Ethical Leadership: A Theoretical Analysis of Kenyan Ethical Climate

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4.1 Abstract

Kenya has in the recent past found itself up the ranks of corruption. This is based on the 2016 Global Economic Crime survey by Price Waterhouse Coopers, comparing economic crimes in a sample of 115 countries in which Kenya achieved a rank of three as the most corrupt country in world after France and South Africa. Is this a course of celebration that we soon have to fight just a bit more to attain the 'medal' of corruption? It's a likely scenario given the web of corruption that has entangled all facets of the Kenyan society from crucial arms of government to local administrative units in villages to private sectors leaders and is slowly being manifested in the new generations. It has become our way of doing things, it's our Kenyan culture. Even with the endless efforts from anti-corruption agencies and regulatory laws to stifle corruption, it's a culture we just can't get over. Why? The prevailing Kenyan ethical environment provides the basis of a theoretical analysis of ethical leadership bringing forth the aspect of complexity in the nature of ethical leadership. The paper further highlights that it's beyond the bad apple analogy and corruption is more of a systemic problem applicable to the bad barrel analogy. Nonetheless, the paper acknowledges that in a society where trust and integrity remains a mirage, ethical leadership is at the core of cultural transformation. The possible recommendation to the Kenyan society as a whole and specifically to the Kenyan anti-corruption agencies are provided as possible solutions to tackling the vicious web of corruption in Kenya.

Key Words: *Ethical Leadership, Organizational Culture, Corruption*

4.2 Introduction

An Anticorruption Plea in Kenya: Please, Just Steal a Little

(The New York Times, Nov.4, 2015)
Corruption in Kenya 'worse than ever' says veteran campaigner John Githongo
(Daily Nation, August. 6th *2016)*

It is a rather common phenomenon in the Kenyan society to come across such newspaper headlines implicating public official having embezzled funds meant for development; the traffic police norm of taking bribes as organizations' managers and directors bring down companies for apparent self-interests. Merit is no longer an underlying basis being applied in awarding jobs; it is all about connections. Heads of school and those in senior positions are driven by the need for fame and therefore examination irregularities are on the rise. With no apologies whatsoever, those that stand to question any such behavior have a price to pay. The law is no longer a tool for justice but remains at the disposal of the society elite, having control over resources, driven by personal gains at the expense of the public interest, they continue to propagating the menace of corruption in the Kenyan society. Such forms of leadership would lure one to agree with a newspaper headline that read, '*The true Kenyan leader still a pipe-dream,' (*Wato, 2014*).* In the end as put forth by Ciulla, (2003) "Power comes with the temptation to do evil and the obligation to do good."

The prevailing ethical climate which Cullen (1987), describes as the shared perspective of ethical issues and how such issues should be handled, is characterized by systemic corruption permeating through all sectors of the Kenyan society. In the long run such an ethical climate has given rise to a national culture providing guidelines to moral behavior of followers both the public and employees in Kenyan organizations. (Apriliani, Anggraini, & Anwar, 2014)

The gravity of corruption upon people's consciousness is slowly being wiped away where the ethical climate has provided a basis for the normalization of corruption within the Kenyan society. Leaders no longer value integrity, merely reducing it to a national anthem often sang by our political leaders, more often dropping the word 'integrity' in the middle of their charismatic speech, with no regard to the need and know-how of walking their talk of integrity. Consequentially the followers' expectations of their leaders are not met, leaving little or no trust in such leaders.

Most leaders work under the principle of coercion where they entice their followers with cheap give away such as small monies while political parties will come up with appealing manifestos only to make their way into power for their own selfish gains, (K'Orinda, 2008). This is the way of life not only in our political sphere but also in the economic and social spheres of the Kenyan society. It's the way things are done in Kenya In short it's our ethical culture, where corruption seems to be the underpinning factor stifling Kenya's development. In summary, the Kenyan ethical environment is characterized by a weak institutional system, widespread tax evasion and fraud in public procurement[1], such characteristics only to mention but a few, have made Kenya vulnerable to corruption perpetrated by unethical leaders.

