

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

Yahaya Salisu Abdullahi

Received: 6 December 2012 Accepted: 5 January 2013 Published: 15 January 2013

Abstract

Behaviours in organizations can either be adjudged to be unethical and even criminal or being above board. Criminal and unethical issues are one of the most difficult to handle in organizations; and they pervade all levels and activities in the organisation. Specifically however, this article examines and discusses the following critical criminal and unethical concerns which include corruption, misuse of organizational assets, and false or misleading advertizing in organizations. The data were collected through secondary sources. The article concludes that, human resource manager's and or organisation's ability to tackle and control these ethical concerns is very important in keeping the organizations healthy and competitive; otherwise the organizations will suffer enormous setback, sometimes risk failure and even attract criminal action.

Index terms— corruption, misuse of organization assets, behaviour, misleading advertizing and ethical concerns.

1 Introduction

rganizations 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.

2 II.

3 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

5 FORMS AND TYPES OF CORRUPTION

43 of corruption. ??abib and Zurawikki, (2002) also define corruption as the abuse (or misuse) of public power
44 for private (or personal) benefit. Sherman (1980) defines corruption from the public institution point of view
45 when he said it is the illegal misuse of public authority resulting in private gain for the agents involve in the acts.
46 Ashforth and Anand (2003), while discussing how corruption is taking place in organizations, define organizational
47 corruption as the misuse of authority for personal, subunit, and or organizational gain. Also in their attempt to
48 clarify organizational corruption, Aguilera and Vadera (2007) define it as a crime that is committed by the use
49 of authority within organizations for personal gain. Grieger (2005) contends that, asking what organizational
50 corruption is all about; first of all it seems to be a kind of deviant behavior or evil action in organizations. Strictly
51 speaking, it is about individuals or groups acting evil within an organizational context, rather than single evil
52 actors carrying out solitary actions (Darley 1996). In order to indicate evil actions as corrupt, this definition
53 stresses organizational context or, express in another terminology, the existence of organized social systems that
54 serve as a nexus for formal and informal relationships between participants, (Grieger, 2005).

55 Based on the above opinions and in the context of this write up, corruption can be taken to mean a form of
56 behavior which severely departs from ethics, morality, tradition, practice, civic virtue and particularly from laws
57 that is aimed at undue advantage to an individual or group.

58 4 III.

59 5 Forms and Types of Corruption

60 Corruption in organizations may take various forms. According to ??oleman (1987) existing forms of corruption
61 in organizations can be distinguished into corruption on behalf of the organization-which include: bribe, insider
62 dealing, illegal price agreement etc, and corruption against the organization which include self dealing, theft,
63 embezzlement, misappropriation etc. Another form of corruption is by looking at the actors involved in corruption.
64 That is single person who acts corruptly within an organization and varied forms of collective corruption (i.e.
65 evil act that calls for cooperation and interconnection among individuals (Brief et al 2001). However, the latter
66 seems to be more problematic to organizations because of the interwoven cause of deviated action. This way
67 therefore, corruption becomes a property of the collective-describing something like mafia type methods (creation
68 of interdependency, blackmailing, fraud, secrecy and systematic bribery). In relation to Brief's view, Aven (2012)
69 undertook an extensive research on the effects of corruption on organizational network and individual behavior.
70 In the research, she described how different actors network themselves in a secret and dishonest manner to
71 perpetuate corruption in their organizations. She also cited big corporate companies that were victims of these
72 acts which include: fraudulent accounting practices by fortune 500 firms, Enron which publically admitted to
73 overstating its earnings by \$586 million and hiding \$ 3 billion in debt, WorldCom,(in 2001) which is the second
74 largest phone company in the United States misrepresented profits by \$ 3.8 billion by improperly shifting certain
75 expenses to capital funds, \$ 550 million penalty against Goldman Sachs Group, the largest ever against a wall
76 street firm for misleading investors in collateralized debt obligations. She therefore argued that, though these
77 cases of accounting fraud abound, organizational scholars know relatively little about the implementation of
78 organizational crime. At each of these large corporations, managers employed complex accounting methods to
79 mislead investors about the financial health of their firms. But important thing to note is that, these financial
80 misdeeds were not localized to a few executives in the firm; they required the involvement of many organizational
81 members from various departments to implement such accounting malfeasance-organized crime. Lange (2007)
82 identify four types of corruption, based on; a) a focus on target-process or outcomes an emphasis transmission
83 channels-administrative or socio cultural. Aguilera and Vadera (2007) when attempting to explain organizational
84 corruption argued that, individuals who commit organizational corruption are likely to engage in one of these
85 three types of corruption: procedural, schematic and categorical. They made this typification incongruence with
86 the type of authority operating in the organization. Individuals in organizations with legal rational authority,
87 and driven by individualistic motives will use rationalization as a psychological defense mechanism to engage
88 in procedural outcomes of corruption; while those in organization with charismatic authority and driven by
89 collectivistic motives will use socialization to engage in schematic outcomes and those in organization with
90 traditional authority and those driven by rational motives will use ritualism to engage in categorical outcomes of
91 corruption. It will not be out of place to make a brief on these.

