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**WHISTLE-BLOWING DECISIONS
IN RESPONDING TO ORGANISATIONAL CORRUPTION
IN GOVERNMENT INTERNAL AUDIT UNITS
IN INDONESIA**

by

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DECLARATION

This thesis is entirely the author's own work and has not been submitted for a degree at another university.

ABSTRACT

This study examines the whistle-blowing decisions of government internal auditors in response to individual and collective corruption occurring within government internal audit units. An auditor is simultaneously a role-prescribed and non-role-prescribed whistle-blower that may behave hypocritically. On the one hand, auditors may be intolerant of and report any corruption taking place within their audit clients. On the other hand, they may display an unwillingness to blow the whistle on corruption committed by their fellow auditors in which they and the recipients of whistle-blowing information may be a part of or beneficiaries of the wrongdoing. To examine how, why and what factors influence their whistle-blowing decisions, we utilised two approaches: the whistle-blowing intentions through the use of case scenarios and actual whistle-blowing relying on the self-reported cases. Mixed methods of surveys, interviews and focus group discussions were conducted in seven government internal audit units.

Seeing whistle-blowing as a constructive behaviour for the benefit of the organisation involving an ethical dilemma, we integrated the prosocial organisational behaviour and ethical decision-making perspectives of whistle-blowing to develop a three-phases of whistle-blowing decision. In phase 1, the potential whistle-blowers evaluated the wrongfulness and the seriousness of the wrongdoing in accordance with their ethical sensitivity and evaluated the existence of responsibility to act to stop the wrongdoing. In phase 2, they evaluated the organisation responsiveness and the existence of the demoralising situation. In phase 3, they assessed their personal responsibility, identified alternative decisions according to his/her ethical competence, calculated the cost and the benefit of each alternative and decide to blow or not to blow the whistle depended on their ethical perseverance.

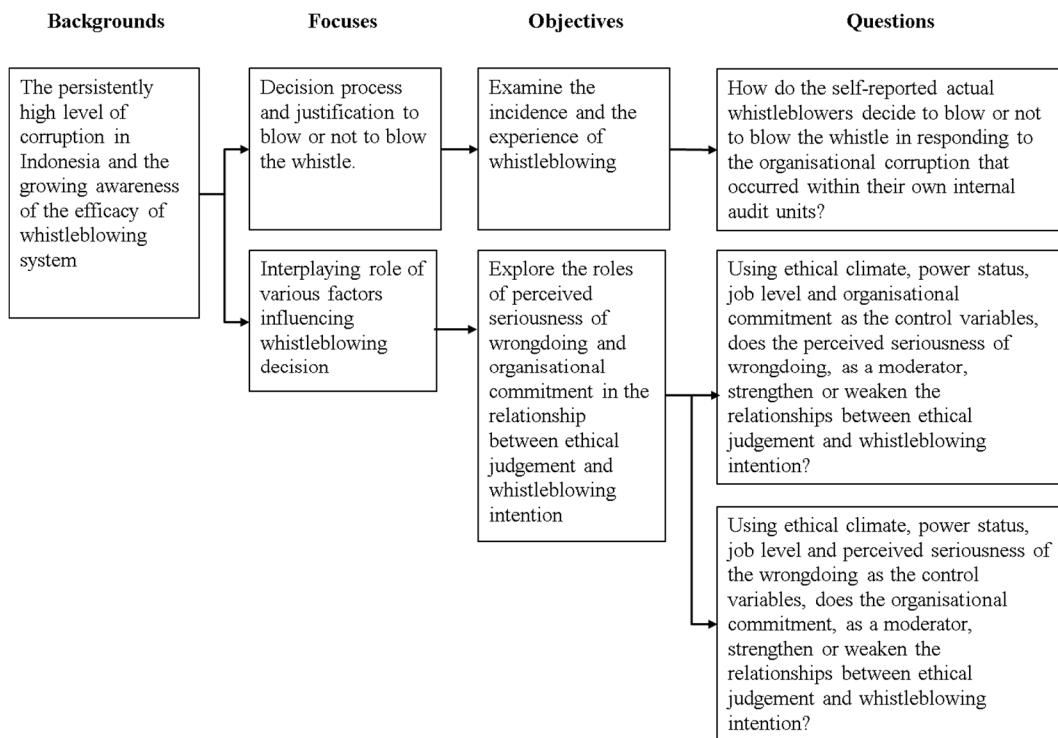
The study demonstrates that ethical judgement, moderated by the perceived seriousness and organisational commitment, significantly influenced the whistle-blowing intentions. while taking the ethical climate, wrongdoer's power status and whistle-blower's job level into consideration. The study found the domination of informal hidden values instead of formal written values and the occurrence of the process of normalisation of corruption that led to the destructive act of silence. They reduced the ethical sensitivity towards the wrongfulness and the seriousness of the corruption, diffused the responsibility to blow the whistle and created the demoralising situation. The organisations were not responsive. The whistle-blowing information was ignored and leaders often promoted an attitude of silent acquiescence by rewarding silent observers. The risk of whistle-blowing appeared greater than the expected benefit of being a submissive silent observer. When whistle-blowing information was eventually received, leaders rectified the problem informally outside of official procedures. The rules were upheld only when there was external pressure on the leaders. Through this, the wrongdoer will feel secure and the whistle-blower will perceive that the act of whistle-blowing is not acceptable. The combination of the unwillingness to blow the whistle and the process of the normalisation of organisational corruption may create a vicious cycle of corruption in and by organisations.

On the contrary, whistle-blowing occurred when the potential whistle-blowers perceived that the act of whistle-blowing is a constructive behaviour supported by the organisation's culture and leadership. Whistle-blowing legislation alone may not be sufficient to motivate employees to blow the whistle particularly in Indonesia where in-group collectivism and power distance are relatively high.

CHAPTER 1 INTRODUCTION

As summarised in Figure 1.1, Chapter 1 aims to provide the research background and its purposes, questions and rationale. The chapter also presents the ethical concern and thesis structure. Figure 1.1 demonstrates the linkages between the background, focuses, objectives and questions of the research to ensure that the study is relevant to the problems of corruption that Indonesia faces today.

Figure 1.1: The background, focuses, objectives and questions of the research



1.1 Background of the Study

The main background of this research is the persistently high level of corruption in Indonesia and the growing awareness of the efficacy of a whistle-blowing system as part of anti-corruption reform in detecting and preventing corruption. Corruption is considered the main cause of problems in the governance of the nation and has weakened the nation's capability to achieve its goals of national

development – to create wealth at all levels of society based on equity, justice and diversity. Corruption occurs in local and central government and state-owned enterprise during the planning, execution and control stages of development in executive, legislative and judicial functions. Multilevel and multi-approach strategies to eradicate corruption have been implemented, but the impacts of these remain in question mainly because of the quality and integrity of law enforcement officers, regulatory and legal constraints, the ineffectiveness of bureaucratic reform and lack of participation from the wider community.

1.1.1 Corruption in Indonesia

According to Corruption Eradication Commission (CEC), in the 12 years since anti-corruption reform was first enacted, 23 ministers, 16 governors, 49 mayors and regents, 13 judges, 89 members of the House of Representatives and hundreds, if not thousands, of top-level officials have been imprisoned for corruption (CEC, 2015). Indonesia's Corruption Perception Index (CPI) – published annually by Transparency International – has indicated an improvement in combating corruption over the last 5 years. The CPI scores countries on a scale from zero to 100, with a score of zero indicating high levels of perceived corruption and 100 indicating low levels of perceived corruption. Compared to the UK's CPI scores of 76 in 2013, 78 in 2014, 81 in 2015, Indonesia's CPI scores were 32, 34 and 36, respectively.

The Attorney General Office of Indonesia reported 2011 figures of 1,624 corruption cases investigated and 1,425 cases prosecuted. The respective figures for 2012 and 2013 were 1,401 vs 1,501, and 1,646 vs 1,964. The public money saved was IDR 198 billion in 2011, IDR 302 billion in 2012 and IDR 403 billion in 2013 (IAG, 2014). Considering the actual cases, the Indonesia Corruption Eradication Commission (CEC), which was established in 2003 and deals only with high-profile figures and major corruption cases, reported that 352 cases had been handled, 44.6% of which related to ministries and central government agencies, with a further 33.8% in local government. In 2013, the CEC reported that IDR 1.2 trillion had been saved. The main types of corruption cases were

bribery (47.2%) and corruption related to the procurement of goods and services (32.1%) (CEC, 2014).

1.1.2 Whistle-blowing Laws in Indonesia

Considering that corruption is the main cause of problems relating to governance in Indonesia (Hamilton-Hart, 2001), the government began to tackle the problem systematically. They enacted new anti-corruption law and established the CEC. The government are currently implementing the National Action Plan to Combat Corruption, which includes the development of a whistle-blowing system. But in Indonesia, a whistle-blowing system cannot be effectively implemented because of the country's conflicting political interests (Luebke, 2010), cultural challenges and regulatory constraints (Semendawai et al., 2011; MacMillan, 2011).

In the context of post-1998 crisis anti-corruption strategy, reform began in 1999 following implementation of Law 28/1999 on Good Governance Free from Corruption, Collusion, and Neoptism. Keen to be a clean government, the government of Indonesia released President Regulation Number 81/2010 on the Grand Design of Bureaucratic Reform 2010–2025. The Grand Design is an instrument for the government of Indonesia to become more aligned and make a coordinated effort on reform. Considering those policies, the Ministry of State Apparatus Empowerment and Bureaucratic Reform published two main policies concerning the development of a whistle-blowing system: 1) Guidelines for the development of an island of integrity free from corruption and 2) The development of a whistle-blowing system in ministries, government agencies and local governments. Various whistle-blowing systems are now being developed throughout state institutions and government agencies.

Indonesia passed Law Numbers 13 in 2006 and 31 in 2014 on Witness and Victim Protection and founded the Witness and Victim Protection Agency. The Witness and Victim Protection Agency is responsible for protecting witnesses and determining compensation and restitution for victims. However, MacMillan (2011) identified that the law excludes individuals who provide information in civil corruption cases, and there are no appropriate immunity and sentence-

reduction mechanisms. Law Number 13 may provide physical protection for witnesses, but does not effectively shield whistle-blowers from retaliation in the workplace. MacMillan (2011) argued that this could act to impede the willingness of public servants to report corruption cases.

1.2 Rationale of the Study

The rationale for this study lies in three interrelated aspects of whistle-blowing, organisational corruption, the role of the internal auditor in an organisation and the contextual aspect of Indonesia. The study is based on the assumption that corruption in a culture that normalises wrongdoing is best dealt with via preventative rather than reactive measures, and whistle-blowing is one of the effective preventative measures (Ashforth & Anand, 2003; Misangyi et al., 2008; Miceli et al., 2008).

1.2.1 Why Whistle-blowing?

The Indonesian public consciousness on the whistle-blowing phenomenon may be resurrected through popular cases involving top-level officials. In 2010, Susno Duadji, Commissioner General of the Police Department and Head of the Criminal Investigation Agency, was the first person to blow the whistle on a multimillion-dollar corruption and money-laundering case carried out collusively by a tax officer named Gayus Tambunan, a judge, a state attorney and an ‘assistant’ of the Deputy Chief of Police Department. Susno Duadji actually had all the necessary formal power to handle the case but, according to Semendawai et al. (2011), stronger collusive power in the Police Department prevented him from actually resolving it.

Another well-known whistle-blowing case is that of Agus Condro, a member of parliament from 1999 to 2004. He blew the whistle on the fact that he and his colleagues in parliament had received millions dollar of traveller’s cheques as bribes in the selection process for the position of Deputy Governor of the Indonesia Central Bank. He openly exposed all other 26 members of parliament who had been in receipt of the bribes (Kompas, 2011). Another prominent

whistle-blower is Vincentius Amin Sutanto, a former financial controller at the Asian Agri Group. He revealed to law enforcement authorities that Asian Agri had committed a USD 143 million tax evasion. These cases highlight how corruption can spread like an infectious disease that cannot be stopped because it has the ability to spiral downward to other people and other areas (Rose-Ackerman, 1999; Heeks, 1998; Lambsdorff, 2006).

Ashforth and Anand (2003) argued that organisational corruption can be embedded and perpetuated within the organisation. It occurs through the processes of institutionalisation, rationalisation and socialisation where an employee may participate in activities related to corruption. It may arise out of: 1) the perceived costs of not being involved in the corrupt activity, 2) the perceived costs of blowing the whistle or 3) the employee being induced to view corruption as permissible. In order to effect change within the culture of an organisation that supports the normalisation of wrongdoing, Misangyi et al. (2008) identified the need for institutional anti-corruption entrepreneurs, with the whistle-blower potentially being one of the most important types of anti-corruption entrepreneurs. A whistle-blower acts as an internal force within the organisation capable of exerting stronger influence on other employees and leaders in the organisation than external forces, such as government regulation, to terminate existing corruption practice or to dissuade employees from engaging in it in the first place.

As part of anti-corruption reform strategy, the advantages of the whistle-blowing system is its ability to detect, prevent and rectify organisational corruption early. Although whistle-blowing is an ethical dilemma decision (Dandekar, 1991), as one type of response to wrongdoing (McLain & Keenan, 1999), whistle-blowers are an important source of information for identifying potential fraud. Whistle-blower as an insider account of a corruption can create a potential link between the individual and the organisation and have the potential to make visible the normalisation of unethical behaviour by revealing the routine strategies that is engaged either purposefully or in an unreflective manner by individual actors (Gray, 2013).

