

# The Civil Servants' Intention to Be Whistle Blowers of Corruption Cases in Government Sector

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**Keywords:** Whistle-blowing Intention, Attitudes, Organizational Commitment, Prosocial Theory.

**Abstract:** This study aims to describe the intentions of civil servant in Central Java Indonesia to do whistle-blowing. This paper also examined the relationship of attitudes toward whistleblowing and organizational commitment toward whistleblowing intention. The respondents within this study were 200 government civil servants working on Audit Board of the Republic Indonesia Representative of Central Java Province and Inspectorate of Central Java Province. This paper using closed questionnaire to collect the data. The questionnaire developed from previous study using scale 1-5 and 135 questionnaires were analyzed using IBM SPSS 21. The respondents were willing to become whistle-blowers in the event of fraud cases they found out. The research findings indicated that the attitude and organizational commitment gave a positive influence on whistle-blowing intentions. It can be concluded that in the formation of intentions to do whistle-blowing influenced factor inside oneself to form the intention and required the existence of self-control from various limitations.

## 1 INTRODUCTION

Over the past few decades, issues regarding whistle-blowing have become a global concern since they are proven effective for detecting fraud in organizations. The whistle-blowing system, which is effective, transparent and responsible, is highly expected to overcome employee reluctance to report suspected violations and to increase employee participation in reporting suspected violations. Park *et al.* (2008) suggested that whistle-blowing is a means to report any violations to individuals or organizations considered to have an authority to put an end to them and there may be considerable variation in the actual way in which employees can become whistle-blowers. Referring to the Indonesian ACFE report in 2016, the highest fraud prevention method as much as 20.6% was the *whistle-blowing* system method.

Most previous studies (Tavakoli *et. al.*, 2003) agreed that whistle-blowing is an internal organizational structure that is significant to strive against company mistakes and questionable actions (Kaplan & Schultz, 2007). Near and Miceli (1995) declared that fraud not disclosed to anyone will put their organization in danger. Whistle-blowing

requires collective efforts within an organization since it is effective in combating fraud as long as all members of the organization actively participate. Whistle-blowing is able to increase the effectiveness and efficiency of the organization and therefore, can be considered a mitigating factor to prevent unexpected negative occurrence (Ahmad *et.al.*, 2012; Kaplan & Schultz, 2007; Winardi, 2013).

Thus whistle-blowing is a notable way to prevent and deter any frauds, losses and misuses (Hwang *et.al.*, 2008). For the significance of the whistle-blowing, a method is necessary to encourage the effectiveness of fraudulent disclosures that occur within the organization. The Sarbanes-Oxley Act 2002, Section 302 and 806, are specifically designed to encourage whistle-blowing and provide protection from retaliation for employees who disclose fraud or who become whistle-blowers within the organization.

In fact, being a whistle-blower is not an effortless matter. Anyone who comes from an internal organization will generally face an ethical dilemma in deciding whether to report it or leave it hidden. Some people view the whistle-blower as a traitor violating the norms of organizational loyalty, yet others view the whistle-blower as a heroic protector of values which considered more important

than loyalty to the organization. A person may be a whistle-blower in order to get attention, fame, promotion, and retainer for his whistle, even though the organization may designate a whistle-blowing as a mechanism to expose and control organizational errors (Rothschild, 1999 and Hwang et al., 2008). These conflicting views often make candidates for whistle-blowers in a dilemma of uncertainty determine attitudes that can ultimately distort the interests of whistle-blowing (Bagustianto & Nurkholis, 2015).

The objectives of this study was to examine whether individual factors that consisting of organizational attitudes and commitment influence the auditor's intention to do whistle-blowing. This study was conducted on government auditors who worked for the Indonesian Financial Audit Agency (BPK) representative of Central Java Province and Inspectorate of Central Java Province. The respondents were selected in government auditors with the idea that they have already known the systematic *whistle-blowing* and fraudulent reporting system applied at their workplace.

## 2 THEORETICAL FRAMEWORK

### *Pro-social Organizational Behavior Theory*

Brief and Motowidlo (1986) suggested that pro-social behavior is behavior carried out by members of an organization, directed at individuals, groups, or organizations with whom they interact when playing their organizational roles in order to promote the welfare of individuals, groups or organizations targeted. Brief and Motowidlo (1986) mentioned whistle-blowing as either the 13 forms of pro-social organizational behavior. The relation of pro-social theory with the intention of whistle-blowing is that sometimes members of an organization see an urgent need for change, for instance, due to certain orders, procedures or policies that may be unethical, illegal, or cause harm to the organization in long term, but cannot suggest or bring change directly. If done with sincere intention to help the organization, this is also a pro-social behavior (Brief & Motowidlo, 1986). This is in accordance with the opinion of Dozier and Miceli (1985) which stated that whistle-blowing behavior can be viewed as pro-social behavior since in general these behaviors will provide benefits to other people (or organizations) besides being useful for the whistle-blowers themselves so that whistle-blowing can be said to be pro-social behaviour.