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

103 hierarchical levels may be corrupt due to strong environment pressure, pressures from the organizations and
104 senior managers to meet some particular goals.

105 IV.

106 6 Impact of Corruption

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

113 7 Global Journal of Human Social Science

114 Volume XIII Issue III Version I(D D D D)

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

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

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

128 V.

129 8 Managing Corruption

130 The issue of corruption happens worldwide in government and in organizations irrespective of continent, nation,
131 race, or size of organization and culture (though some cultures provide more ground and tolerance of corruption
132 than others). Now the issue is what are those measures that can be put in place to reduce and or control
133 corruptions? The following measures can be used to mange corruption by reducing and controlling it: a)
134 Individual volition: In an organization, individuals may choose to reduce corruption by sharing their concerns
135 with supervisor, trusted co-workers or simply become whistle blowers. At the extreme end, they may seek legal or
136 ethical counseling and advice from outside. b) Training in ethical issues to be undertaken by providing training
137 to managers and employees on ethics. This will assist much in helping employees to identify and avoid illegal
138 and unethical behaviours and conduct in themselves. c) Ignore any pressure from above and exercise professional
139 competency in the discharge of their duties. Pressure from above induced many people to act illegally and
140 unethically. For example, when Kervel an employee of society general a French bank squandered \$ (D D D D)

141 expense of achieving organizational objectives 3) in particular, a hybrid form of the conditions aboveusing
142 illegal means to achieve objectives for private enrichment at the expense of the organization-can be considered
143 to be a very frequent one if regarding corruption in organizational life. ? The potentiality of committing the act
144 of corruption in organization will be proportional to 1) the extent of control rights kept by individuals 2) to the
145 degree of discretion and arbitrariness allowed in the application of these control rights 3) the expected likelihood
146 of detection and penalty associated with the abuse of these control rights and 4) to the professional ethical values
147 of the individuals who keep these control rights. ? Corruption in organization is expected to be mediated by
148 groups. Meaning the stronger and more cohesive group is the more influence they exert on the suppression or
149 on the encouragement of both individuals and collective deviant behavior. ? The main orientation of groups
150 towards evil doing or corruption-approval and encouragement versus disapproval and suppression-depends on
151 multiple factors. Among them are both characteristics of influences of the organization (as part of structure)
152 and those of dominant members who get others to agree (as part of action). He, therefore, argued that these
153 five hypotheses together may provide some indications that serve as a guidance for an analysis of the interaction
154 and interdependence between elements of action and elements of structure in the emergence and perpetuation of
155 collective corruption. n) Importantly, Maicibi generic formula for fighting crime (corruption is a crime) needs to
156 be understood and applied. See the formula in the recommendation sub section of this write up.