Adopting the definition of corruption by United Nations (UN, 2004):

> *in essence corruption involves public officials acting in the best interest of private concerns regardless of, or against, the public interest."*

The definition generally puts leaders in the spotlight, whether political, corporate leaders, private or public sector leaders. Such a complex phenomenon, running from grand corruption involving business men and top government officials to petty corruption involving low and mid-level public and private officials, has slowly been rooted within the Kenyan society becoming a prevalent crime of the present times mostly identified with leaders. However, petty corruption, is widespread among followers who have somehow come to terms with corruption. Majority of Kenyans are not willing to fight against the vice and the few who are brave enough end up paying the price of corruption instead. The Kenyan system as a whole is intertwined in a vicious web of corruption, where it's no longer a matter of pointing fingers at one specific individual or institution as a bad apple rather as a bad barrel, the Kenyan ethical climate is engulfed in systemic corruption. As one of the most effective solution to systemic corruption, ethical leadership will pave way for a moral atmosphere that will promote accountability and restore trust in Kenyan leaders and institutions. Such (ethical) leaders as defined by Treviño, Hartman, & Brown (2000), are those considered as moral persons and moral managers, demonstrating a normative appropriate conduct to followers through communication, reinforcement and decision making which according to Makris & Rowe (2015), will in turn will influence an organizational culture.

This paper therefore seeks to highlight Kenyan corruption as a bad barrel rather than bad apple problem arguing that to successfully fight systemic corruption, Kenya requires leaders who are ethically transformed to effectively transform the present unethical climate to one which is ethical.

4.3 Theoretical Framework
The coronary of bad apples holds that individuals are the sole proprietors of unethical behavior within an organization and hence the most logical solution is to identify such individuals and root them out of the organization. However bringing forth the theory of social contagion, such a solution is not sufficient in promoting corporate ethos, since majority of individual pick up behavior from others and hence the same unethical behavior will rather be disseminated and manifested in the entire organization. The centrality of the coronary of bad barrel comes to play where ethics tends to question whether our morality is as a result of our genes (nature) or rather is a function of our environment (nature) where behavior is believed to be context dependent.

This section provides a background of the corruption trends within the Kenyan system citing various theories that provide insight to the unethical behavior in leaders.

4.4 Systemic Corruption

Corruption, as put forth by Kimiyu (2007): Shleifer & Vishny (1993), can be viewed from two dimensions, petty corruption and systemic corruption. Petty corruption is where honesty is upheld and therefore corrupt acts are punished. Corruption becomes systemic when it's the norm of a sosiety and therefore its becomes hard for honest individuals not to engage in acts of corruption. There are nonexistent firms established to facilitate corruption and no longer is reputation a factor of consideraton. As such, the Kenyan society has been intertwinned in a corrupt system with the essence of integrity gradually loosing meaning, leaving no sphere without the blemish of corruption as discussed below.

4.5 Kenyan Political Sphere

The persistence of corruption within the Kenyan society can be analyzed from the bad apple analogy where efforts to mitigate corruption have often been put in place through punishment of unethical leaders .The public has in the recent past tried to vote out corrupt regimes with hope of much more ethical leaders. The outcome of the new government has on most occasions been no different from former regimes where leaders tend to embody almost similar unethical behavior as the predecessor.

This can be traced from the colonial period where the British government brought about class discrimination which latter gave rise to tribalism during the post-independence era where the country's resources such as land were unequally distributed among tribes. This vice has been carried on to date where voting of political leaders is based on tribalism, an element that spark the 2007-2008 post-election violence within the country. The Moi regime was still coupled with various corruption cases among leaders with the famous Goldenberg scandal that saw top government officials, state corporations, banks and financial institutions rob the exchequer of £2.3bn in export compensation payments, (Inquiry, 2005). In the end, leaders including the then president, Moi who according to Kamlesh Patni, the company's director, was involved in the scandal was never followed despite the link.

The Kibaki regime from 2003-2012, had one of its major objectives as fighting corruption which had engulfed the previous regime. However, like the predecessor, this regime was no different and corruption became rampant. The major corruption scandal was the Anglo-leasing scandal that involved fraudulent procurement contracts awarded to ghost companies including Anglo leasing Finance in UK which cost the government approximately $1 billion[1]. Various senior government officials, civil servants, lawyers, bankers and auditors had been implicated in the transaction where the money was allegedly deposited in Swiss accounts. The Anglo leasing scandal has cost Kenya's security since security equipment meant to protect the Kenyan boarders were never delivered.

The 2013-2014 financial year auditor general's report brought to light the extend of misappropriation and embezzlement of public funds by the Kenyan political leaders under the current regime of President Uhuru Kenyatta. The national government could only accurately account for 1% of the budget; the mysterious loss Ksh 791 million under the National Youth Service procurement scandal has seen the resignation of various governmental officers and further dragged along the former EACC Chairman, Philip Kinisu for alleged conflict of interest, (Some, 2016) ; the standard gauge railway project has had its procurement process flawed with corruption leading to an approximate loss of half a billion Kenya shillings, (EACC, 2014).Despite the rising instances of corruption, efforts to fight corruption have been evident where the president publicly called out names of corrupt leaders in his government. Some of the leaders implicated in the graft have faced prosecution after investigations by the EACC. Further probe into the Anglo-leasing scandal has been revived that have seen among those implicated, the by then minister of Finance, David Mwiraria arraigned in court for prosecution.