Moreover, whistle-blowing can be an effective mechanism to combat fraud (ACFE, 2012). During the period 2004 up to March 2016, there were 82,780 pieces of information related to whistle-blowing reported to and analysed by the CEC and subsequently handled by either the CEC or other law enforcement agencies (CEC, 2016). Cases were handed over to other government agencies if they were categorised as small-scale corruption cases, non-corruption cases or just general public services complaints. Therefore, the government needs to identify factors that facilitate or impede employees' decisions to blow the whistle on corruption in order to motivate and prevent them from participating in the wrongdoing. If these factors are correctly identified, then adequate policies and regulations might be developed to help employees address their ethical dilemmas.

1.2.2 Why Organisational Corruption?

Corruption has been chosen as the focus of the research, instead of other types of misconduct such as health and safety violations, sexual harassment or unfair discrimination, because corruption is currently a key problem that contributes to the creation of many other problems in Indonesia nowadays. It is important to narrow the focus to the study of corruption from an organisational perspective within government agencies, as opposed to political or state corruption, because the organisation is a basic unit of corruption practice. The organisation as a unit is part of the problem and part of the reason why corruption is difficult to eradicate. The organisation also acts as a window through which to view a nation's wider climate of corruption (Luo, 2005).

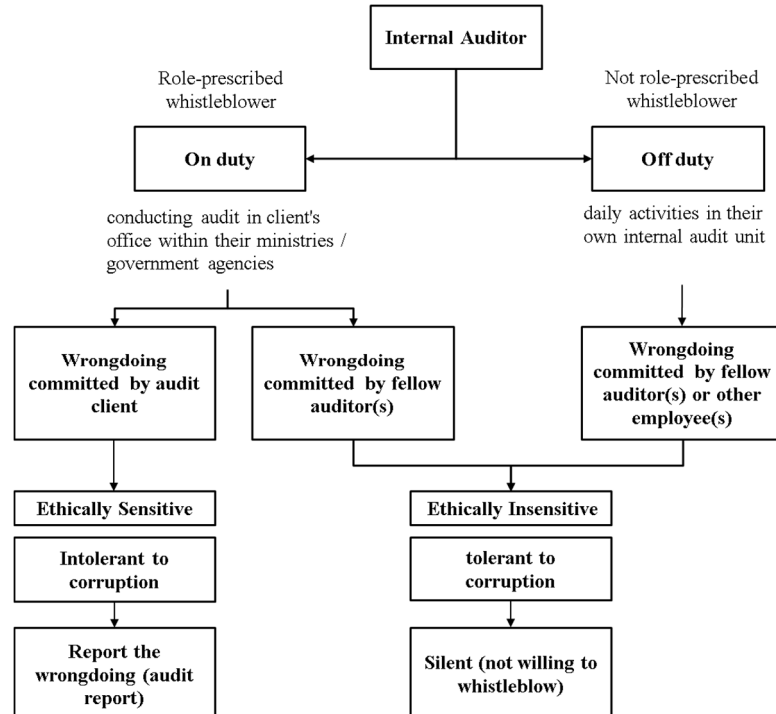
Another of the study's rationales is that despite the richness of corruption research within the field of political science, Aguilera and Vadera (2008) noted that organisational scholars have only recently started to systematically explore the causes and consequences of corruption and to offer recommendations as to how it may be reduced. This is because of a lack of theory to guide empirical research and practice (Beugre, 2010).

1.2.3 Why Internal Auditors?

Whether conducting an audit or in their daily office activities, internal auditors may find or indirectly observe incidences of corruption in both their audit clients or within their own internal audit units. They may thus be in one of three different positions at any one time: 1) as an auditor who observes his/her audit client committing wrongdoing, 2) as an auditor who observes his/her co-workers committing wrongdoing in an audit context or 3) as an employee who observes his/her co-workers or other employees committing wrongdoing external to the audit context.

Figure 1.2. shows that the internal auditor may alternately be 1) a role-prescribed whistle-blower with a formal responsibility for the disclosure of any wrongdoing, as laid out in their job description, or 2) a non-role-prescribed whistle-blower.

Figure 1.2: Internal auditor as role-prescribed and not role-prescribed whistle-blower



The puzzle that motivates this research is why internal auditors tend to be highly sensitive to and intolerant of corruption occurring in their external audit clients

whilst simultaneously tending to be less willing to report wrongdoing committed by their fellow auditors internally, particularly if they and their immediate superiors or higher officials, as recipients of the information derived from acts of whistle-blowing are either part of, or beneficiaries of, the wrongdoing.

Another rationale for utilising internal auditors is that they have the sense and knowledge required to objectively identify and understand organisational corruption within their organisations. Internal auditors also have expertise and experience conducting investigative or compliance audits in their organisations. Lastly, internal auditors also have a good understanding regarding the organisation and its business environment, obtained through their experience conducting audits across various organisations.

It is hoped that studying the whistle-blowing decisions of members of an organisation occupying a unique position in terms of their ability to respond to organisational corruption may help reveal insights into both the process of observing the corruption activities as well as the decision-making process involved in whistle-blowing. Various situational and organisational factors influencing these decisions can be explored in more depth by studying those employees with an understanding of the situation surrounding corrupt activities as well as the condition of their organisations. An internal auditor in the two previously mentioned positions may experience greater and more real ethical dilemmas than those in other types of occupation, and this is certainly true of the internal auditors in Indonesia examined in this study.

1.2.4 Why Indonesia?

Whistle-blowing is a social construct that depends on the interaction of people within the organisation and its social setting (Vandekerckhove, 2011), and its perception in different cultures does not necessarily have to be the same (Arszulowicz, 2011). In contrast to attempts by Western countries to build theories of whistle-blowing, Miceli et al. (2008) claimed that the body of knowledge of whistle-blowing in organisations outside of North American

settings is in its infancy. They also suggested using samples outside the US for future research on whistle-blowing (Miceli, et al., 2012).

One of the cultural and regulatory problems in the context of Indonesia is the frequent incorrect definition of whistle-blowing. We need to distinguish between whistle-blowing behaviour and other means of misconduct disclosure. For practical reasons, building a contextual understanding of whistle-blowing enables us to develop proper policies for the promotion of whistle-blowing behaviour. For empirical research, as put forward by Miceli et al. (2014), the use of a standard definition of whistle-blowing enables researchers to study whistle-blowing and other similar behaviours comparatively.

Therefore, studying whistle-blowing within the Indonesian context may contribute to the body of empirical literature. There have been several studies of whistle-blowing conducted in other Asian countries, including Hong Kong, India, Japan, The Philippines, Singapore, Sri Lanka, Thailand (Miceli, et al., 2009), South Korea and Turkey (Park, et al., 2008), Taiwan (Su, et al., 2010), and Malaysia (Ahmad, 2011).

1.3 Development of Research Objectives and Research Questions

The study is primarily underpinned by the aim of finding ways to promote whistle-blowing behaviour and to develop more effective means of both detecting and preventing cases of organisational corruption. The focuses are on: 1) the decision-making process and justification behind whether or not to blow the whistle, and 2) the interplay of several factors influencing the whistle-blowing decision in responding to both individual and collective corruption occurring in internal audit units

1.3.1 Research Question 1

Derived from the study's rationale that a government internal auditor can be a role-prescribed whistle-blower, that is, a whistle-blower with a formal responsibility to disclose wrongdoing when conducting audit, and also a non-role-prescribed whistle-blower whilst conducting their daily office activities, the first

objective of the research is to examine the incidence and experience of internal auditors' self-reported actual whistle-blowing in government agencies in Indonesia. To achieve the first research objective, the study intends to answer the following question:

How do self-reported actual whistle-blowers decide whether or not to blow the whistle as a response to organisational corruption occurring within their internal audit units?

1.3.2 Research Question 2 and Consideration in Choosing the Variables to be Examined

Various authors have identified predictors for whistle-blowing. Near and Miceli (1995) argued that the characteristics of the whistle-blower, the recipient of the complaint, the wrongdoer, the act of wrongdoing and the organisation are all factors influencing the termination of wrongdoing. Miceli et al. (2008) roughly categorised the predictors into two primary variables: personal and situational, while Mesmer-Magnus and Viswesvaran (2005) classified the variables into three characteristics: personal, contextual and wrongdoing characteristics.

The predictors of whistle-blowing to be further examined in the study are focused on variables that can either be 'managed' or where 'intervention' is possible via organisational policy and regulation. If the predictors, especially the 'manageable' predictors, within the organisation can be identified, the government can develop policies to promote ethical conduct among its employees. A better understanding of the how, when and why speaking out against corruption occurs will help the government develop an ethical system or training programmes with a view to changing employee behaviour. The predictors and considerations involved in selecting the variables were as follows.

Personal variables

- a. Ethical judgement

Ethical judgement can be influenced by the perception of the intensity of an ethical issue and can indirectly be affected by the use of rewards and punishments and policies and values. The greater the likelihood of individuals perceiving an ethical issue as important, the less likely they are to engage in unethical behaviour (Ferrell, et al., 2011).

b. Rank/job level

Rank/job level is a proxy to reflect the relative power of the whistle-blower and the wrongdoer. Near and Miceli (1995) argued that whistle-blowing represents a power to influence the relationship between the two parties involved in whistle-blowing – the wrongdoer and the whistle-blower. When the two sides are in conflict, one party attempts to use its position of power to change the behaviour of another party.

c. Organisational commitment

Organisational commitment can be managed through human resources practices such as training, promotion and compensation (Meyer & Allen, 1991). Examining organisational commitment is important since whistle-blowing can be construed as a measure of an employee's loyalty to the maintenance of an organisation's ethics or dignity or in protecting it from harm. However, it may also be regarded as a violation of the collegial bond between co-workers as well as to the organisation (Hoffman and McNulty, 2011; Grant, 2002).

Situational variables

d. Perceived seriousness of wrongdoing

Perceived seriousness of wrongdoing was chosen to reflect the various incidences of organisational corruption. The seriousness of an act of wrongdoing may be reflected in its frequency, the length of time it has been taking place and also in the amount of money involved, amount of damage and the impact on society and individuals or on the particular parties involved. The seriousness of the wrongdoing can also be seen as the sum of the harm (or benefit) caused to the

victims (or beneficiaries) of the wrongdoing (Jones, 1991). In organisational corruption, the perceived seriousness is reflected in the intensity scale and hierarchical scale. The intensity scale comprises the multitude (quantity) and magnitude of the corrupt activities, whilst the hierarchical scale is the number of hierarchical levels directly involved in the corruption activities (Luo, 2005).

Organisational variable

e. Ethical climate

Besides the fact that ethics can be institutionalised through the establishment of laws and compliance programmes (Ferrell, et al., 2011), Wimbush et al. (1997) found that ethical climate relates to the employees' behaviour. Ethical climate refers to how people in an organisation typically decide what it is right or wrong (Victor & Cullen, 1988) and reflects a shared set of understandings about how ethical issues will be handled (Sims, 1992). Further, Wimbush et al. (1997) argued that both climate and ethical behaviour within the organisation can be diagnosed and managed by first understanding the different types of ethical climate. Because individual values and characteristics provide inadequate explanations for ethical behaviour, they advocated the importance of investigating ethical climate.

Moreover, the organisational culture of the research sites was also examined to support the analysis. Besides being related to whistle-blowing behaviour per se (Miceli & Near, 1992; Miceli et al., 2008; King, 1999; Evans, 2008), organisational culture is also closely linked to organisational commitment (Lok & Crawford, 2004; Lok et al., 2005) and ethical climate (Victor & Cullen, 1988; Ferrell et al., 1988; Malloy & Agarwal, 2001).

The interplay of these various factors influencing whistle-blowing decisions leads to the second research objective, that is, to explore the roles of perceived seriousness of wrongdoing and organisational commitment in the relationship between ethical judgement and whistle-blowing intention. The second research objective is achieved by answering the following questions:

Research question 2a:

Using ethical climate, wrongdoer's power status, whistle-blower's job level and organisational commitment as the control variables, does the perceived seriousness of wrongdoing, as a moderator, strengthen or weaken the relationships between ethical judgement and whistle-blowing intention?

Research question 2b:

Using ethical climate, wrongdoer's power status, whistle-blower's job level and perceived seriousness as the control variables, does the organisational commitment, as a moderator, strengthen or weaken the relationships between ethical judgement and whistle-blowing intention?

1.4 Ethical Consideration

In accordance with Warwick Business School and University of Warwick ethical guidance procedures, ethical clearance was sought and acquired, and an official request letter for the collection of data was sent to, and approval was obtained from:

- The Prime Secretary of Financial and Development Supervisory Agency,
- The human resources unit in the office of general inspectorate of the Ministry of Finance, Ministry of Education and Culture, Ministry of Religious Affairs, Ministry of Public Works and Ministry of Health.

Survey respondents and interview participants were provided with consent forms containing a description regarding the voluntariness of the procedure, a brief explanation of the questions to be asked and of their ability to withdraw at any time, in addition to the benefits to be gained from participating in this research. The names and job titles of interviewees and focus group discussion participants were coded and fully anonymised. Raw data was not given to any parties in the research sites or other parties other than the research supervisors.