157 VI.

158 9 False or Misleading Advertizing

159 According to Consumer Association of Singapore (2008), misleading advertisements under Consumer Protection
160 (fair trading) Act, states that, it is an unfair practice for a retailer to make false or misleading claims. Likewise,

11 VII. WAYS ADVERTISERS MISLEAD CONSUMERS

161 one of the general principles of the Singapore Code of advertising practice is that of 'truthful presentation.'
162 Determining whether an advert is misleading continues to prove difficult and controversial (Russo, Metcalf and
163 Stephens 2001). Naturally, advertisers and consumer advocates rarely agree on whether a particular advert is
164 misleading. More disappointing however is the failure of researchers to agree on a broadly applicable definition of
165 misleadingness or a procedure for identifying it (Gardner 1975). In their analysis on misleading adverts, Russo,
166 Metcalf and Stephens (2001), define an advertisement as misleading if it creates, increases, or exploits a false
167 belief about expected product performance. In the same vein, Wikipedia (2011) explains false advertizing, or as
168 they call it, 'deceptive advertising' as the use of false or misleading statements in advertizing. Further, according
169 to Wilson (2000), the United States actual Statute on false advertizing defines false advertizing to mean:

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

176 This therefore means, an advert must not conceal any material fact about a product/ service or the
177 conditions under which the product/service should be used, and by implication, where any of these occur, it
178 constitutes false or misleading advertisement False advertizing in the most blatant of contexts is illegal in most
179 countries. However, advertisers still find ways to deceive consumers in ways that are technically illegal but
180 unenforceable. The criminal acts of this falsehood have unquantifiable negative consequence to human beings.
181 For examples, according to the Australian Competition and Consumer Commission (2011) misleading job and
182 business opportunity advertisements cause job seekers a great deal of hardship and difficulty. Even worse,
183 some scams are dressed up as job opportunities and can actually cost job seekers money. Consequently, in the
184 attempt to checkmate the adverse effects of misleading advertisements, Singapore Code of Advertizing Practice
185 (SCAP) emphasize "Truthful presentation" which stated that; advertisements should not mislead in any way by
186 inaccuracy, ambiguity, exaggeration, omission or otherwise. More specifically, SCAP 11, principle (5) provides
187 the following: (5.1) that, advertisement should not: a. Misrepresent any matter likely to influence consumers'
188 attitude to any product, advertiser, or promoter. b. Misrepresent any information to misleading consumers into
189 believing that any matter that is not true, such as the source of the product, quality of the product, obligation
190 (or non-obligation) in using a trial product and others. c. Mislead consumers about the price of goods or services
191 d. Under estimate the actual total price to be paid

192 10 Global Journal of Human Social Science

193 Volume XIII Issue III Version I(D D D D)

194 e. Mislead consumers to overestimate the value or mislead consumers regarding the conditions on the terms
195 of payment such as hire purchase, leasing, installment sales and credit sales. Or f. Mislead consumers regarding
196 the terms or guarantee, delivery, exchange, return, repair and maintenance and mislead consumers regarding
197 the extent of benefits for charitable causes. Secondly, (5.2) provides that if a presentation (such as speech,
198 documentary and newsreel) is substantially an advertisement, it should be clearly stated as an advertisement.

199 11 VII. Ways Advertisers Mislead Consumers

200 It is important to expose, at this juncture, how to look for misleading advert. Russo, Metcalf and Stephen (2001)
201 identify three ways which advertisers use as approaches to mislead consumers: a. Fraud: This focuses on the
202 advertiser and assumes a deliberate intent to create false belief about the product. It is however impracticable
203 since the requirement of proof of intent makes it out rightly impossible to take action against the adverts. b.
204 Falsity: This refers to the existence of claim -fact discrepancy. This can be in terms of price of the product and
205 availability of the product. However, to demonstrate falsity, in advertisement, one must be able to verify the
206 existence of a discrepancy. Standardization of meaning enhance falsity approach if regularly institution has power
207 to standardized critical words meaning. But the difficulty here is how issues of falsity claim can be resolved, such
208 as issue on 'nutrition' because even the worst junks food has some nutritional value and experts have not agreed
209 on what constitute nutritious food. Therefore, standardization of meaning removes ambiguity and potential
210 misleadingness of such firms (ibid). Although falsity approach is efficient, but it is neither sufficient nor necessary
211 to prove that an advert is misleading. What matters is customers believe. That is, a false claim does not harm
212 consumers unless it is believed and a true claim can cause great harm if it generates a false belief (ibid). c.
213 Misleadingness: This approach focus to a greater extent on consumer beliefs. To demonstrate misleadingness in
214 an advert, it requires the observation of false consumer beliefs in conjunction with the exposure to the advert.
215 Therefore, one stricken difference between falsity and misleadingness is that, while falsity refers to a claim fact
216 discrepancy, misleadingness refers to a belief fact discrepancy.

