THE ROLE OF CORPORATE GOVERNANCE IN ACHIEVING CLEAN AUDIT IN JOHANNESBURG MARKET ENTITY

BY

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DECLARATION

I, Azwianewi Cedrick Nephawe, hereby declare that the research submitted for the master's degree in Business Administration at the University of Limpopo, is my own work except where otherwise acknowledged. I also declare that this work is original and has not been previously submitted to any university for any other award or publication, except where otherwise acknowledged.

______________________	14/08/2023
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ABSTRACT

The focus of this study pertains to the Johannesburg Market entity, which has consistently obtained an unqualified audit opinion for duration of four consecutive years. Using a quantitative approach, the research was driven by the conviction that good governance is indispensable for the promotion of transparent and ethical administration. The objective of this study was to investigate the role of corporate governance in achieving clean audits in the Johannesburg Market entity. The presence of minimal audit findings is regarded as a reliable indicator of effective and reliable governmental administration. The study used a quantitative study approach, a simple random sampling technique and an online questionnaire to collect data. Sixty-one respondents comprised of 40 males and 21 females participated in this study.

The study demonstrated a significant association between effective corporate governance and an unblemished audit. The aforementioned observation highlights the detrimental impact of either mismanagement or embezzlement of public funds on the delivery of vital services, thereby underscoring the significance of good governance in ensuring transparent administration. The research emphasised the consistent implementation of effective governance practices to safeguard the overall welfare of the organisation. The role of governance in maximising the efficiency of resource allocation through auditing, especially internal auditing, serves an essential purpose in fostering accountability, transparency, openness and participation. The research is in accordance with the notion that a well-governed society is characterised by effectively managed public resources and efficient provision of services. Moreover, the research underscored the discourse prevalent in the public entity of South Africa regarding the attainment of clean audit outcomes and the enhancement of governance mechanisms.

In this study, a descriptive data analysis approach was applied. Quantitative in nature and approach, data collected through the use of an online questionnaire were used as the source of data analysis. A questionnaire was emailed to respondents (ANNEXURE C: QUESTIONNAIRE OF THE STUDY on page 144.). The response was categorised in accordance with the descriptive tables.The data were subjected to analysis using the Statistical Package for the Social Sciences (SPSS) Version 25.0.

The findings concluded that the entity's management adopts a strategic approach to enhance corporate governance and control systems, thereby establishing efficient governance and control mechanisms within the entity.

Keywords: *Corporate governance, Clean audit, Risk management, Audit Committee*

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ABBREVIATIONS AND ACRONYMS

AGSA: 'Auditor-General. ' of South Africa

CEO: Chief Executive Officer

JM: Johannesburg Market

OECD: Organization for Economic Cooperation and Development

IAF: Internal Audit Function

IoDSA: Institute of Directors in South Africa

IT: Information Technology

JSE: Johannesburg Stock Exchange

SOC: State-Owned Companies (SOC)

SOE: State-owned enterprise

SPSS: Statistical Package for the Social Sciences

CHAPTER ONE
INTRODUCTION

1.1 BACKGROUND INFORMATION

This study has been inspired by the view that observing and guaranteeing honest administration requires a well-functioning governance function. As such, the absence of any significant findings in an audit is a strong indication of efficient and honest management in government agencies. In South Africa's public sector organisations, there has been much discussion regarding how to obtain a clean audit result and how greater governance might enhance the procedures required to do so (Deloitte, 2019) It is generally agreed that good governance improves an organisation's efficiency and effectiveness, bringing it closer to its clean administration goal (Makhura, 2014).

As such, governance's responsibility is to maximise efficiency in resource allocation by establishing and maintaining reliable internal control mechanisms (Cao, Li & Zhang, 2015). As a result, well-managed public resources and efficient service provision are hallmarks of a well-governed society. When public funds are mismanaged or stolen, it prevents them from being used to provide essential services to the public. Effective governance often results in transparent administration, so the two concepts are often used interchangeably. It is advised that clean administration be pursued in the South African context to encourage the attainment of clean audit outcomes across the public sector because it has been demonstrated that it improves the performance of local government organisations (Soomro & Chandio, 2013).

This research sought to investigate the role that corporate governance plays in achieving a clean audit for the Johannesburg Market entity. The research would help the entity to identify the cause of not obtaining a clean audit in the entity and assist in closing the gap. In this chapter, the background to the problem is defined. Secondly, the chapter discusses the study's problem statement, aims and justification and its relevance. Thereafter the outline of the thesis is presented. The Agency Theory was used to explain why internal audit functions are important and why corporate governance is necessary as discussed in chapter two of this study.

According to Massey and Gunter (2020), the City of Johannesburg Metropolitan Municipality is the sole owner of the Johannesburg Market entity State-Owned Company (SOC), also known as the Johannesburg Market around the world. It originated as a result of the Egoli 2000 restructuring process, which was established under the alternative delivery mechanisms provisions of the Municipal Systems Act, and was later converted into a state-owned company in accordance with the Companies Act 71 of 2008.

Based on the market's annual trade volume and the number of people employed (321), the Johannesburg Market has emerged as a major provider of fresh produce to multiple destinations in the South African Development Community (SADC) region. The Johannesburg Market is a major distribution hub that receives fresh goods on a daily basis. The market price of fruit and vegetables is determined by the forces of supply and demand. The Johannesburg Market entity offers a wide range of trading facilities and associated services to accommodate the needs of its many categories of farmers and buyers. The entity is also responsible for the facilitation of the distribution of fresh produce in the City of Johannesburg, and it is key in ensuring food security in the city as well as in the province of Gauteng.

The entity adapts to governance principles as required by the King Code of Governance Principles for South Africa, in terms of recommended practices like the Municipal Finance Management Act (Act 56 of 2003), governance structures, processes and procedures (Auditor-General of South Africa [AGSA], 2020).

Andersen (2015) explains corporate governance as the way a company plans, organises, directs and controls its operations. Amore and Bennedsen (2016) postulate that corporate governance subscribes to corporate governance principles. According to Flammer (2016), corporate governance principles include transparency, accountability, responsibility, independence and fairness. Brennan and Kirwan (2015) also indicate that corporate governance practice is motivated by the parties in the system of management of a particular organisation such as shareholders, investors, employees and government. Corporate governance is therefore a significant influence on ensuring that a clean audit is achieved.

For four consecutive years, the Johannesburg Market entity has received unqualified audit opinions hence this study. Against this background the researcher investigated the role that good governance plays in achieving clean audits for the entity. The Johannesburg Market entity is considered the economic hub where fresh fruit and vegetables are kept and sold in South Africa. For example, it supplies about 125 000 tonnes of fresh produce per month to consumers in Southern Africa worth R8 billion per annum. Corporate governance ensures that huge entities like the Johannesburg Market entity maximise the value of all stakeholders involved over the long term.

In light of the clean audit, Cao *et al*. (2015) hold the view that corporate governance may be achieved through the different functions such as compliance, corporate citizenship, auditing committee, risk management and information management. An entity like the Johannesburg Market depends on corporate governance for a clean audit. Hong, Li and Minor (2016) agree corporate governance can lead to a good performance which equates with a clean audit. Therefore, a clean audit outcome in the Johannesburg Market entity is significant.

1.2 PROBLEM STATEMENT

South African entities experience challenges like corruption, bureaucracy, lack of transparency and inadequate robust risk management. These lead to corporate governance challenges which normally result in unqualified audits for the entity. For the four-year period (2015 to 2019), the Johannesburg Market entity obtained audit reports which were not good (AGSA, 2020). Notwithstanding the dominant view is that corporate governance augments accountability, transparency, responsibility, independence, and fairness which the entity has showed thus far. On a daily basis, almost 11 000 citizens or buyers enter the Johannesburg Market entity to purchase fruits and vegetables to support the families.

If the Johannesburg Market entity fails to obtain a clean audit, it will not be considered a *'going concern'* in the foreseeable future. Going concern is also known as the *continuity assumption*. The assumption is that a concern will continue to operate in the near future unless substantial evidence to the contrary exists. Consequently, the institution will face liquidation as there will be insufficient funds to support future operations, asset realisation, and liability settlement (Massey & Gunter, 2020). The Johannesburg Market entity plays a crucial role in ensuring food security within the city. A strategy has been developed to ensure the consistent and sufficient provision of fresh produce that meets the required quality standards. Food security is regarded as a primary concern for the South African government, which seeks to enhance the current food security initiatives in order to guarantee access to food for all individuals within the country. The Johannesburg Market entity has been assigned the responsibility of being a key catalyst for ensuring food security within the City of Johannesburg Municipality.

It is therefore significant to recognise that the role of corporate governance in achieving acceptable audits depends on the Johannesburg Market's ability to comply with the right processes to govern the entity. This research therefore sought to investigate the role that corporate governance plays in achieving clean audits in the Johannesburg Market entity.

1.3 AIM OF THE STUDY

The study's aim expresses the intention and aspirations of the researcher and what should be achieved at the end of the research project (Bairagi & Munot, 2019). In this context, the study's primary aim was to investigate the role of corporate governance in achieving a clean audit in the Johannesburg Market entity.

1.4 RESEARCH OBJECTIVES

Brandenburg and McDonough (2019) consider the idea of research objectives as outlining the precise measures the researcher will take to accomplish the aim of the research. In supporting the statement, Creswell (2014) posits that the researcher should check the research objectives to ensure that they remain focused and should decide what needs to be reviewed and revised. Furthermore, the research aims and objectives should direct the study activity in order to answer the research questions.

Therefore, the research objective centred on evaluating the role that corporate governance played in achieving clean audits in the Johannesburg Market entity. The study had the following specific objectives:

1. To investigate corporate governance systems that are in place at the Johannesburg Market entity;
2. To determine the effectiveness of internal control mechanism at the Johannesburg Market entity which ought to have contributed towards the positive outcomes viz; Clean audit (AGSA).

1.5 RESEARCH QUESTIONS

According to Antons and Breidbach (2018), the research questions articulate the problem to be researched or investigated. Creswell (2014) indicates that the scope of the questions are informed by the research aim and objectives.

The following research questions were developed in response to the problem statement:

a. What cooperate governance systems are in place at the Johannesburg Market entity?
b. How effective is the internal control mechanism at the Johannesburg Market entity?

1.6 MOTIVATION OF THE STUDY

The researcher is a member of staff of the Johannesburg Market entity in the City of Johannesburg Metropolitan Municipality. The common unqualified audit received for the last four years is an issue of concern and a gap was identified in finding reasons for the unqualified audit in the entity. As this is a quantitative study, the concern of researcher positionality is minimal as there is no interaction between the researcher and the respondents. The researcher aimed to investigate the role of corporate governance in the Johannesburg Market entity as a way to close the knowledge gap created by unqualified audits.

1.7 SIGNIFICANCE OF THE STUDY

The study intended to benefit the Johannesburg Market entity by equipping managers of the entity to maintain the role that corporate governance plays in achieving clean audits. This study would benefit local government employees, the board of directors and researchers in future. The study would also benefit the entity with regard to policy review and strategic planning. These benefits would be realised by the dissemination of the study findings and recommendations in academic journals. The significance of the study denotes the importance of the study, the area of study, the research question as well as the target group. Thus, this study sought to contextualise the findings which other bodies of knowledge have investigated.

1.8 DEFINITION OF THE CONCEPTS

In any research, it is important to define the key concepts before using them. Silverman (2016) outlines the importance of defining the concepts as a demonstration of an understanding of what is discussed in the research.

1.8.1 Johannesburg Market Entity

According to AGSA (2020), the core function of Johannesburg Market is the supply of fresh fruit and vegetables. The extensive market extends to countries bordering SA and also to small businesses, traders and vendors within the Johannesburg area.

1.8.2 Clean audit

A clean audit is defined as an unqualified audit (AGSA) which encompasses the following:-

- Financial statements free from material miss representations.
- No material findings on the annual performance report
- Strict compliance in accordance with key legislation”.

1.8.3 Compliance

Ferry, Zakaria and Slack (2017) define compliance as conforming to a rule, policy, standard, or law as well as identifying goals to be achieved by an organisation and taking steps to comply with relevant laws, policies and regulations.

1.8.4 Risk management

Motubatse (2016) defines risk management as managing the risks that an entity faces as it works to accomplish its goals. Risk management is distinguished into legal compliance, operational, financial, personnel, and informational risks.

1.8.5 Corporate governance

Jan (2015) defines corporate governance as the company's structure of rules, policies, practices as well as processes which are available to manage and direct the entity.

1.9 OUTLINE OF THE RESEARCH REPORT

This study is structured as follows:

Chapter one: This chapter details the research, the study's background, the problem statement, the study's aim and research objectives, research questions, research motivation, study significance, and definition of key concepts in relation to the role of corporate governance in achieving a clean audit for the Johannesburg Market.

Chapter two: This chapter reviews existing literature on the role which corporate governance plays in achieving clean audit for the Johannesburg Market. It also explains previous findings related to the topic in order to identify gaps.

Chapter three**:** This chapter outlines the methodology used in this research, the conceptualisation and measurement, sampling and participation, as well as data gathering and analysis techniques. The evaluation of study design and methodology in relation to research topics and ethical considerations is discussed.

Chapter four: This chapter describes how researched data was analysed and discussed. The findings were discussed in relation to the examination of existing literature in Chapter Two.

Chapter five: This chapter presents the research findings and implications and ends with the conclusions drawn and recommendations and conclusion.

CHAPTER TWO
LITERATURE REVIEW

2.1 INTRODUCTION

The study focused mainly on the role which corporate governance played in achieving clean audit in the Johannesburg Market entity. Nevertheless, in this context, the research did not ignore the role which corporate governance plays in public entities in South Africa. According to Silverman (2016), the literature review postulates that articles, journals and other sources in the area of study are read. Creswell (2014) outlines the literature review as a summary of the previous research on the topic. Accordingly, the literature review objectively evaluates and clarifies the previous research (Silverman, 2016). This chapter discusses literature pertaining to the historical development of the Johannesburg Market entity, the concept of corporate governance, corporate governance systems at the Johannesburg Market entity, the role of internal audit in an organisation and the corporate governance framework in South Africa. Thereafter, the theoretical framework comprising agency theory which informed the study was discussed.

2.2 THE EVOLUTION OF THE JOHANNESBURG MARKET ENTITY

The origins of the Johannesburg Market can be traced back to 1887, when 3000 people gathered in Market Square in the centre of Johannesburg to engage in the business of trading fresh produce. At that time, the market was known as the fresh produce market. The fresh food market expanded in tandem with the growth of the city. As mentioned by Massey and Gunter (2020), the barter system comprised the majority of the transactions that took place at the Johannesburg Market when it first opened in 1893.

After reaching its maximum capacity in 1913, the Market was relocated to Newtown, where it continued to thrive and expand to even greater dimensions. At this location, business was conducted through the use of an auction system, and a wide variety of agricultural products were put up for sale, including pheasants, poultry, game, hay, and lucerne. Radebe (2017) defines the auction system as the activity which includes buying and selling of goods and services by opening it up for bidding, that is, the highest bidder gets the product or service. The turnover for the Market in Newtown during its final year of operation (1973/74) was a princely sum of R2,4 million (Massey & Gunter, 2020). This was the last financial year that the Market operated in Newtown. In 1972, the Johannesburg City Council made the decision to relocate the Market from its location in Newtown to its current location in City Deep because the Market had reached capacity in Newtown (Massey & Gunter, 2020).

Multiple trips were made by city officials to Europe, Australia, and the United States to undertake study on the most effective business methods for the new market. As a direct result of the findings, a new Market was distinctively developed and built at a cost of R19.5 million. The Market opened for business in September 1974 and had the capacity to process 400 railway trucks per day. It used a commission market system to conduct its business. The Market continued to deal in meat even as late as the 1978–1979 fiscal year. It still registered sales in meat and vegetables and pheasant; for example, 102 springbok were sold at an average price of R17.81 each. In later years the Market decided to stop selling livestock, which resulted in only the trade of fresh produce at that point in time (Massey & Gunter, 2020).

In spite of its modest beginning, the Market expanded steadily over the years to become the largest market for fresh produce not only in South Africa but in Africa. The annual turnover for the company currently exceeds R3.5 billion. As a point of reference, the Johannesburg Market is roughly twice as large as the fresh fruit and

vegetable market in South Africa that holds the position of second place (AGSA, 2020).
The Johannesburg Market was transformed from a private company and is now owned in its entirety by the City of Johannesburg Metropolitan Municipality as a result of the political transition in South Africa. The Companies Act of South Africa was put into effect in 2000, and as a result, the business was reorganised into what is now known as a State-Owned Companies (SOC) (Act No. 71 of 2008).

The Company is required to follow a number of legal provisions that outline the statutory requirements. These provisions can be found in the Companies Act, the Municipal Systems Act, and the Municipal Finance Management Act 56 of 2003, among other statutes.

In terms of the volume of fresh produce that is traded, the Company is the largest fresh produce market in Africa, and it has a staff complement of 399 employees. Farmers from all over South Africa and even further afield are given access to Johannesburg Market trading facilities, allowing their produce to be marketed and sold to thousands of customers on a daily basis. Across the entire agricultural value chain, the Johannesburg Market itself, market agents, and tenants that operate within Johannesburg Market's facilities are responsible for the creation of thousands of jobs.

Because it holds a 45.5% share of the market in South Africa's national fresh produce markets, Johannesburg Market is an important player in the price-setting process for the industry that deals in fresh produce. The Company is South Africa's first fresh produce market with a laboratory recognised by the South African National Accreditation System (SANAS TO532) for assuring compliance with and continuing maintenance of food safety requirements. Its status as the country's and Africa's largest fresh food market, as well as its financial position is of enormous significance, particularly in terms of how it is handled. The concepts of corporate governance as applied to most state-owned enterprises (SOEs) are pertinent in this context.

2.3 THE CONCEPT OF CORPORATE GOVERNANCE

According to L'huillier (2014), corporate governance indicates the way corporations are governed, who takes accountability and who makes decisions and for what purpose. It outlines the responsibilities for the persons who hold power as well as rules and regulations governing the entity or organisation. In corporate governance, both the function of internal auditing and the state of corporate governance in developed market economies have been the focus of extensive research (Cao *et al*., 2015). In South Africa as an emerging economy, corporate governance is of paramount significance. According to the AGSA (2020), there is a gap between audit results and a precarious financial state that has been causing negative financial consequences for public entities. Consequently, inadequate corporate governance is to blame for this effect. Wogu (2016) indicates that corporate scandals like Enron and WorldCom in the United States and Marconi in the United Kingdom as well as the Steinhoff scandal in South Africa brought corporate governance into greater focus worldwide, hence this study.

Against this background, Lenz and Sarens (2019) indicate that by keeping directors accountable and aligning their interests with those of shareholders, internal corporate governance attributes are expected to boost entity performance in normal economic times. AGSA (2020) posits that several SOEs have fallen victim to corporate scandals in recent years, including Eskom, Transnet, and South African Airways. This directs corporate governance to provide a report on the quality and reliability of financial statements in entities. According to Cohen, Krishnamoorthy and Wright (2017), financial statements should ideally be prepared in accordance with international standards and local laws, and then certified as accurate by an external auditor. Shareholders and Boards of Directors need access to all relevant data, which can be provided by financial standards (Rönnegard & Smith, 2014). Hong *et al*. (2016) explain corporate governance as a process in which the entities are controlled and directed. Idowu, Sitnikov, Simion and Bocean (2018) explain that corporate governance includes organisational processes and structures as point of focus along with management, decision-making, and control.

According to Motubatse (2016), corporate governance refers to the framework through which authority and policymaking are administered. Corporate governance, according to Wogu (2016), is the process by which political and other social organisations connect with and relate to individuals in a complex environment. Ojok and Batshela (2016:411) define governance as "a system or procedure by which authority is exercised to manage a country's social and economic resources for the common good."

Additionally, Greasley (2020:95) outlines elements of good governance as related to “effectiveness, efficiency, responsiveness, equity, public participation, transparency, accountability, rule of law, and consensus orientation all rely on a government's legitimacy to be successful”. According to the Organization for Economic Cooperation and Development (OECD) (2015), companies that need equity resources for long-term investments benefit greatly from corporate governance because of the trust and credibility it inspires. Corporate governance is a method of tracking the efficiency of entitles (Wong, 2004). According to Hemphill and Cullari (2014), corporate governance can result in the company's higher profit margins and responsibility, which will benefit the nation as a whole in addition to the shareholders and stakeholders of the entity. Capital is easier to access, and conflicts of interest are reduced, thanks to corporate governance. Balkaran (2013) argues that government agencies and their leaders should act in a responsible, transparent, and accountable manner. As a result of corporate failures in organisations, corporate governance emerged, especially in SOEs. According to

Wogu (2016) corporate governance exists when "investors are confident that the firm will achieve its objectives and will receive a return on its investment."

The OECD (2016) defines corporate governance as a relationship between a company's management, Board of Directors, shareholders, and other stakeholders. By including all interested parties, not just shareholders, the OECD's (2015) definition is more comprehensive. Corporate governance, as defined by Adams and Akobeng (2021:102) refers to a circumstance in which the ruling body displays ethical and strong leadership, which serves to guarantee an ethical culture, effective performance, fruitful control, and legitimate authority.

According to Sethunyane (2020), corporate governance is the mechanism through which things are governed and managed. Theletsane (2013) defines corporate governance as the process by which a large number of people work together to determine the goals of an organisation and assess its progress toward those goals. Corporate Guidelines are a set of tenets that every business and organisation, no matter how big or small, should adhere to in order to run smoothly (Manyaka & Madzivhandila, 2013).

2.3.1 Core Concepts of Corporate Governance

Bloodgood and Tremblay-Boire (2016) summarises the principles of corporate governance as follows: a board has the responsibility to select and supervise a competent chief executive officer and other senior managers; accurate and timely financial reporting enhances good corporate governance; independent directors should be able to hold meetings and discuss the organisation's strategic goals and objectives away from the company's management team and chief executive officer; and an organisation has the responsibility to share information with its stakeholders.

The following are the fundamental tenets that have the support of corporate governance:

- The board of directors is in charge of endorsing business plans that will increase long-term value. They are also responsible for choosing the chief executive officer (CEO) and directing senior management in running the company's operations. Among other responsibilities, this involves allocating resources for future development, assessing and reducing risks, and fostering an ethical culture.
- The management team develops and executes the business strategy while supervising the day-to-day activities of the company in front of the board of directors with the aim of creating sustainable value over the long term.
- The management team is in charge of creating accurate financial statements that give a thorough overview of the company's financial condition and performance in front of the board and its audit committee. Additionally, they make sure that information is disclosed in a timely manner so that investors can evaluate the company's operational and financial soundness as well as any associated risks.
- The audit committee of the board is in charge of recruiting and managing the company's external auditor, supervising the annual audit of the financial statements and internal controls relating to financial reporting, and managing the company's risk management and compliance efforts.
- The nominating/corporate governance committee of the board is primarily in charge of creating the corporate governance framework for the organisation. The board's composition must match the needs of the firm and its strategic goals, and this committee is in charge of finding and keeping members who are actively involved in the business. Additionally, it is in charge of overseeing the board's succession plan.
- The Compensation Committee of the Board of Directors is in charge of developing a comprehensive executive compensation philosophy. The

remuneration plans that are in line with the prevailing concept are also overseen by this committee. In order to encourage the creation of long-term value, the committee also creates remuneration packages for the CEO and senior management. The committee also establishes important performance-based goals.

- When it comes to issues that affect the company's ability to generate long-term value, the board and management should consider the perspectives of long-term shareholders.
- If investors interact with the board of directors or management in a way that could influence the company's strategic direction or decision-making process, they should be prepared to reveal their identity and accept responsibility for the company's long-term success and the welfare of all shareholders. It is crucial for shareholders to understand that while deciding how to allocate the company's resources, the board of directors has the duty to strike a balance between the pursuit of short-term financial advantages and the building of long-term value.
- If doing so results in the creation of long-term value for the firm, the board of directors may consider the interests of many stakeholders, such as the company's employees, clients, suppliers, and local community.

The primary objective of this role is to provide assistance to the boards of directors and management teams of publicly traded companies in their endeavours to enhance corporate governance practices and engage in the discourse surrounding this subject matter (Botlhoko, 2017). The primary indicator of effective corporate governance lies in the generation of enduring value. It is crucial for shareholders and other stakeholders to comprehend the rationale behind a company's selection of specific governance frameworks, practices, and procedures in pursuit of this goal (Adams & Akobeng, 2021). Nevertheless, it is imperative to acknowledge that a universally applicable governance framework cannot be prescribed for all public companies in South Africa. Hence, it is imperative for businesses to not only disclose their operational methodologies but also elucidate the underlying rationale for such decisions.

2.3.2 Essential elements of good governance

Kubernetes, the Greek word for "steersman," is the source of the English word "governor". OECD (2016:8) defines governance as "the system by which an organisation arranges its processes and structures to make decisions, carry out its work, and monitor its progress." Governance also includes "setting direction, applying and implementing key effective governance, provided that people are willing to follow the proposed lead".

Botlhoko (2017) indicates that the most crucial parts of governance are: (i) keeping an eye on the higher ups and (ii) ensuring that management is held accountable in the view of investors and other stakeholders. Indicative of ethical leadership is the capacity of organisational leaders to mitigate unintended consequences through the demonstration of competence, integrity, responsibility, accountability, fairness, and transparency. Strategic goals and positive results for the organisation are indicators of effective leadership. It prioritises efficient and effective execution because, it is clear that effective and ethical leadership are mutually reinforcing.

A risk governance committee should be formed by both independent and executive directors, according to King IV and the two functions should operate independently of one another. Combining the two is discouraged by corporate governance best practices unless the company can devote sufficient resources to managing the resulting risks. For example the audit and risk committee at Steinhoff International Holdings should have spent more time and effort and imposed stricter controls in light of the company's recent scandal (Doumbia, 2020).

Global institutions and academics have given the concept of "good governance" new meaning. When the following four conditions are met, we can say that governance is effective: communication between the government and the governed; responsive and transparent leadership; efficient and effective public services; and a fair and impartial judicial system. Good governance is characterised by efficiency and effectiveness, responsiveness, transparency, accountability, the rule of law, and a vision for the future (OECD, 2015).

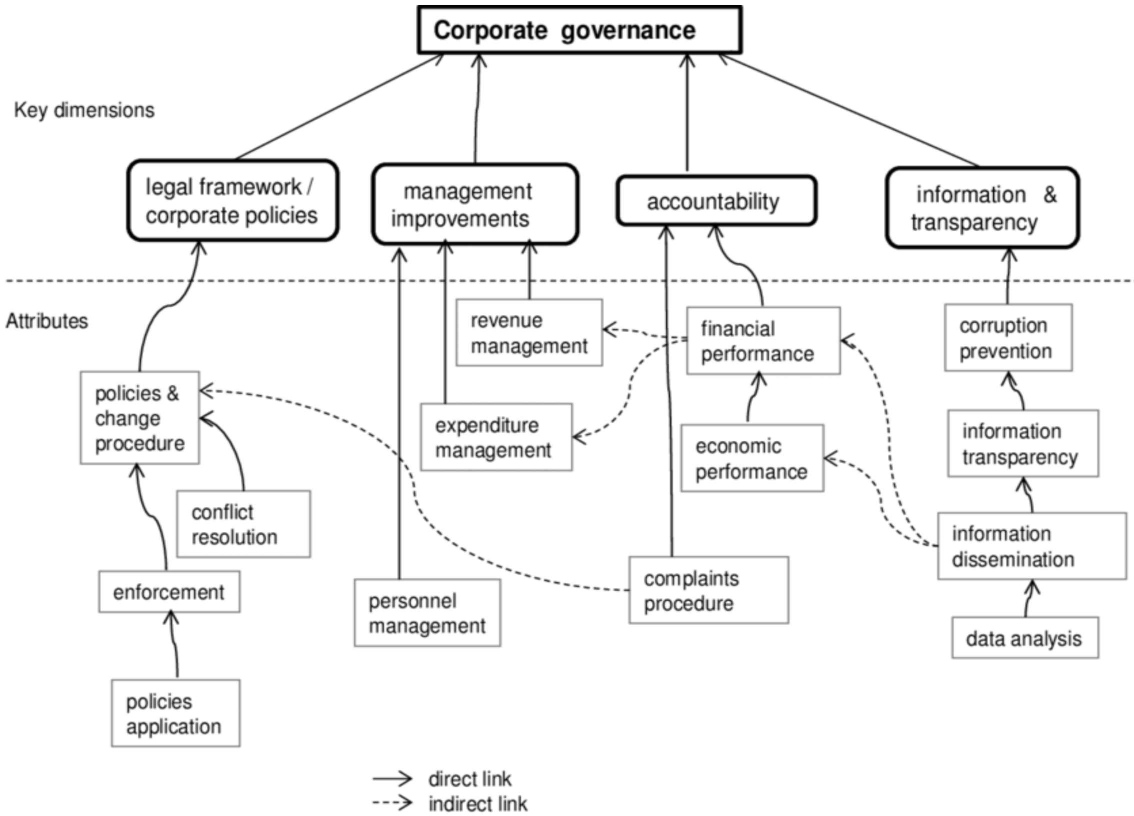
Accountability, predictability, transparency, and participation are the four tenets of good governance promoted by the Amore & Bennedsen (2016) Good governance, according to the Cao *et al.,* (2015:316) is the development of an enabling legislative and judicial framework, as well as accountability, transparency, participation, and the prevention of corruption. Good governance is defined by coherence, effectiveness, transparency, accountability, and involvement. The term good governance refers to a government that is approachable and thoughtful, one that can overcome problems in a society by passing laws and taking other measures to address the issue (Adams & Akobeng, 2021). With regard to this research, good governances most likely understood to imply openness, accountability, and the ability to combat bureaucratic corruption within SOEs (Theletsane, 2013).

The Cadbury Report, which subsequently transformed into the United Kingdom's Corporate Governance Code, underscored the imperative of elevating corporate governance standards in the United Kingdom (Flammer, 2016). In the realm of legal principles, it is important to note that the concept of good corporate governance cannot be considered in isolation, as the application of a voluntary corporate governance code may also entail legal consequences. Ojok and Basheka (2016), as well as Wogu (2016), have identified several shortcomings in the Saxon model of governance. These include the widespread use of creative accounting practices, an increase in unexpected business failures, the potential for unscrupulous directors to exploit the funds of other stakeholders, the limited involvement of auditors, an apparent weak correlation between executive compensation and company performance, and a market environment devoid of ethical respondents.

Doumbia (2020) argues that good corporate governance helps businesses attract foreign and institutional investors, which aid in the company's ability to grow sustainably. Companies with sound management practices have the foresight to mitigate danger by drawing and retaining the best talent, which boosts profits (Grigore, Stancu & McQueen, 2018). Good corporate governance practices also aid in the development of an advantage over the competition. Transparency, accountability, and fairness in reporting are hallmarks of strong corporate governance, and these qualities, along with their promotion of goodwill and confidence in the financial system, serve to attract domestic investors and the local capital market (Byun & Leopkey, 2022). In addition to improving the efficiency and value of the company, this practice also generates insightful and trustworthy financial reports regarding the business's operations. Unprofessionalism, which is a by-product of subpar corporate governance, inevitably leads to lax oversight and financial losses. Poor internal controls, risk assessment, strategy, and owner disagreements are additional outcomes. Therefore, perceptions of nepotism also rise in SOEs (Theletsane, 2013). A company's performance can be improved through the cultivation of trust, business confidence, and essential social capital which can be attracted through the acquisition of higher quality, larger, and cheaper funding (L’huillier, 2014).

Figure 2.1 presents the essential dimensions and attributes of the corporate governance framework.

Figure 2.1: Key dimensions and attributes of corporate governance framework



Source: Adapted from World Bank (1991)

2.4 CORPORATE GOVERNANCE SYSTEMS AT JOHANNESBURG MARKET ENTITY

The Johannesburg Market entity is the biggest market for fresh fruit and vegetables in South Africa which supplies about 125 000 tonnes of fresh produce per month to consumers in Southern Africa which amounts to R8 billion per year (AGSA, 2020). According to Liu, Miletkov, Wei and Yang (2015), the significance of efficient corporate governance mechanisms lies in their ability to ensure the attainment of a transparent audit within the organisation. Therefore, corporate governance mechanisms are seen as the mechanism to assist companies or entities achieve their objectives and increase the likelihood of long-term success (PricewaterhouseCoopers (PwC), 2017). One crucial aspect of corporate governance processes involves the establishment of an audit committee within the organisation.

In this regard, the committee ensures that there is planning for internal audit, appointing the external auditor, advising the external auditor on audit issues and ensuring that financial statements are prepared according to prescribed accounting standards (Abbot, Daughtery, Parker & Peter, 2016).

2.4.1 Audit committee and entity's performance

The audit committee, according to Cohen, Krishnamoorthy, and Wright (2017), is a subcommittee of the board of directors responsible for reporting financial information and addressing any problems directed to the board of directors. According to Ogoro (2015), the audit committee is responsible for performing several specific tasks. These tasks encompass evaluating the financial information that will be disclosed by the organisation, assessing the effectiveness of the entity's internal control mechanisms, ensuring compliance with relevant laws and regulations, reporting any complaints related to the entity's operations to the board, and maintaining the confidentiality of the entity's documents, data, and information. According to PWC (2017), a good understanding of financial accounting and reporting is needed for monitoring and evaluation as well as advising the auditors.

2.4.2 Size of the board and entity's performance

According to Radebe (2017), corporate governance is viewed as a mechanism in which the entities are managed, controlled and directed. The responsibility of the board is centred around the implementation of the strategy (Cohen *et al*., 2017). According to Flammer (2016), shareholders' primary role in governance is to appoint auditors and directors as well as to ensure that governance structures are in place. In this case, the auditors' role is to monitor the financial statements.

Grigore, Stancu and McQueen (2018) indicate that organisations which are not cooperating adequately with the selected auditors are regarded as noncompliant financially. Therefore, corporate governance with guiding principles are constituted in term of guiding the operation of the organisation looking the risk management to employees treatment as well as reporting unfair labour practices (Hong *et al.* 2016).

Consequently, strong and transparent corporate governance leads an organisation in making decisions ethically that could benefit all stakeholders and investors. Conversely, bad corporate governance results in a detrimental effect on the organisation.

Therefore, governance could apply to corporate decisions and further interact with the society. Additionally, Missioura (2015) postulates that corporate governance posits that relevant processes and the institutions produce acceptable results that subsequently satisfy the needs of the community while utilising the resources adequately.

2.5 THE ROLE OF INTERNAL AUDIT IN AN ORGANISATION

According to Motubatse (2016), a clean audit refers to a financial statement that is devoid of any instances of non-compliance with government legislation. The internal function is accountable for overseeing the internal audit activities within an organisation. The key factors that contribute to the effective functioning of the internal audit function include the allocation of adequate resources, the competence of auditors, the organisational structure, and the adherence to the international Standards set forth by the Institute of Internal Auditors (Jan, 2015).

The efficacy of internal audits in South Africa has been the subject of numerous studies; one of the most comprehensive is that conducted by Motubatse (2016). An efficient internal audit, as defined by Lerry, Zakaria and Slack (2017), produces the expected results. According to a report based on the opinions of more than 400 chief audit committee members and chief financial officers on value-seeking through internal audit states that an effective IAF should do more than just report the known deficiencies; it should also offer explanations for how and why these problems arose.

When something is effective, it produces an effect or has the potential to do so (OJok & Basheka, 2016). This means that the internal audit is not complete until all problems have been fixed and are being fixed (Jan, 2015). According to Kroukamp and Cloete (2018), performance auditing is effective if it reveals the connection between resources used and goals achieved. Given the aforementioned context, the objective of internal auditing extends beyond simply documenting instances in which an organisation fails to adhere to applicable regulations or lacks internal control mechanisms. Instead, its primary function is to assist the organisation in attaining its objectives by implementing a methodical approach to assessing and enhancing risk management, control, and governance procedures (IIA, 2022). This suggests that they are useless without management's dedication to implementing audit findings and recommendations (Ojok & Basheka, 2016). Consequently, management reaps the rewards of an efficient IAF which boosts productivity within the company (Virkes & Salman, 2021).

According to Jan (2015:24), an efficient IAF may serve as a catalyst for boosting public trust in an organisation's financial reporting and co-operative governance. The IIA conducted research into nine factors that contribute to the success of an internal audit in the public sector (Wogu, 2016). Organisational autonomy, a clear mandate, unfettered access, adequate funding, capable management, impartial employees, qualified specialists, stakeholder buy-in, and professional audit standards are all essential components (Sethunyane, 2020). Research shows that an efficient IAF is a crucial public sector governance mechanism.

Independent Audit Firms are assessed by the Independent Regulatory Body for Auditors (IRBA), which is established under the Auditing Profession Act 26 of 2005 (APA).

Section 165(2)(vii) of the Municipal Finance and Management Act (MFMA) The Municipal Finance Management Act (MFMA) stipulates the requirement for an Internal Audit Function (IAF) and mandates its establishment. Furthermore, it is mandated by Act 32 of 2000, which establishes the Municipal Systems Act that Independent Audit Firms (IAFs) carry out an assessment of the performance management systems of the municipality (Onay, 2020). It is imperative to consider that an efficient IAF is perceived as a mechanism of governance, and that sound governance within a municipality is essential for attaining and upholding a favourable audit opinion (Motubatse, 2016).

Hong, Li and minor (2016) examined the effectiveness of internal audit at a micro-level, considering the four micro-level factors that were identified as influencing the effectiveness of internal audits Internal auditing is a multifaceted function that encompasses various elements such as resources, processes, relationships, and structure. According to Motubatse (2016), a clean audit signifies the absence of any non-compliance with government legislation, as evidenced by the financial statement being free from any irregularities. This study focuses on the impact of corporate governance on achieving clean audits in the Johannesburg Market entity.