1.5 Thesis Structure

The research is presented in seven chapters. The first chapter, introduction, describes the background, purposes, questions and rationales of the research and ethical considerations. The theoretical framework, development of the hypotheses and of the conceptual model are presented in Chapter 2, including the concept of whistle-blowing and previous studies about whistle-blowing decisions. Chapter 3 addresses the methodology applied in this research that discusses the methodological considerations, research design and the quantitative and qualitative methods that are adopted, adapted and developed to answer the research questions. Chapter 4 reports the results of the qualitative data analysis that emerged from the interviews and focus group discussions. Chapter 5 reports the results of the data analysis of whistle-blowing intentions and actual whistle-blowing that include the descriptive and inferential statistical analyses to test the proposed hypotheses. Chapter 6 presents discussion of the quantitative and qualitative findings. Chapter 7 provides the conclusion, theoretical contribution and practical implication, and offers suggestions for future research.

CHAPTER 2 LITERATURE REVIEW, THEORETICAL FRAMEWORK AND DEVELOPMENT OF HYPOTHESES

2.1 Introduction: Consideration in Selection of the Theories to be Used and Overall View of Literature Review

As summarised in Figure 2.1, the aim of Chapter 2 is to propose the integrated frameworks of ethical decision-making and prosocial organisational behaviour perspectives of whistle-blowing decisions and moderation models of ethical judgement and whistle-blowing intention.

Figure 2.1: Connecting research questions and development of whistle-blowing decision model

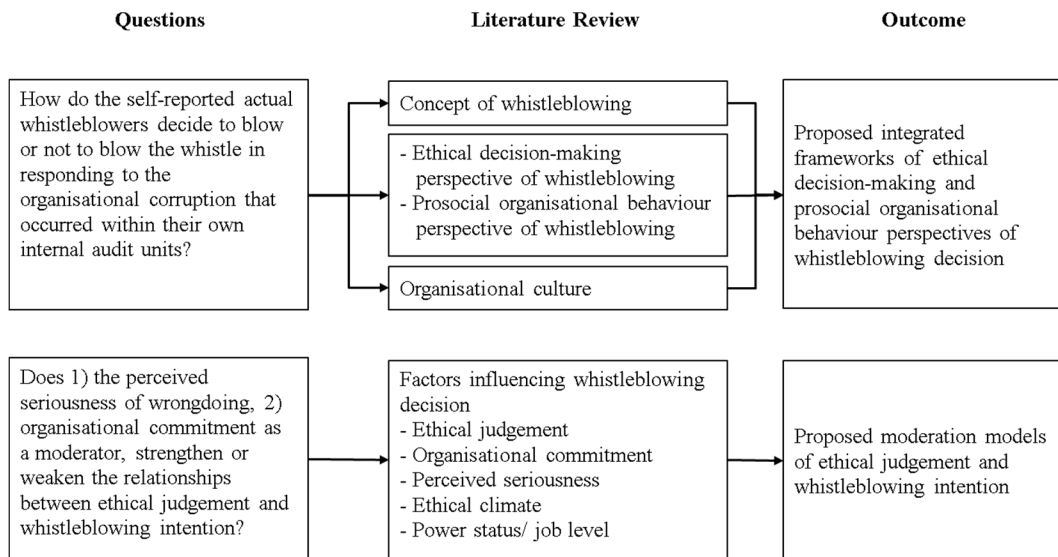


Figure 2.1 demonstrates the linkages between the research questions developed in Chapter 1 and the literature review in Chapter 2. The role of these linkages is to ensure that the conceptual framework and hypotheses developed from the literature review are able to guide the researcher in answering the research questions.

A theoretical framework was developed to organise the research by connecting the research purposes, research questions and existing literature to develop a conceptual model and set of hypotheses. To ensure that the study is sufficiently meaningful and fills a knowledge gap(s), the theoretical framework was developed based on the context that Indonesia is now in the process of carrying out anti-corruption reform and in agreement with the recommendations of prominent researchers in their most recent studies. The chapter structure follows this logic.

Among various definitions, the most widely used definition of whistle-blowing in empirical research according to King (1997), Tavakoli et al. (2003), Brennan (2007) and Pricewaterhouse Coopers (PWC) (2011) is the one given by Near and Miceli (1985, p. 4), that whistle-blowing is:

... the disclosure by organisation members (former or current) of illegal, immoral, or illegitimate practices under the control of their employers, to persons or organisations that may be able to effect action.

To capture the characteristics of whistle-blowing in greater detail, representative definitions of whistle-blowing containing various point of views and various emphasises were analysed. A definition of whistle-blowing according to Western literature is then compared with the concept of whistle-blowing in Indonesia in order to gain a better perspective of the various moral dimensions of whistle-blowing.

Whistle-blowing behaviour was studied using various approaches. They include 1) whistle-blowing as a speaking truth to power behaviour and an act of resistance or an act of collective opposition to authority (O'Toole, 2008; Perrucci, et al., 1980; Contu, 2014), 2) praxiological theory of struggle that the whistle-blower is seen as a person who is acting against the misbehaviour but not against the organisation itself (Gasparski, 2011), 3) social information processing perspective of whistle-blowing (Gundlach, et al., 2003; Keil, et al., 2010), 4) whistleblowing as planned behaviour (Park & Blenkinsopp, 2009; Winardi, 2013), 5) Behavioural reasoning theory perspective of whistle-blowing which consists of reasons for and reasons against the whistle-blowing behaviour (Oh & Teo, 2010), and 6) whistle-

blowing as trust relationship between multiple actors (Vandekerckhove, et al., 2016).

Whistle-blowing can be seen also as an action to correct wrongdoing by persons lacking any direct authority to blow the whistle (Miceli & Near, 1992) and as social actors who use the resources available to them to actively disseminate anti-corruption practices (Misangyi, et al., 2008), overcome scepticism and persuade other employees to believe in the benefits of their act of reporting (Miceli, et al., 2008). The views lead to the use of two perspectives of whistle-blowing: prosocial organisational behaviour (POB) and ethical decision-making perspectives of whistle-blowing. These two perspectives and various definitions of whistle-blowing were used to inform the researcher of existing knowledge, the themes to be explored and those factors involved in a whistle-blowing decision to be further measured, tested and examined.

Miceli et al. (2008) believed that future research using the POB perspective would be very valuable. It is also believed that the theory of normalisation of corruption (Ashforth & Anand, 2003) may be able to offer potential insight and guide future research on whistle-blowing. The theory of normalisation of corruption was utilised in reflection of the notion that in trying to illuminate why people would reveal the truth (whistle-blowing), we must also uncover the reasons as to why people commit to wrongdoing in the first place (Arszulowicz, 2011). The theory was utilised also to illuminate the phenomenon of the institutional corruption. According to Lessig (2013), institutional corruption is manifest when there is a systemic and strategic influence which is legal, or even currently ethical, that undermines the institution's effectiveness by diverting it from its purpose or weakening its ability to achieve its purpose. However, the theoretical frameworks focus on the process of a whistle-blowing decision. For reasons of space, this study does not cover events that take place after the decision, such as experiences of retaliation in the workplace, response from other employees and the efficacy of the act of whistle-blowing.

Chapter 2 is organised as follows: first, there is an introduction containing a brief description of theory used in the research. The concept of whistle-blowing is

presented in Sections 2.2 and 2.3, which includes the previous model of whistle-blowing decision and discussion about whistle-blowing behaviour. The ethical decision making and POB perspectives of whistle-blowing are given in Sections 2.4 and 2.5. Previous studies regarding internal auditors' whistle-blowing decisions are discussed in Section 2.6, whilst Section 2.7 contains a description of the variables used to develop the research hypotheses. The research context is presented in Section 2.8 include the Indonesian culture and the description of government internal audit units in Indonesia. The conceptual model developed from the literature review are presented in Section 2.9.

2.2 Concept of Whistle-blowing

The term whistle-blower may refer in Western countries to a referee in a game such as football using a whistle to call a foul, or else may refer to the practice of a police officer blowing his/her whistle to alert other law enforcement officers and the general public to danger and in an attempt to stop unlawful activity (Wilton, 2007). It has been defined from various perspectives that may illustrate the existence of an iterative process of constructing, clarification and reclassification of the definition and examining cases of whistle-blowing. To capture the characteristics of whistle-blowing, representative definitions were compiled. As presented in Table 2.1, these definitions contain not only the common elements of the act of whistle-blowing along with the actor (whistle-blower), object and recipient of the whistle-blowing information, but also various different points of view and emphases.

These emphases include voluntariness, the motive of whistle-blowing and public interest (Bok, 1980). Other emphases are a whistle-blower who may themselves be involved in the wrongdoing (Bowie, 1982), getting into the public record (Jubb, 1999), whistle-blowing as an act of moral protest (Boatright, 2000) and a person who can no longer tolerate a problem (Strack, 2011). Alford (2007) argued that an employee who speaks out becomes a whistle-blower if he/she is subjected to a form of retaliation from other parties. Without any form of retaliation, the person is just a responsible employee protecting the interest of his/her organisation as described in his/her job description.

Table 2.1: A representative selection of whistle-blowing definitions

Definition	Keywords
Whistle-blower s sound an alarm from within the very organisation in which they work, aiming to spotlight neglect or abuses that threaten the public interest (Bok, 1980, p.277)	<ul style="list-style-type: none"> - Neglect or abuses - Public interest
a whistle-blower is an employee or officer of any institution, profit or non-profit, private or public, who believes either that he/she has been ordered to perform some act or he/she has obtained knowledge that the institution is engaged in activities which (a) are believed to cause unnecessary harm to third parties, (b) are in violation of human rights or (c) run counter to the defined purposes of the institution and who inform the public of this fact. (Bowie, 1982, p.142)	<ul style="list-style-type: none"> - Ordered to perform or obtained knowledge about the wrongdoing - Inform the public
The unauthorised disclosure in the public interest by internal auditors of audit results, findings, opinions, or information acquired in the course of performing their duties and relating to questionable practices. (Chambers, 1995, p.92)	<ul style="list-style-type: none"> - In the course of performing their duties
...a deliberate non-obligatory act of disclosure, which gets onto public record and is made by a person who has or had privileged access to data or information of an organisation, about non-trivial illegality or other wrongdoing whether actual, suspected or anticipated which implicates and is under the control of that organisation, to an external entity having potential to rectify the wrongdoing (Jubb, 1999, p.78)	<ul style="list-style-type: none"> - Deliberate non-obligatory - Privileged access - Non-trivial
Whistle-blowing is the voluntary release of non-public information, as moral protest, by a member or former member of an organisation outside the normal channels of communication to an appropriate audience about illegal and/or immoral conduct in the organisation that is opposed in some significant way to the public interest (Boatright, 2000)	<ul style="list-style-type: none"> - Non-public information - Outside the normal channels of communication
Many [definitions of whistle-blowing] include the following conditions: (1) An individual has some privileged status with regard to an organisation that permits knowledge inside, confidential, or private information regarding activities undertaken by individuals within the organisation; (2) this individual reports some activities that he or she considers to be illegal, immoral, or opposed to the basic values or purposes of the organisations (3) the reporting may be done internally or externally to person(s), not in the direct line of reporting, who is (are) capable and willing to stop or prevent such wrongdoing either directly or indirectly (4) The wrongdoing is of a substantive or serious nature (5) This wrongdoing affects the public interest, though not necessarily immediately or directly (Brenkert, 2010)	<ul style="list-style-type: none"> - Internally or externally - Capable and willing to stop or prevent - Substantive or serious - Not necessarily immediately or directly
Whistle-blowing occurs when an employee or former employee conveys information about a significant moral problem to someone in a position to take action on the problem, and does so outside approved organisational channels (or against strong pressure) (Marthin, 1996 in Nan, 2011)	<ul style="list-style-type: none"> - Significant moral problem
People who no longer silently tolerate illegal activities, maladministration or danger to humans, the environment and the economy, but reveal those abuses within or outside their business, their company, their organisation or their bureaucracy (Strack, 2011)	<ul style="list-style-type: none"> - No longer silently tolerate

To further elaborate on elements of the whistle-blowing definition and the current various intersecting or contrasting concepts of whistle-blowing, the literature reviews were organised into four main elements: an act of disclosure, actor (whistle-blower), recipient of the information and object of whistle-blowing.

2.2.1 Act of Disclosure

Describing the act of disclosure, Miethe (1999) and Brenkert (2010) described two extreme positions of whistle-blowing that can occur within a work setting, whereby the whistle-blower may be viewed as either a snitch or saviour, hero or traitor, as a spy or even as an enemy of the business. The act of whistle-blowing may be motivated by greed, revenge and personal interest and may thus be viewed negatively or as a selfless and altruistic act may thus be viewed positively. Petersen and Farrell (1986) labelled whistle-blowers as disloyal employees or, in contrast, as courageous citizens, upholders of professional standards and protectors of the public interest.