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

220 Although false/misleading/deceptive advertizing is unethical and illegal, however advertisers still use many
221 ways to deceive and mislead consumers about their product which may be insufficient to prove before a court
222 of law. Wikipedia (2011), identify several ways advertisers perform this act which include: a. Hidden fees and
223 surcharges: This is a situation where for example service providers often tack on the fees and surcharges that are
224 not disclosed to the customers in the advertized price. b. Misuse of the word 'free': Advertisers use the word free
225 (which its normal meaning means without any cost obligation or implication) which is included in the overall
226 price. For example the advert saying "buy one, get one free. Therefore the second item is not free since for you
227 to get it you must pay the first in full. c. Manipulation of measurement units and standards:

228 This is where the advertisers manipulate standards to mean something different than their widely understood
229 meaning. d. Fillers and over sized packaging: This where the product are sold with fillers which increase its legal
230 weight of the product with something that cost the producer very little compared to what the consumer thinks
231 that he or she is buying. E.g. food -meat can be infected with broth and brine (up to 15%). e. Manipulation of
232 terms: This is where some meaning that are not legally define were abused e.g. light food. This often seriously
233 abused by advertisers because it may mean many things like: low in calories, sugars, carbohydrates, salt, texture,
234 thickness or even light in color. f. Incomplete comparison: Advertisers always fail to list the ways in which
235 they compared product or service (price, size, quality, test etc) with other. However they always used the word
236 better and best to compare their product but without specifying with what they are comparing to, competitors,
237 old version of their product. etc g. Inconsistent comparison: This is where advertisers compare their product
238 or items with many others, however only compared with each on the attributes where it wins. h. Misleading
239 illustrations: This is where illustrations were used to mislead the consumer. Example serving suggestion pictures
240 on food product boxes which show additional ingredients beyond those included in the package. This may make
241 consumer to incorrectly assume that all the items illustrated or depicted are included. i. False coloring: This is
242 a form of deception where color is used to make people assume that food is ripe, fresher or otherwise healthier
243 than it really is. j. Angel dusting: This is where ingredient that needs to be beneficial is added in an insignificant
244 quantity which cannot serve any benefit to consumers. k. Bait and switch: This is where advertiser advertized
245 non-existent product and when customer come to buy, he is been sold with similar product. l. Guarantee without
246 a remedy specified. This is where the company does not specify any remedy in case of the product failure to
247 meet expectations. They are therefore free to do little because of the legal technicality that provides that a
248 contract cannot be enforced unless it provides a basis not only for determining a breach but also for giving a
249 remedy in the event of a breach. m. No risk: This is a situation where advertisers claim there is no risk trying
250 their product. However where clearly there is, the risk here is you may not get the product at all or you may
251 be billed for things you did not want. You may also incur expenses in calling the company for refund. Lastly,
252 shipping and handling cost you paid may not be refunded. n. Acceptance by default: Example here is where
253 a subscription automatically renews unless the customer explicitly requests it to stop. o. Undisclosed dishonest
254 business practices: This is for example where banks deliberately create overdraft. For example where withdraw
255 and deposits are done simultaneously, the bank can treat withdraw first to create over draft. They can also
256 reorder charges to maximize number of over draft.

257 VIII.

258 12 Misuse of Organizational Assets

259 According to Albrecht, Kranacher and Albrecht (2009) define asset misappropriation (misuse) to include those
260 frauds in which a perpetrator employs trickery or deceit to steal or misuse organizations resources. In these cases,
261 specific assets of the organizations are taken to directly benefit the individual committing the fraud.

262 Those individuals committing asset misappropriation may be either employees of an organization, customers or
263 vendors of an organization or even individuals unrelated to the victim organization. The distinguishing elements
264 of assets misappropriation therefore are that organizations assets are taken through trickery or deceit, rather
265 than by force and the act of asset theft, concealment and conversion must all be present (Abrecht, Kranacher
266 and Albrecht 2009).