2.5.1 The effectiveness of internal control mechanisms

According to the International Standards for the Professional Practice of Internal Auditing (ISPPIA), the Chief Audit Executive (CAE) is responsible for making sure that all of the internal auditing resources are adequate and being used to achieve the planned results (Onay, 2020). The International Standards for the Professional Practice of Internal Auditing defines "appropriateness" as "the right combination of knowledge, skills, and other competencies," while "sufficient" means "there are enough of them to go around" (Deloitte, 2017). . Efficient utilisation of resources is achieved when they are effectively employed to accomplish the objectives specified in an officially sanctioned internal auditing strategy (Jan, 2015). Standard 1210 of the International Standards for the Professional Practice of Internal Auditing emphasises the need for internal auditors to have the appropriate knowledge, skills, and resources to carry out their obligations effectively (Cao et al. 2015). Similarly, Standard 1230 emphasises the value of ongoing professional development for internal auditors in order to improve their knowledge, skills, and competences.

The resources available for performing internal audits can have an impact on their quality. Ogoro and Simiyu (2015) define audit quality as the likelihood that an auditor will uncover and report flaws in audits done by external auditors. For an auditor to be considered independent, they must be competent technically and have the freedom to report any irregularities they find. According to Ogoro and Simiyu (2015), auditors' effectiveness depends on their independence and their ability to spot violations (competence). Internal auditor competency has garnered attention from academics and practitioners (Onay, 2020). Cao *et al.* (2015) assert that internal auditors in South Africa necessitate a diverse array of expertise. Accountancy-related abilities, competency in various audit methodologies, risk management aptitude, acquaintance with various company sectors, managerial competencies, awareness of legislative demands, and expertise in internal auditing tools and techniques are all included.

The IIA is conducting research to determine and develop internal auditor competency standards. Communication, problem identification and resolution, persuasion, teamwork, critical thinking, and information technology (IT) were identified as competencies in this study as part of the Common Body of Knowledge (Mathiba, 2019). Certification is another way to prove that an auditor has the skills necessary to perform internal audits (Greasley, 2020)). Obtaining one's Certified Internal Auditor (CIA) designation is still the gold standard in the field of internal auditing (Botlhoko, 2017)

As the leader of the IAF, the CAE has a responsibility to serve as a role model for auditors by being well-equipped to do the job (Abatecola, Caputo & Cristofaro, 2018) There have been many initiatives to improve the IAF through staff rotation programmes between internal audit and business (Sethunyane, 2020) A practice guide issued by the IIA offers recommendations for improving the efficiency and effectiveness of internal audits, including the use of auditor rotation as one tool (Lerry *et al*., 2017).

2.5.2 Internal auditing procedures

The steps of preparation, performance, reporting, and following up that make up an internal audit are as follows (Onay, 2020). It is the responsibility of the CAE to develop a risk-based plan to establish IAF priorities in accordance with the ISPPIA, which serves as the road map for carrying out internal audit processes (Mathiba, 2019). The Corporate Governance and Traditional Affairs Ministry (COGTA) recommends that municipalities and the IAF place a high priority on achieving and maintaining an unblemished audit (Wogu, 2016). It is important to evaluate the processes followed by internal auditors in terms of compliance with the internal audit plan and the budget, customer satisfaction, and time management (Doumbia, 2020)

According to the IIA standards, it is required for the CAE to establish and maintain a quality assurance and improvement programme for the entirety of the IAF (Onyango, 2019). In order to ensure compliance, businesses operating within the public sector of South Africa are required to adhere to the guidelines set forth by the National Treasury, as outlined in the blueprint provided by Motubatse (2014). Furthermore, the performance evaluation of the IAFs within the Institute of Directors in Southern Africa's Public Sector Audit Committee Forum involves soliciting input from various stakeholders, including the Chartered Accountants of England and Wales, the audit committee, management, and external auditors (Deloitte, 2017).

As a result of what has been said above, auditors have a responsibility to see that problems are fixed after they have been discovered. Although the IAF cannot guarantee that audit findings will be resolved, the CAE is obligated to monitor the progress of agreed upon corrective measures (Deloitte, 2017). Internal control monitoring includes monitoring and evaluating management's efforts to address internal control concerns, thus establishing internal audit as a valued collaborator for management (Byun & Leopkey, 2022)

2.5.3 Relationships within the internal auditing department

Any interested parties in an organisation may be considered stakeholders in internal auditing because of their expectations for the function (Maguto & Muzindutsi, 2022). The identification of relevant stakeholders who have an impact on or are influenced by the activities of internal audit, as well as the regular collection of feedback, is a crucial responsibility of the CAE. This entails the identification of both internal and external stakeholders who have an influence on the IAF (Doumbia, 2020). Internal stakeholders encompass various groups within an organisation, such as the board of directors, the audit committee, and the top management team. On the other hand, external stakeholders consist of entities outside the organisation, including regulatory bodies and standard-setters (Jan, 2015).

The IAF needs to figure out how to involve and report to stakeholders once it has settled on efficiency and effectiveness metrics (Onyango, 2019). According to the Deloitte, (2017) various research studies and recommendations propose that the CAE should establish a functional reporting relationship with the audit committee. This arrangement is believed to enhance the safeguarding of the IAF’s autonomy. This perspective is supported by the research conducted by various scholars specialising in the domain of internal auditing, such as Lerry *et al*. (2017). Furthermore, it is imperative to note that the King Code of Governance Principles for South Africa (commonly referred to as the King III Report) stipulates that the responsibility of selecting, overseeing, and potentially replacing the CAE lies with the audit committee Deloitte, 2017). This requirement is considered the optimal approach for all entities operating within the South African context.

Senior management is the IAF's second most important stakeholder. The King III Report suggests that the CAE should be included in all management meetings at all times (Theletsane, 2023)). According to the findings of the PwC 2017 State of the Internal Audit Profession Study, a mere 54% of respondents acknowledged that internal audit contributes substantial value to their respective organisations. This figure represents a marginal increase from the 48% reported in 2015. It is unfortunate that nearly half of respondents believe internal audit does not contribute significantly to the success of their organisations. When CAEs show strong leadership, their organisations benefit greatly, as evidenced by the survey's finding that in more than 90% of cases (PwC, 2017), successful IAF leaders are characterised by a number of characteristics, including a clear vision that benefits both the organisation and the IAF, a focus on talent development, clear and effective communication, an internal audit process that benefits the organisation, and a commanding position. 60% of those surveyed said they anticipate greater benefits from internal audit. People who are already receiving substantial value are included in this percentage.).

The significance of internal auditors' communication to management surpasses the importance of internal auditors' desire to convey information to management (Botlhoko, 2017). The presence of scepticism among management towards the audit committee, as well as the establishment of a direct reporting route to the said committee, may result in an accidental decrease in the amount of information supplied by the internal audit function with the committee (Onay, 2020). Internal auditors have made adjustments to their practices in response to the current focus on risk management (Lerry *et al*., 2017).

The internal audit department did not fulfil its responsibility to consistently inform management and the audit committee about the progress of implementing Operation Clean Audit subsequent to its adoption in 2009. An essential factor in attaining a clean audit was identified as the presence of a proficient and productive internal audit function (Greasley, 2020). If clean audit is so important to the South African government, it should show up somewhere in the municipal risk assessment.

Municipalities can greatly benefit from an enhanced risk profile and more effective risk management if they implement an internal auditing programme (Adams & Akobeng, 2021). Employees will cooperate and support the IAF if they know that the company's leadership is on board with the cause.

According to the study conducted by Mokoena and Nomlala (2022), it was observed that management demonstrates a complete recognition of the significance of internal audit effectiveness in their professional endeavours. According to their perspective, the paramount elements for ensuring an effective internal audit encompass the endorsement of management and the calibre of the audit itself. Furthermore, Jan (2015:23) found that top-level buy-in is a significant factor in the success of internal audits. This is partly based on the idea that it is management's duty to put into practice the suggestions made by the IAF; if this is not done, it directly affects the IAF's efficiency (Idowu et al., 2018) The morale of internal auditors is lowered when their recommendations are ignored (Jan, 2015).

To effectively fulfil its supportive role, senior management relies on internal audit to provide independent assurance about the efficacy of procedures, to contribute actively to process improvement, and to aid in risk management processes (Adams & Akobeng, 2021). The expectations set by management significantly influence the internal audit function, and its ability to meet these expectations determines the level of support it receives.

Besides internal staff, external auditors are an integral part of the IAF stakeholder community. The CAE is responsible for coordinating the assurance activities in accordance with established best practices (Byun & Leopkey, 2022). The quality of internal control is important to both internal and external auditors (Grigore et al., 2018) Prior research has established that the two primary ways utilised by external auditors to look at the extent to which they rely on internal audit work are the quality of the work performed by internal auditors and the competence of the internal auditors (Maguto & Muzindutsi, 2022).

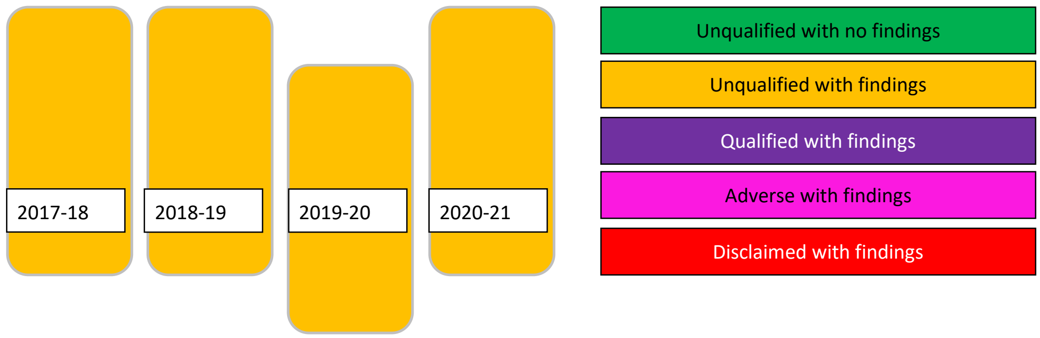
The government sector recognises the distinction between internal and external auditing (Wogu, 2016). Benefits, such as improved public service efficiency and effectiveness, may result from internal audit and external audit working together

(Virkus & Salman, 2021). Furthermore, the International Monetary Fund (IMF) promotes improved coordination and collaboration between internal and external audit operations. This includes emphasising the importance of frequent meetings between these two entities, the sharing of audit reports, and an independent auditor's review of the progress made in relation to internal audit reports (Jan, 2015).

The final aspect impacting the success of an internal audit is organisational culture. The position and status of internal audit within an organisation, the availability of funds, and the reliability of established procedures for assessing auditees' practices all contribute to the context of the audit (Mathiba, 2019). The IAF should be given a high enough status that it can carry out its duty (Motubatse, 2016).
The organisation in this study is the Johannesburg Market Entity. The Municipal Finance Management Act requires it to have an IAF, as well as implement a risk-orientated internal audit plan for each fiscal year, and to function efficiently, effectively, and transparently under the supervision of the Accounting Officer (AO) in accordance with established criteria (Sethunyane, 2020). The Treasury Regulations made under the Public Finance Management Act which came before the MFMA and explains everything in detail (Deloitte, 2017) For this reason, the MFMA's reference to "norms and standards" refers to the ISPPIA. The Accounting Officers are obligated by law to create and sustain reliable IAFs.

Table 2.1: Audit Outcomes

Audit Outcome				
Financial Year	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Opinion Issued	**Unqualified Opinion**	**Unqualified Opinion**	**Unqualified Opinion**	**Unqualified Opinion**
	Material debt impairments, material uncertainties pertaining to contingent liabilities, occurrence fruitless & wasteful expenditure, material misstatements on the AFS, a lack of consequence management as well as failure to prevent irregular expenditure.	Material debt impairments, material uncertainties pertaining to contingent liabilities, occurrence fruitless & wasteful expenditure, material misstatements on the AFS, a lack of consequence management as well as failure to prevent irregular expenditure.	Material debt impairments, material uncertainties pertaining to contingent liabilities, occurrence fruitless & wasteful expenditure, material misstatements on the AFS, a lack of consequence management as well as failure to prevent irregular expenditure.	High ratio of debt impairment, consequence management, failure to prevent irregular expenditure and AFS containing material errors.



NB Data for 2022/2023 were unavailable at the time of this study.

Figure 2.2: Stagnation in audit outcomes

For four consecutive years, the Johannesburg Market entity has been getting an unqualified audit opinion with findings instead of an unqualified audit opinion with no findings (i.e., clean audit).

The area of emphasis as indicated on Table 2.3 is an occurrence of fruitless and wasteful expenditure, failure to prevent irregular expenditure and instability in oversight structures, such as the Board of Directors and committee, that might result in weakened processes to oversee progress made with the implementation and recommendations made by the AGSA regarding matters such as irregular expenditure and fruitless and wasteful expenditure incurred, impacting the audit report.

Johannesburg Market entity turnover and market share compared to other fresh produce.

Because of its solid governance, the Johannesburg Market entity has a competitive edge. The comparative turnover numbers from 2017 to 2021 explain the entity's turnover and market share in comparison to other fresh produce markets. Three tables indicate various fresh produce markets.

Table 2.2: Comparative figure of turnover of the 18 Fresh Produce Markets (2017-2019)

	FINANCIAL YEAR 2017/2018	FINANCIAL YEAR 2018/2019	% GROWTH	RAND PER TONNE		
	TURNOVER RAND	TURNOVER RAND	TURNOVER %	2017/2018 RAND	2018/2019 RAND	MARKET SHARE (%)
JOHANNESBURG	R 7 282 860 352,00	R 7 894 231 277,00	8,39	5 124,08	5 438,33	50,33
TSHWANE	R 3 181 837 752,21	R 3 275 489 876,24	2,94	4 765,71	4 991,50	20,88
DURBAN	R 1 560 395 705,57	R 1 604 620 260,20	2,83	4 943,64	5 122,43	10,23
BLOEMFONTEIN	R 467 842 519,01	R 483 004 924,96	3,24	4 944,49	5 303,96	3,08
EAST LONDEN	R 426 781 652,69	R 448 970 676,52	5,20	4 863,44	5 193,53	2,86
PIETERMARITZBURG	R 366 317 798,10	R 343 015 972,67	-6,36	4 394,35	4 521,40	2,19
SPRINGS	R 418 805 532,38	R 444 834 802,55	6,22	3 990,49	4 230,60	2,84
PORT ELIZABETH	R 309 323 688,46	R 301 603 237,09	-2,50	4 282,42	4 583,01	1,92
KLERKSDORP	R 354 935 838,01	R 349 167 864,79	-1,63	4 118,30	4 330,82	2,23
WELKOM	R 200 610 214,56	R 194 952 864,68	-2,82	3 996,54	4 554,44	1,24
VEREENIGING	R 128 566 766,90	R 116 441 849,18	-9,43	3 889,24	4 012,33	0,74
MPUMULANGA	R 103 247 931,00	R 88 648 624,00	-14,14	4 081,91	4 108,67	0,57
KIMBERLEY	R 53 812 993,80	R 38 047 714,05	-29,30	4 437,45	4 129,79	0,24
WITBANK	R 55 401 747,91	R 48 315 833,91	-12,79	4 069,17	4 298,94	0,31
GEORGE	R 25 442 962,90	R 26 141 546,80	2,75	3 505,02	3 724,40	0,17
NELSPRUIT	R 21 758 688,00	R 22 504 506,80	3,43	3 873,72	3 884,11	0,14
UMTATA	R 5 978 576,50	R 4 945 269,00	-17,28	3 520,95	2 671,67	0,03
	R 14 963 920 720,00	R 15 684 937 100,44	4,82	4 854,39	5 134,97	

Table 2.3: Comparative figure of turnover of the 18 Fresh Produce Markets (2019-2020)

	FINANCIAL YEAR 2018/2019	FINANCIAL YEAR 2019/2020	% GROWTH		RAND PER TONNE	
				2018/2019	2019/2020	MARKET
	TURNOVER	TURNOVER	TURNOVER			SHARE
	RAND	RAND	%	RAND	RAND	(%)
JOHANNESBURG	R 7 894 231 277,00	R 8 104 157 976,00	2,66	5 438,33	5 714,61	50,26
TSHWANE	R 3 275 489 876,24	R 3 358 399 129,51	2,53	4 991,50	5 256,55	20,83
DURBAN	R 1 604 620 260,20	R 1 701 096 703,45	6,01	5 122,43	5 490,54	10,55
BLOEMFONTEIN	R 483 004 924,96	R 482 041 690,65	-0,20	5 303,96	5 285,72	2,99
EAST LONDEN	R 448 970 676,52	R 457 284 558,85	1,85	5 193,53	5 480,14	2,84
PIETERMARITZBURG	R 343 015 972,67	R 367 131 453,37	7,03	4 521,40	4 693,94	2,28
SPRINGS	R 444 834 802,55	R 477 902 927,13	7,43	4 230,60	4 357,33	2,96
PORT ELIZABETH	R 301 603 237,09	R 299 447 366,29	-0,71	4 583,01	4 853,12	1,86
KLERKSDORP	R 349 167 864,79	R 364 014 625,14	4,25	4 330,82	4 109,96	2,26
WELKOM	R 194 952 864,68	R 229 133 021,92	17,53	4 554,44	4 485,15	1,42
VEREENIGING	R 116 441 849,18	R 83 922 132,00	-27,93	4 012,33	3 928,02	0,52
MPUMULANGA	R 88 648 624,00	R 48 218 639,82	-45,61	4 108,67	4 260,73	0,30
KIMBERLEY	R 38 047 714,05	R 39 972 173,20	5,06	4 129,79	4 496,31	0,25
WITBANK	R 48 315 833,91	R 47 555 394,11	-1,57	4 298,94	4 316,15	0,29
GEORGE	R 26 141 546,80	R 24 623 600,50	-5,81	3 724,40	4 270,48	0,15
NELSPRUIT	R 22 504 506,80	R 20 525 934,00	-8,79	3 884,11	3 381,54	0,13
UMTATA	R 4 945 269,00	R 18 181 494,86	267,65	2 671,67	3 554,54	0,11
	R 15 684 937 100,44	R 16 123 608 820,80	2,80	5 134,97	5 374,00	

Table 2.4: Comparative figure of turnover of the 18 Fresh Produce Markets (2020-2021)

	FINANCIAL YEAR 2019 / 2020	FINANCIAL YEAR 2020 / 2021	% GROWTH		RAND PER TON	
				2019/2020	2020/2021	MARKET
	TURNOVER	TURNOVER	TURNOVER			SHARE
	RAND	RAND	%	RAND	RAND	(%)
JOHANNESBURG	R 8 104 157 976,00	R8 614 472 178,00	6,30	5714,61	6329,32	49,90%
TSHWANE	R 3 358 399 129,51	R3 718 989 652,63	10,74	5256,55	5965,78	21,54%
DURBAN	R 1 701 096 703,45	R1 811 902 006,18	6,51	5490,54	6242,30	10,50%
SPRINGS	R 477 902 927,13	R588 313 810,63	23,10	4357,33	5054,72	3,41%
BLOEMFONTEIN	R 482 041 690,65	R504 898 940,60	4,74	5285,72	6145,54	2,92%
EAST LONDEN	R 457 284 558,85	R477 245 704,64	4,37	5480,14	6013,15	2,76%
KLERKSDORP	R 364 014 625,14	R396 118 922,52	8,82	4109,96	5288,71	2,29%
PIETERMARITZBURG	R 367 131 453,37	R342 484 412,75	-6,71	4693,94	5492,32	1,98%
PORT ELIZABETH	R 299 447 366,29	R296 930 878,61	-0,84	4853,12	5404,74	1,72%
WELKOM	R 229 133 021,92	R260 102 361,84	13,52	4485,15	5441,47	1,51%
VEREENIGING	R 83 922 132,00	R59 950 391,00	-28,56	3928,02	4415,91	0,35%
WITBANK	R 47 555 394,11	R51 528 883,75	8,36	4316,15	4969,51	0,30%
MPUMULANGA	R 48 218 639,82	R47 144 029,66	-2,23	4260,73	5240,55	0,27%
KIMBERLEY	R 39 972 173,20	R36 971 018,82	-7,51	4496,31	5621,26	0,21%
GEORGE	R 24 623 600,50	R26 744 596,14	8,61	4270,48	3997,10	0,15%
NELSPRUIT	R 20 525 934,00	R19 952 227,60	-2,80	3381,54	5079,49	0,12%
UMTATA	R 18 181 494,86	R8 262 050,50	-54,56	3554,54	3893,52	0,05%
	R 16 123 608 820,80	R17 262 012 065,87	7,06	5374,00	6067,79	

Source:SAUFM-south African union food Markets

2.6 CORPORATE GOVERNANCE FRAMEWORK IN SOUTH AFRICA

South Africa's system of corporate governance is influenced by various legal frameworks, including common law, statutory law, soft law, and market regulation (Flammer, 2016). South Africa actively engages in close collaboration with other members of the G20 in order to facilitate the effective implementation of globally acknowledged standards of excellence within the financial and market regulation domains (Mokoena & Nomlala, 2022).. It has also established itself as a frontrunner in the implementation of integrated reporting across the globe, a fact that has had an impact on the way it approaches corporate governance. The International Integrated Reporting Council's Emeritus Chairman is also the Chief Drafter of the South African Corporate Governance Code, also referred to as the King Code. This code was drafted by the emeritus chairman of the Global Reporting Initiative and the International Integrated Reporting Council.

2.6.1 The inception and evolution of King I - King V

In contrast to the United Kingdom, South Africa implemented a corporate governance code at an earlier stage (Wogu, 2016). The inaugural Code of Corporate Practices and Conduct was published in 1994 subsequent to the establishment of a committee under the leadership of Mervyn King, a former High Court judge. This committee was convened by IoDSA, an industry association that represents directors. The Code underwent three consecutive reviews, resulting in the development of the 2016 edition referred to as the King IV Report on Corporate Governance for South Africa (Deloitte, 2017).).

The intended applicability of King IV extends to all organisations possessing a governing body, thereby broadening its potential reach beyond the boards of incorporated companies to encompass entities such as pension fund trustees and municipal councils. In accordance with the Johannesburg Stock Exchange (JSE)

Listings Requirements Service Issue 27, it is mandatory for any company listed on the JSE to include a statement in its annual report, specifically according to paragraph 8.63(a), confirming its adherence to the disclosure and application regime outlined in King IV (Deloitte, 2017).

King IV, which succeeds King III, encompasses a concise set of sixteen guiding principles. Furthermore, the organisation has transitioned its compliance strategy. The King IV report operates under the assumption that companies purporting to adhere to principles of good governance will also adhere to the sixteen guidelines outlined in the report. However, it acknowledges that the implementation of these guidelines may vary based on the unique characteristics and circumstances of each individual business. The Code necessitates a depiction of the organisation's practices that exhibit compliance with the principle provided in the attachment. Consequently, the Code retains its potential for selective implementation, allowing businesses considerable flexibility in demonstrating adherence to its principles (Deloitte, 2017).

In addition, King IV presumes that integrated reporting has been implemented within the organisation, which is necessary for full compliance with all sixteen principles.

South African publicly traded companies are governed by a comprehensive and adaptable set of laws, rules, and codes of best practice that are both domestic and international in scope (Mokoena & Nomlala, 2022). When it comes to corporations, the primary source of law is Act 71 of 2008, known as the Companies Act. Public companies have their capacity, legal powers, and governance established in their Memorandum of Incorporation (MOI), which is drafted in accordance with the Companies Act (Maguto & Muzindutsi, 2022).

The Byun & Leopkey (2022) enforce specific criteria on publicly traded companies that have their securities listed on the exchange. The Companies Act and the

Listings Requirements collectively establish a rigorous framework of accountability and transparency for these companies, owing to the significant level of public interest they attract.

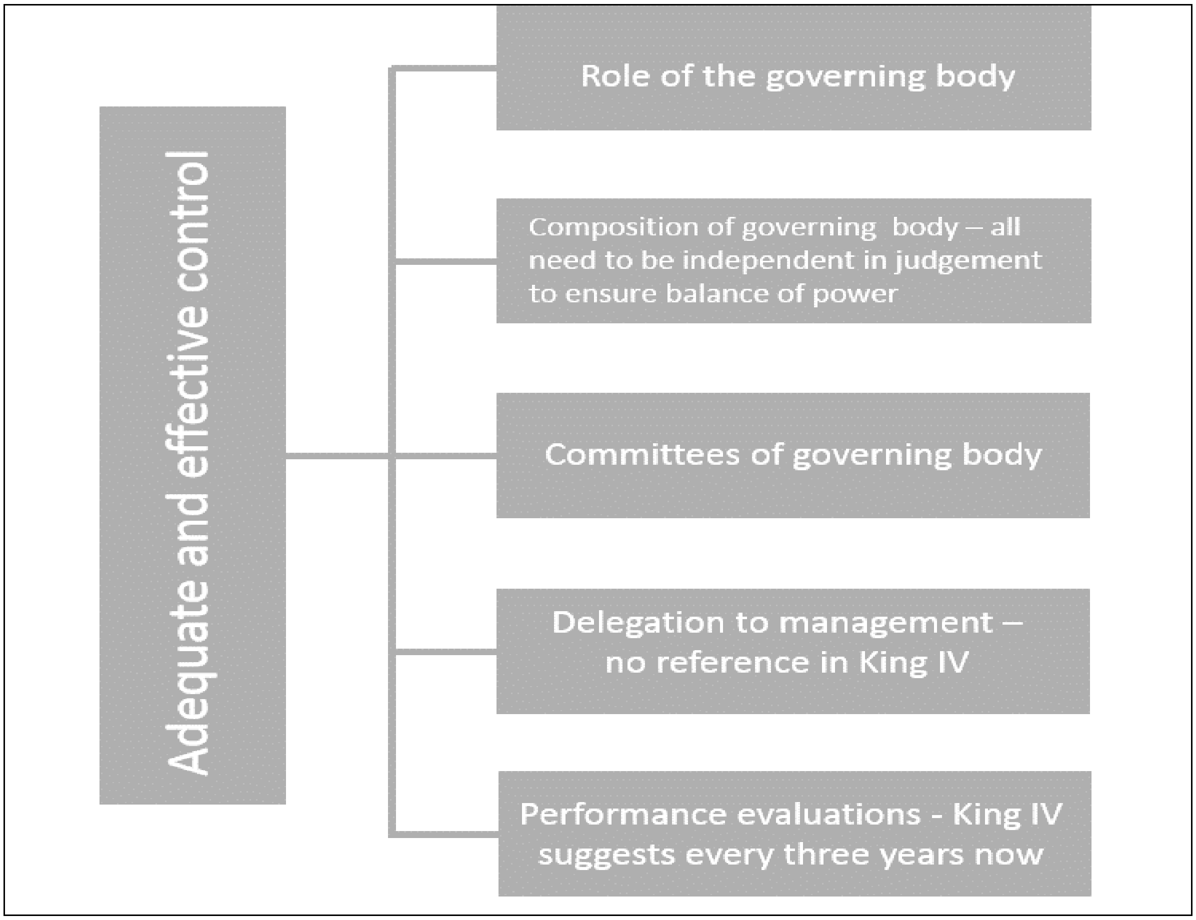
As per the King IV Code on Corporate Governance, which is recognised as a prominent corporate governance code globally, it is stated that the four key results of sound governance encompass an ethical culture, favourable performance, efficient control, and legitimacy. The King Code delineates the fundamental principles and suggested practices that an organisation should implement in order to exhibit sound governance.

The three global paradigm shifts that influenced and are acknowledged by the King Code are the transition from short-term to long-term, sustainable capital markets; the transition from silo declaring to consolidated reports, which is based on holistic thinking and tying together disparate sets of data; and the transition from financial capitalism towards more inclusive capitalism (Manyika & Madzivhandila, 2013).

Sound corporate governance is a cornerstone of good corporate citizenship, and King IV continues this tradition. In order to practice good corporate governance, businesses must accept responsibility for the interests of their current and future stakeholders and recognise that they do not exist in isolation from the rest of society. King IV requires companies to explain how they are following their corporate governance practices (an "apply and explain" regime) (Deloitte, 2017).

The importance of effective corporate governance extends beyond mere adherence to regulations or a checklist, as emphasised by King IV. Instead, it encompasses an expansive and interconnected framework of provisions that must be fully understood and implemented in its entirety. The King IV Code stipulates that it should be implemented with caution, and that it is suggested practices should be understood and implemented in a manner that is appropriate for both the organisation and the specific industry in which it functions. The prudent execution of corporate governance practices optimises the advantageous outcomes for the business as depicted in Figure 1.1.

Figure 2.3. The King IV in a nutshell



Source: (IoDSA,2020).

Thus, King IV's ultimate goal is to facilitate a mental shift from viewing corporate governance merely as a means to ensure compliance to seeing it as a tool for growing businesses. Effective corporate governance is characterised by regular board meetings, the continuation of executive authority, and the establishment of well-defined roles. Furthermore, it ensures the implementation of an efficient strategy for mitigating risks. Responsible corporate governance is a shared commitment among successful businesses.

2.6.2 The role of corporate governance in companies

Through its processes, practices, and regulations, good corporate governance promotes sound and efficient decision-making inside an organisation. Furthermore, it serves as the primary defence mechanism against any claims of negligence or breach of fiduciary obligation (IoDSA, 2020).

Companies' methods of governance can cover a wide range of responsibilities. According to one overview definition, corporate governance is the means by which a business's directors and managers exercise authority over the company and make decisions, particularly those that have a material impact on the shareholders (Byun & Leopkey, 2022). Sound corporate governance is more important than ever for any business as mentioned by explanation below:

- **Emerging sense of urgency**

From the decline of the Medici dynasty during the fifteenth century to the recent revelation of Volkswagen's fraudulent emissions claims in the twenty-first century, instances of corporate corruption and scandals have been a recurring phenomenon throughout history. The corporate landscape is replete with instances of poor managerial practices, inadequate supervision, and the subsequent demise of organisations. Nevertheless, there is an unprecedented level of concentration on the attention of corporate decision-makers due to the demands and responsibilities imposed on directors, as well as the accessibility of corporate shortcomings that can be exposed by individuals within the business community and other sources on digital platforms.

Given the aforementioned challenges and the highly competitive nature of the contemporary global market, corporations are increasingly acknowledging the significance of effective corporate governance. In addition to mitigating the risk of non-compliance with legal and regulatory obligations, the implementation of robust corporate governance practices can contribute to the perception of a business as progressive and open-minded towards diverse perspectives. Contemporary investors prioritise various outcomes, including but not limited to company diversity, environmental sustainability, equitable supply chains, and other advantages that can be attributed to effective corporate governance principles and practices. Therefore, effective corporate governance can function as a significant source of competitive advantage for organisations.

- **Characteristics of effective leadership**

The board has to hold regular meetings to ensure it is exercising sufficient oversight and control over the company. A well-balanced board, including both executive and non-executive directors, will generate healthy debate and constructive challenge, which should be reflected in the meeting minutes (Virkus & Salman, 2021). Managers should persist in soliciting feedback and assessments from the board to assess the company's performance after assuming their respective roles. Regular evaluations of the performance of boards and board committees are of equal significance.

It is the responsibility of senior management to ensure the board is regularly informed about company affairs, in addition to effectively organising and archiving board documents and meeting minutes. Also necessary is the creation and rollout company-wide implementation of policies that encourage both regulatory compliance and ethical conduct.

- **Functions and duties**

Collectively, the board is accountable for designing, enforcing, and improving the company's framework for responsible business practices. The chair, in collaboration with the company secretary, assumes the responsibility of directing the board's focus towards matters pertaining to governance. The individual in question must ensure that both the entire board and the broader business group effectively adhere to the company's governance code and procedures. This implementation should be done while considering local modifications that account for specific rules, cultural factors, and other relevant variables.

While ultimate responsibility lies with the CEO and board, the organisation's success is contingent upon the accountability of various divisions. In addition to legal counsel and compliance, other departments such as human resources, finance, and procurement often assist with corporate governance. An organisation's culture of good governance encourages efficient and open decision-making at all levels. Anyone joining the team should be briefed on the company's ethical standards, what is and is not acceptable behaviour, and what to do (or who to reach out to) when an ethical challenge arises.

- **Reporting's vital role**

There exists a wide array of reports pertaining to corporate governance. The aforementioned documents encompass regulatory returns, minutes of meetings, outputs from audits and accounting processes, as well as reports intended for investors. The implementation of entity management systems is commonly required to effectively manage the extensive administrative workload associated with generating and maintaining these reports across all the countries in which the organisation conducts its operations.

The implementation and sustenance of robust corporate governance reporting incurs significant costs, yet it yields favourable outcomes in numerous instances. When engaging in contractual arrangements, lenders, investors, commercial partners, governmental funding authorities, and other relevant stakeholders will expect strict adherence to the most rigorous principles of corporate governance and associated documentation. Corporate governance has become an essential tool for the management and growth of businesses as a result of the rising transparency expectations from investors and regulators. Enhancing the efficacy of corporate governance processes is mutually beneficial for a wide range of businesses.

2.7 THEORETICAL FRAMEWORK: THE AGENCY THEORY

The purpose of agency theory in finance is to define and assess the behaviours of the many agents engaged in a firm's funding (such as managers, stockholders, and debtholders). Agency theory posits that achieving an optimal capital structure for a company involves finding a balance between various forms of financing, such as equity, debt, and other securities. This balance should enable the resolution of conflicts of interest that may arise between capital providers.

The concept states that within an organisation, the principals, who are the individuals representing the interests of the organisation, are represented by the agents, who are the top executives and managers of the company. According to Abatecola, Caputo and Cristofaro (2018), the theory posits that a relationship is established when individuals, referred to as the principal(s), engage another individual, known as the agent, to carry out a service on their behalf. This interaction entails the surrender of decision-making authority to the agent.

The incurrence of this expenditure can be attributed to a triangular conflict of interest among the manager, debt holders, and equity holders, as posited by agency theory. Byun and Leopkey (2020) posit that agency costs arise due to inherent conflicts between shareholders and managers, as well as between shareholders and bondholders. The authors also acknowledge the presence of risk-shifting concerns that emerge from the agency problem in the context of debt. According to agency theory, managers cannot distribute earnings in the form of dividends because they would have to issue debt instead of shares and bond themselves to pay out future cash flows. By doing so, the company guarantees the creditor that it will repay the loan in full, plus interest, within the specified time period or the creditor may file a petition to have the company liquidated. By lowering the amount of cash that must be spent according to the manager's discretion, debt lowers the agency costs associated with free cash flow. The weight of debt shows how significantly it affects the financial profile of a business (Radebe, 2017). Based on the agency theory, a business can save money on taxes by increasing its ratio of debt to equity, since interest is deductible (Botloko, 2017). However, increasing the amount of leverage will also increase the costs. The cost of bankruptcy rises as a company's leverage increases.

According to the theory, a company's value can only be optimised by balancing its debt obligations with its returns (Muguto & Muzindutsi, 2022). According to the agency theory, companies with more lucrative assets should devote a larger share of their income to debt repayment in order to improve their creditworthiness and expand their ability to take on more debt. Similarly, companies with a high return on investment can use debt to their advantage and reduce free cash flow problems (Onyango, 2019).

According to agency theory, leverage has a positive effect on a company's bottom line. There is a positive correlation between the tangibility of an asset and the degree to which a company can leverage its assets, as suggested by this theory. On the other hand, agency theory shows an inverse correlation between a company's growth prospects and its debt load, suggesting that growing businesses are more likely to be under-leveraged because under-investment is a greater problem for them (Onyango, 2019).

Given that shareholders and principals inherently assume risk, agency theory tends to be more favourable towards them compared to the agent. According to the theoretical framework of agency theory, when an agent and principal engage in contractual obligations through a formal agreement, it becomes uncertain whether the agent will effectively pursue the maximisation of benefits as expected, or if the agent may incur losses due to the inappropriate decisions or implementation of new strategies by managers. These potential losses are referred to as agency costs. Consequently, it is occasionally necessary for the parties involved to establish residual control rights during the contract negotiation process in order to mitigate such risks.

From the above discussion, it is possible that different corporate governance strategies have slightly different mechanisms on the inside, but the best business practices are almost always the same. Wogu (2016) sees corporate governance as the way in which companies are governed and to what purpose. To provide further explanation, corporate governance has an effect on all facets of an organisation, including communication, leadership, and the making of strategic decisions; however, it is primarily concerned with the board of directors, how the board operates internally, and how it manages the company.

Corporate governance will continue to expand in order to meet these demands as board directors continue to express a desire to digitally transform governance processes in order to establish a comprehensive digitalized and interconnected governance framework, which facilitates risk reduction, strategic growth planning, and overall high-level governance. These tools collectively empower corporations to attain such an ecosystem.

2.7.1 Application of the agency theory

Agency costs result from information asymmetry in principal-agent relationships, such as when a CEO acts on behalf of the company and issues directives to lower-level employees (the agents). According to agency theory's recommendations, the board should be made up of outside, independent directors, and the chairman and the chief executive officer should hold separate but equal roles (Greasley, 2020). As stated by agency theory, the primary purpose of an IAF is to increase the board's faith in the entity's monitoring and control systems by serving as a signalling management function (Virkus & Salman, 2021). Managers' periodic reports on the use of principal resources and the management of internal audit expenses are two examples of bonding expenses. In addition, this is reflected in the accounting reports that organisations compile on their own accord (Messier *et al*., 2016).