Amid growing awareness of the importance of whistle-blowing, Vinten (1994) reported arguments condemning whistle-blowing from individuals such as James Roche, Chair of General Motors, who argued that:

Some of the enemies of business now encourage an employee to be disloyal to the enterprise. They want to create suspicion and disharmony and pry into the proprietary interests of the business. However this is labelled - industrial espionage, whistle-blowing or professional responsibility - it is another tactic for spreading disunity and creating conflict (Vinten, 1994)

Peter Drucker also perceived whistle-blowing as an *informer system set up by monarchs or dictators* (Dworkin, 2002). Recently, The Humane Society reported that there is also an attempt to introduce an anti-whistle-blowers bill in the US. Despite the important role of whistle-blowing employees in exposing animal abuse, unsafe working conditions and environmental problems, the agribusiness industry has been working to prevent people from finding out about such problems by supporting anti-whistle-blower bills. Anti-whistle-blower bills effectively block anyone by way of the following:

Banning taking a photo or video of a factory farm without permission, essentially making it a crime for an investigator to get work at a factory farm, or requiring mandatory reporting with impossibly short timelines so that no pattern of abuse can be documented. (The HSUS, 2013)

A negative view of whistle-blowing is also put forward by Grant (2002), who sees whistle-blowing as a tactic for use by an incompetent employee or for an employee who feels victimised by his/her employer.

The two extreme positions of the whistle-blower as hero or traitor can be analysed from the perspective of whistle-blowing as employee deviance (Grant, 2002). Employee deviance, defined as behavioural departures from the norms of a reference group, can be destructive, negative, undesirable and harmful, and may include things such as stealing from a company or sabotaging office equipment. It can also be constructive, positive, desirable or beneficial behaviour such as contributing significantly to organisational effectiveness, finding innovative methods or solving workplace problems (Vadera, et al., 2013). As a positive behaviour, deviant behaviour is defined as behaviour that deviates significantly from the norms of a group in honourable ways, such as altruistically exposing wrongdoing for the interest of the organisation in a way that is deserving of honour (Spreitzer & Sonenshein, 2004).

To judge whether an act of deviance such as whistle-blowing is a destructive or constructive behaviour, instead of organisational and legal standards, Warren (2003) suggested the use of hyper-norms. Hyper-norms are globally held beliefs and values to guide behaviour or actions and judgement across situations (Kluckhohn and Strodtbeck (1961), Rokeach (1973), in Stam et al., 2014)). Compared to organisational and legal standards, hyper-norms can be used because of their inclusiveness, pluralistic nature and ease of empirical application. Warren (2003) argues that:

Hyper-norms are inclusive because they incorporate the values and beliefs belonging to multiple cultures as well as multiple ethical theories. They encompass globally held beliefs, which may involve endorsing or forbidding specific behaviours (e.g., do not physically harm others) or more complicated principles and entitlements (e.g., the right to freedom). Thus, hyper-norms are pluralistic because they capture multiple normative

approaches to ethical theory (rights, justice, utilitarianism, duties, virtue) (Warren, 2003).

As depicted in Figure 2.2, Warren (2003) proposed a typology of employee deviance. Behaviour that falls outside both sets of norms (reference group and hyper-norms) is destructive deviance. Behaviour that falls within reference group norms but deviates from hyper-norms can be described as destructive conformity. Behaviour that falls within both sets of norms is constructive conformity. Behaviour that deviates from the reference group norms but conforms to hyper-norms is constructive deviance.

Figure 2.2: Typology of Employee Deviance (Warren, 2003)

		Normative standard	
		Conform	Deviate
Reference group norms	Conform	Constructive conformity	Destructive conformity
	Deviate	Constructive deviance	Destructive deviance

Warren (2003) sees whistle-blowing as a beneficial deviant behaviour for organisations and it can thus be categorised as constructive deviance. Vadera et al. (2013) also argue that constructive deviance encompasses several different behaviours, including voice and whistle-blowing. However, not all types of whistle-blowing can be categorised as constructive deviance. To be considered constructive deviance, an act of whistle-blowing should be voluntary, intentional and carried out in good faith. External whistle-blowing with the intent to retaliate or seek financial gain or other improper motives other than to protect the public, employees or investors may not be considered constructive deviance (Vadera, et al., 2009).

In the context of bureaucratic and anti-corruption reform in Indonesia, besides seeing whistle-blowing as constructive employee deviance in general, whistle-blowing can be considered an action to correct wrongdoing by a person who lacks direct authority to institute the anti-corruption reform (Miceli & Near, 1992). A

whistle-blower can also be perceived as an institutional entrepreneur. Misangyi et al. (2008) proposed that social actors who actively use the resources available to them to disseminate anti-corruption practices and mitigate corruption are institutional entrepreneurs. Miceli et al. (2008) asserted that a whistle-blower may be one of the most important types of anti-corruption entrepreneur. Furthermore, whistle-blowers use their ability to overcome scepticism and persuade other employees to believe in the benefits of their act of reporting.

2.2.2 Actor (whistle-blower)

It may be concluded that current and former members of an organisation are classified as whistle-blowers. However, the definitions of whistle-blowing presented in Table 2.1 show various perspectives that would not restrict the definition of a whistle-blower only as a member of an organisation. Jubb's definition emphasises a whistle-blower as someone who has or has had privileged access to data or information about an organisation (Jubb, 1999, p. 78), while Brenkert (2010) put forward that a whistle-blower is a privileged individual in terms of his/her ability to obtain inside, confidential or private information. He also argued that any potential whistle-blower must be bound by the norms of confidentiality, privacy and loyalty that govern the operations of that organisation (Brenkert, 2010, p. 565).

The preceding discussion brings to the fore the importance of defining who may be classified as a whistle-blower, which became one of the topics in the European Parliament's report on the effectiveness of whistle-blowers. In an analysis of whistle-blowing rules applied within European institutions, PWC (2011) concluded there was a need to develop clear criteria of a bona fide whistle-blower. Trainees, temporary staff, contractors and auxiliary agents may or may not be included as whistle-blowers.

Miethe (1999) put forward views about persons whose role and responsibility involves reporting misconduct, such as quality control personnel, security officers or internal auditors. She argued that these employees may be considered whistle-blowers only if they report misconduct outside of the proper channels. If reporting

occurs internally, these employees may not be considered whistle-blowers because their role-prescribed behaviour is expected or mandated as part of their job description and they do not experience the same antagonism and condemnation.

In relation to role-prescribed whistle-blowing, Miceli et al. (2008) proposed that when whistle-blowing becomes part of employee's job, it should be more effective because rational organisational leaders would support the act of disclosure. The Chartered Institute of Internal Auditors (IIA) suggests that an internal auditor can act as a whistle-blower. In the context of conducting an audit, whistle-blowing is defined as:

“The unauthorised dissemination by internal auditors of audit results, findings, opinions, or information acquired in the course of performing their duties to anyone outside the organisation or to the general public” (IIA, 2012).

Moreover, the IIA suggests that the first channel for whistle-blowing by an internal auditor would be to senior management. The IIA does not see an internal channel of communication as whistle-blowing but rather as a normal internal audit activity. The internal auditor may blow the whistle externally if concerns are not taken seriously. In its Practice Advisory regarding ‘Communicating Sensitive Information Within and Outside the Chain of Command’, the IIA emphasises the quality of evidence and that the motivation for whistle-blowing is to stop the wrongdoing. The decision to blow the whistle must therefore be taken within the context of adhering to a legal or regulatory imperative or a professional or ethical obligation (IIA, 2004).

The preceding discussion suggests the importance of the internal auditor as a potential whistle-blower. Unlike many other members of an organisation, an internal auditor may be in possession of sensitive information concerning misconduct. The internal auditor is thus a special type of whistle-blower since he/she: 1) has access to and the authority to gather, evaluate and communicate information, 2) has the ability to identify wrongdoing and 3) has the ability to assess the seriousness of any wrongdoing. An internal auditor has the role and

responsibility to blow the whistle and their role-prescribed behaviour is expected or mandated. However, this does not mean that an internal auditor does not experience the same antagonism and condemnation or does not face a real ethical dilemma. As a whistle-blower, an internal auditor may also be confronted with conflicting values, obligations, loyalties and with the need to weigh up the costs and benefits of blowing the whistle.

2.2.3 Recipient of Information/Channels of Whistle-blowing

It may also be concluded that the recipient(s) of whistle-blowing information must be person(s) or organisation(s) who is/are capable of preventing, stopping or rectifying the wrongdoing either directly or indirectly (Brenkert, 2010; Near & Miceli, 1985; Jubb, 1999). However, whether internal reporting is included in the definition of whistle-blowing is still debatable.

It can be inferred that the definition proposed by Near and Miceli (1985) includes both internal and external channels. Brenkert (2010) also argued that the notion of an individual reporting internally does not constitute whistle-blowing, but is instead merely following standard procedure, is mistaken. Reporting internally through a chain of command is an act that fulfils the employee's responsibility. However, it becomes a situation of whistle-blowing if it is reported that the recipient of the information does not do anything to stop and correct the wrongdoing.

Furthermore, both internal and external channels have several similarities. They represent the use of voice rather than exit from the organisation or violence to stop the perceived wrongdoing or impose a change in their organisation (Miceli & Near, 1992). Both channels also share some of the same elements of whistle-blowing, namely, dissent, an accusation of wrongdoing and breach of loyalty to the organisation. Moreover, including both channels in the definition of whistle-blowing is consistent with legal usage of the term (Miceli, et al., 2008). Miethe (1999) also put forward a similar notion, stating that the inclusion of both channels enables the researcher to gain a better understanding of the factors behind the intention to blow the whistle.

Emphasising that a whistle-blower is an insider who raises a voice in public, Jubb (2000) argued that, to be classified as whistle-blowing, the act of disclosure must represent a real ethical dilemma. Internal disclosure, whether it is authorised or unauthorised, may breach loyalty to peers or superiors but it fails to create this crucial ethical dilemma and so may not be classified as whistle-blowing. Other researchers also argue that the term whistle-blowing applies exclusively to external reporting and that there needs to be an explicit separation of internal and external channels. MacNab et al. (2007) argued that whistle-blowing is an act that is unauthorised by the organisation, on contrast to 'reporting' that is authorised. Jubb (2000) argued that the ethical dilemma is missing from internal disclosure. An internal disclosure does not breach an organisation's trust and there is no confidentiality violation or loss of information privacy. Internal disclosure may protect the organisation from outside scrutiny. Jubb (1999) and Johnson (2002) emphasised that whistle-blowing is defined as an act with the intention of making the information public.

The whistle-blowing channel can also be regarded as a level of reporting from immediate superiors to higher supervisor up to the highest leadership, suggesting that internal channels must be used before any external disclosure takes place and that the media are used as a last resort. With the exception of sensitive information on intelligence and security, an ombudsman must be used first. Whistle-blowing directly to the public, such as via the media, may be done in cases where the information in question reveals a serious, clear and present danger to the public (Vandekerckhove, 2006).

In their analysis of whistle-blowing policies in European companies, Hassink et al. (2007) identified several internal officials or bodies to which wrongdoing should be reported. In a survey of Australian public sector whistle-blowing, Donkin et al. (2008) highlighted broad patterns of whistle-blowing and placed them into three categories: solely internal, solely external and mixed (see Table 2.2).

Table 2.2: Channels used in whistle-blowing policies and practices

Channels used in European companies whistle-blowing policies (Hassink, et al., 2007)	Channels used in Australian Public Sector whistle-blowing (Donkin, et al., 2008)
Direct or indirect supervisor	Supervisor
Compliance or Ethics officer	Senior manager
Contact details for specific contacts are given	Human resources/equity and merit unit
Special hotline	CEO
(Chairman of) Supervisory Board or Board of Directors or Board of Management or Executive Board	Union
Separate contact for financial reporting matters	Internal audit/fraud unit
Human Resources department	Government watchdog agency
Legal department	Internal ethical standards unit
(Chairman of) Audit Committee	Internal ombudsman/complaints unit
Corporate Governance department	Member of parliament
Internal Audit department / Internal works council	Internal hotline/counselling service
Company Secretary	External hotline/counselling service
Risk Management department	Peer support officer
Confidential Advisor or Trusted Representative	Journalist
Chief Executive Officer /Chief Financial Officer	
Complaints Committee	

2.2.4 Object of Whistle-blowing: Wrongdoing and Organisational Corruption

The definitions of whistle-blowing that have been offered by scholars confirm that the object of whistle-blowing must be non-trivial (Jubb, 1999), substantive and serious (Brenkert, 2010). As previously presented in Table 2.1, the objects of whistle-blowing vary. They include neglect or abuse that threatens the public interest (Bok, 1980), activities causing unnecessary harm and violation of human right or against the defined purposes of an organisation (Bowie, 1982). They also include acts opposed to the public interest or the basic values or purposes of the organisations (Boatright, 2000), although not necessarily immediately or directly. In her study, Miethe (1999) used ‘misconduct’ and ‘deviance’ as the objects of whistle-blowing, whilst Miceli et al. (2008) used ‘wrongdoing’ and Martin (1996) used ‘moral problem’ in their definitions of whistle-blowing.

Miceli et al. (2008) defined wrongdoing as illegal, immoral or illegitimate practices. Illegal acts are all actions that are considered an offence in the eyes of the law, while ‘immoral’ concerns what is good and right for people and society (Skiveness & Trygstad, 2014). From the ethical perspective, Leys and Vandekerchokve (2014) argued that wrongdoing consists either of a violation of applicable norms, neglect of purpose or the negligent or intentional causing of unpermitted consequences.

In examining wrongdoing in the organisation, Miethe (1999) applied two general types: organisational and occupational misconduct, while Rehg et al. (2008) differentiated any form of wrongdoing in an organisation into wrongdoing that harms the organisation or individuals in the organisation. As described in Table 2.3, in its survey about whistle-blowing and the federal employee, the U.S. Merit System Protection Board differentiated three types of wrongdoing: fraud, waste and mismanagement (MSPB, 1981), and further broke these down into ten activities.

