.6.2. Scope of policy

Scope of policy pertain to both the originator and the intended recipients of a policy, encompassing the individuals or entities responsible for its creation and implementation, as well as those who will be affected by its directives (Cardno, 2018). It involves identifying the primary stakeholders involved in shaping the policy

and defining the extent of its applicability across different organisational domains or external entities (Cardno, 2018).

University 2 : *This Policy applies to all individuals working at all levels and grades, whether temporarily, on a fixed-term basis or permanently, and which includes all members of Council and Senate, academic and administrative staff, senior managers, officers, directors, employees, consultants, independent contractors, trainees, seconded staff, casual associated staff and agency staff, volunteers, interns, agents, as well as any other person or any other business or legal entity associated with the University e.g. registered students*

University 3*: This Policy scope applies to all who serve university, including its Council, its staff members, and students, including joint staff and any related parties, whether through committees or associations, who act on behalf of the University or represent the University in any way.*

University 8: *This policy applies to employees, students, and external stakeholders of the University.*

University 4*: This policy applies to all staff, students, consultants, vendors, contractors,*
*and/or any other parties with a business relationship with the University.*

The "Scope of Policy" section within the university policies examined revealed similar sentiments regarding the applicability of the policy. While University 2 offered a broader definition of the policy's applicability, others used more simplified wording. Notably, a common feature across the various documents was the consistent use of the terms "Employee," "Students," and "Stakeholders" to emphasize the policy's reach, thus supporting (Cardno, 2018) views of the policy applicability.

#### 4.2.6.3. Laws and Regulations

The formulation of a policy framework is driven by legislative mandates. In the realm of anti-fraud and anti-corruption initiatives, various legislative enactments have

emphasised the obligation for institutions to establish policies defining their stance and alignment with pertinent legislation. Articulating the applicable laws in the policy assists in fostering a comprehensive understanding of legal parameters and obligations. According to the National Anti-Corruption Strategy 2020-2030 (2020), explicitly articulating legislation and establishing a clear framework for compliance and accountability enhances transparency and facilitates effective communication concerning legal standards and expectations within the institutional context.

Moreover, the PRECCA Act is acknowledged as the primary legislation criminalizing corruption. The analysis revealed that all reviewed policies make reference to laws that the university aims to adhere to, with the most commonly cited act being:

- Higher Education Act, 101 of 1997.
- Labour Relations Act, 66 of 1995.
- Prevention and Combatting of Corrupt Activities Act, 12 of 2004 (PRECCA).
- Prevention of Organised Crime Act, 121 of 1998 (POCA).
- Promotion of Administrative Justice Act, 3 of 2000(PAJA).
- Protected Disclosures Act, 26 of 2000 (PDA) and the PDA Practical Guidelines for Employees (GG 34572, 31 August 2011).

University 1: *It is the policy of the university to be a responsible corporate social citizen that is morally and ethically bound by the principle of public accountability in the prevention of fraud upholds, thereby all laws relevant to countering bribery, fraud, and corruption, in particular POCA and PRECCA.*

University 1*: The university ensures that, in order to promote accountability and transparency, mechanisms are implemented in accordance with the Protected Disclosers Act to enable employees, students and members of the public to voice concerns in a responsible and effective manner without being exposed to improper discrimination or prejudice against such individuals who make protected disclosures.*

University 2*: As part of the university's overarching values, which includes accountability, the University is committed to ensuring high ethical standards and values and compliance with applicable laws. Specifically, these standards and values*

*are applied to research and teaching activities, as well as governance and financial management.*

University 8: *In accordance with the intent and provisions of Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA), the University is committing itself to: (i) Promotes the eradication of criminal and other unlawful conduct.*

The applicability of laws and regulations is crucial for ensuring compliance and encouraging adherence to policies. Most policies specifically reference the relevant laws and regulations, either to define the policy or to specify its applicability. By clearly stating the legal framework within which the policies operate, universities can ensure that their policies are not only aligned with national and international standards but also enforceable. This legal grounding helps in creating a transparent and accountable environment, where all members of the university, including employees, students, and stakeholders, are aware of their rights and responsibilities. Moreover, referencing specific laws and regulations provides a clear guideline for policy implementation and enforcement, reducing ambiguities and potential conflicts. This alignment with legal requirements also aids in safeguarding the institution's reputation and upholding ethical standards across all levels of operation.

#### 4.2.6.4. Roles and Responsibilities

The thematic focus on roles and responsibilities seeks to clarify the governance structure within the university, tasked with ensuring accountability and overseeing the implementation of the policy (Cardno, 2018). This consideration involves portraying the roles and responsibilities of various actors in the policy development process, ensuring clarity regarding accountability and communication channels (Cardno, 2018)

The NACS further supports King IV Report as being the key guide for ensuring sound corporate governance, ethical business practice and the prevention of corruption in organisations. (National Anti-Corruption Strategy 2020-2030, 2020). In accordance with the NACS, Strategic Pillar one, promotes and encourages active citizenry, this is

to further state the importance of including all stakeholders in the fight against corruption. The majority of the policies reviewed clearly outlining the role of each structure in the university starting from the Council level up to and including stakeholders. The roles and responsibilities are clearly outlined in the policy document, specifying who is responsible and who is accountable. The data supports the view presented in the King IV Report (2016).

University 8: The *Council is overall accountable for fraud risk management. This responsibility is delegated to the Council's Audit and Risk Committee. The Audit and Risk Committee executes this function based on reports submitted by the Management Executive Committee and independent reviews submitted by internal and forensic auditors.*

University 6*: Line managers must take all reasonable steps to ensure that all employees are made aware of the contents of this policy, while the Department of Student Affairs must ensure that all students are made aware of the existence and contents of the policy.*

University 7*: The custodian of this Policy is the Audit and Risk Committee who will be responsible for the administration, revision, and interpretation of the Policy. Executive Management is responsible for the design and implementation of a Fraud and Corruption Prevention Plan ("the FCPP") to prevent, detect and respond to fraud and corruption. Executive Management will be responsible for ensuring that all employees under their control are made aware of the relevant policy documentation.*

Most policies outline the roles and responsibilities of various governing structures within the university. For example, University 8 specifies that ultimate accountability resides with the Council, while delegating the responsibility for policy oversight to the Audit and Risk Committee of the Council. Similarly, University 7 designates the Audit and Risk Committee as the primary custodian of the policy, assigning the responsibility for implementation and adherence to the Executive Management team. In contrast, University 6 entrusts the responsibility for policy enforcement and compliance to line management. According to King IV Report (2016) the governing

body, being Council, is ultimately responsible for the governance of ethics, while management takes the role of implementing and executive.

This delineation of roles and responsibilities is crucial for several reasons. First, it ensures a clear hierarchy of accountability, which is essential for effective governance and oversight. By specifying which bodies or individuals are responsible for aspects of policy implementation, these universities create a structured framework that enhances transparency and reduces the potential for conflicts of interest.

Moreover, this approach promotes a culture of responsibility and ethical behavior. When roles are clearly defined, members of the university community—from senior executives to line managers—understand their specific duties and obligations. This understanding fosters a sense of ownership and accountability, which is critical for maintaining high standards of integrity and ethical conduct.

Furthermore, delegating responsibilities to different levels of management ensures that policies are implemented effectively across all areas of the university. For instance, the involvement of line management, as seen in university 6, allows for more direct and immediate oversight of policy adherence at the operational level. This can lead to quicker identification and resolution of issues, enhancing the overall effectiveness of the policy framework.

In conclusion, the articulation of roles and responsibilities within university policies is a fundamental aspect of effective governance. By clearly defining the duties of various governing structures, these policies ensure accountability, promote ethical behavior, and enhance the implementation and oversight of institutional policies. This structured approach is essential for maintaining the integrity and reputation of higher education institutions.

#### 4.2.6.5. Protection of whistle blowers

In accordance with the *Protected Disclosures Act* 26 of 2000, each organisation is required to provide a mechanism for ensuring whistleblowers are protected

(*Protected Disclosures Act* 26 of 2000, 2001). This view is further supported by NACS Strategic Pillar six, which states that there should be a concerted effort to protect vulnerable sectors.

University 1: "*This policy intends to enable employees, students and members of the public to raise concerns without fear of reprisal from anyone where they discover information which they believe to be indicative of serious maladministration or wrongdoing within the university".*

University 8: *promotes a culture of responsible disclosure by employees, students and external stakeholders of information related to suspected fraud, corruption and related acts of dishonesty or misconduct without fear of reprisal.*
*(ii) protects employees, students and external stakeholders who disclose suspected fraud, corruption and related acts of dishonesty or misconduct against occupational detriment.*

University 7: *All information relating to fraud, corruption, theft, or internal irregularities received and investigated will be treated confidentially. The progress of investigations will be handled in a confidential manner and will not be disclosed or discussed with any other person(s) other than those who have a legitimate right to such information. This is important in order to avoid damaging the reputation of a suspected person who is subsequently found to be innocent of wrongful conduct.*

University 2*: The University is committed to ensuring that no one suffers any detrimental treatment or repercussions as a result of refusing to take part in Corrupt Activities, or because of reporting a concern in good faith and whereas detrimental treatment could include amongst other forms of treatment, being subjected to, or being threatened with disciplinary action, dismissal, suspension, demotion, harassment or intimidation, being denied an appointment to any employment or office or being otherwise adversely affected in respect of their employment with the University and is connected with raising a concern.*

The concerns raised by the Zondo Commission (2023) have exposed significant gaps in the policies designed to protect whistleblowers. The Commission identified

critical deficiencies in the Protected Disclosures Act (PDA), noting the absence of a clear procedure for whistleblowers to follow and the inadequate assurance of protection for disclosures.

University 1 and University 8 stated that their policy intent was to ensure that concerns could be raised without fear of reprisal. These institutions emphasized the importance of creating a safe environment for whistleblowers to come forward. University 7 focused on safeguarding the confidentiality of informants, highlighting the necessity of protecting the identity of those who report wrongdoing. Meanwhile, University 2 was particularly driven to align with the Protected Disclosures Act, ensuring that whistleblowers would not face occupational detriment because of their disclosures.

These findings highlight the urgent need for universities to strengthen their whistleblower protection policies. Ensuring a clear procedure for reporting and robust safeguards against retaliation is crucial for fostering a culture of transparency and accountability (The Zondo Commission, 2023). Aligning institutional policies with national legislation, such as the Protected Disclosures Act, is also essential for providing protection and support for whistleblowers (Calitz, 2024).

#### 4.2.6.6. Reporting mechanism

*The Protected Disclosures Act* 26 of 2000 (2001) provides a process on how matters are to be reported and as such most of the policies provide a procedural framework detailing how matters are to be reported, with a predominant inclusion being mechanisms facilitating reporting through diverse methods. All policies alluded to an established whistleblowing line of ethics hotline as being the main method of reporting.