Organisations establish IAFs with the objective of providing assurance to senior executives, including the board of directors, regarding the effective functioning of corporate governance mechanisms, risk management practices, and internal control systems (Ogoro & Simiyu, 2015). According to Botlhoko (2017), the utilisation of IAFs is aimed at mitigating agency costs by facilitating the establishment of efficient and cost-effective contractual arrangements between principals (owners) and agents (managers). In this particular scenario, Independent Audit Firms fulfil the dual role of mitigating information asymmetry by functioning as independent monitoring entities and as agents of the board. Agents are ethically bound to provide updates to their principals in situations where conflicts of interest arise between the principal and agent. This responsibility stems from the fact that agents are entrusted with substantial organisational resources. The fulfilment of this obligation occurs through two distinct methods: firstly, by generating comprehensive financial reports that provide a detailed account of the utilisation of principal funds, and secondly, by presenting these reports to the proprietors for the purpose of examination or audit (Sethunyane, 2020). According to agency theory, as long as the principal possesses adequate information regarding the agent's behaviour, a contract that is established on either the agent's outcomes or actions is deemed satisfactory for aligning their interests.

First, according to Mokoena and Nomlata (2022), there is a positive correlation between outcome uncertainty and information systems, as well as a positive correlation between outcome measurability and competing goals between owners and agents. Bonding costs are taken into account, and the shareholders are assured that management will act in their best interests even when there is a potential for a conflict of interest. Bonding costs are reduced in a company when IAFs are put in place, providing a boost to accountability and shareholder satisfaction. According to Kroukamp and Cloete (2018), IAFs can be classified as control mechanisms due to their utilisation in aligning the interests of shareholders and agents.

Furthermore, the agency theory is applicable in the context of various corporations. In this particular scenario, the agency theory establishes a connection between the board of directors, who act as the principal, and the management team, who serve as the agent. Similarly, the agency theory also links the management team, acting as the principal, with the employees, who function as the agents. Conflicts of interest and information asymmetry become more readily apparent in such a setting. As a result, IAFs should provide management (principal) with assurance services to keep an eye out for and prevent inappropriate behaviour from employees. Shareholders, the board of directors, and management all face agency problems, but an effective IAF can help smooth things over for everyone involved. In this investigation, an agency theory framework is utilised to highlight the central nature of the bond between shareholders, managers, and auditors. Positivist authors argue that in the context of corporate governance, an agency relationship

means that shareholders, in their capacity as principals and owners of the entity, have delegated to management the responsibility for running the company on a day-to-day basis (Adams & Akobeng, 2021).
Adam Smith first identified the inherent tension between the interests of shareholders (principal) and those of managers (agents) in his seminal work. However, when taken as a whole, information gaps cause issues for the performance of agencies (Kim & Toya, 2019). Two examples of agency expenses are monitoring fees and bond premiums. According to Botlhoko (2017), monitoring expenses include fees paid to external auditors, the cost of audits, management compensation plans, budgets, and operating rules. Companies can save money on auditing fees if their external auditors rely on the work of IAFs, despite the fact that corporate scandals have shown that IAFs are not adequately performing monitoring tasks. The recent news has included notable reports of corporate scandals in SOEs (AGSA, 2020).

These examples illustrate the disparity between actual practices and the prescribed standards for effective governance and the demonstration of appropriate professional responsibility and thoroughness by directors, managers, and auditors. Agents mitigate the risk of misconduct by implementing a system of checks and balances during the selection process of reputable individuals within organisations. This practice, commonly referred to as internal auditing, is directly associated with the financial implications of obtaining a bond (Muguto & Muzindutsi, 2022). In contrast to external auditors, whose primary responsibility is to assess the accuracy and fairness of an organisation's financial statements, internal auditors are assigned the duty of supervising the processes related to good governance, risk management, and internal controls (Wogu, 2016). The amount of work done by external auditors can be decreased when SOEs have competent IAFs.

When it comes to bias in decision-making, IAFs are the ones to turn to, especially for SOEs (Bloodgood & Tremblay-Boire, 2016). Both the Jan (2015) and Byun and Leopkey (2022) advocate for internal auditors to provide advisory services to upper management in order to improve the company's bottom line. Instead of just performing audits, IAFs offer advice, counsel, and recommendations to management in the form of assurance services. IAFs offer organisations valuable information that aids in decision-making and enhances the internal control structure. This is primarily due to the expertise and professional background of IAF members in areas such as internal control, management control processes, and risk management (Deloitte, 2017).

When dealing with SOEs, it is especially important for internal auditors to have the backing of company employees in their role as agents. In SOEs, an independent internal audit function (IAF) is more likely to exist when there is a strong audit committee in place to limit the influence of upper-level management on the internal audit's mandate, scope, and results. The audit committee has final say on matters such as the CAE's appointment and removal, as well as issues pertaining to the compensation and employment of internal auditors. Another instance where the backing of the organisation's members is crucial is when management mandates that all divisions carry out the suggestions of internal auditors (Viskus & Salman, 2021).

The agency theory distinguishes between an entity's owners (the public in the case of a government) and its managers (the board of directors and parliament) (Kroukamp & Cloete, 2018). The principals delegate authority over the business to the managers (agents). The agents must submit periodic financial statements to keep the owners in the loop. The IAF provides assistance to management by improving and expanding the company's operations. Consequently, IAFs are crucial to the agency theory (Motubatse, 2016).

From the perspective of the agency theory, a monitor's most important qualities are its autonomy and the calibre of its leadership (Viskus & Salman, 2021). When all parties involved in an organisation's management—the principals (the owners), the stakeholders, and the agents (the management)—carry out their assigned tasks, fewer problems arise (Radebe, 2017). The existence of these IAFs is used to propose answers to agency issues like agency costs and to increase transparency in operations, all with the end goal of improving SOE performance.

Jan (2015) argues that shareholders have a duty to push for the establishment of effective corporate governance structures within their companies. Internal auditors, external auditors, and audit committees should all be a part of such structures as they can all help management by putting their trust in and enforcing the rules and regulations required to accomplish their stated goals. The Agency theory holds significance in the context of this investigation due to the fact that taxpayers bestow governmental officials with power and responsibility, with the expectation that these officials will fulfil their obligations. International Assistance Firms (IAFs) are crucial in ensuring the optimal utilisation of taxpayer funds by promoting effectiveness and efficiency.

IAFs need to be autonomous from upper-level oversight and staffed with a diverse set of skills if they are to perform their duties competently and to the public's benefit (Flammer, 2016).Managers in SOEs are able to put in long hours and do a good job because they have support from IAFs, which are in charge of creating value and ensuring that the SOEs' missions are being met. When SOEs create IAFs in accordance with the Public Finance Management Act in South Africa, those IAFs have the legal right to do their jobs without interference so long as they uphold the values of their respective SOEs.

Appointing auditors in SOEs results in monitoring costs for company leaders (Grigore et al., 2018) Audit committees in government agencies should be well-established, well-functioning institutions in their own right. If the audit committee lacks competency, efficiency, and effectiveness, it is difficult for IAFs to monitor management's operations, which gives management more power and influence over IAFs and prevents IAFs from fulfilling their role as monitors (Flammer, 2016) Financial statements and business operations of SOE'S are reviewed annually by a government panel referred to as the 'Auditor- General'. Therefore, SOEs are expected to adhere to the Corporate Governance Act, and a significant number of them have established IAFs for the purpose of internal auditing. According to Cohen et al., (2017), an agency nexus refers to a contractual arrangement that is entered into by the executives and leaders of organisations. In the event that managers exhibit reluctance in fulfilling their assigned tasks, SOEs ought to adopt corporate governance practices such as the establishment of audit committees and the engagement of both external and internal auditors. These measures are intended to ensure that employees adhere to company policies and carry out their responsibilities diligently (Wogu, 2016).

To ensure that upper management stays on task and completes tasks in the expected manner, Manyuka and Madzivhandila (2013) argue that it is necessary to employ agency theory and ensure that the IAF is strong and dedicated. Due to the fact that internal auditors are regarded as representatives of the board and audit committees, and given that IAFs are responsible for assessing the performance of senior management, allowing IAFs to report directly to top management instead of the audit committee can pose challenges. Internal auditors may be biased toward upper management due to their control over their professional careers rather than the audit committee and the board. If this happens, IAFs will be biased. Given their role as representatives of the board and audit committees, internal auditors must be competent in carrying out their duties in an objective and objective fashion. It is also expected that they have the necessary training, knowledge, and experience to carry out their duties as intended (Doumbia, 2020). If IAFs exhibit these qualities as professionals, their internal audit departments may earn the trust and respect of the board and audit committee.

An agreement between the proprietors of an organisation and its senior executives is commonly referred to as an agency interconnection (OJok & Bashaka, 2016) Therefore, the implementation of IAFs within SOEs can contribute to enhancing their operational effectiveness and ensuring the execution of plans aligns with the strategic objectives set by management (Sethunyane, 2020). According to the findings of this study, senior managers (referred to as agents) within the public sector are responsible for delegating assignments to internal auditors, who bear the responsibility of overseeing internal control systems. The fiduciary duty of public resource managers necessitates their adherence to the recommendations put forth by the IAFs. The primary objective of IAFs is to assess the effectiveness of an organisation's internal monitoring system in terms of risk management, control and corporate governance (Maguto & Muzindutsi, 2022).).

IAFs also offer suggestions for bettering the company's risk management, internal control, and corporate governance framework. Making recommendations is only part of an internal audit's final step. It monitors whether or not suggestions are being implemented by management. The answer could be executive or management's acceptance of responsibility for not following their advice. The agency theory provides the groundwork for elaborating the significance of IAF in this setting. The principal-agent nexus is defined by the presence of information asymmetry and opportunism (Mokoena & Nomlala, 2022).

Since agents are embedded in the organisation's day-to-day operations, they naturally learn more about those processes than the principal does. This can lead to agents engaging in opportunistic behaviour and failing to adequately represent the interests of their principals. Therefore, government officials will not follow audit recommendations. There is concurrence between the perspective expressed here and the viewpoints put forth by Onyango (2019). Within the realm of this particular field of inquiry, the application of agency theory proves to be advantageous in providing a comprehensive analysis of the potential impact of the monitoring system employed by the IAF on the successful execution of internal audit responsibilities and the subsequent implementation of recommended measures. The IAF's administrative structures might also be spelled out by the framework of agency theory. According to Adams & Akobeng (2021), agency theory provides a foundation for a mechanism that can lessen the chances of unfavourable outcomes associated with ineffective responses to the roles and recommendations of IAFs. The present investigation draws upon previous studies that have examined the roles and assurance of IAFs by utilising agency theory as a theoretical framework (Greasley, 2020; Amore & Bennedsen, 2016) This theoretical framework facilitated an exploration of the underlying mechanisms of internal audit and the contextual factors influencing the adoption of its roles and recommendations.

In accordance with the findings of Jan (2015), it is imperative for the board, audit committee, and IAFs to demonstrate efficiency in order to effectively discharge their duties of overseeing the performance of managers within SOEs. These responsibilities are particularly crucial as they align with the expectations of political office-holders who occupy leadership positions within the public sector. It is imperative for auditees to initiate the implementation of internal audit recommendations well in advance of external auditor audits. This proactive approach enables IAFs to effectively plan and schedule their own audits, as well as those conducted by external auditors in SOEs.

2.8 CHAPTER SUMMARY

This chapter discussed the role which corporate governance played in achieving clean audit in the Johannesburg Market. Auditing, especially internal auditing, serves an essential purpose in fostering accountability by allowing absentee shareholders and stakeholders to rely on a neutral third party to hold management to account. The first part of this chapter explains why internal auditors and corporate governance are crucial to the success of Johannesburg Market. It also argues that internal audits have evolved through time, shifting from a focus on controls and compliance to value-added and advisory services, and supports for IAFs to play value-added roles. The literature review in understanding the background of Johannesburg Market entity, corporate governance, auditing and the agency theory in an attempt to get clean audit has been thoroughly outlined.

The research methodology used to answer research questions is outlined in Chapter three.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 INTRODUCTION

This study utilised a survey to determine the role which corporate governance plays in achieving clean audit as well as good governance in the Johannesburg Market entity in Gauteng. The primary focus of this study was to assess good corporate governance as a way to achieve clean audit by the entity.

Bairagi and Munot (2019) indicate that research methodology is the strategies, techniques or processes employed in the data collection in order to reveal new information regarding a particular topic. Creswell (2014) postulates numerous methods to be used in collecting data such as literature searches, personal interviews, telephone surveys, e-mail and internet surveys.

This study adopted quantitative study approaches. The self-administered survey instrument was adapted (Brandenburg & McDonough, 2019). According to Creswell (2014), surveys may also be utilised in quantitative studies aimed at providing a sample of a large population. Silverman (2016) asserts that quantitative research utilises an unbiased approach to describe cause-effect relationships through the analysis of hypotheses and theories using empirical data generated by data collected and measured.

According to Edeling and Himme (2018), the quantitative technique typically helps the researcher to answer research questions concerning the hips between variables in order to forecast, explain, and regulate the situation on the research issue. Quantitative research aided the evaluation of the literature, data collection, data analysis, data interpretation, generation of findings, and conclusion and recommendations. The quantitative research approach allowed the respondents to participate freely in the study.

3.2 RESEARCH DESIGN

Bairagi and Munot (2019:4) explain the research design as a "guide that directs the activities of collecting and analysing data". The research design provided a concise and logical plan to deal with the research question by collecting, analysing and discussing data. Therefore, this study used the descriptive research using a simple random sampling method where every member of the population has an equal chance of being selected. The population was fewer than 100 people, all the respondents were employees of the Johannesburg Market entity and the data were obtained from the Human Resource Department. The questionnaire survey was distributed to respondents who then responded to the questions on the role that corporate governance could play in achieving a clean audit by the Johannesburg Market entity.

3.2.1 Research paradigm

Paradigms are what researchers think of their mental pictures about the world around them and serve as an organising principle by which reality is interpreted (Davies & Fisher, 2018). A research paradigm is a way of looking at the world and the way it should be studied and understood, based on a pre-existing set of values and assumptions (Kaur, Stoltzfus, & Yellapu, 2018). According to Patel (2015), a research paradigm consists of the shared assumptions and understanding of scientists regarding how to approach and interpret roadblocks.

Doumbia (2020) explains that research paradigms are the philosophical underpinnings that guide the choice between a qualitative and quantitative research approach, as well as the cognitive perception that is considered to be of utmost importance in research. In this study, the researcher opted for a positivist paradigm because it relies on measurement and reasons that knowledge is revealed neutral and measurable.

Therefore, by using a positivist paradigm the researcher investigated the role of corporate governance in achieving a clean audit in the Johannesburg Market entity.

3.2.2 Study area

The study area is the Johannesburg Market entity situated in the Johannesburg metropolitan municipality. The main reason for selecting this area is because the entity is situated in the economic hub of South Africa, Johannesburg, Gauteng province as illustrated in Figure 3.1 below.

Figure 3.1: Study area

Source: http://googlemaps (2018)

3.2.3 Population size

Silverman (2016) explains population size as the population of the study from which the sample is to be drawn. Bairagi and Munot (2019) postulate that, commonly, if the population of the study is found to be very large, it becomes very impractical or impossible to conduct the study.

The research focused on the role that corporate governance plays in achieving clean audits in the Johannesburg Market entity. The study population comprised of 65 employees who are working in finance, procurement, the office of the chief executive, corporate services, internal audit, compliance and enforcement, supply chain, risk departments and board members of the Johannesburg Market entity. The sample for the study was derived from this population (N = 61). According to Boyd and Solarino (2016), sampling shows the selection of individuals from within a statistical population to estimate the characteristics of the entire population. To ensure a reliable study is conducted, larger samples should be utilised to achieve better results (Edeling & Himme, 2018). To select respondents for this research, a sampling procedure was used to ensure that relevant employees with finance, procurement and supply chain knowledge and experience were selected (Williams, 2018). Therefore, the target population size of this study is 65. The details of the target population is as follows:

Table 3.1: Population size for quantitative data

1	Office of the CEO	Chief Executive Officer
2	Office of the CEO	Chief Financial Officer
3	Office of the CEO	Executive Operations
4	Office of the CEO	Executive Corporate Services
5	Office of the CEO	Senior Manager Internal Audit
6	Office of the CEO	Senior Manager Monitoring and
7	Office of the CEO	Company Secretary
8	Internal Audit	Supervisor Internal Audit

9	Internal Audit	Internal Auditor
10	Internal Audit	Internal Auditor
11	Office of the CEO	Senior manager: Strategic Planner
12	Compliance and Enforcement	Risk Officer proposed as risk specialist
13	Office of the CEO	Assistant Company Secretary
14	Operations	Operational Manager Food Bank
15	Operations	Senior Manager: Commission Business
16	Operations	Senior Manager: Infrastructure &
17	Operations	Manager Food Quality Assurance
18	Operations	Project Manager
19	Consignment	Manager: Administration
20	Consignment	Manager: Consignment control
21	Operations	Manager: Vegetable Hall
22	Operations	Manager Fruits Hall
23	Operations	Manager Potato Hall
24	Operations	Complimentary Services Manager
25	Operations	Property Administrator
26	Operations	Property Administrator
27	Operations	Maintenance Manager
28	Corporate Services	Senior Manager: Marketing &
29	Corporate Services	Senior Manager: Human Resources
30	Corporate Services	Senior Manager: Compliance &
31	Corporate Services	Senior Manager: Legal Services
32	Marketing	Customer Service Manager
33	Human resource	Manager: Employee Relations &
34	Human resource	Manager Payroll
35	Human resource	Skills Development Facilitator
36	Human resource	Senior Wellness Officer Leshabane
37	Compliance & Enforcement	Manager: Security CCTV &
38	Compliance & Enforcement	Manager: Safety, Occupational Health
39	Corporate Services	Senior Manager IT
40	Information Technology	Senior Systems Analyst
41	Information Technology	Network and Systems
42	Finance(Supply Chain)	Senior Manager Supply Chain
43	Finance(General)	Senior Manager Financial Accounting
44	Finance(Budget)	Senior Manager Budget & Reporting
45	Finance(Supply Chain)	Manager: Acquisition
46	Finance(Supply Chain)	Demand Specialist
47	Finance(Supply Chain)	Contract Administrator
48	Finance(Budget)	Management Accountant
49	Finance(Cashiering)	Manager: Cashiering
50	Finance(General)	Financial Accountant
51	Finance(General)	Fixed Asset Officer
52	Finance(General)	Account Receivable Controller
53	Finance(General)	Account Receivable Controller
54	Finance(General)	Account Payable Controller

55	Finance(General)	Cashbook Controller
56	Finance(General)	Assistant Accounts Payable
57	Finance(General	Fleet Controller
58	Information Technology	Business Analyst
59	Information Technology	Systems Analyst /application Support
60	Joburg Market Board	Chairperson of the Board
61	Joburg Market Board	Chairperson of Audit & Risk Comitte
62	Joburg Market Board	Member of Audit & Risk Committeee
63	Joburg Market Board	Member of the risk Committee
64	Joburg Market Board	Member of The Non Executive Audit
65	Joburg Market Board	Member of remuneration Committee

3.2.4 Sampling method and sample size

Therefore, sample size (61) is shown in Table 3.2. The sample (61) was 94% of the population. The details of sample population are as follows:

Table 3.2: Sample size for quantitative data

1	Office of the CEO	Chief Executive Officer
2	Office of the CEO	Chief Financial Officer
3	Office of the CEO	Executive Operations
4	Office of the CEO	Executive Corporate Services
5	Office of the CEO	Senior Manager Internal Audit
6	Office of the CEO	Senior Manager Monitoring and
7	Office of the CEO	Company Secretary
8	Internal Audit	Supervisor Internal Audit
9	Internal Audit	Internal Auditor
10	Internal Audit	Internal Auditor
11	Office of the CEO	Senior manager: Strategic Planner
12	Compliance and Enforcement	Risk Officer proposed as risk specialist
13	Office of the CEO	Assistant Company Secretary
14	Operations	Operational Manager Food Bank
15	Operations	Senior Manager: Commission Business
16	Operations	Senior Manager: Infrastructure &
17	Operations	Manager Food Quality Assurance
18	Operations	Project Manager
19	Consignment	Manager: Administration
21	Operations	Manager: Vegetable Hall
22	Operations	Manager Fruits Hall
23	Operations	Manager Potato Hall
24	Operations	Complimentary Services Manager

25	Operations	Property Administrator
26	Operations	Property Administrator
27	Operations	Maintenance Manager
28	Corporate Services	Senior Manager: Marketing &
29	Corporate Services	Senior Manager: Human Resources
30	Corporate Services	Senior Manager: Compliance &
31	Corporate Services	Senior Manager: Legal Services
32	Human resource	Manager: Employee Relations &
33	Human resource	Manager Payroll
34	Human resource	Skills Development Facilitator
35	Compliance & Enforcement	Manager: Security CCTV &
36	Compliance & Enforcement	Manager: Safety, Occupational Health
37	Corporate Services	Senior Manager IT
38	Information Technology	Senior Systems Analyst
39	Finance(Supply Chain)	Senior Manager Supply Chain
40	Finance(General)	Senior Manager Financial Accounting
41	Finance(Budget)	Senior Manager Budget & Reporting
42	Finance(Supply Chain)	Manager: Acquisition
43	Finance(Supply Chain)	Demand Specialist
44	Finance(Supply Chain)	Contract Administrator
45	Finance(Budget)	Management Accountant
46	Finance(Cashiering)	Manager: Cashiering
47	Finance(General)	Financial Accountant
48	Finance(General)	Fixed Asset Officer
49	Finance(General)	Account Receivable Controller
50	Finance(General)	Account Receivable Controller
51	Finance(General)	Account Payable Controller
52	Finance(General)	Cashbook Controller
53	Finance(General)	Assistant Accounts Payable
54	Finance(General	Fleet Controller
55	Information Technology	Systems Analyst /application Support
56	Joburg Market Board	Chairperson of the Board
57	Joburg Market Board	Chairperson of Audit & Risk Comitte
58	Joburg Market Board	Member of Audit & Risk Committeee
59	Joburg Market Board	Member of the risk Committee
60	Joburg Market Board	Member of The Non-Executive Audit
61	Joburg Market Board	Member of remuneration Committee

Sources: own source

If the researcher wishes to utilise sampling in research, there are mechanisms available such as random number generators (Boparai, Singh & Khathuna, 2018). The researcher in this research selected the sample of 61 employees from 65 middle and top management employees of the Johannesburg Market entity. Included in number of respondents are low level employees (maximum education of matric certificate). These employees also interact with other senior employees and external auditors. The accounts receivable and payable departments contribute to audit opinion. In addition, McLeod (2014) indicates that sampling shows the number of respondents selected from the entire population. Kumar (2014) postulates that each member of the population should be indicated with a number.

The simple random selection method was used: the individuals included in this study were selected based on their respective positions in different departments. The population indicated in Table 3.1 is very small and all of its members were known because all were from Johannesburg Market entity. The Johannesburg Market data contains information pertaining to all employees working within the Johannesburg Market. When a researcher chooses to employ this methodology, it is crucial to ascertain that there are no concealed elements within the inventory. For example, in the Human Resources database, employees are categorised by their respective teams, with team members arranged in ascending order of seniority. This arrangement poses a potential risk of excluding individuals in junior positions when selecting intervals, leading to a sample that is biased towards senior staff members such as managers, Senior Managers and Directors.

This sampling method is considered to be effective when dealing with large and isolated populations although more risks or errors in the sample may be detected (Kumar, 2014). In such a case, it was hard to find out if the sampled clusters represent the whole population. The researcher did not need to travel to conduct research and therefore, an online system of conducting data was used as a means to mitigate the spread of the pandemic (Covid-19).

The study used a simple random sampling technique (Brandenburg & McDonough, 2019). According to Bairagi and Munot (2019), simple random sampling is a technique whereby there is an equal chance of selection for each member of the population to form a sample.

3.3 DATA COLLECTION

Williams (2018) explains data collection as an activity that includes collecting data relevant to the research to answer the research questions. All 61 middle and top management staff were sent an online questionnaire or a printed questionnaire for those who did not have access to the electronic system, after acquiring permission to conduct the research in the Johannesburg Market entity. According to the data presented in Table 3.2, a sample of 61 individuals, representing various departments, was selected to participate in the study. The respondents completed the questionnaire.

3.4 DATA ANALYSIS

The study utilised descriptive data analysis; data collected through the use of an online questionnaire were used as the source of data analysis (Bairagi & Munot, 2019). The data were subjected to analysis using the Statistical Package for the Social Sciences (SPSS) Version 25.0 (Salkind, 2013).

3.5 RESEARCH LIMITATIONS

Since the empirical study was conducted during the Covid-19 pandemic, the researcher primarily collected data online; a few printed questionnaires were distributed to those respondents who lacked Internet access. Network problems, load shedding and power sharing were also the challenges.

3.6 ETHICAL CONSIDERATIONS

Silverman (2016) postulates that research ethics are principles that direct a researcher's conduct and behaviour. Therefore, the researcher complied with the requirements of ethical research (Bayland, 2020). Ethical clearance was obtained from the University of Limpopo, School of Leadership. In line with the University of Limpopo Ethics Policy, the following ethical guidelines were followed:

3.6.1 Permission to conduct the study research

Clearance was attained from the University of Limpopo Research and Ethics Committee, before undertaking the research. Permission was requested to conduct the research from the Johannesburg Market entity and was granted by the CEO.

3.6.2 Informed consent

Before the research began, all the respondents signed a consent form. Each of the respondents was advised that his or her participation in the research would be voluntary. Respondents could decide to withdraw from the study at any time (Creswell, 2014).

3.6.3 Confidentiality

The researcher did not to disclose any information regarding the respondents in the research (Bairagi & Munotf, 2019). Names of the respondents were not disclosed for the protection of the participant's identity. The researcher coded all the questionnaires numerically to avoid using the names of the respondents.

3.6.4 Anonymity

The researcher made certain that all respondents remained anonymous; no identities were revealed (Cadete, 2017). Furthermore, before signing the consent form, the researcher confirmed that all respondents were made aware of the topic, purpose and objectives of the research. Instead of revealing the respondents' real names, the coding method was used. The respondents were made aware that the data would only be used to assist the Johannesburg Market entity with regard to sound corporate governance and auditing.

3.6.5 No harm

The researcher should ensure that all the respondents in the research are protected from harm, either physical, emotional or otherwise (Kumar, 2011). Therefore, no questions were asked which would expose the respondents to any harm.

3.7 CHAPTER SUMMARY

Chapter three described the research methodology utilised, sampling procedures, data gathering and analysis and ethical considerations. The results or the findings from analysing data are outlined in Chapter four.

CHAPTER FOUR
DATA ANALYSIS AND INTERPRETATION

4.1 INTRODUCTION

Chapter four contains graphs and analyses of data obtained as a means of answering the research questions and addressing the research problem. Statistical analyses performed on the quantitative data collected are illustrated by tables and diagrams. Statistics describe the demographic details of the respondents, the factor analysis used contains tests of validity and the regression analysis and, finally, Cronbach's alpha was completed to gauge the measure of internal consistency of the scales used for measurement. The chapter outlines the demographic characteristics of this research sample, the utilisation of Cronbach's alpha as a way of discussing the descriptive statistics utilised and the reliability analysis results.

4.2 DESCRIPTION OF THE SAMPLE

The data for the study was gathered from middle and upper management at the Johannesburg Market entity. The total sample comprised 61 respondents. In terms of gender, the sample is comprised of 65.6% (40) males and 34.4% (21) females. The majority of the respondents 39.3% (24) were above 45 years, between 25 to 30 years 18% (11), between 35 to 40 years 31% (19) and 11.5% (7) between 40 to 45 years. Overall, 61 respondents constituted 100% of respondents in all structures of management. Most respondents had university degrees 68.9% (42), those who had a high school qualification 9.8% (6), college 11.5% (7) and Technikon 9.8% (6). Number of respondents per racial group includes African 77% (47), Asian 6.6% (4), Coloured 9.8% (6) and White 6.6% (4). Additionally, 75.4% (46) number of directors had less than 3 years' experience, 8.2% (5) between 3 to

5 years' experience, 4.9% (3) between 6 to 10 years, 6.6% (4) between 11 to 20 years and 4.9% (3) had above 20 years of experience.

4.2.1 Demographic characteristics of the sample

The data set provided encompasses the demographic characteristics of a sample comprising 61 respondents. The data is categorised into two distinct groups, namely "Male" and "Female," wherein each group represents respondents belonging to the respective demographic.

Table 4.2.1 Gender

		Frequency	Valid Percent	Cumulative Per cent
	Male	40	65,6	65,6
	Female	21	34,4	100
	Total	61	100	

The data presented in the "Frequency" column indicates that the sample consists of 40 male respondents and 21 female respondents. The information provided in the "Percent" column provides additional clarification regarding the sample composition. It reveals that 65.6% of the individuals in the sample are male, whereas 34.4% are female. The "Total" row presents the aggregate count of respondents in both categories, which is equivalent to the overall sample size of 61. Commencing at a proportion of 65.6% for the male cohort, the cumulative percentage attains 100% upon the inclusion of both male and female respondents, signifying the comprehensive incorporation of all individuals within the sample for the purpose of analysis.

In summary, the dataset demonstrates the distribution of male and female respondents within the sample, revealing a predominant male presence, accounting for approximately two-thirds of the overall respondents (Frey, 2018). In the present study, female respondents make up approximately one-third of the total sample.

The data set below illustrates the distribution of respondents within the sample according to their age groups. The data has been classified into six distinct groups, each corresponding to specific age ranges.

Table 4.2.2 Age

		Frequency	**Valid Percent**	**Cumulative Percent**
	To 25 years	4	6,6	6,6
	To 30 years	7	11,5	18
	To 35 years	9	14,8	32,8
	To 40 years	10	16,4	49,2
	To 45 years	7	11,5	60,7
	Above 45 years	24	39,3	100
	Total	61	100	

Beginning with the category denoted as "To 25 years," it encompasses a total of four respondents, constituting approximately 6.6% of the overall sample. The group consisting of individuals aged "To 30 years" consists of seven respondents, which accounts for approximately 11.5% of the overall sample. In the category denoted as "To 35 years," the sample consists of 9 respondents, representing 14.8% of the total sample. Furthermore, the group consisting of individuals aged "To 40 years" comprises 10 respondents, accounting for 16.4% of the overall sample. The category labelled as "To 45 years" comprises a total of seven respondents, which accounts for approximately 11.5% of the overall sample.

The age category labelled as "Above 45 years" comprises the largest group in terms of participant count, with a total of 24 individuals. This group represents approximately 39.3% of the entire sample. The cumulative percentage is a measure that represents the combined proportion of respondents belonging to different age groups as we analyse the dataset. The initial prevalence rate for the age group "To 25 years" is 6.6%, and it exhibits a gradual increase until it reaches 100% when considering the data from all age groups.

In summary, the dataset illustrates the age distribution of the individuals included in the sample (Crossman, 2019). The largest proportion of respondents, approximately 39.3%, belongs to the age group categorised as "Above 45 years," thus establishing it as the most prevalent demographic. On the other hand, the groups categorised as "To 25 years" and "To 30 years" exhibit the lowest number of respondents, accounting for 6.6% and 11.5% of the total sample, respectively. The cumulative percentage serves to validate the inclusion of all respondents in the analysis, thereby guaranteeing a comprehensive portrayal of the demographic attributes pertaining to age.

The dataset below illustrates the distribution of educational backgrounds among the respondents in the sample. The data has been classified into five distinct groups according to their educational attainment.

Table 4.2.3 Education

		Frequency	Valid Percent	Cumulative Percent
	High School	6	9,8	9,8
	College	7	11,5	21,3
	Technicon	6	9,8	31,1
	University undergraduate	9	14,8	45,9
	University postgraduate	33	54,1	100
	Total	61	100	

Beginning from the "High School" classification, it encompasses a cohort of six individuals, constituting approximately 9.8% of the overall sample. Transitioning to the cohort denoted as the "College" group, there is a total of seven individuals who constitute approximately 11.5% of the overall sample. The category labelled as "Technikon" consists of six respondents, which accounts for 9.8% of the overall sample. As we transition to the cohort classified as "University undergraduate," it is noteworthy that there are a total of nine individuals, constituting approximately 14.8% of the overall sample size. The most prominent educational category observed in the study is "University postgraduate," comprising 33 respondents, representing 54.1% of the overall sample. This finding suggests that a notable percentage of respondents possess advanced educational credentials. The cumulative percentage illustrates the gradual accumulation of respondents across different education categories, commencing at 9.8% for the "High School" group and steadily rising until it reaches 100% when considering the collective sum of all education categories.

In summary, the dataset offers valuable insights into the educational histories of the individuals included in the sample. A significant proportion of the respondents, specifically 54.1%, fall under the category of "University postgraduates," which suggests a notable level of educational attainment within the sample. In contrast, the categories of "High School," "College," "Technikon," and "University undergraduate" account for 9.8%, 11.5%, 9.8%, and 14.8% of the sample, respectively. The cumulative percentage serves to validate the data's comprehensiveness, thereby guaranteeing a thorough portrayal of respondents' educational backgrounds in the analysis.

The data set below illustrates the racial distribution of the respondents included in the sample. The data has been classified into four distinct racial categories.

Table 4.2.4 Racial group

		Frequency	Valid Percent	Cumulative Percent
	African	47	77	77
	Asian	4	6,6	83,6
	Coloured	6	9,8	93,4
	White	4	6,6	100
	Total	61	100	

The category labelled as "African" exhibits the highest number of respondents, totalling 47 individuals, thereby accounting for 77% of the overall sample. This finding suggests that a significant proportion of individuals in the sample self-identify as African. In the present study, the demographic category labelled as "Asian" comprises a total of four individuals, constituting approximately 6.6% of the overall sample size. The demographic category referred to as the "Coloured" group comprises a total of six individuals, representing approximately 9.8% of the overall sample. The "White" category comprises four respondents, accounting for 6.6% of the overall sample. The cumulative percentage illustrates the gradual accumulation of respondents within the various racial categories. The initial percentage for the "African" group is 77%, gradually rising to 100% when accounting for all racial categories collectively.

In summary, the dataset offers valuable insights into the racial diversity exhibited by the respondents included in the sample. A substantial proportion, specifically around 77%, of the respondents self-identify as "African," suggesting a noteworthy presence of this racial category within the sample. The remaining respondents are allocated among the categories of "Asian," "Coloured," and "White," constituting 6.6%, 9.8%, and 6.6% of the sample, respectively. The cumulative percentage serves to validate the data's comprehensiveness, thereby ensuring a comprehensive portrayal of the racial backgrounds of the respondents in the analysis.

Regarding the number of years as director, the dataset illustrates the frequency distribution of the duration, measured in years that the sampled individuals have served in their roles as directors. The data has been classified into five distinct groups, with each group being determined by the length of time individuals have served as directors. The most prominent group is the "< 3 years" category, comprising 46 respondents, accounting for 75.4% of the entire sample. This finding suggests that a significant proportion of the individuals included in the sample have held directorial positions for duration of less than three years.

Table 4.2.5 Number of years as director

		Frequency	Valid Percent	Cumulative Percent
	< 3 years	46	75,4	75,4
	3 to 5 years	5	8,2	83,6
	6 to 10 years	3	4,9	88,5
	11 to 20 years	4	6,6	95,1
	20 years and above	3	4,9	100
	Total	61	100	

From the data above, it is notable that the category denoted as "3 to 5 years" encompasses a total of five individuals, constituting approximately 8.2% of the overall sample. The age group categorised as "6 to 10 years" comprises a total of three respondents, accounting for approximately 4.9% of the overall sample. The proportion of individuals in the sample who possess directorship experience ranging from 11 to 20 years is 6.6%, which corresponds to a total of four respondents. The category labelled "20 years and above" consists of three respondents, which accounts for 4.9% of the overall sample. This finding suggests that there is a smaller yet significant percentage of respondents who possess substantial experience in serving as directors. The cumulative percentage illustrates the gradual aggregation of respondents within the various categories. The initial percentage stands at 75.4% for the category labelled "< 3 years," and progressively rises until it reaches 100% when accounting for the cumulative effect of all categories.

Therefore, the dataset offers valuable insights regarding the distribution of directorship experience among the respondents included in the sample. Approximately 75.4% of the respondents have held directorial positions for less than three years, indicating a relatively youthful cohort in terms of their tenure as directors. Nevertheless, it is worth-noting that a significant proportion of respondents in the sample possess extensive experience, as evidenced by the presence of individuals falling within the "11 to 20 years" and "20 years and above" categories, accounting for 6.6% and 4.9% of the total sample, respectively. The cumulative percentage serves as a measure of data completeness, guaranteeing a thorough depiction of respondents' directorship experience in the analysis.

4.3 CORPORATE GOVERNANCE SYSTEMS AND IMPLEMENTATION IN THE JOHANNESBURG MARKET ENTITY

The dataset below pertains to the perspectives on the perceived benefits of corporate governance practices. The data depicts the responses obtained from respondents of the survey, reflecting their degree of concurrence or discordance with the given statement

Table 4.3.1. Corporate governance practices are regarded as adding value to the Johannesburg Market

		Frequency	Percent	Cumulative Percent
Valid	Disagree	2	3.3	3.3
	Neutral	8	13.1	16.4
	Agree	19	31.1	47.5
	Strongly Agree	32	52.5	100.0
	Total	61	100.0	

A minority of respondents, specifically 3.3%, conveyed a sentiment of disagreement, indicating that corporate governance practices may not contribute value. A significant proportion of respondents, accounting for 52.5% of the entire sample, express strong endorsement for the proposition that corporate governance practices contribute to value creation. Furthermore, it is worth noting that a significant proportion of the respondents, specifically 31.1%, expressed agreement with the given statement. This finding serves as additional evidence that there is a prevailing favourable attitude towards the implementation of corporate governance measures. A minority subset, comprising 13.1% of the respondents, demonstrated a "Neutral" perspective, suggesting a degree of uncertainty or absence of a conclusive viewpoint regarding the subject. There exists a potential scenario wherein the aforementioned respondents exhibit a state of indecision or require additional information in order to formulate a definitive perspective regarding the efficacy of corporate governance practices in generating value. In general, the data indicates that a significant proportion of respondents hold a positive perception of the value of corporate governance practices, with a majority expressing strong endorsement of their importance.

