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By Maicibi, Nok Alhas & Yahaya Salisu Abdullahi

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Criminal and Unethical Behaviorsin Organisations: Misuse of Assets and False or Misleading Advertising

Maicibi, Nok Alhas[α] & Yahaya Salisu Abdullahi [σ]

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I. Introduction

Organizations are made up of individuals composed of shareholders, managers and other employees. These people work together by supporting one another in a mutual way for the betterment of the organizations. This mutual relationship is done vide behaviours which may be perceived and interpreted differently. The interpretation can subsequently end in approval of the behavior, its outright rejection, or even criminal prosecution. Therefore, putting the right behavior and taken the right actions do have a high potency to propel the organizations to the right direction of its mission and vision. On the contrary, when and where any group or individual engages in undesirable behavior and or actions, it has detrimental effect to the organizations wellbeing and sometimes goes to the extent of putting the going concern of the organisation in a trajectory or in a cul-de-sac. To avoid this negative impact, organizations need to take the following ethical concerns very critical: Corruption, Misuse of organizational assets, and False or misleading advertising. Let us examine the above issues one after the other.

II. Corruption

The issue of corruption has been gaining increasing attention in today's world. The World Bank has singled out corruption as the largest obstacle to economic and social development (Aguilera and Vadera 2007). In a search of the word 'corruption' in article headings in the Wall Street Journal in 2004, the word appeared 496 times. It is worth noting that much evidence suggests that corruption is as ancient as disloyalty and greed particularly in the context of politics (Aguilera and Vadera 2007). According to Burke, Tomlinson and Cooper (2011), corruption include embezzlement, insider trading, the padding of one's expenses, paying a bribe to get a contract, altering a financial document and individuals receiving money or being promoted for altering a financial document. To this end therefore, Ashforth, et al (2007) define corruption as the illicit use of one's position or power for perceived personal or collective gain. Organizational corruption is the use of authority for personal gain; therefore, different combination of opportunity, motivation and justification lead to different type of corruption. Habib and Zurawikki, (2002) also define corruption as the abuse (or misuse) of public power for private (or personal) benefit. Sherman (1980) defines corruption from the public institution point of view when he said it is the illegal misuse of public authority resulting in private gain for the agents involve in the acts. Ashforth and Anand (2003), while discussing how corruption is taking place in organizations, define organizational corruption as the misuse of authority for personal, subunit, and or organizational gain. Also in their attempt to clarify organizational corruption, Aguilera and Vadera (2007) define it as a crime that is committed by the use of authority within organizations for personal gain. Grieger (2005) contends that, asking what organizational corruption is all about; first of all it seems to be a kind of deviant behavior or evil action in organizations. Strictly speaking, it is about individuals or groups acting evil within an organizational context, rather than single evil actors carrying out solitary actions (Darley 1996). In order to indicate evil actions as corrupt, this definition stresses organizational context or, express in another terminology, the existence of organized social systems that serve as a nexus for formal and informal relationships between participants, (Grieger, 2005).

Based on the above opinions and in the context of this write up, corruption can be taken to mean a form of behavior which severely departs from ethics, morality, tradition, practice, civic virtue and particularly from laws

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that is aimed at undue advantage to an individual or group.