### *Development of Hypotheses*

#### **Attitude against whistle-blowing**

Park and Blenkinsopp (2009) stated that someone develops his attitude based on his belief on the behavior which was being considered connecting that behavior with the certain consequences. The first step in the process of making pro-social decision is focal member (individual who will be observed) consider whether *focalactivity* is wrongdoing or not (Greenberger et al., 1987 in Manafe, 2015). The attitude toward a behavior refers to the extent to which a person has evaluation or favorable judgment or unfavorable judgment to the certain behavior (Ajzen, 1991, Solikhah, 2014). Winardi (2013) stated that an employee more tends to be whistle-blower if he believes that whistle-blower brings positive results and the results is important to be evaluated. For example, the results of whistle-blowing could prevent serious damage on the organization and help to eradicate a corruption.

If employee assumes that whistle-blower is as corrective steps for organization, which could save organization, it means this attitude bring positive effect. The previous research done by Park and Blenkinsopp (2009), Winardi (2013), Bagustianto and Nurkholis (2015) stated that an attitude brings positive effect to the intention whistle-blowing. So that the hypothesis is

**H<sub>1</sub>: The attitudes supportive against the whistle-blowing system will bring positive effect to intention of whistle-blowing.**

#### **The Commitment of Organization**

Mowday *et al.* (1979) define the commitment of organization is as relative power of identification and individual involvement in an organization. This component of organizational commitment show the disposition of pro-social behavior, is individuals committed to the organization will be willing to give something of themselves to contribute to the welfare of the organization (Brief and Motowidlo, 1986). In Myers's book, (2012:196) the norm of social responsibility is the belief that someone must help those who need help regarding reciprocity, this is corresponding with the principle of the commitment of organization. For whom has high organizational commitment will always be actively involved and contribute to the organization, so that they have more sense of belonging to the organization, then they will do anything to protect their organization, then that commitment bring positive effect to intention of whistle-blowing. The previous research result done by Napitupulu (2016) and Bagustianto and Nurkholis (2015) stated that the organizational

commitment has a positive effect on whistle-blowing intentions, thus, the hypothesis proposed:  
**H<sub>2</sub>: The Commitment of an Organization bring positive effect N whistle-blowing intention.**

### 3 RESEARCH METHOD

#### Sample

The samples of this research were civil servants working in the Inspectorate of Central Java Province and representative of BPK Central Java Province. Both agencies were selected because the system reporting of whistle-blowing was already presented in those institutions /organizations. The sampling technique used is Non-Probability, while in selecting the sample the method used was purposive sampling with the criteria 'the employee has at least on year working experience'. It was with the consideration that respondents who have work at least one year have proper knowledge, have understood to the working environment, and have perception and consideration of the comprehensive to whistle-blowing intention. The research data was collected through conducting 200 questionnaires. There were 135 questionnaires were returned (response rate 72%).

Table 1 describes about definition variable, indicator or the way of measurement.

Table 1: The Variable Deskreption.

Variable	Definitions	Indicators/Measurement	Reference
Whistle-blowing	Report the error to the trusted individual or organization that has power to stop it.	<ol style="list-style-type: none"> <li>1. Report an error with complete identity.</li> <li>2. The anonymously report</li> <li>3. Report to the internal organization.</li> <li>4. Report to the external organization.</li> </ol> The measurement uses <i>likert</i> scale 1-5	Park & Blenkin-sopp, (2009)
Attitude	The individual attitude toward how many he approves or n	<ol style="list-style-type: none"> <li>1. The confidence behavior</li> <li>2. Evaluation of Importance</li> </ol> The measurement uses <i>likert</i> scale 1-5	Park & Blenkin-sopp, (2009)

Variable	Definitions	Indicators/Measurement	Reference
	ot approve a certain behavior.		
The commitment of organization	How far the involvement of an employee to the organization.	<ol style="list-style-type: none"> <li>1. Strong confidence and acceptance goals and value organization,</li> <li>2. The willingness for exert considerable effort on nae of organization, and</li> <li>3. loyalty.</li> </ol> The measurement uses <i>likert</i> scale 1-5	Mowday <i>et al.</i> (1979)

### 4 ANALYSIS

#### Findings of Descriptive Statistical Analysis

Analysis statistics descriptive used for describing the existing variables in the research seen from minimum and maximum value and mean. The analysis of statistics descriptive could be seen in table 2 the results of analysis descriptive statistics:

Table 2: The results of analysis descriptive statistics.