Table 4.3.2. There is a broad agreement that efficient administration of the Johannesburg Market is important element of good corporate governance implementation

		Frequency	Percent	Cumulative Percent
Valid	Disagree	3	4.9	4.9
	Neutral	9	14.8	19.7
	Agree	23	37.7	57.4

	Strongly Agree	26	42.6	100.0
	Total	61	100.0	

Based on the data, it is apparent that there exists a relatively equitable distribution of perspectives. A minority of respondents, specifically 4.9%, expressed disagreement with the statement, suggesting that there exists a segment of individuals within the Johannesburg Market who do not perceive efficient administration as a fundamental component of effective corporate governance. These individuals expressing dissent may harbour apprehensions or reservations regarding the involvement of administrative bodies in the implementation of governance procedures.

The proportion of respondents who adopted a neutral position, indicating neither complete agreement nor disagreement with the statement, was approximately 14.8%. The provided segment may exhibit a deficiency in information or comprehension, thereby limiting the ability to form a robust opinion on the subject matter. It is plausible that additional education or clarification could potentially impact their perspectives.

The predominant unit of respondents, constituting 37.7% of the sample, expressed concurrence with the assertion, thereby endorsing the notion that effective management is indispensable for attaining sound corporate governance within the Johannesburg Market. These individuals possess an understanding of the significance of efficient processes and competent management in promoting ethical practices and fostering accountability within the market.

Moreover, a substantial proportion of respondents, amounting to 42.6%, expressed strong agreement with the aforementioned statement. This finding suggests a significant agreement among respondents who strongly endorse the inherent link between effective management and the successful implementation of corporate governance.

Table 4.3.3. The corporate governance practices have been fully aligned with the relevant legislation and regulations

		Frequency	Percent	Cumulative Percent
Valid	Disagree	2	3.3	3.3
	Neutral	18	29.5	32.8
	Agree	19	31.1	63.9
	Strongly Agree	22	36.1	100.0
	Total	61	100.0	

The dataset shows respondents' views on corporate governance practices and relevant laws and regulations. The data suggests that many respondents view corporate governance practices and the relevant legal structure favourably. 3.3% of respondents disagreed, arguing that the current procedures violate relevant laws and regulations. 29.5% of respondents remained neutral on the degree of alignment. 31.1% of respondents chose "Agree," indicating that they believe corporate governance practices comply with relevant laws and regulations. The individuals in question believe the current procedures are legal and that adherence is acceptable. 36.1% of respondents responded "Strongly Agree" to the statement, indicating a high level of agreement on corporate governance practices.

In summary, the data indicates an overall favourable perspective regarding the congruence between corporate governance practices and pertinent legislation and regulations. A significant proportion of respondents express agreement or strong agreement with the assertion, highlighting the perceived efficacy of current governance measures.

Table 4.3.4 The structures created by the legislations are enough to ensure proper corporate governance implementation

		Frequency	Percent	Cumulative Percent
Valid	Strongly disagree	1	1.6	1.6
	Disagree	5	8.2	9.8
	Neutral	21	34.4	44.3
	Agree	20	32.8	77.0
	Strongly Agree	14	23.0	100.0
	Total	61	100.0	

The dataset provides insights into the perspectives of respondents regarding the adequacy of legislative structures in facilitating the effective implementation of corporate governance. The data reveals a wide array of perspectives regarding the effectiveness of legislative frameworks in promoting appropriate corporate governance. Only 1.6%, express a strong dissent towards the statement, indicating their firm conviction that the existing legislative frameworks are inadequate in ensuring the achievement of effective corporate governance. An additional 8.2% of respondents expressed their disagreement with the statement, citing concerns regarding the adequacy of the legislative structures in place. "Neutral" was the most popular choice, with 34.4% of respondents. 32.8% of respondents agree, indicating that the legislative frameworks are sufficient for corporate governance.

In conclusion, 23.0% of respondents strongly agreed with the statement, indicating high confidence in legislative measures to facilitate corporate governance practices. This set believes the current legal framework is comprehensive enough to promote transparency, accountability, and good governance in diverse entities.

Table 4.3.5. Discussing governance without the issue of corruption is acceptable, according to the entity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	25	41.0	41.0	41.0
	Disagree	8	13.1	13.1	54.1
	Neutral	9	14.8	14.8	68.9
	Agree	13	21.3	21.3	90.2
	Strongly Agree	6	9.8	9.8	100.0

The data set shows the entity's views on discussing governance without corruption. The data shows diverse opinions on whether governance should be discussed separately from corruption. 41.0% strongly disagree, believing governance discussions must always include corruption. The respondents understand the fundamental link between governance and corruption and emphasise the importance of addressing corruption in governance discussions. 13.1% of respondents oppose governance discussions without corruption.

This group shares concerns with those who strongly disagree but is less adamant about addressing corruption in all governance discussions. 14.8% are "Neutral" on whether governance should be separated from corruption. Contextual or situational factors may cause this group to disagree or struggle to answer. 21.3% said discussing governance without addressing corruption is acceptable. They may prioritise other governance dimensions. 9.8% strongly agreed governance discussions should not include corruption. The contrasting viewpoints highlight the complexity and constraints of governance discussions, emphasising the need to include corruption in most cases.

Table 4.3.6. The absence of a specific corporate governance implementation strategy affects the manner in which the Johannesburg Market managed

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	3	4.9	4.9	4.9
Disagree	5	8.2	8.2	13.1
Neutral	13	21.3	21.3	34.4
Agree	18	29.5	29.5	63.9
Strongly Agree	22	36.1	36.1	100.0

This study shows many perspectives on how a corporate governance implementation strategy affects Johannesburg Market management. 4.9% strongly disagree that the lack of such a strategy affects management. These respondents may not see a specific strategy as necessary because they believe other factors and practices can manage the market.

8.2% of respondents disagreed, suggesting they do not see a clear link between the Johannesburg Market's management approach and the lack of a governance implementation strategy. This group may think operational factors rather than strategic approaches drive management practices. 21.3% of respondents were "neutral" on the potential effects of a governance implementation strategy. This group may have insufficient information or differing opinions on how strategy implementation affects management. 29.5% of respondents agreed that the lack of a well-defined corporate governance implementation strategy affects Johannesburg Market management. They also believe that management outcomes can suffer without such a strategy. 36.1% strongly agreed.

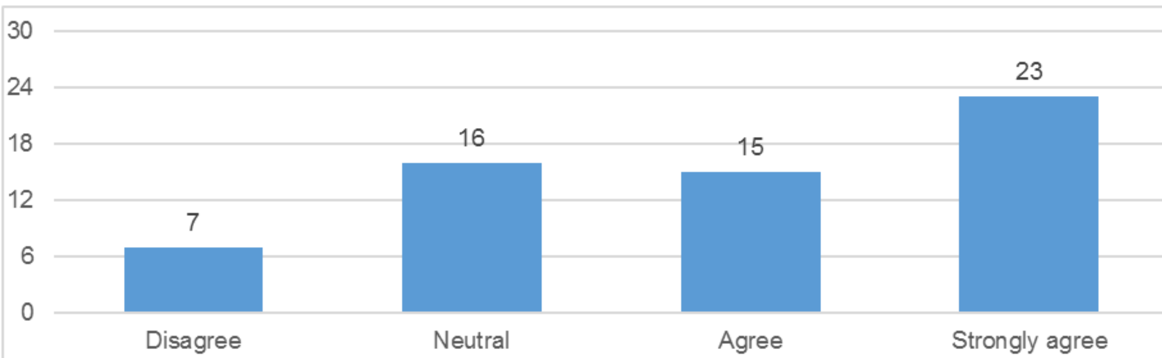
In conclusion, the data presented reveals divergent viewpoints regarding the significance of a particular corporate governance implementation strategy in shaping the management practices within the Johannesburg Market. While a considerable percentage of individuals concur or strongly concur with the importance of this approach, there are also respondents who maintain a neutral stance, disagree, or strongly disagree with it.

Table 4.3.7. The management/ board is ultimately responsible for risk management process within the Johannesburg Market

		Frequency	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1.6	1.6
	Disagree	7	11.5	13.1
	Neutral	6	9.8	23.0
	Agree	17	27.9	50.8
	Strongly Agree	30	49.2	100.0

The data demonstrates a notable consensus among the respondents, as the majority, comprising 49.2%, expressed a "Strongly Agree" stance regarding the management/board's ultimate responsibility in the context of the risk management process. This group believes that market authorities should identify, assess, and mitigate risks. The management/board is likely seen as the main decision-maker for risk management to ensure market stability and long-term viability. 27.9% of respondents strongly agreed. This supports the idea that risk management rests with management or the board. 11.5% disagreed that management or the board is responsible for risk management. 9.8% of respondents were "Neutral" on the management/board's ultimate risk management accountability. This unit may struggle to understand the question's ambiguity, making them reluctant to give an opinion. In conclusion, 1.6% strongly disagreed that the management/board should be responsible for risk management in the Johannesburg Market.

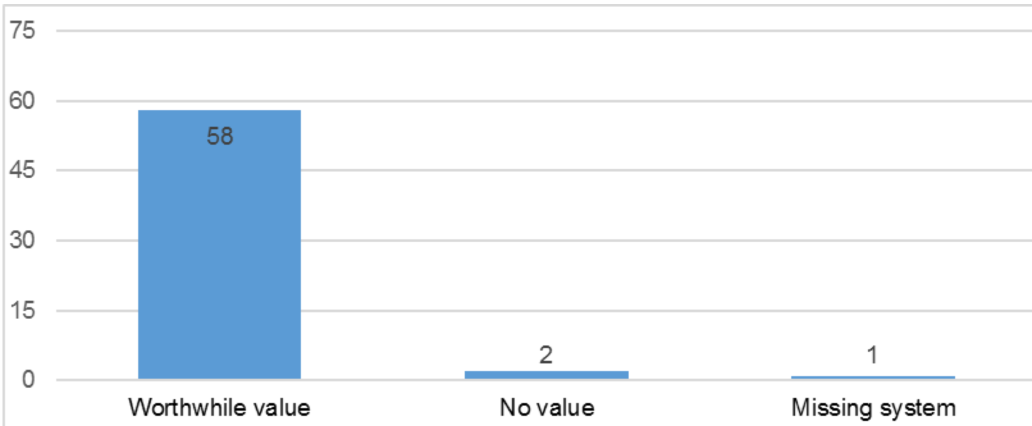
Figure 4.3.1 Management/board always sets the risk appetite and tolerances of the organisation



A significant proportion of respondents, constituting a cumulative percentage of 38%, express their agreement or strong agreement with the notion that the management or board consistently establishes the risk appetite and tolerances of the organisation. This observation suggests a notable degree of faith or assurance in the decision-making power of the management or board in establishing the risk strategy of the organisation. Conversely, a minority of respondents, comprising of 7% of the sample, indicated their dissent towards the aforementioned statement. This dissenting viewpoint suggests that a subset of the individuals involved hold the belief that the management or board's influence in determining the organisation's risk appetite and tolerances is not significant.

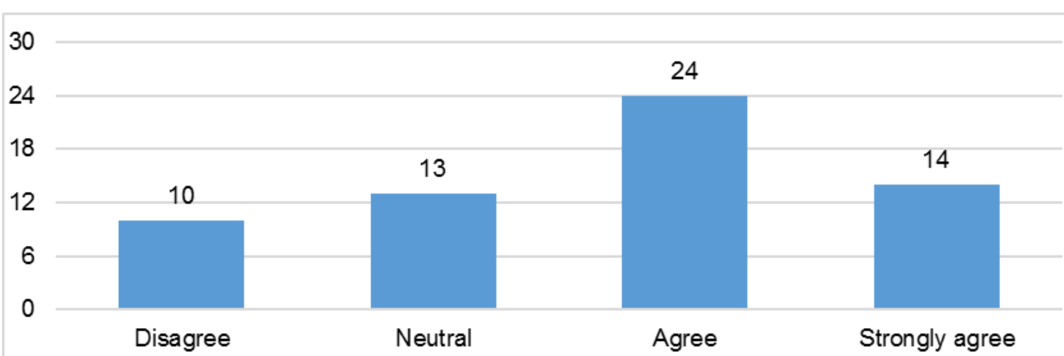
Moreover, it was found that 16% of the respondents selected the "Neutral" alternative, suggesting a state of uncertainty or absence of a definitive position regarding the subject. The analysis of the responses indicates that there exists a significant proportion of respondents who express agreement, alongside a noteworthy subset who either hold a dissenting viewpoint or possess uncertainty regarding the responsibility of management or the board in establishing risk appetite and tolerances.

Figure 4.3.2 The value derived from establishing a risk committee



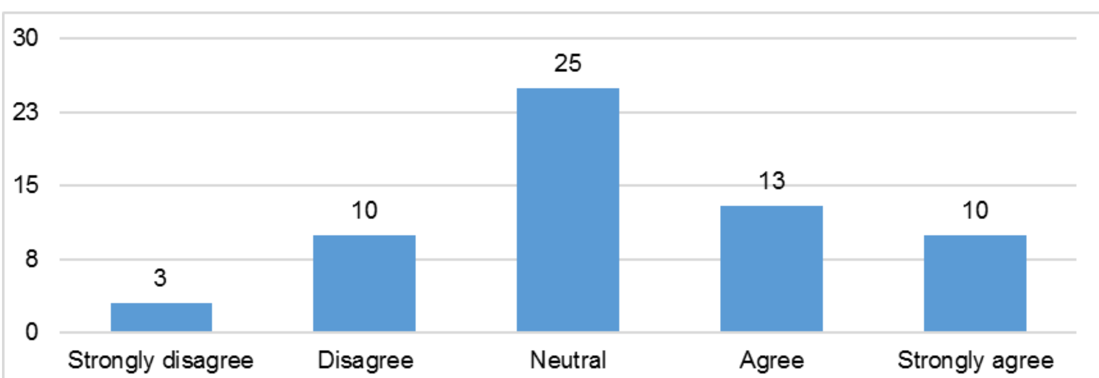
Out of 61 respondents, 58 (95%) respondents feel that the management /board had value on establishing a risk committee. They agreed that the risk committee plays a key critical role from an oversight body perspective in assisting management to monitor and implement the risk strategy of the Johannesburg Market entity

Figure 4.3.3 Management/board always aligns its information management system with organisational objectives



A cumulative percentage of 38% of the respondents indicated their agreement or strong agreement with the notion that the Management/Board consistently aligns its Information Management System with the objectives of the organisation. This finding suggests that a considerable share of the respondents hold the belief that there exists a robust correlation between the IMS and the overarching objectives of the organisation. In contrast, a minority of 10% of the respondents conveyed their dissent towards the assertion, indicating that there exists a subset of individuals who hold the viewpoint that the IMS does not sufficiently align with the objectives of the organisation. Moreover, a notable share of the respondents, specifically 13%, selected the "Neutral" alternative, signifying their lack of a definitive viewpoint regarding the congruence between the Information Management System (IMS) and the objectives of the organisation. The neutral responses observed could potentially be attributed to a limited level of awareness or comprehension regarding the functioning of the IMS in relation to the overarching objectives of the organisation.

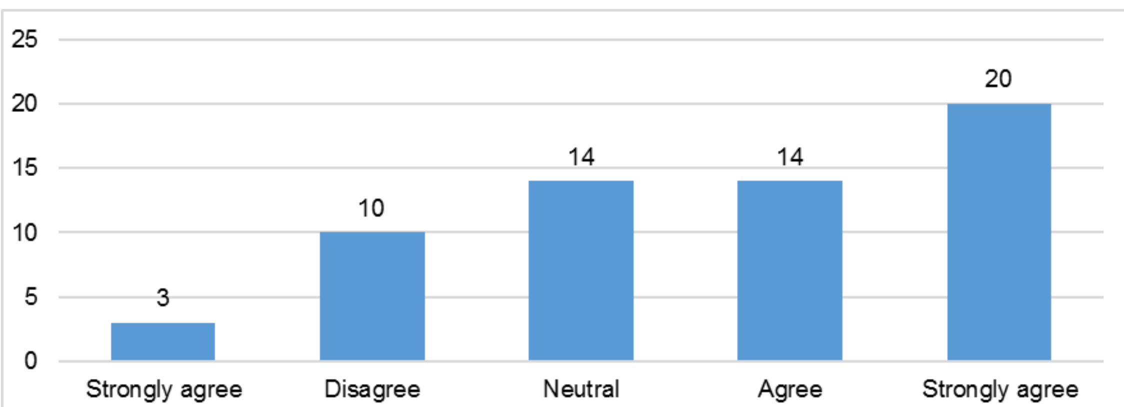
Figure 4.3.4. The management/board have adopted zero tolerance regarding compliance management strategy



Approximately 23% of the respondents indicated their agreement, either "Agree" or "Strongly agree," with the notion that the management or board has implemented a zero-tolerance approach in relation to the compliance management strategy. This finding indicates that a small proportion of respondents hold the view that the leadership of the organisation is dedicated to implementing rigorous compliance protocols and has a zero-tolerance approach towards any breaches of established rules and regulations.

In contrast, a significant segment of the respondents, comprising 33% of the total, express either a "Strongly disagree" or "Disagree" stance towards the given assertion. This finding suggests that a considerable proportion of the respondents holds the perception that the management/board lacks a strict approach towards compliance management. The factors contributing to this perception may exhibit variability and encompass apprehensions regarding perceived leniency towards non-adherence or a deficiency in explicit communication regarding the compliance standards set forth by the organisation.

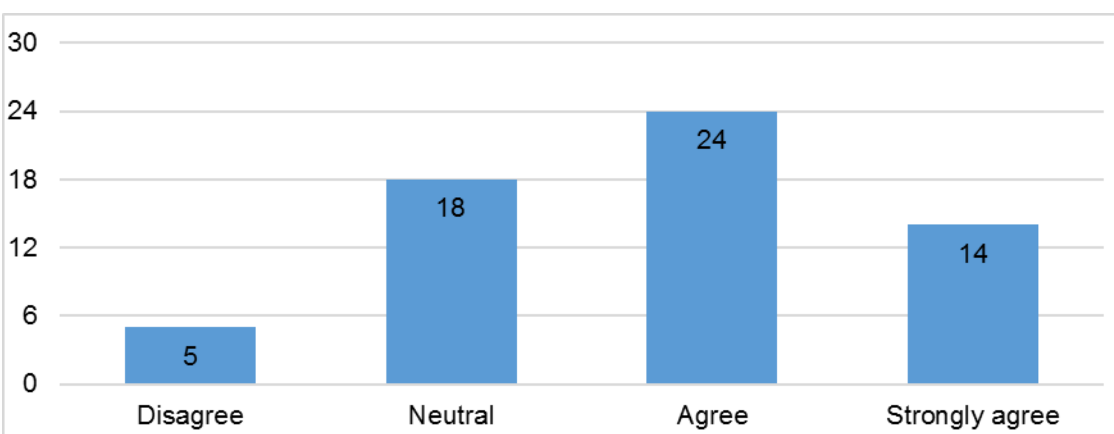
Figure 4.3.5 Corporate governance implementation and practices require a high degree of political and economic participation by all



The dataset encompasses the responses of respondents in relation to a statement concerning the level of political and economic involvement necessary from all parties involved in order to effectively implement and uphold corporate governance principles and procedures. Specifically 37% of the respondents, expressed their agreement or strong agreement regarding the necessity for active involvement from all stakeholders in political and economic realms for the effective implementation and adherence to corporate governance principles and practices. In contrast, 24%, expressed disagreement or strong disagreement with the statement. This indicates the existence of a significant subset of respondents who hold a differing perspective regarding the essentiality of extensive political and economic engagement for achieving effective corporate governance. This finding further suggests that a considerable percentage of the respondents acknowledge the importance of active engagement from diverse stakeholders, including governmental entities, corporate executives, shareholders, employees, and other influential individuals, in shaping efficacious corporate governance strategies.

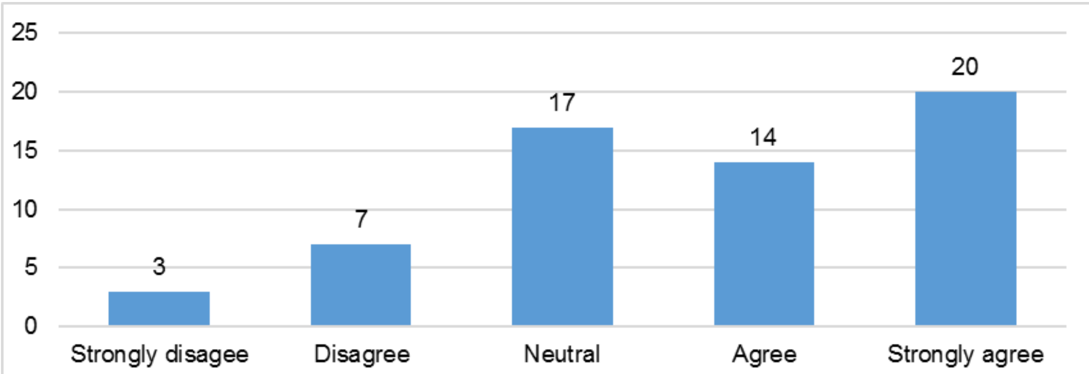
Furthermore, it was found that 14% of the respondents opted for the "Neutral" alternative, signifying their lack of agreement or disagreement with the given statement. The neutral responses could be attributed to a potential lack of comprehension regarding the roles and obligations of different entities involved in corporate governance, or a potential absence of awareness regarding the influence of political and economic engagement on governance protocols.

Figure 4.3.6 The management/board are deriving value adding from its established internal audit activity



A cumulative percentage of 38% of the respondents expressed either "Agree" or "Strongly agree" with the notion that the management/board is effectively benefiting from the established internal audit activity. This finding suggests that a notable portion of the respondents hold the belief that the internal audit function is making a positive contribution to the organisation by offering valuable insights and recommendations to the management and board. In contrast, a minority of 5% of the respondents conveyed their dissent towards the statement, indicating that there exists a limited segment of individuals who hold the belief that the internal audit activity does not contribute value to the organisation. In addition, it is worth noting that 18% of the respondents selected the "Neutral" alternative, suggesting a lack of definite stance regarding the extent to which the management/board is benefiting from the internal audit activity. The neutral responses may be attributed to a limited understanding or participation in the internal audit procedures, or they could indicate uncertainty regarding the influence of the internal audit on the organisation. The dataset reveals a predominantly positive sentiment, as the majority of respondents expressed agreement or strong agreement regarding the value derived from the internal audit activity. This implies that the internal audit function is regarded as a significant component in the governance and decision-making procedures of the organisation.

Figure 4.3.7. The management/board is effectively responsible for information Technology (IT) governance

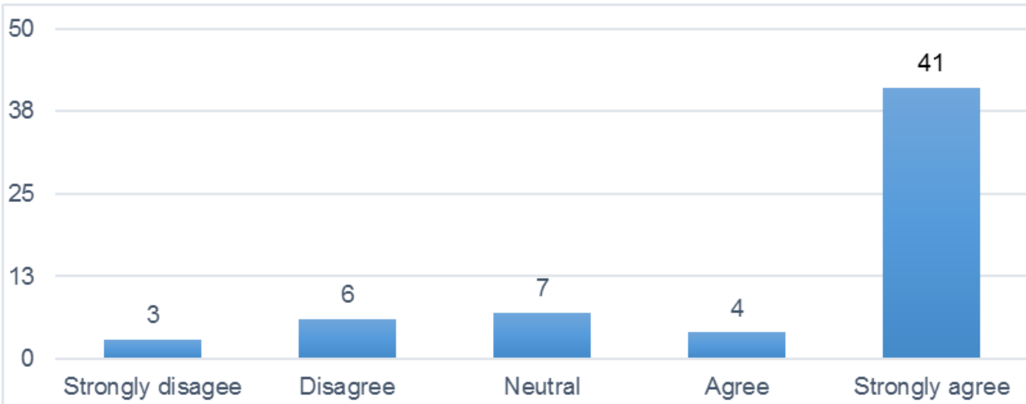


This finding suggests that a considerable percentage of the respondents hold the belief that the management and board actively engage in the supervision and decision-making processes pertaining to Information Technology (IT) governance. 34% of respondents "Agree" or "Strongly agree" that management/board effectively responsible for IT governance. In contrast, a minority of 10% of the respondents express either a "Strongly disagree" or "Disagree" response to the statement, indicating a divergence in opinion regarding the effectiveness of the management/board in assuming responsibility for IT governance.

Additionally, it is worth noting that 17% of the respondents selected the "Neutral" alternative, signifying their lack of a definitive stance on the effectiveness of the management/board in fulfilling their IT governance duties. The neutral responses could potentially stem from a limited understanding of the specific responsibilities and activities carried out by the management/board in the context of IT governance, or a limited exposure to decision-making processes related to information technology.

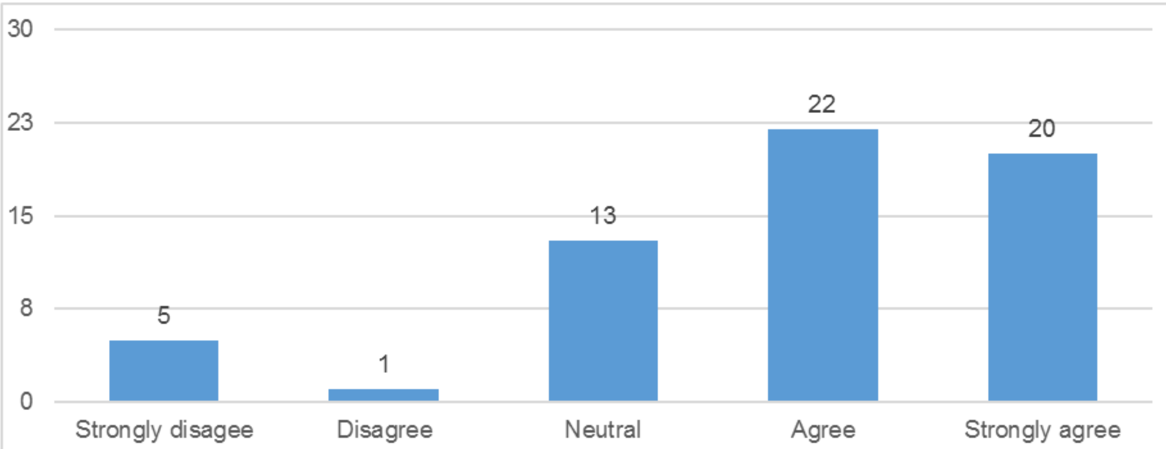
The dataset exhibits a diverse range of perspectives pertaining to the efficacy of management and the board in the realm of IT governance. While a considerable proportion of respondents express agreement or strong agreement with the given statement, it is worth noting that there is also a significant percentage of respondents who hold contrasting views or exhibit uncertainty.

Figure 4.3.8 Bribing and rigging are indicators of bad governance



Based on the data, a significant majority of 41% of the respondents express a strong agreement with the notion that bribery and corruption serve as indicators of poor governance. In contrast, a minority of 6% of the respondents expressed disagreement with the statement, implying that there exists a small faction that does not perceive bribery and corruption as indicative of poor governance. Moreover, it is significant that 7% of the respondents selected the "Neutral" alternative, signifying their lack of a definitive stance on the correlation between bribery, corruption, and poor governance. The neutral responses observed may stem from a limited comprehension of the ramifications of these unethical practices on governance, or from a requirement for additional information in order to adopt a definitive position.

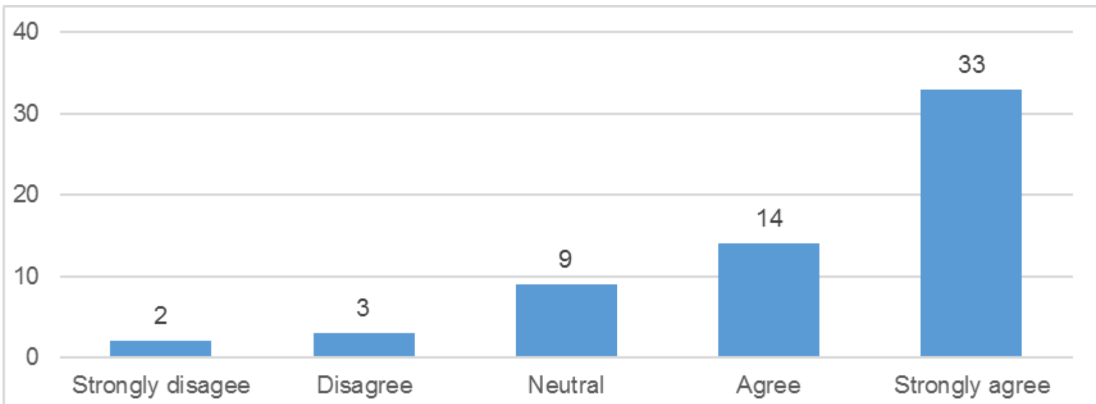
Figure 4.3.9 Operating within the financial constraints is an indicator associated with good governance



Overall, 45% of respondents chose "Agree" or "Strongly agree" that being frugal is a sign of responsible leadership and management. This finding indicates that a notable portion of the respondents hold the belief that effective financial management and prudent decision-making within constrained resources are integral elements of sound governance. In contrast, a mere 1% of the respondents expressed disagreement with the statement, suggesting that there exists a marginal minority who do not perceive adherence to financial limitations as an attribute of effective governance. Additionally, it is worth noting that 13% of the respondents selected the "Neutral" alternative, indicating a lack of definitive stance regarding the potential correlation between adhering to financial limitations and the presence of effective governance.

The data set reveals a significant consensus among the respondents regarding the correlation between adhering to financial limitations and the promotion of effective governance. The aforementioned alignment highlights the significance of exercising financial prudence, ensuring accountability, and making responsible decisions regarding resource allocation in order to attain desirable outcomes in governance.

Figure 4.3.10 The lack of information communication is the biggest enemy of good governance, given the fact that information is used as a base for decision-making

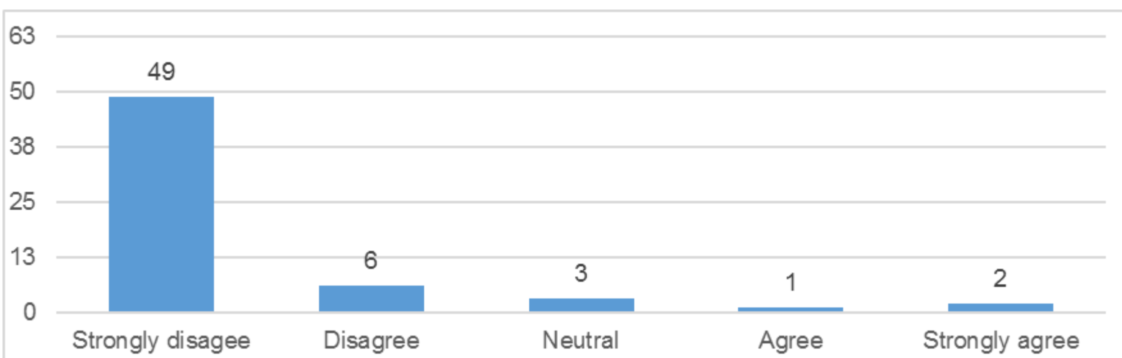


A significant majority of 33% of the respondents expressed a strong agreement with the notion that the absence of effective information communication poses a significant challenge to good governance. This sentiment is rooted in the understanding that information plays a crucial role in informing decision-making processes. In a similar vein, it is noteworthy that 14% of the respondents expressed agreement with the aforementioned statement, thereby providing additional support for the proposition that the availability of information is important in bolstering effective governance protocols. The substantial weight given to information communication as a fundamental aspect of effective governance is underscored by the cumulative agreement rate of 47%.

Conversely, a small proportion of respondents, comprising 5% of the total sample, expressed disagreement or strong disagreement with the aforementioned statement. This finding indicates that a minority of respondents do not view the absence of information communication as the primary obstacle to achieving effective governance. The source of their disagreement may be attributed to divergent perspectives regarding the relative significance of information in governance processes, or other perceived barriers that they perceive to have a greater influence on the attainment of good governance.

Moreover, it was observed that 9% of the respondents opted for the "Neutral" alternative, signifying their lack of a definitive stance on whether the absence of information communication is the primary adversary of effective governance. The neutral responses may stem from a limited level of awareness or comprehension regarding the potential ramifications of inadequate information communication on governance results.

Figure 4.3.11 Ethical values and practices do not promote good corporate governance

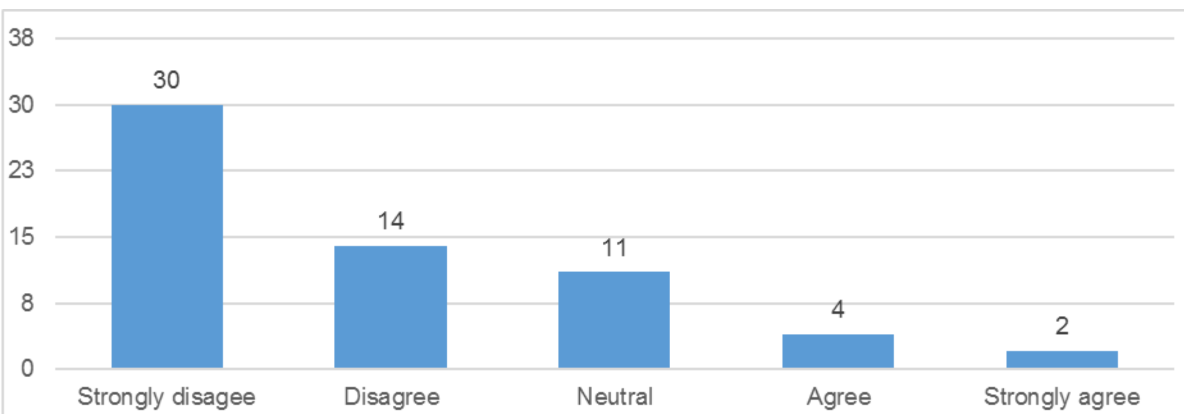


A significant majority of 49% of the respondents strongly express their disagreement with the notion that ethical values and practices do not contribute to the promotion of effective corporate governance. Likewise, it is noteworthy that 6% of the respondents expressed disagreement with the statement, thereby providing additional support for the proposition that ethical values and practices are crucial in fostering effective corporate governance. The cumulative disagreement rate of

55% underscores the considerable importance attributed to ethics as a fundamental element of effective governance.

Conversely, a minority of respondents, comprising a mere 3% of the total respondents, opted for the "Neutral" alternative, signifying their lack of a definitive stance on the extent to which ethical values and practices contribute to the advancement of sound corporate governance. Moreover, a mere 3% of the respondents express agreement or strong agreement with the aforementioned statement. This observation implies that a small proportion of individuals hold the viewpoint that ethical values and practices do not play a significant role in fostering effective corporate governance. The limited level of consensus could potentially be ascribed to divergent perspectives regarding the significance of ethics in the process of corporate decision-making or varying interpretations of the parameters defining effective governance.

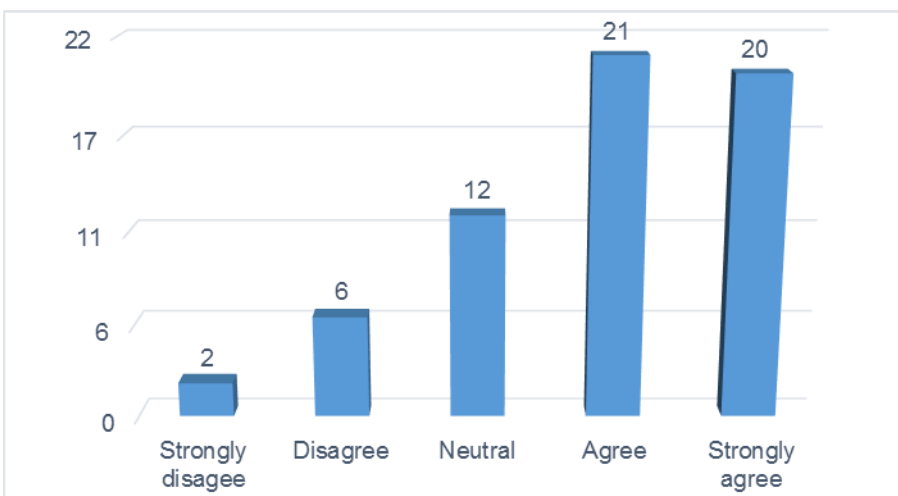
Figure 4.3.12 Citizen Participation in the municipal governance processes will cause protests/strikes



44% of the respondents expressed their disagreement, either strongly or moderately, regarding the notion that citizen involvement in municipal governance procedures would lead to protests or strikes. The aforementioned statement suggests a robust agreement among the respondents that the inclusion of citizens in the decision-making and governance processes of their municipalities is improbable to result in social unrest or protests. In a similar vein, it is noteworthy that 11% of the respondents opted for the "Neutral" alternative, indicating a lack of definitive stance regarding the potential impact of citizen participation on the occurrence of protests or strikes. Conversely, 6% of the total sample, express either "Agree" or "Strongly agree" in relation to the aforementioned assertion.

This observation implies that a minority of respondents hold the viewpoint that citizen engagement in local government administration has the potential to incite protests or strikes. The limited level of agreement could potentially be ascribed to apprehensions regarding the complexities associated with managing a diverse range of citizen perspectives or past occurrences where citizen involvement led to social unrest.