Instead of studying general wrongdoing or misconduct, some researchers have focused on investigating the intention to blow the whistle in relation to particular types of wrongdoing. These include financial fraud or theft and financial statement fraud (Robinson, et al., 2012), fraudulent financial reporting (Kaplan, et al., 2009), the process of preparing financial reporting (Xu & Ziegenfuss, 2008) and workplace corruption (Zipparo, 1999).

Table 2.3: Types of wrongdoings as object of whistle-blowing

Wrongdoing: fraud, waste, and mismanagement (MSPB, 1981)	
-	Stealing Federal funds
-	Stealing Federal property.
-	Accepting bribes or kickbacks.
-	Waste caused by ineligible people receiving funds, goods or service
-	Waste caused by unnecessary or deficient goods or services.
-	Waste caused by a badly managed program.
-	Use of an official position for personal benefits.
-	Unfair advantage given to a contractor, consultant, or vendor.
-	Tolerating a situation or practice which poses a danger to public health or safety.
-	Serious violation of law or regulation.

The myriad types of wrongdoing described above reflect various concepts of the object of whistle-blowing. This points to the need for them to be placed within one defined construct, that is, organisational corruption. As previously described in Section 1.2.2, studying corruption from the organisational perspective is important because the organisation is a basic unit of corruption practice. Moreover, organisational corruption as a construct captures both individual and collusive corrupt behaviour as well as organisational corrupt behaviour.

Definitions of corruption vary in their scope and cover many areas of study: politics, economics and social studies. Some of these definitions emphasise behaviour, for example, Nye (1967) and Klitgaard (1991), who define corruption as a behaviour deviating from the formal duties of a public role or one in which personal interest is put above the public interest. In the organisational context, organisational corruption can be defined as an illegitimate exchange of resources. Organisational corruption might be performed by executives or employees at various levels, partially or entirely, on behalf of the organisation, involving the use or abuse of public or collective responsibility for private objectives (Luo, 2005). Organisational corruption is only one of numerous other types of wrongdoing that may potentially occur within an organisation that may encompass and intersect with the concepts of white-collar crime, corporate criminal behaviour, illegal corporate behaviour (Miceli, et al., 2008), abuse of power, violation of organisational rules (McLain & Keenan, 1999), organisational occupational misconduct, occupational misconduct (Miethe, 1999), fraud, waste and mismanagement (MSPB, 1981) or workplace corruption (Zipparo, 1999). Other similar terms used are: morally wrong, illegal, unethical, wasteful, inefficient, neglectful, an abuse of power, or violates organisational rules or professional standards (McLain & Keenan, 1999). However, people in different cultures seem to have a very similar notion of what should count as corruption. Corruption is a phenomenon that is universally understood in a similar manner across different cultures (Rothstein & Torsello, 2013)

Looking at the parties who benefit, organisational corruption can be divided into two distinct phenomena: an organisation of corrupt individuals (OCI) and a


corrupt organisation (CO). An OCI is defined as a significant proportion of the members of an organisation acting in a corrupt manner primarily for their personal benefit. In contrast, a CO is a group that collectively acts in a corrupt manner for the benefit of the organisation (Pinto, et al., 2008).

2.3 The Concept of Whistle-blowing in Indonesia

One of the cultural and regulatory problems in the context of Indonesia is that media and government regulations often incorrectly refer to all incidences of individuals disclosing wrongdoing as whistle-blowing. It is necessary to differentiate whistle-blowing behaviour from other similar phenomena. Miceli et al. (2014) proposed the term ‘bell-ringing’ for the phenomenon of disclosing wrongdoing that is conducted by individuals other than members of the organisation. It refers to the traditional method of ringing the church bell to warn people of danger.

In Indonesia, the bell-ringer can be paired with the slit drum beater (*pemukul kentongan*). This has its roots in traditional means of communication. A *kentongan* is a hollow percussion instrument constructed from bamboo or wood and used in traditional musical performance, or to provide an emergency warning. As shown in Figure 2.3, the sound is produced by hitting the instrument with a stick to produce various rhythms to indicate different types of danger.

Figure 2.3: Slit drum beating, Indonesian “whistle-blowing” on public danger

Types of danger		Rhythms of the slit drum
	Murder	● . ● . ●
	Burglary or robbery	● ● . ● ● . ● ●
	Fire	● ● ● . ● ● ● . ● ● ●
	Flood	● ● ● ● . ● ● ● ● . ● ● ● ●
	Livestock theft, cattle riding	● ● ● ● ● . ● ● ● ● ● . ● ● ● ● ●
	Safe and secure	● . ● ● ● ● ● ● ● . ●
	Public danger	● ● ● ● ● ● ● ● ● ● . . .

By hitting the slit drum in a specific rhythm, such as three rapid hits followed by a pause, over and over, to indicate fire, people will recognise the sound and be alert to the danger. Individuals have a moral responsibility to report (*hit the slit drum*) and prevent or stop the danger if he/she has the knowledge or abilities to do so.

Literally, whistle-blowing in the Indonesian language translates as *meniup* (blowing) *peluit* (whistle). The closest common translated terms of whistle-blowing are: *pengaduan* (complaint) (MENPAN, 2012), *pengungkapan kecurangan* (fraud disclosure), *pengungkapan rahasia* (confidential information disclosure) (Sulistomo, 2012) and *pelaporan pelanggaran* (wrongdoing reporting) (KNKG, 2008). The term whistle-blower has also been translated into various Indonesian terms such as *pelapor tindak pidana* (a person who filed a report of a crime) (MARI, 2011). To differentiate a whistle-blower and a justice collaborator, the Indonesian Supreme Court emphasised that to be considered a whistle-blower, the person blowing the whistle should not be one of the wrongdoers. Other translated terms are a witness, *pengungkap fakta* (fact informer) and *saksi pelapor* (a witness who also files a report).

The National Committee for Governance Policy of Indonesia (KNKG) argued that the act of disclosure must be performed in good faith and not as a personal complaint towards a particular organisation's policy (grievance) or as an act of defamation. Semendawai et al. (2011) argued that two criteria must be met in order for a person to be acknowledged as a whistle-blower. Firstly, the person should provide the information regarding the wrongdoing to the authorities, who can then act to solve the problem, or to the media, who can publicise it. Secondly, the person who discloses a wrongdoing that occurs within their organisation must be an insider who works for the organisation in question. They also defined the whistle-blower as a person who provides information or testimony to law enforcement officials regarding an act of crime as part of a judicial process. The CEC also emphasised that a whistle-blower is an employee of an organisation where alleged corrupt activities may occur who has access to information regarding those corrupt activities (CEC, 2014).

The whistle-blowing systems applied in government agencies contain various definitions of whistle-blowing and whistle-blower. In the whistle-blowing system developed by the Ministry of Finance, the definition of whistle-blower covers both employees and the organisation's customers or the public at large (Kemenkeu, 2014). The definition of whistle-blower according to the Ministry of State Apparatus Empowerment also covers both employees and other parties who have relevant information regarding the alleged corruption (MENPAN, 2012). Manao (2010) provided a justification for including the public at large in the definition of a whistle-blower. He argued that every transaction or government activity is always related to, and cannot be detached from, the public as the government's partner, customer or as a provider of goods and services. Therefore, the public should be included in the definition of a whistle-blower.

Dissimilarity in the definition of whistle-blowing behaviour in a non-Western context is also found in other contexts. Examining whistle-blowing in the transitionally communist country of China, Gong (2000) concluded that China's definition of whistle-blowing is also broader in terms of who blows the whistle, but is also slightly narrower in terms of the whistle-blowing channels than most definitions encountered in the West. The Chinese definition of a whistle-blower includes ordinary citizens, in consideration of the fact that whistle-blowing in China works as a mechanism of social control. A report, usually about a corrupt official's malfeasance, is preferably submitted to the Supervision Ministry, the party's Central Discipline Committee and their respective local branches. Whistle-blowing in China is defined as a report made by ordinary citizens to supervisory organs regarding the illegal, illegitimate and immoral behaviour of government officials and managerial personnel (Gong, 2000).

Comparing the perceptions of whistle-blowing behaviour in both Western (see Section 2.2) and Indonesian contexts (see Section 2.3) enables researchers to acquire a better perspective on the various moral dimensions of whistle-blowing. Those in Indonesia differ from those common in the West since the concept of ethical whistle-blowing can vary on a cultural level, moral values are dependent on culture and cultures are plural (Torsello & Venard, 2016).

2.4 Ethical Perspectives of Whistle-blowing

Having defined what is meant by whistle-blowing, the following section will discuss how whistle-blowing (or silence) may be justified. Hersh (2002) described that main ethical dilemma in whistle-blowing as lying in the conflict associated with balancing values, multiple loyalties and obligations to the organisation, general public, professional associations, family and friends and also to oneself. Discussion of the dilemma incorporates themes such as priority of internal resolution (Audi, 2010), motivation, the severity and likelihood of consequences, anonymity, rewards and the degree of protection afforded to the whistle-blower. Beyond that, the main dilemma comprises the values to be applied, which, according to Velasquez et al. (2014), serve as a standard of right and wrong and guide people in what they should do regarding rights, obligations, fairness or specific virtues.

Kantian, virtue and utilitarian ethics theories can be utilised to justify whistle-blowing. Kantian or deontological theory is concerned with what people do, what is the right thing to do and how not do the wrong thing. According to Kantian, people have to stand firm in telling the truth, regardless of personal outcome (self-sacrifice), whereas virtue theory requires the integrity and courage found in an individual's character. Lachman (2008) argued that consequentialist (utilitarian) ethics provide a convincing justification for whistle-blowing.

According to utilitarianism, whistle-blowing is morally required for the greater good of society that maximises benefit to humans whilst at the same time minimising harm. Grant (2002), in contrast, argues that what a whistle-blower demonstrates is not a universal morality of a Kantian or utilitarian ideal, but rather an individual moral sensitivity that has its place in virtue ethics. Virtues are not rules but personal characteristics. Judgement is always required in ethical decision-making and it is a virtue (Campbell & Kitson, 2008). While consequentialism evaluates the results of behaviour and deontological ethics evaluate themselves, virtue ethics evaluate the intentions behind someone's behaviour (Kaptein, 1998).

Brenkert (2010) identified three major theories of whistle-blowing: De George's (2006) Harm Theory, Davis' (1996) Complicity Theory and Bok's (1980) Good Reason Theory. Brenkert (2010) analysed these three theories prior to forming his own Integrity Theory. Moreover, Hoffman and McNulty (2011) examined De George's theory and proposed a Universal Dignity Theory of Whistle-blowing. They mainly discussed the moral position that whistle-blowing may take: whistle-blowing as morally not required, morally permitted, morally required and morally praiseworthy.

2.4.1 The Harm, Complicity, Good Reason, Dignity and Integrity Theories of Whistle-blowing

De George (2006) proposed that in order to be classified as morally permitted, whistle-blowing should meet three criteria:

- *The firm, through its product or policy, will do serious and considerable harm to the public, whether in the person of the user of its product, an innocent bystander, or the general public*
- *Once an employee identifies a serious threat to the user of a product or to general public, he or she should report it to his immediate supervisor and make his or her moral concern. Unless he or she does so, the act of whistle-blowing is not clearly justifiable*
- *If one's immediate supervisor does nothing effective about the concern or complaint, the employee should exhaust the internal procedures and possibilities within the firm. This usually will involve taking the matter up the managerial ladder, and if necessary – and possible – to the board of directors.*

In addition to these three criteria, to be classified as morally required the whistle-blowing should also meet the following two additional criteria:

- *The whistle-blower must have, or have accessible, documented evidence that would convince a reasonable, impartial observer that one's view of that situation is correct, and that the company's product or practice poses a serious and likely danger to the public or to the user of the product.*
- *The employee must have good reason to believe that by going public the necessary changes will be brought about. The chance of being successful must be worth the risk one takes and the danger to which one is exposed*

De George's five criteria were seen as so precise that many acts of wrongdoing would go unchallenged by virtue of failing to meet/fulfil them. This suggests that even if someone believes that an organisation will do serious harm, that person is not required to blow the whistle. James (1990, in Brenkert (2010)) argued that it is false to take the view that one does not have an obligation to put oneself at serious risk without the possibility of gaining some compensatory advantage (p. 569). Moreover, De George's reporting hierarchy – from immediate supervisor up to public disclosure – seems to focus on the secondary issue of the effects of public disclosure rather than on the primary issue of identifying the problem and finding a solution (Hoffman & McNulty, 2011).

On the Complicity Theory of whistle-blowing, Davis (1996) emphasised: 1) the involvement of the potential whistle-blower in the wrongdoing in question and 2) moral wrong, not harm, as justification for blowing the whistle. He proposed that:

You are morally required to reveal what you know to the public (or to a suitable agent or representative of it) when: (C1) what you will reveal derives from your work for an organisation; (C2) you are a voluntary member of that organisation; (C3) you believe that the organisation, though legitimate, is engaged in serious moral wrongdoing; (C4) you believe that your work for that organisation will contribute (more or less directly) to the wrong if (but not only if) you do not publicly reveal what you know; (C5) you are justified in beliefs C3 and C4; and (C6) beliefs C3 and C4 are true.

