



DRAWING AN ETHICAL LINE IN THE SAND



Alice Muller

One of the most serious challenges the AGSA has faced in recent years is threats and intimidation against its audit staff. The intimidation and threats cover a wide spectrum, from offers of rolls of cash to make a finding “go away” to vandalising auditors’ cars and other personal property – and even, in the worst cases, death threats and actual physical harm.

Under Kimi Makwetu’s leadership, the response to the steady escalation of intimidation and threats was clear and firm: we will not be deterred from fulfilling our constitutional mandate to strengthen democracy by enabling oversight, accountability and governance in the public sector through auditing.

This steely eyed determination to defend our constitutional mandate was strongly in evidence in early December 2019 when Kimi briefed Parliament’s Standing Committee on the Auditor-General (Scoag) on acts of intimidation against audit staff, including threats of kidnapping and offering bribes.



IN THE PUBLIC EYE

With Scoag’s support and the message in the public eye, the AGSA’s leadership team employed a multipronged strategy to deal decisively with threats and ensure the safety of the office’s audit teams.

We have a very strong leadership commitment to act against intimidation and threats, says Alice Muller, acting national leader in the AGSA.

This is because intimidation and threats strike at the very heart of the AGSA’s constitutional mandate: should a finding not be raised, those responsible for the irregularity or non-compliance cannot be held to account and the AGSA would then not be delivering on its mandate to strengthen democracy.

We will do whatever it takes to safeguard our staff and protect the integrity and independence of the audits and the auditors, Alice said in a panel discussion hosted by the South African Institute of Chartered Accountants (Saica) on Global Ethics Day on 21 October 2020.

She outlined some of the key measures the AGSA has been taking to deal decisively with threats directed against its staff.

These steps include forming a multidisciplinary security task team to assess and deal with risks related to intimidation and threats, together with the visible commitment of leadership.

We went out and talked to everyone in the organisation with the message, Talk to us. The moment you don't feel safe, speak up, says Alice, adding. **The moment I know, I will act.**

Action could take various forms, depending on the level of threat. Based on its risk assessments, which are becoming more and more sophisticated, the office might decide that staff in a particular audit should work from their guesthouse rather than go to the auditees' premises. In other cases, staff have been issued with panic buttons, backed up by proactive plans with the South African Police Service to extract them from vulnerable situations if need be.

Other measures are comprehensive security awareness and training for staff across the organisation, counselling to cope and build resilience, and escalation and communication so that staff know exactly what to do and who to contact in the event of a threat.

In addition, the AGSA's engagement letters now directly address the question of the safety of its audit staff. **We have had very good responses. Auditees have started helping us with arrangements to keep our staff safe, such as where we sit and park, and escape routes,** Alice says.



STREETWISE AND VIGILANT

Staff are also becoming more and more comfortable about recording their safety concerns in the office's register of incidents, not just if there is an overt threat but also the more subtle signals.

We are getting streetwise, says Alice. **Our staff never go to an engagement alone; there are always two people. They also know that the moment you have a finding, you share it with the team so that the whole team knows. We also never park just anywhere – we park near cameras, if at all possible.**

Apart from being more vigilant, audit staff are becoming adept at thinking on their feet and drawing on their own wisdom to deal with ethically problematic situations. Alice recalls the experience of one trainee auditor who was offered a cash bribe. **He handled the situation by saying, 'Let me go and think about this'. He got out of the situation and immediately escalated the matter.**

Such experiences are actively shared within the organisation so that others can learn and grow from it too. Staff engage

continuously on how to deal with intimidation and threats, and how to navigate ethical dilemmas.

The AGSA also makes a point of celebrating its ethical heroes, as happened on Global Ethics Day 2020 at a celebration hosted by the then deputy auditor-general, Tsakani Maluleke.

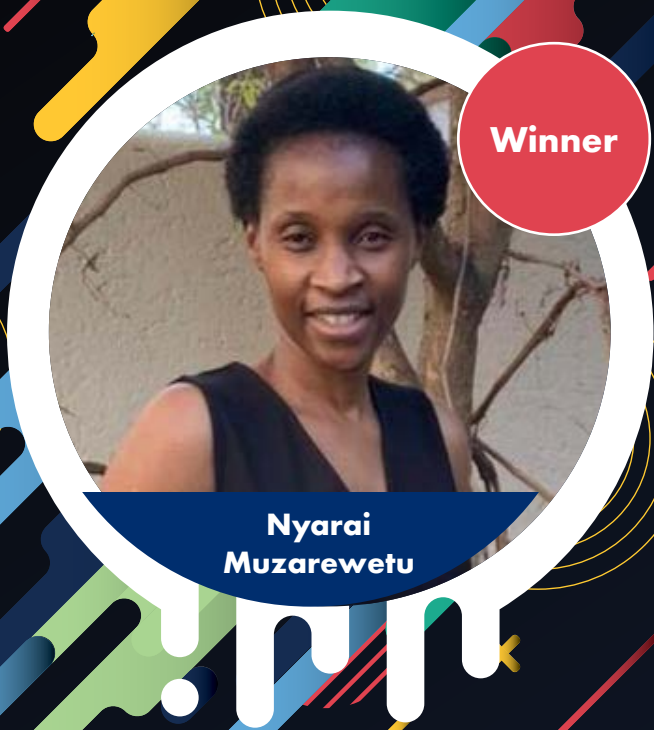


ETHICAL HEROES

I am intrigued by this year's celebration theme, 'own it, my ethical accountability is personal', she said. **This theme is aimed at appealing to all of us to be ethical heroes in our own right and in our own spaces.**

She noted that over the past year – a year when the covid-19 pandemic had exposed the shortcomings in the ethical conduct of many – the AGSA had attained an AA ethics maturity level. Ratings such as these are not built by only adhering to international auditing standards and codes of conduct but also through the day-to-day actions of individuals choosing to make ethical decisions, intensify access to moral principles and deepen our appreciation of what that means in our daily lives. **These are the heroes that continue to scale up our ethics maturity level, and thereby safeguard our reputation,** Tsakani said.





Winner

**Nyarai
Muzarewetu**

AGSA

ethical heroes

Ethical behaviour is vital to our existence. Championing ethical conduct and owning it as a personal value is a huge part of every AGSA employee.

During Global Ethics Month, we chose to celebrate ethics heroes who demonstrated their commitment to living our ethical principles.

True ethics heroes show integrity, independence, objectivity, confidentiality, transparency, professional competence, due care and political neutrality

Nominees



Cleo Shabalala
ISA



Nkululo Nocha
IKM



Rebone Masemola
ISA



Joy Malirotho
ISA



Jabu Manana
POE



Siphumle Ntsokolo
ISA



Nyarai Muzarewetu
POE



Edward Matjila
POE



Lucretia Wagenaar
POE



Leocardia Kamanga
ICT



Mashea Motai
POE



Andriette D'Abreton
IKM



Kethan Ramith
Mpumalanga



Vanuja Maharaj
CE04



AUDITOR-GENERAL
SOUTH AFRICA
Auditing to build public confidence