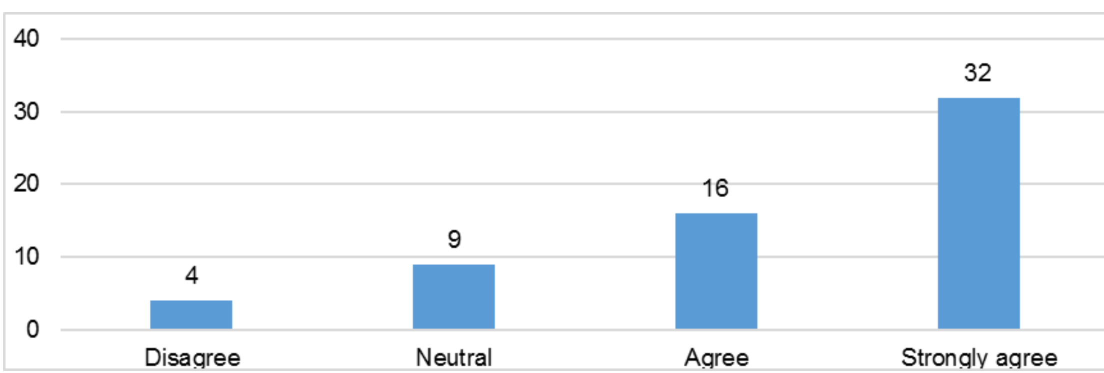
Figure 4.3.13 The public protector of South Africa enhances good corporate governance practices



The dataset offers valuable insights into respondents' perceptions regarding the impact of the Public Protector of South Africa on the promotion of good corporate governance practices. 41% of the respondents expressed agreement or strong agreement regarding the positive impact of the Public Protector of South Africa on the promotion of sound corporate governance practices. In contrast, 8% of the respondents express disagreement or strong disagreement with the statement, suggesting the existence of a minority who do not perceive the Public Protector's role as contributing to the improvement of corporate governance practices. In addition, 12% of the respondents selected the "Neutral" alternative, indicating a lack of definitive stance regarding the extent to which the Public Protector contributes to the improvement of corporate governance standards.

This finding indicates that a considerable portion of the respondents hold the belief that the Public Protector plays a constructive role in advancing efficient corporate governance within the nation. The limited extent of disagreement could potentially be ascribed to divergent perspectives regarding the Public Protector's jurisdiction and efficacy in dealing with issues pertaining to corporate governance.

Figure 4.3.14 The Auditor-General of South Africa enhances accountability regarding good corporate governance practices



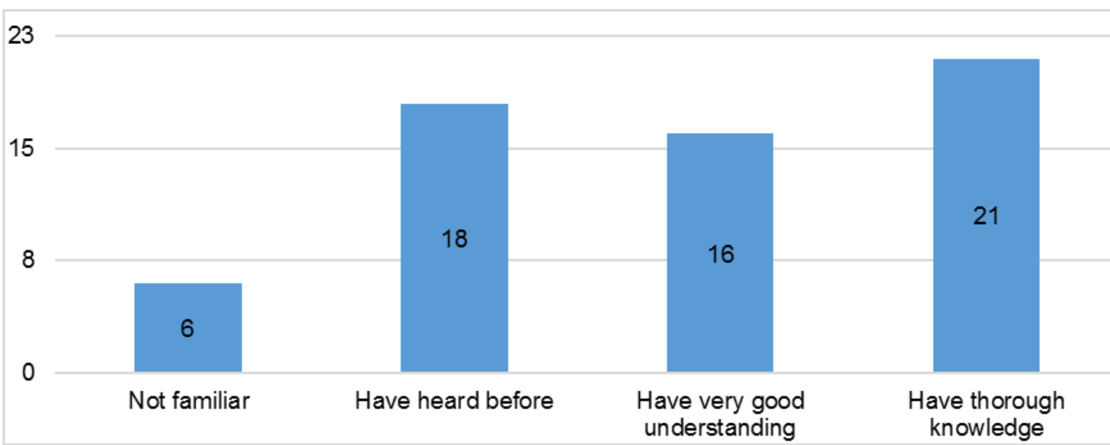
The dataset offers valuable insights into respondents' perceptions regarding the role of the AGSA in promoting accountability in relation to good corporate governance practices. 32% of participants expressed a strong agreement with the notion that the AGSA plays a crucial role in promoting accountability in relation to the implementation of effective corporate governance practices. The aforementioned statement suggests a robust agreement among the individuals involved that the Auditor-General holds significant importance in fostering transparency, accountable financial administration, and ethical behaviour within corporate organisations.

In a similar vein, it is worth noting that 16% of the respondents expressed agreement with the statement, thereby providing additional support for the assertion that the role of the Auditor-General plays a significant role in fostering accountability and promoting effective corporate governance practices. The cumulative percentage of 48% agreement underscores the notable importance attributed to the contributions made by the Auditor-General in fostering accountability. In contrast, a minority of 4% of the respondents expressed disagreement with the statement, indicating that there exists a small faction that does not perceive the role of the Auditor-General as a means of bolstering accountability in the realm of corporate governance. In addition, 9% of the respondents selected the "Neutral" alternative, signifying their lack of a definitive stance on the extent to which the Auditor-General contributes to fostering accountability in relation to sound corporate governance principles. The neutral responses observed could potentially stem from a limited understanding of the specific roles and responsibilities held by the Auditor-General in the realm of corporate governance, or from a lack of exposure to the tangible effects and outcomes resulting from the work conducted by the Auditor-General

4.4 UNDERSTANDING OF THE CONCEPTS OF CORPORATE GOVERNANCE

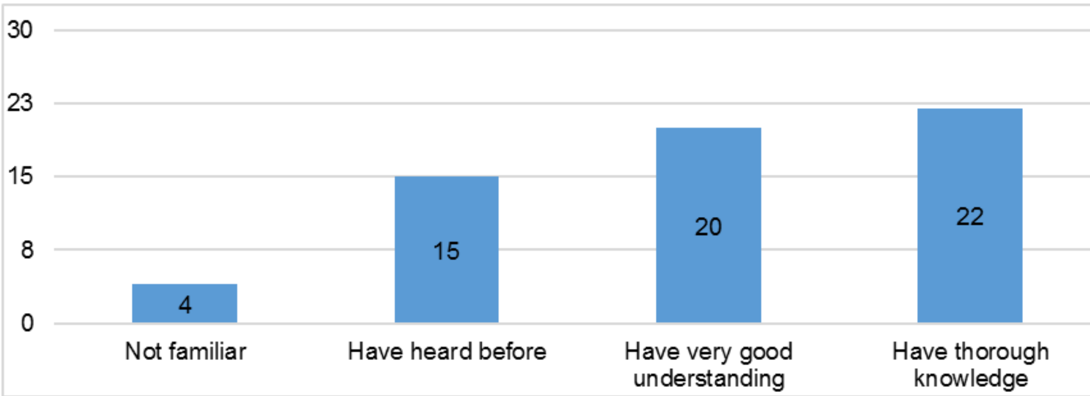
Corporate governance concept involves the interconnections among diverse stakeholders, including shareholders, management, customers, suppliers, financiers, government, and the community. The principal objective of understanding the corporate governance is to guarantee that the management of the company acts in the utmost interests of all stakeholders, while upholding ethical standards, transparency, and accountability in its operations. In general, corporate governance concepts establish the fundamental framework for responsible and efficient management, facilitating the operational effectiveness of companies, safeguarding the concerns of shareholders and stakeholders, and making valuable contributions to the overall expansion and stability of the economy. The following section offers valuable insights into the respondents' comprehension of the concept of corporate governance, with a specific focus on the board's responsibility in establishing risk appetite and tolerances.

Figure 4.4.1. Board setting up risks appetite and tolerances



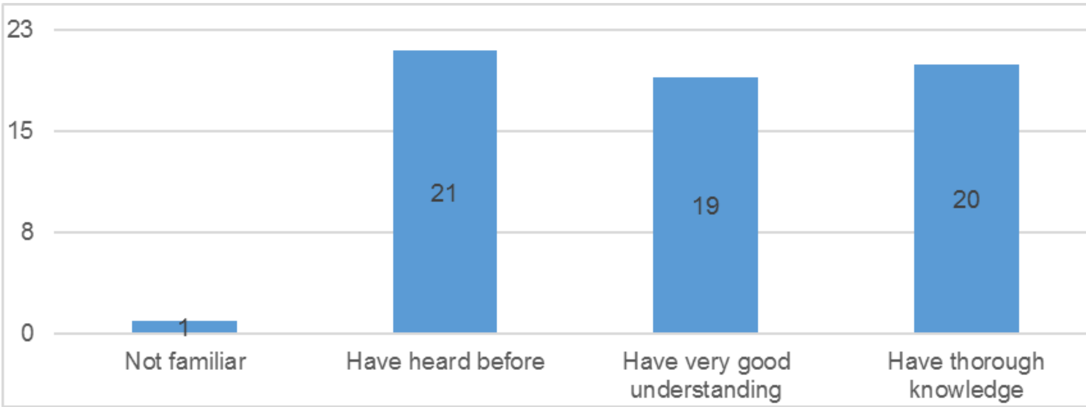
A minority of 6% of the respondents expressed unfamiliarity with the notion of the board establishing risk appetite and tolerances. In contrast, 18% of the sample indicated that they possessed prior knowledge of the concept. This suggests that there exists a significant cohort of individuals who possess a general awareness of the concept, yet may lack a comprehension of its complexities. Furthermore, it was found that 16% of the respondents indicated that they possess a "high level of comprehension" regarding the concept. Moreover, 21%, asserted that they possessed a comprehensive understanding of the concept. This finding indicates that a significant proportion of respondents possess a thorough comprehension of the board's responsibility in establishing risk appetite and tolerances, a critical aspect of ensuring efficient corporate governance.

Figure 4.4.2. Corporate governance systems implementation



A minority of 4% of the respondents expressed their lack of familiarity with the implementation of corporate governance systems. In contrast, 15% of the respondents indicated that they possessed prior knowledge of the concept. Furthermore, it was found that 20% of the respondents indicated that they possess a "high level of comprehension" regarding the concept. Moreover, the respondents who constituted the largest proportion, namely 22%, asserted that they possessed a comprehensive understanding of the concept. This finding implies that a significant proportion of respondents possess a thorough comprehension of the implementation of corporate governance systems, suggesting that they are likely to possess extensive knowledge regarding the establishment and maintenance of efficient governance systems within organisations. This finding suggests that a considerable number of respondents have a strong understanding of the implementation of corporate governance systems and are likely to be acquainted with the associated procedures and practices.

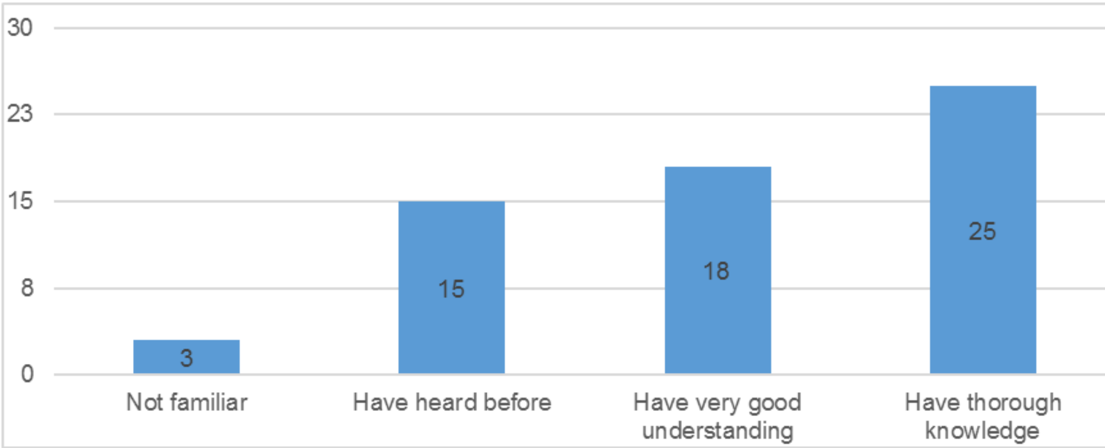
Figure 4.4.3. Integrated sustainability and reporting



The dataset offers valuable insights into the respondents' comprehension of the concept of integrated sustainability and reporting within the framework of corporate governance. 1% of the respondents, expressed their lack of familiarity with the notion of integrated sustainability and reporting. Conversely, a notable proportion of the respondents, specifically 21%, indicated that they possessed prior knowledge regarding the concept.

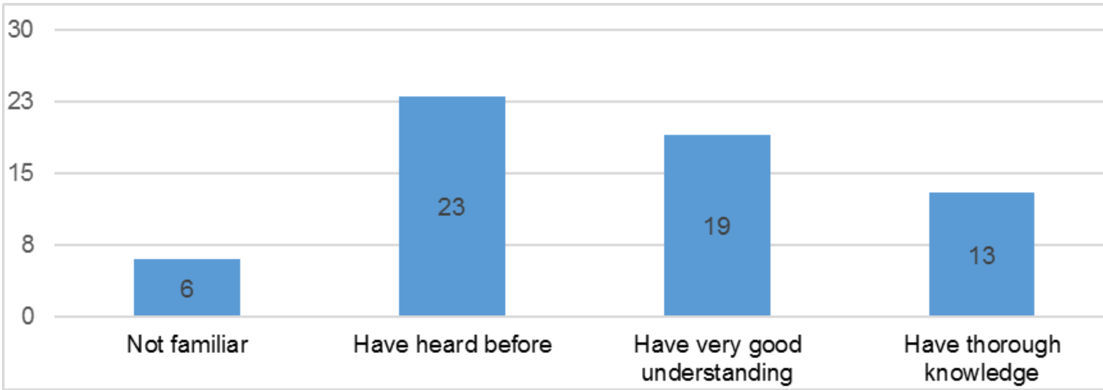
Furthermore, 19% indicated that they possess a high level of comprehension regarding the aforementioned concept. This finding suggests that a considerable number of respondents have a comprehensive understanding of integrated sustainability and reporting, suggesting that they are likely aware of the significance of connecting sustainability practices with corporate reporting and disclosure. Besides, a notable proportion of the respondents, specifically 20%, asserted that they possessed a comprehensive understanding of the concept. This implies that a significant proportion of respondents exhibit a profound understanding of integrated sustainability and reporting, suggesting that they are likely to possess extensive expertise in effectively integrating sustainability considerations into corporate reporting practices.

Figure 4.4.4. Corporate citizenship



Three percent (3%) of the respondents expressed unfamiliarity with the notion of corporate citizenship. In contrast, 15% indicated that they possessed prior knowledge of the concept under discussion. Furthermore, it was found that 18% of the respondents indicated that they possess a "high level of understanding" regarding the concept. Moreover, a notable proportion of the respondents, specifically 25%, asserted that they possessed a extensive understanding of the concept. This implies that a significant proportion of respondents possess a thorough understanding of corporate citizenship, suggesting that they are likely equipped with extensive knowledge on incorporating social and environmental factors into their business operations.

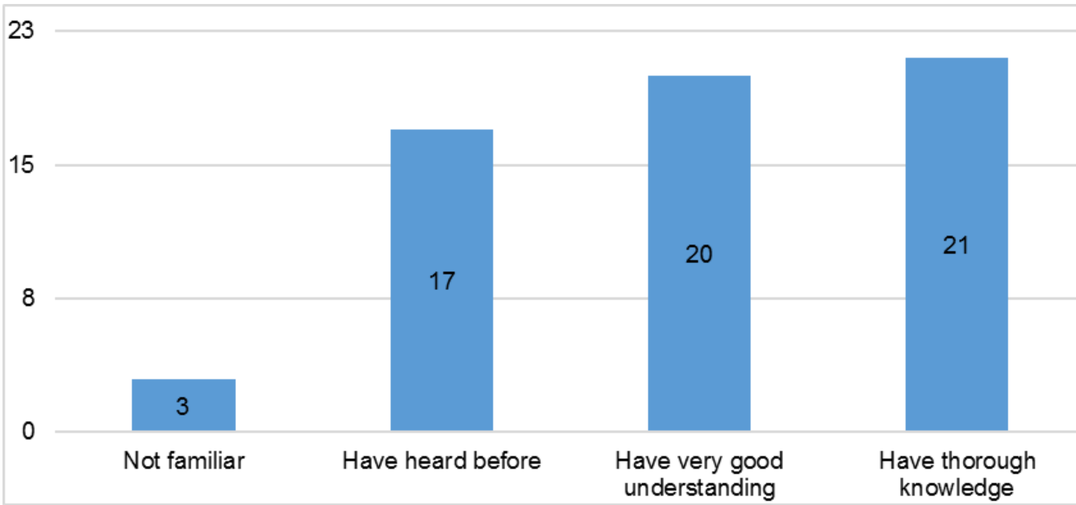
Figure 4.4.5. Combined assurance strategy



A minority of 6% of the respondents expressed unfamiliarity with the concept of a combined assurance strategy. Conversely, 23% indicated that they possess prior knowledge of the concept. Furthermore, a notable proportion of the respondents, specifically 19%, indicated that they possess a high level of comprehension regarding the aforementioned concept. Moreover, a notable 13% of the respondents asserted that they possessed a comprehensive understanding of the concept. This implies that a significant proportion of respondents exhibit a comprehension of the integrated assurance approach, suggesting that they are likely to possess extensive expertise regarding its conceptualization, execution, and oversight.

This finding also suggests that a considerable number of respondents have a strong understanding of the combined assurance strategy, indicating their likely comprehension of the significance of incorporating diverse assurance activities to offer a comprehensive perspective on risk management and governance.

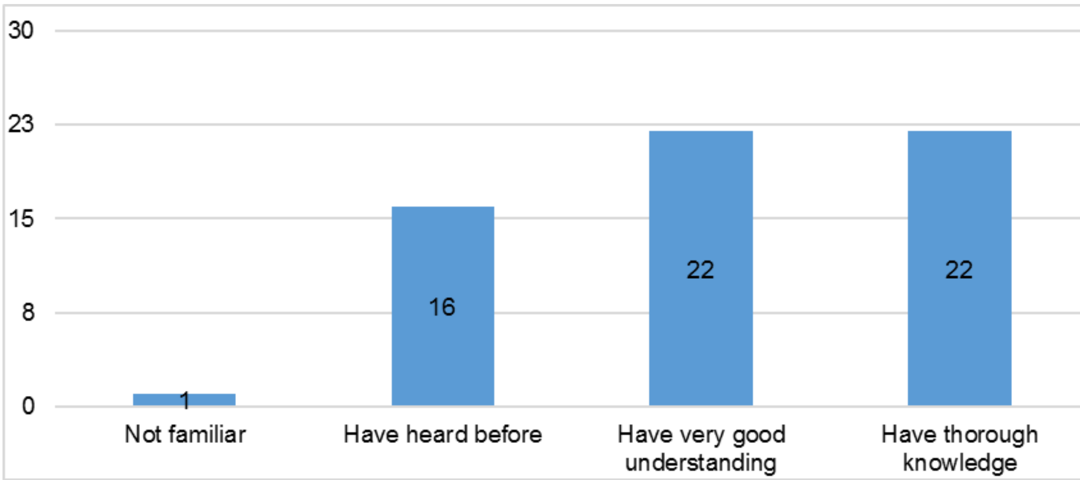
Figure 4.4.6. Integrated performance management systems



A minority of 3% of the respondents expressed their lack of familiarity with integrated performance management systems. In contrast, a notable proportion of the respondents, specifically 17%, indicated that they possessed prior knowledge regarding the concept in question. Furthermore, it was found that 20% of the respondents indicated a high level of comprehension regarding the concept.

Moreover, a notable proportion of the respondents, specifically 21%, asserted that they possessed a comprehensive understanding of the concept. This finding implies that a significant percentage of respondents exhibit a good grasp of integrated performance management systems, suggesting that they probably possess extensive expertise regarding its conceptualisation, execution, and evaluation.

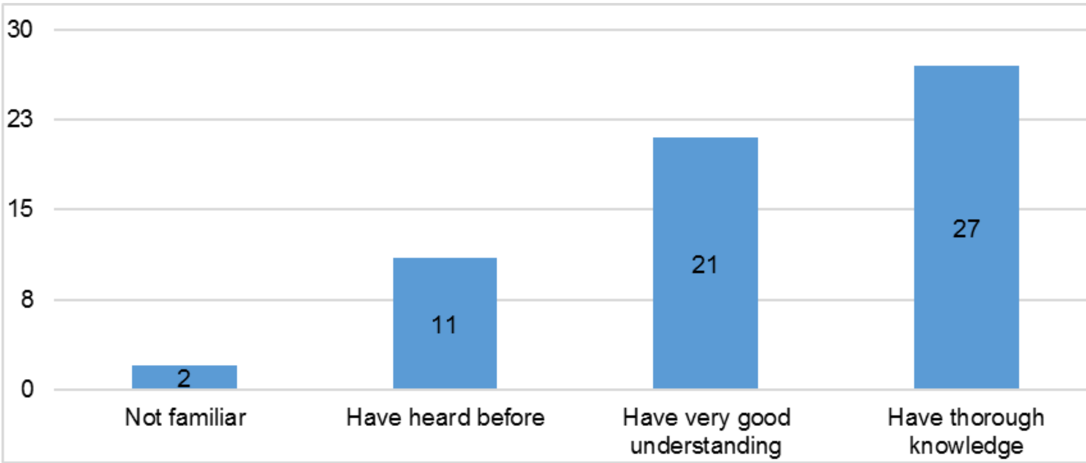
Figure 4.4.7. Fraud prevention and deterrence



The findings offer valuable insights into the respondents' comprehension of the concept of fraud prevention and deterrence within the framework of corporate governance. Only a minute proportion, comprising of 1% of the respondents, expressed their lack of familiarity with the notion of fraud prevention and deterrence. 6%, indicated that they possessed prior knowledge regarding the concept in question.

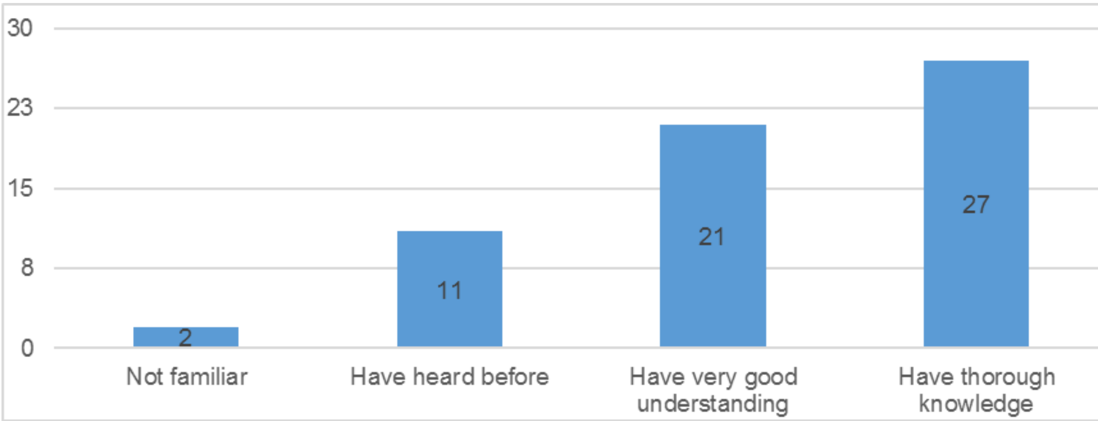
This suggests the presence of a cohort of individuals who possess a certain level of familiarity with the aforementioned concept, yet may lack a comprehension of its execution and tangible ramifications. Furthermore, a comparable proportion of 22% of the respondents indicated that they possess a "high level of comprehension" and "extensive familiarity" with the notion. This finding suggests that a considerable number of respondents exhibit a strong understanding of strategies aimed at preventing and deterring fraud. This implies that they are likely aware of the significance of implementing robust measures to identify, prevent, and discourage fraudulent behaviour within a company.

Figure 4.4.8. Conflict of interest



The dataset offers valuable insights into the respondents' comprehension of the concept of conflict of interest within the realm of corporate governance. 2% of the respondents expressed unfamiliarity with the concept of conflict of interest. It was found that 11% of the respondents reported prior familiarity with the concept. Furthermore, a significant proportion of the respondents, specifically 21%, indicated that they possess a high level of comprehension regarding the aforementioned concept. Moreover, a notable proportion of the respondents, specifically 27%, asserted that they possessed a comprehensive understanding of the concept. This finding implies that a significant proportion of respondents possess a comprehension of conflict of interest, suggesting that they are likely well-versed in various manifestations of conflict of interest, as well as methods for recognising and addressing it.

Figure 4.4.9. Corporate governance principles, values and objectives

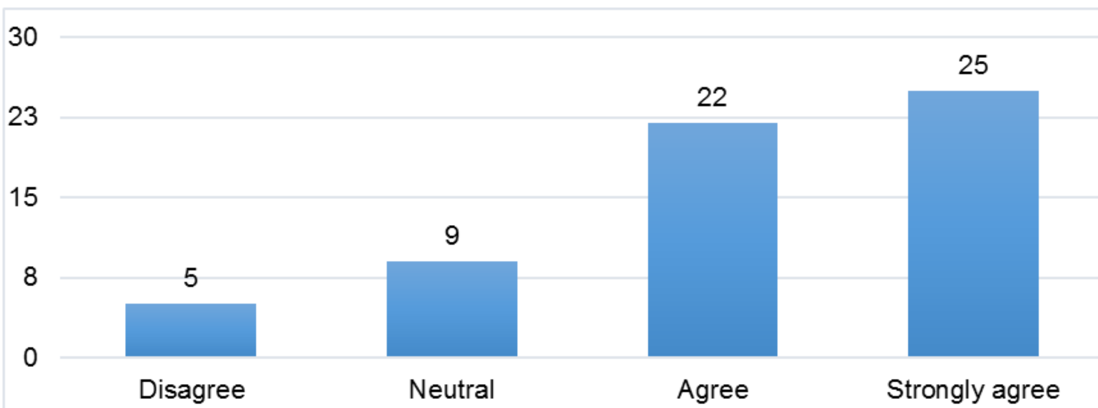


The findings offer insights into the respondents' comprehension of the fundamental principles, values, and objectives of corporate governance. Only 2% of the respondents expressed unfamiliarity with the concepts of corporate governance principles, values, and objectives. 11%, indicated that they possessed prior knowledge regarding these concepts. Furthermore, a notable proportion of the respondents, specifically 21%, indicated that they possess a high level of comprehension regarding these concepts. This finding suggests that a notable proportion of respondents demonstrate a comprehensive understanding of corporate governance principles, values, and objectives, thereby indicating their likely awareness of the significance of guiding principles and ethical values in the governance of business operations. 27% asserted that they possessed a comprehensive understanding of these concepts. This finding implies that a significant proportion of respondents exhibit comprehension of the principles, values, and objectives of corporate governance. This suggests that they are likely to possess extensive knowledge regarding the influence of these components on decision-making processes and the behaviour of organisations.

4.5 EFFECTIVENESS OF CORPORATE GOVERNANCE SYSTEM IMPLEMENTATION

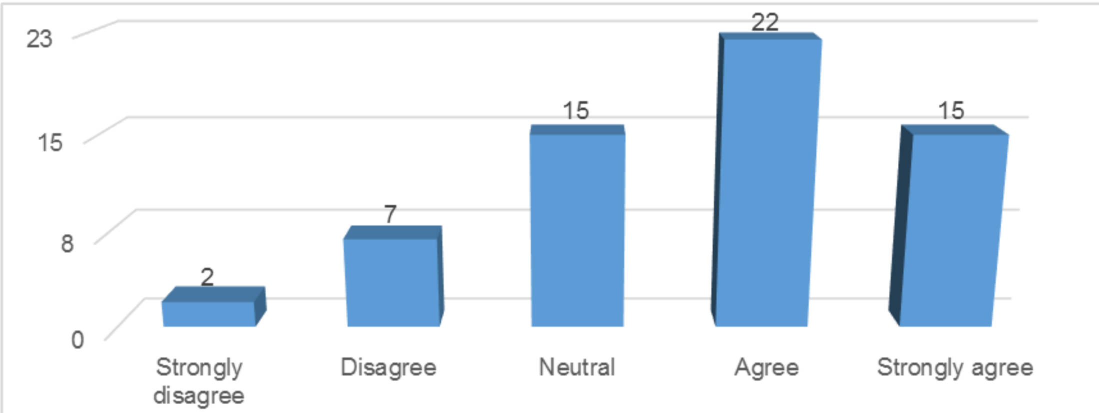
This section encompasses the perspectives of respondents regarding the extent to which the management/board formulates a strategic approach to foster corporate governance and control systems.

Figure 4.5.1 Management/ board develops a strategic approach to promote corporate governance and control systems



Based on the data, it can be observed that a substantial majority of respondents, comprising 47%, (22% in agreement and 25% strongly in agreement), hold the belief that the management/board effectively formulates a strategic framework to advance corporate governance and control systems. Conversely, a minority faction, accounting for 5% of the respondents, holds a dissenting viewpoint regarding the notion that the management or board of directors formulates a strategic framework to foster corporate governance and control systems. Approximately 9% of the respondents maintain a "Neutral" position, abstaining from expressing agreement or disagreement on the subject matter. This group may exhibit a deficiency in information or possess divergent perspectives regarding the degree to which the management/board proactively spearheads strategic initiatives aimed at fostering corporate governance and control systems.

Figure 4.5.2 Lack of Johannesburg Market specific corporate governance implementation framework hampers its smooth operation as an entity

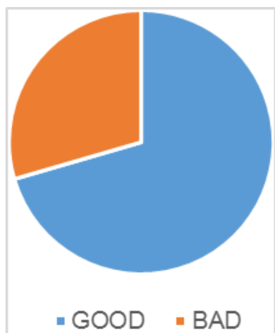


The dataset provides insights into the perspectives of respondents regarding the potential hindrance to the smooth operation of the Johannesburg Market as an entity due to the absence of a specific corporate governance implementation framework tailored to its unique characteristics. It can be observed that a total of 37% of respondents, comprising those who strongly disagree and those who disagree, express unfavourable perspectives regarding the consequences of lacking a dedicated framework for corporate governance implementation. Around 15% of the respondents maintain a "Neutral" position, abstaining from expressing agreement or disagreement regarding the matter at hand. In contrast, a collective 37% of respondents, comprising those who "Agree" and "Strongly Agree," demonstrate a favourable outlook by acknowledging that the absence of a dedicated corporate governance framework tailored to the Johannesburg Market impedes its operational efficiency as an organisation.

4.6 ELEMENTS OF GOOD CORPORATE GOVERNANCE IMPLEMENTATION

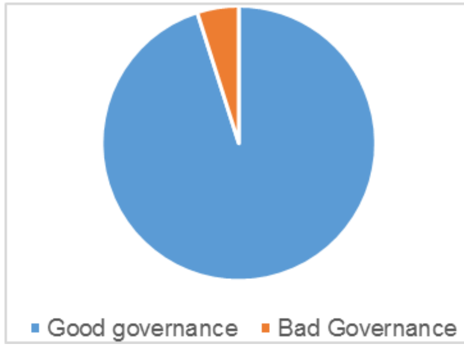
Significant number of respondents agreed that good corporate governance is informed by the following key elements; strong ethical environment or principles, effective leadership, accountability, transparency and compliance.

Figure 4.6.1 How effective are the officials and staff of Johannesburg Market in promoting good corporate governance?



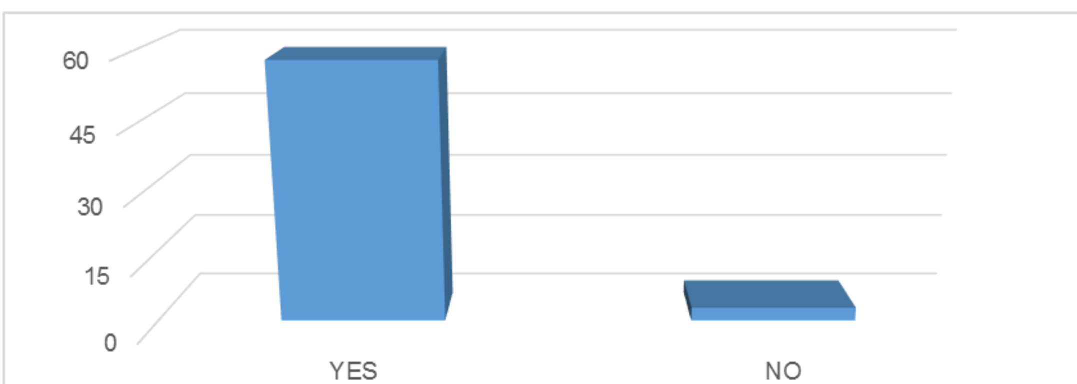
Significant number of respondents agreed that official at the Johannesburg Market entity are effective in promoting good corporate governance. They agreed that officials at the Johannesburg Market are guided by approved policies and reporting framework. 71% of respondents represent good and 30% of respondents represent bad.

Figure 4.6.2 The importance of the board in determining the risk tolerance and appetite



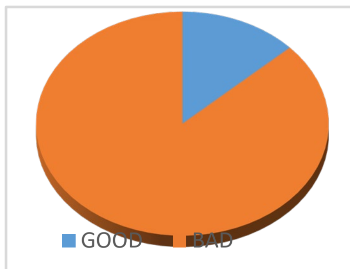
Significant number of respondents agreed that the importance of the board in determining the risk tolerance and appetite is to provide direction to the board on which risks should be on the priority list. Furthermore, they agreed that the risk tolerance level determines one response to the different risks identified. 95% of respondents agreed and 5% of respondents did not agreed that the importance of the board in determining the risk tolerance and appetite is representation of good governance.

Figure 4.6.3 Are disclosure and transparency a foundation of good governance accountability?



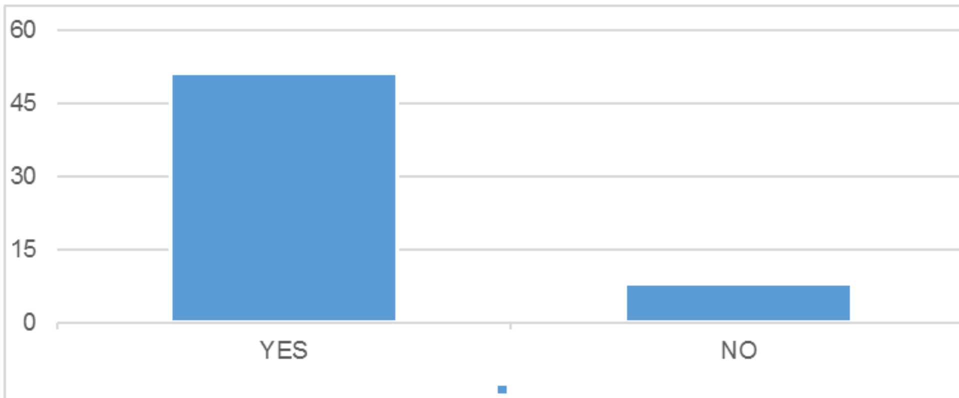
Significant number of respondents agreed that disclosure and transparency are the foundation of good governance accountability. They agreed that risk tolerance and appetite ratings confirm the levels at which certain risks will be accepted by the company. 95% of respondents agreed and 5% of respondents did not agreed that disclosure and transparency is a foundation of good governance accountability.

Figure 4.6.4 How does the lack of financial and IT skills affect your financial reporting responsibility?



Significant number of respondents agreed that lack of financial and IT skills affect financial reporting responsibility badly. They agreed that financial and IT skills are necessary to ensure that financial reporting is accurate, valid, complete and compliance with relevant legislation and agreed that those are core functions to the operations on this business, therefore that cannot be compromised. 87% of respondents agreed and 13% of respondents did not agreed that lack of financial and IT skills will affect financial reporting responsibility badly.

Figure 4.6.5 Does the oversight committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?



Significant number of respondents agreed that oversight committee has adequate skills to deal with the Johannesburg Market entity's financial reporting matters. They agreed that the oversight committees as a rule go through induction. They also participate in training provided by the institute of directors. One of the respondent's comment is that Joburg Market enjoys good financial reporting skills as confirmed by the 'Auditor-General'. Audits may find process findings, but financial reporting findings are few". A total of 86% of respondents agreed with this statement. However, 14% of respondents disagrees and stated that the oversight committee have adequate skills to deal with the Johannesburg Market entity's financial reporting matters.

4.7 RELIABILITY AND VALIDITY

The validity and reliability confirm the quality of the research studies. Terre Blanche *et al.* (2006:90) outline validity "as the degree to which the research conclusions are sound while reliability refers to the extent to which the study results are repeatable". The literature underlines validity and reliability as two vital criteria for evaluating the sturdiness of any study (Blumberg *et al*., 2011). According to Rao

(2011:150), "validity in the research context refers to the extent to which the study measures what it sets out to measure, and reliability involves the correctness and accuracy of measurement". Terre Blanche *et al*. (2006) highlight that validity and reliability are important criteria, which are used, in positivistic research

Table 4.7.1: Questionnaire reliability test results
Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	59	96.7
	Excluded[a]	2	3.3
	Total	61	100.0

a. List wise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.734	13

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
The management/ board develops a strategic approach in order to promote corporate governance and control systems	28.86	17.878	.341	.722
Lack of Johannesburg Market -specific corporate governance implementation framework hampers its smooth operation as an entity	29.27	19.305	.104	.766
Financial responsibility reporting: If you cannot measure it, you cannot manage it	28.56	17.802	.496	.700
Risk maturity framework	30.32	15.981	.629	.676
Corporate governance implementation framework	29.93	16.064	.711	.667
Strategic leadership and governance	29.76	16.529	.658	.676

Johannesburg Market sustainable development governance	30.25	15.848	.702	.666
Audit governance model	30.20	15.372	.734	.658
How effective are the officials and staff of Johannesburg Market in promoting good corporate governance	31.66	21.780	-.119	.754
What is the importance of the board in determining the risk tolerance and appetite?	31.92	21.975	-.261	.749
Are disclosure and transparency a foundation of good governance accountability?	31.93	21.650	-.119	.743
How does the lack of financial and IT skills affect your financial reporting responsibility?	31.08	21.424	-.016	.743
Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?	31.83	21.626	-.082	.747

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	61	100.0
	Excluded[a]	0	.0
	Total	61	100.0

a. Listwise deletion based on all variables in the procedure.