However, the anti- graft body, EACC, has been met with the challenges in the graft war as a result of inadequate policy and legal framework and a slow judicial process, EACC (2015. As Kenyan political leaders over time have been involved in misappropriation of public funds, limited and slow court proceedings have been undertaken to punish such leaders. As a result, the public has lost faith in the machinery available to fight corruption including the judiciary, police, the anti-corruption agency, the office of the Public Prosecutor, the State Law office and the presidency itself.

A glance at the Kenyan wage bill provides evidence of the greed of Kenyan leaders, where other than swindling public funds, often their salaries remain relatively high despite the existence of the Salaries and Remuneration Commission (SRC). A Study carried out by the Independent Parliamentary Standards Authority (IPSA) and the International Monetary Fund (IMF) Kenya's political leader's salaries minus allowances amount to 75 times Kenya's GDP per Capita. This is approximately equivalent to rich countries GDP. Despite the creation of the (SRC) a body to set a review pay of state officials, has failed to curb the salaries of political leaders who have often threatened job security of such governing bodies Politicians having the power to manipulate the laws for selfish gains will occasionally act above the law blackmailing such institutions to fulfill their demands. To the Kenyan leaders, social welfare is but a secondary objective.

In the end the Kenya's political culture has left the Kenyan society complacent to the moral rot of individuals who disguise themselves as people's representative but in essence they are their own representatives. The spirit of patriotism can only be traced at a tribalistic level where majority of Kenyans vote as 'blocs' for their own 'child'. It's a game of numbers, a game of survival for the fittest which some politicians justify as democracy, (Amukowa & Atancha, 2013).

4.6 The Corporate Sphere
Hefty fines, reputational damage and jail sentences as put forth by Transparency International, has been the order of the day in the corporate world. The perception of competitive markets has arisen greed within leaders putting pressure on leaders to achieve a desired performance or profit at all costs luring many to make fraudulent decisions which have been a source of corporate failures, (Bello, 2012). The scrutiny on business leaders today has been as a result of the cost that has been paid by companies from the departure from the expected behavior (Makris & Rowe, 2015). In Kenya, for instance, performance awards have been used as a bait for effective performance which most of the time, companies have reaped maximum profits from such reward system. However such a system is often without fault, where instances of conflict of interest between the management and the company's shareholders have arisen in cases where the management and some company employees have compromised on financial integrity manipulating accounting books to please shareholders and to stay at the top of their game in the public eye. Such scenarios of unethical behavior can be traced to companies such as National Bank of Kenya (NBK) and Chase Bank such that despite making losses, they continuously reported profits upon which its discovery has left the companies in a financial turmoil, (Obura, 2016).

Most instances of corruption within the corporate sphere have been as a result of self -interest by the top management and/or directors which has driven them to lengths of manipulation and embezzlement of company resources. As a result the financial soundness and stability of companies such as Uchumi Limited, Mumias Sugar Company, Dubai Bank, Imperial Bank and Chase Bank has been compromised, (Mungai, 2016).

Unethical leadership has also been observed in the environmental sector where instances of environmental pollution have been on the rise. For example a documentary[1]on lead poisoning in Owino Ohuru' slums in Mombasa by a foreign metal refinery company by the name of Export Processing zone (EPZ), revealed the underhand dealings between the environmental officials specifically the National Environmental Management Authority and health officers with the company owners who apparently overlooked the legal requirements for an Environmental Impact Assessment to be conducted before the plant opened. All in the

efforts to apparently stimulate investment which came at the expense of the health of workers and residents. Such cases have been reported as a result of petty corruption within the environmental sector have often been attributed to insufficient legislation, lack of respect for the rule of law, wide authority given to public officials, minimal accountability and transparency, poor enforcement, low levels of professionalism and perverse incentives.

Non-governmental organizations have also been dragged in the corruption web, taking advantage of poverty in the country to apparently raise donor funds which in the end are used for personal gains.

4.7 The Social Sphere

The Kenyan education system has also been flawed with cases of corruption as pertaining to education funds where heads of school have occasionally been accused of misappropriation of education aid funds as a result causing potential risk to further funds supporting education, (Wanyama, 2016), (Wanzala, 2016). Of much focus is the funding of free primary education and secondary education bursaries that have been at the center of corruption controversy. Corruption has also corrupted the quality of Kenyan education where cheating by various educational institutions has been on the rise. In most cases, school heads bribe examination officials for examination leakages as a measure to ensure their schools stay at the top of the education league. This has highly affected the quality of the Kenyan grandaunts which continues to deteriorate over the years as a result of corrupt educational officials who fail to allow for a fair play ground within the realm of education.