III. Forms and Types of Corruption

Corruption in organizations may take various forms. According to Coleman (1987) existing forms of corruption in organizations can be distinguished into corruption on behalf of the organization-which include: bribe, insider dealing, illegal price agreement etc, and corruption against the organization which include self dealing, theft, embezzlement, misappropriation etc. Another form of corruption is by looking at the actors involved in corruption. That is single person who acts corruptly within an organization and varied forms of collective corruption (i.e. evil act that calls for cooperation and interconnection among individuals (Brief et al 2001). However, the latter seems to be more problematic to organizations because of the interwoven cause of deviated action. This way therefore, corruption becomes a property of the collective- describing something like mafia type methods (creation of interdependency, blackmailing, fraud, secrecy and systematic bribery). In relation to Brief's view, Aven (2012) undertook an extensive research on the effects of corruption on organizational network and individual behavior. In the research, she described how different actors network themselves in a secret and dishonest manner to perpetuate corruption in their organizations. She also cited big corporate companies that were victims of these acts which include: fraudulent accounting practices by fortune 500 firms, Enron which publically admitted to overstating its earnings by $586 million and hiding $ 3 billion in debt, WorldCom,(in 2001) which is the second largest phone company in the United States misrepresented profits by $ 3.8 billion by improperly shifting certain expenses to capital funds, $ 550 million penalty against Goldman Sachs Group, the largest ever against a wall street firm for misleading investors in collateralized debt obligations. She therefore argued that, though these cases of accounting fraud abound, organizational scholars know relatively little about the implementation of organizational crime. At each of these large corporations, managers employed complex accounting methods to mislead investors about the financial health of their firms. But important thing to note is that, these financial misdeeds were not localized to a few executives in the firm; they required the involvement of many organizational members from various departments to implement such accounting malfeasance-organized crime.

Lange (2007) identify four types of corruption, based on; a) a focus on target-process or outcomes an emphasis transmission channels-administrative or socio cultural. Aguilera and Vadera (2007) when attempting to explain organizational corruption argued that, individuals who commit organizational corruption are likely to engage in one of these three types of corruption: procedural, schematic and categorical. They made this typification incongruence with the type of authority operating in the organization. Individuals in organizations with legal rational authority, and driven by individualistic motives will use rationalization as a psychological defense mechanism to engage in procedural outcomes of corruption; while those in organization with charismatic authority and driven by collectivistic motives will use socialization to engage in schematic outcomes and those in organization with traditional authority and those driven by rational motives will use ritualism to engage in categorical outcomes of corruption. It will not be out of place to make a brief on these.

Procedural corruption: This result either from the lack of formalized procedures or formal rules of business conduct in the organization, or from the violation of existing formal procedures for personal gain, implying that this type of corruption occurred where employees at all or some levels of the organization do not follow or are not mandated to follow (ethical) procedures of business conduct. On the other hand, Schematic corruption, according to Luo (2004), occurred when it is structured and is present uniformly throughout the organisation, implying that it results due to the simultaneous involvement of multiple organizational levels in corrupt acts and at multiple points in time. This repetitive act of corrupt acts is reinforced by mechanism that makes them seem normal and as if it is the organizational culture. It also results from norms of the organizational environment in which the organization is embedded. Finally, the Categorical corruption is the result of concentrated and delimited acts of corruption within the organization (Aguilera and Vadera 2007). It occurs mostly in decentralized organizations or in organizations with highly decentralized structures. Therefore, specific groups, subgroups, subunits or hierarchical levels may be corrupt due to strong environment pressure, pressures from the organizations and senior managers to meet some particular goals.

IV. Impact of Corruption

Corruption causes immeasurable costs on the humanity-individuals, organizations, society and nations, (Nofsinger and Kim 2003). Equally those individuals who are convicted of engaging in corruption or corrupt practices usually experience pangs of guilt and shame and faced penalties of varying degrees of harshness, including making financial restriction, serving various prison sentences, loss of reputation, loss of their means of earning a living and in some cases loss of family through divorce (Burke, Tamilson & Cooper, 2011). The impact of corruption in organization also is very significant which may include, threat on their life span,

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loss of reputation, loss of credibility, loss of money, loss of trust and chance among others. Also, organisations that are guilty of corruption face greater scrutiny and diminished future performance which may include decline in the quality of their network partners & their cohesion (Sullivan Hannschild 2007) as well as bankrupting in some instances. For clear example, see the case of Enron, Fortune 500, WorldCom and Goldman Sachs Group already cited. These companies, their employees and society suffered a lot as result of those anomalies they engaged in. The cost of corruption to the society is that the society loses trust in their institutions and in their elected officials leading to fewer young people pursuing their careers in these occupations (Burke, Tomlinson & Cooper, 2011).

Corruption also reduces economic growth, harms economic performance, lead to distortions in developmental programmes of a country and adversely affects private investment and national economic growth (Maicibi, 2005).