4.7.1 Validity test

The test for validity to accurate, emerging operational measures as well as a corporate governance framework for the analysis (Bolarinwa, 2015). According to Bless *et al*. (2007:126), validity test "refers to whether a measurement instrument is closely related to the identified theory in the area of study and other associated concepts". This was confirmed in this research through linking the questionnaire items to the theoretical components of the research topic, thus confirming that the questionnaire measure the intended constructs than unrelated constructs (Bolarinwa, 2015). To ensure the acceptable validity, factor analysis was utilised to ensure the validity of the independent variables.

4.7.2 Reliability test

Reliability test, according to Chakraborty (2016:197), "postulates that, if the researcher was to conduct a similar study using the same procedure, the researcher would arrive at the exact same findings and results". Primary objectives of reliability include reducing errors and bias in the study, avoiding the falsification of information and severely testing for theory. Reliability test is usually accomplished by testing the internal consistency of items in a questionnaire, Cronbach's alpha had been used to measure both internal validity and the whole scale reliability. According to Silverman (2016), Cronbach's alpha coefficient has become a well-known indicator of consistency (Taber, 2018). Kumar (2011:166) explains, "Internal consistency as a measure of the uniformity of the items and enables the researcher to test the reliability of several items contained in the scale and administered". According to Cronbach's alpha golden rule, for example, 0.5 is poor and 0.6 is fair. In the early stage of research, 0.7 is normally recommended although 0.8 is more appropriate in applied research. When making important decisions 0.95 (minimum 0.9) is recommended in terms of reliability.

Table 4.7.2 Cronbach's alpha associated with each of the seven scales in the questionnaire.

Reliability Statistics	
Cronbach's Alpha	N of Items
.712	5

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
The management/board should adopt performance-driven strategy to deliver quality services	15.46	6.786	.646	.598
The management/board should thoroughly understand and practice the principles of good governance	15.41	6.179	.812	.527
In order to effectively implement good governance within the Johannesburg Market, the board/management should be fully competent with the principles of good governance framework	15.46	6.252	.797	.535
The King III Report often conflicts with the public entities legislation and regulations	17.21	10.604	-.179	.891

It must be compulsory for all staff to attend a basic corporate governance training programme.	15.87	5.949	.578	.615

4.8 SUMMARY OF FINDINGS

The study identifies several aspects of corporate governance systems that were in place at the Johannesburg Market entity.

The study underscores the significance of developing a more profound comprehension of the advantageous outcomes of governance practices. Effective governance practices are widely recognised for their ability to enhance value by fostering greater support and involvement, leading to enhanced transparency, trust, and the creation of long-term value for stakeholders.

Risk management: The dominant agreement among respondents emphasises the importance of effective risk management at the highest levels of the organisation. The implementation of efficient risk management strategies is of utmost importance in order for the market to effectively endure and navigate through potential challenges and uncertainties, all the while maintaining the confidence and trust of investors.

The importance of clear and accessible communication is emphasised as a crucial element of effective governance. In order to promote informed decision-making and foster public trust, it is imperative to employ effective strategies for disseminating information, ensuring transparency, and engaging in open dialogue with stakeholders.

The consensus among respondents is that ethical values and practices play a crucial role in promoting effective corporate governance. Integrity, transparency, and responsibility are regarded as essential elements of an ethical corporate culture, emphasising their significance.

The findings also looked at the perceived importance of the roles of the Public Protector and the Auditor-General in enhancing accountability and upholding governance standards. The primary roles of these entities encompass the oversight and examination of issues pertaining to corporate governance, with the aim of upholding principles of transparency, accountability, and ethical conduct.

Regarding the effectiveness of internal control mechanisms in the Johannesburg Market entity which ought to have contributed towards the positive outcomes, the study underscores the significance of comprehending the advantageous outcomes of governance practices, improving comprehension and addressing differing perspectives, ongoing monitoring and adjustment of corporate governance, and the importance of legislative frameworks. The findings also examine the significance of corruption in governance deliberations, the necessity for a targeted approach to corporate governance implementation, the management of risks, the alignment between Integrated Management Systems (IMS) and organisational goals, the management of compliance, the responsibility of management in promoting ethical and sustainable practices, the participation of citizens in municipal governance, and the functions of the Public Protector and Auditor-General.

Based on the present analysis, it is apparent that the study underscores the intricate character of corporate governance and the diverse elements that contribute to its efficacy. This statement emphasises the importance of acquiring a thorough comprehension, conducting ongoing assessments, and implementing proactive strategies to improve governance systems. It recognises the significance of transparent communication, ethical principles, and strategic administration in fostering efficient corporate governance. Additionally, it implies that the inclusion of dissenting or neutral perspectives can contribute to the development of more comprehensive governance frameworks.

Furthermore, the study highlights the importance of a meticulously organised administration, the implementation of risk management strategies, efficient communication of information, adherence to ethical values, and active engagement with stakeholders as crucial elements in fostering robust corporate governance. The significance of ensuring the alignment between Information Management Systems (IMS) and organisational objectives is emphasised, along with the imperative of effectively managing compliance and cultivating a culture that promotes adherence to regulatory requirements.

In general, the findings emphasise that the achievement of effective corporate governance is a complex undertaking that encompasses various aspects, including comprehension, strategic execution, ethical deliberations, risk mitigation, adherence to regulations, and engagement with stakeholders. Organisations have the potential to improve their governance practices and promote sustainable and responsible business conduct through the consideration of divergent viewpoints, active engagement of stakeholders, and the implementation of customised strategies.

4.9 CHAPTER SUMMARY

This chapter illustrated the analysis and explanation of data that had been collected. Various statistical tests as well as tests for both validity and reliability, including descriptive statistics, were conducted to explain the characteristics of the sample. The chapter also presented and discussed the conclusions in relation to the hypothesis.

Chapter five outlines an additional discussion on the models and their relationship in existing literature as well as their implications.

CHAPTER FIVE
CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

In Chapter four, the primary data analysis conducted to address the research questions was presented. The main objective of this study was to examine the impact of corporate governance on the attainment of a clean audit by entities in the Johannesburg Market. This chapter provides an overview of the conclusions that have been derived from the literature review, research data, implications of the findings, recommendations for government or policy makers, and the application of good corporate governance in the pursuit of clean audits in South Africa. In summary, the chapter provides an analysis of the research's constraints and outlines potential avenues for future investigation.

5.2 CONCLUSIONS FROM THE LITERATURE REVIEW

The literature review indicated a gap in research regarding the previous experience with regard to the aforementioned experience that a person may have which complement the role which good governance may have which results in a clean audit. The literature review in Chapter two discovered, among others, the following:

- The important role that the good corporate governance has in achieving clean audits by the Johannesburg Market entity. However, during the time of the research Johannesburg Market entity had experienced four unclean audits in four consecutive years.

- King IV assumes that any company claiming to follow good governance will follow the guidelines which ensure that there is good service delivery

(IoDSA, 2020). It has been found that, the Johannesburg Market entity through its processes, practices and regulations, good corporate governance promotes sound and efficient decision-making inside an organisation.

- In addition, literature reviewed that management could play a significant role in ensuring that there is good corporate governance. Subsequent to that, in order to ensure that senior managers, and especially directors, are fully immersed in the company culture, training is required.
- Numerous empirical research studies conducted indicate that good corporate governance contributes positively towards service delivery and clean audits.
- The Johannesburg Market entity through its achievement of clean audits through good corporate governance will be used as an example in public entities.
- This research shows that there is a positive relationship between good corporate governance and clean audits.

The literature review revealed a gap in the existing research regarding the evaluation of clean audits that are achieved through corporate governance. One crucial aspect of corporate governance mechanisms involves the establishment of an audit committee within the organisation. The efficacy of an entity's internal control system, as well as its adherence to legal and regulatory requirements, can potentially enhance the likelihood of attaining a clean audit. Therefore, it is imperative to conduct additional research in this particular domain.

5.3 CONCLUSION FROM PRIMARY RESEARCH

The problem of the research has been addressed by Figure 2.1 Key dimension and attributes of corporate governance framework. The key dimension and attributes of corporate framework were thoroughly tested and explained in Chapter two. It was therefore concluded that good corporate governance could lead to good service delivery. It is imperative that managers and directors be trained in order to achieve a clean audit. The following section outlines the thorough discussion of both, conclusion drawn from the research findings and the research implications.

Looking at the research gap identified in the literature review, the problem of the research was outlined below:

> *Despite the significant role played by corporate governance in achieving clean audits by both private and public sectors, the Johannesburg Market entity still needs to work hard in terms on ensuring a consistent attainment of clean audits which will positively bring constant productivity.*

In attempt to address the research problem in this study, the following research questions were formulated as follows: *"(i) what cooperate governance systems are in place at the Johannesburg Market entity? (ii) how effective is the internal control mechanism at the Johannesburg Market entity?"*

This research concluded that corporate governance influences clean audit. The findings of the study suggest that both the management and board of directors of the Johannesburg Market entity recognise the value of corporate governance practices. There is a consensus that effective administration of the Johannesburg Market is a crucial aspect of implementing good corporate governance. Furthermore, it is observed that the corporate governance practices of the entity are in compliance with the applicable legislation and regulations.

However, it is important to note that the absence of a dedicated corporate governance implementation strategy has an impact on the management of the Johannesburg Market entity. The study additionally posited that in order to enhance the efficacy of implementing a corporate governance system, the management or board of directors must adopt a strategic approach aimed at fostering corporate governance and control mechanisms. The AGSA plays a crucial role in promoting accountability with respect to sound corporate governance practices, while the public protector of South Africa also contributes to the enhancement of such practices.

The findings indicate that a significant obstacle to effective governance is the absence of information communication. This is due to the crucial role that information plays in informing decision-making processes. Ethical values and practices are widely regarded as effective catalysts for promoting corporate governance.

The study also discovered that the management or board holds effective responsibility for information technology. They are able to derive value from the established internal audit activity. The implementation and practices of corporate governance necessitate a significant level of political and economic participation from all stakeholders. The findings of this study also indicate that the responsibility for the risk management process within the Johannesburg Market entity lies with the management/board. It is the management/board that establishes the risk appetite and tolerances of the organisation, highlighting the need for the establishment of a risk committee to ensure good corporate governance. Furthermore, the study proposed that, within the framework of recommended corporate governance best practices and their implementation, it is advisable for the management and board to embrace a performance-driven approach in order to provide high-quality services and demonstrate a comprehensive understanding of the principles of good governance.

The findings also suggest that for the successful implementation of good governance within the Johannesburg Market entity, it is crucial for the management/board to possess a comprehensive understanding of the principles outlined in the framework of good governance. Consequently, the study reached the conclusion that it is imperative for all personnel to participate in a mandatory corporate governance training programme.

The study is primarily focused on examining the corporate governance systems implemented at the Johannesburg Market entity and evaluating the effectiveness of its internal control mechanisms. These research objectives serve as the foundation for this study and will be further elaborated upon in the subsequent sections.

5.4 CONTRIBUTION TO BODY OF KNOWLEDGE

The study contributed to the body of knowledge in a number of ways. The research's contributions may be formulated as follows:

- Literature review emphasised the rarity of research on the role which corporate governance plays in achieving clean audits by the public sector. However, this research gap creates a further research space.
- The research indicated the role of the agency theory in finance which describes the actions of the various agents involved in the funding of public entities. Government as the funder needs more accountability within the public sector.
- The study found the independent variable which is clean audit is a result of good corporate governance.

5.5 IMPLICATIONS AND RECOMMENDATIONS

The findings of this research, recommendations made for government and policy makers, Johannesburg Market entity and other government entities are thoroughly discussed.

5.5.1 Implications for management and directors of Johannesburg Market entity

The findings suggest that incorporating ethical values and practices is a crucial mechanism for enhancing corporate governance. It is expected that all staff members will actively engage in the training programme. The absence of effective information communication is widely recognised as a major impediment to the practice of good governance, as information plays a crucial role in the decision-making process. Corruption is widely regarded as a detrimental force, and therefore, the lack of a well-defined corporate governance implementation strategy has implications for the management of the Johannesburg Market entity. The Johannesburg Market entity should ensure that its corporate governance practices are fully aligned with the applicable legislation and regulations.

5.5.2 Implications for policymakers or government

The study outlined the importance of the government in running the entity as well as policies to be complied with. In addition, government should safeguard that strategies are developed to encourage corporate governance. Policy makers should also ensure that the entity complies with rules and regulations as per the prescripts of the company. Government should establish more initiatives to ensure that all entities are included and no one is left out of government formation. Subsequent to that, it is within the government prerogative that policies of the government are adhered to, and the entity contributes positively in helping the community as well.

Despite the finances provided by the South African government for the promotion and the development of the entity, there should be value for money in creating employment for the community. Consequently, the government of South Africa should invest more in the infrastructure of the Johannesburg Market entity as the economic hub in the country. From the research results, it was found that government policies need to be followed for good corporate governance.

The research findings indicate that the legislative frameworks in place adequately facilitate the implementation of corporate governance. Hence, it is imperative that, for the effective establishment of sound corporate governance practices within the Johannesburg Market entity, management and directors should possess the requisite competence in their operations and adhere to the principles outlined in the framework of good governance.

5.6 LIMITATIONS

The research explored the role which corporate governance plays in achieving clean audit. The sample of the research was drawn from the employees of Johannesburg Market entity by excluding the employees in other entities of the government and stakeholders. The findings of the research may not be generalizable to the employees of other entities. The budget of the researcher was limited, hence the research methodology was tailored to the Johannesburg Market entity only. The sample choice and the data collection method are generally influenced by the availability of finance. Therefore, research design methods, such as longitudinal methodologies, were not used.

The emergence of Covid-19 meant that the researcher used electronic data collection instead of manual collection. Network, load shedding and power sharing were also challenges during data collection.

The research adapted cross-sectional data and embodied the views of a limited number of employees' views with this, impeding the ability to extend the underlying effects between the variables. In view of the study's focus on cross-sectional research and limited experimental data, it was not easy to follow the global trend. Additionally, the concern of the research was mainly on the role of corporate governance in achieving clean audit. Finally, though it is considered that the sample of entity employees was enough for the study, many more of the employees should have participated in this study.

5.7 RECOMMENDATIONS AND FUTURE RESEARCH

It is therefore recommended that any further research based on the research topic should consider evaluating the influence which corporate governance has in attaining clean audits. Future researchers should also investigate the importance of good corporate governance in ensuring good service delivery in South Africa. This will help in ensuring that entities in South Africa are operating within the same scope of work. Future studies may well show how good corporate governance should be applied in all entities.

The Johannesburg Market entity is owned by the City of Johannesburg Municipality; as such the issue of change of administration especially with the government of coalition introduced a dilemma on how municipal entities should be managed. Future studies should investigate the influence of coalition government in the running of municipal entities.

Additionally, future studies are needed to develop corporate governance training programmes. Longitudinal study would be significant to assess the extent to which good corporate governance works in achieving clean audit by entities. Future research could then be steered to ensure that the employees are complying with the policies and prescripts of the entity. Future research should be able to answer the research questions as to what corporate governance systems are in place at the Johannesburg Market entity and how effective is the internal control mechanism at the Johannesburg Market entity or public sector.

Future studies should also quantify the number of employees who have been trained in corporate governance and who still need to receive training. The research samples utilised should be taken from the employees who attended training to assess its effectiveness. This could assist the government to formulate policies which are important for good corporate governance.

5.8 CONCLUSIONS

The aim of this study was to evaluate the degree to which effective corporate governance could play a more substantial role in attaining a clean audit. The literature review highlighted a research deficiency regarding the investigation of the impact of corporate governance on the attainment of clean audits.

Based on the research gap identified, the research questions were structured and indicated in Chapter one. Chapter two presented in a detailed literature review while Chapter three outlined the research methodology. Chapter four presented the data collection and the data analysis while Chapter five contained the research recommendations, the implications, the conclusions drawn and recommendations for future research.

Data collected produced the research results: corporate governance system and implementation in the Johannesburg Market entity, effectiveness of corporate governance system implementation, recommended corporate governance best practices and implementation.

From the research findings, the recommendations are structured as follows;

- Increased investment in training programme should be considered. The training for corporate governance should be in line with what the entity requires for development.

- Government should develop policies to promote corporate governance in the public sector. This would contribute towards the development of the entity.
- Investment should focus on the infrastructure and resources of the Johannesburg Market entity.
- According to the research recommendations, future research should pay more attention to monitoring and assessing the effectiveness which good corporate governance has in achieving clean audits in the public sector.

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ANNEXURES

ANNEXURE A: LETTER OF PERMISSION FOR THE JOHANNESBURG MARKET ENTITY

UNIVERSITY OF LIMPOPO

UNIVERSITY OF LIMPOPO
TGSL

PERMISSION/WAIVER OF LIABILITY AND DECLARATION

I **Charles Hamilton**, in my capacity as Acting CEO, of **the Johannesburg Market** declares and confirms the following:

- I am employed by Joburg Market(SOC)LTD and am duly authorised to grant the permissions and provide the confirmations referred to below on behalf of the organisation
- I have provided permission to Mr Azwianewi Cedric Nephawe student number 202176638 on behalf of the organisation to conduct research within the organisation as part of completing their MBA Capstone Consulting Project ("Capstone Project") in terms of the attached permission letter
- In doing so, I and the organisation understand that the Capstone Project is a module which forms part of the requirements for completion of the student's MBA with the Turfloop Graduate School of Leadership("TGSL)")
- The organisation understands and agrees that:
  - the Capstone Project is undertaken by the student as part of an academic programme, to provide practical consulting experience to the student, who is a novice in the field;
  - verbal or written feedback provided by the student to me or any other representatives of the organisation relating to the Capstone Project, are purely suggestions to provoke thinking, rather than firm recommendations for future action;
  - the organisation will always assess such feedback in relation to its own business requirements, and will not hold TGSL or the student liable for any losses should the organisation choose to act on or use such feedback

Name: C. J. Hamilton Signature: C J Hamilton

Date: 23/03/2023

ANNEXURE B: ETHICAL CLEARANCE FROM TURFLOOP GRADUATE SCHOOL OF LEADESHIP

UNIVERSITY OF LIMPOPO
Office of the Faculty Research Professor
Prof TS Setati
21 September
PRIVATE BAG X1106, SOVENGA,0727
FACULTY OF MANAGEMENT AND LAW

UNIVERSITY OF LIMPOPO

University of Limpopo
Faculty of Management and Law
OFFICE OF THE EXECUTIVE DEAN
Private Bag X1106, Sovenga, 0727, South Africa
Tel:(015) 268 3947, Email: fml.postgradoffice@ul.ac.za

21 September 2022

NAPHAWE AC (202176638)
TURFLOOP GRADUATE SCHOOL OF LEADERSHIP
MASTER OF BUSINESS ADMINISTRATION

Dear AC Nephawe

FACULTY RATIFICATION OF SCHOOL APPROVED PROPOSAL

I have pleasure in informing you that the Faculty of Management and Law has ratified the decision for the approval of Masters Research proposal. The research proposal has served at the School Higher Degrees Committee meeting on **21 July 2022** and it was approved as follows:

"The Role of Corporate Governance in Achieving a Clean Audit in the Johannesburg Market Entity."

Note the following: The study

Ethical Clearance	Tick One
Requires no ethical clearance Proceed with the study	
Requires ethical clearance (Human) (TREC) (apply online) Proceed with the study only after receipt of ethical clearance certificate	√
Requires ethical clearance (Animal) (AREC) Proceed with the study only after receipt of ethical clearance certificate	

Yours faithfully,

Prof TS Setati
Research Professor: Faculty Research Higher Degrees Committee
... Supervisor, Prof MM Kanjere; Acting Programme Manager, Prof TJ Musandiwa; Acting ... SK Mokoena.

Finding solutions for Africa

ANNEXURE C: QUESTIONNAIRE OF THE STUDY

RESEARCH QUESTIONNAIRE

SECTION C

EFFECTIVENESS OF CORPORATE GOVERNANCE SYSTEM IMPLEMENTATION

1. The management/ board develops a strategic approach in order to promote corporate governance and control systems

1	2	3	4	5

2. Lack of Johannesburg Market -specific corporate governance implementation framework hampers its smooth operation as an entity

1	2	3	4	5

3. Financial responsibility reporting: If you cannot measure it, you cannot manage it

1	2	3	4	5

4. State your current level of understanding of the following governance concepts, where **1** = I am totally not familiar with the governance concept, **2** = I have heard before about the governance concept, but not in depth, **3** = I have a very excellent understanding and knowledge of the governance concept, **4** = I have thorough knowledge and understanding of the concept and understand its relevance and importance in the municipality.

No	Descriptions	1	2	3	4
4.1	Risk maturity framework				
4.2	Corporate governance implementation framework				
4.3	Strategic leadership and governance				
4.4	Johannesburg Market sustainable development governance				
4.5	Audit governance model				

5. What do you think are the good corporate governance implementation elements?

....
....
....

6. How effective are the officials and staff of Johannesburg Market in promoting good corporate governance?

Good	**1**	**Bad**	**2**

Please provide brief explanation.

....
....
....

7. What is the importance of the board in determining the risk tolerance and appetite?

Good Governance	**1**	**Bad governance**	**2**

Please provide brief explanation for your answer.

....
....
....

8. Are disclosure and transparency a foundation of good governance accountability?

YES	**1**	**NO**	**2**

Please provide brief explanation for your answer.

....
....
....

9. How does the lack of financial and IT skills affect your financial reporting responsibility?

Good	**1**	**Badly**	**2**

Please provide brief explanation for your answer.

....

....

....

10. Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?

YES	**1**	**NO**	**2**

Please provide brief explanation for your answer.

....

....

....

SECTION D

RECOMMENDED CORPORATE GOVERNANCE BEST PRACTICES AND IMPLEMENTATION

1. The management/board should adopt performance-driven strategy to deliver quality services

1	**2**	**3**	**4**	**5**

2. The management/board should thoroughly understand and practice the principles of good governance

1	**2**	**3**	**4**	**5**

3. In order to effectively implement good governance within the Johannesburg Market, the board/management should be fully competent with the principles of good governance framework

1	**2**	**3**	**4**	**5**

4. The King III Report often conflicts with the public entities legislation and regulations

1	**2**	**3**	**4**	**5**

5. It must be compulsory for all staff to attend a basic corporate governance training programme.

1	**2**	**3**	**4**	**5**

SECTION E

GENERAL COMMENTS

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…………………………………………………………………………………………………

…………………………………………………………………………………………………

…………………………………………………………………………………………………

Thank you for your time, cooperation and valued input.

Kindly send your reply / a completed questionnaire to Nephawe AC at the following email address, and phone numbers online, within ten working days after the date of receipt:

Email:acnephawe@gmail.co

Phone: 082 4994033

ANNEXURE D: Raw Data (Data Analysis)

A. Frequency Table

A1. Demographics

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	40	65.6	65.6	65.6
	Female	21	34.4	34.4	100.0
	Total	61	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	to 25 years	4	6.6	6.6	6.6
	to 30 years	7	11.5	11.5	18.0
	to 35 years	9	14.8	14.8	32.8
	to 40 years	10	16.4	16.4	49.2
	to 45 years	7	11.5	11.5	60.7
	above 45 years	24	39.3	39.3	100.0
	Total	61	100.0	100.0	

Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High School	6	9.8	9.8	9.8
	College	7	11.5	11.5	21.3
	Technicon	6	9.8	9.8	31.1
	University undergraduate	9	14.8	14.8	45.9
	University postgraduate	33	54.1	54.1	100.0
	Total	61	100.0	100.0	

Racial group

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	African	47	77.0	77.0	77.0
	Asian	4	6.6	6.6	83.6
	Coloured	6	9.8	9.8	93.4
	White	4	6.6	6.6	100.0
	Total	61	100.0	100.0	

Number of years as director

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 3 years	46	75.4	75.4	75.4
	3 to 5 years	5	8.2	8.2	83.6
	6 to 10 years	3	4.9	4.9	88.5

	11 to 20 years	4	6.6	6.6	95.1
	20 years and above	3	4.9	4.9	100.0
	Total	61	100.0	100.0	

A2. Corporate Governance Systems and implementation in the Jhb market (Section B)

Corporate governance practices are regarded as adding value to Johannesburg Market

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	2	3.3	3.3	3.3
	Neutral	8	13.1	13.1	16.4
	Agree	19	31.1	31.1	47.5
	Strongly Agree	32	52.5	52.5	100.0
	Total	61	100.0	100.0	

There is a broad agreement that efficient administration of the Johannesburg Market is an important element of good corporate governance implementation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	3	4.9	4.9	4.9
	Neutral	9	14.8	14.8	19.7

	Agree	23	37.7	37.7	57.4
	Strongly Agree	26	42.6	42.6	100.0
	Total	61	100.0	100.0	

The corporate governance practices have been fully aligned with the relevant legislation and regulations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	2	3.3	3.3	3.3
	Neutral	18	29.5	29.5	32.8
	Agree	19	31.1	31.1	63.9
	Strongly Agree	22	36.1	36.1	100.0
	Total	61	100.0	100.0	

The structures created by the legislations are enough to ensure proper corporate governance implementation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1.6	1.6	1.6
	Disagree	5	8.2	8.2	9.8
	Neutral	21	34.4	34.4	44.3
	Agree	20	32.8	32.8	77.0
	Strongly Agree	14	23.0	23.0	100.0

	Total	61	100.0	100.0	

Discussing governance without the issue of corruption is acceptable, according to the entity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	25	41.0	41.0	41.0
	Disagree	8	13.1	13.1	54.1
	Neutral	9	14.8	14.8	68.9
	Agree	13	21.3	21.3	90.2
	Strongly Agree	6	9.8	9.8	100.0
	Total	61	100.0	100.0	

The absence of a specific corporate governance implementation strategy affects the manner in which the Johannesburg Market is managed

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	4.9	4.9	4.9
	Disagree	5	8.2	8.2	13.1
	Neutral	13	21.3	21.3	34.4
	Agree	18	29.5	29.5	63.9
	Strongly Agree	22	36.1	36.1	100.0
	Total	61	100.0	100.0	

The management/ board is ultimately responsible for risk management process within the Johannesburg Market

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1.6	1.6	1.6
	Disagree	7	11.5	11.5	13.1
	Neutral	6	9.8	9.8	23.0
	Agree	17	27.9	27.9	50.8
	Strongly Agree	30	49.2	49.2	100.0
	Total	61	100.0	100.0	

The management /board always sets the risk appetite and tolerances of the organisation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	7	11.5	11.5	11.5
	Neutral	16	26.2	26.2	37.7
	Agree	15	24.6	24.6	62.3
	Strongly Agree	23	37.7	37.7	100.0
	Total	61	100.0	100.0	

What value are the management / board deriving by establishing a risk committee?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Worthwhile value	58	95.1	96.7	96.7
	No value	2	3.3	3.3	100.0
	Total	60	98.4	100.0	
Missing	System	1	1.6		
Total		61	100.0		

Explanation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Is to having a continuous risk dialogue can help the board better understanding of stable changes to the company risk profile, as well .	1	1.6	1.6	1.6
	1Establishing a risk committee will identify, mitigate , plan against risk that will affect both employees and the organisation	1	1.6	1.6	3.3
	A dedicated risk committee will bring a system approach to identifying, assessing	1	1.6	1.6	4.9

	and managing risk within Joburg Market. A risk Committee must be made of knowledge and experience people on risk related matters. The committee must act indepently from Joburg Marketmanagement/ Board.				
	Avoidance risk of corruption and mal-administration and ensure good governance.	1	1.6	1.6	6.6
	Board must set a tone from Top level tolower. The risk management is a responsibility of the board more especially Audit risk committee	1	1.6	1.6	8.2
	Business Risk are identified and managed	1	1.6	1.6	9.8
	Ensures that risk that mightbe detrimental to the entity are identified and mitigated to reduce the risk of castrophes.	1	1.6	1.6	11.5
	Establishing a risk Committee provides value to	1	1.6	1.6	13.1

	management/board by enhancing risk oversight and governance, enabling proactive identification and mitigation pf pontential threats, and fostering a culture of risk awarness and accountability.				
	Given my pastexperience in the senior management level, I would like to state that Joburg Market is one of the entities with high value standards. The issues cocerning governance are taken seriously. This is place where corruption can be mentioned without fear and get dressed or investigated without fear. the performance of the company is always taken seriously and is placed in the center of the existence of the comapnay itself without being fooled by relying on the government	1	1.6	1.6	14.8

	support or municipality's head office. The objective of the company are always being soken about and emoployees are always being reminded as to why do we exist.				
	Good risk management	1	1.6	1.6	16.4
	Helping organisation identity risk	1	1.6	1.6	18.0
	If they focus on addressing the keystone risk of JM as business entity and not as political entity for job creation, cash flow and the like. Committee members are strongly service delivery excellent orientated. Participatory orientated-inclusive in approach by consulting and listening to staff on the ground at all levels of the organisation. foster open communication and team work in addressing the key issues. must consider the interest of all of the company's	1	1.6	1.6	19.7

	constituencies, including stakeholder such as employees, customers, famers agents and tenants in which the company does business. foster and mantain an organisational culture of continual improvement in all areas of work.				
	In an envoroment such as the Joburg Market , risk committee is essential to be able	1	1.6	1.6	21.3
	Inadequate monitoring and evaluation process to ensure that risk mitigating controls are implemented weakens bthe risk maturity and the control enviroment in that a mitigating control that is not implemented is as good as not being establish as its impact/effectiviness will remain unknown.	1	1.6	1.6	23.0
	It assit in managing risk of the company and to iron out any challenges.	1	1.6	1.6	24.6
	It enables the early	1	1.6	1.6	26.2

	detection of business risk such fraud. It will also enable the company to establish the weaknesses in the key service delivery componets of the company. It enables the company to prevent losses which could render the entity insovent				
	It is to monitor compliance within the organisation, identifying and reporting risk and deficiencies	1	1.6	1.6	27.9
	It will assist with engagement and consultation will relevant stakeholders woith the purpose of mitigating risk	1	1.6	1.6	29.5
	Leadership of the entity will address the ris	1	1.6	1.6	31.1
	Looking forward to ensure that the entity is sustainable in the long term prevent, detect and correct pontential risk.	1	1.6	1.6	32.8
	none	1	1.6	1.6	34.4
	None	19	31.1	31.1	65.6

	Only if board members understand the business.High turnaround of board members hamper the process	1	1.6	1.6	67.2
	Risk committee is a key in monitoring and ensuring good governance is adhered to	1	1.6	1.6	68.9
	Risk committee should be effective and independent. Reccomendation of Committee should be binding and acted upon. This should not be a box ticking exercise.	1	1.6	1.6	70.5
	Risk management is preventative in nature and will help the organisation to avoid unnecessary lossess associated with mistakes and wastyages that occurs in an where risk management is not practised.	1	1.6	1.6	72.1
	Risk Matter are elevated to the highest possible	1	1.6	1.6	73.8

	governance structure				
	Sets out limitations on risk and mitogations acceptables to the Joburg market. The risk committee provides oversight and monitors implementations of risk process	1	1.6	1.6	75.4
	The main aims is to be able to help individual accountable and to assist the organoisation on identifying the risk	1	1.6	1.6	77.0
	The Management/board establish a wortwile value risk committee as part of the entity's organisational strategy	1	1.6	1.6	78.7
	The risk committee plays akey critical role from an oversight body perpective in assisting management to monitor and imoplement the risk strategy of entity	1	1.6	1.6	80.3
	The risk committee will help establish communicatemonitor the risk	1	1.6	1.6	82.0

	The short duration of board menbers makes it difficult to create continuity as new members come with new political mandates when administration changes hands	1	1.6	1.6	83.6
	The value of establishing a risk committee in an organisation is managed and mitigate risk	1	1.6	1.6	85.2
	This help thev organisation in identifying the risk of the organisation so as to direct the mitigation strategic fior such.	1	1.6	1.6	86.9
	This is necessary to ensure proative identification of emerging risk that may affect the entity	1	1.6	1.6	88.5
	This will assist in mitigating risk as and when they occur. This will also dcrease the chances of joburg market incurring unnecessary penalities	1	1.6	1.6	90.2
	To be able to identify the	1	1.6	1.6	91.8

	risk that may come across as threats or Hazards to well being of employees				
	To ensure risk management issue are dicussed and attended to on regular basis. Also toensure continous aligment of strategy and identified risk, that monitoring and mitiogation is done.	1	1.6	1.6	93.4
	To ensure that the risk thjat would affect the organisation's ability to attain its objectives are well managed	1	1.6	1.6	95.1
	To ensure the safety of employees by identifying the risk within the organisation	1	1.6	1.6	96.7
	To Identify and mitigate risk	1	1.6	1.6	98.4
	To set the tone for everyone in the organisation to have basis understanding of risk management at its importance. To inculcate a risk management	1	1.6	1.6	100.0

		Frequency	Percent	Valid Percent	Cumulative Percent
	culture whereby management and senior employees in the organisation are able to identify risk and to introduce sound risk management programs.				
	Total	61	100.0	100.0	

The management / board always aligns its Information Management Systems with the organisational objective

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	10	16.4	16.4	16.4
	Neutral	13	21.3	21.3	37.7
	Agree	24	39.3	39.3	77.0
	Strongly Agree	14	23.0	23.0	100.0
	Total	61	100.0	100.0	

The management/ board have adopted zero tolerance regarding compliance management strategy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	4.9	4.9	4.9
	Disagree	10	16.4	16.4	21.3

	Neutral	25	41.0	41.0	62.3
	Agree	13	21.3	21.3	83.6
	Strongly Agree	10	16.4	16.4	100.0
	Total	61	100.0	100.0	

Corporate governance implementation and practices requires a high degree of political and economic participation by all

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	4.9	4.9	4.9
	Disagree	10	16.4	16.4	21.3
	Neutral	14	23.0	23.0	44.3
	Agree	14	23.0	23.0	67.2
	Strongly Agree	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

The management/ board are deriving value adding from its established internal audit activity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	8.2	8.2	8.2
	Neutral	18	29.5	29.5	37.7
	Agree	24	39.3	39.3	77.0
	Strongly Agree	14	23.0	23.0	100.0

associated with good governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	8.2	8.2	8.2
	Disagree	1	1.6	1.6	9.8
	Neutral	13	21.3	21.3	31.1
	Agree	22	36.1	36.1	67.2
	Strongly Agree	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

Lack of information communication is the biggest enemy of good governance, given the fact that information is used as a base for decision-making.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	3.3	3.3	3.3
	Disagree	3	4.9	4.9	8.2
	Neutral	9	14.8	14.8	23.0
	Agree	14	23.0	23.0	45.9
	Strongly Agree	33	54.1	54.1	100.0
	Total	61	100.0	100.0	

Ethical values and practices DO NOT promotes good corporate governance

		Frequenc	Percent	Valid	Cumulative

	Disagree	6	9.8	9.8	13.1
	Neutral	12	19.7	19.7	32.8
	Agree	21	34.4	34.4	67.2
	Strongly Agree	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

The Auditor-General of South Africa enhances accountability regarding good corporate governance practices

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	6.6	6.6	6.6
	Neutral	9	14.8	14.8	21.3
	Agree	16	26.2	26.2	47.5
	Strongly Agree	32	52.5	52.5	100.0
	Total	61	100.0	100.0	

Board setting up risk appetite and tolerances

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	6	9.8	9.8	9.8
	Have heard before	18	29.5	29.5	39.3
	Have very excellent understanding	16	26.2	26.2	65.6
	Have thorough knowledge	21	34.4	34.4	100.0

		y		Percent	Percent
Valid	Strongly disagree	49	80.3	80.3	80.3
	Disagree	6	9.8	9.8	90.2
	Neutral	3	4.9	4.9	95.1
	Agree	1	1.6	1.6	96.7
	Strongly Agree	2	3.3	3.3	100.0
	Total	61	100.0	100.0	

Citizen participation in the municipal governance processes will cause protests / strikes

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	30	49.2	49.2	49.2
	Disagree	14	23.0	23.0	72.1
	Neutral	11	18.0	18.0	90.2
	Agree	4	6.6	6.6	96.7
	Strongly Agree	2	3.3	3.3	100.0
	Total	61	100.0	100.0	

The Public Protector of South Africa enhances good corporate governance practices

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	3.3	3.3	3.3

	Total	61	100.0	100.0	

Corporate governance systems implementation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	4	6.6	6.6	6.6
	Have heard before	15	24.6	24.6	31.1
	Have very excellent understanding	20	32.8	32.8	63.9
	Have thorough knowledge	22	36.1	36.1	100.0
	Total	61	100.0	100.0	

Integrated sustainability and reporting

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	1	1.6	1.6	1.6
	Have heard before	21	34.4	34.4	36.1
	Have very excellent understanding	19	31.1	31.1	67.2
	Have thorough knowledge	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

Corporate citizenship

		Frequenc	Percent	Valid	Cumulative

	Total	61	100.0	100.0	

The management / board is effectively responsible for Information Technology (IT) governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	4.9	4.9	4.9
	Disagree	7	11.5	11.5	16.4
	Neutral	17	27.9	27.9	44.3
	Agree	14	23.0	23.0	67.2
	Strongly Agree	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