Forms of corruption such as tribalism, nepotism and favoritism have been part and parcel of the public sphere where merit is no longer a criteria for effective allocation of job opportunities. In many instances for example cases of bribery during recruitment of police officers in Kenya, a practice that has been a norm over the years, has denied many potential Kenyan a chance to genuinely defend the country and its people. As a result such unethical behavior has opened doors for lack of effective economic growth and insecurity.

4.8 Possible Explanation to Systemic Corruption in Kenya

Corruption in Kenya as analyzed above seems to be a contagious disease that runs through political regimes, from top organizational leaders to middle level managerial staff and further to low cadre employee. It is slowly being transmitted from one generation to another where the youth no longer identify themselves as Kenyan but rather loyalty is first paid to one's tribe before extending to the broader Kenyan society, this aspect can be viewed from the ethnically centered university politics and the youth tribal gangs that were formed during the Kenyan post-election violence of 2007-08.

Though certain laws are in place to enforce justice but they have failed to deter individuals from unethical behavior of corruption. Even those that are considered somehow ethical tend to lose their sense of ethicality and are initiated in the Kenyan way of life, the culture of corruption. This begs the question, "is our morality a function of our individual nature (bad barrel) or our environmental context'' (nature).

The possible explanation to the above question lies in the theories of cognitive development by Kohlberg, the theory of social contagion and finally the theory of normalization of unethical behavior by Neubert at his colleaques. All these theories work on the premise that leaders are moral managers hence their central role as ethical role models for followers and the organization's ethical climate.

4.9 The Cognitive Moral Development Theory

The decision for a Kenyan individual to act ethically or unethically involves a complex process which follows from moral awareness, moral judgment, moral motivation to then develop a moral character through an element of persistence to follow through the moral action, (Treviño & Brown, 2004). Of essence, the *cognitive moral development theory* by Kohlberg[1] provides a rather relative benchmark for progression in moral reasoning by individuals through various stages.

These stages are the pre-conventional stage which entails punishment avoidance and the law of reciprocity. The conventional stage is governed by the established rules and laws. Further actions are guided by the significant others. According to Kohlberg, majority of adults operate at this level hence majority of people will look up to the significant others in the society and emulate their behavior. This serves to rather illustrate the fact that individuals look outside themselves for ethical guidance. For this reason, a form of corruption such as tribalism will trickle down from top management to lower level management not because the junior staff are not aware that tribalism or embezzlement of funds is unethical but will act out of punishment avoidance with the phrase "*..I had no option but to follow the rules of the boss otherwise.*" while others will work under the law of reciprocity with the phrase *"..If the boss can take such a huge amount of money why not me just a mere employee…"* Such followers when promoted to managerial positions will lead under the same principles adopted from the predecessor since it's the organizational culture.

The conventional stage therefore forms the centrality of the essence of ethical role modelling by leaders. The last stage is the post conventional stage (principled stage) where ethical decisions are made on the basis of principles of justice and right, such individuals have the ability to stand against unethical behavior such as corruption.

4.10 Social Learning Theory

The cognitive development theory gives the basis of the social learning theory[1] which has formed the theoretical basis of recognition of social contagion of behavior from leaders to followers. Through observation and imitation followers will behave similarly to their leader, (Brown, Treviño, & Harrison, 2005) hence followers are more likely to commit to ethics already committed to by leaders. Alongside the social learning perspective is the social exchange perspective of ethical leadership where relationship within these perspectives operate according to the norms or reciprocity, (Hansen *et al,* 2013; Shore *et al*,1993; Blau, 1964). Where there is high quality social exchange relationship, there's observed positive behavior in the organization for instance if leaders treat their followers with respect, there will be a reciprocative behavior from the followers towards others and more so to the organization.

> "The *spirit of morality is awakened in the individual only through the witness and conduct a moral reason.*"

Aristotle (*quote from Ciulla, 2003*)

From the two theories, a leader is seen as a moral manager influencing the moral behavior of his followers. If he is corrupt, then followers will follow suit. How does he (the leader) further influence the ethical climate of an organization and collectively as leaders shape the ethical climate of a nation which in turn shape ethical behavior of citizens?