Further, the cost or impact on the countries or nations where corruption occur include: losing opportunities for investment and growth, loosing respect in the broader international community and their influence in making the world a better place (ibid).

V. Managing Corruption

The issue of corruption happens worldwide in government and in organizations irrespective of continent, nation, race, or size of organization and culture (though some cultures provide more ground and tolerance of corruption than others). Now the issue is what are those measures that can be put in place to reduce and or control corruptions? The following measures can be used to mange corruption by reducing and controlling it:

a) Individual volition: In an organization, individuals may choose to reduce corruption by sharing their concerns with supervisor, trusted co-workers or simply become whistle blowers. At the extreme end, they may seek legal or ethical counseling and advice from outside.
b) Training in ethical issues to be undertaken by providing training to managers and employees on ethics. This will assist much in helping employees to identify and avoid illegal and unethical behaviours and conduct in themselves.
c) Ignore any pressure from above and exercise professional competency in the discharge of their duties. Pressure from above induced many people to act illegally and unethically. For example, when Kervel an employee of society general a French bank squandered $ 5 billion through rough betting in 2007, and was charged with forgery and breach of trust, and unauthorized computer use in 2009, and faces fine of $ 375,000 and five year in prison if convicted, he claim that he acted in tacit knowledge and with the agreement of his superiors (Burke, Tomlinson & Cooper, 2011).
d) Organizational control: There should be an imposition of organization control system whereby the organization should have adequate and sufficient internal controls that can prevent unethical and un authorized activities.
e) Corruption can also be controlled by reducing the opportunities for corruption through better oversight, monitoring and controls; reducing the pressures individuals feel they are under to make the numbers at all costs.
f) Corruption related to rationalization and socialization should also be reduced by training and sensitization of the processes through discussions, training session and by encouraging inspection into how employees do their daily jobs and identifying ethical implications that emerge from their conduct.
g) Creating ethical organizational environment. There should exist ethical environment within the organization within which employees conduct themselves.
h) Top management should lead by example; that is they should serve as ethical role models from which other employees can emulate.
i) The Association of Certified fraud examiners indicated that expense account abuse accounted for 13% for all fraud in the US in 2008. Therefore increasing number of employers are now carefully monitoring their employees expense claims (Burke,
j) The employee selection process, using affective tests, should be more strategic and objectively based to allow for employment honest and dedicated candidate who are ethically sound in order to reduce the potentiality of employing applicant with questionable character.
k) An organization should have a code of ethics that will assist in reducing and preventing corruption and other unethical activities. This is because code of ethics provides firms with a legal self defense by making it clear to employees what behaviors are unacceptable (Steven, 2009).
l) Ethical leadership should be encouraged in organization in order to assist in providing basis of ethical behavior devoid of corruption.
m) However, in his attempt to analyze corruption action systems, Grieger (2005) hypothesize the following.

- As a general condition, corruption in organizations only occurs if individuals are given control rights to act or to make decisions on behalf of the organization.
- Corruption may occur if these individuals misuse or abuse the kept control rights to 1) achieve organizational objectives by using illegal means or 2) to achieve objectives for private enrichment at the

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expense of achieving organizational objectives 3) in particular, a hybrid farm of the conditions above- using illegal means to achieve objectives for private enrichment at the expense of the organization- can be considered to be a very frequent one if regarding corruption in organizational life.

- The potentiality of committing the act of corruption in organization will be proportional to 1) the extent of control rights kept by individuals 2) to the degree of discretion and arbitrariness allowed in the application of these control rights 3) the expected likelihood of detection and penalty associated with the abuse of these control rights and 4) to the professional ethical values of the individuals who keep these control rights.
- Corruption in organization is expected to be mediated by groups. Meaning the stronger and more cohesive group is the more influence they exert on the suppression or on the encouragement of both individuals and collective deviant behavior.
- The main orientation of groups towards evil doing or corruption-approval and encouragement versus disapproval and suppression-depends on multiple factors. Among them are both characteristics of influences of the organization (as part of structure) and those of dominant members who get others to agree (as part of action).