University 5*: If an employee has a concern about malpractice, he/she should raise it first with his/her manager/supervisor. This may be done verbally or in writing. If an employee is unable to raise the* matter *with his/her manager for whatever reason, he/she should raise the matter with the Registrar or Vice-Chancellor and Principal.*

University 7: *The university requires all stakeholders to act honestly and with integrity at all times, and to safeguard all university's resources. Stakeholders are responsible for reporting all incidents of fraud, corruption, theft, or internal irregularities as set out in this Policy.*

University 2*: The University places a high premium on good governance and financial management. In this regard, Associated Staff play a very important role especially with regard to reporting incidents, conduct and trends that are not in line with the values of good corporate and financial management. If any Associated Staff become aware or develop any suspicion of a circumstance or action which violates or appears to violate this Policy or any other related policy or amounts to a Corrupt Activity, he or she is required to raise such concern as soon as reasonably possible with their line manager or the Chief Director of Finance or the Director of Procurement or via the University's ethics hotline.*

Nearly all universities have articulated the reporting mechanisms within their policies. University 5 provides guidance on reporting by indicating that individuals can report directly to management and where not possible, the complainant can report to the Registrar or Vice-Chancellor and Principal, while University 2 supports reporting to management as well as the to the Chief Director of Finance or the Director of Procurement.

Most policies detailed information for anonymous reporting. This inclusion is crucial for fostering an environment where individuals feel safe and secure in reporting instances of fraud and corruption. The presence of an anonymous reporting line ensures confidentiality and protection for whistleblowers, thereby encouraging more individuals to come forward with information about unethical practices.

#### 4.2.6.7. Definitions and terminology

A significant thematic element throughout the policy document involved the definition of terms pertaining to various terminologies. The data indicates the importance of offering clear definitions of unethical conduct to eliminate any ambiguity in reporting

procedures. Throughout the analysis, it was established that most policies have defined the main three concepts being Bribery, Fraud and Corruption.

- In defining bribery, the following descriptions were afforded by the policies:

University 2: *Bribery can take on many different shapes and forms and is most often present where there is an inducement, reward or a form of gratification offered, promised, or provided in order to gain any commercial, contractual, regulatory or personal advantage. Bribery involves a corrupt intention, which will be most notably present where there is an intention behind any gratification to influence Associated Staff and the University's decision making. As such, bribery is not only limited to the giving, receiving or promise of cash and could include for example, donations, sponsorship arrangements, personal gifts, special treatment, or similar advantages*.

University 3: *The offering, promising, giving, accepting, or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. A bribe or advantage can be anything of value. When a bribe is paid after delivery of the advantage it is known as a kickback.*

University 6*: The offering, giving, receiving, or soliciting of any item of value to influence the actions of an official, or another person, in the discharge of public or legal duty.*

The definition of bribery was not consistently noted across the policies reviewed. While Universities 3, 6, and 2 presented similar definitions, University 2 expanded its definition to encompass a broader range of activities. Specifically, University 2's definition of bribery included not only the giving, receiving, or promise of cash but also extended to donations, sponsorship arrangements, personal gifts, special treatment, or similar advantages. This expanded definition highlights a more comprehensive understanding of bribery, acknowledging that it can manifest in various forms beyond monetary transactions.

- In defining corruption, the following was extracted from the policy document:

University 2: *Corruption involves actions, as well as omissions by persons, which have an illegal, dishonest, unauthorised, or unlawful intention behind it, and which includes bribery.*

University 7: *Corruption in its wider meaning, and as referred to in this document, includes any conduct or behaviour where a person accepts, agrees, or offers any gratification for him/her or for another person where the purpose is to act dishonestly or illegally. Such behaviour also includes the misuse of material or information, abuse of a position of authority or a breach of trust or violation of duty*.

- In defining fraud, the following was extracted from the policies:

University 7: A dishonest act that intentionally uses deception to illegally deprive another person or entity of money, property, or legal rights.

University 8: *In South Africa, the Common Law offence of fraud is defined as "the unlawful and intentional making of a misrepresentation which causes actual and or potential prejudice to another". The term "fraud" is also used in a wider sense by the general public. In this document the term is used in the widest possible sense and is intended to include all aspects of economic crime and acts of dishonesty (including the legal definitions of fraud, theft, and corruption). In other words, fraud can be described as any conduct or behaviour of which a dishonest representation and/or appropriation forms an element*.

University 9: *Fraud means the unlawful making of a misrepresentation with the intention to defraud to the actual or potential prejudice of another person(s), and "fraudulent" has a similar meaning.*

While most of the policies provided definitions on fraud and corruption, literature supports the various definitions provided, by indicating that corruption is often associated with acts committed by individuals in positions of power or authority, and while fraud can occur in various contexts and may involve individuals at different levels of an organisation or society (Corruption Watch, 2022). Corruption and fraud

are frequently seen as interchangeable, and they continue to be regarded as colossal counterparts (Erbuğa, 2022).

## 4.3. Introduction: Interviews

### 4.3.1. Introduction

This section presents the data analysis derived from interviews. Interviews were chosen as the methodology for data collection, aimed at "exploring the experiences, views, opinions, ideas, beliefs, or/and motivations of individuals on particular objects, issues, or phenomena" (Islam & Aldaihani Faraj, 2021, p. 5).

The interview was conducted based on a structured questionnaire, where specific questions were asked about fraud and corruption mechanism within their institutions. The aim of the interview was to expand the data collected by the interviewer from policies and to improve their quality (Todorović et al., 2020).

### 4.3.2. Thematic analysis: Interview

Once again Braun and Clarke thematic analysis six-phase process was adopted for the analysis of interviews.

### 4.3.3. Phase one: Familiarisation with the data

The initial phase involved acquainting oneself with the dataset. This entailed recording the interviews and subsequently engaging in a meticulous process of listening to the audio recordings to attain a deeper contextual comprehension of the data. The “Familiarisation phase is considered prevalent in many forms of qualitative analysis (Byrne, 2022) and involves reading and re-reading of the entire dataset in order to become familiar with the date (Byrne, 2022).

The analysis of the data development started with a structured interview questionnaire that was prepared for the interviewees. Based on the response provided, further probing questions were asked to clarify certain points. Initial transcription took place during the interview, and further correction of the transcription resulted when re-listening to the recordings.

### 4.3.4. Phase two: Generating initial codes.

The generation of preliminary codes commenced through the utilisation of an interview questionnaire structured with main headings and subheadings. Subsequently, this questionnaire served as the foundation for the development of initial codes.

### 4.3.5. Phase Three: Generating themes.

The synthesis of themes and the evaluation of prospective themes were integrated processes. Leveraging the primary headings derived from the questionnaire, themes were both generated and scrutinised for their potential relevance and significance.
The following themes thus formed the development of thematic interview analysis being:

- Theme 1: Demographic Information
- Theme 2: Policies and Measures
  - Sub Theme: Policy guiding philosophy.
  - Sub Theme: Policy compliance.
  - Sub Theme: Policy awareness.
- Section 3: Proactive Strategies
  - Sub Theme: Reporting mechanism.
- Section 4: Effectiveness and Challenges
- Section 5: Best Practices and Recommendations

### 4.3.6. Theme 1: Demographic Information

All interview participants were male, occupying senior management positions within the university. Their tenure of employment at the university ranged from 4 to 21 years. With the exception of one participant, all participants possessed a master's degree, with one individual holding a PhD. Merely one participant reported additional education in forensic investigation, while others noted a lack of specific training in the domain.

### 4.3.7. Theme 2: Policies and Measures

All participants confirmed the implementation of specific policies and procedures within the university aiming to prevent corruption and fraudulent activities. The most common title of the policy is “Fraud Prevention Policy”, “Whistle Blowing Policy” and Anti-Corruption Anti Bribery Policy. These policies are supplemented by additional policies such as the "Conflict of Interest Policy", "Gift Policy and the Risk Management Policy”.

This view is supported by literature in which Lloyd Bierstaker (2009) further suggests that the creation of anticorruption policies is essential to closing the loopholes that allow corruption in universities to take place (Lloyd Bierstaker, 2009). A similar approach was proposed by Akers et al., (2006), when it comes to how various Universities handle issues with fraud and corruption. According to the author, such policies should explicitly state the kind of behavior they aim to deter and consider making operational risk management easier. While (Denisova-Schmidt, 2020) underlined that the absence of codes of conduct and clearly outlined procedures as being a significant contributing factor to the issue.

The authors went on further to state that the policies go beyond mere acknowledgment of reporting expectations, they are designed to ensure that individuals who report any concerns or issues are not only encouraged but also provided with the requisite guidance and support throughout the reporting process, the same sentiments were observed in the outcomes of the research conducted by (Othman et al., 2015). The author observed that those that were interviewed were aware of the need to report and the responsibility to detect fraud. By detailing these specific mechanisms, the policies seek to establish a supportive framework that empowers and safeguards individuals who come forward with information, thereby fostering a culture that prioritises transparency, accountability, and the well-being of those who play a role in the reporting process.  Strategic Pillar two of the NACS, encourages citizen participation as being key in fighting corruption and fraud.

Participant 1:” *The university has a conflict-of-interest policy as well as a gift policy, The policies are implemented to ensure that the university values of "zero tolerance*

*towards fraud and corruption" is adhered. The other policies are implemented for academic review, there is a values statement, there are guiding principles that define autonomy and accountability as well as a policy on council statements. There are ethics policies within the research space and the risk management policy, there are student handbooks specific to students that define academic fraud. There are finance policies for guidelines as well as procurement and payment policies. There is an extensive array of policies and concern might be if people are aware of the key policies.*"

Notably, Participant 1 included various policies that reference and support the Fraud Prevention Policy. These supporting policies typically emphasize the necessity of comprehensive coverage to effectively prevent corruption and fraud. This approach highlights the importance of an integrated policy framework, ensuring that all potential aspects and dimensions of fraud and corruption are addressed comprehensively within the institution's governance structures.

Participant 2: "*When drafting a policy, the university integrates the university strategy to ensure alignment to the values and principles of the university. There is a conflict-of-interest policy, there is a code of ethics as well. The gift policy is part of the fraud prevention policy.*"

Similarly, Participant 2 considered the Conflict-of-Interest Policy and the Code of Ethics as the guiding documents supporting the Fraud Prevention Policy. While it is common practice to have a separate Gift Policy, Participant 2 integrated the Gift Policy into the Fraud Prevention Policy. This integration highlights the importance of a unified approach in addressing various dimensions of fraud prevention, ensuring that all related policies are aligned and reinforcing each other to create a cohesive framework for ethical conduct and accountability.

Participant 3: "*Procurement Policy, Research and Academic related fraud policies, Code of Conduct, Conflict of interest policy (research work related conflict).*

Participant 3, in conjunction with other participants, mentioned the Code of Conduct and Conflict of Interest Policy as the supporting policies. Additionally, Participant 3

went further to include academic-related conduct policies as essential supportive documents. This broader inclusion highlights the participant's comprehensive approach to addressing ethical standards and fraud prevention, recognising the importance of integrating various facets of conduct within the academic environment.

Participant 4: *"Ethics statement, reach principles (why we should be ethical for both employees and students), plagiarism policy, finance policy, declaration of interest policy, research policy."*

Participant 4 emphasized the importance of ethics statements as an integral part of the fraud prevention initiative. This highlights the participant's recognition of the critical role that clearly articulated ethical guidelines play in fostering a culture of integrity and deterring fraudulent behavior within the institution.

