



**THE INFLUENCE OF CORRUPTION ON PSYCHOLOGICAL CAPITAL: THE
CASE OF A LARGE GOVERNMENT DEPARTMENT IN THE MOTHEO DISTRICT,
FREE STATE PROVINCE**

BY

BONGANI GOODENOUGH MPHIRIME

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Supervisor: Prof. D Koko (D Tech Human Resources Management)

BLOEMFONTEIN

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DECLARATION OF INDEPENDENT WORK

I, Bongani Goodenough Mphirime, ID number 8812075263087 and student number 211066109, hereby declare that this research project submitted to the Central University of Technology, Free State, for the degree MAGISTER TECHNOLOGIAE: HUMAN RESOURCE MANAGEMENT, is my own independent work and complies with the Code of Academic Integrity, as well as with other relevant policies, procedures, rules and regulations of the Central University of Technology, Free State; and has not been submitted before to any institution by myself or any other person in fulfilment (or partial fulfilment) of the requirements for the attainment of any qualification.

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SUMMARY

Organisations are continuously exposed to numerous challenges and constraints of which globalisation and global economic turmoil are probably the most pronounced. Globalisation enhances competition and alters the financial and economic landscape of organisations (Pryce-Jones, 2010: 4). The global economic turmoil that characterised the last couple of years has presented a host of workplace dilemmas, including unemployment, job losses, hopelessness, overall pessimism and, most disturbing, increased levels of corruption (Du Plessis & Barkhuizen, 2012: 16). Although corruption occurs globally, it is a serious and persisting challenge in the South African context.

Psychological capital, on the other hand, is concerned with the positive behaviour of individuals in the work environment affecting an individual's attitude towards work (for example job satisfaction, commitment, absenteeism, tenure and motivation). This can impact on productivity and organisational competitiveness (Zhao & Hou, 2009: 36). Psychological capital consists of four components: hope (an individual's capability to construct and change both personal and career goals and the belief that the set goals could be achieved and sustained), resilience (the ability to succeed and prosper even after facing setbacks and hardships), self-efficacy (a belief in one's capabilities to achieve a goal or an outcome) and optimism (a mood or attitude associated with an expectation about the social or material future) (Toor & Ofori, 2010: 341). The relationship between corruption and psychological capital is unchallenged in academic literature.

A large government department in the Motheo District served as unit of analysis. The study was mostly quantitative and a structured questionnaire was administered to all staff members. One-hundred and fifty (150) questionnaires were collected and used for data analysis. Correlation analysis was used and the main finding of this investigation showed an association between corruption and self-efficacy, as a component of psychological capital. As self-efficacy involves individual convictions, motivations and cognitive resources for successfully completing a job, the findings imply that corruption influences employees' convictions about themselves and their abilities to perform at their jobs.

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CHAPTER 1: INTRODUCTION AND ORIENTATION

1.1 Background to the study

In the contemporary workplace one of the few constants is change. Change is ever present, especially in the light of the economic constraints and challenges organisations face together, with the continuous shift towards globalisation. Globalisation opens up world markets due to the interconnectedness of modern technology and transportation systems. Globalisation enhances competition and alters the financial and economic landscape of organisations that need to compete in a fiercely competitive international environment (Pryce-Jones, 2010: 4). This has exacerbated a host of workplace dilemmas, including unemployment, job loss, hopelessness, overall pessimism and, most disturbingly, increased levels of corruption (Du Plessis & Barkhuizen, 2012: 16).

Corruption presents an array of challenges with a disruptive impact on both organisations and individuals. Corruption refers to the dysfunctional psycho-emotional responses of individuals to changes in the economic, political and social demands of the work environment. It is a condition governed by a specific set of beliefs, values and emotions that drives individuals to be involved in unethical activities (Bere, 2007: 4).

South Africa has been plagued with corruption since apartheid. Even though post-apartheid South Africa is an open society offering all equal opportunities, the problem of corruption still persists (Madonsela, 2010: 4). In the South African context corruption takes many forms, but the over-arching concern remains the abuse of power for private gain. This includes actions like bribing officials, e.g. a traffic officer, to avoid a speeding fine. More serious transgressions involve bribing government officials for employment opportunities or tenders.

These actions not only have a significant impact on the South African economy, but also deprive ordinary South Africans of basic rights and privileges (Madonsela, 2010: 2). Advocate Thuli Madonsela, South African's public protector, proclaimed that ~~the~~

reality though is that ending corruption in our societies and our continent lies in our own hands. It is our countries, our people and our continent that are victims of the underdevelopment that is caused by corruption and our people that suffer poverty and other preventable maladies as a consequence. We cannot deny that corruption is behind a lot of the underdevelopment in our countries and continent. It causes, among others, poor quality goods and services, lack of efficiency, excessive costs, and ineffective public programmes. Corruption basically destabilises societies. In many instances corruption also endangers the security of our states” (Madonsela, 2010: 3).

The prevalence of corruption in the public sector, both nationally and internationally, has caused South Africa to enforce anti-corruption strategies. Engagement and co-operation between government, national enforcement agencies, the private sector, as well as international organisations have become the order of the day (SA Department of Public Service and Administration, 2003: 26). According to a report by the German Federal Agency for Criminal Matters, corruption in the public sector is more prevalent than in the private sector (EIPA, 2004: 39; Tanzi, 1998: 18). Corruption in the public service undermines the fight against poverty by enriching corrupt officials with resources that should have been used for infrastructure and other developments.

The increase in operational costs results in poor service delivery to citizens and damages the reputation of especially public officials. Safety and security costs the country billions of rands each year – this includes both public security (provided by public policing and the military) and private security (provided by private security companies). Despite increased spending on safety and security, corruption remains rampant and out of control. Corruption impacts negatively on the disadvantaged, hinders economic development and reduces the effectiveness of social services (UNDP, 2004: 1).

State public enterprises are essential in meeting the needs of local communities. Public enterprises and the officials that operate within its structures play a central role in the economic planning and development of local regions as they need to

implement relevant policies and safe-guard public interest (Stroh, Brynard & Smith, 1997: 177). Corruption in public enterprises assumes many forms – most notably fraud, nepotism, favouritism, abuse of power, ghosting, conflict of interest, bid rigging, insider trading, embezzlement, bribery and extortion (Kunaka, & Matsheza 2001: 14).

Corruption is the culmination of human compromise against others interests, where the need for self before others is calibrated against the need for self even at the expense of others. The individual becomes motivated by the demise of others as a means of gaining success and fulfilment (Magavilla, 2012). Corruption impacts the individual-level variables (aspects like self-esteem, self-confidence, emotional stability) of employees in the organisational context. This is termed 'psychological capital' and constitutes core psychological elements of an individual's general psychological state. This enhances positive experiences related to work and work performance (Zhao & Hou, 2009: 36). Individual-level variables influence organisational-level variables like job performance, job satisfaction, commitment, and the sense of well-being amongst employees. This impacts overall motivation, productivity and organisational competitiveness (Larson & Luthans, 2006: 45)

To the knowledge of the researcher no previous study has investigated the impact of corruption on psychological capital. Prior research has shown that positive psychological capital fosters positive work outcomes and also reduces counterproductive work behaviours such as absenteeism (Avey, Luthans & Youssef, 2009; Luthans, Avolio, Avey & Norman, 2007; Walumbwa *et al.*, 2008). Dube (2011) investigated the impact of corruption on public enterprises in the Harare metropolitan area of Zimbabwe and reports that low levels of remuneration, patronage appointment to higher levels of management and the lack of political will to empower public enterprise officials constituted some of the main reasons for corruption. Other aspects that were identified included greed, the disintegration of work morality and ethics in the manner in which public affairs across public enterprises were being handled.

Other studies that have sought to study factors influencing employees' psychological capital include that of Tripathi (2011: 21) which highlighted the role of positive

attributes in maintaining the well-being of employees. Having a positive perception towards the self and life situations are all linked with the psychological well-being of employees. Other investigations (see Avey *et al.*, 2009 Luthans *et al.*, 2007; Walumbwa *et al.*, 2008) also support the positive relationship between psychological capital and overall job performance.

1.2 Problem statement

Corruption is a serious and persisting challenge, especially in the South African context. Corruption is more prolific in the public sector compared to the private sector and many public enterprises in South Africa are characterised by various forms of corruption. This includes fraud, graft, nepotism, bribery, the abuse of power, ghosting, favouritism, bid rigging and embezzlement (SA Department of Public Service and Administration, 2003; SA Department of Public Service and Administration, 2006).

Corruption has a potentially devastating impact on the reputation of public departments under pressure to deliver services to the public (Dube, 2011: 18). Psychological capital, on the other hand, is concerned with the positive behaviour of individuals in the work environment, which can enhance employee commitment and well-being. As the perceived impact of corruption on psychological capital is unchallenged in academic literature, it is justified to ascertain the extent to which public officials feel corruption is impacting on their psychological capital. This can enable public officials to incorporate and enforce more stringent methods to combat the scourge of corruption. A large government department in the Motheo district of the Free State province served as the unit of analysis.

1.3 Objectives

1.3.1 Main objective

The main objective of this study was to determine the influence of corruption on the psychological capital of employees in a large government department in the Motheo district of the Free State province.

1.3.2 Co-objectives

The following co-objectives apply to this investigation:

1. To determine the influence of corruption on the hope of employees in a large government department.
2. To determine the influence of corruption on the resilience, as a component of employees' psychological capital, in a large government department.
3. To determine the influence of corruption on the self-efficacy of employees in a large government department.
4. To determine the influence of corruption on the optimism of employees in a large government department.
5. To make recommendations for mitigating the impact of corruption on the psychological capital of employees in a large government department.

Flowing from this, the following research questions apply:

1. What is the impact of corruption on the hope of employees in a large government department?
2. What is the impact of corruption on the self-reliance of employees in a large government department?
3. What is the impact of corruption on the self-efficacy of employees in a large government department?
4. What is the perceived influence of corruption on the optimism of employees in a large government department?

1.4 Research methodology

The research methodology offers a systematic way to solve a problem. It provides insight into the procedures by which researchers go about their work of describing, explaining and predicting phenomena. According to the Industrial Research Institute (2010), research methodology constitutes a way to find solutions to given problems in a specific matter.

1.4.1 Research design

The research design relates to the broader plan that will be used to solve the research question, as well as the measuring instruments and data analysis methods that will be used. This study incorporated mainly a quantitative research design, but an open-ended question was added at the end of the structured questionnaire. The study may also be classified as a cross-sectional design since data gathering took place simultaneously, without repeat measures (Du Plessis & Barkhuizen, 2012: 20).

1.4.2 Population and sample

A population is a collection of individuals or objects that form the main focus of a scientific inquiry and are known to have similar characteristics. All individuals or objects within a certain population usually have a common, binding characteristic or trait (Wagner, Kawulich & Garner, 2012: 87). The population for this investigation included all employees at a large government department in the Motheo district of South Africa's Free State province. Personnel records indicated 210 employees at various offices of the department. They were all targeted for data collection. One-hundred and fifty (150) questionnaires were completed and used for data analysis.

1.4.3 Measuring instrument

As already indicated, the data collection tool applicable to this study was a structured questionnaire. One of the advantages of a structured questionnaire is that it provides data amenable to quantification, either through the simple counting of boxes or

through the content analysis of written responses (Dube, 2011). The structured questionnaire consisted of three sections: the first gathered the biographic details of respondents (including their gender, age, highest academic qualifications, income, rank/title and Ethnic group). The second section measured respondents' perceptions of corruption, based on a questionnaire designed by Dube (2011). The third section measured psychological capital dimensions, measured using the Psychological Capital Questionnaire (PCQ).

1.4.4 Data collection procedure

Respondents were contacted at their place of work and appointments were made. Authorisation and approval of such engagements was sought with their respective supervisors at the identified department in the Motheo district. Participants were informed about their rights and the importance of ethics in research. The researcher personally oversaw the data collection process and made use of fieldworkers. The fieldworkers were thoroughly briefed by the researcher in completing the questionnaire.

1.4.5 Statistical analysis

The statistical analysis of the results included descriptive and inferential analysis of the data. The descriptive statistics describe the general characteristics of the data. Once the data has been organized in this way inferential statistics can be performed. Inferential statistics assists in inferring something about the population from which the sample was drawn (Moore, 1992). The inferential statistics method used in this investigation was correlation analysis.

1.5 Ethical considerations

The ethical considerations of the study included the following:

- Privacy - strict levels of privacy were maintained, i.e. no participant's privacy was infringed through participation in this research study.

- Coercion - participants were not in any way forced to participate in this research.
- Informed consent - participants were informed prior to their participation in this study of their right to withdraw from the research at any given time.
- Confidentiality - all information about participants retrieved or shared with the researcher was deemed confidential.

1.6 Chapter layout

The following chapter layout was applied to this investigation.

Chapter 1: Introduction

Chapter 1 provided the background of the study and detailed the aims, objectives and the research questions of this study. The chapter also outlined the research methodology, which was adopted in the study, as well as the significance of this study.

Chapter 2: Contextualising corruption in the South African context

Chapter 2 outlined what corruption is and also described the characteristics and the forms of corruption found in public enterprises.

Chapter 3: Psychological capital in the organisational context

Chapter 3 deals with the importance of psychological capital in organisations and how it affects or influences company objectives and output.

Chapter 4: The South African public service

Chapter 4 presented a discussion on the South African public service, its historical overview and the strategies put in place to curb corruption in the South Africa public service.

Chapter 5: Research methodology

Chapter 5 analyzed and discussed the research methodology that was applied to the empirical part of the investigation.

Chapter 6: Data analysis and the presentation of results

Chapter 6 presented the data analysis and the findings of the empirical investigation.

Chapter 7: Conclusions and recommendations

Chapter 7 presented the findings and recommendations emanating from this investigation.

CHAPTER 2: CONTEXTUALISING CORRUPTION IN THE SOUTH AFRICAN CONTEXT

2.1 Introduction

The term ‘corruption’ originated from the Latin verb ‘corruptus’ which means to break. Conceptually it represents a form of behaviour which departs from ethics, morality, tradition, law and civic values. Corruption constitutes immoral, deprived and dishonest behaviour by particular individuals (Bakamba, 2009: 3). The occurrence of corruption has become a leading international issue since the 1990s, and is a major concern both nationally and internationally. South Africa is especially plagued by corruption. In 2012, the Transparency International Corruption Perception Index, an index that measures perceived levels of public sector corruption, ranked South Africa 69th out of the 176 countries surveyed.

In 2013 South Africa moved to position 72 out of the 176 countries, indicating that the situation is not really improving (Corruption Watch Report, 2013). In 1997 the World Bank estimated that the cost of bribery among multinational enterprises was as high as \$80 billion a year (Buckley, 2002: 184). The World Bank further estimates that over one trillion US dollars is paid in bribes worldwide. A country like Indonesia projected that lost revenue due to corruption amounts to about US \$4 billion a year, five times the annual budget for the Indonesian Department of Health (UNDP Report, 2008). This reiterates the severe social and economic impact of corruption.

Globalization is likely to increase corruption. With the increase of globalization there is an increase in global competition as organisations strive to be more competitive and show greater profits (Hess & Dunfee, 2000: 595). Key characteristics of globalisation include the decentralization of authority by nation states to regional and local level, with pressure rising for greater public participation in governance. New technologies have forced governments to act more quickly and speed up decision making, but at the same time to be more accountable (Tiihonen, 2003: 3).

Although corruption occurs in many countries, including Western democracies, the situation is particularly problematic in the African and South African context (Mojtabal, 2006: 1). Corruption constitutes a variety of unethical behaviours that negatively affect governance, transparency, equity, accountability, responsibility, independence, fairness, discipline and respect. It is often civil servants that engage in a range of unethical activities to further their own selfish needs (Gould & Mukendi, 1989: 16). Given the widespread poverty and inequality in South Africa, civil servants are instrumental in ensuring that all South Africans receive the services they are entitled to.

The aim of this chapter is to provide a global perspective on corruption followed by the situation in the African and South African contexts. The chapter also provides a theoretical underpinning for corruption as well as the forms and causes of corruption. As the occurrence of corruption is more pronounced in the public sector compared to the private sector, this investigation will focus on the public sector (Corruption Watch Report, 2013).

2.2 Explaining Corruption

Corruption is the culmination of human compromise against others' interests, where the need for self before others is calibrated against the need for self at the expense of others. The individual becomes motivated by the demise of others as a means of gaining success and fulfilment (Magavilla, 2012: 13). It is a social action that is aimed at the successful realisation of personally defined goals (Bakamba, 2009: 3). Corruption has a potentially devastating impact on good governance as it is attuned to self-gain (Dike, 2007: 19).

Klitgaard (1996: 28) defines corruption as the promotion of selfish interest at the expense of public interests, against the overall objectives of the government by whoever is in charge and responsible within the area of work. Corruption can also be viewed as the abuse of positional power for personal gain or for the benefit of an individual or group to whom allegiance is owed (Parliamentary Centre, 2000: 29).