He, therefore, argued that these five hypotheses together may provide some indications that serve as a guidance for an analysis of the interaction and interdependence between elements of action and elements of structure in the emergence and perpetuation of collective corruption.

n) Importantly, Maicibi generic formula for fighting crime (corruption is a crime) needs to be understood and applied. See the formula in the recommendation sub section of this write up.

VI. False or Misleading Advertizing

According to Consumer Association of Singapore (2008), misleading advertisements under Consumer Protection (fair trading) Act, states that, it is an unfair practice for a retailer to make false or misleading claims. Likewise, one of the general principles of the Singapore Code of advertising practice is that of 'truthful presentation.' Determining whether an advert is misleading continues to prove difficult and controversial (Russo, Metcalf and Stephens 2001). Naturally, advertisers and consumer advocates rarely agree on whether a particular advert is misleading. More disappointing however is the failure of researchers to agree on a broadly applicable definition of mis-leadingness or a procedure for identifying it (Gardner 1975). In their analysis on misleading adverts, Russo, Metcalf and Stephens (2001), define an advertisement as misleading if it creates, increases, or exploits a false belief about expected product performance. In the same vein, Wikipedia (2011) explains false advertizing, or as they call it, 'deceptive advertising' as the use of false or misleading statements in advertizing. Further, according to Wilson (2000), the United States actual Statute on false advertizing defines false advertizing to mean:

> "advertisement other than labeling, which is misleading in a material respect; and in determining whether an advertisement is misleading, there shall be taken into account (among other things) not only representations made or suggested by statement, word, design, device, sound or any combination thereof, but also the extent to which the advertisement fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the commodity to which the advertisement relates under the conditions prescribed in said advertisement, or under the conditions as are customary or usual".

This therefore means, an adverts must not conceal any material fact about a product/ service or the conditions under which the product/service should be used, and by implication, where any of these occur, it constitutes false or misleading advertisement

False advertizing in the most blatant of contexts is illegal in most countries. However, advertisers still find ways to deceive consumers in ways that are technically illegal but unenforceable. The criminal acts of this falsehood have unquantifiable negative consequence to human beings. For examples, according to the Australian Competition and Consumer Commission (2011) misleading job and business opportunity advertisements cause job seekers a great deal of hardship and difficulty. Even worse, some scams are dressed up as job opportunities and can actually cost job seekers money. Consequently, in the attempt to checkmate the adverse effects of misleading advertisements, Singapore Code of Advertizing Practice (SCAP) emphasize "Truthful presentation" which stated that; advertisements should not mislead in any way by inaccuracy, ambiguity, exaggeration, omission or otherwise. More specifically, SCAP 11, principle (5) provides the following: (5.1) that, advertisement should not:

a. Misrepresent any matter likely to influence consumers' attitude to any product, advertiser, or promoter.
b. Misrepresent any information to misleading consumers into believing that any matter that is not true, such as the source of the product, quality of the product, obligation (or non-obligation) in using a trial product and others.
c. Mislead consumers about the price of goods or services
d. Under estimate the actual total price to be paid

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e. Mislead consumers to overestimate the value or mislead consumers regarding the conditions on the terms of payment such as hire purchase, leasing, installment sales and credit sales. Or
f. Mislead consumers regarding the terms or guarantee, delivery, exchange, return, repair and maintenance and mislead consumers regarding the extent of benefits for charitable causes.

Secondly, (5.2) provides that if a presentation (such as speech, documentary and newsreel) is substantially an advertisement, it should be clearly stated as an advertisement.