#### 4.3.7.1. Sub-theme: Policy guiding philosophy.

Participants were asked what guiding philosophy they would apply when drafting their policy. All participants mentioned that the mission and vision statement of their respective universities were the first point of refence when drafting a Fraud Prevention Policy, this was followed by aligning the policy with specific legislation. Participant 2, however, presented a divergent approach by indicating that the process of reviewing a policy involves extensive benchmark exercise taking place, involving external organisations worldwide. This process aims to ensure that the policy comprehensively encompasses all aspects of fraud and corruption.

- Participant 1: "*In terms of the policy, the first reference is with regards to the other internal policies and guidelines, we also reference the Higher Education Act, the reporting regulations, the prevention and combating of fraudulent activities, protected disclosure act, labour relations act, as well as whistle blowing principles related legislature. Further considerations were the university's mission statement and values. Also in consideration were HR policies, condition of service policies. so, in essence in reviewing the policy document consideration was taken from both the legislative framework as well as other internal policies and guidelines.*"

- Participant 2: *Protected disclosures act 26 of 2000, PRECCA, Transaction Act 2022, IT and Cybercrime risks.*

#### 4.3.7.2. Sub-theme: Policy Compliance

When asked what mechanisms the university has in place to ensure compliance with the established anti-corruption and anti-fraud policies. Participants shared a myriad of approaches such as implementing tools for detecting conflict of interest, implementing data analytics within their processes as well as conducting road shows. Notable was that none mentioned internal audit as being a strategy to detect fraud and corruption. This is contrast to what literature indicated highlighting the function of auditors as being a key factor in fraud prevention (Umar et al., 2022).

- Participant 1: *The university regards themselves as being proactive when it comes to ensuring compliance as they have a system that verified company director or ownership with internal staff or students and flags irregularities. The system is the main tool for flagging conflict of interest. Ensuring compliance is one of the most challenging aspects when it comes to fraud and corruption. Within procurement, there was a fraud handbook which was developed that deals with what processes to follow. When dealing with humans, nothing can ever be full proof.*

- Participant 2*: The roadshows that universities undertaken are regarded as a deterrent, "the big stick approach" works in a short term, but in a medium to long term it's about relationships and articulating your message. It is about persuading, so they see you more as a partner, than a police man". We try and bring in some of the views from recently published articles as part of the conversation."*

- Participants 3*: "Compliance to the policies form part of the job description and it's considered the first line of defense by management, 2nd line is the review of ledgers, through the procurement office, the procurement policy is applied to ensure compliance."*

- Participant 4:" *Regular updates regarding reporting process does take place, other policies such as non-disclosure are shared over email. Another mechanism*

*is to align the university to the International Fraud awareness and ethical awareness day".*

Participant 1 acknowledged that ensuring compliance is a challenge. This recognition points to the difficulties institutions face in consistently enforcing policies and maintaining adherence to established standards and regulations. All participants appeared to have a compliance mechanism in place, which varied from the employee appointment process to employee verification on conflict of interest. A prevalent theme during the interviews was the reliance on financial processes to further deter corruption and fraud.

#### 4.3.7.3. Sub-Theme: Policy awareness

All participants rated the level of awareness on corruption and fraud issues within the University as being effective, this was from the participants perspective. This view is only limited to the those tasked with disseminating the policy awareness and not the recipient of the information. All respondents affirmed that policy awareness is primarily disseminated through internal communication channels, such as the Vice Chancellor's newsletter and the Intranet, alongside other targeted communications directed towards both staff and students. Additionally, all participants highlighted the significance of including policy communication in employee inductions.

Participant 1 mentioned the utilisation of mainstream media as a supplementary communication channel, with updates on university policies being shared with local media outlets. However, this approach appeared to be an exception, as the predominant focus was on internal audiences. Regarding the inclusion of students and service providers in communication efforts, Participants one and two emphasized the deliberate intention to involve students, with awareness activities scheduled during student orientation and Student Representative Council (SRC) induction sessions. While one participant still relied on traditional methods such as printed posters across campuses, in contrast, the other respondents highlighted Faculty Executive Committee meetings as particularly effective platforms for conducting policy awareness sessions.

Despite the emphasis on policy awareness, Othman et al. (2015) identified a gap in training employees on how to prevent and detect fraud (Othman et al., 2015). Only one participant indicated a series of videos that were broadcast, although these were primarily focused on expanding policy awareness, none in particular indicated a concerted effort to train employees in prevention and detecting of fraud. The imperative for universities and organisations at large extends beyond the mere establishment of comprehensive fraud prevention policies; it necessitates the dissemination of these policies to external stakeholders.

In the South African Higher Education context, it is noteworthy that among the 26 public universities, a limited subset of ten universities had undertaken the commendable initiative of uploading their fraud prevention policies to online platforms, thereby ensuring accessibility to a broader spectrum of stakeholders. This aligns with the NACS Strategic Pillar one, which promotes and encourages active citizenry, whistleblowing, integrity, and transparency in all spheres of society (National Anti-Corruption Strategy 2020-2030, 2020).

#### 4.3.7.4. Proactive Strategies

Participants were requested to respond to proactive strategies that are implemented that provide a unique approach to dealing with matters of fraud and corruption. Three of the participants emphasised the role of stakeholder engagement in fighting fraud and corruption. They regard partnering with stakeholders as a key strategy and most indicated reliance on the Finance department as the key stakeholders in uncovering corrupt practices.

Participant 4 introduced a strategic approach adopted by the university to invest in internal capacity. This aligns with Brooks' proposition of organisations expanding their in-house fraud investigative capabilities or seeking assistance from the private sector. Brooks suggests that this trend arises due to a perceived lack of policy interest in investigating instances of fraud and corruption (Brooks, 2012).

Similarly in the study titled “Anti-Fraud Strategy”, the author proposes for the anti-fraud strategy to be aligned with the organisation’s strategy and that the roles and responsibilities for combating fraud should be clearly defined (Todorović et al., 2020). Only two of the four universities alluded to ensuring that the documented policies include a Fraud and Corruption response plan. A fraud and corruption response plan are a strategic document developed by institutions to outline procedures and protocols for detecting, preventing, and responding to instances of fraud and corruption within the institution (Pillay, 2016).

Participant 2*: “The road shows that are conducted at various faculties is regarded as a proactive strategy, such as relationship building as being key in proactively. "We have a responsibility to demonstrate to our stakeholders that we have an authority in matters pertaining to fraud and corruption". What the Department further does is to engage in non-core function activities, this helps to strengthen the sense of presence, the ability to influence them and the interest as part of the core deliverables”.*

Participant 3: *“Any contracts are filtered through a process that requires signing off by various stakeholders, thereby eliminating instances of fraud and corruption. The*

*other mechanism is the tender process. Awareness is also at a faculty level, where the procurement specialist will present on the challenges in procurement".*

Participant 4: *"Meet with all stakeholders and get the by-in immediately, the deliverables, expectations, and appreciation of who we are, collaboration and ensuring open communication with the main team. Most incidents from executive, process in the combined assurance space, collaboration with FARF. Sets the bar for achieving better, management, leverage from other sister institutions".*

Almost all stakeholders acknowledged the importance of stakeholder inclusion, emphasizing the critical role of stakeholder engagement. This consensus highlights the recognition of stakeholders as integral contributors to the development and implementation of policies and initiatives. The active involvement of stakeholders is deemed essential for ensuring comprehensive and effective decision-making processes, fostering transparency, and building trust within the institution.

Additionally, stakeholder engagement is seen to incorporate diverse perspectives, enhance accountability, and promote a collaborative approach to addressing challenges and achieving common goals. According to Kujala et al. (2022), stakeholder engagement is considered ethical when the organisation operates with genuine intentions and the relationship is both reciprocal and voluntary. This thought seem to resonate with the participants point of view.

#### 4.3.7.5. Sub theme: Reporting mechanisms.

When asked about the mechanisms available for reporting, participants highlighted the ethics hotline or whistleblowing hotline as the primary avenue for reporting. Participant 2, however, noted that the majority of reported matters stem from internal processes within management, with no significant issues reported through the ethics hotline. In a study conducted by Hapsari & Supriyono (2020), titled "Fraud and Whistleblowing in the Management of Student Funds", the authors indicated a reluctance from informants on whistleblowing.

The responders to the research conducted by Hapsari & Supriyono, (2020) recognised the potential fraud incidents but were hesitant to reveal or report the matter thereof. Given the above-mentioned challenges, there is however consensus among various authors that whistleblowing is an effective approach for reducing the potential of corruption fraud (Dorasamy & Pillay, 2011; Hapsari & Supriyono, 2020; Lubisi & Bezuidenhoudt, 2016; Nortje, 2023).

The current South African legislation does not mandate the establishment of a whistleblowing reporting system but instead emphasizes the protection of disclosures through the Protected Disclosures Act 26 of 2000. Consequently, many institutions in South Africa seem to adhere to the American standards outlined in the Sarbanes-Oxley Act, which requires organizations to establish whistleblowing procedures and a whistleblowing reporting system (Lowry et al., 2013).

#### 4.3.7.6. Effectiveness and Challenges

Participants were asked about the effectiveness of the mechanisms employed to address fraud and corruption within their universities. They shared diverse views regarding the challenges faced. Notably, Participant 1 expressed concern that the multitude of policies diluted the significance of the primary policies. Meanwhile, Participant 2 highlighted resource constraints as a significant issue impacting the execution of fraud prevention initiatives.

Participant 1: "*The challenge is that there are many policies in the university and ensuring awareness becomes impossible. There are many instances where employees may indicate they are unaware of existing policies, even with the awareness that takes place in the form of automated messages. Academics are not interested in ensuring awareness of policies as they see their role as being that of what they are employed for. The other concern is malicious compliance where a conflict is not declared until it is identified."*

Participant 2: *"The current challenge is that due to resource constraint within the department, the turnaround time in completing preliminary investigations takes longer and where the report is being presented by a third party, there is a function to be*

*completed by the internal team. Once a report has been presented, the lessons learned from the report, there are certain measures to be implemented, however due to capacity we are unable to effectively implement the recommendations".*

Participant 3*: "The whistleblowing hotline was being misused. Most issues use the hotline as a service desk. The challenge is to filter through all the calls and ensure that matters are dealt with. Other challenges Is when there is a delay in identifying a fraud which would have resulted, and now the university has to retrospectively deal with the matter.*

Participant 4: *The culture has changed and there are no challenges currently being experienced, the main goal is ensuring employees understand their roles and responsibilities as well as provide safety and those reporting.*

4.3.7.7. Best Practices and Recommendations

Participants were requested to comment on the best practices and recommendations for the deterrence of fraud and corruption in HEI.