Fox and Mayer (1996: 25) define corruption as the unlawful or unethical abuse of authority in order to gain personal or group advantages. Kanyane in Mafunisa (2000: 11) defines corruption as the misuse of public funds and the failure of public trust. Heidenheimer, Johnston and Levine (1993: 9) define corruption as the misuse of public resources by those placed in a position of trust. Corruption can also be defined as a systematic deviation from the principle of impartiality and unity, which forms the basis of public administration. Holtzhausen (2007: 24), citing Klitgaard, Maclean and Paris (1996: 1), defines corruption as the misuse of public office for personal gain, where the office implies a position of trust and authority and where an individual is entrusted to act on behalf of an organisation, either private or public.

Corruption can also mean the dysfunctional psycho-emotional responses of individuals to changes in the economic, political and social demands of the work environment. It is a condition governed by a specific set of beliefs, values and emotions that drives an official to be involved in unethical activities (Bere, 2007: 4). Corruption is behaviour that deviates from the formal duties of a public role (elective or appointive) to increase own personal wealth or status, or that of family, friends or partners (Nye, 1967: 416). Cameron (1995: 77) defines corruption as an instrument that violates the public order and is destructively incompatible with a system of public order.

A variety of authors (Banfield, 1975: 587; Jain, 1998: 76; Murphy, Shleifer & Vishny, 1993: 409, Rose-Ackerman, 1996 75) agree that corruption relates to a system of public disorder, which exalts the common interest of public officials. Leff (1964: 8) defines corruption as bribery to obtain foreign exchange, import, export, investment, or production licenses, or to avoid paying taxes. Due to its applicability, the definition of Magavilla (2012: 12) applies to this investigation. It defines corruption as the need to place the self before others - even at the expense of others and where the corrupt individual becomes motivated by the demise of others as a means of gaining success and fulfillment.

Corruption is inherently evil and there is no culture in which corruption is seen as socially acceptable, meaning no society condones corruption (Eigen, 1996; 86).

Webb (2005: 152) argues that corrupt activities can take many forms. General definitions of corruption include public officials who deviate from prescribed norms, who indiscriminately administer a law or adopt a subjective or partisan approach in dealing with clients and diligence in the performance of official duty. Corruption can also be referred to as unlawful conduct or behavior, by any person entrusted with responsibilities in public office, which violates the duties of such a public official and which is aimed at obtaining undue gratification of any kind for self or for others.

Corruption has also been labeled a 'social exchange' or 'social corruption'. Social exchange is a psychological concept suggesting that humans make social decisions, based on their own perceptions about the costs and benefits that could be gained by certain actions or inaction. Social corruption is conventionally understood as an integrated element of 'clientelism'. Clientelism implies an exchange of material benefits but cannot be reduced to this; it is an exchange of goods and services for political support, after involving an implicit or explicit quid-pro-quo. It is essentially a political system which represents an asymmetric relationship between groups of political actors and political parties (Medard, 1998: 308).

Corruption has increasingly become a global concern and a subject of serious scientific study over the past few decades. During the second national anti-corruption summit, Webb (2005: 153), described corruption as an enormous handicap to the development of democracy in a developing country like South Africa. He reiterated that religious communities tend to view corruption as a sin and a grave injustice to society. It is also viewed as a form of moral disintegration, since it leads people away from living a life in accordance with the values associated with especially Christianity. Corruption alienates individuals from God and prevents them from reaching their human potential.

The late Nelson Mandela, in his opening address to parliament in 1999 stated —the hope for the future of our country depends on our resolution as a nation in dealing with the scourge of corruption, success will require an acceptance that in many aspects, we are a sick society, it is perfectly correct to assert that all this was spawned by apartheid, no amount of self-induced amnesia will change the reality of

history, however it is also a reality of the present that among the new cadres of our movement in various levels of government, you will find individuals who are corrupt as - if not more than those they found in government, when a leader in a provincial legislature siphons off resources meant to fund services to the people, when employees of a government institution set up to help empower those who were excluded by apartheid defrauded it for their own enrichment, than we must admit that we are a sick nation”.

Thabo Mbeki, the 1999-2007 president of the Republic of South Africa also alluded to the detrimental effects of corruption by stating that ”corruption is inimical to development, it constrains the ability to fight poverty, negatively affects economic development, damages social values and undermines democracy and good governance”. According to Van der Merwe (2001: 10) corruption is characterized by the following:

- Corruption is almost exclusively found in the public sector, in government departments and among civil servants and politicians.
- Corruption is confined to certain forms of corruption, such as bribery and extortion in the public, where the public sector and the private sector interact, e.g. in awarding contracts or procurement.
- Fighting corruption is largely the function of the state and the state agencies such as the police, the auditor general, specific anti-corruption bodies, the justice system and parliament.
- The following aspects are necessary to ensure the mitigation of the disruptive effects of corruption - clear policies and procedures, ethical codes for the operation of government departments, good governance, an independent judicial system, adherence to democratic principles and a free press.

It could thus be concluded that corruption impedes economic development, limits the efficiency of public services and the utilization of aid, but also weakens political institutions and undermines confidence in governments (Shah, 2007: 25).

2.3 Theoretical framework

As already indicated, corruption amounts to betrayal of public trust and interest for individual gain, if public money is not used to fulfill the mandate of government. Corruption fulfills the selfish interests of those that engage in it (Mafunisa, 2000: 11). There are various theories that underpin the study of corruption including the moralist-normative and the functionalist perspective. The moralist-normative view describes an individual as an entity that is guided by the behaviour of others and thus interconnected, resulting in reciprocity and mutual influencing (SA Department of Public Service and Administration, 2006: 3).

The functionalist perspective entails secrecy as a system with several parts that are related to one another and simultaneously function independently but contribute their quota to the maintenance and survival of the entire system. It therefore assumes that there is harmony, order and stability in the system. For the purpose of this study, the moralist-normative view is mainly applied because it proposes that corruption is inherently negatively anchored in morality of which according to the concept of Ubuntu, this view also perpetuates a positive relationship between morality and exceptional good behaviour, such as e.g. morally grounded individuals will not easily be influenced into participating in corrupt activities or unethical behaviour due to their moral belief.

Rossouw *et al.* (2006: 9) explain that people are influenced by their environment, i.e. if unethical behaviour is condoned, even individuals with good ethical values can become corrupt. Ethical behaviour refers to behaviour that is not only good for oneself but also good for another, and unethical behaviour implies behaviour that harms other individuals. Values refer to the standards that are used to determine whether an action or behaviour is good, not only for oneself but for another. For example, if it is believed that equality or freedom is good, the test is to determine

whether it is good only for oneself or for others if an individual believes that all people deserve to have equality or freedom (Rossouw *et al.*, 2006: 3-5).

Van der Merwe (2001: 21) argues that corruption, even in its most common known form of bribery, is not only a problem in the sense that it is found in the public and private sectors of civil society. Corruption also occurs at different levels of society or social reality, i.e. at the individual levels, group level, local community level, as well as provincial and national levels. Corruption is also viewed as deception by Mafunisa, (2000: 12). Who reported that responses to perceived deception have a significant influence on individuals' psychological reactions. Therefore the psychological impact of corruption could inevitably be equalled to an individuals' concurrent overt behavioural response, with regards to aspects such as self-doubt, lack of self-confidence, loneliness, and post-traumatic stress disorder (Luthans, 2002b.)

Corruption erodes an individual's ability to surpass his or her own capabilities and this evokes no sense of gratification or acknowledgement of achievement due to its modus operandi. Perpetrators lack a sense of pride in their work, while those who are unjustly done in by corruption are privy to manipulation, resulting in feelings of hopelessness and lack of internal locus of control. Due to the adverse psychological impact of corruption it is hypothesised that corruption will negatively influence psychological capital affecting an array of prerequisites for organisational success.

2.4 Corruption in the global and African context

Corruption has both national and international ramifications. Table 1 indicates global corruption findings made by the Global Corruption Barometer (2013) which gives an indication of the extent to which corruption exists in the global context.

Table 1: A global perspective on corruption

Political parties	(51) Argentina, Australia, Belgium, Bosnia and Herzegovina, Brazil, Canada, Chile, Colombia, Croatia, Cyprus, Czech Republic, El Salvador, Estonia, Finland, France, Germany, Greece, Hungary, India, Iraq, Israel, Italy, Jamaica, Japan, Korea (South), Latvia, Luxembourg, Macedonia (FYR), Maldives, Mexico, Nepal, New Zealand, Nigeria, Norway, Palestine, Portugal, Romania, Senegal, Serbia, Slovenia, Spain, Switzerland, Taiwan, Thailand, Tunisia, Turkey, United Kingdom, United States, Uruguay, Vanuatu, Yemen
Business/Private sector	(3) Algeria, Fiji, Norway
Religious bodies	(3) Denmark, South Sudan, Sudan
Media	(4) Australia, Egypt, New Zealand, United Kingdom
Medical and health services	(6) Albania, Armenia, Azerbaijan, Ethiopia, Morocco, Serbia
Parliament/Legislature	(7) Colombia, Indonesia, Japan, Lithuania, Maldives, Paraguay, Taiwan
Public officials/Civil servants	(7) Armenia, Kyrgyzstan, Libya, Mongolia, Pakistan, Russia, Serbia
Judiciary	(36) Bangladesh, Bolivia, Burundi, Cameroon, Egypt, El Salvador, Ethiopia, Ghana, Indonesia, Jamaica, Kazakhstan, Kenya, Kyrgyzstan, Liberia, Malawi, Malaysia, Mexico, Morocco, Mozambique, Nigeria, Pakistan, Papua New Guinea, Philippines, Rwanda, Senegal, Sierra Leone, Solomon Islands, South Africa, Sri Lanka, Tanzania, Thailand, Uganda, Venezuela, Vietnam, Zambia, Zimbabwe
Police	(36) Bangladesh, Bolivia, Burundi, Cameroon, Egypt, El Salvador, Ethiopia, Ghana, Indonesia, Jamaica, Kazakhstan, Kenya, Kyrgyzstan, Liberia, Malawi, Malaysia, Mexico, Morocco, Mozambique, Nigeria, Pakistan, Papua New Guinea, Philippines, Rwanda, Senegal, Sierra Leone, Solomon Islands, South Africa, Sri Lanka, Tanzania, Thailand, Uganda, Venezuela, Vietnam, Zambia, Zimbabwe

*Most corrupt institution in each country scoring highest on perceived level of corruption among a set of 12 major institutions, by country/territory.

**Some countries are listed more than once because respondents gave the same rating for more than one institution.

Table 1 shows that corruption is the most prevalent in the political structures of 51 countries, and within the judicial systems and police forces of 36 countries. It also shows that corruption is less rife within the media and business/private sector which supports the notion that corruption is more prevalent in the public than in the private sector.

The occurrence of corruption is especially problematic in the African context. Most African governments tend to have weak laws and regulations to govern the incidence of corruption (Mbaku, 2008: 56). The occurrence of corruption is also more prominent when resource allocation is politicized and civil servants are the main allocators of the resources (Dube, 2011). This has the potential to contribute to what is labeled ‘bureaucratic corruption’. Bureaucratic corruption occurs when government activities, like the procurement of goods and services, project management and coordination are prevalent in the running of the economy (Hanson, 2009). Corruption in the African context could also be attributed to cultural clashes between traditional African norms and foreign, mostly Western norms. This relates to the difference between collectivistic and individualistic societies.

Collectivistic societies are mainly characterized by common value systems within a community where decisions are taken collectively as opposed to individualistic societies, where an individual's value system is based on the self and personal development. In collectivistic societies the members experience a sense of community and the needs of the community are placed before the needs of individuals. Collectivism could also be regarded as any philosophic, political, economic or social perspective that emphasizes the interdependence of individuals within the group context (Kennedy, 2001).

African societies are mostly collectivistic and emphasis aspects like good human relations, a sense of sacredness in understanding one's connection with the world, the importance of religion and spirituality, being hospitable and having respect for authority and elders (Mbaku, 2008 3). This contrasts with individualism (which is normally prevalent in most Western societies) where the needs of the individual are paramount. This usually implies that everybody minds their own business (Alam,

1995: 25; Bailey, 2006: 98). In Africa many people see corruption as a practical problem involving the outright theft, embezzlement of funds or other appropriation of state property, nepotism and the granting of favours to personal acquaintances and the abuse of public authority and position to exact payments and privileges (Harsch, 1997: 33).

Wraith and Simkins (1963: 340) argue that corruption had nothing to do with traditional values within the Africa personality or with the adoption to Western values. The wrong that is done is done in the knowledge that it is wrong, for the concept of theft does not vary between Christian and Muslim, African and European.

—buntu” does not encourage corrupt behaviour. Ubuntu is an African proverb meaning humanity. In full it is —ubuntu-ngumuntu-nga-banthu” which simply means, you are what you are because of others. Ubuntu speaks to the idea of universal being; u meaning being, while ntu alludes to the universal life force. This universal life force is found in all things, including mintu (humanbeingness), hantu (spirit in time and place), kitu (spirit in things) and kuntu (spirit in modality/expressiveness).

If one’s behaviour is deemed to benefit the community you are deemed to be human as you conduct yourself in a manner that perpetuates life and does not destroy it (Pan African Studies, 2010). Ubuntu is inherently collectivistic and corruption is considered un-African behaviour as it seeks self-aggrandizement at the expense of the majority of the community.

2.5 Corruption in the South African context

The occurrence of corruption in the South African context has a long history and also existed in the apartheid era .One cannot advance to a deeper understanding of issues of corruption if one is treated to reckless and unhelpful observations such as blaming South Africa’s short history of democracy for the decline of morals and values to such an extent that we now see tainting the South African public sector (Goba, 1999: 227).

Corruption is not just endemic but an integral part of the social fabric of life for those at the bottom end of society, for instance in the public service, the sale of the limited amount of power that a lower level civil servant possesses is virtually his or her only means of survival. Although higher up within the civil service, extortion is one of the major avenues of enrichment. It facilitates social advancement and the upholding of one's position, and it enables the political elites to fulfill their duties, to meet the expectations of their clients and hence, to enhance their status (Chabel & Daloz, 1999).

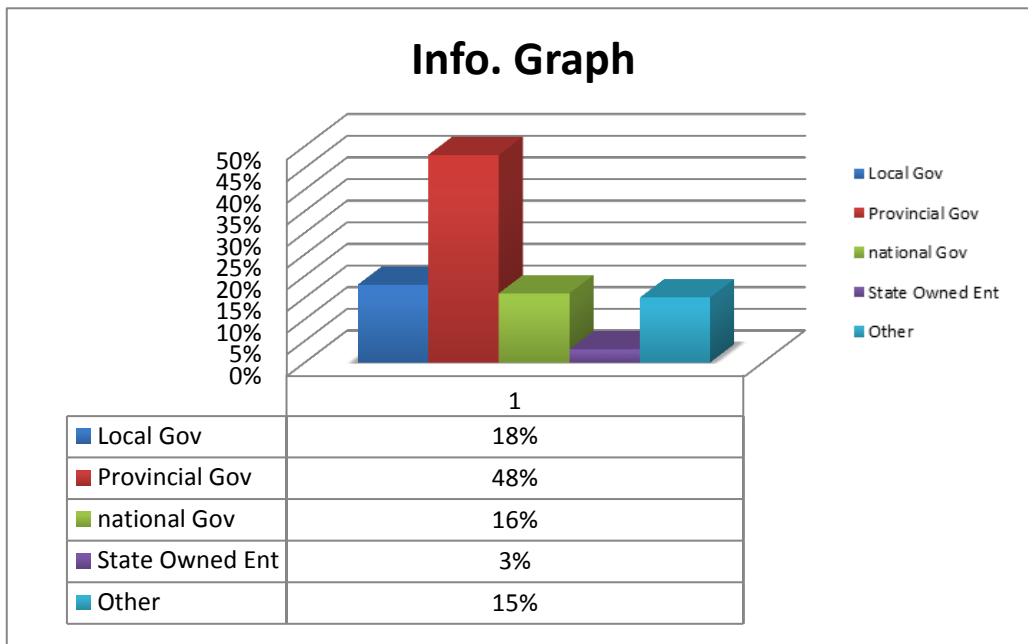
With the advent of democracy there is greater awareness of the need for accountability and transparency and public officials in the new political context are expected to demonstrate traits of public honesty and accountability. It is therefore not surprising that there are serious challenges concerning corruption in the public sector. Pillay (2004: 590) argues that the major contributions to corruption in the South African public sector have been:

- Ineffectiveness of anti-corruption laws.
- Excessive demand of goods and government services on all levels. Due to the inequality that exists in South Africa, the demand for basic government services will always be a contributing factor to the high prevalence of corrupt activities in the public sector.
- Entrepreneurial behaviour and politics which can be related to aspects such as tender fraud are rampant.
- Bureaucratisation and the strong political influence attached to the public service in South Africa remains a concerning issue.
- Restrained discretion, characterised by low levels of accountability amongst public officials remains problematic.

- Defective administrative arrangements (including inadequate controls) continue to exacerbate injustice, inefficiency, mistrust and wastage of public resources. This impact negatively on national and international investment and political instability.