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

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

279 Lastly however Kernel (2011) approaches misuse of organizational assets or resources from ICT perspective. He
280 examine how employees abuse their freedom to work by engaging in non productive activities thereby engaging in
281 chatting, face booking, surfing or even social networking among others which by extension, each of this activities

14 CONCLUSION AND WAY FORWARD

282 diminish their productivity. He however maintain that the time spent by employee over internet and other
283 personal activities always cost a lot to any company.

284 Equally, in their Essay titled, 'Ethical Misconduct of Senior Leaders-Counter productive Work Behaviour,'
285 Louise and Foldes, (2006) argued that, misuse of organizational resources means wrong doing that involve
286 the inappropriate use of any of the organizational resources, including money, time, physical property and or
287 intellectual property. They however maintain that, it can take place in the following ways: a. Misappropriate
288 funds by using contractors for personal projects and charging expenses to the organization. b. Purchase personal
289 real estate with company funds. c. Expense a personal trip under the pretense of it being business related. d.
290 Use intellectual property from the employing organization and supply it to senior leaders external consulting
291 practices. e. Direct investment of funds to ventures in which the senior leaders has a personal financial interest
292 rather than to ventures in the best interest of investors.

293 From the above definitions and explanation it is clear that misuse of organization assets or resources take place
294 in various ways and dimension, and it throw a huge challenge for organizational and societal development. We
295 can simply define misuse of organizational assets or resources as any assets or The theories hypothesize existing
296 of the following (3) conditions for fraud to take place. 1. The perpetrator must perceive or experience pressure
297 2. The perpetrator must perceived opportunity to commit the act. 3. The perpetrator must be able or find ways
298 of rationalizing his actions/ behavior as acceptable. 4. See the conclusion for Maicibi generic formula for fighting
299 corruption which is very applicable and important for fighting corruption.

300 X.

301 13 Prevention of Assets Misuse or Misappropriation

302 Assets misappropriation is a great challenge in organizations. The following measures can assist in reducing or
303 preventing it. Additionally however, the following will be very important in strengthening the internal control of
304 an organization and in reducing misuse of organization assets.

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

313 XI.

314 14 Conclusion and Way Forward

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



Figure 1: 1 .

15 Maicibi Generic Formula for

326

327 Fighting Crime This page is intentionally left blank ^{1 2 3 4 5 6 7 8}

¹Year 2013 Criminal and Unethical Behavioursin Organisations: Misuse of Assets and False or Misleading Advertising © 2013 Global Journals Inc. (US)

²Criminal and Unethical Behavioursin Organisations: Misuse of Assets and False or Misleading Advertising © 2013 Global Journals Inc. (US)

³Year 2013 Criminal and Unethical Behavioursin Organisations: Misuse of Assets and False or Misleading Advertising © 2013 Global Journals Inc. (US)

⁴Criminal and Unethical Behavioursin Organisations: Misuse of Assets and False or Misleading Advertising © 2013 Global Journals Inc. (US)

⁵Year 2013 Criminal and Unethical Behavioursin Organisations: Misuse of Assets and False or Misleading Advertising © 2013 Global Journals Inc. (US)

⁶Criminal and Unethical Behavioursin Organisations: Misuse of Assets and False or Misleading Advertising © 2013 Global Journals Inc. (US)

⁷Year 2013 Criminal and Unethical Behavioursin Organisations: Misuse of Assets and False or Misleading Advertising © 2013 Global Journals Inc. (US)

⁸© 2013 Global Journals Inc. (US)

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)

Volume XIII Issue III Ver- sion I D D) 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.