Participant 1: *Fraud and corruption are a South African problem and to think that universities would not be affected to the same extend is regarded as a misnomer. Fraud and corruption are more prevalent in higher education due to lack of guiding legislation in public universities, all universities have to develop their own policies. for example, government has the Public Management Finance Act as a guiding principle on instances of unauthorised expenditure and how it must be dealt with. But within the university sector, the policies are as per individual universities.*

Participant 1: *There is a need for one set of frameworks that would apply to universities. Secondly the reliance of DHET on having a guiding principle is unrealistic and therefore maybe USAF may come in a play a key role in assisting universities to further elevate the issue of fraud and corruption in higher education.*

Participant 2: *As far as policies are concerned, it's about the extent to which you benchmark that policy. For example, " We tend to develop and review policies in a rush, the department does not look at less than 30 documents when reviewing a*

*policy. There is a deliberate in looking towards the far east, middle east, deeper into the continent within Africa, deliberate in looking at other sectors and communicating on the proportion that came from the different stakeholders", "we consider the year of approval as part of consultation. it gives you an opportunity to know what it is you didn't know about this policy", you also bring in publications from various researchers and professional bodies".*

Participant 2: *Practitioners should sit at the top structure of the university, the mistake the industry makes is to think that only people at a certain grade should be attending executive meetings and that approach will never serve the university.*

Participant 3*: "We can't look at it in isolation to where South Africa find itself" "We always talk about setting the correct tone at the top" "Its more than just trying to create a climate on campus of good governance or good citizenship and good behaviour" " the leadership in the state and the level of government corruption that takes place and there is no accountability",*

Participant 3*: We must lead by example and ensure an internal climate and self-regulatory climate. We blame the governance systems; we blame the policies. "Higher education is being influenced by the behaviour of the state."*

Participant 4: *There should be a tone at the top approach through governance, as well as bottom up in order to filter the message. Universities must have policy, processes, tools to execute with the support from executive. Improve the environment, ensuring people can feel free to report, uphold governance, have a code of conduct in place, tools and technology, benchmark global, automated working papers.*

Participant 1 and Participant 3, reflected on fraud corruption being a being a national concern and not only confined to universities. Same sentiments were shared by various authors stating that corruption and fraud are parts of a social system that are intertwined with politics, the economy, science and technology, ethics, and aesthetics Shore, 2018; Ngcamu & Mantzaris, 2022b). The challenge in conceptualising arises from the diverse and intricate manifestations that corruption and fraud may assume,

infiltrating both the internal and external systems, processes, and structures of the university context (Ngcamu & Mantzaris, 2022b). Participant 1 and Participant 3 proposed one policy document that should be adhered to by all Higher Education Institutions.

Participant 4 emphasized the critical importance of the tone at the top, highlighting that governance structures must lead by example. By setting a clear and firm stance against fraud and corruption, these governing bodies can establish a culture of integrity and accountability within the institution (Moeti, 2016). The leadership's commitment to ethical standards and transparent practices is essential in fostering an environment where fraudulent activities are not tolerated and adherence to anti-corruption policies is rigorously maintained. This proactive approach not only reinforces the institution's ethical framework but also serves as a powerful deterrent to potential misconduct.

## 4.4. Conclusion

This chapter delves into the outcomes obtained through the application of two distinct research methodologies: document examination and interviews conducted with university employees. Through these rigorous investigative approaches, a comprehensive understanding of the subject matter has been garnered. The findings shed light on the intricate nuances of the topic under scrutiny, providing invaluable insights into the practices and perspectives prevalent within the university sector.

In particular, the document analysis unearthed a wealth of information embedded within policy documents and official publications, offering a structured examination of the regulatory landscape and institutional frameworks governing anti-fraud and anti-corruption initiatives. Concurrently, the interviews with university employees provided firsthand perspectives and experiential insights into the practical implementation and effectiveness of these policies within the institutional context.

Upon synthesis and analysis of the data obtained from both methodologies, a nuanced depiction of the prevailing landscape emerges. It becomes evident that all universities have embraced their role in dealing with matters of fraud and corruption.

# 5. Chapter Five: Research Findings & Discussion

The main research question of this study was as follows:

What are the primary methods and mechanisms employed to address corruption and fraud within South African Higher Education Institutions

The secondary research questions were:

- What are the key strategies, policies, and interventions employed by South African universities in response to addressing and mitigating incidents of fraud and corruption within their institutions?
- To what extent do the policies and practices implemented by South African universities in preventing fraud and corruption align with and reflect interventions by the Higher Education Act and other legislations, as well as the integration of the principles of the NACS within university governance?

The findings unveiled a notable commitment within the Higher Education sector towards combatting corruption and fraud. This commitment is closely linked to the allocation of internal resources within universities specifically designated to address matters related to corruption and fraud.

Furthermore, the alignment of governance structures within universities with the principles in King IV has served as a cornerstone in cultivating an atmosphere conducive to transparency, accountability, and ethical conduct. Most universities have demonstrated a tangible dedication to policy formulation, with such policies serving as definitive expressions of their commitment to ethical standards and outlining the processes to be employed in upholding these standards.

## 5.1. Discussion of Findings: Anti-Fraud and Anti-Corruption Policies in Higher Education

### 5.1.1. Theme 1: Ethical Standards

The ethical standard and culture that the university has adopted through its mission and values should be translated through the policies. The data indicated that all

policy documents that were reviewed succinctly mentioned the ethical standards applicable to the Anti-Fraud Anti-Corruption Policy.

University 7*: "Committed to upholding its reputation as a leading Higher Education Institution. We aim to protect our reputation with our stakeholders in the local and international community through effective prevention, detection, and response to fraud".*

Ethics and standards in higher education are fundamental for upholding academic integrity, promoting responsible conduct, and ensuring the well-being of students and other stakeholders (Gichuru, 2023). These principles serve as the bedrock for fostering a culture of trust and accountability within academic institutions. According to Gichuru (2023), adherence to ethical standards is not only crucial for the credibility of educational institutions but also for the holistic development of students who are future leaders and professionals.

Further elaborating on this notion, Garwe (2024) argues that robust leadership commitment is indispensable for fostering active participation and engagement in ethical practices. Effective leaders set the tone for institutional behavior, demonstrating through their actions and decisions the importance of ethics and integrity. Garwe (2024) emphasizes that leadership's unwavering commitment to ethical standards acts as a catalyst for creating an environment where all members of the institution are motivated to adhere to these principles, thereby reinforcing a culture of ethical behavior and accountability. This leadership-driven approach is vital for the successful implementation and sustainability of ethical practices within higher education institutions.

It is noteworthy that all reviewed policies addressed the ethical standards to which they adhere. These policies uniformly emphasize the commitment to uphold integrity, transparency, and accountability within their respective institutions. By delineating the ethical principles guiding their operations, these policies aim to foster an environment of trust and ethical conduct among all stakeholders. The inclusion of ethical standards serves as a foundational element in the broader framework of

institutional governance and anti-corruption measures, underscoring the universities' dedication to maintaining high moral standards in all their activities.

### 5.1.2. Theme 2: Scope of policy

The scope of the policy establishes the boundaries within which the policy is intended to operate, defining its applicability parameters. This clarifies the policy's purpose and objectives, guiding stakeholders on what is encompassed and what is excluded. By setting clear limits, the scope ensures that all relevant parties understand the extent of the policy's application and the areas it aims to address, thereby enhancing its effectiveness and implementation.

All the policies examined clearly specified their scope. One university provided an extensive definition of the scope's applicability, detailing various contexts and situations in which the policy would be relevant. This comprehensive approach ensured a thorough understanding of who and what was covered under the policy's purview.

In contrast, most other policies adopted a more concise approach, primarily identifying staff, students, and stakeholders as the main custodians of the policy. These policies emphasized the roles and responsibilities of these groups, ensuring that they understood their obligations and the importance of adhering to the ethical standards set forth. By defining the scope in this manner, the policies aim to guide and inform the university community about the extent and limitations of the policy, fostering a clear understanding of expectations and the framework within which they must operate. This clarity is crucial for the effective implementation and enforcement of the policies, ultimately contributing to the overall integrity and ethical standards of the institution.

### 5.1.3. Theme 3: Laws and Regulations

The term "laws and regulations" within a policy document delineates the statutory framework to which the policy aspires to adhere. These legal provisions are explicitly cited and referenced within the policy document, serving as foundational elements

that inform and guide its development and implementation. Such explicit references help ensure that the policy is not only compliant with legal standards but also aligned with best practices and ethical considerations relevant to the sector.

In the analysis of various university policies, it was observed that all but one explicitly mentioned the legislative mandate underpinning the policy. These references further support the principles of the National Anti-Corruption Strategy (NACS), highlighting a commitment to uphold transparency, accountability, and integrity in university operations. The policies typically cited relevant national laws and regulations, thereby reinforcing the legal and ethical standards they aim to promote within the institution.
However, one policy diverged from this approach by omitting specific legal citations. Instead, it referenced internal documents to be read in conjunction with the Fraud Prevention Policy. This approach, while still providing a framework for understanding and implementing the policy, lacks the explicit legal grounding present in the other policies. It suggests a reliance on internal guidelines and norms rather than external legal standards, which could potentially limit the policy's effectiveness in aligning with broader national anti-corruption efforts.

### 5.1.4. Theme 4: Roles and Responsibilities

The thematic focus on roles and responsibilities seeks to elucidate the governance structure within the university, tasked with ensuring accountability and overseeing the implementation of the policy. The focus is important in order to ascertain the roles of those who will be held accountable and those who will be held responsible. Seven out of 10 policies specifically outlined the roles and responsibilities within the policy document, however in certain circumstances the outline was specific to a certain process, such as who will conduct investigations.

According to the King IV Report, it is essential for organisations to clearly articulate the roles and responsibilities of the Council, Council Committees, Executive Management, and Management in general. This clear delineation of roles ensures effective governance and accountability, enabling each governing structure to fulfil its duties and contribute to the overall success and integrity of the organisation (King IV Report, 2016). The King IV Report emphasizes that well-defined roles and

responsibilities foster transparency, enhance decision-making processes, and ensure that all stakeholders are aware of their respective functions within the governance framework (King IV Report, 2016).

This further aligns with Strategic Pillar Three of the National Anti-Corruption Strategy (NACS). The objectives of this pillar are to strengthen ethical leadership and develop a compliance culture. This goal is to be achieved by ensuring accountability and implementing consequence management across all sectors, thereby holding those responsible for corruption accountable (National Anti-Corruption Strategy 2020-2030). Strategic Pillar Three emphasizes the importance of robust governance structures and ethical standards in fostering a transparent and accountable environment (National Anti-Corruption Strategy 2020-2030).

#### 5.1.5. Theme 5: Protection of Whistle blowers

This particular theme aimed to establish the provision within the policy that specifically addresses protection of those who report matters. Most of the policies provided a statement regarding the aim of protecting whistleblowers, however no further breakdown was provisioned on the steps that will be taken to afford such protection. Thus, a whistleblower might not feel confident in reporting a matter for fear of being victimized.