4.11 The Theory of Normalization

"Climate change is a perfect moral storm …. the consequence is that even if the difficult ethical questions could be answered, we might find it difficult to act. For the storm makes us extremely vulnerable to moral corruption…." Gardiner (2006)

Through the social contagion behavior, moral authority as put forth by Neubert *et al* (2009) is found to have a virtuous influence on an organization's members, which is spread through the work context to shape the ethical climate. Therefore when modelling ethical behavior and creating rational attachment it's essential for leaders to exert moral authority which influences the ethical climate of the organization, (Demitras & Akdogan, 2015). With moral authority, corrupt leaders will contaminate the organizational climate with corruption which will become systemic through the process of normalization.

Asforth & Anand, (2003) put forth the process of normalization through which corruption becomes entrenched within the system. The process is characterized by three stages of institutionalization, rationalization and socialization. Institutionalization depends on the permissibility of the ethical climate. An ethical climate with a coercive approach towards ethical issues fosters unethical conduct such as corruption. In instances where such misconduct of corruption seems to be rather rewarded than punished followers will follow suit since it seems much more profitable to engage in such misconduct. Therefore as discussed by Treviño *et al* (2000), reward systems are an essential tool that signals what are the desirable and undesirable behavior.[1]Taking the case of Kenya, with a relatively reluctant judicial system, corruption cases over the Kenyan history have gone unpunished, with corrupt individuals seemingly benefiting from their unethical behavior, it often results into a win lose situation by the corrupt leaders and the public respectively. From Hutchinson *et al* (2009) title we can conclude that "The worse you behave, the more you seem to be rewarded". As a result, the people's perception of the probability of being caught is low and hence corruption remains a rampant phenomenon, (Lager, 2009).In a rather simplistic illustration the generational adaptation of corruption in Kenya is cheating in examinations. Most students when asked why they cheat and yet they know that cheating is an offense the simply answer, *everyone cheats and they are not caught, therefore I also decided to cheat with certainty that most likely ɪ will not be caught,* (Ludeman, 1938). It goes beyond personal factors and the organizational culture dictates ones behavior.

The unethical behavior further becomes incorporated in the organization's memory through the rationalization process predisposing acts of corruption to become enacted mindlessly in the process of socialization. Therefore unethical behavior such as corruption becomes systemic, entrenched in peoples' mind where they will find it rather strange not to engage in corruption because the system itself is corrupt. The question then becomes, what is the role of laws which are meant to build and shape the organizational culture? Effective codes of conduct and compliance are essential in promoting ethical decision making by providing consistency of standards, clarity of expectations which helps reinforce core values. However though the implementation of corporate ethics and ethical training programs are necessary, they are not sufficient to promote and shape ethical climates, (Demitras & Akdogan, 2015). The appropriate and desired behavior is fostered through a socialization process where employees learn and project values from watching leaders in action which consequentially becomes the way of doing business hence a corporate culture, (Mihelič, Lipičnik, & Tekavčič, 2010)

4.12 Factors That Lead to the Systemic Corruption in Kenya

This section provides an analysis of major contributory factors to the systemic corruption. Great effort is needed to fight corruption in Kenya such as replacement of new corruption agencies (Kenya Anti-Corruption Authority and the Kenya Anti-Corruption Commission to Ethics Anti-Corruption Commission) that have proven ineffective due to the factors analyzed below;

Lack of political will to fight corruption
Though various leaders implicated in the Goldenberg and Anglo leasing scandals have been brought to trial, the process towards justice has been generally slow. In both cases, the government manipulated the machinery of justice preventing prosecution of those involved in the graft. In the Anglo leasing case for instance, Kenya apparently blocked international attempts to investigate the Anglo leasing scandal which forced suspension of investigations by the UK's Serious Fraud Office as the case is depended on mutual legal assistance from the government of Kenya. Once again like the predecessor Goldenberg scandal, The Anglo leasing case slipped through the public eyes. Efforts to revive these cases have been blocked occasionally by members of parliament either through passing bills that prohibit prosecution of the cases or removal from office individuals who try to follow through the cases such as P.L.O. Lumumba, as director of EACC in 2011.

Similar behavior is perpetrated by junior officials in various public and private institutions. The Kenya National Police Service for instance, ranked as the most corrupt institution with latest scandal involving illegal electronic money transfers between officers, led to the firing of 127 traffic police officers. According to Human Rights Report (HRR, 2017), the Kenyan Police Service lacks organizational and technical competencies which give room to rampant corruption, (GAN, 2017). Just as the Kenyan police, clerk officials in the judiciary, depending on the amount of bribe given, would often hide court documents as a result derail court proceedings which in turn overhaul the whole justice process.

Fortunately owing to the judicial reforms, efficiency in the judicial system has been enhanced through establishment of Performance Management Directorate, establishment of the office of the Ombudsperson and improved record keeping and staffing of new judges and magistrates, (Gainer, 2015).