Hanekom (1983) argues that often members of the public take little interest in government activities. This is particularly the case at municipal level in South Africa, where there is a voting percentage of 20% or less at municipal elections. This lack of interest is also found in civil associations that campaign for improved services and benefits. A lack of public interest could result in ineffective scrutiny of the executive actions which could lead to public officials getting away with corrupt acts.

According to the 2013 Corruption Watch Report in South Africa, the types of corruption that were reported and those that were prevalent included the abuse of government resources by public officials, which increased from 32% to 43%. An instance where corruption in procurement processes was confirmed decreased by 7% in comparison to other corruption cases. Bribery was confirmed in 13% of the cases. According to Corruption Watch (2013: 5) the figures in Graph 1 indicates the prevalence of corruption in the South African government.



Graph 1: Prevalence of corruption in the South African government

During the National Anti-Corruption Forum (NACF) Conference held in December 2011, it became evident that corruption is a major problem in all spheres of government, at national, provincial and local levels. Corruption undermines the ethos of democratic governance which eventually results in the erosion of public confidence and trust in the democratic process (Ristei, 2010: 350).

This ultimately results in citizens being unwilling to co-operate with government which starts a vicious cycle which may result in anarchy which benefits no-one. It furthermore serves as an obstacle to the rule of law as the judicial system, police and others act in the interests of those willing to pay a bribe. The primary beneficiaries of corruption are those who already possess power and wealth (Fanaroff, 2004: 84).

Ebrahim (1999: 58) argues that corruption has been identified as a scourge, capable of threatening South Africa's young democracy. Reports on incidents of corruption have become a recurring theme in the media, creating the impression that the newly transformed administration of public service is corrupt and that the rot is setting in.

Ebrahim further states that there has been an outcry from civil society, the media and the public, and there is growing demand that government should prevent this issue from becoming an all-consuming problem.

He argues that South Africans have developed a wipid response to corruption. The focus of attention is mostly on those who are corrupted to the exclusion of those who corrupted them. It is even socially acceptable to boast about how people are able to bribe an official, evade tax or have a contract in one department to expedite matters.

The cost of corruption can also be high if it prevents an efficient and equitable delivery of public services. One example of this is the level of inefficiency in installing water metres Transparency International (2008) reported that corruption can raise the price paid for connecting a household to a water metre with up to 30% in the developing world. Challenges like this negatively impacts the achievement of the Millennium Development Goals on water and sanitation (Transparency International Global Corruption Report, 2008).

There are also cases where strides have been made in combating corruption. The South African Special Investigations Unit (SIU) allegedly saved the South African government an amount of R3.5 billion on projected future losses over a ten-year period by successfully investigating corrupt activities involving public servants (corruption watch, 2013).

In the provincial anti-corruption consultative conference held at the East London International Convention Center on 10 September 2010, advocate W.H Heath made the following submissions (2010):

- That South Africans are not doing enough to combat corruption. The absence of definitive action creates the perception that it is acceptable to commit corruption and people are prepared to let corruption go unpunished.

- Both civil society and government should mobilize themselves to fight corruption. The main instigator of corruption is civil society that finds willing partners in government.
- The media tends to highlight certain key cases, whereas they should rather focus on corruption on all levels, thereby acting as a powerful watchdog.
- South Africans have become exceptionally greedy and are prepared to sacrifice all principles.
- High profile people in society and government do not ascribe to a code of ethics and merely pay lip service to good governance and corruption prevention.
- It is often the very people who are supposed to enforce society's moral codes who commit corrupt deeds and they remain unpunished.
- Corruption undermines the constitutional rights to human dignity, equality and freedom, endangers the stability and the security of societies, and undermines the values of democracy.
- Corruption seriously jeopardizes sustainable development, the rule of law and the credibility of government and also provides a breeding ground for organized and syndicated crime.

Despite numerous pieces of legislation formulated by the South Africa government and which are aimed at preventing and combating corruption [see Prevention of Organized Crime Act (POCA)(No 121 of 1998; Public Finance Management Act (No 1 of 1999); Promotion of Access to Information Act (PAIA) (No 2 of 2000); Promotion of Administrative Justice Act (PAJA) (No 3 of 2000); Protected Disclosures Act (PDA) (No 26 of 2000); Financial Intelligence Centre Act (FICA) (No 38 of 2001); Prevention and Combating of Corrupt Activities Act (No 12 of 2004)], South Africa remains inundated with this problem.

2.6 Forms of corruption

Corruption is complex, multifaceted and has many forms. The forms of corruption include: political corruption, systematic corruption, legislative corruption, bureaucratic corruption, and grand corruption.

Political corruption has some particularly important repercussions in that it has a direct effect on the rules of the political game and the operating rules of the political system. Political corruption implies the manipulation of political institutions and the rules and regulations that govern it. Political corruption could be viewed as a deviation from the rational-legal values and principles of the modern state that could lead to institutional decay. The basic problem of political corruption is the lack of political will to face the problem. The power-holders usually do not wish to change a system of which they are the main predators (Amundsen, 1997: 36).

Systematic corruption is not a special category of corrupt activities, but rather it is regarded as a situation in which major institutions both in the private and public sector have been deeply rooted and masked in corrupt activities, to such proportions that processes of the state are routinely dominated and used by corrupt individuals and groups and where most people have no alternatives to dealing with corrupt officials. Galtung and Pope (1999: 20) recognized that corruption impacts heavily upon the poorest sections of society, who ultimately bear the cost of the distortions and deprivations produced by corruption (Doig & Robin, 2000: 1).

It is generally believed that the effects of corruption on the politics or state are that it renders the state incapacitated and impotent. Corruption is destructive to the state's ability to extract taxes, to implement coherent and rational development policies and to redistribute resources among its people. This impacts the state's ability to transform society and provide sustainable development.

Legislative corruption refers to the manner and the extent to which the voting behaviour of legislators can be influenced. This type of corruption would include vote-buying, whether by legislators in their attempt to be re-elected or by officials in

the executive branch in their efforts to have some legislation enacted (Rose-Ackerman, 1996: 4, Rose-Ackerman, 1999: 127). There is little doubt that corrupt practices have a negative effect on income and growth World Bank (2000).

Bureaucratic corruption refers to corrupt acts of the appointed bureaucrat in their dealings with either their superiors (the political elite) or with the public. The public may be required to bribe bureaucrats either to receive a service to which they are entitled, or to speed up service delivery. Bureaucrats may also extract payments while carrying out tasks assigned to them by the political elite. Corruption in the judiciary, where bribes can lower either the costs or the chances of legal penalties (termed bribes to buy judicial decision in Rose-Ackerman, 1996, also exist.

Grand corruption generally refers to the acts of the political elite by which they exploit their power to make economic policies, as elected officials or in the government's role of a benevolent social guardian (Kruger, 1993: 22). According to Swamy (2011: 39) grand corruption is characterized by large bribes and commissions offered or paid by businesses in their quest for government orders (e.g. public procurement contracts).

This has the potential of rendering political systems illegitimate. In many African countries presidents have been toppled in elections where corruption issues have been high on the agenda (Mbaku, 2008: 45). Moreover corruption is entrenched and systematic and there are many cases where there's a lot of talk but no action is taken. This renders the entire political system dishonest and illegitimate, with withdrawal and political apathy being a consequence.

Smith (1999: 184) argues that corrupt practices can be categorized into two groups, grand corruption, which occurs at the highest organisational levels, and petty corruption. Smith attests that grand corruption distorts competition and induces incorrect decisions that result in the implementation of inappropriate programmes, inflated prices and inappropriate contractors. Petty corruption occurs at lower levels and is damaging because it increases transaction costs, excludes those who cannot pay, fosters contempt for public officials and erodes capacity for revenue collection.

According to Du Plessis (1999: 33) corruption in the procurement process is probably one of the most serious threats to the public sector. The outcome of this is usually bribery and kickbacks. This is difficult to defeat as it constitutes off-book frauds. Off-book frauds occur outside the accounting environment, where no audit trail is likely to exist, e.g. when an employee receives a bribe for selecting a certain supplier, the payment is made by the supplier to the employee and is therefore not be reflected in the books of the affected company.

2.7 Causes of corruption

The causes of corruption in South Africa are contextual, rooted in the bureaucratic traditions, political development and social history of the country. According to Pillay (2004: 589) and Ristey (2010: 348), corruption has flourished as a result of institutional weakness. The motivation for public sector employees to work productively has been undermined by factors such as promotion which is divorced from performance, the demoralization of staff members by dysfunctional government budgets, inadequate supplies and equipment, delays in the release of budget funds, and a loss of organisational purpose. The motivation to remain honest has been further weakened as a result of senior officials and political leaders using public office for gain.

According to Swamy (2011: 46) the factors which may contribute to corruption in the public service in South Africa amount to lacking executive leadership; unsavory behavioural patterns within society such as lawlessness, undue political influence by politicians, poor discipline of public servants, a lack of accountability and low levels of integrity; the inadequate management of information systems; and poor work ethics. Corruption within law enforcement agencies is also rampant and they are often unable to successfully investigate and prosecute offenders of corrupt acts (Numsa, 2004: 1).

Another cause of corruption is found in political institutions or political parties. Political institutions are organisations which create, enforce and apply laws that

mediate conflict and make (government) policies. Political institutions are part and parcel of any democratic state, but the level of bureaucracy associated with these institutions leaves a lot to be desired as decisions are not always taken in the best interest of the greater citizenry (Numsa, 2004: 1).

These institutions, as is the case in most African counties, would nominate an individual or individuals into public office. Nominated individuals could be privy to manipulation and deceit from within the structures of the political institutions, mainly with the sole purpose of being involved in corrupt activities, economic development and public sector wages.

According to Tanzi (1998 25) democracy is sometimes thought to increase corrupt transactions, by providing an enabling environment within a particular country for corrupt activities to flourish. The size of the state may also influence the supply of corrupt public servants .Tanzi (1998: 26) indicated a positive relationship between the size of the state and corruption. Political institutions that support continuity of corrupt practices and avoid political alternation may increase corruption.

According to Myrdal (1970: 236), in underdeveloped countries a bribe to a person holding a public position carries the same weight as offering someone gifts or paying tributes in a developed country. Myrdal (1970: 237) indicates that the demand for corrupt activities is greater in less developed societies and corruption is often thought to vary with the level of economic development in traditional societies. Underdeveloped African societies usually have a greater need for self-enrichment due to the high levels of poverty and inequality.

According to Lindbeck (1998) the wages paid to civil servants are important in determining the degree of corruption. For example, he indicated that corruption in Sweden could be attributed to the fact that at the turn of the century, high-level administrators earned twelve to fifteen times the salary of an average industrial worker. This view supports that of Becker and Stigler (1974), Van Rijckegheim and Weder (1997: 26), Ul Haque and Sahay (1996), and the World Bank (1997), who all concede that higher civil service wages may reduce corruption by public officials.

Restrictions on economic freedom may encourage corruption. Paldom (1999) argues that corruption is negatively correlated to economic freedom. This is supported by Ades and Di Tella (1997) who argue openness is negatively associated with corruption. The authors conclude that economic competition, as measured by the degree of a country's openness, reduces corruption. According to Sach and Warner (1995), Treisman, Glomm and Janeba (2000) as well as Leite and Weidmann (1999), economic competition significantly and negatively impacts on the level of corruption.

Poverty and inequality in South Africa is a critical dilemma in the post-apartheid era. Statistics South Africa indicated that poverty should be seen in broader terms and not merely as low income or low expenditure in a country. Poverty should be seen as the denial of the opportunities and choices that are most basic to human development in leading a long, healthy, creative life with a decent standard of living, freedom, dignity, self-esteem and respect from others. Furthermore, Gupta, Davoodi and Alonso-Terme (1998) argue that corruption increases income inequality. This is supported by the findings of Corruption Watch (2013: 7) that also reported a significant positive impact of corruption on inequality.

2.8 Summary

There are many factors that promote the occurrence of corruption in the South African context - most notably the abuse of authority by those in political authority; a lack of accountability amongst public servants; as well as unclear values, norms and standards of behaviour. Although corruption is a global concern its prevalence in the South African public sector is particularly alarming. Corruption deprives ordinary South Africans of their basic human rights as public servants must render quality services to all citizens regardless of their socio-economic status. Corruption can only become a priority if openness and transparency is promoted and enforced. Corruption does not benefit society – rather, it erodes the resources needed to develop and uplift people. This chapter provided numerous definitions and explanations of corruption and contextualised it within the South African context.

CHAPTER 3: PSYCHOLOGICAL CAPITAL IN THE ORGANISATIONAL CONTEXT

3.1 Introduction

Organisations in the contemporary world cannot prosper and grow without realising that their employees are their most valuable assets. Employees can also be regarded as the competitive advantage of organisations. This means that employees need to be progressive, highly motivated, resilient, optimistic and hardworking. It is thus important that the well-being of employees is a prime concern for organisations.

To comprehend the optimal functioning of humans in their work environment, positive psychology suggests that positive emotions should allow individual communities and societies to thrive and flourish (Compton, 2005: 4). Positive psychology is concerned with the scientific study of optimal human functioning and deals with positive human attitudes and experiences. Positive emotions are the subjective states that individuals experience, such as happiness, joy and pleasure, whereas individual traits refer to those concrete behavioural patterns shown by individuals (Compton, 2005: 5).

Positive institutions refer to the creation and maintenance of institutions that support individuals and provide them with healthy and nurturing environments (Compton, 2005: 5). Psychological capital is an important sub-set of positive psychology and focuses on the personal strengths and positive qualities of individuals. This is likely to lead to improved individual and organisational performance (Luthans & Youssef, 2004: 2). This chapter deals with the concept of psychological capital and its importance within the organisational context.

3.2 The development of psychology

Psychology has its roots in philosophy and Greek philosophers were instrumental in early development of the terminologies. Socrates (about 469-399 BCC) proclaimed that people should take an interest in the mind (Greek psyche) rather than in material

things. Plato (427-347 BC), a student of Socrates, is especially known for this distinction between body and mind (where the terms spirit and soul are often interchangeably used with mind).

Plato can be understood as having been an idealistic and rationalistic philosopher. He divided reality into two aspects: on the one hand he states that, reality is an idea or ideal and furthermore he asserts that this reality is unlimited and permanent, but also it is external and spiritual; while on the other hand there are phenomena, which are manifestations of the ideal. Phenomena are appearances as they seem to us and are associated with matter, time and space (McLeod, 2008: online). Aristotle (384-322 BCC), who was a student of Plato, referred to what Plato called idea or ideal, as essence and matter.

Matter is without shape or form or purpose; it is just stuff, pure potential, no actuality. Essence is what provides the shape or form or purpose to matter. Essence is perfect and complete, but it has no substance, no solidity. Essence and matter need each other (Louw, 1997: 13). However, there was no independent scientific movement until the 18th century when the scientific revolution took place. Prior to that, knowledge in the Western world came from the church (as God's representatives on earth). This was called the pre-scientific stage.

During the scientific revolution a more critical approach to knowledge acquisition and critical thinking was adopted. This was labelled modernism. This new and critical way of thinking advocated rational, systemic thought and empiricism (which is a search for the truth through experience and experiments). Modernism rejected knowledge that came from authority figures like the church and paved the way for the first scientific investigations about human behaviour (McLeod, 2008: online).

Wilhelm Wundt is seen as the founder of psychology. He opened the first psychological laboratory at the University of Leipzig in 1879. Wundt's aim was to uncover the structure of the mind or consciousness. Wundt wanted to show the basic elements which the mind consists of and how these elements worked together. This was known as structuralism. Wundt was involved in a process of disciplined self-

observation, calling for introspection. Wundt's experimental work focused on perception, attention and reaction time (Craford *et al* 2006: 23)

3.3 Explaining psychology

Psychology is the scientific study of the mind and behaviour. The word —psychology' originated from the Greek word psyche' meaning life' and logos' meaning explanation' (McLeod, 2008: online). The study of psychology spans many different topics at many different levels of explanation and attempts to comprehend the fundamentals of human behaviour. The study of psychology can be divided into three levels, mainly the lower level, middle level and the higher level of psychology.

The lower levels of psychology are mostly tied to biological psychology which is closely tied to biological influences such as genes, neurons, neurotransmitters and hormones. The middle levels are mostly linked to personality psychology which refers to the abilities and characteristics of individual people. The highest levels of psychology are mostly associated with social psychology which studies an individual's interaction in relation to social groups, organisations and cultures (Craford *et al* 2006).

3.3 Fields of psychology

Although the roots of psychology can be found in the philosophers of antiquity, the development of contemporary psychology could be traced to the psychodynamic approach of Sigmund Freud (1856-1939). Freud is generally regarded as the father of modern psychology although previous scholars like Charles Darwin prepared the way for this to happen. Darwin's evolution theory proposed that the psychological characteristics of animals and humans evolved because they were useful or functional (McLeod, 2007: online).

Freud explored the human mind more thoroughly than any scholar who came before him. His contributions to psychology are vast and Freud is one of the most influential people of the twentieth century. His enduring legacy influenced not only psychology

but also art, literature and even the way people raise their children (McLeod, 2008: online).