(
Global
Jour-
nal of
Hu-
man
Social
Sci-
ence

Figure 2:

328 Mb -monetary and economic benefits to the criminal Pb -psychological and physiological benefits to the
329 criminal Sb -sociological benefits to the criminal Ec -ease and level of success in committing the crime C=>
330 Costs

331 Mt -monetary and time to commit the crime Fa -fear and probability of being apprehended and ar-
332 rested Pc -probability of conviction and its harshness Lo -lost opportunities and stigmatization Key:
333 B Vs C B > C: Mb+Pb+Sb+Ec>Mt+Fa+Pc+Lo means that benefits outweigh the costs. B < C:
334 Mb+Pb+Sb+Ec<Mt+Fa+Pc+Lo means that costs outweigh the benefits B>C has a slim chance of deterring
335 crave to commit crime B<C has a greater chance of deterring crave to commit crime **Target and strategy
336 should be increase the Cs and decreases the Bs.

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

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

346 [Habib] , Habib .

347 [Albrecht et al. ()] , C Albrecht , M Kreanacher , S Abrecht . 2009.

348 [Brenda] 2013) *the elephant Meat, I chop, you chop, He/she/ it chop, they chop. Da elephant meat we all chop,*
349 B M Brenda . www.Presseexpo-sure.org. retrievedon2/03/2013

350 [Lange ()] ‘A Multidimensional Conceptualization of Organisational Corruptions Control’. D Lange . *Academy*
351 *of Management review* 2007. 33 p. .

352 [Assets Misappropriation Research white paper for the Institute of fraud] *Assets Misappropriation Research*
353 *white paper for the Institute of fraud*, www.theifp.org/research. retrievedon03/03/2013

354 [Wikipedia] Available from www.wikipedia.org/conflicts_of_interest, Wikipedia . (Conflicts of Interest. An online
355 free Encyclopedia. Retrieved on 2/03/2013)

356 [Bribery prevention, Gifts and Hospitality Policy and Procedures. Available from www.nattingham.ac.uk.updated ()]
357 *Bribery prevention, Gifts and Hospitality Policy and Procedures. Available from*
358 *www.nattingham.ac.uk.updated*, 03/03/2013. 2007. 2007. Aston University

359 [Anand et al. ()] *Business as Usual: The Acceptance and perpetuation of Corruption in Organizations*, V Anand
360 , B E Ashforth , M Joshi . 2005. Academy of Management. 19 p. .

361 [Brief et al. ()] ‘Collective Corruption in the Corporate world’. A P Brief , R T Buttram , J Dukerich . *Groups*
362 *at work: Theory and Research Machwah*, M E Turner (ed.) 2001. p. .

363 [Stevens (ed.) ()] *Corporate Ethical codes as a vehicle of reducing corruption of organisations*, B Stevens . Burke,
364 R K and Cooper, C.L. (ed.) 2009. Cheltenham, UK. p. . (Research Companion to Corruption in Organizations)

365 [Zurawicki ()] ‘Corruption and foreign direct’. M Zurawicki , L . *Journal of International Business Studies* 2002.
366 33 p. .

367 [Luo ()] ‘Corruption and Organization in Asian Management Systems’. Y Luo . *In Asia pacific Journal of*
368 *Management* 2002. 19 p. .

369 [Grieger ()] *Corruption in Organizations’ -some outlines for Research*, J Grieger . [www.elpub.bib.](http://www.elpub.bib.uni-wuppertal)
370 [uni-wuppertal](http://www.elpub.bib.uni-wuppertal). Retrievedon03/03/2012 2005. Department of Economics and Social Sciences, Uni-
371 versity of Wuppertal Germany

372 [Burke et al. ()] *Crime and Corruption in Organisations-why it occurs and what to do about it*, R J Burke ,
373 Tomlinson , C Cooper . <http://www.gowerpublishing.com/isbn>. retrievedon03/03/2013 2011.

374 [Gardner ()] ‘Deception in advertizing. A Conceptual Approach’. D M Gardner . *Journal of Marketing* 1975. 39
375 p. .

376 [Maicibi ()] *Education the iron Curtain-Managing and Revitalizing the Role of Education for African Develop-*
377 *ment*, N A Maicibi . 2005. Netmedea Publishers ltd. Kampala.

378 [Louise and Foldes ()] *Ethical Misconduct of Senior Leaders-Counter Productive Work Behavior at the Top.*
379 Available www.googlebooks, H Louise , J Foldes . 15/03/2013. 2006.

380 [Wikipedia ()] *false advertizing. An online free Encyclopedia*, Wikipedia . 03/03/2013. 2011.