VII. Ways Advertisers Mislead Consumers

It is important to expose, at this juncture, how to look for misleading advert. Russo, Metcalf and Stephen (2001) identify three ways which advertisers use as approaches to mislead consumers:

a. **Fraud**: This focuses on the advertiser and assumes a deliberate intent to create false belief about the product. It is however impracticable since the requirement of proof of intent makes it out rightly impossible to take action against the adverts.
b. **Falsity:** This refers to the existence of claim - fact discrepancy. This can be in terms of price of the product and availability of the product. However, to demonstrate falsity, in advertisement, one must be able to verify the existence of a discrepancy. Standardization of meaning enhance falsity approach if regularly institution has power to standardized critical words meaning. But the difficulty here is how issues of falsity claim can be resolved, such as issue on 'nutrition' because even the worst junks food has some nutritional value and experts have not agreed on what constitute nutritious food. Therefore, standardization of meaning removes ambiguity and potential misleadingness of such firms (ibid). Although falsity approach is efficient, but it is neither sufficient nor necessary to prove that an advert is misleading. What matters is customers believe. That is, a false claim does not harm consumers unless it is believed and a true claim can cause great harm if it generates a false belief (ibid).
c. **Misleadingness:** This approach focus to a greater extent on consumer beliefs. To demonstrate misleadingness in an advert, it requires the observation of false consumer beliefs in conjunction with the exposure to the advert. Therefore, one stricken difference between falsity and misleadingness is that, while falsity refers to a claim fact discrepancy, misleadingness refers to a belief fact discrepancy.

Therefore,the procedure for detecting misleadingness of an advertisement include; first establishing that the consumer belief of false claim, second, established that there is increased belief in a false claim after exposure to an advertisement, and thirdly, less misleading false beliefs for corrected than for original advertisement (Ibid).

Although false/misleading/deceptive advertizing is unethical and illegal, however advertisers still use many ways to deceive and mislead consumers about their product which may be insufficient to prove before a court of law. Wikipedia (2011), identify several ways advertisers perform this act which include:

a. Hidden fees and surcharges: This is a situation where for example service providers often tack on the fees and surcharges that are not disclosed to the customers in the advertized price.
b. Misuse of the word 'free': Advertisers use the word free (which its normal meaning means without any cost obligation or implication) which is included in the overall price. For example the advert saying "buy one, get one free. Therefore the second item is not free since for you to get it you must pay the first in full.
c. Manipulation of measurement units and standards: This is where the advertisers manipulate standards to mean something different than their widely understood meaning.
d. Fillers and over sized packaging: This where the product are sold with fillers which increase its legal weight of the product with something that cost the producer very little compared to what the consumer thinks that he or she is buying. E.g. food –meat can be infected with broth and brine (up to 15%).
e. Manipulation of terms: This is where some meaning that are not legally define were abused e.g. light food. This often seriously abused by advertisers because it may mean many things like: low in calories, sugars, carbohydrates, salt, texture, thickness or even light in color.
f. Incomplete comparison: Advertisers always fail to list the ways in which they compared product or service (price, size, quality, test etc) with other. However they always used the word better and best to compare their product but without specifying with what they are comparing to, competitors, old version of their product. etc
g. Inconsistent comparison: This is where advertisers compare their product or items with many others, however only compared with each on the attributes where it wins.
h. Misleading illustrations: This is where illustrations were used to mislead the consumer. Example serving suggestion pictures on food product boxes which show additional ingredients beyond those included in the package. This may make consumer to incorrectly assume that all the items illustrated or depicted are included.

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i. False coloring: This is a form of deception where color is used to make people assume that food is ripe, fresher or otherwise healthier than it really is.
j. Angel dusting: This is where ingredient that needs to be beneficial is added in an insignificant quantity which cannot serve any benefit to consumers.
k. Bait and switch: This is where advertiser advertized non-existent product and when customer come to buy, he is been sold with similar product.
l. Guarantee without a remedy specified. This is where the company does not specify any remedy in case of the product failure to meet expectations. They are therefore free to do little because of the legal technicality that provides that a contract cannot be enforced unless it provides a basis not only for determining a breach but also for giving a remedy in the event of a breach.
m. No risk: This is a situation where advertisers claim there is no risk trying their product. However where clearly there is, the risk here is you may not get the product at all or you may be billed for things you did not want. You may also incur expenses in calling the company for refund. Lastly, shipping and handling cost you paid may not be refunded.
n. Acceptance by default: Example here is where a subscription automatically renews unless the customer explicitly requests it to stop.
o. Undisclosed dishonest business practices: This is for example where banks deliberately create overdraft. For example where withdraw and deposits are done simultaneously, the bank can treat withdraw first to create over draft. They can also reorder charges to maximize number of over draft.