This section will provide an overview of various schools of thought in psychology. Due to its complex nature and long historical past, psychology attempts to explain the mental processes associated with human experience. This includes some prominent fields like psychodynamic psychology, behaviourism, humanism, cognitive psychology, social psychology, biopsychology, clinical and developmental psychology, forensic psychology, industrial psychology and the focus of this study, positive psychology.

3.3.1 Psychodynamic psychology

The field of psychodynamic psychology was developed by Sigmund Freud. Freud believed that the unconscious mind determines individual behaviour and that behaviour is motivated by unconscious emotional drives. Freud proposed that the unconscious mind contains unresolved conflicts and has a powerful effect on an individual's behaviour and experience (McLeod, 2007: online). Psychodynamic psychology focuses on the role of unconscious thoughts, feelings and memories. Moore and Fine (1995: 65) believe that the psychodynamic school has had a substantial impact on the field of psychology and on thinking about human behaviour in general.

3.3.2 Behaviouristic psychology

Behaviourism is based on the premise that it is not possible to objectively study the mind and therefore psychologists should limit their attention to the study of behaviour itself. John B. Watson (1878-1955) was the pioneer in this field and paved the way for further development of this school of thought. Watson found that systematically exposing a child to fear-invoking stimuli in the presence of objects that did not themselves elicit fear could lead the child to respond with fearful behaviour in the presence of the stimulus. A fearful stimulus is defined as events that people and

other organisms experience in their environment (Watson & Rayner, 1920; Beck, Levison & Irans, 2009).

B.F. Skinner , a renowned behaviourist, believed that although all individuals have a mind, it is advisable to focus on observable behaviour rather than internal mental events. He believed that the best way to understand behaviour is to look at the cases of an action and its consequences. This approach was termed operant conditioning. Skinner's theory of operant conditioning can be described as a process that attempts to modify behaviour through the use of positive and negative reinforcements. Through operant conditioning an individual makes an association between behaviour and a consequence.

Reinforcements are considered to be responses from the environment that decrease the likelihood of a behaviour being repeated. Punishment weakens behaviour. There are two forms of reinforcements:

- Positive reinforces are favourable events or outcomes that are given to an individual after the desired behaviour.
- Negative reinforcements are characterised by the removal of an undesired or unpleasant outcome after the desired behaviour.

Punishment is when the increase of something undesirable attempts to cause a decrease in the behaviour that follows. There are two types of punishment:

- Positive punishment is when unfavourable events or outcomes are given in order to weaken the response that follows.
- Negative punishment is when an unfavourable event or outcome is removed after an undesired behaviour occurs (Skinner, 1938).

3.3.3 Humanistic psychology

Humanistic psychology or humanism emerged during the 1950s as a reaction to the psychoanalysis and behaviourism that dominated psychology at the time. Psychoanalysis focuses on understanding the unconscious motivations that drive behaviour while behaviourism studied the conditioning processes that produce behaviour. Humanist thinkers felt that both psychoanalysis and behaviourism were too pessimistic, either focusing on the most tragic of emotions or failing to consider personal choice. As early as 1954, Abraham Maslow, a leading humanist scholar, argued that psychology tended to focus more on the “~~dark~~” side of human nature (Leonard, 1983: online).

Maslow (1954: 25) proposed that the field of psychology should be more balanced in areas such as growth, contentment, optimism and actualisation of human potential. Maslow called for greater balance and a focus on the more positive side of human behaviour. Humanistic psychology believes that humans are innately good and that humans strive for growth and to reach self-actualisation. Humanism suggests that people possess personal agency, and are motivated to use this free will to pursue things that will help achieve their full potential as human beings (Maslow, 1954: 22). Maslow is renowned for his hierarchy of needs theory.

3.3.4 Cognitive psychology

Cognitive psychology studies mental processes that include perception, thinking, memory and judgement, and it revolves around how people think, remember how they make decisions, and what they perceive. Cognitive psychology views the human mind as an information processor that, like a computer, turns sensory input into knowledge (Ilandi & Feldman, 2001; Craford *et al.*, 2006: 25).

3.3.5 Social-cultural psychology

Social-cultural psychology is the study of how social situations and cultural orientations influence the way individuals think and behave. Important aspects of

social-cultural psychology include aspects such as social norms, which are defined as the ways of thinking, feeling or behaving shared and perceived by group members (Asch, 1952; Cialdini, 1993). Cultural norms are defined as common sets of social norms, including religious, family values and other moral beliefs, shared by the people who live in the same geographical region (Fiske, Kitayama, Markus & Nisbett, 1998; Markus, Kitayama & Heiman, 1996; Matsumoto, 2001).

3.3.6 Biopsychology and Neuroscientific psychology

Biopsychologists and neuropsychologists investigate the relation between psychical systems and behaviour. Biopsychology covers the relation of specific biochemical mechanisms in the brain to behaviour, as well as the functioning and chemical processes of the brain. Neuropsychologists also diagnose and treat disorders related to the central nervous system and may diagnose behavioural disturbances related to suspected dysfunctions of the central nervous system (College of Psychology, 2012).

3.3.7 Clinical psychology

Clinical psychology constitutes one of the largest fields of psychology and the focus is on the assessment, diagnosis, causes and treatment of mental disorders. Clinical psychologists assess and treat people with psychological problems. This may involve a variety of chronic psychiatric disorders such as depression, schizophrenia and bipolar mood disorder (Munchinsky, 2000: 91)

3.3.8 Developmental psychology

Developmental psychology focuses on development throughout the lifespan of an individual - from childhood to adulthood. Developmental psychology is a scientific study of human development that seeks to understand and explain how and why people change throughout their lives. This includes all aspects of human growth including emotional, intellectual, social, perceptual and personality development.

Topics studied in this field include everything from prenatal development to Alzheimer's disease (College of psychology, 2012).

3.3.9 Forensic psychology

Forensic psychology is the application of science to the profession of psychology and to questions and issues relating to the law and legal systems. The word – forensic” comes from the Latin word – forensic” meaning of the forum, where the law courts of ancient Rome were held. Forensic psychologists can perform many roles, meaning that this definition is variable. In many cases people working within forensic psychology are not necessarily forensic psychologists. These individuals might be clinical psychologists, school psychologists, neurologists or counsellors who lend their psychological expertise to provide testimony, analysis or make recommendations in legal or criminal cases. Forensic psychology can also be viewed as the application of psychological principles to understand the behaviour of judges, attorneys, courtroom juries and others in the criminal justice system (College of Psychology, 2012).

3.3.10 Industrial-Organisational psychology

Industrial-Organisational psychology is a branch of psychology that applies psychological theories and principles to organisations and is often referred to as I-O (Industrial-Organisational) psychology. This field focuses on increasing workplace productivity and related issues such as the psychological and mental well-being of employees. Industrial-organisational psychologists perform a wide variety of tasks. These include studying worker attitudes and behaviour, evaluating companies and conducting leadership training. The overall goal of this field of psychology is to study and understand human behaviour in the workplace (Munchinsky, 2000: 90).

As the focus of this investigation is on positive psychology, the next section will explain the term in detail.

3.4 Positive psychology

The positive psychology paradigm was developed by Seligman and Csikszentmihalyi in 2000. Avey, Luthans and Jansen (2009: 678) define positive psychology as the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed and effectively managed for performance improvement. Psychological capital forms part of positive psychology and constitutes the focus of this investigation.

Historically, psychology's main focus fell on the weaknesses that plagued individuals and how these weaknesses could be remedied to create a psychologically sound individual. Positive psychology is concerned with people's strengths (rather than weakness and dysfunctions) and how they can grow and thrive rather than be fixed or maintained (Seligman, Steen, Park & Peterson, 2005: 75).

Positive psychology is an area of study which emerged as a result of criticisms levelled against the discipline of psychology, for its preoccupation with diagnosing and focus on the negative aspects of human thinking and human pathology, rather than identifying and enhancing the positive aspects or strengths of individuals (Seligman & Csikszentmihalyi, 2000: 14). Keeping to the positive aspects of human behaviour, the field of positive psychology has grown considerably in recent years, together with positive organisational psychology (Luthans, 2002a).

The focus of the positive psychology movement is to use scientific methodology to analyse and promote matters that focus on health and vitality and makes people's lives better, as it builds on the strengths of people rather than focus on their weaknesses. The focus is on optimal human functioning as opposed to pathological human functioning (Seligman & Csikszentmihalyi, 2002: 15).

This field places emphasis on the concepts of strengths, virtues, excellence, thriving, happiness, flourishing, resilience, flow and optimal functioning (Donaldson & Ko 2010: 25; Snyder & Lopez, 2002). Promoting positive emotions and individuals strengths are thus linked to successful outcomes (McMahon, 2009; Gable & Haidt,

2005: 104). According to Seligman (2002: 18), positive psychology is based on three main concepts, namely the study of positive emotions; the study of positive traits or qualities, especially strengths and virtues (including such abilities as intelligence and athleticism); and finally, the study of positive institutions such as democracy, family and freedom. Luthans et al. (2007) as well as Snyder (2002) have had success in developing positive psychological variables in business organisations as well as in athletics and educational settings.

Seligman (2002: 15) asserts that the field of positive psychology, at the subjective level, relates to valued subjective states or positive emotions such as happiness, joy, satisfaction with life, love, etc. (Compton, 2005: 7). A focus on the positive aspects of human behaviour is likely to foster positive organisational behaviour (Luthans, 2002a, 2002b.). Positive organisational behaviour focuses on measurable positive psychological states that are open to development and that have an impact on desired employee attitudes, behaviours and performance, such as psychological capital.

Luthans (2002a: 59) defines positive organisational behaviour as the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed and effectively managed for performance improvement. Psychological capital is a direct result of focusing on the positive aspects of human behaviour in the organisational context.

3.5 Psychological capital

Psychological capital can be viewed as “who you are” and what you can become in terms of positive development (Avolio & Luthans, 2006). This differs from the terms ‘human capital’ (what you know), ‘social capital’ (who you know) and financial capital (what you have) (Luthans & Youssef, 2004: 541). Psychological capital centres around four key dimensions, namely self-efficacy, hope, optimism and resilience. Self-efficacy is a belief in one’s capabilities to achieve a goal or an outcome. Hope represents an individual’s capability to construct and change both personal and

career goals and the belief that the set goals could be achieved and sustained Luthans & Youssef (2004: 542).

Optimism is a mood or attitude associated with an expectation about the social or material future, one which the evaluator regards as socially desirable and to his or her advantage or pleasure (Tiger, 1979: 18). Resilience could be refined as the ability to succeed and prosper even after facing setbacks and hardships and represents the positive capacity of people to withstand stressors and to cope with trauma (Toor & Ofori, 2010: 341).

Psychological capital can thus be defined as an individual's positive psychology state of development that is characterised by self-efficiency, optimism, hope and resilience (Luthans *et al.*, 2007).

The integration of hope, efficacy, resilience, and optimism represents the core constructs of psychological capital (Avey, Luthans & Youssef, 2009: 436). Psychological capital is derived from positive psychology and emerged as a construct of positive psychological behaviour (Luthans *et al.*, 2007).

Luthans *et al.* (2007) argue that for any positive psychological capacity to become a part of psychological capital, there are the following criteria:

- It should be a positive and relatively unique field of organisational behaviour.
- It should fulfil the scientific criteria of being theory and research based (that means it should have a substantial theoretical and research background).
- It should be state-like (that means the capacity is not hardwired or trait-like or static in nature) and therefore can be developed with certain interventions.
- Should be measurable (with the help of some tool such as a questionnaire).

- It should be related to work performance outcomes (it should have some positive influence on sustainable work performance).

Psychological capital suggests that employees exhibit the following characteristics with regard to organisations:

- Employees are more likely to formulate a plan of action for difficult situations and take constructive steps to resolve them (Luthans & Youssef, 2004).
- Employees have a more positive outlook on stressful situations, use humour and do not view setbacks as failures, but as challenges and opportunities that can be improved on for success, which could be classified as positive reframing (Billingsley, Waehley & Hardin, 1993).
- Employees are able to recognise and disengage from unresolved problems and devote problem-solving to aspects of a situation that are controllable or solvable so as to conserve resources (Billingsley *et al.*, 1993).
- Employees remain committed to the organisation, thereby leading to higher levels of performance (Luthans & Youssef, 2004).

Pessimistic employees exhibit the following behaviours according to Billingsley *et al.*, (1993):

- Engage in thought suppression (deny what is occurring).
- Give up before even trying, become self-distracted and focus on the distress.
- Are more prone to depression and demonstrate disinterest instead of action.
- Give up and wallow in defeat, even when success is attainable.

3.6 The components of psychological capital

As already indicated, psychological capital has four distinct components: hope, resilience, self-efficacy and optimism (Luthans *et al.*, 2006: 387; The four elements will be discussed below.

Hope

According to Snyder (1994: 287) —hope is a positive motivational state that is based on an interactively derived sense of successful agency, and pathways to meet goals”. Hope consists of three components, i.e. agency, pathways and goal. The agency is referred to as the will or motivational energy to pursue a goal. A pathway refers to the various ways that an individual may attain a specific goal, and the last component is the actual process of identifying sub-goals and goals (Avey *et al.*, 2009).

Snyder (1995: 355) further defines hope as the combination of cognitive energy and pathways to one’s goals. The theory is based on goal-directed thinking that leads individuals toward desired outcomes, incorporating the components of willpower, or the agency or energy needed to move toward one’s goals and the perceived ability to create pathways or willpower to accomplish the goal. Snyder (1995: 356) asserts that individuals with higher levels of hope are likely to approach goals with positive feelings, as a sense of challenge and with thoughts of success. Those with lower levels of hope may focus more strongly on deficiencies, negative feelings and thoughts of failure.

The following characteristics can be found in hopeful employees (Peterson & Luthans, 2003; Snyder & Lopez, 2002):

- Employees are more likely to be motivated and more confident in taking responsibility for a task.

- Employees have alternative pathways when obstacles inhibit the attainment of their goal.
- Employees tend to be more certain of their goals and challenges.
- Employees progress toward goals, as well as set goals for themselves.
- Employees readily adapt to new and collaborative relationships within the workplace.
- Employees are less anxious, especially in evaluating stressful situations.
- Employees are more adaptive to environmental change in the workplace.

Resilience

Luthans (2002a: 702) defined resilience as —the positive psychological capital to rebound (to bounce back) from adversity, uncertainty, conflict and failure”. Resilience is the ability to constructively adapt in the face of adversity. Masten and Reed (2002: 235) argue that resilience can be identified, measured and nurtured in individuals of all ages and psychological conditions. Resilience has the profound ability to promote competence and human capital in individuals and society. According to Reivich and Shatte (2002: 103), the proactive nature of resilience is the capacity to overcome, steer through, bounce back and reach out to pursue knowledge and experience deeper relationships and find meaning in life.

Resilient employees tend to positively adapt after a setback and rebound to more optimal levels of functioning (Masten & Reed, 2002: 477). Research conducted by Luthans, Avey, Avolio, Norman & Combs (2007) as well as Luthans, Avolio, Walumbwa and Li (2005) showed a positive relationship between resilience and improved performance and bottom-line gains in the workplace. According to Cameron, Dutton and Quinn (2003), Conner (1993), and Coutu (2003), resilient individuals in the employment context demonstrate the following characteristics:

- They have the tendency to be proactive rather than reactive.
- They invest energy in problem solving.
- They possess the ability to learn from past experiences.
- They have a positive outlook and use “coping” strategies such as humour and relaxation techniques.
- They remain focused, committed and are able to multi-task.
- They are organised, plan actions for efficient use of resources and avoid acting on impulse.
- They are likely to be creative, flexible and view change as a manageable process and as an opportunity to develop and mature.
- They are decisive and persistent when dealing with adversity (which results in improved performance in organisations undergoing metamorphosis).
- They spend less time assimilating organised change and they have greater potential to improve productivity and quality.
- They have a positive view of themselves which includes aspects like self-confidence, self-esteem, self-worth and hopefulness.

Self-efficacy

According to Stajkovic and Luthans (1998: 68), self-efficacy deals with an individual's convictions, motivation, cognitive resources and the courses of action needed to successfully execute a specific task. Luthans (2002a) found that a high level of self-efficiency decreases the likelihood of failure when approaching a task

and noted that individuals with high levels of self-efficacy set high goals and are more self-motivated. They also generally persevere in the midst of a challenge. According to Youssef and Luthans (2007) self-efficacy is beneficial within the organisational context. Employees who have high levels of self-efficacy have positive work experiences and higher levels of well-being.

Research by Bandura (1994: 12) established the relationship between performance and self-efficacy. Self-efficacy reflects the judgment of an individual's ability to accomplish a certain level of performance (Bandura, 1997: 65). This view has attracted considerable research scrutiny where it has been shown to be positively related to motivation on the job and job performance (Prussia & Kinicki, 1996; Stajkovic & Luthans, 1998). Self-efficacy contributes to effective performance by increasing motivation, task focus, effort and decreasing anxiety. It also contributes towards defeating negative thinking (Bandura, 1997: 67).