Strategic Pillar Six of the National Anti-Corruption Strategy 2020-2030 highlights the imperative of protecting vulnerable individuals, particularly whistleblowers. The strategy advocates for comprehensive measures that not only ensure the safety and protection of whistleblowers but also extend support to them. Additionally, it emphasizes the need for adequately resourcing whistleblowing mechanisms to facilitate effective reporting and handling of corruption cases. This approach aims to create a secure and supportive environment for those who come forward with information on corrupt practices, thereby enhancing the overall integrity and accountability within institutions (The National Anti-Corruption Strategy 2020-2030).

### 5.1.6. Theme 6: Reporting mechanism

The theme of reporting mechanism provides a guideline of how matters are to be reported and may include specific process that is expected to be applied when reporting. All universities seem to have in place an anonymous reporting mechanism, that is managed independently by service providers. This further aligns to the NACS implementation plan Strategic Pillar six, which once again states that an institution should provide mechanism for reporting.

University 5: *If an employee has a concern about malpractice, he/she should raise it first with his/her manager/supervisor. This may be done verbally or in writing. If an employee is unable to raise the matter with his/her manager for whatever reason, he/she should raise the matter with the Registrar or Vice-Chancellor and Principal.*
What further became evident was that in certain circumstances the policy would direct the person reporting to internal processes such as directly to management.

The theme of reporting mechanisms was prominent across all policies, which included additional reporting processes, such as reporting directly to management. Furthermore, the Protected Disclosures Act (PDA) extends the reporting channels to external entities such as the Public Protector and the Auditor General. This broadens the avenues available for whistleblowers, ensuring that there are multiple pathways for reporting misconduct, thus reinforcing the commitment to transparency and accountability within institutions. Consideration should be considered to expand on the external reporting avenues for whistleblowing.

### 5.1.7. Theme 7: Definitions

The theme outlined the various definitions provisioned within the policy and the terminology that applies for each university. Most policies have provided their key terms, and the definitions vary from one institution to another.

University 9: *Fraud means the unlawful making of a misrepresentation with the intention to defraud to the actual or potential prejudice of another person(s), and "fraudulent" has a similar meaning.*

The theme of definitions and terminologies within the reviewed policies reveals significant variation across universities. Each institution's policy outlines specific definitions and key terms relevant to its framework. These definitions often reflect the unique contextual needs and operational focuses of the respective institutions.

In many instances, definitions are derived directly from legislative texts or authoritative dictionaries, emphasizing either legal or commonly accepted meanings. For example, some universities adopt verbatim definitions from relevant acts or statutes, ensuring alignment with legal standards. Others use standard dictionary definitions, which may provide a broader or more general interpretation of key terms.

This variability in definitions highlights a critical aspect of policy development in higher education: the need for consistency in terminology to facilitate clear understanding and uniform application of policies. Without a standardized approach, different interpretations of terms can lead to discrepancies in policy implementation and enforcement. Thus, establishing a common framework for defining key terms could enhance coherence and effectiveness in policy execution across institutions.

Furthermore, aligning definitions with relevant legislation and best practices can strengthen the policy's robustness and ensure that it addresses contemporary challenges in the sector comprehensively. Developing a harmonized approach to terminology could also support better communication and collaboration among institutions, fostering a more unified stance on critical issues such as ethics, compliance, and governance.

## 5.2. Discussion of findings: Interviews with practitioners in Higher Education

During the analysis of the Corruption and Fraud policies of the ten (10) universities, specific thematic patterns emerged. Notably, among these universities, only one has distinctly labeled its policy as the "Irregular, Fruitless, and Unauthorised Expenditure Policy." This particular university has chosen to align its policy with the guidelines set forth in the Public Finance Management Act (PFMA). In doing so, it incorporates the principles outlined in the PFMA that are pertinent to irregular, fruitless, wasteful, and unauthorized expenditure as integral components of the university's policy framework. This approach reflects a deliberate effort to harmonize the university's financial policies with statutory requirements, particularly those pertaining to expenditure categories outlined in the PFMA.

In the process of composing the review, numerous recurring themes surfaced. Initially, it became apparent that universities have earnestly undertaken the responsibility of implementing robust fraud and corruption policies within their institutional frameworks, indicative of a concerted effort towards fostering intentional policy awareness. Furthermore, alongside the establishment of overarching corruption and fraud policies, there is notable evidence of the implementation of supplementary policies aimed at bolstering efforts towards corruption and fraud prevention.

Additionally, higher education institutions have demonstrated a commitment to providing channels for reporting fraudulent activities, ensuring that such reporting mechanisms adhere to the principles outlined in the Protected Disclosures Act 26 of 2001, including provisions for anonymity. Lastly, a noteworthy observation is the diverse array of proactive strategies adopted by individual universities in addressing the challenges of corruption and fraud within their respective environments, underscoring the uniqueness of their approaches in mitigating these risks.

Among the ten (10) universities analysed, a distinctive observation arises, with only one university articulating its approach to identifying fraud and corruption risk. Notably, this institution characterises its strategy as a concerted and proactive effort. This signifies a deliberate and anticipatory stance, where the university is actively engaged in pro-active measures to identify and mitigate risks, highlighting a commitment to vigilant risk management practices within its policy framework. Indeed, the statement suggests that organisational awareness of fraud can be heightened through a comprehensive risk management approach, involving regular reviews of fraud prevention and detection strategies (Sihombing et al., 2023)

An apparent pattern emerges wherein only three universities explicitly articulate their endeavors in conducting awareness drives related to fraud and corruption. These institutions stand out for their proactive efforts to raise awareness among stakeholders (external and internal) about the implications and consequences of fraud and corruption. By explicitly incorporating awareness initiatives into their policies, these universities demonstrate a commitment to fostering a culture of vigilance and ethical conduct within their academic and administrative spheres.

This intentional approach underscores their recognition of the importance of educating the university community about the risks associated with fraud and corruption, thereby contributing to a more informed and vigilant institutional culture. In the study completed by (Periansya et al., 2023) titled “Whistleblowing, fraud prevention, and fraud awareness: Evidence from the Palembang Local Government of Indonesia”, the authors observed correlation between the whistleblowing system and fraud awareness, not only regarding the significant but also demonstrates a positive relationship between the two variables.

Contrarywise, the analysis suggests that good governance has an insignificant effect on fraud prevention and fraud awareness. In other words, while good governance plays a crucial role in influencing the effectiveness of the whistleblowing system and enhancing awareness, it also has a direct impact on fraud prevention (Periansya et al., 2023).

When queried about the underlying principles guiding the development of the corruption and fraud policy, Participant 1 expressed that the document sought to exemplify the pinnacle standard the university endeavoured to uphold, emphasizing integrity, ethics, and commendable conduct. Participants additionally inferred that the policy underscored the roles and obligations of diverse stakeholders, a stance paralleled by Participant 4.

Moreover, all respondents emphasised on the significance of aligning the policy with the prevailing legislative framework as a fundamental principle. At the forefront of policy development was the consideration of the Higher Education Act, Higher Education Reporting Regulations, The Prevention and Combating of Corrupt Activities Act, PRECCA, among others. However, Participant 4 notably distinguished themselves by incorporating information technology as an integral aspect of the policy.

Only one participant mentioned encountering the National Anti-Corruption Strategy 2020-2030 during the benchmarking exercise conducted as part of the policy review process. However, this participant expressed uncertainty regarding the necessity of incorporating the strategy into the legislative framework document. All participants observed the key legislation as being the forefront of policy development.

All universities confirmed the implementation of a 24-hour hotline as a reporting mechanism for incidents related to fraud and corruption. Participant 2 highlighted the whistle-blowing hotline as the primary reporting mechanism, emphasising certain principles such as ensuring prompt response and protecting whistle-blowers. The Participant further stated, "*we are deliberate to ensure we acknowledge a report within 24hrs and if we need additional information, we communicate back to the whistle-blower within 24hrs*."

All participants indicated their collaboration with external service providers to assist in investigating reported incidents. Participant 3 mentioned the establishment of an internal investigation committee responsible for assessing reported matters and ensuring adequate attention, with the authority to commission investigations as needed. This committee operates independently and reports directly to the Chair of

the Audit and Risk Committee. However, Participant 4 has chosen to build internal investigation capacity as their approach. All participants, except for one, underscored the significance of finance employees in the detection of fraud and corruption. They noted that due to their frequent interactions with faculties and professional services departments, finance staff are pivotal stakeholders in disseminating awareness regarding these issues. Additionally, one participant highlighted the university's utilisation of data analytics tools for fraud prevention, wherein abnormal activities are flagged by these tools. Participant 1 mentioned the regular conduct of conflict-of-interest checks by verifying service providers' ownership with employees and students.

Furthermore, they highlighted the completion of the Declaration of Interest as a mechanism to identify potential conflicts of interest among employees. Despite the various proactive strategies outlined by participants, Participant 2 adopted a distinct approach centered on fostering relationships with internal stakeholders. They remarked, "*the big stick approach works in the short term, but in the medium to long term it is about relationships and articulating your message. It's about persuading so they see you more as a partner, than a policeman*." The prioritisation of stakeholder relationships in addressing fraud and corruption represents a novel concept. The outcomes of this study corroborate the assertions within the stakeholder theory literature.

According to this theoretical framework, relationships between stakeholders are predicated upon several fundamental principles, namely: the exchange of knowledge and information, the cultivation of mutual trust, active participation in decision-making processes, and the alignment of stakeholders' interests within the strategic planning endeavours. It is posited that adherence to these principles engenders greater value creation for organisations (Langrafe et al., 2020). This notion is substantiated by Langrafe et al. (2020), who highlighted the primary contribution of their research as the empirical demonstration of how fairness and reciprocity within stakeholder interactions can yield value for organisations functioning within the higher education domain.(Langrafe et al., 2020).

All participants echoed the sentiments of their counterparts regarding the significance of regular stakeholder engagement in fraud prevention endeavors. Nevertheless, Participant 2 articulated an additional perspective, highlighting the imperative of demonstrating authority in addressing issues related to fraud and corruption. Participant 2 emphasised, "*We have a responsibility to demonstrate to our stakeholders that we have authority in matters pertaining to fraud and corruption*."

Regarding the enhancement of transparency and accountability, Participant 2 mentioned quarterly reporting to various committees as a key practice. Participant 3 reiterated the establishment of an independent investigation committee to promote transparency and ensure accountability, with a direct reporting line to the Chair of the Audit and Risk Committee.

When asked about the effectiveness of the implemented measures all participants regarded the measures as being effective, signifying their perception of implemented mechanisms. They attributed this effectiveness to several factors, with one key metric being the number of matters reported through the ethics hotline. Participants indicated the number of significant matters having notably decreased over the years and thus signifying effectiveness of measures implemented. Furthermore, only one participant mentioned utilising surveys as a tool to assess the effectiveness of the implemented measures. Surveys provide an independent approach to feedback, one that is not manipulated by the view of Fraud specialist / practitioners. This is contrary to literature, which seems to suggest that informants were hesitant to report due to a fear of victimisation (Hapsari & Supriyono, 2020).