VIII. Misuse of Organizational Assets

According to Albrecht, Kranacher and Albrecht (2009) define asset misappropriation (misuse) to include those frauds in which a perpetrator employs trickery or deceit to steal or misuse organizations resources. In these cases, specific assets of the organizations are taken to directly benefit the individual committing the fraud. Those individuals committing asset misappropriation may be either employees of an organization, customers or vendors of an organization or even individuals unrelated to the victim organization. The distinguishing elements of assets misappropriation therefore are that organizations assets are taken through trickery or deceit, rather than by force and the act of asset theft, concealment and conversion must all be present (Abrecht, Kranacher and Albrecht 2009).

Further, in another dimension Association of Certified Fraud Examiners (2002) on their report define misappropriation/misuse otherwise known as fraud as "the use of one's occupation for personal enrichment through the deliberate misuse or application of the employing organizations resources or assets.

Equally however, Brenda B. Moore (2013) a U.S. department trained human resources professional in her attempt to explain the problem of assets misappropriation examine the popular term " elephant meant" which is a Jargon used in Liberia to describe the issue of wasteful resources both in private and public offices. She said "Sadly in many ways, we all practice the elephant meant mentality and this sort of attitude can be counterproductive and expensive to management and can be manifested in so many ways, like theft of the organization's stationery or blatant misuse and waste of resources deliberate slow responses to customers' needs, poor quality of work, destruction of property, coming into work late and leaving early etc." She however maintains that, in many instances these are some of the reasons Liberian run companies and corporations don't succeed. It is therefore evident that all what she listed constitute misuse of organizational assets.

Lastly however Kernel (2011) approaches misuse of organizational assets or resources from ICT perspective. He examine how employees abuse their freedom to work by engaging in non productive activities thereby engaging in chatting, face booking, surfing or even social networking among others which by extension, each of this activities diminish their productivity. He however maintain that the time spent by employee over internet and other personal activities always cost a lot to any company.

Equally, in their Essay titled, 'Ethical Misconduct of Senior Leaders-Counter productive Work Behaviour,' Louise and Foldes, (2006) argued that, misuse of organizational resources means wrong doing that involve the inappropriate use of any of the organizational resources, including money, time, physical property and or intellectual property. They however maintain that, it can take place in the following ways:

a. Misappropriate funds by using contractors for personal projects and charging expenses to the organization.
b. Purchase personal real estate with company funds.
c. Expense a personal trip under the pretense of it being business related.
d. Use intellectual property from the employing organization and supply it to senior leaders external consulting practices.
e. Direct investment of funds to ventures in which the senior leaders has a personal financial interest rather than to ventures in the best interest of investors.

From the above definitions and explanation it is clear that misuse of organization assets or resources take place in various ways and dimension, and it throw a huge challenge for organizational and societal development. We can simply define misuse of organizational assets or resources as any assets or

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resources which is either put to personal use, or which is wasted without put to proper use.

It is however important to note that, organizational assets can be tangible or intangible assets. In general it can be cash; equipment, employee time, and any other thing that can be refer to as assets or resources.

IX. Types and Circumstances of Misuse of Organizational Assets

Abrebtch, et al. (2009) in his attempt to explain misuse of organizational assets through theft provides the following circumstance under which asset theft can occur.

1) Before they are recorded in the books and records of an organization (otherwise known as skimming)
2) While assets are currently held by the organization (for instance larceny, or misuse of equipment, inventory, supplies, cash etc)
3) During the process of purchasing goods or services (e.g. billing, expense reimbursement, payroll schemes). But in this last scenario, the organization pays for something it should not pay for or pays too much for purchased goods or services. He maintain that research indicate fraud involving purchases as by far the most common throwing huge expenses on organizations.

Further, classical fraud theory spelt out what motivate employees towards assets misappropriation. The theories hypothesize existing of the following (3) conditions for fraud to take place.