Unlike De George's Harm Theory, where the goal of whistle-blowing is to prevent harm, the goal of whistle-blowing in Complicity Theory is to avoid being involved in or being part of any serious wrongdoing. The weakness of the Complicity Theory is that it is an overly narrow view of whistle-blowing since the information to be revealed must derive from the whistle-blower's work. An employee who only learns about or observes a wrongdoing occurring within his/her organisation but to whom the information regarding the wrongdoing has not been entrusted may not be classified as whistle-blowing (Brenkert, 2010). Moreover, by contrasting the Harm Theory and the Complicity Theory, Kline (2006) put forward another weakness of the theory in that it does not explain why the whistle-blowing behaviour is encouraged and the whistle-blower is protected despite the act of whistle-blowing bringing harm to the organisation.

The third major theory of whistle-blowing is Bok's (1980) Good Reasons Theory. The Good Reasons Theory consists of three elements: dissent, breach of loyalty and accusation. The dissent part of the theory comprises what Bok (1980) argued is the process whereby a potential whistle-blower must decide whether whistle-blowing is in fact in the public interest and where a whistle-blower has to choose to serve the public interest. A whistle-blower then needs to determine his/her responsibilities towards his/her co-workers or his/her organisation and weigh these against his/her responsibility to the public. To be sure that the motivation is morally right, any accusation that a whistle-blower brings must be fair and accurate. Bok's theory emphasises the correctness, accuracy and objectivity of the information and also broadly refers to the public interest that may be neglected, abused or put at risk (Brenkert, 2010).

Brenkert's Integrity Theory of whistle-blowing consists of two parts: The Principle of Position Responsibility (PPR) and consideration of the integrity of a potential whistle-blower to remain faithful to the principle. The PPR is based on the legal and moral aspect of the employer-employee relationship that an employee has a duty towards his/her employer to uphold confidentiality, loyalty, obedience and provide information/report to authorities. Under this principle, Brenkert (2010) argues that:

This principle morally obliges people to report wrongdoings to those who might prevent or rectify them, when the wrongdoings are a significant nature (either individually or collectively), when one has special knowledge due to one's circumstances that others lack, when one has privileged relationship with the organisation through which the wrongdoing is occurring (or has occurred) and when other are not attempting to correct the wrongdoing (Brenkert, 2010).

Moreover, Brenkert (2010) recognised the need to put the principle into the context of other values and other norms so that a potential whistle-blower may assess the situation and then consider his/her own integrity in relation to it. A potential whistle-blower may question his/her integrity and must be prepared to uncompromisingly and consistently defend his/her moral, ethical and spiritual values and principles in any inconvenient and difficult whistle-blowing situation.

In dealing with conflicting principles that may occur in relation to employees' obligation to report and other principles, a potential whistle-blower will integrate these principles into a wider coherent set of principles. A potential whistle-blower may have to choose between his/her responsibility to the organisation or other stakeholders (such as a client or the public) or between their own personal (such as being compassionate) and professional integrity (such as honesty). Depending on the situation and how tightly bound a potential whistle-blower is to these principles, he/she may make a selection of which principle is more important than others and then prioritise those principles to be applied. Brenkert (2010) proposed that scope and the weight of the responsibility to report wrongdoing is such that *the more serious the wrongdoing, and the greater the chance that reporting will correct the situation, the stronger one's obligation to report it* (p. 586).

Another theory was offered by Hoffman and McNulty (2011), who argued that *a good theory of whistle-blowing should provide guidance in how to minimise harm to any of an organisation's stakeholders* (p. 50). They argued that the common reason for not blowing the whistle was loyalty and cultural resistance against whistle-blowing. Therefore, Hoffman and McNulty (2011) proposed a Universal Dignity Theory of Whistle-blowing, in which whistle-blowing is both permissible and a duty for the reason that whistle-blowing is the most effective means to maintain *the dignity of all relevant stakeholders* (p. 51). They then proposed conditions for ethical whistle-blowing as follows:

1. *compelling evidence of nontrivial illegal or unethical actions done by an organisation or its employees that are deemed to violate the dignity of one or more of its stakeholders*
2. *A lack of knowledge within the organisation of the wrongdoing or failure by the organisation to take corrective measures.*

If the above justificatory conditions are met, whistle-blowing is ethically called for unless the following exempting condition from whistle-blowing prevailed:

3. *One is conditionally exempted from the duty to blow the whistle if one has credible grounds for believing that by doing so one would put oneself or others at risk of serious retaliation. (Hoffman & McNulty, 2011)*

Under the Universal Dignity Theory of Whistle-blowing, if an employee has convincing evidence of wrongdoing and has to deal with competing values between, for example, their loyalty to the organisation and loyalty to ethical conduct, the employee has a duty to choose the ethics of whistle-blowing unless his/her dignity would be seriously harmed.

Considering the development of whistle-blowing legislation, Hoffman and Schwartz (2015) re-examined De George's theory of whistle-blowing. They proposed criteria for internal or external whistle-blowing to be morally obligatory:

Misconduct has taken place or is expected to take place that seriously violates the law or involves serious physical harm, serious psychological harm, serious financial harm, serious infringement of basic moral rights, or a serious injustice.

Reasonable evidence or belief of misconduct based on first-hand knowledge can be provided.

Misconduct must first be reported internally whenever feasible to one's direct supervisor and, if no action is taken, all the way up to the board of directors or through the designated reporting channel if one exists (e.g., compliance or ethics officer).

For internal whistle-blowing to be morally obligatory, in addition to previous three criteria, the following criterion is required:

Unless one is a professional, an effective written anti-retaliation policy must exist at the firm.

For external whistle-blowing to be morally obligatory, in addition to the previous four criteria, the following criterion is required:

Unless one is a professional, effective legal protections for employees must exist.

These theories of whistle-blowing demonstrate the moral position that whistle-blowing may take: whistle-blowing as either morally not required, morally permitted, morally required and morally praiseworthy (see Table 2.4).

Table 2.4: The morality of whistle-blowing based on the Harm, Complicity, Good Reason, Dignity and Integrity Theory of Whistle-blowing

	Internal whistle-blowing	External whistle-blowing
Morally not required	if no formal anti-retaliation policy exists or effectively implemented	if no legal protection exists or effectively implemented
Morally permitted	<ul style="list-style-type: none"> - Internal reporting principle: exhaust internal managerial level or through the designated reporting channel - Principles of procedural justice: warning one's colleagues of their improper misconduct or of one's intention to blow the whistle 	<ul style="list-style-type: none"> - Harm principle: serious and considerable physical, financial and psychological harm - Violating moral laws - Serious injustice
Morally required (obligatory)	An effective written anti-retaliation policy must exist (Unless the whistle-blower is a professional)	<ul style="list-style-type: none"> - Evidentiary principle: clear, substantiated, and reasonably evidences - First-hand knowledge - Make a Difference Principle: blowing the whistle will lead to successful changes
Morally praiseworthy (supererogatory)	Whistle-blowing without guaranteed protections from the organisation against reprisals	Whistle-blowing without the existence of legal protection

In brief, it can be inferred that whistle-blowing contains several important debatable issues. These include the level of reporting from immediate supervisor up to the public, a potential whistle-blower also being a potential wrongdoer and the quality (correctness, accuracy and objectivity) of whistle-blowing information. The debatable issues also include exceptions to or justification for not blowing the whistle. The debatable issues in whistle-blowing theories, along with the competing definition of whistle-blowing described in the previous section in this literature review, will be further examined to answer the research questions and reported on in the research findings section in Chapter 6.

2.4.2 Ethical Decision-Making Perspective of Whistle-blowing

Model of Ethical Decision-Making

Utilising the virtue ethics theory, Thorne (1998, in Armstrong et al. (2003)) developed a model of ethical decision-making comprising four parts: moral sensitivity, moral judgement (reasoning), moral motivation and moral character.

As described in Table 2.5, moral sensitivity describes how the individual interprets the situation and considers the consequences of his/her decision or actions. Moral judgement or reasoning describes the processes of selecting the ‘best’ ethical choice. After a decision has been made, the individual must then be motivated to execute that choice. The individual later assigns ‘moral value’ to their decision, among other non-moral values (such as career success, economic gain or power).

Table 2.5: Ethical decision-making that integrates ethical behaviour with the virtue ethics theory based on Armstrong, et al. (2003)

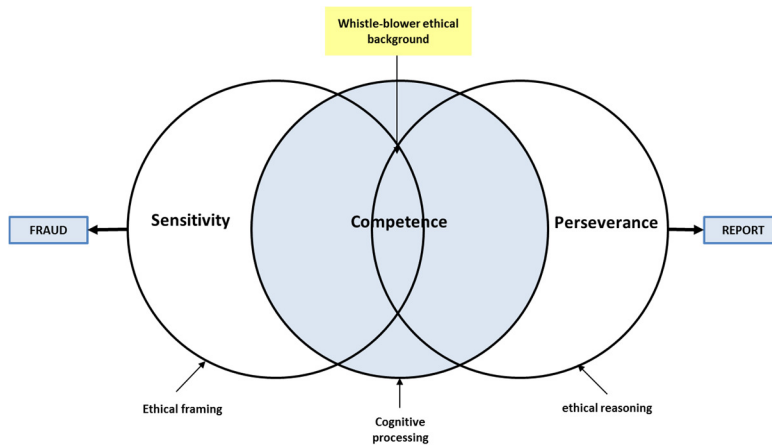
Component of decision	Description	Ethical process
Moral development		
Sensitivity	Interpreting the situation, identifying how various actions would affect the parties involved, imagining cause–effect chains of events, and being aware that there is a moral problem when it exists	Identification of dilemma
Prescriptive reasoning	Judging which action would be most justifiable in a moral sense	Ethical judgement
Virtue		
Ethical motivation	the degree of commitment to taking the moral course of action, valuing moral values over other values, and taking personal responsibility for moral outcomes	Ethical intention
Ethical character	persisting in a moral task, having courage, overcoming fatigue and temptation, and implementing subroutines that serve a moral goal	Ethical behaviour

Moral character is the level of perseverance which shows the process, by which an individual executes the decision, overcomes obstacles and resists distractions. It is presumed in this sequential model that awareness is needed for a decision to have moral implication, reasoning is necessary to determine moral judgement and an intention is required to understand a moral action (Bazerman & Tenbrunsel, 2011). These four components provide a mechanism for integrating the process of ethical reasoning with the ethical decision to analyse the whistle-blowing process within the organisational setting.

In the context of whistle-blowing, Ponemon (1994) provided a model of a whistle-blower’s ethical decision-making (see Figure 2.4). He argued that three conditions need to be met in order for someone to blow the whistle. The first condition is the

sensitivity needed to identify the problem and to derive a measure of the seriousness of the wrongdoing.

Figure 2.4: Three Components of the Whistle-blower's Decision-making Process according to Ponemon (1994)



The second condition is the competence that is the ability to develop a strategy for dealing with the problem. The third is the perseverance that is having the moral principle to follow through on a decision. Whistle-blowing then occurs when the individual satisfies all three characteristics that exist at the intersection of ethical sensitivity, competence and perseverance.

Some procedural and substantive ethical tension points (see Table 2.6) can be applied to identify where a whistle-blower may face an ethical struggle (Jensen, 1987). This reflects the whistle-blower's dilemma in term of:

- conflict between personal and organisational values and conflict between their obligations to an organisation and to parties beyond it, divided loyalty to the accused organisation and another constituency (Jubb, 1999), and
- weighing up of the costs (negative consequences) and benefits (positive consequences) of blowing the whistle for the whistle-blower, organisation and other parties.

Table 2.6: Procedural and substantive ethical tension points (Jensen, 1987)

Procedural ethical tension	Am I properly depicting the seriousness of the problem?
	Have I secured the information properly, analysed it appropriately, and presented it fairly?
	Are my motives appropriate?
	Have I tried fully enough to have the problem corrected within the organisation?
	Should I blow the whistle while still a member of the organisation or after having left it?
	Should I keep anonymity?
	How ethical is it to assume the role of a judge?
	How ethical is it to set in motion an act which will likely be very costly to many people?
Substantive tension points	How fully am I living up to my moral obligations to my organisation and my colleagues?
	Am I appropriately upholding the ethical standards of my profession?
	How adversely will my action affect my family and other primary groups?
	Am I being true to myself?
	How will my action affect the health of such basic values as freedom of expression, independent judgement, courage, fairness, cooperativeness, and loyalty?

Positive and Negative Consequences

Regarding the ethical dilemma arising from the positive and negative consequences, the observer (potential whistle-blower) is confronted with two situations. The first is that the wrongdoing contradicts and violates the organisation's values. On the other hand, in the second situation, persons with authority in the organisation refuse to admit there is a violation. The observer will weigh up the personal and organisational values and then either challenge or comply with to the authority. Both courses of action carry associated risk. Jubb (1999) proposed that the risks of a challenge are more immediate and appear to be much greater, although complying with the authority can make the individual part of the wrongdoing. To evaluate the situation, the potential whistle-blower considers several factors, such as the severity of the possible consequences, the probability that they will occur and whether they are reversible or ameliorable.

The cost or negative consequences for the whistle-blower may take various forms. They may include being fired, denied salary increases, promotions and tenure,

suffering damage to their professional reputation and being barred from future opportunities (Malek, 2010) or intimidation, harassment, heavy scrutiny of their work, isolation and unsafe or humiliating work (Smith & Brown, 2008). Moreover, any decision by the whistle-blower to not report may result in a feeling of them having compromised their integrity.