Vian (2020) posits that the measurement of corruption is a multifaceted endeavor, characterised by its heterogeneous nature. To effectively understand and address this complex phenomenon, the author suggests employing multiple measures in a triangulated approach. This entails considering various methods such as surveys assessing attitudes and experiences, audits, and analyses of complaints or investigative reports. By utilising a combination of these measures, researchers and policymakers can gain a more comprehensive understanding of corruption and develop more effective strategies to combat it (Vian, 2020).

## 5.3. Best Practice and Recommendations

When asked to respond to the best practices and recommendations to managing fraud and corruption in Higher Education. Participant 1 emphasised the consideration of a singular policy document with regards to the management of finances in higher education, the participant made reference to a similar policy such as the PFMA that is currently in place in the public sector.

Participant 1: *"Fraud and corruption are a South African problem and to think that universities would not be affected to the same extend is regarded as a misnomer. Fraud and corruption is more prevalent in higher education due to lack of a guiding legislation in public universities, all universities have to develop their own policies. for example, government has the Public Management Finance Act as a guiding principle on instances of unauthorised expenditure and how it must be dealt with. But within the university sector, the policies are individual."*

This view certainly places a reliance on DHET to further support HEI in the towards management of fraud and corruption within their institutions. This can further mean that DHET is to establish a guiding regulatory framework on implementation of the NACS in Higher Education.

Participant 2:

Expressing a contrasting perspective to Participant 1, this participant maintains the university Council's primary role as the central governance body. However, they advocate for minimizing the involvement of the Department of Higher Education and Training (DHET) in university affairs to safeguard institutional autonomy.

Supporters of the institutional autonomy model contend that universities should be managed by professionals with expertise in corporate policy, strategic planning, leadership efficiency, cost-effectiveness, and cost reduction (Trakman, 2008). This expertise is deemed essential in navigating challenges such as declining government funding, reduced fee-paying enrollments, and the necessity for alternative income streams (Trakman, 2008; Gray, 2017). Therefore, the adoption of corporate governance practices by Higher Education Institutions (HEIs) in South Africa have

necessitated the demand for effective management of these institutions and a commitment to sound governance practices (Marx, 2007).

"*If you talk about DHET it is hard not to think about NSFAS, and how DHET has continued to handle matters pertaining to NSFAS, specifically in relation to potential fraud and corruption, it might be hard to say DHET is helping us in this regard" "The equation is a bit complicated because you also need as the university to be mindful of institutional autonomy" " As far as possible you run your business so to speak and rely on DHET only when it's absolutely necessary". The university has council, and they have ministerial appointees as part of the role of DHET therefore they should be mindful of interference*".

Participant 3 aligns with Participant 4's perspective, highlighting the significance of the "Tone at the Top." The "Tone at the Top" refers to the ethical climate and behavior set by an institution's leadership, particularly its senior executives and governing body. It reflects the values, attitudes, and behaviors exhibited by top management, which can significantly influence the institutions' culture and ethical standards (King IV Report, 2016). A positive tone at the top emphasises integrity, accountability, and ethical decision-making, fostering a culture of compliance and ethical behavior throughout the institution. Conversely, a weak or negative tone at the top may lead to ethical lapses, misconduct, and a lack of trust among stakeholders.

Participant 3:*"We can't look at it in isolation to where South Africa find itself, we always talk about setting the correct tone at the top which is more than just trying to create a climate on campus of good governance or good citizenship and good behaviour".*

*"The leadership in the state and the level of government corruption that takes place and there is no accountability",*

Participant 4*: the tone at the top through governance, bottom to up to make filter the message, policy, processes, tools to execute, support from executive. Improve the environment, ensuring people can feel free to report, uphold governance, have a*

*code of conduct in place, tools and technology, benchmark global, automated working papers.*

Participant 4 highlighted the significance of the tone at the top as the primary driver for establishing and maintaining ethical standards. The Participant was of the view that management should be the leaders when setting the tone, Onesti & Palumbo (2023) concluded that the tone at the top played a key role in social sustainability and corporate fraud.

All participants expressed a lack of familiarity with the National Anti-Corruption Strategy (NACS) 2020-2023, with only one participant acknowledging encountering the document during a policy review process but not incorporating it into the review. Participant 2 articulated strong sentiments regarding the NACS, remarking, "Never heard about it. This is a tick box exercise by government."

## 5.4. Conclusion

The Department of Higher Education and Training (DHET) along with the Council on Higher Education (CHE) play pivotal roles in policymaking, policy implementation, and decision-making on a national level within the South African higher education system (Botha & Vilyte, n.d.). Their involvement is deemed crucial for the successful implementation of any proposed policies affecting Higher Education Institutions. In the study titled "Utilisation of South African Research on Higher Education," the authors discuss the process of policy implementation in Higher Education, alongside an elucidation of the policy cycle at the national level in South African Higher Education and how this process is channeled towards Higher Education Institutions for implementation. The authors further reveal dynamics within the policy-making process, such as its politicization, which ultimately contributes to failures in policy implementation (Botha & Vilyte, n.d.). This finding reinforces the perception of a lack of implementation of the National Anti-Corruption Strategy (NACS) by DHET. Despite its introduction in 2020, participants in the study indicated a lack of awareness regarding the existence of the policy, highlighting significant gaps in its implementation.

However, from the analysis undertaken, numerous recurring themes surfaced. Initially, it became apparent that universities have earnestly undertaken the responsibility of implementing robust fraud and corruption policies within their institutional frameworks, indicative of a concerted effort towards fostering intentional policy awareness. Furthermore, alongside the establishment of overarching corruption and fraud policies, there is notable evidence of the implementation of supplementary policies aimed at bolstering efforts towards corruption and fraud prevention. Additionally, Higher Education Institutions have demonstrated a commitment to providing channels for reporting fraudulent activities, ensuring that such reporting mechanisms adhere to the principles outlined in the Protected Disclosures Act 26 of 2001, including provisions for anonymity. Lastly, a noteworthy observation is the diverse array of proactive strategies adopted by individual universities in addressing the challenges of corruption and fraud within their respective environments, underscoring the uniqueness of their approaches in mitigating these risks.

# 6. Chapter Six: Summary, Conclusion and Recommendations

## 6.1. Conclusions

### Introduction

This chapter concluded the study by summarising the key research findings in relation to the research aim and objectives. Using a qualitative research approach, the research was conducted in a Higher Education context, whereby anti-fraud and anti-corruption policies were examined and interviews held with practitioners working at Higher Education Institutions. Using a thematic analysis process data was analysed accordingly for the analysis of policies and to triangulate the data, interviews were held with practitioners.

## 6.2. Summary

The research aim was to undertake a comprehensive examination of the prevailing anti-corruption and anti-fraud policies and measures employed within South African universities. In light of the proposed National Anti-Corruption Strategy 2020-2030, it became evident that the implications of the policy exist far beyond National Government, but filter through to higher education sector, as such the preparedness of HEI with regards to aligning to NACS was a limitation both in literature and in practice.

The study therefore exposed the gaps in policy implementation by the DHET, specifically in the implementation of the strategy in higher education, but further exposed the extent to which higher education has matured with regards to how they manage issues of fraud and corruption. Authors appear to concur that universities should grasp the risks and mechanisms of corrupt activity and take measures to remedy them (Chapman & Lindner, 2016), thereby placing less reliance on DHET.

The results indicated that all universities have embraced their role in corruption and fraud prevention and most universities have established fraud and corruption mechanisms through policies and other procedures.

The key findings of the study can be summarised as follows:

- Higher Education Institutions have well established fraud prevention mechanisms,
- The mechanisms for reporting corruption and fraud are documented in a policy, that is accessible online,
- Notable was the lack of awareness of the National Anti-Corruption Strategy 2020-2023, within the universities policies and governance structures,
- HEI prefer to work within their own autonomy and as such do not regards DHET as being a key strategic partner in policy implementation,

## 6.3. Conclusion in terms of objectives

The following section will outline the objective of the research and the response thereof. The objectives of the research are as follows:

### *6.3.1. Identify the range of policies implemented by South African universities to prevent and address incidents of fraud and corruption. This objective aims to examine the specific policies and guidelines established by universities to promote integrity, transparency, and accountability in their operations.*

The research revealed that there are numerous policies that have been implemented by Higher Education Institutions and the policies are specifically drafted to deter the act of corruption and fraud. The main policy across various institutions seems to be the “Anti-Fraud and Anti-Corruption Policy”. Further outlined were provisions for other supporting policies to enhance anti-corruption and anti-fraud measures within institutions. These policies included the Conflict-of-Interest Policy, Gift Policy, and others. The findings support NACS Strategic Pillar Three, which emphasizes "Ethical governance with oversight and consequence management."

The policy clearly outlines the university’s ethical ethos, the scope of applicability, the applicable legislation that defines the policy, the roles, and responsibilities of the key role players as well as reporting mechanisms.

*6.3.2. Explore the measures and strategies employed by South African universities to proactively prevent fraud and corruption. This objective seeks to investigate the proactive measures implemented by universities, such as internal controls, risk assessments, and fraud detection mechanisms, to mitigate the risks associated with fraudulent and corrupt activities.*

There are various measures and strategies employed with South African universities to prevent fraud and corruption. To start with anonymous reporting lines have been established, this was notable in all policy documents as well as confirmation through interviews. Through interviews with practitioners, it was notable that awareness was a key driver of preventing fraud and corruption. Awareness was through using existing communication channels, however noted was the extra steps certain HEI would take such as targeted induction session with the Student Representative Council members as well as external university stakeholders.

This approach aligns with Strategic Pillar One of the NACS, which sets out citizen participation and mobilization. According to the NACS “The pillar addresses the importance of including all stakeholders in the fight against corruption, the need for improved relationships between the stakeholders, as well as measures to build and nurture a values-based culture of integrity, transparency, collaboration, service and accountability” (National Anti-Corruption Strategy 2020-2030, p 30, 2020).

6.3.3. *Examine the challenges faced by South African universities in implementing anti-fraud and anti-corruption measures. This objective seeks to identify the obstacles, barriers, and limitations that universities encounter when implementing policies and strategies to prevent and address fraud and*

Interview analysis revealed that Higher Education Institutions (HEIs) face varied challenges, which can be distilled into three primary issues. Firstly, there is a significant lack of capacity within these departments, leading to a reliance on external service providers for assistance in corruption and fraud prevention. Secondly, despite the presence of comprehensive policies, the sheer number of policies in HEIs tends to dilute the significance of the most critical ones. Lastly, concerns were raised regarding the ethics hotline, with participants highlighting the misuse of anonymous reporting lines and noting that internally reported matters were generally more reliable and received more attention.

*6.3.4. Examine the role of the Department of Higher Education and Training's (DHET) involvement in developing and disseminating policies, guidelines, and frameworks related to the National Anti-Corruption Strategy (NACS) implementation within South African universities.*

Notably was the lack of awareness by Universities on the NACS 2020-2030. Apart from one participant, all other participants indicated that they were not aware of the strategy. Reliance could not be placed on the police as most were drafted prior to the implementation of the NACS. However, given the proposed strategic pillars of the NACS, Universities are on track with aligning themselves with the strategy.