Weak Institutions
The Kenyan police and the judicial arm of government which are core of the bodies to defend and promote justice have been compromised in the fight against corruption, and often have the two been named as most corrupt institutions by trust international corruption agencies such as transparency International. The police force has often been engaged in bribery especially the traffic police, protection of illegal activities from law enforcement and in instances, undermining prosecution of law offenders at an agreed price (bribe).The judiciary's independence has been compromised where courts have been used as a defense mechanism for the society elite, judicial officials have been involved in corruption scandals way back from the Anglo leasing saga to recent corruption cases where judges tried to bribe their way to the Judicial Service Commission and bribery claims levied against Justice, Philip Tunui where the claim was never substantiated by the tribunal due to the Court of Appeal ruling that rendered him not a judicial officer, (Standard, 2016). Despite the judicial reform efforts, efficiency has been improved but as alleged by the Chief Justice, Willy Mutunga before leaving office, the judiciary is as corrupt as ever. In summary corruption cannot be stemmed out if at all the law enforcement bodies are themselves compromised. Justice in such environment cannot prevail.

> *"Yes, I am now at the top. I'm riding a tiger, hoping that the monster will not devour me, but as long as I fight the cartels and they are protected, you cannot achieve anything. You are taking these people into a corrupt investigating system, through a corrupt anti-corruption system, and a corrupt judiciary.''*

> *Willy Mutunga*

Reward Punishment System
The EACC report 2014/2015, records reported cases of corruption with bribery leading at 15%, maladministration at 14%, embezzlement of public funds at 11% while unethical conduct at 5%. Corruption continues to thrive in the Kenyan society since it seems to be a lucrative venture to those that practice it. Statistics by Transparency International reveal that Kenyan dropped from 136 out of 174 countries to 145th position. In essence, with the growth in corruption the assumption is that the Kenyan society rewards those that engage in corruption and punish those that try to stand up against the vice, this is as highlighted by the case of famous Kenyan whistle blowers who have been subjected to torture and other forms of harassment. Such victims include David Munyakei (Goldenberg scam) who lost his job as the CBK clerk John Githongo (Anglo-leasing scandal) who flee to United Kingdom after threats to his life. The press which often exposes the scams of various leaders especially government officials has had its freedom curtailed due to increased self-censorship from amendments to the Communications Act as a device for government officials to silence the press. In essence the legislature which is constituted politicians will often pass laws that permeate corruption and gang up against anti-corruption agencies and individuals that try to expose them of their corruption, (Griffin, 2005). Such a case can be traced back to the removal in office of P.L.O. Lumumba as the director of the EACC who was a threat to the politician's gains from corruption. In an

environment that inhibits participation in the fight against corruption with fear of unjust punishment, corruption continues to stain the already small ethical fabric of the Kenya society.

Weak Laws and Loopholes in Kenyan Law

Individuals will engage in unethical behavior such as corruption not because they are not aware that such as act is unethical but because there is either no provision of some forms of corruptions in the law or there exists loopholes in the laws. To such individuals a crime is only a crime if it's stipulated by the law as such promoting lack of responsibility in leaders and consequently their followers.

Kenyan leaders have occasionally taken advantage of their power to enact laws in favor of themselves at the expense of public interests, such loopholes in law are such as the Leadership and Integrity Bill 2012, which stripped off both the EACC and the DPP of prosecution authority and authority to gather information on political leaders[1]. Financing political party campaigns has been one of the crucial motivation towards corruption where the Kenyan leaders have become reluctant to pass laws that will stifle political party funding. In many instances, the existing organizations systems are structured in such a way that leader's behavior goes unpunished in the sense that they seem to be above the law.

In the Kenyan corporate context for instance the NYS scandal which involved both the government and various banks, the banking regulation provides for very minimal punishment to the banks involved in the fraudulent scam. A maximum fine of one million Kenya shilling is too little a fine to confine such entities from future engagement in similar fraudulent acts. Such laws should be up for amendments if the fight against corruption is to be effective.

4.13 Way Forward for Kenya

Digitalization and Corruption

The Kenyan government has been on the forefront with adaptation of Information and Communication Technology (ICT), with regard to budgeting and revenue collection system, procurement system which has seen improvement in service delivery and efficiency. Such efforts can be seen partly from the judicial reforms of 2011-2015 (Gainer, 2015), the introduction of the government digital electronic payment system, iTax platform, the full roll out of the Financial Management Information System (IFMIS) and an e-government procurement system. Technology as such has enabled reduction in corruption cases with regard to the reduced number of individuals involved in a process hence minimized interaction between service providers and clients. However as put forth by Ramey (2016), digitalization is indeed a tool to curb corruption, but it's not a sufficient tool in itself to fight off systemic corruption, a complex construction of human behavior. All that digitalization achieves to this end, is to remove the human element from the equation. At the end, it begs the question, can we automate morality. Ramney 2016 then advocates for the need for political will. As such the government has to find a way of combining automation and other initiatives addressing group behavior directly as discussed below.