As an instrument to detect and prevent corruption and other wrongdoing, whistle-blowing can avert harm, protect human rights, help to save lives and safeguard the rule of law (Transparency International, 2010). It can increase the quality of service, safety and well-being of societal members and lead to a reduction of taxes and support for codes of ethics (Miceli & Near, 1992). It also can stop the problematic behaviour from continuing, uncover additional incidents of misconduct and promote the fair and efficient use of resources (Malek, 2010), change in agency procedure, policies or management (Smith & Brown, 2008) and is recognised as a key factor in fraud deterrence (Guthrie, 2008).

This section has reviewed the whistle-blowing theories and ethical decision-making perspective of whistle-blowing. The key points that will be utilised to answer the research question are that the main dilemma of whistle-blowing relates to the conflict of balancing values, multiple loyalties and obligations and to evaluation of the positive and negative consequences of the whistle-blowing decision. The decision as to whether or not to blow the whistle is manifested in the point when ethical sensitivity, ethical competence and ethical perseverance combine then the decision can be evaluated as whether it is morally not required, morally permitted, morally required or morally praiseworthy

In the next section, the POB perspective of whistle-blowing is presented.

2.5 Prosocial Organisational Behaviour Perspective of Whistle-blowing Decision

2.5.1 Prosocial Behaviour and Prosocial Organisational Behaviour

As an effort to prevent the substantial negative consequences of wrongdoing, whistle-blowing can be seen as a prosocial behaviour. Prosocial behaviour is

defined as positive social acts conducted to produce and maintain the well-being and integrity of others (Brief & Motowidlo, 1986). It is intended to benefit one or more people other than oneself (Batson, 1998 in Clarke, 2003), and may be motivated by self-interest (egoism) as well as altruism (Clarke, 2003). Positive social acts here may refer to the definition offered by Penner et al. (2005) that the behaviour is defined by society and perceived as generally beneficial to other people. It includes helping, sharing, donating, co-operating and volunteering. In the organisational context, prosocial behaviour is directed towards colleagues, customers or the organisation, such as an employee who goes beyond the requirements of his/her formal job description.

The definition of POB offered by Brief and Motowidlo (1986) comprises two dimensions: the person and the consequence of the act. POB is defined as:

(a) Performed by a member of an organisation, (b) directed toward an individual, group, or organisation with whom he or she interacts while carrying out his or her organisational role, and (c) performed with the intention of promoting the welfare of the individual, group, or organisation toward which it is directed (Brief and Motowidlo, 1986, p.711)

Clarke (2003) identified three models explaining prosocial behaviour: norm theories, emphatic arousal and cognitive models. In norm theories, prosocial behaviour such as helping is motivated by the need to act according to the norm to help those in need. Someone helps because he/she feels morally obliged to help those who have helped him/her (reciprocity) or they may help those in need because they depend on him/her (social responsibility). In emphatic arousal, someone imagines that he/she is in the position of the one needing help. This emphatic feeling produces emotional arousal. A cognitive model of prosocial behaviour sees helping as a logical decision-making process: perceiving a situation, assessing the available factors and making a decision. In a more detailed process, the cognitive theory also includes a cost-benefit analysis in which the decision depends on the outcome of a weighing up of social rewards (benefits) and the social cost of helping.

2.5.2 Whistle-blowing as Prosocial Organisational Behaviour

Whistle-blowing Decision Framework

Gundlach et al. (2003) proposed that the body of literature on the prosocial behaviour perspective of whistle-blowing consists of two factors: the perceived seriousness of the act of wrongdoing and the whistle-blower's weighing up of the costs and benefits of their decision. Near and Miceli (1985) proposed whistle-blowing as a process comprising four decisions. The first decision is that the observer must decide whether or not the observed activity is wrong. Secondly, the decision to report the activity depends on several factors. The third and fourth decisions relate to whether the organisation takes action and may decide to ignore any whistle-blower(s) or takes steps to silence him/her if the report is invalid.

Examining whistle-blowing as prosocial behaviour, Dozier and Miceli (1985) developed a whistle-blowing decision framework (see Table 2.7). Greenberger et al. (1987) utilised this framework to present a preliminary model of whistle-blowing as an act of nonconformity to group norms. The models of whistle-blowing can be traced back to the five-stages decision framework developed by Latane and Darley (1970). The first stage in the framework is an awareness of the seriousness of the wrongdoing and its harmful consequences to others. The second is determining whether the wrongdoing requires any action. The third and fourth involve the decision to bear responsibility for taking action and the choice of an appropriate action, made after consideration of all possible alternatives and outcomes. The fifth stage is taking the required action. The simplified earlier models of whistle-blowing are described comparatively in Table 2.7.

Table 2.7: Earlier models of whistle-blowing decisions

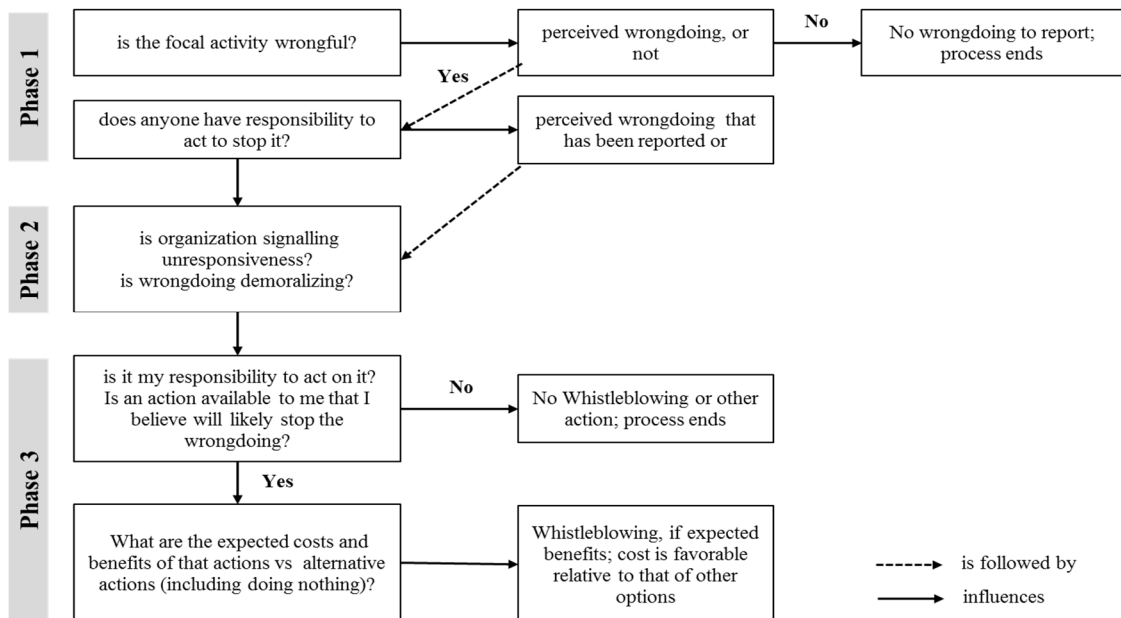
Five stage decision framework (Latane & Darley, 1970)	Decision framework adapted from Dozier and Miceli (1985)	The sequence of events associated with whistle-blowing (Greenberger, et al., 1987)	A Model predicting responses to perceived wrongdoing (Miceli, et al., 2001)
1) awareness by the observer of the seriousness of the wrongdoing and its potential harmful consequences to others	Is organisation member aware of wrongdoing?	Step 1: Is focal activity wrong	Do I believe wrongdoing is occurring
2) determine whether the wrongdoing requires any action such as whistle-blowing	Does organisation member consider wrongdoing deserving of action?	Step 2: Is focal activity deserving of action?	Is action warranted?
3) decision to bear responsibility for taking action such as reporting	Does organisation member consider self-responsible for action?	Step 3: Do I have the responsibility to act on focal activity?	Am I responsible for action?
4) choice of an appropriate action, after weighing all possible alternatives and likely outcomes from reporting 5) taking the required action such as whistle-blowing	Is at least one behaviour alternatives available	Step 4: Are efficacious actions available?	Is an action that may stop the wrongdoing available to me?
	Does organisation member believe the whistle-blowing is more appropriate than other alternatives?	Step 5: Is considered action appropriate?	Will the benefits (of a considered action) outweigh the costs?
	Does organisation member believe the benefits of engaging in the whistle-blowing outweigh the cost?	Step 6: Do benefits outweigh costs?	Are the net expected benefits of whistle-blowing greater?
	Are results satisfactory to organisation member?		Are results satisfactory?

Miceli and Near (1992) refined this model and proposed four stages of decisions. In stage 1, the occurrence of wrongdoing, an activity that is observed by at least one member of the organisation, must occur before any whistle-blowing takes place. Stage 2, the process preceding the decision to blow the whistle, comprises four steps. In step 1 (recognition of wrongdoing), the potential whistle-blower is aware of the wrongdoing. In step 2 (assessment), the potential whistle-blower considers whether the event is deserving of an action. Step 3 (responsibility) is

when the potential whistle-blower considers whether she/he is responsible for taking action. Step 4 (choice of action) is when the potential whistle-blower determines whether there are any alternative actions available. In stage 3, the whistle-blower takes action by reporting the wrongdoing to at least one party. In stage 4 – the reactions of others – the recipient of the complaint and other parties within or outside the organisation may react to the whistle-blowing.

Miceli and Near (2005) condensed these decisions into three general phases and then Miceli et al. (2008) further refined the model (see Figure 2.5).

Figure 2.5: Phases in the POB model of Whistle-blowing (Miceli, et al., 2008)



Phase 1 yields a conclusion as to whether or not the focal activity is wrong and whether anyone has a responsibility to stop it. Phase 2 comprises the process of signalling or demoralising. Miceli et al. (2008) argued that unreported or uncorrected wrongdoing may signal to employees that the organisation tolerates wrongdoing and may therefore demoralise the employees. If the wrongdoing has been corrected, employees are less likely to become demoralised. In Phase 3, employees who observe the wrongdoing make a decision as to whether or not it is their responsibility to act upon the wrongdoing and whether any action is available.

Perceived Cost and Expected Benefit

The decision to blow the whistle constitutes a cost-benefit analysis that is influenced by perceptions of causality, judgements of responsibility and emotions, as well as perceptions of consequences (Graham, 1986; Gundlach et al., 2003). Employee perception of causality refers to internal, controllable, stable and intentional causes compared with external, uncontrollable, unstable and unintentional causes of wrongdoing. The perception of causality influences two other factors: emotions, which include anger, resentment and fear and judgement of responsibility that is the employee's view of the wrongdoer's responsibility for the wrongdoing.

Cost-benefit analysis and personal responsibility were found to be important factors influencing auditors' reporting intentions. Kaplan and Whitecotton (2001) found that intention was stronger when the personal costs of reporting were perceived to be lower. It was also stronger when personal responsibility for reporting was perceived to be higher. Responsibility for reporting can be explicit in an employee's job description, or it can be implicit arising out of a personal sense of social responsibility or moral obligation (Curtis, 2006) or from a sense of commitment and loyalty to the organisation (Alleyne, et al., 2012). On the contrary, diffusion of personal responsibility (the bystander effect) can occur when many individuals observe the wrongdoing and choose to remain silent.

Duska (2010) argued that obligation exists when there is need, capability to report, proximity, last resort and the probability of success. When wrongdoing occurs, there will be a need to stop it. The observer is aware of the activity; thus he/she is in close proximity to it. The observer may not be the one with initial responsibility to report the wrongdoing but if none of the people in authority respond to the activity, then the observer becomes the last resort and has some responsibility to report it. If the observer thinks that there is little probability of success in preventing harm or a significant probability of damaging the observer's interest, then their sense of obligation diminishes.

The key points that will be utilised to answer the research question are that from a prosocial organisational perspective, a whistle-blower, as a member of an organisation, feels morally obliged to blow the whistle to prevent wrongdoing. However, the whistle-blower also contextualises their decision concerning the perceived cost and expected benefit.

The notions described above illustrate the intersection of the prosocial organisational perspective of whistle-blowing and the ethical decision-making perspective of a whistle-blowing decision. Both perspectives emphasise recognition of the wrongdoing, personal responsibility to report it and the weighing up of the cost and benefit arising from it. Examining the moral principles that govern a person's behaviour and viewing whistle-blowing as a piece of ethical decision-making and as prosocial behaviour may illuminate how an employee makes the decision and what factors influence their decision.

2.6 Previous Studies of Internal Auditor Whistle-blowing Decisions

There are only a handful of studies that have focused mainly on the factors influencing internal auditors' whistle-blowing decisions. Many more studies can be found in the area of external/public accountants' whistle-blowing decisions or on auditors' ethical decision-making in general.

Recognising the uniqueness of the internal auditor position in the organisation, Arnold and Ponemon (1991) examined the level of moral reasoning and found that internal auditors with relatively low levels of moral reasoning were unlikely to predict whistle-blowing. Examining reward systems and moral reasoning, Xu and Ziegenfuss (2008) found that auditors with lower levels of moral reasoning were more sensitive to cash incentives. Internal auditors were more likely to report wrongdoing to higher authorities when incentives were provided. In a survey of directors of internal auditing, Miceli et al. (1991) also found that they were less likely to report when they did not feel morally compelled to do so or when they were employed by highly bureaucratic organisations.