Luszczynska, Scholz and Schwarzer (2005: 120) as well as Osterman and Sullivan (1996: 45) found that employees or individuals with a sense of self-efficacy are likely to display the following characteristics:

- Persistent in pursuing their goals, despite its complexity.
- More flexible and willing to adopt strategies to meet contextual conditions.
- Steadfast in their efforts to achieve their goals, but do not persist with unsuccessful strategies.
- Able to remain calm, confident and even humorous in difficult situations.
- Future-focused and are able to develop possible success scenarios of their actions and action plans. They are by implication more committed to planning.
- Able to perceive more positive outcomes of future actions than negative ones.

- Steadfast in their belief that their abilities will give them control over challenges and their own functioning.

Optimism

Optimism is defined as a generalised expectancy that a person has experiences in life which will lead to persistence in goal-striving (Scheir & Carver, 1985). Optimism generally takes personal responsibility for the positive outcomes in life, while deflecting responsibility from the negative events (Peterson & Luthans 2003). Optimism in relation to psychological capital is associated with a positive outcome, outlook or attributes of events, which includes positive emotions, motivation and has the cover of being realistic (Youssef & Luthans, 2007).

Optimism has the characteristics of being flexible and realistic. It involves what one can and cannot accomplish in a particular situation. Important to note is that optimism is concerned with the reasons and attributes individuals use to explain why events occur. Luthans, Avey, Clapp-Smith and Li (2008), Avey *et al.* (2009), Youssef & Luthans (2007), agree that optimism within the workplace helps employees constructively contend with feelings of being overwhelmed with guilt and shame when challenged at work. More so, it helps employees contend with occupational stress. Optimism is not based on an unchecked process that has no realistic assessment. Realistic optimism includes an objective assessment of what one can accomplish in a specific situation, given the resources available at the time (Luthans, 2002b; Schneider, 2001).

3.7 Psychological capital in organisations

Since its conception in 2002, research (Luthans *et al.*; 2002a; Luthans *et al.*, 2005; Avey, Wersing & Luthans 2009; Luthans *et al.*, 2007; Luthans & Youssef, 2004 & Culbertson, Fullagar & Mills, 2010) has found that psychological capital is related to multiple outcomes in the workplace. This includes lower employee absenteeism; lower employee cynicism and turnover; higher job satisfaction, well-being and

commitment; as well as higher levels of engagement, organisational citizenship and happiness.

Luthans *et al.* (2005) note that psychological capital is a psychological reserve that stimulates growth and performance, and that at an organisational level it can be equated to human and social capital. Luthans notes high return on investment and competitive advantage through improved employee performance. Furthermore, Wright and McMahan (1992) as well as O' Leary *et al.* (2002) argue that successful organisations attract, engage, develop and retain the best and brightest employees, hence possessing stronger human capital.

According to Adler and Kwon (2002: 26) social capital that emphasises social relations, networks and connections (who you know) is important for organisations. It also results in the control of power and organisational solidarity. Snell (2002: 64) is of the view that the human resource function should treat human capital and social capital equally because management of human capital is important for building a foundation for effectiveness.

High levels of psychological capital can effectively channel and grow employees' talents, strengths and potential. It also helps the organisation to attain a long-term competitive edge. Luthans *et al.* (2005) argue that developing psychological capital is not only beneficial for the organisation but is also difficult to replicate by the organisation's competitors. A positive psychological state can energise employees' cognitive processes and their perceptions of what they can achieve (Luthans *et al.*, 2007). Organisations throughout the world are strategically involved in efforts to recruit, develop, train and manage the most proficient, and capable people to improve organisational effectiveness. This could largely be due to the reality that individuals who perform well are likely to add to the organisational bottom-line (Pienaar & Roodt, 2001).

Parsons (1990) and Luthans (2002b) have focused on the fit between a person and his/her work environment. Generally defined, fit is often described as the compatibility between an individual and his or her work environment that occurs

when the characteristics of both the individual and the environment are well matched (Schneider, 2001). Over the years, however, practitioners have given psychological capital less attention compared to other forms of capital, such as human and social capital. Luthans & Youssef (2004) support the development and management of psychological capital in organisations, to increase organisational efficiency, productivity and the successful implementation of organisational change.

Luthans, Avey, Avolio and Combs (2006) have indicated that when employees experience negative events in the workplace, individuals with high levels of psychological capital are more likely to adapt positively and bounce back from the events, thus preventing the escalation and development of intentions to quit. Luthans and Youssef (2004) conceptually bundled positive psychological capital states as a higher-order construct they called 'positive psychological capital'. Luthans *et al.* (2005) proposed that psychological capital is a psychological reserve that stimulates growth and performance.

3.8 Conceptual framework for the investigation

An investigation of the perceived impact of corruption on the psychological capital of employees in the public sector will be conceptually approached in the following way:

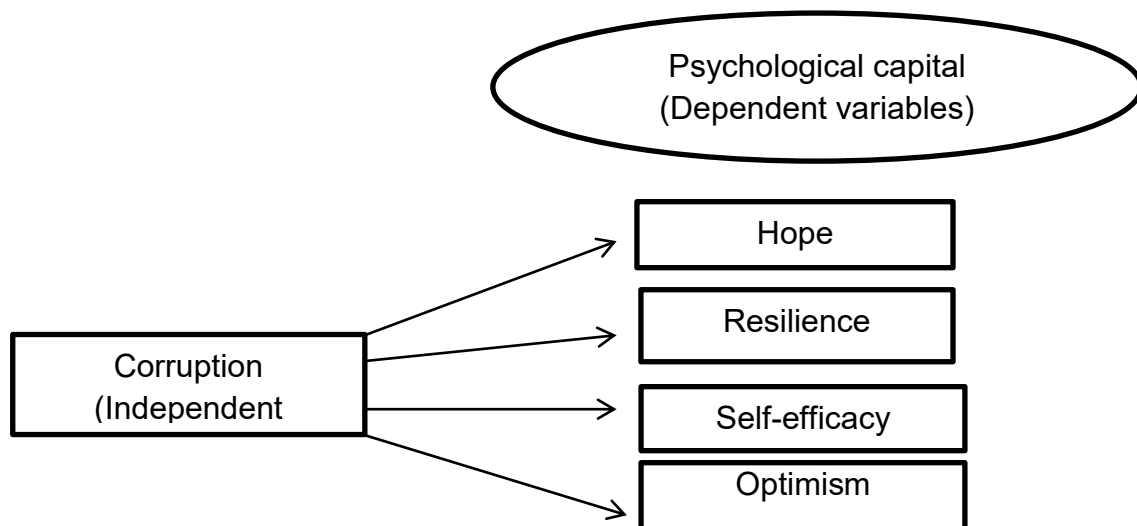


Figure 1: Conceptual framework for the investigation

The influence of the independent variable (corruption) on the dependent variables (psychological capital) with respect to its four dimensions of hope, resilience, self-efficacy and optimism will be statistically determined. Inferential statistics will be applied.

3.9 Summary

This chapter provided a comprehensive discussion on psychological capital and the field of positive psychology from which it originated. The development and different fields of psychology were also referred to, as well as the four main components of psychological capital (hope, resilience, self-efficacy and optimism). This chapter also presented the research framework for this investigation.

CHAPTER 4: THE SOUTH AFRICAN PUBLIC SERVICE

4 Introduction

Over the past twenty years the South African public service has been engaged in the process of transformation to ensure an efficient, effective, democratic and fully representative system that is attuned to service delivery. Due to the legacy of apartheid South Africa is a divided society that is presently in a state of transformation. The divisions of the past, which included racial segregation and institutionalized racism, have had an enormous influence and impact on the public service with regard to structure, functioning and culture (Department of Public Service and Administration, 2007: 24).

In 1994 the newly elected democratic government endeavored to fundamentally change the image of the public service to be able to achieve its mandate. The core mandate of the public service in South Africa is to redress poverty underdevelopment, marginalization of people and communities and the eradication of the legacy of apartheid and discrimination. Public servants serve the interest of the public and need to be service orientated, and is committed to excellence on a continuous basis. The delivery of services needs to place citizens at the centre of public service planning (Corruption watch, 2013).

Section 197 (1) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) states that within public administration there must be a public service within the republic which must be structured and function in accordance with broader national legislation such as government policies adopted by parliament. Section 197 (1) makes provision for the establishment of a public service which is legislatively coordinated and implemented as per the prescripts of the Public Service Act which is the statutory piece of legislation governing public service in South Africa.

The aim of this chapter is to provide a brief overview of the public service in South Africa and to show how civil services have transformed over the years. Also provided

are the types of interventions and strategies put in place by the South African government to curb the scourge of corruption within the civil service.

4.1 An overview of the public service in South Africa

Since 1994 the South African public service has undergone a process of transformation, rationalization, amalgamation and restructuring on all levels in terms of its core mandate and delivery function, as well as organisational dynamics. The focus has shifted from an autocratic style of conducting business and providing services only to a particular section of the population, to an approach that is more consultative and transparent than previously. The public service plays an important role in creating an environment in which citizens can flourish and benefit from their ingenuity and industry. The essential services for which the state is responsible are a prerequisite for the economic growth that can bring about lasting prosperity and enable future improvements in state services (Department of Public Service and Administration, 2007: 22).

The mandate of the public service in South Africa is mainly to provide and deliver essential services to communities and the general public, as well as providing and maintaining basic infrastructure necessary to enable economic development. Public service delivery is defined as the provision of public activities, benefits or satisfaction to the citizens, where service delivery relates both to the provision of tangible public goods and intangible services (Fox & Meyer, 1995: 118; Chipkin, 2007: 2).

Pre-1994 the South African public service was characterized by poor quality of service delivery, lack of commitment and no respect for citizens' rights . As a result, low levels of trust and confidence in public institutions overshadowed the public service environment. In addition to this, the public service was not accountable to anyone except perhaps a small minority. As such, the public service of the time was insulated in a cocoon of political arrogance and contentedness (Department of Public Service and Administration, 1996).

The pre-1994 administration was also primarily serving the apartheid regime and the composition of the civil service was predominately made up of white males (Department of Public Service and Administration, 2007: 22). Furthermore, the structure of the civil service was strongly authoritative, centralised and rule-orientated. Decisions were mainly of a top-down nature, allowing little or no input from officials in the lower ranks, particularly those who interacted with the broader population. This stifled ingenuity and creativity and often led to —“Pretoria-conceived” plans and programmes being imposed upon communities. Communities were not consulted regarding their needs.

Needless to say this did not enhance openness, transparency and accountability. Government actions were frequently labeled top secret or confidential. Government departments anxiously guarded the information in their possession and often had to be compelled by court orders to reveal such information. The attitude which prevailed was that government information was the property of the departments, the people, namely those who were not seen to have a right to such information. Even parliament was often given filtered information, resulting in departments becoming much of a law unto themselves. This was fertile ground for inefficiency, mismanagement and corruption (DPSA, 2007: 23).

The post-1994 regime aimed to maintain a high value system based on ethical conduct within the public service in South Africa. The white paper on transforming the public service (1995) was adopted, also being referred to as the Batho Pele initiative. The Batho Pele initiative is based on the principles of consultation, service standards, access, courtesy, information, openness and value for money.

The following list elaborates on these principles:

- Consultation – implies the public must be consulted about the level and quality of service they will receive, and if at all possible must be given a choice about the service being offered.

- Service standards – citizens should be informed about the level and quality of service they will receive in order to know what to expect. This is essentially about benchmarking the quality and levels of service.
- Access – all citizens must be able to access service equally. Time implementation of equal access to services will be achieved incrementally, against the backdrop of a backlog of service provision.
- Courtesy – services must be provided in a courteous environment.
Information – the public must be provided with information about the services they are entitled to receive.
- Openness and transparency – government departments should inform the public about the cost of service and the details of the running of the departments. The public is also entitled to know who runs the service.
- Redress – in cases where the standard of service promised has not been achieved or met, the public should be provided with reasons for the non-achievement or non-performance.
- Value for money – public services should be provided economically and effectively in order to ensure that it expands the base of access to services without wastage of public resources (DPSA, 2003).

According to the constitution of the republic of South Africa (Act 108, 1996 (1), the public service must be governed by the following basic values:

- A high standard of professional ethics must be maintained. There must be an efficient, economic and effective effort to use resources efficiently.
- Public administration must be developmentally oriented.

- Services must be provided impartially, fairly, equitably and without bias.
- People's needs must be responded to and the public must be encouraged to participate in policy making.
- Public administration must be accountable.
- Transparency must be fostered by providing the public with timely, accessible and accurate information.
- Good human resource management and career development practices must be implemented to maximize human potential.
- Public administration must be broadly representative of the South African people with employment and personnel management practices based on the ability, objectivity, fairness and the need to redress the imbalances of the past to achieve broad representation.

The South African government employs a large amount of civil servants. Of the total labour force in the country, 22.6% are public servants (Mulholland, 2013: 25). The World Bank reports that most civilian governments such as Egypt, Kenya and Malawi employ only 11% of the total workforce. It is thus clear that the civil service in South Africa is one of the largest and most expensive in the world.

Currently there are 3.03 million public servants employed by the South African government, compared to the 2.79 million employed by the US government. A study conducted by the IMF reports that South Africa's civil service amounts to 10% of the gross domestic product (GDP) while Nigeria, which is South Africa's closest economic rival, only spent 4%, Egypt 6.9% and Rwanda 3.5 % of its GDP on its public service.

Geddes (1997: 10) argues that when a new political party comes into power, it is likely to have greater incentives to reform the practices of its predecessor, especially

if corruption is prolific. Over the past century the South African public sector has expanded enormously and has largely been penetrated by high wage demands associated with the high cost of living. Politicians are often required to decide on contracts related to massive public works operations and welfare programmes that usually involve large sums of money, while the same politicians belong to parties that must run costly campaigns to ensure their re-election. This often means that corporate funding must be secured to buy voters, legislators and state officials (Mulholland, 2013).

Apart from its excessive and expensive public service, South Africa also has a saturated cohort of ministers and other staff. Dr Corné Mulder, a member of parliament (MP) in the South African parliament, reported that in 2014 the South African civil service consisted of 34 ministers, 33 deputy ministers, 157 director generals, 642 deputy-director generals, 2501 chief directors and 7782 directors (Mulholland, 2013).

The European Union and the International Monetary Fund (IMF) figures (2012) show that South Africa outspends the UK as well as the USA in terms of the cost of the public service to government. Furthermore, it is troubling that, compared to most sub-Saharan countries, South Africa spends more on the civil service per proportion of its GDP.

Economist Irg Abedian (City Press, 2012) opines that the labour intensity (the amount of manpower needed to deliver a service), efficiency of civil servants and the size of a country all play a part in national wage bills. He also argues that another factor plaguing South Africa is the productivity of the public sector. Due to the large amount of money spent on the South African civil service, any level of unproductivity on the part of those employed will have a negative impact on the country's GDP.

However, the South African treasury is of the view that the size of the public service is influenced by a host of factors like health and education services. Many of these services are administered by the private sector in other countries, whereas in South Africa it is administered by national and provincial governments.

According to the UNDP (1998: 55) contributing factors to the weakness in the public service in most developing countries like South Africa include the following”

- The need to provide employment for school dropouts has resulted in over-staffing of government organisations.
- Under qualified and insufficiently experienced personnel have sometimes been promoted to senior positions too quickly, well beyond their capabilities.
- Political, social and ethical demands make managing the performance of employees even more difficult than what is ordinarily the case.
- Pay scales are compressed to the point that insufficient incentives are provided to senior staff. This can lead to high turnover (usually the most able personnel), moonlighting, corruption and Demolition.
- Human resource planning is frequently deficient and not always based on need, and recruitment, selection and other aspects of personnel management have been subject to varying levels of nepotism and other forms of particularism.

4.2 Strategies to fight corruption in the South African context

It is reported in the Public Service Commission Report (2001: 9) that in most cases, the root causes of corruption are inadequate, inefficient and ineffective monitoring of supply-chain management processes. Corruption tends to flourish where governance is weak and the same applies to institutions of accountability, such as parliament, public accounts committees and the office of the Auditor General (AG). In 2001 the South African cabinet instructed the Department of Public Service and Administration (DPSA) to develop a strategy to fight corruption in the public service.

In January 2002, the public service Anti-corruption Strategy was approved by cabinet. The main purpose of the Anti-Corruption Strategy was to prevent and combat corruption through multiple supportive actions. Cabinet also approved the

establishment of a minimum anti-corruption capacity in all government departments in the public service, all of which entailed the following:

- That a specified minimum anti-corruption capacity be established in all departments and public entities.
- That clearly defined national functions with regard to coordination and reporting of corruption in departments be instituted.
- That an implementation plan and implementation support should be made available to departments.

According to Ababio and Doorgapersad (2010: 412) corruption symbolizes any conduct or behaviour in relation to persons entrusted with responsibilities by the public which violates their duties as public officials. When public officials misuse their position for self-gain, they pose a threat to democracy and the rule of law. Corruption also undermines economic rights in cases where public officials accept gifts and money in order to do their job or where public officials in local government fail to comply with supply-chain management procedures and procurement policies in the tender or procurement process (AGSA, 2011).