Other Initiatives

Kenyan corruption being a complex phenomenon arising from the structure of the current systems constituted by various governmental and non-governmental institutions, characterized by fragmentation of agency where institutions are not unified in the fight against corruption. For instance, with the ongoing reforms within the Kenyan judiciary, there should be parallel police reforms to streamline both institutions with a common objective of fighting corruption. Otherwise, efforts to minimize systemic corruption from one agency will be nullified by other agencies' institutional inadequacy posing a challenge to the moral integrity of individuals who collectively further the normalization of corruption.

Nielsen (2003) analysis on systemic corruption brings forth the intertwined nature of the political, economic, social and legal system within the corruption web. Corruption in the Kenyan society has often

involved a number of individuals from various sectors of the economy. For instance given the grand corruption cases of Goldenberg, Anglo leasing and NYS scandal, politicians, the judiciary, banks and business men have been involved forming a corrupt network. The conclusion inferred from this paper is the need for reform networks that are at per with corrupt network where emphasis should shift from an individual institution to corruption networks. Reform institutions should be established with focus on long term continuity and reform efforts. However to be successful there's need for coordinated support and partnership between anti-corruption governmental agencies, the civil society, the corporate society and individual leaders to have an understanding of the operation of and destabilizing corrupt system.

Involvement of the public and employees within the fight against corruption through enacting of protective laws for whistleblowers and partnering with the press. Such mechanisms public complaints enhance transparency within organizations further promoting accountability by leaders. International cooperation in the fight against corruption will help minimize systemic corruption where leaders involved in mega scandals such as the Golden berg and Anglo leasing scandals will be prosecuted upon investigation from both local and foreign authorities. Such efforts will promote an ethical climate which will restrain individuals' engagement in corruption as the probability of being caught is more likely.

The fight against systemic corruption calls for both individual and corporate commitment, (Chidi, 2013). Leaders are responsible for nurturing the organizational culture, therefore there's need for a system that supports value based centered leadership. In the Kenyan context where hope, confidence and integrity in leadership has been lost, it's essential to look beyond leaders' charisma and delve further into their possessed values, morals and ethics, (Copeland, 2014). Though it's difficult to completely eradicate systemic corruption, in efforts to minimize the corruption menace, Kenya needs authentic transformational leaders who will walk the talk of integrity seeking the common good of followers in turn uplifting each other to higher levels of motivation and morality, (Garg & Krishna, 2003).

4.14 The Essence of Authentic Transformational Leaders for Kenya

According to Bass (1990)[1], transformational leaders compel followers to look beyond self-interest as a course to promote common good through their charisma which according to Chun *et al* (2009) creates an emotional bound between the leaders and followers. Transformational leaders are also characterized by an element of inspiration to reach higher goal through extra effort, intellectual stimulation and individualized consideration through offering of personalized attention to followers' values and attitudes. However, not all transformational leaders are ethical. Pseudo- transformational leaders are rather selfish and tend to pursue own interests at the expense of their followers achievements, (B.Ciulla, 2003). Only those leaders that act on socialized rather than personalized basis of power are ethically transformational. Such leaders should ultimately possess the ability to coordinate efforts of other factors in fighting against corruption. The consistency between words and actions will mitigate the crisis of trust that has characterized the organization climate.

4.15 Other Solutions to Fighting Corruption

The Kenyan system of job allocation has been maimed by corruption in the forms of bribery, tribalism, nepotism and cronyism. Occasionally the government and some institutions have responded by shuffling up individuals allocating them new positions in different ministries and departments. However this does not solve the problem of corruption since its equivalent to creating new avenues for individuals to perpetrate corruption. A more effective decision by the government and organizations is to root out such individuals from the organization first (i.e. bad apple) as a short term solution then proceed to a culture transformational reforms. Such cultural transformation reforms entails having leaders who have cultivated in them 'righteousness' guided by morality then as a result of the law or reciprocity (social learning), the people constitution the organization or the public will follow suit. In the long run, both leaders and followers will share a set of values, promoting collective goals hence a well ordered state and society will naturally fall into place. This will then inform the behavior of new and existing members of the society.