1. The perpetrator must perceive or experience pressure
2. The perpetrator must perceived opportunity to commit the act.
3. The perpetrator must be able or find ways of rationalizing his actions/ behavior as acceptable.
4. See the conclusion for Maicibi generic formula for fighting corruption which is very applicable and important for fighting corruption.

X. Prevention of Assets Misuse or Misappropriation

Assets misappropriation is a great challenge in organizations. The following measures can assist in reducing or preventing it.

1. Organization must have a strong internal control which is capable of reducing asset misappropriation and unethical behavior. Organization with weak internal control is vulnerable and susceptible to assets misappropriation. Albrecht (2009) therefore recommend the following:
   a) Clear and unambiguous segregation of duties
   b) Strong physical safeguard of assets.
   c) Proper authorization
   d) Proper documentation and recording systems.

Additionally however, the following will be very important in strengthening the internal control of an organization and in reducing misuse of organization assets.

   a) Adequate accounting and auditing systems
   b) Proper monitoring system
   c) Effective supervision
   d) A good communication system
   e) Independent checks and examination
2. Eliminate any opportunity that will warrant fraud or misappropriation.
3. There should be employee assistance program that are effective and efficient enough to reduce assets misuse
4. Create a conducive and positive work environment
5. Develop and put in place code of ethics that specify behaviors
6. Create transparent and honest culture in the organization
7. Have effective recruitment and selection system that will give emphasis on competency and honesty.
8. Institute and tolerate a system of whistle –blowing
9. Sensitizing employers about the danger of misappropriation through workshops and seminars.
10. Develop effective reward system that rewards hard work and honest as well as ethical behavior.

XI. Conclusion and Way Forward

Ethical concerns are very important in organization. The ways they are handle determine the credibility and success of an organization. Improper handling of issues like corruption, misuse of organization assets, conflicts of interest, excessive receipts of gifts and misleading adverts have cost organizations much in the past and still threatening and shaking others foundation presently. Therefore, organization should put all effort possible to tackle these ethical concerns diligently. More importantly however Maicibi generic formular is very crucial. In the formula he clearly spelt out benefit that will be accrued to the criminal(the person committing the crime) which include, monetary and economic benefits, psychological and physiological benefits, sociological benefits and ease and level of success in committing the crime. On the other hand, he also specified the cost the criminal will face which include monetary and time to commit the crime, fear and probability of being apprehended and arrested, probability of conviction and its harshness and lost opportunities and stigmatization. However the formula is adapted and stated clearly below:

XII. Maicibi Generic Formula for Fighting Crime

$$B < C$$

Where:

B=> Benefits

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Mb –monetary and economic benefits to the criminal
Pb –psychological and physiological benefits to the criminal
Sb – sociological benefits to the criminal
Ec – ease and level of success in committing the crime

C=> Costs

Mt – monetary and time to commit the crime
Fa – fear and probability of being apprehended and arrested
Pc – probability of conviction and its harshness
Lo – lost opportunities and stigmatization

Key: B Vs C

B > C: Mb+Pb+Sb+Ec>Mt+Fa+Pc+Lo means that benefits outweigh the costs.
B < C: Mb+Pb+Sb+Ec<Mt+Fa+Pc+Lo means that costs outweigh the benefits
B>C has a slim chance of deterring crave to commit crime
B<C has a greater chance of deterring crave to commit crime
**Target and strategy should be to increase the Cs and decreases the Bs.

For the purpose of this write up, crime which undoubtedly comprise corruption is substituted in all places where crime is used.

Maicibi argued that where the benefits is greater than the cost (Bs>Cs) the situation will not deter corruption in the organization. That is, people will be tempted to commit the act of corruption, as such the corruption will increase, while where the benefits is less than the costs (Bs<Cs) people will not be tempted to be corrupt. That is people will fear the negative consequences to commit the act of corruption, as such the crime will reduced. He concludes by emphasizing that, target and strategies should be always geared towards increasing the costs (Cs) of corruption and decreasing the benefits (Bs) of corruption so that pupulation will be deterred from temptation to be corrupt or misuse any organization assets or engage in false/ misleading advertising.

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