## 6.4. Recommendations

### 6.4.1. Allocation of Resources

This entails providing sufficient funding, staffing, and infrastructure to enable Higher Education Institutions to carry out their duties effectively. Strategic Pillar Five of the National Anti-Corruption Strategy (NACS) discusses the importance of strengthening resourcing, coordination, transactional cooperation, performance, and accountability to establish a robust framework for combating fraud and corruption. Ensuring adequate resources and infrastructure is fundamental to the successful implementation of these anti-corruption measures.

### 6.4.2. Training

The focus on awareness-building efforts is primarily oriented towards internal stakeholders within the universities, such as employees, management, and Council members and the university service providers. These efforts may include training sessions, workshops, and communication campaigns aimed at increasing understanding and adherence to the policy among individuals directly involved in its implementation and enforcement.

There seems to be a relative lack of emphasis on raising awareness among external stakeholders, such as suppliers, partners, clients, regulatory bodies, and the wider community. These external stakeholders play crucial roles in the broader ecosystem in which the university operates and can significantly impact the effectiveness and success of the policy. Expanding the focus on awareness-building efforts to include external stakeholders could involve developing targeted communication strategies tailored to the specific needs and interests of these groups. This may include disseminating information through industry conferences, partnerships with relevant organisations, public outreach campaigns, and online platforms. By engaging external stakeholders in the awareness-building process, the institution can foster greater understanding, collaboration, and support for the policy, ultimately enhancing its impact and effectiveness across the entire stakeholder network.

### 6.4.3. Endorsement of policies

Of the ten policies that were reviewed, only one university has explicitly endorsed the Public Finance Management Act 1 of 1999 (PFMA). This university has amended its policy to align directly with the provisions of the PFMA, reflecting its commitment to fraud prevention and financial integrity. This alignment is indicative of a proactive approach to regulatory compliance and financial governance.

Given the significance of the PFMA in promoting transparent and accountable financial management, it is recommended that other higher education institutions consider adopting the PFMA as a foundational policy framework. This adoption could enhance the governance of financial resources within higher education, ensuring that institutions are better equipped to manage their finances in a manner that prevents fraud and promotes ethical standards. Integrating the PFMA into institutional policies could serve as a robust mechanism for strengthening financial oversight and accountability across the sector. Development of a National Anti-Corruption Policy for Higher Education

The proposal advocates for the development of a national policy document that provides comprehensive guidelines, procedures, and strategies to address fraud and corruption within higher education institutions. This policy should align with and facilitate the implementation of the National Anti-Corruption Strategy (NACS) within these institutions, ensuring a cohesive and robust framework for combating unethical practices. The document should include specific measures to enhance accountability, strengthen governance structures, and promote a culture of integrity, thereby fostering an environment that effectively mitigates the risks of fraud and corruption in higher education.

### 6.4.4. Incorporate cyber security.

One university articulated its efforts to integrate cybersecurity legislation into its fraud prevention strategy. Consequently, the recommendation is for broader consideration within the sector regarding the implications of cyber-related fraud and the development of strategies for effective management. This approach emphasizes the importance of addressing the increasing threat of cybercrime in the context of Higher Education Institutions and highlights the need for comprehensive policies that incorporate both traditional and digital fraud prevention measures.

### 6.4.5. Effectiveness of the fraud prevention programme

One notable gap was a lack of measurement tools to assess the effectiveness of corruption and fraud prevention measures. Universities should consider adopting alternative methods to measure the effectiveness of their fraud prevention programs. These methods may include utilising polls, surveys, and customer satisfaction feedback specifically targeted at key stakeholders. This approach would provide a comprehensive understanding of the program's impact and identify areas for improvement by incorporating diverse perspectives and experiences from those directly affected by the initiatives.

### 6.4.6. Collaboration

There should be a consideration on implementing collaborative efforts to support Higher Education Institutions (HEIs) through a structured entity such as Universities South Africa (USAf). These collaborative efforts could involve assuming responsibility for the development, implementation, and oversight of policies in Higher Education. By centralizing policy management, USAf can ensure consistency, promote best practices, and facilitate resource sharing among institutions, thereby strengthening the overall effectiveness and coherence of anti-fraud and anti-corruption measures across the sector.

The study has made a valuable contribution to the field. Future research should aim to broaden its scope by including a larger and more diverse university population. This expanded approach would facilitate the sharing of best practices among various institutions, ultimately enhancing the collective understanding and effectiveness of anti-fraud measures in higher education.

## 6.5. Research limitations.

A limitation encountered during the study pertained to access to the Department of Higher Education and Training (DHET). Requests for access to DHET employees were submitted via an email address provided by the main reception. Initially, clarity regarding the procedure for seeking access within DHET was lacking. However, once contact was established, the request was directed to the Office of the Deputy Director-General. Unfortunately, no response was received despite these efforts. The

study was not solely reliant on the response of DHET, but rather the response of Higher Education Institutions. Therefore, based on the research aim, the study was able to respond to the key objectives.

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Appendix A : Research Methodology

Step 1: Familiarisation with the data

Thus, policies were accessed through the various university websites and the search included prompting a search of certain policy titles such as “Fraud Prevention Policy, Anti-Fraud and Anti-corruption Policy, Whistleblowing Policy, Code of Conduct Policy’. The study population encompassed all 26 South African Public Universities. However, it was noted that policies were publicly accessible online for only nine out of the 26 universities. Additionally, one university shared its policy directly with the researcher as it was undergoing a review process and had not yet been uploaded to the online platform.
Through iterative re-reading, the policies were subsequently categorised based on the university's description, historical affiliations, and its status following transition.

Table 1: Description of the sample

| Nr | Reference | Description of the Universities |
|---|---|---|
| 1 | U 1 | University 1 |
| 2 | U 2 | University 2 |
| 3 | U 3 | University 3 |
| 4 | U 4 | University 4 |
| 5 | U 5 | University 5 |
| 6 | U 6 | University 6 |
| 7 | U 7 | University 7 |
| 8 | U 8 | University 8 |
| 9 | U 9 | University 9 |
| 10 | U10 | University 10 |

Step 2: Generating initial codes.

Codes are regarded as fundamental building blocks of what will later become themes. The process of coding was undertaken to produce succinct, shorthand descriptive or interpretive labels for pieces of information that may be of relevance to the research question(s) (Byrne, 2022). It is recommended that the researcher work systematically through the entire dataset, attending to each data item with equal consideration, and identifying aspects of data items that are interesting and may be informative in developing themes (Byrne, 2022).

The methodology employed involved inductive coding, wherein codes were generated directly from the data itself. This process entails creating codes as data analysis progresses, allowing for a dynamic and emergent understanding of patterns and themes within the dataset. The approach involves labeling codes in real-time as they become apparent during the analysis (Byrne, 2022).

In the evaluation of coding methods, a consideration of the pros and cons of each approach was undertaken. The decision to use inductive coding was likely influenced by the desire for flexibility and responsiveness to the nuances present in the data. By adopting this method, the analysis aimed to capture the richness of the information without preconceived categories (Byrne, 2022).

Subsequently, by quantifying the occurrences of specific codes, an assessment of common themes within the data was conducted. This frequency-based analysis provides a quantitative perspective, allowing for the identification of prevalent patterns and themes. The approach enhances the interpretive power of the study by combining the advantages of inductive coding with a systematic exploration of recurring elements in the dataset (Byrne, 2022).
Each policy was categorised in terms of headings and sub-heading that aligned with the policy wording as per below:

Table 2: Categorisation of titles in the policy

| **Policy Section heading** | **U 1** | **U 2** | **U 3** | **U 4** | **U 5** | **U 6** | **U 7** | **U 8** | **U 9** | **U10** |
|---|---|---|---|---|---|---|---|---|---|---|
| • **Policy accessibility (website)** | √ | √ | √ | √ | √ | √ | √ | √ | √ | |
| • Policy Introduction / Policy statement / Policy background | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| • Scope of Policy | √ | √ | √ | √ | √ | √ | | √ | √ | √ |
| • Definitions | √ | | √ | √ | √ | √ | √ | √ | √ | |
| • Laws and regulations / Legal framework | √ | √ | √ | √ | √ | √ | √ | √ | √ | |
| • Roles and responsibilities | √ | √ | √ | √ | | √ | √ | √ | √ | √ |
| • Malicious and unfounded disclosures | √ | | | √ | √ | √ | √ | | | |
| • The duty to investigate | √ | | √ | √ | √ | √ | √ | | √ | √ |
| • Duty to protect complainants | √ | √ | √ | √ | √ | √ | √ | √ | | √ |
| • Duty to report | √ | √ | √ | √ | √ | √ | √ | | | √ |
| • Fraud and Corruption risks | | | √ | | | | | | | |
| • Fraud and Corruption awareness | | √ | √ | | √ | | | | | |

The policy document table of content was utilised to generate initial codes. Through the utilisation of open coding, no predefined codes were established; instead, codes underwent modifications during the coding process (Maguire & Delahunt, 2017). The creation of initial codes led to the identification of generic terms inherent in the policy structure. Subsequently, these terms were grouped together to discern prevailing trends.

Step 3: Searching for themes.

Phase three followed once all relevant data had been coded. According to (Byrne, 2022) the focus now shifts from the interpretation of individual data items within the dataset, to the interpretation of aggregated meaning and meaningfulness across the dataset (Byrne, 2022). The coded data was reviewed and analysed as to how different codes may be combined according to shared meanings so that they may form themes or sub-themes (Byrne, 2022). Thus, a theme is defined as "a pattern that captures something significant or interesting about the data and/or research question" (Maguire & Delahunt, 2017, p. 6)

Following the coding of the data set, themes were developed with the wording that best describes a certain section within the policy and as such those were grouped to establish consolidated theme/s.