381 [How Much is Your Organization Losing to Undetected Fraud? A report of ACFE Association of Certified fraud examiners ()]
382 ‘How Much is Your Organization Losing to Undetected Fraud? A report of ACFE’. *Association of Certified*
383 *fraud examiners* 2002. 2002. 2012.

15 MAICIBI GENERIC FORMULA FOR

- 384 [Darley ()] 'How Organizations Socialize Individuals into evildoing'. J M Darley . *Code of Conduct: Behavioral*
385 *Research into Business Ethics*, M Mesick, D Tenbrunsel, A (ed.) (New York) 1996. p. .
- 386 [Russo et al. ()] 'Identifying Misleading Advertizing'. E J Russo , B L Metcalf , D Stephens . 03/03/2013. *Journal*
387 *of Consumer research* 2001. 8 p. .
- 388 [Thomas ()] 'Identifying Organizational Conflict of Interest the information Gap'. M A Thomas . *Defence ARJ*
389 2012. 19 (3) p. .
- 390 [Norfsinger and Kim ()] *Infections Greed: restoring Confidence in America's Companies*, Prentice hall, J
391 Norfsinger , K Kim . 2003. (upper saddle river New Jersey)
- 392 [Maicibi ()] *Maicibi Generic Formula for Fighting Crime*, N A Maicibi . 2013. (Unpublished document)
- 393 [Misleading advertisement. Available from: www. org.sg Consumer Association of ()] 'Misleading advertise-
394 ment. Available from: www. org.sg'. 03/03/2013. *Consumer Association of*, (Singapore) 2008.
- 395 [Misleading Job and Business Opportunity Advertisement-How to Handle them ()] *Misleading Job and*
396 *Business Opportunity Advertisement-How to Handle them*, Availablefromwww.hud.ac.uk.
397 Retrievedon03/03/2013 2011. Australian Publishers Bureau.
- 398 [Sullivan et al. ()] *Organisations non gratere? The impact of Unethical Corporate Acts on Intergovernmental*
399 *Newtworks. Organisation science vol*, B N Sullivan , P Haunsechild , K Page . 2007. 18 p. .
- 400 [Ashforth et al. ()] 'Receiving Organisational Corruption in Organizations'. B E Ashforth , D A Gioia , S L
401 Robinson , L K Trevino . *Academy of Management Review* 2007. 33 p. .
- 402 [Kernel ()] *Stop misuse of Organizational Resources through Spyware tool*, Kernel . 2011. (Available from
403 www.pressexposure.org. Retrieved on 2/03/2013)
- 404 [Wilson ()] *The Advertizing Law guide: A friendly Desktop Reference for Advertizing Professionals*, L Wilson .
405 Availablefromwww.allworthpress.org.retrievedon03/03/2013 2000. All worth press.
- 406 [WilliamB ()] *The best way to rob a bank is to own one*, WilliamB . Availablefromwww.amazon.
407 orgretrievedon03/03/2013 2005. University of Texas press.
- 408 [Aguilera and Vadera ()] 'The Dark side of Authority: Antecedents, Mechanisms, and outcomes of Organiza-
409 tional Corruption'. R V Aguilera , A K Vadera . www.repec.org/a/kap *Journal of Business Ethics* 2007.
410 2008. 77 p. .
- 411 [Aven ()] *The Effects of Corruption on Organization's Networks and Individual Behavior*, B Aven . 2012. Carnegie
412 Mellon University, Tepper School of Business (Pittersburgh. available from www.cmu. edu. retrieved on
413 2/03/2013)
- 414 [Ashforth and Anand ()] 'The Normalization of Corruption in Organizations'. B Ashforth , V Anand . *Organi-*
415 *zations Behaviour* 2003. p. 52. (Research in)
- 416 [Sherman ()] 'Three Model of Organisatuional Corruption in Agencies of Social control'. L W Sherman . *Social*
417 *problems* 1980. 27 p. .
- 418 [Coleman ()] 'Toward and Integrated theory of white collar crime in'. J W Coleman . *American Journal of*
419 *Sociology* 1989. 93 p. .