The prevalence of corruption and mal-administration in the South Africa public service has been a bone of contention within the public management field, where some scholars in the field of local government and public management cited corruption as one of the major concerns impeding the progress of good governance (Sindane, 2008; Naidoo, 2012).

The Public Service Anti-corruption Strategy provides the management structures of departments with the necessary guidelines and components to analyse anti-corruption strategies and to implement them. In October 2000, the provincial legislature of the Eastern Cape put in place a statutory body, namely the Network Against Corruption (NAC) in an attempt to fight corruption. This allows members of the public to refer reports of corruption to legislative portfolio committees for onward

referral to relevant departments (Allan *et al.*, 2001: 59). The objectives of the network were, amongst others, to:

- Rally support for anti-corruption strategies in the public sector, by educating and mobilizing public officials, members of the provincial legislature and community members.
- Encourage the reporting of suspected corruption, through alerting officials and the public to appropriate mechanisms for efficient receipt, processing and referral of reports.
- Make a continuous assessment of anti-corruption strategies, policies and initiatives.
- Facilitate the process of oversight by the government legislatures in relation to the responses to cases of corruption within the province.
- Identify corruption through establishing and maintaining strategic relationships with all necessary stakeholders.
- Act as a resource to the legislature and portfolio committees.
- Provide assistance to the legislature by monitoring the effectiveness of internal mechanisms of departments in dealing with reporting, investigating, disciplinary mechanisms and education in corruption and the combating thereof.

The eradication of corruption in the public service can only succeed with the assistance of functionaries of the state, the criminal justice system and officials responsible for policing or regulating the law. Those law enforcement officials are often easily bribed by corrupt syndicates who are able to garner huge profits from the corrupt activities. The enlistment of such corrupt officials is an essential ingredient in the survival and success of an organised crime syndicate. The 1999-2008 minister of

Public Service and Administration, Ms Geraldine Fraser-Moleketi, suggested that a national integrity system is necessary to institute the following principles:

- A strong code of ethics should be prevalent in the workplace.
- There should be political will to enforce the ethos and prosecute the offenders.
- There should be transparency and all public servants should be held accountable for their actions.
- Exemplary conduct from public officials should be rewarded.
- Managers should lead by example and must abide by the highest of ethical standards.
- Misconduct should lead to disciplinary sanctions.
- The training of public servants especially on integrity, conflict of interest and democratic ethos should be high priority. Public servants should also be trained in both administrative and constitutional law.
- A high priority should be placed on serving the public.

The cabinet memorandum 45 of August 2003, indicates that, cabinet approved the establishment of a national anti-corruption hotline for the public service, which was managed by the public service commission. The mandate of the commission is to:

- Promote a high standard of professional ethics in the public service
- Investigate, monitor and evaluate the organisation

- Investigate and evaluate the application of personnel and public administration practices and report to the relevant executing authority.

The objectives of the national anti-corruption hotline are to:

- Detect incidents of corruption, encourage whistle-blowers to report witnessed incidents occurring in the public service.
- Ensure the successful investigation of alleged corruption and provide feedback to whistle-blowers.
- Assist the public service in identifying areas of corruption risk in order that preventative and detective control measures can be appropriately improved or developed.
- Raise awareness that government takes corruption seriously.
- Enable callers to report corruption anonymously, thus encouraging whistle-blowers.

Whistle-blowers are protected by the Protected Disclosure Act of 2000. The act provides that:

- Every employer and employee is responsible for disclosing criminal/irregular workplace conduct.
- There may not be discrimination against whistle-blowers (the act protects such persons from being subject to occupational detriment).
- Occupational detriment is any form of damage or victimization, i.e. harassment, dismissal, being transferred against an individual will, withholding promotion, denial of appointment or being adversely affected in any way.

According to Mhlaba (2004: 86) the main aspect which has perpetuated the rise of corruption in the South African public service can be attributed to indistinct expectations from public officials. Unfortunately there is an inadequate system of performance management and a culture of under-performance which is tolerated in many public service departments. This has also resulted in there being an imbalance between outputs in relation to inputs. This, together with inadequate remedial action, has had a detrimental effect on performance, which has resulted in lacking service delivery.

4.3 Summary

The South African public service has had to go through, rapid institutional transformation over the last two decades, as compared to the previous apartheid administration. The post-1994 government has had to inherit a public service which was not a complete representative of the demographics of the country and which did not represent the will of the people at the time. Having said this, however, it can be argued that high expectations would have been placed on the current administration to develop an efficient, effective public service representative of the will of the South African people.

As indicated, the mandate of the South African public service is to provide free basic services to communities. The structure and the day-to-day functions of the public service must be such that it remains independent of corruption in any form. The South African public service has undergone major transformation challenges over an extended period of time and it is imperative for the administration to provide direction and leadership on issues affecting the performance of the country's public service.

The importance of the public service in South Africa cannot be emphasised enough. It remains a fact that the majority of people in South Africa depend on the effectiveness of the public service. It then becomes essential that the public service is free of any form of corruption, at any level. In this chapter a brief background of the public service in South Africa and the size of the civil service was provided.

It also became evident that the South African government has realised the importance of combating corruption within the public service. This is evident by the strategies put in place to help curb and fight the scourge of corruption in the South Africa public service. However, it remains to be seen how effective such strategies will be in the long run, as corruption continues to be a burden within the South African public service.

CHAPTER 5: RESEARCH METHODOLOGY

5.1 Introduction

This chapter outlines the research methodology applied to the study and explains the research design used to perform the empirical study. The chapter also details the population, data gathering instrument, data collection methods and data analysis that were applied to this investigation.

5.2 Research methodology

Research methodology is a general approach to studying a research problem. The choice of method should reflect an overall research strategy. The research methodology should focus on the research process and the different kind of tools and procedures used to achieve the objectives of the research paper (Botha & Engelbrecht, 1992: 37).

5.3 Research design

The research design is a systematic strategy that entails the procedures and processes for collecting and handling the research data needed for solving the research problem (Shumba, 2004: 4). Mouton (1996: 107) defines the research design as a set of guidelines and instructions to be followed in addressing the research problem. This constitutes the researcher's guide for enabling the researcher to apply appropriate research decisions and methods to maximise the validity of the research results.

There are two types of research designs: quantitative and qualitative. Qualitative research involves an inquiry approach, useful for the in-depth exploring and understanding of a particular phenomenon. In order to gain an informed understanding of the phenomenon, the inquirer asks participants broad, general questions and collects detailed views, words or images usually in the form of an interview or focus group discussions. After the relevant data has been gathered it is

analysed with the aim of identifying trends and themes. From the data, the researcher interprets the meaning of the data, drawing on personal reflections and past research. Qualitative research is subjective and captures the true thoughts and feelings of the respondents (Creswell, 2002: 58).

A quantitative research design involves the use of statistical methods to analyse data. The goal is to explain behaviour and make generalisations based on the results of large groups of participants. Quantitative research is the standard experimental method of most scientific disciplines. These experiments are sometimes referred to as true science, and use traditional mathematical and statistical means to measure results conclusively. They are mostly used by physical scientists, although the social sciences, education and economics have been known to use this type of research (Valentine, 1997., & Bjoinholt & Farstad, 2012;).

This investigation follows mainly a quantitative approach, although the respondents were asked an open-ended question at the end of the questionnaire, rendering this investigation a combination of the quantitative and qualitative approach.

5.4 Data gathering instrument

As already indicated, data was collected through the use of a structured questionnaire. According to Sharp and Howard (1996: 145), questionnaires are a common method of gathering research data, and can be defined as a pre-formulated written set of questions on which participants record their answers, usually within largely defined alternatives.

Questionnaires are useful where the researcher cannot observe the phenomenon directly, or it is impractical to do so. It allows the researcher to construct the phenomena through the experiences and perceptions of the participants who have observed the phenomena. A pilot study was successfully conducted to quantify the reliability of the structured questionnaire.

The layout of the questionnaire was as follows: Section A captured the demographics of the population (including age, race, gender, current position and home language). Section B captured perceptions on corruption. This section was based on the work of Dube (2011). Section C contained questions related to the psychological capital of employees and was measured by the psychological capital questionnaire (PCQ) of Luthans *et al.* (2007). The Cronbach alpha coefficient for this investigation ranged from 0.53-0.69. (Du Plessis & Barkhuizen, 2012: 21; Toor & Ofori, 2010: 344).

The following guidelines were taken into consideration during the development of the questionnaire:

- The questionnaire was kept short and brief.
(The questionnaire was as brief as possible and solicited only that information essential to the research project).
- The respondent's tasks were kept simple.
(The questionnaire was simple to read and as easy to respond to as possible).
- Clear instructions were provided to the respondents.
(Clear communication was given to the respondents on how to respond to the questions).
- The language used in the questionnaire was simple, clear and unambiguous.
(The questions were written using simple language).
- A rationale was given for any items whose purpose was not clear.
(Each question had a purpose in one way or another).
- Questions were worded in a way that did not give clues about the preferred or more desirable responses.

(The respondents were not led through questions so as to a preferred answer).

- The coding process was determined in advance.
(The data processing procedure was considered during the development of the questionnaire).
- Pilot tests to determine the validity of the questionnaire need to be conducted..
(The questionnaire was piloted before it was administered to the respondents).

5.5 Population

Collins (2000: 47) defines a population as the entire group of persons or set of objects and events the researcher wants to study. It is essential that the researcher defines and describes the population according to specific criteria. Population criteria can also be described as eligibility criteria, inclusion criteria or distinguishing descriptors (Polit & Hungler, 1993: 173). A population can be explained as a target population or universe (Bless & Higson-Smith, 1995: 85., & Brink, 1996: 132).

In this study the population consisted of 210 employees of a large public department in the Motheo district of the Free State province. The Motheo district includes Botshabelo, Thaba Nchu and Bloemfontein. All the employees of the department were targeted, meaning no sampling methods were applied to the empirical section of this investigation. The positions of the respondents varied from entry-level administrators, admin supervisors, specialists, low-level management, middle management and senior managers.

5.6 Data collection

As indicated before, data was collected through the use of a structured questionnaire. The following data collection procedure was used to collect the data for this investigation:

- Permission was obtained from the relevant authorities to perform the empirical study (see Annexure A).
- Two weeks in May 2015 were set aside for data collection and the researcher travelled to the different sites. As the government department is very large, there are various sites that needed to be visited.
- The researcher was assisted by two field workers. The field workers were trained and briefed beforehand on how the questionnaires were to be administered.

5.7 Fieldwork challenges

The challenges which the researcher experienced during the data collection process were the following:

- Authorisation had to be sought from every head of a particular unit within the government department, which was time consuming.
- Due to the nature of their work, many respondents were not available during the data gathering process.
- Some of the respondents were not particularly comfortable answering the questions, mainly due to the sensitive nature of the word —~~cor~~ruption”.

Despite these challenges 150 questionnaires were completed and used for data analysis purposes.

5.8 Pilot study

A pilot study is a small-scale test of the method and procedures to be used on a large scale. According to Veal (2006: 33) pilot studies are small applications of a standard questionnaire survey and are vital in survey research. A pilot study was undertaken to ascertain the accuracy of the questionnaire. As part of the pilot study seven questionnaires were administered to the employees of a different public department which is approximately the same size as the one included in the main study. All the respondents indicated that they understood the questionnaire and that the questionnaire was neither ambiguous nor difficult to understand. After the completion of the pilot study and as per the outcomes of the pilot study, no changes were made to the questionnaire.

5.9 Summary

This chapter reflected on the research methodology applied to this investigation. It reflected on the research design of the study, the population, the design of the data gathering instrument, the data collection procedure and the pilot study. The study followed a combination of qualitative and quantitative research methods and 150 structured questionnaires were completed in the data gathering endeavours. Chapter 6 presents the analysis of the research findings.

CHAPTER 6: DATA ANALYSIS AND THE PRESENTATION OF RESEARCH RESULTS

6.1 Introduction

This chapter presents the analysis of the findings of this investigation. As already indicated, the entire population of employees of a large government department was targeted for data collection. Of the 210 possible respondents, 150 questionnaires were completed – which presents a response rate of 71%. Both descriptive and inferential statistics were used in analysing the data.

6.2 Descriptive statistics

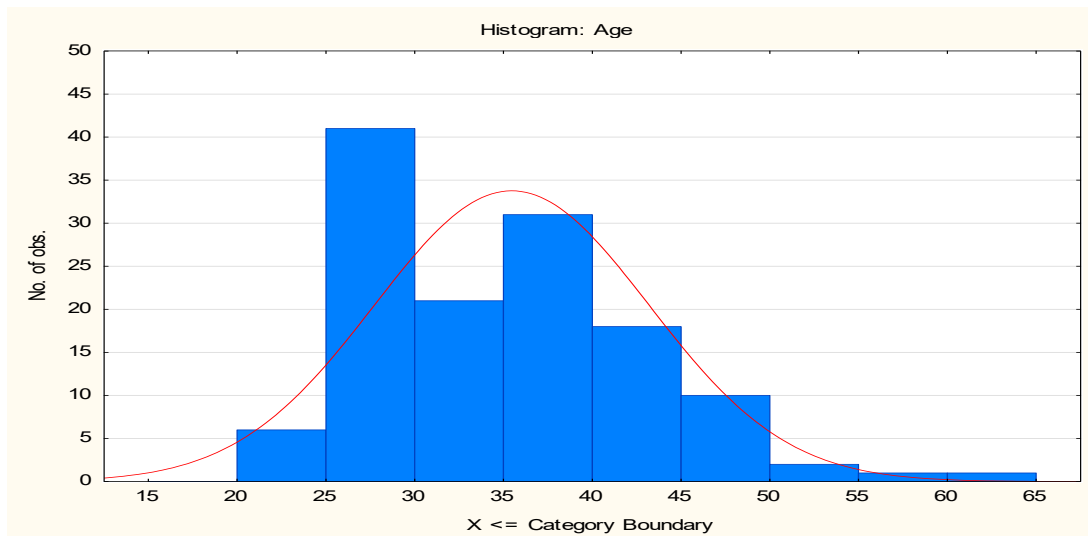
According to Mouton (1996: 102) descriptive statistics include data, facts and narratives and provides truthful descriptions of the phenomenon in the area of concern. Descriptive statistics is describing data and understanding what the obtained data has to say about the phenomenon under investigation.

6.2.1 Section A: Demographic profile of the respondents

This section described the demographic profile of the respondents, namely age, racial group, position, gender and home language.

Age

Graph 6.1 presents the age composition of respondents

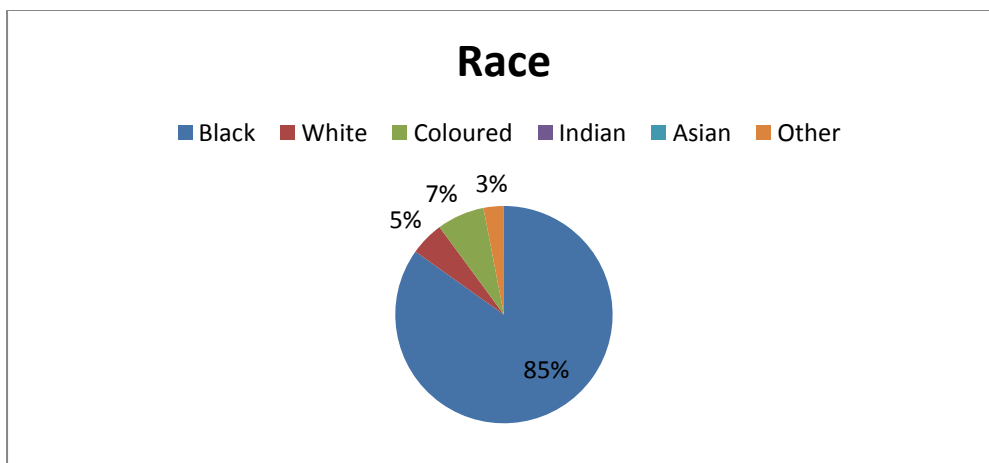


Graph 6.1 Age composition of respondents

Graph 6.1 shows that the majority of the respondents were between 25-30 years of age.

Race

Question two captured the racial composition of the respondents as illustrated by Graph 6.2.