Bribing and rigging are indicators of bad governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	4.9	4.9	4.9
	Disagree	6	9.8	9.8	14.8
	Neutral	7	11.5	11.5	26.2
	Agree	4	6.6	6.6	32.8
	Strongly Agree	41	67.2	67.2	100.0
	Total	61	100.0	100.0	

Operating within the financial constraints is an indicators

associated with good governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	8.2	8.2	8.2
	Disagree	1	1.6	1.6	9.8
	Neutral	13	21.3	21.3	31.1
	Agree	22	36.1	36.1	67.2
	Strongly Agree	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

Lack of information communication is the biggest enemy of good governance, given the fact that information is used as a base for decision-making.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	3.3	3.3	3.3
	Disagree	3	4.9	4.9	8.2
	Neutral	9	14.8	14.8	23.0
	Agree	14	23.0	23.0	45.9
	Strongly Agree	33	54.1	54.1	100.0
	Total	61	100.0	100.0	

Ethical values and practices DO NOT promotes good corporate governance

		Frequenc	Percent	Valid	Cumulative

	Disagree	6	9.8	9.8	13.1
	Neutral	12	19.7	19.7	32.8
	Agree	21	34.4	34.4	67.2
	Strongly Agree	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

The Auditor-General of South Africa enhances accountability regarding good corporate governance practices

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	6.6	6.6	6.6
	Neutral	9	14.8	14.8	21.3
	Agree	16	26.2	26.2	47.5
	Strongly Agree	32	52.5	52.5	100.0
	Total	61	100.0	100.0	

Board setting up risk appetite and tolerances

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	6	9.8	9.8	9.8
	Have heard before	18	29.5	29.5	39.3
	Have very excellent understanding	16	26.2	26.2	65.6
	Have thorough knowledge	21	34.4	34.4	100.0

	Total	61	100.0	100.0	

Corporate governance systems implementation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	4	6.6	6.6	6.6
	Have heard before	15	24.6	24.6	31.1
	Have very excellent understanding	20	32.8	32.8	63.9
	Have thorough knowledge	22	36.1	36.1	100.0
	Total	61	100.0	100.0	

Integrated sustainability and reporting

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	1	1.6	1.6	1.6
	Have heard before	21	34.4	34.4	36.1
	Have very excellent understanding	19	31.1	31.1	67.2
	Have thorough knowledge	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

Corporate citizenship

		Frequenc	Percent	Valid	Cumulative

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	49	80.3	80.3	80.3
	Disagree	6	9.8	9.8	90.2
	Neutral	3	4.9	4.9	95.1
	Agree	1	1.6	1.6	96.7
	Strongly Agree	2	3.3	3.3	100.0
	Total	61	100.0	100.0	

Citizen participation in the municipal governance processes will cause protests / strikes

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	30	49.2	49.2	49.2
	Disagree	14	23.0	23.0	72.1
	Neutral	11	18.0	18.0	90.2
	Agree	4	6.6	6.6	96.7
	Strongly Agree	2	3.3	3.3	100.0
	Total	61	100.0	100.0	

The Public Protector of South Africa enhances good corporate governance practices

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	3.3	3.3	3.3

	Total	61	100.0	100.0	

Corporate governance systems implementation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	4	6.6	6.6	6.6
	Have heard before	15	24.6	24.6	31.1
	Have very excellent understanding	20	32.8	32.8	63.9
	Have thorough knowledge	22	36.1	36.1	100.0
	Total	61	100.0	100.0	

Integrated sustainability and reporting

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	1	1.6	1.6	1.6
	Have heard before	21	34.4	34.4	36.1
	Have very excellent understanding	19	31.1	31.1	67.2
	Have thorough knowledge	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

Corporate citizenship

		Frequenc	Percent	Valid	Cumulative

		y		Percent	Percent
Valid	Not familiar	3	4.9	4.9	4.9
	Have heard before	15	24.6	24.6	29.5
	Have very excellent understanding	18	29.5	29.5	59.0
	Have thorough knowledge	25	41.0	41.0	100.0
	Total	61	100.0	100.0	

Combined assurance strategy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	6	9.8	9.8	9.8
	Have heard before	23	37.7	37.7	47.5
	Have very excellent understanding	19	31.1	31.1	78.7
	Have thorough knowledge	13	21.3	21.3	100.0
	Total	61	100.0	100.0	

Integrated performance management systems

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	3	4.9	4.9	4.9
	Have heard before	17	27.9	27.9	32.8
	Have very excellent understanding	20	32.8	32.8	65.6

	Have thorough knowledge	21	34.4	34.4	100.0
	Total	61	100.0	100.0	

Fraud prevention and deterrence

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	1	1.6	1.6	1.6
	Have heard before	16	26.2	26.2	27.9
	Have very excellent understanding	22	36.1	36.1	63.9
	Have thorough knowledge	22	36.1	36.1	100.0
	Total	61	100.0	100.0	

Conflict of interest

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	2	3.3	3.3	3.3
	Have heard before	11	18.0	18.0	21.3
	Have very excellent understanding	21	34.4	34.4	55.7
	Have thorough knowledge	27	44.3	44.3	100.0
	Total	61	100.0	100.0	

Corporate governance principles, values and objectives

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	2	3.3	3.3	3.3
	Have heard before	11	18.0	18.0	21.3
	Have very excellent understanding	21	34.4	34.4	55.7
	Have thorough knowledge	27	44.3	44.3	100.0
	Total	61	100.0	100.0	

A3. Effectiveness of Corporate governance System implementation (Section C)

The management/ board develops a strategic approach in order to promote corporate governance and control systems

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	8.2	8.2	8.2
	Neutral	9	14.8	14.8	23.0
	Agree	22	36.1	36.1	59.0
	Strongly Agree	25	41.0	41.0	100.0
	Total	61	100.0	100.0	

Lack of Johannesburg Market -specific corporate

		Frequency	Percent	Valid Percent	Cumulative Percent
	Have heard before	29	47.5	47.5	54.1
	Have very excellent understanding	14	23.0	23.0	77.0
	Have thorough knowledge	14	23.0	23.0	100.0
	Total	61	100.0	100.0	

Corporate governance implementation framework

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	2	3.3	3.3	3.3
	Have heard before	17	27.9	27.9	31.1
	Have very excellent understanding	22	36.1	36.1	67.2
	Have thorough knowledge	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

Strategic leadership and governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	2	3.3	3.3	3.3
	Have heard before	12	19.7	19.7	23.0
	Have very excellent understanding	22	36.1	36.1	59.0
	Have thorough knowledge	25	41.0	41.0	100.0

		Frequency	Percent	Valid Percent	Cumulative Percent
	Total	61	100.0	100.0	

Johannesburg Market sustainable development governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	4	6.6	6.6	6.6
	Have heard before	23	37.7	37.7	44.3
	Have very excellent understanding	22	36.1	36.1	80.3
	Have thorough knowledge	12	19.7	19.7	100.0
	Total	61	100.0	100.0	

Audit governance model

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	5	8.2	8.2	8.2
	Have heard before	22	36.1	36.1	44.3
	Have very excellent understanding	19	31.1	31.1	75.4
	Have thorough knowledge	15	24.6	24.6	100.0
	Total	61	100.0	100.0	

What do you think are the good corporate governance implementation elements?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Accountability	5	8.2	8.2	8.2
	Accountability and transparency	1	1.6	1.6	9.8
	Accountability at all levels, coupled with consequence management, clear policies and related standard operating procedures which are clear and communicated, enforcement of the law, ethical conduct and financial reporting with intergrity, strategy with intent and clear corporate plan, aligned to effective risk management	1	1.6	1.6	11.5
	Accountability Trasparency, Internal controls, Combined Assurance, Reporting, Compliance Ethics	1	1.6	1.6	13.1
	Accountability, Responsibility	1	1.6	1.6	14.8
	Accountability, Transparency and	1	1.6	1.6	16.4

		Frequency	Percent	Valid Percent	Cumulative Percent
	Have heard before	29	47.5	47.5	54.1
	Have very excellent understanding	14	23.0	23.0	77.0
	Have thorough knowledge	14	23.0	23.0	100.0
	Total	61	100.0	100.0	

Corporate governance implementation framework

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	2	3.3	3.3	3.3
	Have heard before	17	27.9	27.9	31.1
	Have very excellent understanding	22	36.1	36.1	67.2
	Have thorough knowledge	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

Strategic leadership and governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	2	3.3	3.3	3.3
	Have heard before	12	19.7	19.7	23.0
	Have very excellent understanding	22	36.1	36.1	59.0
	Have thorough knowledge	25	41.0	41.0	100.0

governance implementation framework hampers its smooth operation as an entity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	3.3	3.3	3.3
	Disagree	7	11.5	11.5	14.8
	Neutral	15	24.6	24.6	39.3
	Agree	22	36.1	36.1	75.4
	Strongly Agree	15	24.6	24.6	100.0
	Total	61	100.0	100.0	

Financial responsibility reporting: If you cannot measure it, you cannot manage it

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	1.6	1.6	1.6
	Neutral	6	9.8	9.8	11.5
	Agree	22	36.1	36.1	47.5
	Strongly Agree	32	52.5	52.5	100.0
	Total	61	100.0	100.0	

Risk maturity framework

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	4	6.6	6.6	6.6

	Have heard before	29	47.5	47.5	54.1
	Have very excellent understanding	14	23.0	23.0	77.0
	Have thorough knowledge	14	23.0	23.0	100.0
	Total	61	100.0	100.0	

Corporate governance implementation framework

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	2	3.3	3.3	3.3
	Have heard before	17	27.9	27.9	31.1
	Have very excellent understanding	22	36.1	36.1	67.2
	Have thorough knowledge	20	32.8	32.8	100.0
	Total	61	100.0	100.0	

Strategic leadership and governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	2	3.3	3.3	3.3
	Have heard before	12	19.7	19.7	23.0
	Have very excellent understanding	22	36.1	36.1	59.0
	Have thorough knowledge	25	41.0	41.0	100.0

		Frequency	Percent	Valid Percent	Cumulative Percent
	Total	61	100.0	100.0	

Johannesburg Market sustainable development governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	4	6.6	6.6	6.6
	Have heard before	23	37.7	37.7	44.3
	Have very excellent understanding	22	36.1	36.1	80.3
	Have thorough knowledge	12	19.7	19.7	100.0
	Total	61	100.0	100.0	

Audit governance model

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not familiar	5	8.2	8.2	8.2
	Have heard before	22	36.1	36.1	44.3
	Have very excellent understanding	19	31.1	31.1	75.4
	Have thorough knowledge	15	24.6	24.6	100.0
	Total	61	100.0	100.0	

What do you think are the good corporate governance implementation elements?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Accountability	5	8.2	8.2	8.2
	Accountability and transparency	1	1.6	1.6	9.8
	Accountability at all levels, coupled with consequence management, clear policies and related standard operating procedures which are clear and communicated, enforcement of the law, ethical conduct and financial reporting with intergrity, strategy with intent and clear corporate plan, aligned to effective risk management	1	1.6	1.6	11.5
	Accountability Trasparency, Internal controls, Combined Assurance, Reporting, Compliance Ethics	1	1.6	1.6	13.1
	Accountability, Responsibility	1	1.6	1.6	14.8
	Accountability, Transparency and	1	1.6	1.6	16.4

	fairness				
	Accountability, transparency and responsibilty	1	1.6	1.6	18.0
	Accountability, transparency, fairness and responsibility	1	1.6	1.6	19.7
	Accountability, transparency, fairness responsibilty and risk management	1	1.6	1.6	21.3
	Accountability, transparency, fairness, responsibility and risk management	1	1.6	1.6	23.0
	Accountability, Transparency, Intergrity and responsibility	1	1.6	1.6	24.6
	Accountability, Transparency, Responsibilty	1	1.6	1.6	26.2
	Accountabilty, Transparency, Fairness responsibity and Risk management	1	1.6	1.6	27.9
	Accountable	1	1.6	1.6	29.5
	Adherence to good practices, adherence to legal requirements and skill staff	1	1.6	1.6	31.1

	Approved compliance matrix and framework	1	1.6	1.6	32.8
	Balance board composition, Evaluate board regurlarly, ensure directors independent, be transparent, manage risk properley	1	1.6	1.6	34.4
	Board of t an its director develop the strategy	1	1.6	1.6	36.1
	Board understanding of good corporate governance, The board must have a knowledeable and competent chairperson,Qualified and experienced board menbers and Monitor the organisational performance	1	1.6	1.6	37.7
	Build a strong board of directors	1	1.6	1.6	39.3
	Clear assignment of responsibilities, Culture of transparent and accountability, Cross functional cooperation, Briad awarness of good corporate activities, the availability of written	1	1.6	1.6	41.0

	disclosure				
	Corporate governance implementation framework and risk Maturity framework	1	1.6	1.6	42.6
	Effectiviness and afficiency, Transparency and accountability	1	1.6	1.6	44.3
	Efficiency, Effectiviness, transparency, accountabilty, Equity	1	1.6	1.6	45.9
	Establishment of ethical governing bodies and committees addressing issues of internal audit, risk management, compliance, information technology, intergrated reporting etc.	1	1.6	1.6	47.5
	Ethical reporting on time, existence ofgovernance framework with visible steps on implementation.	1	1.6	1.6	49.2
	Ethics and intergrity risk management, Accountabilty and shareholderrs	1	1.6	1.6	50.8
	Existence of an effective board, A board	1	1.6	1.6	52.5
	Good Corporate	1	1.6	1.6	54.1

	governance is informed by the following key elements, strong ethical enviroment or principles, effective leadership, transparency and compliance				
	Good corporate implementation elements include strong leadership, clear communication, effective decision making processes, accountability, transparency, and a focus on fostering a positive organisation culture	1	1.6	1.6	55.7
	Good performance of directors and independency, Internal auditor independency, competency and ethics of board members	1	1.6	1.6	57.4
	Have a clear framework, document policies, change management process, set organisation goals & KPI, monitor & evaluate	1	1.6	1.6	59.0

	progressreports.				
	high quality board composition, transparency	1	1.6	1.6	60.7
	Honesty, intergrity fairness and transparency	1	1.6	1.6	62.3
	Independence of Auditors and transparency, Regular compensation review and management, Accountability, transparency, Fairness in all spheres.	1	1.6	1.6	63.9
	Intergrity, Internal Audit independency, External audit provider	1	1.6	1.6	65.6
	Monitoring tools, accountability tools reporting methods and etc.	1	1.6	1.6	67.2
	My view is that the goog governance are the implementation of the audit and risk management within the company. Developing sound policy documents that supports daily opeartions and strategic	1	1.6	1.6	68.9

	alignmemt				
	none	4	6.6	6.6	75.4
	None	4	6.6	6.6	82.0
	Providing an overall direction for the business, Having effective risk management	1	1.6	1.6	83.6
	Reason	1	1.6	1.6	85.2
	Respnsible	1	1.6	1.6	86.9
	These are good in practise but more stringent monitoring and evaluation is required.	1	1.6	1.6	88.5
	Transparency and intergrity	1	1.6	1.6	90.2
	Transparency, accountability	1	1.6	1.6	91.8
	Transparency, Accountability	1	1.6	1.6	93.4
	Transparency, Accountability and Responsibilty	1	1.6	1.6	95.1
	Transparency, Accountability, ethical behavior	1	1.6	1.6	96.7
	Transparency, ethical conduct, intergrity, proper internal controls evaluation and continous	1	1.6	1.6	98.4

	improvement				
	transparency, intergrity, accountability and ethical value	1	1.6	1.6	100.0
	Total	61	100.0	100.0	

How effective are the officials and staff of Johannesburg Market in promoting good corporate governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Good	43	70.5	70.5	70.5
	Bad	18	29.5	29.5	100.0
	Total	61	100.0	100.0	

Comment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		1	1.6	1.6	1.6
	roadmap for the organisation to operates and achiethe goals and objectives	1	1.6	1.6	3.3
	Clear decision making process and approved policies, Being guided by the reporting framework	1	1.6	1.6	4.9

	and consideration of entity social responsibility , Obervation of delegations and reporting lines				
	Coprporate governance at Joburg Market is highly effective at executive and senior management levels. It is a little bit of challenge when it comes to officials and staff at large as they seem a bit reluctant in dealing with issues of compliance to policies and other regulatory requirements. it is therefore done as tick box execise.	1	1.6	1.6	6.6
	Dedicated, honest ethical and professional	1	1.6	1.6	8.2
	Employees ensuring wolrking towards the common good of the entity	1	1.6	1.6	9.8
	Existence	1	1.6	1.6	11.5
	Exwcutive management is working well with other managers with respect	1	1.6	1.6	13.1

	and filters down to all employees because juniors managers emulate their superiors. When there is trust and transparency everyone feels secure to give their all in honest manner. And then that will make everyone follow all the corporate guidelines without doubt.				
	Failure to invest on aging infrastructure that it is supposed to generate good returns	1	1.6	1.6	14.8
	Fairly good adherence to required process/rules/regulations as presribed by law	1	1.6	1.6	16.4
	I would like to bealive that most Jm officials and staff have good work ethics and intentions but lack the drive, passions and proffessionalism or are distracted by political and union agendas to ensures service delivery excellence towards a world class business	1	1.6	1.6	18.0

	organisation, therefore promoting of good corporate governance falls by the way-side.				
	It feels like staff members are not educated regarding corporate governance	1	1.6	1.6	19.7
	it involves the bealing of interst of company	1	1.6	1.6	21.3
	It is not where it should be, majorityt of employees are all focused on how they can benefit from the company as opposed to the best interest of the company	1	1.6	1.6	23.0
	Joburg Market enity tries its best given the political enviroment that they operate within. If management becomes more independent, good corporate governance can be improved at the entity.	1	1.6	1.6	24.6
	Johannesburg market have suitably qualified in critical position that helps to ensure that there is	1	1.6	1.6	26.2

	stability.				
	labour relation interfers, level of understanding from lower level employees lacking	1	1.6	1.6	27.9
	Most staff are following good values practices and intergrity as outlined in a mission & vission andvalues charter	1	1.6	1.6	29.5
	Need more educational corporate governance	1	1.6	1.6	31.1
	No cosistent implementation and understanding of good corporate governance principles	1	1.6	1.6	32.8
	none	13	21.3	21.3	54.1
	None	8	13.1	13.1	67.2
	Not all employees knows or have an understanding of good governance	1	1.6	1.6	68.9
	Not enough effort goes to promoting it, but adhered to	1	1.6	1.6	70.5
	Officials and staff adhere to good corporate governance principles as and when required to do	1	1.6	1.6	72.1

	so. Irregular practices and procures are not actively monitored and evaluated.				
	Officials have good understanding of legislation etc which promotes good corporate governance wgen applying day to day happenings.	1	1.6	1.6	73.8
	Particially good because some JM is still lack good performance by directors. Assurance providers in public sector-local government are not fully effective which also hinder good governance in JM. Board including ARC should be allowed to run for full good (3) years especially within City of Johannesburg and its entities this will increase effectiviness and good oversight.	1	1.6	1.6	75.4
	Relevant policies and procedures are in place and effective	1	1.6	1.6	77.0

	Staff need to be educated about principle of good corporate governance. Bad culture need to change by adopting good principle of corporate governance	1	1.6	1.6	78.7
	The existence of accountable board and executive and board committees and all of these executing their functions are expected. Exisyence of internal audit department and implementation of internal audit oplan, existenceof compliance function dealing with all aspect of compliance, the role played by the Auditor General as external assurance provider.	1	1.6	1.6	80.3
	The main challenge is embeded in the middle management component and stem from ability and willingness to nature good governance	1	1.6	1.6	82.0
	The Officials and staff at	1	1.6	1.6	83.6

	Johannesburg Market contribute to promoting good corporate governance through their actions and adherence to governance principle				
	The organisation has a board that it task with governance oversoight. The internal audit, risk management and company secretarial functions work with Accounting officer and the executives team in ensuring that oversight framework and policies are implemented.	1	1.6	1.6	85.2
	The organisation has been progitable for many years which is indicative of good governance practise.	1	1.6	1.6	86.9
	The process is not fully implemented, there is room for improvement and management buy-in is required	1	1.6	1.6	88.5
	The staff members respect policies and procedures that are set	1	1.6	1.6	90.2

	in place. The operations are carried out within the ambit of the law and all other relevant laws and practices issued by the national treasury, SARS and other governing bodies				
	There is no accountability or consequence management in place, staff are also not informed which leads to lack of transparency and fairness	1	1.6	1.6	91.8
	There is not much awarness and corporate governance	1	1.6	1.6	93.4
	they are accopuntable and always engage with stakeholders	1	1.6	1.6	95.1
	They are not well traibed on applying principle of good gopvernance	1	1.6	1.6	96.7
	They do not create an awarness of what corporate governance is and what impact it has on the organisation	1	1.6	1.6	98.4

		Frequency	Percent	Valid Percent	Cumulative Percent
	They share common goals	1	1.6	1.6	100.0
	Total	61	100.0	100.0	

What is the importance of the board in determining the risk tolerance and appetite?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Good governance	58	95.1	95.1	95.1
	Bad governance	3	4.9	4.9	100.0
	Total	61	100.0	100.0	

Comment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		1	1.6	1.6	1.6
	1	1	1.6	1.6	3.3
	A risk dashboard is being used to indicate ot gauge the level of if wether it is improving or deteriorating.	1	1.6	1.6	4.9
	Adhered to applicable laws	1	1.6	1.6	6.6
	Board is responsible for giving strategic direction	1	1.6	1.6	8.2

	and monitor and evaluate execution thereof, Risk management is the responsibilty of the Board,The two points stated above are inseparable per best practice and legislative framework, therefore the success of the strategy is dependent on mature risk management hence the importance of determination of risk tolereance and appetite by the Board, which also inform the risk response strategy				
	Board is tasked with ensuring the sustainability and viabilitry of the entity as much it must gauge the risk factors that the market faces and which risk are acceptable and can be managed versus those that pose a serious risk to business continuity and	1	1.6	1.6	9.8

	compliance.				
	Board must add value, the board and management should engage with long term stakeholdets on issues and concerns that are of widespread interest to them and that affect the compoany's long term value creation. The board should set a tone that demostrate the company's commitment to intergrity and legal compliance. The tone lays the ground work for a corporate culture that is communicate to personnel at all levels opf the organisation.	1	1.6	1.6	11.5
	Board needs to instill good governance elements.	1	1.6	1.6	13.1
	By providing the strategic direction that Joburg Market must take. The board needs to know the current risk the organisation is facing so that they can give proper	1	1.6	1.6	14.8

	directions based on what they know. Proper communication and accountabiluity forms part of the risk tolerence.				
	Given constraints of budget it is important to mitigate risk according to the resource available	1	1.6	1.6	16.4
	Good governance	1	1.6	1.6	18.0
	Helps to determine the amount of risk they are willing to live with	1	1.6	1.6	19.7
	If the organisation is honest with their staff member its enhance a good working relationship	1	1.6	1.6	21.3
	It guides the entity on appropriate levels of risk that can be undertaken	1	1.6	1.6	23.0
	It is important for the board to determine the organisational's risk tolerence and appetite levels in order to effectively report and give shareholder assurance. Also to give Management guidance.	1	1.6	1.6	24.6

	It is important forvthe business to continue running(business contuiity) as the board can determine the company's tolereance level of risk but also the appetite for risk the company can bear.	1	1.6	1.6	26.2
	Knowing the rsisk tolerence and appetite will allow the board to plan accordingly and come up with measures to reduce or mitigate the risks identified.	1	1.6	1.6	27.9
	none	18	29.5	29.5	57.4
	None	1	1.6	1.6	59.0
	Provides directions to the board on which risks should be on the p;riority list. Furthermore, the risk tolerence level determines one responds to the different risk identified	1	1.6	1.6	60.7
	Risk appetite and tolrence are very very important in enterprise risk management process and they must	1	1.6	1.6	62.3

	be dicussed in every board meeting to raise awarness of appetite on risk that JM is willing to take to achieve its strategic objectives. The problem is that here in JM operational and strategic risk they are not alignedto strategic objectives.				
	Risk tolereance comes into play after havingf considered may others aspects that can negatively affect the running of the organisation. It is important for the board as an oversesr to determine it. However, for the great results, the board does not do this alone. Executives of the copmpany are part of the board and all other relevant stakeholdrs come in and assits. This results in good governance.	1	1.6	1.6	63.9
	Risk tolerence and	1	1.6	1.6	65.6

	appetite ratings confirms the levels at which certain risk will beaccepted by the company. It thus provide a perimeter for managers to prevent or halt dangerous ventures which may endanger the sustainability of the company.				
	set the strategy for direction	1	1.6	1.6	67.2
	Stability and corruption free oprganisation	1	1.6	1.6	68.9
	The Audit risk committee is establish to make sure that risk are identified, monitored and mitigated.	1	1.6	1.6	70.5
	The baord needs to set the risk appetite at Joburg Market and ensure it has risk management framework to identify and managed risk & tolerence level	1	1.6	1.6	72.1
	The Baord sets accepital risk tolerence and appetite which is managed and monitored at board level so that it is	1	1.6	1.6	73.8

	not discarded by management				
	The board can set the tone to be adopted by management $ staff	1	1.6	1.6	75.4
	The board is responsible for achieving goals, vision, missions and objectives of the business and thus, will have to identify and mitigate risk to steer the organisation forward.	1	1.6	1.6	77.0
	The board must develop organisational strategies goals and objectives to se	1	1.6	1.6	78.7
	The board must ensure that management teams tracks risk appropreately	1	1.6	1.6	80.3
	The board plays a crucial role in determining the risk tolerence and appetite of an organisation	1	1.6	1.6	82.0
	The board rrole is to set the risk appetite	1	1.6	1.6	83.6
	The board sets the tone for the whole organisation in terms of	1	1.6	1.6	85.2

	risk management.				
	The company must have affective system in place to identify, assess and manage risk	1	1.6	1.6	86.9
	The organisation is able to determine the levels of risk at the in leadership structure. The BoD can monitor and oversees risk levels	1	1.6	1.6	88.5
	They have huge risk appetite as they make sure that they achieve target and always find ways where they can imrove	1	1.6	1.6	90.2
	This helps to determine if any changes to be made to the risk appetite	1	1.6	1.6	91.8
	This is in the King IV good governance principles	1	1.6	1.6	93.4
	This will ensure the identified risk will be attended to	1	1.6	1.6	95.1
	To enable strategic aligment, Provide a risk management framework,	1	1.6	1.6	96.7
	To ensure risk avoidance	1	1.6	1.6	98.4

	Tone must be set at the top and implemented down the oprganisation into all the policies and procedures.	1	1.6	1.6	100.0
	Total	61	100.0	100.0	

Are disclosure and transparency a foundation of good governance accountability?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	58	95.1	95.1	95.1
	No	3	4.9	4.9	100.0
	Total	61	100.0	100.0	

Comment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		1	1.6	1.6	1.6
	Accountability is based on the foundation of proper financial, compliance and performance reporting which are guided by regulated reporting standard and framework. The reporting framework	1	1.6	1.6	3.3

	by themselves presribe the foundation for disclosure and transparency which place a duty of reporting on the Board(as supporyted by management) to the shareholder/s based on the agency/stewardsship theory.				
	As the comapany we are governed by values which promotes transparency, fairness, honesty and many more. In according with code of good practice, all individuals needs to be transparent in their dealings and their day to day executions. This avoid conflict of interst and many others shinanigance.	1	1.6	1.6	4.9
	Avoid conflict of interest	1	1.6	1.6	6.6
	Because a lot of reports are done manually and having to access certain information takes times because the IT system	1	1.6	1.6	8.2

	uses an old software and finance needs to provide a new budget for new software				
	Because they form the back bone of good governance and follow king IV principles of good governance	1	1.6	1.6	9.8
	Corporate governance framework should ensure that timeley and accurate disclosure is made on all materials matters regarding the corporation, including the finacial situation, performance and governance of the company	1	1.6	1.6	11.5
	Disclosure and transparency are the cornerstones of good corporate governance structure. They provide a foundation for sound decision making by shareholders, stakeholder in terms of resources allocation and business transactions.	1	1.6	1.6	13.1

	Disclosure and transparency is a means of managing conflict of interest and ensuring that the entity operates with intergrity.	1	1.6	1.6	14.8
	Disclosure bring comfort to the board of Directors and the mangement in relation to interest an employee may hold to the detriment of the company.	1	1.6	1.6	16.4
	disclosure can sometimes not be made compusory but bealive transparency can be compusory	1	1.6	1.6	18.0
	Disclosure of conflicting interest bears the foundation for honesty and tranparency	1	1.6	1.6	19.7
	Disclosure promotetransparnt and accountability which part of good governance	1	1.6	1.6	21.3
	Disclosure providers for transparency, disclosure and transparency places everone on the same pace and enhance	1	1.6	1.6	23.0

	agreement on government issues				
	Good corporate governance creatyes transparwent rules and controls, provides guidance to leadership and align the interest of shareholders, directors, management and employees towards company's direction and business intergrity. It helps build trsust with stakeholders, staff and public officials.	1	1.6	1.6	24.6
	If the market has nothing to hide then disclosure and transparency are welcomed which should form the foundation of all practices of the entity	1	1.6	1.6	26.2
	If there is no disclosure and transparent it might lead to mal-administration and bad running of the business	1	1.6	1.6	27.9
	Issue of conflict of interest are adressed	1	1.6	1.6	29.5
	It is important to disclose critical information when	1	1.6	1.6	31.1

	reporting and to be transparent and accountable in order to present fair financail reports. Disclosure is also for the benefit of the shareholders and stakeholders				
	It is very important for all employees and employer to make declaration about their interest in the business	1	1.6	1.6	32.8
	Most definitely yes, disclosure and transparency wll enable Joburg Market to bew accountable to all stakeholders, employees, customers and suppliers. Everyone will most likely make the correct decision if they have correct information to base their decision on. Disclosure and transparency increase trust.	1	1.6	1.6	34.4
	none	20	32.8	32.8	67.2
	None	1	1.6	1.6	68.9
	One key aspect of good	1	1.6	1.6	70.5

	governance is transparency, therefore such is critical				
	Required by company Act and required for accountability and reporting requirement.	1	1.6	1.6	72.1
	The company gives stakeholder, the regulations and the public at large a glimpse of how the company operates and the state of its financvial affisr	1	1.6	1.6	73.8
	This assist in providing accurate information about financial performance any pontential risk	1	1.6	1.6	75.4
	This encorages employees & management along with the board to conduct their dealings in a fair mannerand raises stakeholder trust	1	1.6	1.6	77.0
	This ensures accountability and responsibilty	1	1.6	1.6	78.7
	This will cap the corruption activities in	1	1.6	1.6	80.3

	the entity				
	Timeous and accurate disclosure	1	1.6	1.6	82.0
	To ensure that employees are well informed about what is happening in the company and no corruption will happen if there is transparency	1	1.6	1.6	83.6
	To ensure transparency and accountability to all stakeholder.	1	1.6	1.6	85.2
	Transparency as well as disclosure gives a level of comfort that good governance is being practise.	1	1.6	1.6	86.9
	Transparency leaves no room for corruption	1	1.6	1.6	88.5
	Yes because they support a culture of good ethiocs within the organisation.	1	1.6	1.6	90.2
	Yes, adequate disclosure and transparency are needed to have good governance to boost the confidence of our stakeholder. JM should	1	1.6	1.6	91.8

	improve on acting transparent on time. All important risk together with action should be disclose on time.				
	yes, as it allows for protection of the interest of stakeholders by providing information	1	1.6	1.6	93.4
	Yes, as it allows individuals to make informed decisions about the entity.	1	1.6	1.6	95.1
	Yes, Disclosure and transparency are indeed foundation	1	1.6	1.6	96.7
	Yes, Disclosure helps business when making a business decision	1	1.6	1.6	98.4
	Yes, trhey play a pivotal role	1	1.6	1.6	100.0
	Total	61	100.0	100.0	

How does the lack of financial and IT skills affect your financial reporting responsibility?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Good	8	13.1	13.1	13.1
	Badly	53	86.9	86.9	100.0

	Total	61	100.0	100.0	

Comment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		1	1.6	1.6	1.6
	These are necessary tro ensure finacial reporting is accurate, valid complete and compliance with relevant legislation.	1	1.6	1.6	3.3
	As if one does not have the knowledge and the financial qualification ot IT skills that will impact negatively on the end product	1	1.6	1.6	4.9
	As sometimes I need to makefinancial decision without knowing the budget implementation	1	1.6	1.6	6.6
	Bad oprating decision, reputational damage, penalities and fines	1	1.6	1.6	8.2
	Both financial and IT knowledge can assist in completeness and accuracy of res	1	1.6	1.6	9.8

	Core function to the operations on the business. Therefore this is an area that cannot be compromised	1	1.6	1.6	11.5
	Finacial and IT skills together will ensure good sound system and segregation of duties and security of st=ystem	1	1.6	1.6	13.1
	Finacial reporting assist the company how well is the company prforming. The entity is supposed to make profit hence is critical. How well is the budget being spent. It is part of transparency. On the other hand IT plays a vital role in that it avoids human intervention. The IT system keeps recors, Make the jopb quick and easy. IT supporty governance too.	1	1.6	1.6	14.8
	Financial and IT together will promote strong analytical and promote strong analytical and problem solving skills on the financial reporting of	1	1.6	1.6	16.4

	JM and it will help financial data to be protected reducing the risk of it being tampered or human error.				
	Financial information cannot be recorded if there is lack of finacial and IT plays a fundamentals role to ensure financial records.	1	1.6	1.6	18.0
	For Finacials skills, accurate financial information will not be reported, with IT skills incorrect data may be colleted,	1	1.6	1.6	19.7
	If there is lack of these skills it may lead to inaccurate financial reporting and even bad operational decisions being taken.	1	1.6	1.6	21.3
	Inccorrect extraction of information leads to poor reporting or incorrect reports	1	1.6	1.6	23.0
	Incorrect data may be reported which may lead to audit findings if you are not finacially	1	1.6	1.6	24.6

	educated. IT skills areesential to correctly capture data.				
	Information might be incorrectly presented which could be misleading for decision making.	1	1.6	1.6	26.2
	It can lead to incorrect financial reporting, inadequate internal control and limited finacial nalysis	1	1.6	1.6	27.9
	IT provides amongst others the information back bone of the company. Bad IT system may prevent the detection of financial risk. IT outputs that clear and useful enhance finanncial controls.	1	1.6	1.6	29.5
	It willaffect the accuracy in the reporting	1	1.6	1.6	31.1
	Lack of finacial skills will negatively affect financial reporting due to inaccurate finacial statements because of errors. Internal financial controls will enable	1	1.6	1.6	32.8

	compliance to financial principles and policies. In order to make good informed decision the correct information is required. Good financial reporting system are reliant on good IT system and software packages. therefore lack of IT skills will lead to questions on information intergrity. All the personnel invoved in the financial reporting must be adequate trained on IT and financial reporting system.				
	Lack of financial and an outdated IT system will badly hamper the progressive operation of any organisation	1	1.6	1.6	34.4
	Lack of financial skills will obviously affect financial reporting and is more important than IT skills. Lack of IT skills will resulting system updates being incorrect	1	1.6	1.6	36.1
	lack of understanding of	1	1.6	1.6	37.7

	required work and skill to do work required				
	management cannot make good decision or spot pontential problems	1	1.6	1.6	39.3
	Managers need training/refresher training in practical/modern day IT and financial skills using advanced but user friendly computer software and programmes. Modern day software is available that makes financial reporting and creation of dashboard reports both easier to use and understand. Jm must appoint a good IT Senior Manager with new knowledge and IT skills.	1	1.6	1.6	41.0
	need to be transparent in your reporting and may promote fraud.	1	1.6	1.6	42.6
	none	19	31.1	31.1	73.8
	None	1	1.6	1.6	75.4
	Risk cannot be identified	1	1.6	1.6	77.0
	The capacity gap is not relating to lack of skills,	1	1.6	1.6	78.7

	but rather to inadequate system and related infrastructure to support digital transformation.				
	The IT component needs to be advanced in order to ensure date and effective reporting, monitoring and evaluation of desired outcomes.	1	1.6	1.6	80.3
	The lack of Financial and IT skills can have significant implication for financial reporting responsibilities	1	1.6	1.6	82.0
	The lack of IT and financial reporting skills negatively impacts financial reporting responsibilty by compromising accuracy, transparency and compliance with regulatory requirements	1	1.6	1.6	83.6
	The lack of IT skills in an orgnoisation is a serious short comings that cannot be overlooked considering the increase in Cyber-attack which	1	1.6	1.6	85.2

	results into millions rands being lost. Any IT risk that it is not attended to timeously can leave companies exposed and vulnerable to cyber attack.				
	The oirganisation is much stable in the area of financiual management as can be supported by the Auditor general audit reports. However in terms of IT skills the entity has room for improvement in line with the Smart Market goals.	1	1.6	1.6	86.9
	The risk of lack of financial skills include bad operational decision, reputational damage, fines and legal actions	1	1.6	1.6	88.5
	The shareholder, Board and Stakeholder cannot rely on the reports, nor can they make sound decision.	1	1.6	1.6	90.2
	These two sets of skills are crucial for any organisations success.	1	1.6	1.6	91.8

	They are capable and capicitated staff in the financial & IT for effective reporting of correct information	1	1.6	1.6	93.4
	This touches the core functioning of the organisation, without which opens up for corruotive activities	1	1.6	1.6	95.1
	With the lack of responsibility relating to the above reporting will not result in accurate, transparent quality reports.	1	1.6	1.6	96.7
	Without IT skills we would not be able to complete reports and priograms	1	1.6	1.6	98.4
	Without IT you would not be able to complete reports	1	1.6	1.6	100.0
	Total	61	100.0	100.0	

Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?