Table 3: Preliminary themes

| | |
|---|---|
| Theme: <u>University ethical standard</u><br>Codes:<br>• Responsible corporate social citizen<br>• Morally and ethically bound by the principle of public accountability.<br>• Conduct its business in an honest, ethical, and legally compliant manner.<br>• Zero tolerance towards improper activities<br>• High ethical standards and values<br>• Highest standards of openness, honesty, and accountability.<br>• Act with integrity in all business dealings and relationships.<br>• Principles of good governance<br>• A platform for raising concerns related to any malpractice, serious wrongdoing, illegal or unethical behavior.<br>• Protect reputation with stakeholders in the local and international community.<br>• Establish rules, principles and procedures for the prevention, detection, and investigation. | Theme: <u>Applicability of the policy</u><br>Codes:<br>• The policy applies to all individuals working at all levels and grades, whether temporary, fixed term or permanent<br>• Applicable to all members of Council and Senate<br>• Applicable to any other person or any other business or legal entity associated with the University.<br>• Policy applies to employees, students, and external stakeholders of the University. |
| Theme: <u>Culture of reporting</u><br>Codes:<br>• Encourage reporting of improper activities<br>• Culture of zero tolerance to fraud and corruption<br>• Strive to foster a climate where all stakeholders strive for ultimate eradication of fraud, corruption, theft, and corruption.<br>• Stakeholders responsible for reporting all incidents.<br>• Promote an anti-fraud culture. | Theme: <u>Upholding laws and regulations</u><br>Codes:<br>• Upholding all laws relevant<br>• Accountability with legislation and norms<br>• Compliance with applicable laws<br>• Transgressions with laws are punishable by imprisonment and or a fine.<br>• Laws provide different levels of protection.<br>• Compliance of the laws as provided for in the Constitution of South Africa |
| Theme: <u>University roles and responsibility</u> | Theme: <u>Protection of whistle blowers</u> |

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| regarding corruption and fraud<br>Codes:<br>• The Audit and risk committee will be responsible for the administration, revision, and interpretation of the Policy.<br>• Executive Management is responsible for the design and implementation of the Fraud and Corruption Prevention Plan<br>• Executive Management responsible for ensuring all employees are aware of the policy.<br>• The council has overall accountability.<br>• ARCC delegated by Council.<br>• The Executive Committee is accountable. | Codes:<br>• Protection of employees and stakeholders<br>• Stakeholders are encouraged to disclose actual or suspected irregularities.<br>• Assurance that those who disclose will be treated fairly.<br>• Adequate protection of whistleblowers.<br>• Universities commitment to protected disclosures.<br>• Whistleblower to be supported and taken seriously.<br>• Employees who disclose may not suffer any detrimental treatment.<br>• Detrimental treatment incudes dismissal, disciplinary action, threats, or other unfavourable treatment<br>• Citizen whistleblowers can be subjected to intimidation and victimization.<br>• Provide assurance that employees, students, prospective students, and external stakeholders are protected against reprisal. |
| Theme: Investigation of matters reported<br>Code:<br>• The university shall investigate where appropriate.<br>• Investigation can be internally or externally.<br>• Investigations are conducted in a confidential manner. | Theme: Reporting mechanism<br>Code:<br>• Report to line manager and the Office of the Executive Director: Finance and Services<br>• Matters can be reported through the ethics line.<br>• Report to a senior person.<br>• If the member of senior management is involved, the matter to be reported to the VC or Chairperson of the Audit and Risk Committee |
| Theme: Definitions of terminology<br>Code:<br>• Bribery<br>• Corruption<br>• Fraud<br>• Abuse of position<br>• Nepotism<br>• Blackmail<br>• Extortion<br>• Theft<br>• Forgery<br>• Uttering<br>• Improper activities<br>• Whistleblower<br>• Disclosure | |

| | |
|---|---|
| • Protected disclosures<br>• Whistleblowing<br>• Gratification<br>• Occupational detriment<br>• Related acts of dishonesty<br>• Related acts of misconduct | |

Step 4: Validity and Reliability of themes

Step four took place in order to establish themes that may not function well as meaningful interpretations of the data or may not provide information that addresses the research questions. It may also come to light that some of the constituent codes and/or data items that inform these themes may be incongruent and require revision (Byrne, 2022)

With regards to the university policies, even though most policies could be associated with containing certain key words that cut across the document. The following themes were reviewed:

- The theme “Ethical standards” was combined with “Culture of reporting”, and this was due to the underlying codes being similar. They both represented the ethical standard and culture that the university has adopted through its mission and values. The theme was this reworded to “Ethical standards.”
- The theme “Reporting mechanisms” was combined with “Investigation of matters reported. The combination of the theme was due to a lack of sufficient data for the theme “Investigation of matters reported.” Thus, the theme will keep the same heading of “Reporting mechanisms.”
- The theme “Applicability of the policy” was reworded to “Scope of the policy”. The theme aims to capture who will be affected by the policy by describing the employees, students, and other stakeholders.

Step 5: Defining and naming themes

Following a review of the themes, the following themes formulated the framework for the policy document analysis:

Table 4: Final list of themes

| **Theme** | **Defining and naming themes** |
|---|---|
| Ethical Standards | The ethical standard and culture that the university has adopted through its mission and values |
| Scope of policy | The scope of the policy sets boundaries within which the policy is intended to operate and the parameters that define its applicability. The scope of a policy helps clarify its purpose and objectives, guiding stakeholders on what is covered and what falls outside its purview. |
| Laws and Regulations | The term "laws and regulations" within a policy document defines the statutory framework to which the policy aspires to adhere. These legal provisions are explicitly cited and |

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| | referenced within the policy document, serving as foundational elements that inform and guide its development and implementation. |
| Roles and Responsibilities | The thematic focus on roles and responsibilities seeks to elucidate the governance structure within the university, tasked with ensuring accountability and overseeing the implementation of the policy |
| Protection of whistle blowers | This particular theme aims to establish the provision within the policy that specifically addresses protection of those who report matters. |
| Reporting mechanism | The theme of reporting mechanism provides a guideline of how matters are to be reported and may include specific process that is expected to be applied when reporting. |
| Definitions and terminology | The theme will outline the various definitions provisioned within the policy and the terminology that applies for each university. |

Appendix B : Laws and Regulations applicable in University Policies

Table 5: Higher Education Legislation for Fraud and Corruption Policies:

| Legislation of policies | U1 | U2 | U3 | U4 | U5 | U6 | U7 | U8 | U9 | U10 |
|---|---|---|---|---|---|---|---|---|---|---|
| Constitution of the Republic of South Africa, 1996; | Yes | | | | Yes | | | Yes | | |
| Criminal Law Act, 32 of 2007 | Yes | | | | | | | Yes | | |
| Criminal Procedures Act, 51 of 1977; | Yes | | | | | | | | | |
| Electronic Communications and Transactions Act 25 of 2002 | | | | | | Yes | | Yes | | |
| Electronic Communications and Transactions Act 25 of 2002 (ECTA) | | | | | | | | Yes | | |
| Employment Equity Act of 1998 | | | | | Yes | Yes | | | | |
| Financial Intelligence Centre Act, 38 of 2001; | Yes | | | | | | | | | |
| Higher Education Act, 101 of 1997; | Yes | | Yes | | | Yes | Yes | Yes | | |
| International anti-fraud and anti-corruption treaties and conventions to which South Africa is bound; | Yes | | | | | | | | | |
| Intimidation Act, 72 of 1982; | Yes | | | | | | | Yes | | |
| Labour Relations Act, 66 of 1995; | Yes | | Yes | | Yes | | | Yes | | |
| National Environmental Management Act, 107 of 1998; | Yes | | | | | | | | | |
| Prevention and Combatting of Corrupt Activities Act, 12 of 2004 (PRECCA); | Yes | Yes | Yes | Yes | Yes | Yes | | Yes | | |
| Prevention of Organised Crime Act, 121 of 1998 (POCA); | Yes | Yes | | | | | | | | |
| Promotion of Access to Information Act, 2 of 2000 (PAIA); | Yes | | | | Yes | | | | | |
| Promotion of Administrative Justice Act, 3 of 2000(PAJA); | Yes | | | | Yes | | | | | |
| Protected Disclosures Act, 26 of 2000 (PDA) and the PDA Practical Guidelines for Employees (GG 34572, 31 August 2011); | Yes | Yes | Yes | Yes | | Yes | | | | |
| Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000 | | | | | Yes | Yes | | | | |
| Protection Against Harassment Act of 2011 | | | | | Yes | | | | | |
| Protection of Personal Information Act, 4 of 2013 (POPIA); | Yes | | | | | Yes | | Yes | | |
| Public Disclosures Amendment Act of 2017 | | | | | Yes | | | | | |
| Regulations for Reporting by Public Higher Education Institutions, 2014; | Yes | | Yes | | | | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Witness Protection Act No.112 of 1998 | | Yes | | | | | | | | |
| The Regulation of Interception of Communications and Provision of Communication Related Information Act 70 of 2002 | | | | | | | | Yes | | |
| Public Finance Management Act 1 of 1999 | | | | | | | | | Yes | |

Appendix : C Interview Questionnaire

The interview questionnaire was organised into the following main headings and subheadings:

❖ Section 1: Demographic Information

This section collected basic demographic information from participants, such as their role within the institution, years of experience, and educational background.

- Gender
- Role in the University
- Nr of years of work experience in the University
- Qualifications
- Specific qualification in Fraud Risk Management
- Affiliated institutional bodies

❖ Section 2: Policies and Measures

Participants were asked about the existing policies and measures in place within their institutions to address corruption and fraud. A structured question was included in the questionnaire relating to the level of awareness on fraud and corruption in the university.

- How would you rate the level of awareness and understanding of fraud and corruption issues within your university? (Scale: 1-5, with 1 being low awareness and understanding and 5 being high awareness and understanding)
- Has your university established specific policies or guidelines to address corruption and fraud? (Yes/No)
- Please provide an overview of the policies and guidelines implemented by your university to prevent and address incidents of corruption and fraud.
- When putting together a fraud and corruption policy, what are the important guiding principles.
- When drafting a policy what is the guiding philosophy and point of reference
- How are these policies communicated and disseminated to university staff and stakeholders?
- What mechanisms does your university have in place to ensure compliance with the established anti-corruption and anti-fraud policies?
- Are there any specific measures or controls implemented to detect and prevent corrupt and fraudulent activities within your university? If yes, please provide details.
- How often are the anti-corruption and anti-fraud policies and measures reviewed and updated in your university?

- What challenges, if any, have you encountered in implementing and enforcing the anti-corruption and anti-fraud policies within your university?

❖ Section 3: Proactive Strategies

This section explored proactive strategies employed by the intuitions in order to prevent corruption and fraud. Participants may be asked open-ended questions to elicit information about innovative approaches or initiatives.

- Describe any proactive strategies or initiatives implemented by your university to prevent corruption and fraud.
- How does your university assess and manage the risks associated with corruption and fraud?
- What internal controls or procedures are in place to enhance transparency and accountability within your university's operations?
- How are employees and stakeholders encouraged to report suspected cases of corruption and fraud within your university?
- Does your university provide training or awareness programs on corruption and fraud prevention? If yes, please elaborate on the content and frequency of these programs.

❖ Section 4: Effectiveness and Challenges

Participants were asked to reflect on the effectiveness of current policies and strategies in mitigating corruption and fraud risks.

- To what extent do you believe the policies and measures implemented by your university have been effective in preventing and addressing corruption and fraud? (Scale: 1-5, with 1 being not effective and 5 being highly effective)
- What indicators or metrics does your university use to evaluate the effectiveness of its anti-corruption and anti-fraud efforts?
- Do you conduct a fraud risk assessment as part of your processes?
- What challenges, if any, have you encountered in implementing and maintaining effective corruption and fraud prevention measures within your university?
- Are there any specific resources or support mechanisms provided by the university to address these challenges.

❖ Section 5: Best Practices and Recommendations

This section focuses on identifying best practices and soliciting recommendations for enhancing anti-corruption and anti-fraud efforts within the Higher Education Sector. Participants were asked to share success stories or suggest areas for future development.

- Are there any specific initiatives or practices implemented by your university that have proven effective in preventing and addressing corruption and fraud? If yes, please provide details.
- Based on your experience, what recommendations would you offer to enhance the policies, measures, and strategies adopted by South African universities in preventing and addressing corruption and fraud?
- Are there any additional comments or insights you would like to share regarding corruption and fraud prevention within South African universities?