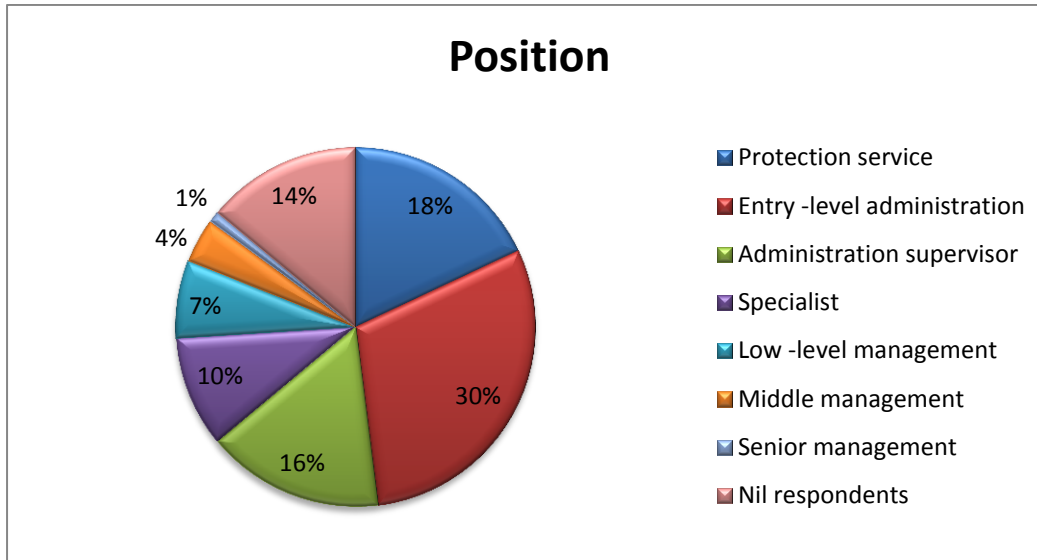


Graph 6.2 Racial compositions of respondents

Graph 6.2 shows that 85% of the respondents were black, 5% were white, 7% were coloured and 3% belonged to the category 'Other'.

Position

Question 3 required of the respondents to indicate their position within the public service department.

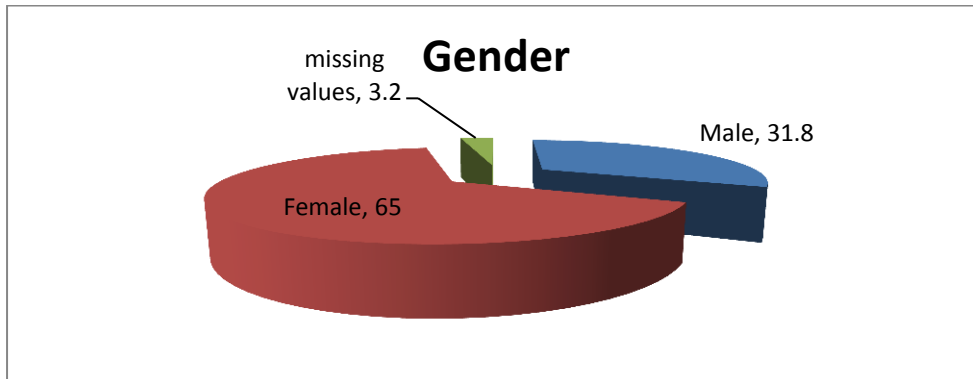


Graph 6.3 Public service positions of respondents

Graph 6.3 indicates the positions held by the respondents within the public service department. Thirty percent (30%) of the respondents were entry-level administration officers, 18% were protection service officials, 16% were administration supervisors, 10% were specialists, 7% were low-level managers, 4% were middle managers and 1% of the respondents were senior managers. Fourteen per cent (14%) of respondents had not answered the question.

Gender

Question 4 requested the respondents to indicate their gender.

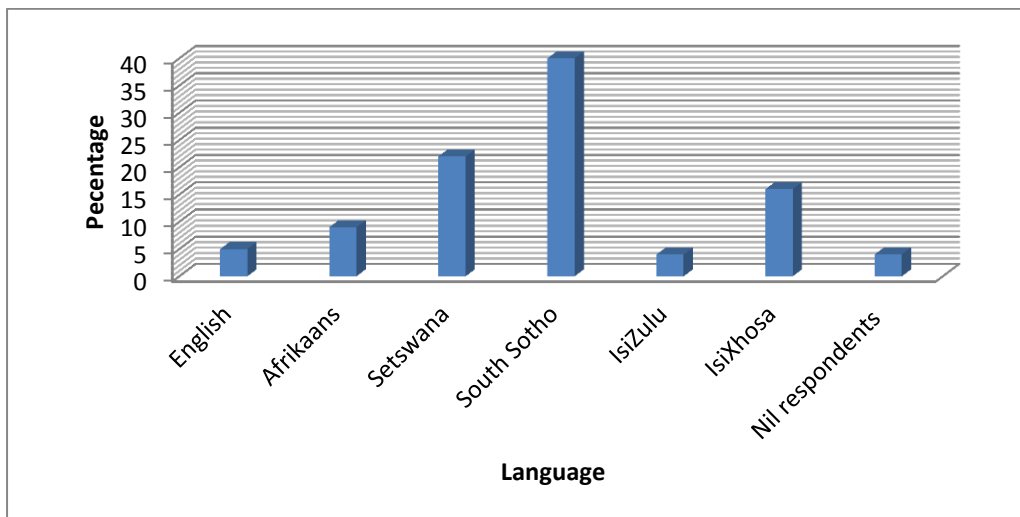


Graph 6.4 Gender of respondents

Graph 6.4 shows that 65% of the respondents were female, 32% were male, and 3% constituted missing values.

Home language

Question 5 required of the respondents to provide their home language. Graph 6.5 gives a reflection of the respondent profile in terms of their home language.



Graph 6.5 Home languages of respondents

Graph 6.5 indicates the home language of the respondents. Forty percent (40%) speak South Sotho, 22% speak Setswana, 16% speak isiXhosa, 9% speak

Afrikaans, 5% speak English, 4% speak IsiZulu, and 4% of respondents did not answer the question.

6.2.2 Section B: Respondents' perception of corruption

Section B presents the respondents' perceptions of corruption.

Table 2: Perceptions of corruption

	Strongly Disagree	Disagree	Agree	Strongly agree	Missing values
2.1 Corruption is negatively affecting service delivery.	2.70	0.67	22.29	74.32	0
2.2 It is acceptable for employees to be involved in corruption if their remuneration is inadequate.	64.86	25.00	4.72	5.40	0
2.3 It is acceptable to receive a gift as a favour.	50.67	34.45	6.75	6.75	1.35
2.4 Public enterprises are expected to uphold minimal ethical standards in conducting their business.	22.29	25.00	28.38	18.91	5.40
2.5 It is right for people to be rewarded for reasons other than work-related performance.	35.13	43.91	12.16	8.78	1.35
2.6 Favouritism and/or nepotism are both related to corruption.	4.72	2.70	35.81	55.40	0
2.7 The abuse of office equipment is a form of corruption.	4.72	9.45	45.27	39.86	0.67
2.8 Fraudulent activities are related to corruption.	4.05	2.02	34.45	58.78	0.67

Approximately 74.32% (Question 2.1) of the respondents strongly agreed that corruption negatively affects service delivery, while 64.86% (Question 2.2) were of the view that it is unacceptable for employees to be involved in corruption if their remuneration is inadequate. Furthermore, 50.67% (Question 2.3) of the respondents noted that it is also unacceptable to receive a gift as a favour. Twenty-eight percent (28%; Question 2.4) of the respondents were of the view that public enterprises should uphold minimal ethical standards in conducting their business, while 43% (Question 2.5) indicated that it is acceptable for people to be rewarded for reasons other than work-related performance. Fifty-five percent (55%; Question 2.6) of the respondents stated that both favouritism and nepotism are related to corruption.

Lastly, 45.27% (Question 2.7) of the respondents agreed that the abuse of office equipment is a form of corruption, while 58.78% (Question 2.8) agreed that fraudulent activities were related to corruption.

Table 3: Importance of certain actions related to the perception of corruption

	Strongly Disagree	Disagree	Agree	Strongly agree	Missing values
3.1 Maintaining discipline within a government department is critical for combating corruption.	2.02	6.75	41.24	45.94	4.05
3.2 All employees must be honest in their daily work.	2.70	0.67	31.08	65.55	0
3.3 Integrity will not assist in combating corruption in the workplace.	28.39	39.86	16.89	12.16	2.70
3.4 Employees must be held accountable for their actions regardless of the position they occupy.	4.05	1.36	29.05	65.54	0
3.5 Employees need to be fairly appointed in their positions.	2.02	1.35	21.62	74.34	0.67
3.6 Corruption thrives in the face of poor leadership.	2.70	3.37	31.10	61.48	1.35
3.7 Rules and regulations should be consistently applied in any organisation.	2.70	2.02	33.13	60.13	2.02
3.8 Continuous political influence and interference in government departments can lead to increased levels of corruption.	5.40	8.10	33.10	50.03	3.37
3.9 Poverty contributes to corruption.	13.51	18.24	22.29	43.27	2.70

Table 3 indicates that according to 45.95% (Question 3.1) of the respondents, maintaining discipline within a public enterprise is critical for combating corruption, while 65.54% (Question 3.2) stated that employees must be honest in their daily work. Furthermore, 39.86% (Question 3.3) of respondents indicated that having integrity within the workplace could assist in combating corruption whereas 65.54% (Question 3.4) of the respondents were of the view that employees must be held accountable for their actions regardless of the position they occupy in the

organisation and 74.32% (Question 3.5) stated that employees should be appointed into their positions fairly.

In addition to the above, 61.48% (Question 3.6) of the respondents agreed that corruption in public enterprises thrives in the face of poor leadership, while 60.13% (Question 3.7) of respondents were of the view that rules and regulations within public enterprises should be applied consistently. Fifty percent (50%; Question 3.8) of respondents agreed that continuous political influence and interference in public enterprises could lead to increased levels of corruption, while 43.24 (Question 3.9) of the respondents believed that poverty contributes to corruption.

6.2.3 Section C: Psychological capital section

Section C presents an analysis of the findings pertaining to the section on psychological capital.

Table 4: Psychological capital

	Strongly Disagree	Disagree	Uncertain	Agree	Strongly agree	Missing values
4.1 I am able to find solutions to my work-related problems.	5.40	7.43	16.89	52.05	16.21	2.02
4.2 I am able to represent my ideas and thoughts clearly and concisely at work.	5.43	12.16	9.45	52.02	18.24	2.70
4.3. I contribute to work-related discussions.	0.67	4.72	10.13	63.54	19.59	1.35
4.4 I am able to set goals and targets for myself.	2.02	7.43	6.08	56.08	27.04	1.35
4.5 I am energetically pursuing my personal and work-related goals.	1.35	6.75	8.78	50.70	29.72	2.70
4.6 I am able to recover well from setbacks and disappointments.	2.70	4.05	11.48	51.35	29.07	1.35
4.7 I am not able to handle difficult situations at work.	24.32	47.97	8.10	15.54	2.72	1.35

4.8 I am not able to resolve conflict in my work environment.	25.67	47.97	11.48	7.40	7.48	
4.9 In my job things never work out the way I want them to.	3.37	29.72	20.27	36.51	8.78	1.35
4.10 I'm optimistic about advancing in my job.	6.08	12.16	18.91	44.61	15.54	2.70
4.11 I am not able to find solutions to my personal problems.	25.67	51.35	8.78	8.78	4.07	1.35
4.12 I can contribute a lot towards the organisation.	1.35	2.70	8.78	44.59	39.88	2.70
4.13 I look forward to work each day.	6.08	18.24	17.56	43.24	14.18	0.70
4.14 I think my full potential is not fully utilised at work.	5.40	7.43	11.48	45.27	27.02	3.33
4.15 I will pursue any possibility that arises for me to get a promotion at work.	4.72	6.75	7.43	39.86	39.86	1.35
4.16 I always look on the bright side of things.	2.70	8.78	0.56	45.27	42.02	0.67
4.17 I am able to cope well with stress in my job.	2.02	10.13	12.83	43.24	30.43	1.35

Table 4 shows that 52.02% respondents are able to find solutions to their work-related problems (Question 4.1) and 52.02% of respondents have the ability to present their ideas and thoughts clearly and concisely (Question 4.2). The majority of respondents (63.51%; Question 4.3) stated that they are able to contribute effectively to their work-related discussions within the workplace, while 56.81% (Question 4.4) of respondents indicated that they have the ability to set goals and targets for themselves. Just over fifty percent (50.67%; Question 4.5) of the respondents stated that they are energetically pursuing their personal and work-related goals.

Again, just over fifty percent (51.35%; Question 4.6) of the respondents were of the view that they are able to recover well from setbacks and disappointments, while 47.97% (Question 4.7) of the respondents were of the view that they are not able to handle difficult situations at work. Under fifty percent (47.97%; Question 4.8) of respondents reported not being able to resolve conflict in their work environment,

while 36.48% (Question 4.9) of respondents indicated that things never work out the way they want them to.

Forty-five percent (44.59%; Question 4.10) of the respondents were optimistic that they would advance in their jobs, while 51.35% (Question 4.11) of the respondents were of the view that they are able to find solutions to their personal problems. Furthermore, 44.59% (Question 4.12) of the respondents stated that they felt they could contribute a lot towards their organisation, with 43.24% (Question 4.13) reporting that they look forward to work every day. Forty-five percent (45.27%; Question 4.14) of the respondents indicated that their full potential is not fully utilised in their respective work units and 39.86 (Question 4.15) were of the view that they would pursue any possible means to obtain promotion. Forty-five percent (45.27%; Question 4.16) of respondents indicated that they always look on the bright side of things, while 43.24% (Question 4.17) of respondents stated that they are able to cope with stress in their respective job units.

6.2.4 Responses to open question

The following reactions were captured as responses to the open-ended question at the end of the questionnaire.

Please indicate, in your view, what actions could curb corruption.

- Just over seventeen per cent (17.5%) of respondents indicated that all available posts within public enterprises should be advertised. It was felt that this can ensure greater transparency in the appointments of officials.
- According to 7.5% of the respondents, stricter controls should be put in place to manage how officials within public enterprises are appointed.
- Close to eleven per cent (10.84%) of the respondents to the open-ended question indicated that management should maintain and monitor the implementation of anti-corruption policies within the various departments.

- Close to ten per cent (9.50%) of the respondents were of the view that political interference should be curbed, so as to allow for proper procedures to be followed within the daily operations of public enterprises.
- It was the view of 4% of the respondents that proper and applicable anti-corruption policies and procedures should be formulated which are binding in all government departments.
- Ten per cent (10%) of the respondents stated that officials who are appointed into positions in the public service should be appointed according to their qualifications and experience.

6.3 Inferential statistics

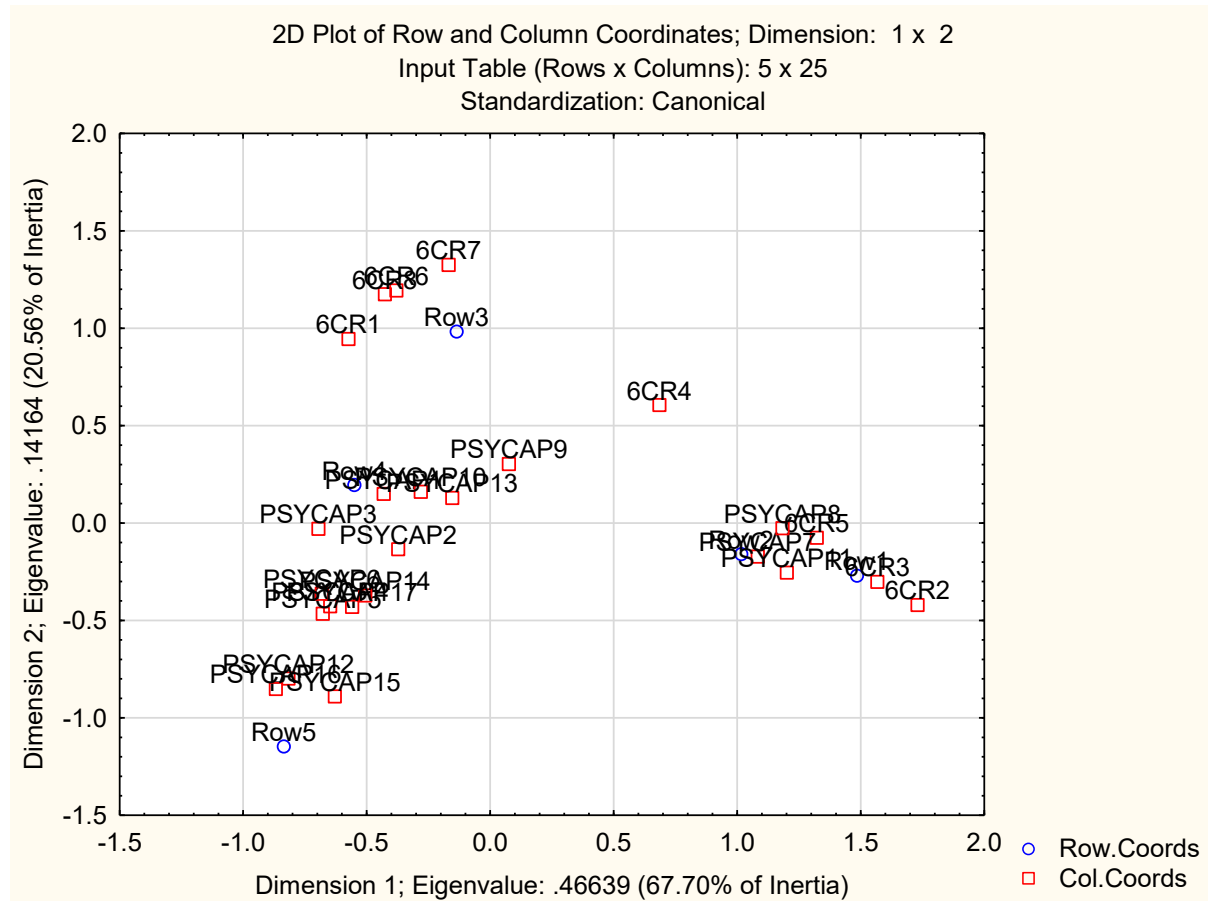
Correspondence analysis was used to further interpret the research findings. This method was selected due to the fact that the data was captured in the form of frequencies. Correspondence analysis is the multivariate equivalent of contingency tables (chi-square) that aims to test the strength of the relationship (correlation) between two variables. All data must be non-negative and on the same scale for correspondence analysis to be applicable. The method treats rows and columns equivalently and is traditionally applied to contingency tables.