	Frequenc	Percent	Valid	Cumulative

		y		Percent	Percent
Valid	Yes	51	83.6	86.4	86.4
	No	8	13.1	13.6	100.0
	Total	59	96.7	100.0	
Missing	System	2	3.3		
Total		61	100.0		

Comment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		1	1.6	1.6	1.6
	An oversight committee should be visible to the entity to have better understanding of the the enviroment	1	1.6	1.6	3.3
	Based on the interractions at the committee level, I can safely say committees have adequate skills and competency to execute their duties	1	1.6	1.6	4.9
	Because they are qualified and have the necessary skills and experience to deal with financial reporting	1	1.6	1.6	6.6

	continous assessment and update	1	1.6	1.6	8.2
	Currently no	1	1.6	1.6	9.8
	Engagement are only with management, therefore excludes the perpective by those charged with governance	1	1.6	1.6	11.5
	I am not sure with this but judging from the company's performance seems to be a Gap on the oversight committee that it is why previously I mentioned 3 years appointment of Board members. The problem with a one year appointment of oversight committee is that they tend to retire while there are issues hanging that end ups affecting service delivery and performance of the company.	1	1.6	1.6	13.1
	I assume that the proper processes are followed when appointing an oversight committee by the shareholder.	1	1.6	1.6	14.8

	I bealive the Committee has adequate skills needed based on their qualifications and background of where they have been. Senior management employed have reqyured qualification in the finance management category. If senior management does not have the required skills and qualifications it will be practically impossible for them to be able to give the coirrect information to oversight committee therefore the financial reporting will be wrong.	1	1.6	1.6	16.4
	it afford the municipality council on apportunity to investigate	1	1.6	1.6	18.0
	It has independent members who are qualified in finance and legal matters	1	1.6	1.6	19.7
	It is imperative that members appointed to oversight committees	1	1.6	1.6	21.3

	have requisite business and financial skills to review financial reports and pick up matters of concern, trends and irregularities to ensure proper governance of the organisation.				
	It is important to have these committes which will be led by the City of Joburg.	1	1.6	1.6	23.0
	JM's financial matters are reported to the COJ finance committee, as well as to board and CFO to oversee and ensure financial aspects of JM	1	1.6	1.6	24.6
	Joburg Market enjoys good financial reporting skills, Auditor General confirms this. Audits may find process findings, but finacial reporting findings are few.	1	1.6	1.6	26.2
	Most of the board have the requisite skills to deal with such matters	1	1.6	1.6	27.9
	Never heard of an	1	1.6	1.6	29.5

	oversight committee before				
	none	17	27.9	27.9	57.4
	None	10	16.4	16.4	73.8
	Not enough with members with accounting uaditing risk, compliance skills and expertise	1	1.6	1.6	75.4
	Oversight committees are composed of members with diverse skills required for them to execute their function effectively.	1	1.6	1.6	77.0
	qualified people are apponted to perform this task	1	1.6	1.6	78.7
	Some Board members lacks basics financial knowledge to be on a board	1	1.6	1.6	80.3
	The ARC is able to providevaluableinput on the financial reorts befor these are published	1	1.6	1.6	82.0
	The boiard has the necessary knowledge and experience.	1	1.6	1.6	83.6
	The Committee is	1	1.6	1.6	85.2

	composed of members who are MFMA compliant and academically qualified				
	The Joburg Market can be regarded as a cashcow in the City of Johannesburg municipality as it always meet its annual revenue generation targets	1	1.6	1.6	86.9
	The members of oversight committee is adequately skilled in finacial reporting matters, and belong to the relevant professional bodies concerned.	1	1.6	1.6	88.5
	The oversight committee as a rule go through induction. They also participate in training provided by the institute of directors	1	1.6	1.6	90.2
	The oversight committee ensures that correct governance and reporting standard are met	1	1.6	1.6	91.8
	The oversight committee of joburg Market has the	1	1.6	1.6	93.4

	requisite skills to deal with financial reporting matters because of proven record in its ability to dtect fraud and accuracy in financial reporting matters. This is also supported evidence of joburg market's continous growth in revenue and product volumes				
	there are experts in the various fields that are part of this committee such as chattered accountants.	1	1.6	1.6	95.1
	This is cross finctional team, so people with different skills are involved. The financial skill as one of the critical skills, is being taken care of having the CFOP as part of the board members with accounting or finacial skills	1	1.6	1.6	96.7
	Unqualified audit opinions and low relliance on consultants	1	1.6	1.6	98.4

	are testimony of the presence of such skills within the organisation.				
	Yes, the ARC have been doing a great work hence the audit reports are not as bad compared to other similar market/industries	1	1.6	1.6	100.0
	Total	61	100.0	100.0	

A4. Recommended Corporate Governance best practices and implementation (Section D)

The management/board should adopt performance-driven strategy to deliver quality services

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1.6	1.6	1.6
	Neutral	9	14.8	14.8	16.4
	Agree	15	24.6	24.6	41.0
	Strongly Agree	36	59.0	59.0	100.0
	Total	61	100.0	100.0	

The management/board should thoroughly understand and practice the principles of good governance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1.6	1.6	1.6
	Neutral	9	14.8	14.8	16.4
	Agree	12	19.7	19.7	36.1
	Strongly Agree	39	63.9	63.9	100.0
	Total	61	100.0	100.0	

In order to effectively implement good governance within the Johannesburg Market, the board/management should be fully competent with the principles of good governance framework

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	1.6	1.6	1.6
	Neutral	12	19.7	19.7	21.3
	Agree	10	16.4	16.4	37.7
	Strongly Agree	38	62.3	62.3	100.0
	Total	61	100.0	100.0	

The King III Report often conflicts with the public entities legislation and regulations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly	11	18.0	18.0	18.0

	disagree				
	Disagree	10	16.4	16.4	34.4
	Neutral	31	50.8	50.8	85.2
	Agree	8	13.1	13.1	98.4
	Strongly Agree	1	1.6	1.6	100.0
	Total	61	100.0	100.0	

It must be compulsory for all staff to attend a basic corporate governance training programme.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	4.9	4.9	4.9
	Disagree	2	3.3	3.3	8.2
	Neutral	15	24.6	24.6	32.8
	Agree	14	23.0	23.0	55.7
	Strongly Agree	27	44.3	44.3	100.0
	Total	61	100.0	100.0	

General comment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A well structured and implemented rsisk management helps Governance to be more effective and also assist	1	1.6	1.6	1.6

	internal controls in order to properly implent and appropriately allocate resources.				
	Based on the discussion above, it is evident that establishing a risk oversight and governance. Addittionally, good corporate implementation elements, such as strong leadership and transparent communication, are crucial for effective governance. However, the lack of IT and financial reporting skills can negatively impact financial reporting responsibility. To improve performance, JM should prioritise a comprehensive understanding of corporate governance principles and invest in developing the necessary skills and	1	1.6	1.6	3.3

	system to ensure accurate and transparent financil reporting				
	Corporate governance is a topic for good functioning of entities and it is important for management to have good corporate governance	1	1.6	1.6	4.9
	Corporate governance must be entrenched at every level within the market in order to fully experienceits effets and for the market to be at a level that it could be	1	1.6	1.6	6.6
	Good governance is critical for JM sustainabilty and financial success	1	1.6	1.6	8.2
	Governance refers specifically to set of rules, controls, policies and resolutions put in place to direct corporate behavior. Good corporate governance must be driven by suitably appointed leaders both at board	1	1.6	1.6	9.8

	level and executive level. All other level of management must be trained on corporate governance to ensure a high-performing and complaint organisation thatserves all stakeholders.				
	none	5	8.2	8.2	18.0
	None	46	75.4	75.4	93.4
	Organisation thatare fully implementing and compliant with the corporate governance are always successful and yielding good returns	1	1.6	1.6	95.1
	The Board and its sub committee were committed to ensure sound corporate governance mechanism and processes are in place at Joburg Market	1	1.6	1.6	96.7
	The Board/Management has	1	1.6	1.6	98.4
	The oversight Committee must also undergo training on corporate governance in order to understand the	1	1.6	1.6	100.0

	importance of engaging the board in monitoring the entity performance governance.				
	Total	61	100.0	100.0	

B. Means

B1. Corporate Governance Systems and implementation in the Jhb market (Section B)

Descriptive Statistics

	N	Mean	Std. Deviation	Outcome
Corporate governance practices are regarded as adding value to Johannesburg Market	61	4.33	.831	Agree
There is a broad agreement that efficient administration of the Johannesburg Market is an important element of good corporate governance implementation	61	4.18	.866	Agree
The corporate governance practices have been fully aligned with the relevant legislation and regulations	61	4.00	.894	Agree
The structures created by the legislations are enough to ensure proper corporate governance implementation	61	3.67	.978	Agree
Discussing governance without the issue of corruption is acceptable, according to the entity	61	2.46	1.456	Neutral
The absence of a specific corporate governance	61	3.84	1.157	Agree

implementation strategy affects the manner in which the Johannesburg Market is managed				
The management/ board is ultimately responsible for risk management process within the Johannesburg Market	61	4.11	1.097	Agree
The management /board always sets the risk appetite and tolerances of the organisation	61	3.89	1.050	Agree
The management / board always aligns its Information Management Systems with the organisational objective	61	3.69	1.009	Agree
The management/ board have adopted zero tolerance regarding compliance management strategy	61	3.28	1.082	Neutral
Corporate governance implementation and practices requires a high degree of political and economic participation by all	61	3.62	1.240	Agree
The management/ board are deriving value adding from its established internal audit activity	61	3.77	.902	Agree
The management / board is effectively responsible for Information Technology (IT) governance	61	3.67	1.193	Agree
Bribing and rigging are indicators of bad governance	61	4.21	1.266	Agree
Operating within the financial constraints is an indicators associated with good governance	61	3.84	1.157	
Lack of information communication is the biggest enemy of good governance, given the fact that information is used as a base for decision-making.	61	4.20	1.077	Agree
Ethical values and practices DO NOT promotes	61	1.38	.916	Strongly disagree

good corporate governance				
Citizen participation in the municipal governance processes will cause protests / strikes	61	1.92	1.115	Diasagree
The Public Protector of South Africa enhances good corporate governance practices	61	3.84	1.098	Agree
The Auditor-General of South Africa enhances accountability regarding good corporate governance practices	61	4.25	.943	
Board setting up risk appetite and tolerances	61	2.85	1.014	Neutral
Corporate governance systems implementation	61	2.98	.940	Neutral
Integrated sustainability and reporting	61	2.95	.865	Neutral
Corporate citizenship	61	3.07	.929	Neutral
Combined assurance strategy	61	2.64	.932	Neutral
Integrated performance management systems	61	2.97	.912	Neutral
Fraud prevention and deterrence	61	3.07	.834	Neutral
Conflict of interest	61	3.20	.853	Neutral
Corporate governance principles, values and objectives	61	3.20	.853	Neutral

B2. Effectiveness of Corporate governance System implementation (Section C)

	N	Mean	Std. Deviation	Outcome
The management/ board develops a strategic approach in order to promote corporate governance and control systems	61	4.10	.943	Agree
Lack of Johannesburg Market -specific corporate	61	3.67	1.076	Agree

governance implementation framework hampers its smooth operation as an entity				
Financial responsibility reporting: If you cannot measure it, you cannot manage it	61	4.39	.737	Agree
Risk maturity framework	61	2.62	.916	Excellent Understanging
Corporate governance implementation framework	61	2.98	.866	Excellent Understanging
Strategic leadership and governance	61	3.15	.853	Excellent Understanging
Johannesburg Market sustainable development governance	61	2.69	.867	Excellent Understanging
Audit governance model	61	2.72	.933	Excellent Understanging
How effective are the officials and staff of Johannesburg Market in promoting good corporate governance	61	1.30	.460	Good
What is the importance of the board in determining the risk tolerance and appetite?	61	1.05	.218	Good Governance
Are disclosure and transparency a foundation of good governance accountability?	61	1.05	.218	Yes
How does the lack of financial and IT skills affect your financial reporting responsibility?	61	1.87	.340	Badly
Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?	59	1.14	.345	Yes

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	61	100.0
	Excluded[a]	0	.0
	Total	61	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.902	29

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Corporate governance practices are regarded as adding value to Johannesburg Market	94.72	219.638	.675	.896
There is a broad agreement that efficient	94.87	218.916	.674	.896

B3. Recommended Corporate Governance best practices and implementation (Section D)

	N	Mean	Std. Deviation	Ouitcome
The management/board should adopt performance-driven strategy to deliver quality services	61	4.39	.862	Agree
The management/board should thoroughly understand and practice the principles of good governance	61	4.44	.866	Agree
In order to effectively implement good governance within the Johannesburg Market, the board/management should be fully competent with the principles of good governance framework	61	4.39	.862	Agree
The King III Report often conflicts with the public entities legislation and regulations	61	2.64	.984	Neutral
It must be compulsory for all staff to attend a basic corporate governance training programme.	61	3.98	1.133	Agree

C. Reliability

C1. Section B

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	61	100.0
	Excluded[a]	0	.0
	Total	61	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.902	29

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Corporate governance practices are regarded as adding value to Johannesburg Market	94.72	219.638	.675	.896
There is a broad agreement that efficient	94.87	218.916	.674	.896

administration of the Johannesburg Market is an important element of good corporate governance implementation				
The corporate governance practices have been fully aligned with the relevant legislation and regulations	95.05	219.548	.626	.896
The structures created by the legislations are enough to ensure proper corporate governance implementation	95.38	223.539	.426	.900
Discussing governance without the issue of corruption is acceptable, according to the entity	96.59	237.313	-.055	.913
The absence of a specific corporate governance implementation strategy affects the manner in which the Johannesburg Market is managed	95.21	228.837	.193	.905
The management/ board is ultimately responsible for risk management	94.93	216.529	.595	.896

process within the Johannesburg Market				
The management /board always sets the risk appetite and tolerances of the organisation	95.16	217.839	.581	.897
The management / board always aligns its Information Management Systems with the organisational objective	95.36	218.001	.602	.896
The management/ board have adopted zero tolerance regarding compliance management strategy	95.77	218.380	.544	.897
Corporate governance implementation and practices requires a high degree of political and economic participation by all	95.43	220.182	.414	.900
The management/ board are deriving value adding from its established internal audit activity	95.28	220.071	.600	.897
The management / board is effectively responsible for Information Technology (IT)	95.38	218.639	.478	.899

governance				
Bribing and rigging are indicators of bad governance	94.84	217.706	.472	.899
Operating within the financial constraints is an indicators associated with good governance	95.21	221.270	.416	.900
Lack of information communication is the biggest enemy of good governance, given the fact that information is used as a base for decision-making.	94.85	220.995	.462	.899
Ethical values and practices DO NOT promotes good corporate governance	97.67	240.491	-.154	.909
Citizen participation in the municipal governance processes will cause protests / strikes	97.13	239.683	-.115	.910
The Public Protector of South Africa enhances good corporate governance practices	95.21	219.437	.501	.898
The Auditor-General of South Africa enhances	94.80	217.094	.683	.895

accountability regarding good corporate governance practices				
Board setting up risk appetite and tolerances	96.20	217.461	.617	.896
Corporate governance systems implementation	96.07	217.796	.659	.896
Integrated sustainability and reporting	96.10	219.690	.644	.896
Corporate citizenship	95.98	217.850	.665	.896
Combined assurance strategy	96.41	220.946	.546	.898
Integrated performance management systems	96.08	221.210	.549	.898
Fraud prevention and deterrence	95.98	220.150	.651	.896
Conflict of interest	95.85	220.095	.637	.896
Corporate governance principles, values and objectives	95.85	218.861	.688	.896

C2. Section C

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	59	96.7
	Excluded[a]	2	3.3
	Total	61	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.734	13

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
The management/ board develops a strategic approach in order to promote corporate governance and control systems	28.86	17.878	.341	.722

Lack of Johannesburg Market -specific corporate governance implementation framework hampers its smooth operation as an entity	29.27	19.305	.104	.766
Financial responsibility reporting: If you cannot measure it, you cannot manage it	28.56	17.802	.496	.700
Risk maturity framework	30.32	15.981	.629	.676
Corporate governance implementation framework	29.93	16.064	.711	.667
Strategic leadership and governance	29.76	16.529	.658	.676
Johannesburg Market sustainable development governance	30.25	15.848	.702	.666
Audit governance model	30.20	15.372	.734	.658
How effective are the officials and staff of Johannesburg Market in promoting good corporate governance	31.66	21.780	-.119	.754
What is the importance of the board in determining the risk tolerance and appetite?	31.92	21.975	-.261	.749

Are disclosure and transparency a foundation of good governance accountability?	31.93	21.650	-.119	.743
How does the lack of financial and IT skills affect your financial reporting responsibility?	31.08	21.424	-.016	.743
Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?	31.83	21.626	-.082	.747

C3. Section D

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	61	100.0
	Excluded[a]	0	.0
	Total	61	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.712	5

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
The management/board should adopt performance-driven strategy to deliver quality services	15.46	6.786	.646	.598
The management/board should thoroughly understand and practice the principles of good governance	15.41	6.179	.812	.527
In order to effectively implement good governance within the Johannesburg Market, the board/management should be fully	15.46	6.252	.797	.535

competent with the principles of good governance framework				
The King III Report often conflicts with the public entities legislation and regulations	17.21	10.604	-.179	.891
It must be compulsory for all staff to attend a basic corporate governance training programme.	15.87	5.949	.578	.615

A. Crosstabs

Gender * How effective are the officials and staff of Johannesburg Market in promoting good corporate governance

Crosstab

			How effective are the officials and staff of Johannesburg Market in promoting good corporate governance		
			Good	Bad	Total
Gender	Male	Count	31	9	40
		% within Gender	77.5%	22.5%	100.0%
	Female	Count	12	9	21
		% within Gender	57.1%	42.9%	100.0%
Total		Count	43	18	61
		% within Gender	70.5%	29.5%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	2.743[a]	1	.098		
Continuity Correction[b]	1.852	1	.174		
Likelihood Ratio	2.675	1	.102		
Fisher's Exact Test				.140	.088
Linear-by-Linear Association	2.699	1	.100		
N of Valid Cases	61				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.20.

b. Computed only for a 2x2 table

Age * How effective are the officials and staff of Johannesburg Market in promoting good corporate governance

Crosstab

			How effective are the officials and staff of Johannesburg Market in promoting good corporate governance		
			Good	Bad	Total
Age	to 25 years	Count	3	1	4

		% within Age	75.0%	25.0%	100.0%
	to 30 years	Count	6	1	7
		% within Age	85.7%	14.3%	100.0%
	to 35 years	Count	4	5	9
		% within Age	44.4%	55.6%	100.0%
	to 40 years	Count	7	3	10
		% within Age	70.0%	30.0%	100.0%
	to 45 years	Count	7	0	7
		% within Age	100.0%	0.0%	100.0%
	above 45 years	Count	16	8	24
		% within Age	66.7%	33.3%	100.0%
Total		Count	43	18	61
		% within Age	70.5%	29.5%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	6.855[a]	5	.232
Likelihood Ratio	8.634	5	.125
Linear-by-Linear Association	.000	1	.987

N of Valid Cases	61		

a. 8 cells (66.7%) have expected count less than 5. The minimum expected count is 1.18.

Education * How effective are the officials and staff of Johannesburg Market in promoting good corporate governance

Crosstab

			How effective are the officials and staff of Johannesburg Market in promoting good corporate governance		
			Good	Bad	Total
Education	High School	Count	5	1	6
		% within Education	83.3%	16.7%	100.0%
	College	Count	5	2	7
		% within Education	71.4%	28.6%	100.0%
	Technicon	Count	3	3	6
		% within Education	50.0%	50.0%	100.0%
	University undergraduate	Count	8	1	9
		% within Education	88.9%	11.1%	100.0%

			and staff of Johannesburg Market in promoting good corporate governance		
			Good	Bad	
Racial group	African	Count	33	14	47
		% within Racial group	70.2%	29.8%	100.0%
	Asian	Count	3	1	4
		% within Racial group	75.0%	25.0%	100.0%
	Coloured	Count	5	1	6
		% within Racial group	83.3%	16.7%	100.0%
	White	Count	2	2	4
		% within Racial group	50.0%	50.0%	100.0%
Total		Count	43	18	61
		% within Racial group	70.5%	29.5%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	1.324[a]	3	.723
Likelihood Ratio	1.309	3	.727
Linear-by-Linear Association	.050	1	.823

N of Valid Cases	61		

a. 6 cells (75.0%) have expected count less than 5. The minimum expected count is 1.18.

Number of years as director * How effective are the officials and staff of Johannesburg Market in promoting good corporate governance

Crosstab

			How effective are the officials and staff of Johannesburg Market in promoting good corporate governance		
			Good	Bad	Total
Number of years as director	< 3 years	Count	32	14	46
		% within Number of years as director	69.6%	30.4%	100.0%
	3 to 5 years	Count	4	1	5
		% within Number of years as director	80.0%	20.0%	100.0%
	6 to 10 years	Count	2	1	3
		% within Number of years as director	66.7%	33.3%	100.0%
	11 to 20 years	Count	3	1	4
		% within Number of years as director	75.0%	25.0%	100.0%

	University postgraduate	Count	22	11	33
		% within Education	66.7%	33.3%	100.0%
Total		Count	43	18	61
		% within Education	70.5%	29.5%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	3.386[a]	4	.495
Likelihood Ratio	3.621	4	.460
Linear-by-Linear Association	.240	1	.624
N of Valid Cases	61		

a. 7 cells (70.0%) have expected count less than 5. The minimum expected count is 1.77.

Racial group * How effective are the officials and staff of Johannesburg Market in promoting good corporate governance

Crosstab

	How effective are the officials	Total

			and staff of Johannesburg Market in promoting good corporate governance		
			Good	Bad	
Racial group	African	Count	33	14	47
		% within Racial group	70.2%	29.8%	100.0%
	Asian	Count	3	1	4
		% within Racial group	75.0%	25.0%	100.0%
	Coloured	Count	5	1	6
		% within Racial group	83.3%	16.7%	100.0%
	White	Count	2	2	4
		% within Racial group	50.0%	50.0%	100.0%
Total		Count	43	18	61
		% within Racial group	70.5%	29.5%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	1.324[a]	3	.723
Likelihood Ratio	1.309	3	.727
Linear-by-Linear Association	.050	1	.823

N of Valid Cases	61		

a. 6 cells (75.0%) have expected count less than 5. The minimum expected count is 1.18.

Number of years as director * How effective are the officials and staff of Johannesburg Market in promoting good corporate governance

Crosstab

			How effective are the officials and staff of Johannesburg Market in promoting good corporate governance		
			Good	Bad	Total
Number of years as director	< 3 years	Count	32	14	46
		% within Number of years as director	69.6%	30.4%	100.0%
	3 to 5 years	Count	4	1	5
		% within Number of years as director	80.0%	20.0%	100.0%
	6 to 10 years	Count	2	1	3
		% within Number of years as director	66.7%	33.3%	100.0%
	11 to 20 years	Count	3	1	4
		% within Number of years as director	75.0%	25.0%	100.0%

	20 years and above	Count	2	1	3
		% within Number of years as director	66.7%	33.3%	100.0%
Total		Count	43	18	61
		% within Number of years as director	70.5%	29.5%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.318[a]	4	.989
Likelihood Ratio	.335	4	.987
Linear-by-Linear Association	.006	1	.937
N of Valid Cases	61		

a. 8 cells (80.0%) have expected count less than 5. The minimum expected count is .89.

B. Means _Anova

Governance concepts understanding * Gender

Report

Governance concepts understanding

Gender	Mean	N	Std. Deviation
Male	2.9650	40	.74405
Female	2.5810	21	.75605
Total	2.8328	61	.76436

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Governance concepts understanding * Gender	Between Groups	(Combined)	2.031	1	2.031	3.629	.062
	Within Groups		33.023	59	.560		
	Total		35.054	60			

Governance concepts understanding * Age

Report

Governance concepts understanding

Age	Mean	N	Std. Deviation
to 25 years	2.5000	4	.66332
to 30 years	2.6571	7	.48599

to 35 years	2.6000	9	.70000
to 40 years	2.4800	10	.68118
to 45 years	3.5429	7	1.04380
above 45 years	2.9667	24	.70196
Total	2.8328	61	.76436

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Governance concepts understanding * Age	Between Groups	(Combined)	6.351	5	1.270	2.434	.046
	Within Groups		28.704	55	.522		
	Total		35.054	60			

Governance concepts understanding * Education

Report

Governance concepts understanding

Education	Mean	N	Std. Deviation
High School	2.6667	6	.81650
College	2.4286	7	.61567
Technicon	2.7667	6	.92448

University undergraduate	2.4667	9	.62450
University postgraduate	3.0606	33	.74580
Total	2.8328	61	.76436

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Governance concepts understanding * Education	Between Groups	(Combined)	4.255	4	1.064	1.934	.117
	Within Groups		30.800	56	.550		
	Total		35.054	60			

Governance concepts understanding * Racial group

Report

Governance concepts understanding

Racial group	Mean	N	Std. Deviation
African	2.8596	47	.76205
Asian	2.1500	4	.59722
Coloured	2.9667	6	.75277
White	3.0000	4	.87939

Total	2.8328	61	.76436

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Governance concepts understanding * Racial group	Between Groups	(Combined)	2.118	3	.706	1.222	.310
	Within Groups		32.937	57	.578		
	Total		35.054	60			

Governance concepts understanding * Number of years as director

Report

Governance concepts understanding

Number of years as director	Mean	N	Std. Deviation
< 3 years	2.6609	46	.66915
3 to 5 years	3.1600	5	.98387
6 to 10 years	4.0000	3	.00000
11 to 20 years	2.8000	4	.81650
20 years and above	3.8000	3	.34641
Total	2.8328	61	.76436

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Governance concepts understanding * Number of years as director	Between Groups	(Combined)	8.793	4	2.198	4.687	.002
	Within Groups		26.262	56	.469		
	Total		35.054	60			

1. Anova: B22.7 vs Demographics

Fraud prevention and deterrence * Gender

Report

Fraud prevention and deterrence

Gender	Mean	N	Std. Deviation
Male	3.23	40	.768
Female	2.76	21	.889
Total	3.07	61	.834

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Fraud prevention and deterrence * Gender	Between Groups	(Combined)	2.953	1	2.953	4.492	.038
	Within Groups		38.785	59	.657		
	Total		41.738	60			

Fraud prevention and deterrence * Age

Report

Fraud prevention and deterrence

Age	Mean	N	Std. Deviation
to 25 years	2.50	4	.577
to 30 years	3.14	7	.690
to 35 years	2.67	9	.866
to 40 years	3.10	10	.876
to 45 years	3.71	7	.756
above 45 years	3.08	24	.830
Total	3.07	61	.834

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Fraud prevention and deterrence * Age	Between Groups	(Combined)	5.719	5	1.144	1.746	.139
	Within Groups		36.019	55	.655		
	Total		41.738	60			

Fraud prevention and deterrence * Education

Report

Fraud prevention and deterrence

Education	Mean	N	Std. Deviation
High School	2.67	6	.816
College	2.71	7	.951
Technicon	3.17	6	.753
University undergraduate	2.67	9	.707
University postgraduate	3.30	33	.810
Total	3.07	61	.834

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Fraud prevention and deterrence * Education	Between Groups	(Combined)	5.173	4	1.293	1.981	.110
	Within Groups		36.565	56	.653		

Fraud prevention and deterrence * Racial group

Report

Fraud prevention and deterrence

Racial group	Mean	N	Std. Deviation
African	3.21	47	.778
Asian	2.25	4	.500
Coloured	3.00	6	.894
White	2.25	4	.957
Total	3.07	61	.834

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Fraud prevention and deterrence * Racial group	Between Groups	(Combined)	6.365	3	2.122	3.419	.023
	Within Groups		35.372	57	.621		
	Total		41.738	60			

Fraud prevention and deterrence * Number of years as director

Report

Fraud prevention and deterrence

Number of years as director	Mean	N	Std. Deviation
< 3 years	3.02	46	.774
3 to 5 years	3.20	5	1.095
6 to 10 years	4.00	3	.000
11 to 20 years	3.00	4	.816
20 years and above	2.67	3	1.528
Total	3.07	61	.834

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Fraud prevention and deterrence * Number of years as director	Between Groups	(Combined)	3.293	4	.823	1.199	.321
	Within Groups		38.445	56	.687		
	Total		41.738	60			

1. Anova: B22.8 vs Demographics

Conflict of interest * Gender

Report

Conflict of interest

Gender	Mean	N	Std. Deviation
Male	3.25	40	.840
Female	3.10	21	.889
Total	3.20	61	.853

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Conflict of interest * Gender	Between Groups	(Combined)	.330	1	.330	.449	.505
	Within Groups		43.310	59	.734		
	Total		43.639	60			

Conflict of interest * Age

Report

Conflict of interest

Age	Mean	N	Std. Deviation
to 25 years	3.75	4	.500
to 30 years	3.43	7	.787
to 35 years	2.67	9	1.118
to 40 years	2.80	10	.632
to 45 years	3.71	7	.756
above 45 years	3.25	24	.794
Total	3.20	61	.853

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Conflict of interest * Age	Between Groups	(Combined)	7.646	5	1.529	2.337	.054
	Within Groups		35.993	55	.654		
	Total		43.639	60			

Conflict of interest * Education

Report

Conflict of interest

Education	Mean	N	Std.

			Deviation
High School	2.67	6	.816
College	2.71	7	.951
Technicon	3.33	6	.816
University undergraduate	3.22	9	.972
University postgraduate	3.36	33	.783
Total	3.20	61	.853

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Conflict of interest * Education	Between Groups	(Combined)	4.352	4	1.088	1.551	.200
	Within Groups		39.287	56	.702		
	Total		43.639	60			

Conflict of interest * Racial group

Report

Conflict of interest

Racial group	Mean	N	Std. Deviation

African	3.32	47	.810
Asian	2.50	4	.577
Coloured	3.17	6	.753
White	2.50	4	1.291
Total	3.20	61	.853

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Conflict of interest * Racial group	Between Groups	(Combined)	4.593	3	1.531	2.235	.094
	Within Groups		39.046	57	.685		
	Total		43.639	60			

Conflict of interest * Number of years as director

Report

Conflict of interest

Number of years as director	Mean	N	Std. Deviation
< 3 years	3.13	46	.833
3 to 5 years	3.40	5	.894
6 to 10 years	4.00	3	.000
11 to 20 years	3.25	4	.500

20 years and above	3.00	3	1.732
Total	3.20	61	.853

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Conflict of interest * Number of years as director	Between Groups	(Combined)	2.472	4	.618	.841	.505
	Within Groups		41.167	56	.735		
	Total		43.639	60			

3. Anova : C4.3 vs Demographics

Strategic leadership and governance * Gender

Report

Strategic leadership and governance

Gender	Mean	N	Std. Deviation
Male	3.30	40	.791
Female	2.86	21	.910
Total	3.15	61	.853

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Strategic leadership and governance * Gender	Between Groups	(Combined)	2.701	1	2.701	3.889	.053
	Within Groups		40.971	59	.694		
	Total		43.672	60			

Strategic leadership and governance * Age

Report

Strategic leadership and governance

Age	Mean	N	Std. Deviation
to 25 years	2.75	4	1.258
to 30 years	3.00	7	.577
to 35 years	3.00	9	1.000
to 40 years	2.70	10	.949
to 45 years	3.71	7	.756
above 45 years	3.33	24	.702
Total	3.15	61	.853

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Strategic leadership and governance * Age	Between Groups	(Combined)	6.060	5	1.212	1.772	.134
	Within Groups		37.612	55	.684		
	Total		43.672	60			

Strategic leadership and governance * Education

Report

Strategic leadership and governance

Education	Mean	N	Std. Deviation
High School	2.67	6	.816
College	2.57	7	.787
Technicon	3.17	6	.753
University undergraduate	2.78	9	1.093
University postgraduate	3.45	33	.711
Total	3.15	61	.853

ANOVA Table

	Sum of	df	Mean	F	Sig.

			Squares		Square		
Strategic leadership and governance * Education	Between Groups	(Combined)	8.054	4	2.013	3.166	.020
	Within Groups		35.618	56	.636		
	Total		43.672	60			

Strategic leadership and governance * Racial group

Report

Strategic leadership and governance

Racial group	Mean	N	Std. Deviation
African	3.19	47	.851
Asian	2.25	4	.500
Coloured	3.33	6	.816
White	3.25	4	.957
Total	3.15	61	.853

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Strategic leadership and governance * Racial group	Between Groups	(Combined)	3.562	3	1.187	1.687	.180
	Within Groups		40.110	57	.704		

		Sum of Squares	df	Mean Square	F	Sig.
	Total	43.672	60			

Strategic leadership and governance * Number of years as director

Report

Strategic leadership and governance

Number of years as director	Mean	N	Std. Deviation
< 3 years	3.02	46	.856
3 to 5 years	3.40	5	.894
6 to 10 years	4.00	3	.000
11 to 20 years	3.00	4	.816
20 years and above	4.00	3	.000
Total	3.15	61	.853

ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Strategic leadership and governance * Number of years as director	Between Groups	(Combined)	5.494	4	1.373	2.015	.105
	Within Groups		38.178	56	.682		
	Total		43.672	60			

4. Chisq: C10.1 vs Demographics

Gender * Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?

Crosstab

			Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?		
			Yes	No	Total
Gender	Male	Count	31	7	38
		% within Gender	81.6%	18.4%	100.0%
	Female	Count	20	1	21
		% within Gender	95.2%	4.8%	100.0%
Total		Count	51	8	59
		% within Gender	86.4%	13.6%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)

Pearson Chi-Square	2.153[a]	1	.142		
Continuity Correction[b]	1.145	1	.285		
Likelihood Ratio	2.485	1	.115		
Fisher's Exact Test				.238	.142
Linear-by-Linear Association	2.116	1	.146		
N of Valid Cases	59				

a. 1 cells (25.0%) have expected count less than 5. The minimum expected count is 2.85.

b. Computed only for a 2x2 table

Age * Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?

Crosstab

			Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?		
			Yes	No	Total
Age	to 25 years	Count	4	0	4
		% within Age	100.0%	0.0%	100.0%

	to 30 years	Count	7	0	7
		% within Age	100.0%	0.0%	100.0%
	to 35 years	Count	7	2	9
		% within Age	77.8%	22.2%	100.0%
	to 40 years	Count	6	2	8
		% within Age	75.0%	25.0%	100.0%
	to 45 years	Count	6	1	7
		% within Age	85.7%	14.3%	100.0%
	above 45 years	Count	21	3	24
		% within Age	87.5%	12.5%	100.0%
Total		Count	51	8	59
		% within Age	86.4%	13.6%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	3.221[a]	5	.666
Likelihood Ratio	4.473	5	.483
Linear-by-Linear Association	.259	1	.610
N of Valid Cases	59		

a. 7 cells (58.3%) have expected count less than 5. The minimum expected count is .54.

Education * Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?

Crosstab

			Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?		
			Yes	No	Total
Education	High School	Count	6	0	6
		% within Education	100.0%	0.0%	100.0%
	College	Count	7	0	7
		% within Education	100.0%	0.0%	100.0%
	Technicon	Count	6	0	6
		% within Education	100.0%	0.0%	100.0%
	University undergraduate	Count	7	1	8
		% within Education	87.5%	12.5%	100.0%

	University postgraduate	Count	25	7	32
		% within Education	78.1%	21.9%	100.0%
Total		Count	51	8	59
		% within Education	86.4%	13.6%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	4.876[a]	4	.300
Likelihood Ratio	7.183	4	.127
Linear-by-Linear Association	4.289	1	.038
N of Valid Cases	59		

a. 5 cells (50.0%) have expected count less than 5. The minimum expected count is .81.

Racial group * Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?

Crosstab

	Does the Oversight	Total

			Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?		
			Yes	No	
Racial group	African	Count	39	7	46
		% within Racial group	84.8%	15.2%	100.0%
	Asian	Count	2	1	3
		% within Racial group	66.7%	33.3%	100.0%
	Coloured	Count	6	0	6
		% within Racial group	100.0%	0.0%	100.0%
	White	Count	4	0	4
		% within Racial group	100.0%	0.0%	100.0%
Total		Count	51	8	59
		% within Racial group	86.4%	13.6%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.677[a]	3	.444
Likelihood Ratio	3.779	3	.286
Linear-by-Linear Association	1.173	1	.279

N of Valid Cases	59		

a. 5 cells (62.5%) have expected count less than 5. The minimum expected count is .41.

Number of years as director * Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?

Crosstab

			Does the Oversight Committee have adequate skills to deal with the Johannesburg Market's financial reporting matters?		
			Yes	No	Total
Number of years as director	< 3 years	Count	39	5	44
		% within Number of years as director	88.6%	11.4%	100.0%
	3 to 5 years	Count	5	0	5
		% within Number of years as director	100.0%	0.0%	100.0%
	6 to 10 years	Count	2	1	3
		% within Number of years as director	66.7%	33.3%	100.0%
	11 to 20 years	Count	3	1	4
		% within Number of	75.0%	25.0%	100.0%

		years as director			
	20 years and above	Count	2	1	3
		% within Number of years as director	66.7%	33.3%	100.0%
Total		Count	51	8	59
		% within Number of years as director	86.4%	13.6%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	3.414[a]	4	.491
Likelihood Ratio	3.539	4	.472
Linear-by-Linear Association	1.892	1	.169
N of Valid Cases	59		

a. 8 cells (80.0%) have expected count less than 5. The minimum expected count is .41.