The norms that inform the political dealings of the Kenyan society (political culture) have often aligned the political bureaucrats towards misappropriation of tax payers' money towards expensive lifestyles. China's current political leadership under president Xi Jinping is committed to fight corruption through ensuring implementation and vigorous pursuance of political regulations aimed at curbing corruption where senior leaders within the government have been persecuted and jailed for corruption charges. Further each leader is to account for any major life changes such as acquisition of property, travelling abroad and decision on marriage life such as divorce. Such mechanism can be adopted in Kenya which will help streamline leaders' interest to those of the nation. However, coming up with policies to tame leaders behavior is important nonetheless, of essence is the need for political will to commit to the policies and implement them.

4.16 Conclusion

"power comes with the temptation to do evil and an obligation to do good"
Ciulla (2003)

Just like in Kenya, power has been used for the former, where leadership positions have been used as opportunities to enrich oneself at the expense of the followers. In the end, leaders have pushed aside the interest of followers which they were meant to protect and have turned leadership into million processing machines. Therefore trust of followers to leaders has been eroded and many of the followers with ambitions to join leadership realms envision similar opportunities to enrich themselves. Given that the leaders' unethical conducts go unpunished as law enforcing and protection units in the system are entangled in the corruption menace, why not grab the opportunity and benefit. At the end leadership has lost the principle of 'the others' which is a core principle in ethical leadership which is consequently transmitted to followers who will disregard social sanity for personal survival at all cost, (Etete & Agdube, 2013).

The fight against unethical behavior such as the corruption menace in Kenya is far from pointing fingers at individuals or individual institution and it's far more of putting into consideration the whole Kenyan society which is engulfed in a viscous web of corruption. In the end this paper seeks to put forth emphasize that Kenya's corruption is endemic in nature, more so a bad barrel rather than the state of a bad apple. However efforts to fight corruption from the system, will have to encompass ridding the systems of bad apples, bad leaders' first then carry out institutional reforms that will consequently minimize systemic corruption. Collaboration between the public, employees, governmental agencies, the civil society are necessary to form an ant-corruption network to have the muscle to fight the ever strengthening network of corruption.

Challenges on Ethical Leadership

In as much as the paper proposes some measures to eradicate systemic corruption, ethical leadership is at the fore front in an effective fight of corruption. However, several challenges will be faced in such a quest ranging from followers expectations and identification of those considered to be authentic transformational leaders. Such challenges as explained below, open room for further research into the realm of ethical leadership.

The quest for authentic transformational leadership may result into Kenya falling into an "impression management trap' through Machiavellianism leadership. This leadership style is a destructive form of leadership given that a leader with a Machiavelli's personality is thought to be exploitative towards followers. However, the form of exploitation is rather indirect where such leaders do not engage in direct deception or manipulation. In fact research shows that they are often considered as good liars and skilled at impression management, (Becker & O'Hair, 2007).Unfortunately, it's hard for followers to determine whether their leader is manipulative given that such leaders are well adapted and in some instances may go to extends of demonstrating ethical behavior such as investing in pro-organizational activities which in the end are beneficial to themselves. Therefore using follower perception as a measure of ethicality in leadership is rather unreliable as such expressions of ethics may not reflect a leader's personal morality, (Hartog & Belschak, 2012). Such insights therefore begs the question, 'do we judge morality or rather ethicality on the basis of actions or intentions'.

For instance as highlighted by Dasborough & Ashkanasu (2002), distinguishing between pseudo and authentic transformational leaders is through the perception of their intention rather than their action since both may display similar behavior. Therefore the ability to identify such leaders is affected by the ability of leaders to hide their intentions and the ability of followers' to distinguish leaders' intentions, (Dasborough & Ashkanasu, 2002). However Hartog (2015) puts forth interesting question concerning intentionality as a gauge for morality. How can we measure intentionality to know if a leader is moral? And further as highlighted by Ciulla (2003), a leader may have ethical intentions but due to incompetence produce unethical outcomes, do we then conclude that one is morally ethical based on the intentionality element by ignoring the symbolization element of ethical leadership?

The appointment of leaders evoke expectations in subordinates which when left unfulfilled lead to consequences that are against the best interest of the organization, (Einarsen, Aasland, & Skogstad, 2007).According to Ciulla (2003) setting too high expectation of moral behavior for leaders is somewhat unrealistic as it's tantamount to an expectation of moral standards next to moral perfectionism which is nothing attainable. Such expectations leads to dissatisfaction of leaders since few or even none will live up to the expectation. However this does not mean that moral standards should be set too low since this comes at a cost of reducing them to merely followers of the law of which law is but the bare minimum morals. More so too low standards simply implies being less immoral than predecessors. Such extremes fail to identify an effective and ethical leader (B.Ciulla, 2003). The question then becomes, how far should we raise our expectation. Where is the midpoint?

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