Variable	Number of Respondent	Min	Max	Mean	St. Deviation	Category
Intention of Whistle-blowing	135	1	5	3.42	0.76	It can be
Attitude toward Whistle-blowing	135	1	5	3.97	0.53	Approved
The commitment of organization	135	2	5	3.61	0.56	High

The findings of descriptive statistics showed that the intention of the whistle-blowing variable fell into the possible category. This means that research respondents were willing to become whistle-blowers in the event of fraud cases they found out. The attitude variable towards the whistle-blowing was in the agreed category in which the respondent's organizational commitment variable got a high

category and the retaliation view variable is also included in the fairly high category. The status of offenders belonged to the quite powerful category; the ethical environment was in the high category while the ethnic groups included in a possible category.

**Findings of Hypothesis Test**

All variables in this study passed the classic assumption test. Classical assumption test shows that the data is normal which is expressed with a significance value of 0.537 or above 0.05. Multicollinearity test shows that tolerance value is more than 0.10 and VIF value is less than 10, so there is no correlation between independent variables and the regression model. Therefore, it does not occur multicollinearity. The heteroscedasticity test using the *glejser* test shows that the significance is above 0.05 and the variable does not occur with heteroscedasticity so that all variables pass the classical assumption test.

The Result of Multiple Linear Regression is shown in the table 3.

Table 3: The Result of Multiple Linear Regression

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.	Conclusion	
	B	Std. Error	Beta			
(Constant)	13.808	5.377		2.568	.011	
Attitude	.574	.101	.494	5.661	.000	Accepted
Commitment Org.	.158	.056	.214	2.799	.006	Accepted

Dependent Variable: *Whistle-blowing* Intention

The results coefficient of determination test shows that the amount of Adjusted R Square is 0.387 which means that 38.7% variable variation from whistle-blowing intentions can be explained by variable attitudes, organizational commitment, retaliation views, offender status, ethical environment, and ethnicity, while the remaining 62.3% explained by other variables outside the model.

**5 RESULTS**

H<sub>1</sub> which stated that a supportive attitude towards the whistle-blowing system would have a positive effect on whistle-blowing intentions received. The employee agreed to the benefits of whistle-blowing and he agreed that the results after reporting became an important matter. For instance, it could prevent

the loss of the organization and eradicate corruption. As a state civil servant, he must also carry out his obligations as a servant of the state, which were protecting and maintaining the reputation of his organization so that he could fulfil the public's desire to make a clean organization, if he did a whistle-blowing, and then makes a better organization.

This result was in accordance with the theory of pro-social behaviour. The steps in the process of making pro-social decisions were related to whistle-blowing, which was to consider whether the whistle-blowing is wrong. In the theory of planned of behaviour proposed by Ajzen (1991), either predictor in shaping intention is attitude. Attitude towards whistle-blowing refers to the extent to which a person has a favourable evaluation or assessment of the attitude towards the question. The results of this study were consistent with the research of Park and Blenkinsopp (2009), Winardi (2013), and Bagustianto and Nurkholis (2015) which stated that attitudes had a significant positive effect on the intention to do whistle-blowing.

H<sub>2</sub> was accepted which means that organizational commitment has a positive effect on whistle-blowing intentions. Employees had similarities with the values applied in the organization, and they would be glad and proud to be part of the organization, so that they easily approved the policies set by the organization. Employees were also willing to work on a variety of tasks and will try hard so that the organization could achieve its objectives because it has a high level of concern for how the organization is going. As well as employees felt their current organization is the best organization, so they would be pleased and fortunate to be able to work at the BPK or Inspectorate.

This result was supported by pro-social behaviour theory and the concept of organizational commitment, that whistle-blowing is a positive social behaviour that can provide benefits to the organization in the form of protecting the organization from the dangers of fraud (fraud). Brief and Motowidlo (1986) mention one of the antecedents of pro-social theory namely organizational commitment. This component of organizational commitment showed the disposition of pro-social behaviour, which were individuals committed to the organization would be willing to contribute to the welfare of the organization. Employees who had high organizational commitment tent to have a sense of ownership and had high loyalty and when the values existing in the organization were inherent in the employees so that the organization was a part of themselves, so that

they had high responsibilities to protect the organization either by doing whistle-blowing. This results were in line with the research conducted by Napitupulu (2016) and Bagustianto and Nurkholis (2015) which stated that organizational commitment had a positive effect on the intention to do whistle-blowing.

## 6 CONCLUSIONS

A total of 135 civil servants working at the Audit Board of the Republic Indonesia Representative of Central Java Province and Inspectorate of Central Java Province responded that they had the intention to become whistleblowers if they knew that fraud had occurred in their workplace which caused losses to the state. The conclusions from this study are; partially attitudes towards whistle-blowing, and organizational commitment, have a positive effect on whistle-blowing intentions. It can be concluded that in the formation of intentions to conduct whistleblowing influenced factor from within oneself to form the intention and required the existence of self-control from various limitations.

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