This method is part of so-called nonparametric statistics. Nonparametric statistics rely on no or few assumptions about the shape and parameters of a distribution. Examples of nonparametric statistics include the Kurskal-Wallis test and Spearman's rank correlation. Parametric statistics, on the other hand, rely on assumptions about the shape of the distribution (i.e. normal distribution) and the parameters (i.e. means). Examples of parametric procedures are the t-test, analyses of variance (ANOVA) and Pearson's correlation coefficient (Foreman, 2009).

It is important to bear in mind that the multivariate nature of correspondence analysis can reveal relationships that would not be detected in a series of pair-wise comparisons of variables. The advantage of correspondence analysis is that it

produces two dual displays whose row and column geometries have similar interpretations, facilitating analysis and detection of relationships. Graph 7.1 reflects the pattern of association between the two main variables of this investigation, namely perceptions of corruption and psychological capital.

Correlation analysis



Graph 7.1: Correlation analysis

Graph 7.1 shows a pattern of association between variables (based on their proximity to each other on the graph), namely perceptions of corruption indicated as (CR) and psychological capital indicated as (Psyncap) based on a two-dimensional graph.

The following questions reveal associations and could be linked with optimism as a component of psychological capital: employees that feel they can contribute a lot towards the organisation (Question 8.12), optimism about advancing in the job (Psycap 10; Question 8.10), pursuing promotion at work (Psycap 15; Question 8.15), looking at the bright side of things (Psycap 16; Question 8.16).

The following questions show associations and could be linked to self-efficacy as a component of psychological capital: setting goals and targets (Psycap 4; Question 8.4), pursuing personal and work goals (Psycap 5; Question 8.5), reaching their full potential (Psycap 14; Question 8.14) and coping with job stress (Psycap 17; Question 8.17).

The self-efficacy cluster of scores reveals an association with the following corruption questions: Question 6.2 (6CR2) reveals that it is acceptable for employees to be involved in corruption when their remuneration is insufficient, as well as the acceptability of receiving gifts as favours (6CR3; Question 6.3) and receiving rewards for reasons other than job performance (6CR5; Question 6.5).

The cluster of questions on the ability to handle difficult situations (Psycap 7; Question 8.7), the ability to handle conflict (Psycap 8; Question 8.8), finding solutions to personal problems (Psycap 11; Question 8.11), finding solutions to work-related problems (Psycap 1; Question 8.1) and recovering well from setbacks and disappointments (Psycap 6; Question 8.6) relates to resilience as a component of psychological capital.

Although presenting ideas clearly and concisely (Psycap 2; Question 2) is more part of the self-efficacy component of psychological capital, it reveals an association with contributing to work-related discussions (Psycap 3; Question 3). This also shows an association with looking forward to each day (Psycap 13; Question 8.13), and wanting things to work out (Psycap 9; Question 8.9) which could be linked to hope as a component of psychological capital.

Question 6.4 (6CR4; Graph 5) shows no association with any of the psychological score clusters and, in a sense, is thus stand-alone.

The following corruption scores demonstrate an association and are clustered together: Question 6 (6CR6) on the notion that favouritism and nepotism are linked with corruption; Question 8 (6CR8) that fraudulent activities are linked with corruption; Question 1 (6CR1) on the notion that corruption negatively affects service delivery; and Question 7 (6CR7) that abusing office equipment constitutes a form of corruption. These scores do not reveal any association with the any psychological capital scores.

6.4 Summary

This chapter presented the findings of the empirical study. It analysed the questionnaire and presented the descriptive findings. Correspondence analysis was used to infer the data and identify a pattern of association between the two variables, i.e. corruption and psychological capital. This chapter laid a foundation for the next, which includes findings and recommendations based mainly on the outcomes stipulated for this chapter.

CHAPTER 7 CONCLUSIONS AND RECOMMENDATIONS

7.1 Introduction

Chapter 6 presented the data analysis and the research results applicable to the empirical section of this investigation. This chapter presents the conclusions and the recommendations of the study.

7.2 Conclusions

This study sought to investigate the influence of corruption on the psychological capital of employees in a large government department in the Motheo district of the Free State province. The study focused on the public sector as the prevalence of corruption is higher in the public sector as compared to the private sector (Dube, 2011). The South African Department of Public Service and Administration (2002: 6) asserts that, increasing transparency and integrity in the public administration of public enterprises and the strengthening of institutional legislative measures are important factors in curbing corruption in public enterprises. This served as the motivation for a study of this nature.

The majority (40%) of the respondents who formed part of this investigation were between the ages of 25 and 30 years of age. The majority of respondents (85%) were Black and 30% of the respondents were employed as entry-level officers. Only 1% of the respondents were senior managers. Sixty-five percent (65%) of respondents were female and 40% spoke Southern Sotho as their home language. Four percent (4%) of the respondents spoke IsiZulu as their home language.

Section B of the questionnaire captured respondent's perceptions of corruption and gleaned their ideas on possible actions that can curb corruption. A considerable amount of respondents (74%) were of the view that corruption negatively affects the delivery of services within the public service. Service delivery frustrations and even riots feature prominently in the current South African landscape (South Africa Corruption Watch, 2014).

This study also revealed that a large number of the respondents (65%) strongly disagreed that it is acceptable for employees to be involved in corruption if their remuneration was inadequate. This was in contrast to the study by Dube (2011) which found that low remuneration levels amongst low- and high-level public officials contributed to corruption.

Only 8% of the respondents felt it was acceptable to receive a gift as a favour, which, according to Dube (2011), is one of the contributing factors to the pervasive scourge of corruption in public enterprises. Twenty-eight percent (28%) of respondents were of the view that public enterprises are expected to uphold minimal ethical standards in conducting their business and 46% of respondents agreed that maintaining discipline within a government department is critical for combating corruption.

The notion of ethics and discipline is an essential component in combating the occurrence of corruption. This is supported by Maipose (in Hope & Chikulo, 2000: 89) who states that corruption culminates from rotten public servants who create regulations and procedures that cover up their unsavoury deals in the administration of public affairs. It is clear from the responses that not enough emphasis is placed on ethics and discipline in the department under investigation.

Seventeen percent (17%; Table 3) of the respondents were of the view that integrity will not assist in combating corruption in the workplace. This is in contrast to the findings of Dube (2011), who found that a high level of secrecy in the management of public affairs contributed significantly to corruption in public enterprises. The majority of respondents (66%) felt that employees in public enterprises must be held accountable for their actions regardless of the position they occupy.

The appointment of public officials constituted an issue highlighted by this investigation. Seventy-four percent (74%) of respondents indicated that public officials should be appointed fairly and that positions should be advertised to ensure transparency. The majority of respondents (61%) were of the view that corruption thrived where there was poor leadership. This supports the findings of Dube (2011) that patronage appointments, especially into managerial levels, and a lack of political

will to empower public officials were major contributors to the occurrence of corruption.

Sixty percent (60%) of respondents strongly agreed that rules and regulations should be consistently applied in any organisation. This supports Paue *et al.*'s (2002: 33) assertion that weak corporate governance and poor regulatory policies in a country could be a source of corruption. Goredema (2000: 2) is of the view that governments should create instruments that support clean and ethical governance systems in public enterprises.

As already indicated, psychological capital involves an array of positive experiences and feelings of well-being in the workplace. The aim of this study was to ascertain the influence of corruption on the psychological capital of employees in a large government department. Correlation analysis was performed on the data, yielding some interesting findings.

As mentioned, correlation analysis is a nonparametric inferential method that makes very few assumptions about the distribution, but never-the-less reveals some interesting associations between variable clusters. Graph 5 shows a distinct grouping of the various components of psychological capital. This includes optimism, self-efficacy, resilience and hope. When the corruption scores are considered it becomes evident that the strongest association is demonstrated with self-efficacy as a component of psychological capital. This is an interesting finding as self-efficacy encompasses an individual's convictions (Stajkovic & Luthans, 1998: 68) and the motivation and cognitive resources an individual needs to successfully complete a task.

The cluster of corruption questions relates (6CR2, Question 6.2; 6CR3, Question 6.3; 6CR5, Question 6.5) to receiving rewards for not doing your job. Self-efficacy is precisely about the aspects that relate to successfully performing one's job. This observation could imply that corruption influences self-efficacy more than the other components of psychological capital (as there are more associations between the scores). It is important to note that correlation analysis cannot make exact

conclusions about the influence of corruption on psychological capital, but it provides some insight into the variables' associations with each other.

7.3 Recommendations

Researchers (Liden, Wayne, Zhao & Henderson, 2008; Peterson, Walumbwa, Bryran & Myrowitz, 2009; Walumbwa, Hartnell & Oke, 2010; Walumbwa, Luthans, Avey & Oke, 2009) have suggested that leaders who possess a variety of positive traits, goals, values and character strengths are more able to influence their followers' mental states, behaviour and performance (Walumbwa *et al.*, 2010). It is evident that corruption is a disease which has become the DNA of our public departments.

However, it is also evident that those in positions of power within government departments lack the willpower to deal decisively with the issue of corruption in their specific departments. It is not only enough to have policies which prescribe how corruption should be dealt with, but, it is as important to have the expertise to successfully roll out those policies in order to decisively deal with corruption in government departments.

The following recommendations are proposed:

- Proper monitoring and evaluations mechanisms must be put in place by the relevant heads of department in order to monitor the implementation of those anti-corruption policies already in place, but also to oversee whether there is understanding of those policies.
- Political interference in the daily work of departments must be minimised in order to allow those appointed into positions of authority in these government departments to be able to exercise their discretion in carrying out their duties.
- The appointment of officials into government departments must be the sole responsibility of the human resource manager as the HR specialist and as the

custodian of human capital in an organisation. The HR managers must be able to use their professional discretion in the appointment of officials.

- There should be greater emphasis on the impact of psychological capital on the overall performance of the organisation. An employee who feels undervalued and unappreciated will not go the extra mile to meet the targets of the organisation, nor do they feel positive about contributing towards the bottom-line of the organisation.

7.4 Suggested future research

The importance of psychological capital on the wellness and motivation of employees in the public sector needs to be further explored and unpacked.

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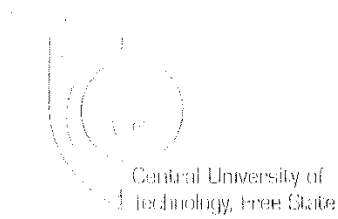
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ANNEXURE A: Request and permission letters



|| FACULTY OF MANAGEMENT SCIENCES

To whom it may concern

Dear Sir/Madam

RE: REQUEST TO UNDERTAKE RESEARCH AT YOUR ORGANISATION

This letter serves as a humble request for your organization to participate in a research study on the employees' perception of the influence of corruption on the psychological capital in your organization. The researcher, Mr. Bongani Mphirime intends to pursue M Tech in Human Resources Management at the Central University of Technology, Free State (CUT).

The research process will consist of data gathering by means of the administering questionnaires to operational level employees. Administering the questionnaires will take about 30 minutes. Please be insured that the respondents and the organization will remain anonymous and all gathered data will be treated confidentiality.

Thank you in advance for your kind consideration

Yours truly



Professor Deseré Koko (Study leader)
Faculty of Management Sciences
Central University of Technology, Free State
Bloemfontein
South Africa
051-5073114
koktd@cut.ac.za

ANNEXURE B Cover letter and structured questionnaire



Central University of
Technology, Free State

04 May 2015

Dear Participant

This questionnaire relates to my masters study in Human Resources Management, entitled:

THE INFLUENCE OF CORRUPTION ON PSYCHOLOGICAL CAPITAL: THE CASE OF A LARGE GOVERNMENT DEPARTMENT IN THE MOTHEO DISTRICT, FREE STATE PROVINCE

Your time and willingness in completing this questionnaire will not only contribute to the successful completion of my master's degree, but will add value to the field of human resource management

The completion of this questionnaire is anonymous and the information will be handled confidentially. Your inputs are of extreme value and importance for the researcher and management.

The information will be used for research purposes only.

Please answer this questionnaire fully and as honestly as possible.

Thank you in anticipation of your assistance.

Yours truly

Mr B.G Mphirime: (073 6938819- bongani.goodenough@gmail.com)

Study leader: Prof Deseré Koko (051-5073114 Email: koktd@cut.ac.za)



Central University of
Technology, Free State

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SECTION A: DEMOGRAPHIC PROFILE OF RESPONDENT

Please indicate your response by making a circle.

1. Please indicate your age _____

2. Please indicate your racial group.

1.	Black
2.	White
3.	Coloured
4.	Indian
5.	Asian
6.	Other, specify

3. Please indicate your position

1	Protection services
2.	Entry-level administration
3.	Administration supervisor
4.	Specialist
5.	Low-level manager
6.	Middle management
7.	Senior management

4.

Please indicate your gender.

1.	Male
2.	Female

5. Indicate your home language

1.	English
2.	Afrikaans
3.	Setswana
4.	Sotho
5.	Zulu
6.	Xhosa

SECTION B: PERCEPTIONS OF CORRUPTION

6. Please answer the following questions related to your perception of corruption.

	Strongly Disagree	Disagree	Agree	Strongly agree
6.1 Corruption is negatively affecting service delivery.	1	2	3	4
6.2 It is acceptable for employees to be involved in corruption if their remuneration is inadequate.	1	2	3	4
6.3 It is acceptable to receive a gift as a favour.	1	2	3	4
6.4 Public enterprises are expected to uphold minimal ethical standards in conducting their business.	1	2	3	4
6.5 It is right for people to be rewarded for reasons other than work related performance	1	2	3	4
6.6 Favouritism and/or nepotism are both related to corruption.	1	2	3	4
6.7 The abuse of office equipment is a form of corruption.	1	2	3	4
6.8 Fraudulent activities are related to corruption.	1	2	3	4

7. Please indicate the importance of the following actions related to curbing corruption.

	Strongly Disagree	Disagree	Agree	Strongly agree
7.1 Maintaining discipline within a government department is critical for combating corruption.	1	2	3	4
7.2 All employees must be honest in their daily work.	1	2	3	4
7.3 Integrity will not assist in combating corruption in the workplace.	1	2	3	4
7.4 Employees must be held accountable for their actions regardless of the position they occupy.	1	2	3	4
7.5 Employees need to be fairly appointed in their positions.	1	2	3	4
7.6. Corruption thrives in the face of poor leadership.	1	2	3	4
7.7. Rules and regulations should be consistently applied in any organisation.	1	2	3	4

7.8. Continuous political influence and interference in government departments can lead to increased levels of corruption.	1	2	3	4
7.9. Poverty contributes to corruption.	1	2	3	4

SECTION C: PSYCHOLOGICAL CAPITAL

8. Please indicate your level of agreement with the following statements.

	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
8.1. I am able find solutions to my work-related problems.	1	2	3	4	5
8.2. I am able to represent my ideas and thoughts clearly and concisely at work.	1	2	3	4	5
8.3. I am able to contribute to work-related discussions.	1	2	3	4	5
8.4. I am able to set goals and targets for myself.	1	2	3	4	5
8.5. I am energetically pursuing my personal and work-related goals.	1	2	3	4	5
8.6. I am able to recover well from setbacks and disappointments.	1	2	3	4	5
8.7. I am not able to handle difficult situations at work.	1	2	3	4	5
8.8. I am not able to resolve conflict in my work environment.	1	2	3	4	5
8.9. In my job things never work out the way I want them to.	1	2	3	4	5
8.10. I'm optimistic about advancing in my job.	1	2	3	4	5
8.11 I am not able to find solutions to my personal problems.	1	2	3	4	5
8.12. I can contribute a lot towards the organisation.	1	2	3	4	5
8.13. I look forward to work each day.	1	2	3	4	5

8.14. I think my full potential is not fully utilised at work.	1	2	3	4	5
8.15 I will pursue any possibility that arises for me to get a promotion at work.	1	2	3	4	5
8.16 I always look on the bright side of things.	1	2	3	4	5
8.17 I am able to cope well with stress in my job.	1	2	3	4	5

10. Please indicate, in your view, what actions could curb corruption.

Thank you for your participation