Among more recent studies, Seifert et al. (2010) examined the influence of organisational justice on internal auditors' and management accountants' whistle-blowing and found that employee whistle-blowing was likely to increase when the procedures, outcomes and related exchanges with superiors were perceived as fair. Focusing on internal auditors and internal whistle-blowing intention, Ahmad (2011) argued that members of organisations had different reactions to different types of wrongdoing and that the main predictors were the principle dimension of ethical climate, relativism dimensions of ethical judgement, the seriousness of wrongdoing and gender.

In general, internal auditors' whistle-blowing behaviour has been studied through the application of a survey of directors of internal auditing (Miceli, et al., 1991), experimental methods (Arnold and Ponemon, 1991; Seifert et al., 2010; Xu and Ziegenfuss, 2008) and surveys using vignettes (Larkin, 2000; Ahmad, 2011). Detailed previous studies of internal auditor whistle-blowing decisions are described in Table 2.8.

Table 2.8: Previous studies of internal auditor whistle-blowing decision

Type of Study and methods	Main Concepts / theory utilised	Major Findings
1. Internal Auditors' Perceptions of Whistle-blowing and the Influence of Moral Reasoning: An Experiment (Arnold & Ponemon, 1991)		
This experiment required 106 internal auditors to predict whether or not another person would engage in a whistle-blowing act under different sets of conditions.	This paper examines the internal auditor's perceptions of whistle-blowing within the context of his or her level of moral reasoning as measured by the Defining Issues Test (DIT)	<ul style="list-style-type: none"> - internal auditors with relatively low levels of moral reasoning were unlikely to predict whistle-blowing - the organisational position of the individual contemplating the whistle-blowing act influences internal auditors' predictions.

Type of Study and methods	Main Concepts / theory utilised	Major Findings
2. Who blows the whistle and why? (Miceli, et al., 1991)		
Survey of 653 Directors of Internal Auditing	This study examines the effects of a number of perceptual variables on internal auditors' reporting of wrongdoing by employees and managers in their organisations	<ul style="list-style-type: none"> - Directors of Internal Auditing were less likely to report when they did not feel compelled morally or by role prescription to do so, when they evaluated their job performance as below average, or when they were employed by highly bureaucratic organisations. - Auditors were more likely to report incidents to external agencies when they felt that the public or their co-workers were harmed by the wrongdoing, the wrongdoing involved theft by relatively low-level workers, there were few other observers, or the organisation was highly regulated.
3. The Ability of Internal Auditors to Identify Ethical Dilemmas (Larkin, 2000)		
Surveys the internal audit department of a large financial services organisation using vignettes	Four key demographic variables were investigated: gender, age, years of employment and peer group influence	<ul style="list-style-type: none"> - Respondents view themselves as more ethical than their peers. - Females' ability to identify ethical behaviour better than their male counterparts. .
4. Reward Systems, Moral Reasoning, and Internal Auditors' Reporting Wrongdoing (Xu & Ziegenfuss, 2008)		
Experiment was conducted to examine whether rewards systems such as cash incentives or employment contracts have an impact on auditors disclosing wrongdoing behaviour	This study investigates the issue of whistle-blowing behaviour that results from internal auditors discovering company wrongdoing in the process of preparing financial information	<ul style="list-style-type: none"> - Internal auditors are more likely to report wrongdoing to higher authorities when incentives are provided suggesting reward systems have a positive effect on disclosing company's wrongdoing or even fraud - Internal auditors with lower levels of moral reasoning are more sensitive to cash incentives

Type of Study and methods	Main Concepts / theory utilised	Major Findings
5. The influence of organisational justice on accountant whistle-blowing (Seifert, et al., 2010)		
An experiment involving 447 internal auditors and management accountants.	The theory of organisational justice to the design of whistle-blowing policies and procedures	<ul style="list-style-type: none"> - Employee whistle-blowing is likely to increase when organisational whistle-blowing procedures, outcomes, and related exchanges with superiors are perceived as fair. - Whistle-blowing policies and mechanisms incorporating higher levels of procedural justice, distributive justice, and interactional justice were perceived to increase the likelihood that an organisational accountant would internally report financial statement fraud.
6. Internal auditors and internal whistle-blowing intentions: A study of organisational, individual, situational and demographic factors (Ahmad, 2011)		
A total of 180 internal auditors who were members of the Institute of Internal Auditors Malaysia participated in an experimental design employing four vignettes	The study explored individual's prosocial behaviour theory and organisational ethical climate theory to provide the general framework for predicting internal auditors' internal whistle-blowing intentions.	<ul style="list-style-type: none"> - Organisational members have different reactions to different types of wrongdoings. - Depending on the type of wrongdoings, the main predictors of internal auditors' internal whistle-blowing intentions were the principle ethical climate, relativism dimensions of ethical judgement, seriousness of wrongdoing and gender.

2.7 Factors Influencing Whistle-blowing Decisions and Hypotheses Development

As previously described in Section 1.3, the variables to be further examined are: 1) ethical judgement (main effect), 2) perceived seriousness of wrongdoing and organisational commitment (moderating effect) and 3) ethical climate, wrongdoer's power status and whistle-blower's job level (control variables).

Factors influencing the whistle-blowing decision in the POB perspective of whistle-blowing were represented by organisational commitment, perceived seriousness of wrongdoing, wrongdoer's(s') power status and whistle-blower's

job status. To be a whistle-blower, a member of an organisation needs to have a good intention to promote the welfare of others and the organisation. As shown later in development of the hypotheses, organisational commitment is related to the intention and level of an employee's responsibility for the promotion of welfare to the organisation. Perceived seriousness was chosen because of the fact that different acts of wrongdoing have different levels of perceived seriousness and responsibility for blowing the whistle is related to the perceived seriousness of the wrongdoing (Duska, 2010).

Factors influencing a whistle-blowing decision within the ethical decision-making perspective of whistle-blowing were represented by ethical judgement and ethical climate. These were chosen because the potential whistle-blower must be aware that the current wrongdoing is unacceptable and that he/she is responsible for taking action. As shown later in the development of the hypotheses, ethical judgement and ethical climate are related to the level of an employee's sensitivity to the degree of wrongfulness of the misconduct in question.

2.7.1 Hypotheses Development of Main Effect and Moderating Effect

2.7.1.1 Ethical Judgement

Although there is a lack of a single accepted definition of ethical judgement in the business ethics literature, Sparks and Pan (2010) reported the two most often cited definitions. Ethical judgement may refer to the belief that a particular alternative decision is the most ethical alternative (Hunt & Vitell, 1986). It may also refer to the process in which an individual determines that in a particular situation, one action is morally right and another action is morally wrong (Rest, 1986). They also proposed that ethical judgement can be defined as an individual's personal evaluation of the degree to which a behaviour or an action is either ethical or unethical. Referring to these three definitions, Sparks and Pan (2010) argued that ethical judgement is a process of evaluation of one or more options based on a specific set of evidence or goals. It can be made into either a singular process (isolated from other options) or a comparative process (in comparison to sets of standards).

Ethical judgement can be seen as a binary decision such as right or wrong, ethical or unethical and good or bad, or as a continuum of intensity. Seeing it as a continuum of intensity, Reidenbach and Robin (1990) developed the Multidimensional Ethics Scale (MES) to measure how a respondent evaluates an ethical decision. The MES instrument comprises three ethical dimensions: moral equity, relativism and contractualism.

The moral-equity dimension is about justice, fairness and morality or goodness and the rightness of the issue in question. The relativism dimension refers to the culture and traditions that are concerned with the social guidelines or requirements that define a society's ethical beliefs. These beliefs are relativistic in the sense that a person evaluates whether an issue is right or wrong based on social guidelines rather than individual consideration. The third dimension, contractualism, concerns the unwritten and unspoken social contract that an individual's evaluation of the rightness or wrongness of an issue is based on an agreement/contract that exists in society (Reidenbach & Robin, 1990).

In identifying the characteristics of whistle-blowers in relation to ethics, Greene and Latting (2004) found that whistle-blowers are altruistic, utilitarian, driven by their sense of integrity and have a social responsibility to speak out and allow their attitudes and beliefs to guide them. Chiu (2003) found that ethical judgement, moderated by a locus of control, was related to the intention to blow the whistle among Chinese managers. According to Rotter (1966, cited in Miceli and Near, 1992), an individual with an internal locus of control believes themselves to be largely in control of their outcomes, whilst an individual with an external locus of control believes that fate, luck or chance determines much of what happens to them.

Ayers and Kaplan (2005) found that moral-equity judgements were significantly associated with reporting intentions for a non-anonymous reporting channel. They concluded that the relativism and contractualism dimensions may not be associated with reporting intentions under both conditions of anonymity and normal reporting channels. In a study involving Chinese employees at ten banks

in China, Zhang et al. (2009) also found that whistle-blowing judgement explained a high variance in whistle-blowing intentions.

Ahmad (2011) reported that previous studies utilised the dimensions of ethical judgement in examining the association with whistle-blowing or reporting intentions. He reported that all the dimensions of ethical judgement – moral equity, relativism and contractualism – are significantly positively associated with behavioural intentions in the various types of vignettes that he examined. However, Ahmad (2011) also found that the relativism dimension was the only significant predictor of ethical judgement for internal whistle-blowing intentions and that neither the moral equity or contractualism dimensions appeared to influence internal whistle-blowing intentions in any of the vignettes applied in his research.

In light of these previous findings outlined above, it can be proposed that an observer of wrongdoing may evaluate an ongoing act of wrongdoing as either ethical or unethical based on: 1) his/her perception of its fairness, justice and morality, 2) social and cultural guidelines, 3) the presence (or not) of an agreement/contract existing in society. Therefore, the hypotheses are as follows:

Hypothesis 1:

Government internal auditors with higher ethical judgement will be more likely to blow the whistle in responding to organisational corruption than those who have lower ethical judgement.

2.7.1.2 The Moderating Effect of the Seriousness of Wrongdoing

Jones (1991) argued that the magnitude of consequences, which is the sum of the harm or benefit brought upon the victims (or beneficiaries) of the moral act in question, will be positively related to decision-making and behaviour. The results of studies conducted by Near et al. (2004) and Miceli and Near (1992) indicated that rates of whistle-blowing varied significantly by type of wrongdoing and perceptions about the seriousness of a wrongdoing. Near et al. (2004) found that mismanagement, sexual harassment or unspecified legal violation were

significantly more likely to be reported than stealing, waste, safety problems or discrimination. Lee et al. (2004) also argued that whistle-blowing was directly and positively associated with both felonious and non-felonious sexual harassment, the frequency and length of sexual harassment and multiple harassers. Moreover, employees are less likely to report financial statement fraud than theft and immaterial financial statement fraud than serious financial statement fraud (Robinson, et al., 2012).

Examining employees' reporting intentions after their discovery of wrongdoing by a consultant, Ayers and Kaplan (2005) also concluded that the seriousness of an act of wrongdoing is related to the reporting of the wrongdoing, particularly when this is conducted via an anonymous reporting channel. Serious wrongdoing is less ambiguous and so giving the observer more power to report. It increases their sense of responsibility for reporting. Regarding the victims of the act of wrongdoing, Ming et al. (1998) argued that empathy for potential victims predicted the likelihood of whistle-blowing behaviour.

Referring to the ethical decision-making perspective of whistle-blowing, this can infer that after deciding whether or not the act of misconduct is wrong, the potential whistle-blower will proceed to assess the seriousness of the wrongdoing in question. Besides determining the frequency, length of time, amount of money involved, amount of damage and the magnitude of the consequences of the wrongdoing, the potential whistle-blower may identify and consider the various parties involved in the wrongdoing and the various parties that would be affected by a decision to blow the whistle. An employee may have a similar perception of wrongfulness but may have a different perception of the seriousness of the wrongdoing (Strack, 2011; Armstrong et al., 2003; Ponemon, 1994; Jensen 1987; Winardi, 2013).

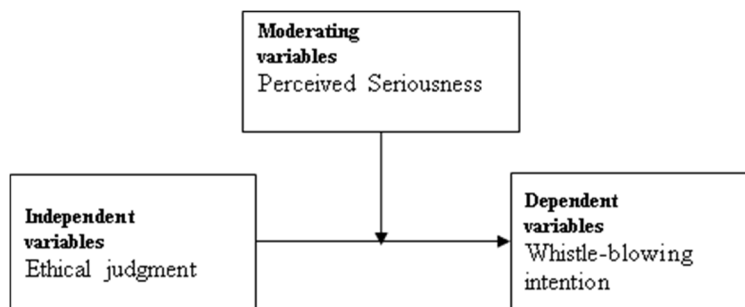
Therefore, the following hypothesis is proposed:

Hypothesis 2:

The effect of ethical judgement on whistle-blowing intention will be moderated by the seriousness of the wrongdoing. The more serious the organisational corruption perceived by a government internal auditor, the higher the influence of ethical judgement on the government internal auditor's intention to blow the whistle.

Figure 2.6 comprises a conceptual diagram of the perceived seriousness of wrongdoing, as a moderator of the relationship between ethical judgement and whistle-blowing intention.

Figure 2.6: Conceptual diagram of the moderating effect of seriousness of wrongdoing



2.7.1.3 The Moderating Effect of Organisational Commitment

Mowday et al. (1979) defined organisational commitment as the relative strength of an individual's identification with and involvement in a particular organisation. It can be characterised by: (1) a strong belief in and acceptance of the organisation's goals and values; (2) a willingness to make a considerable effort on behalf of the organisation; and (3) a strong desire to remain in the organisation. An employee may be locally committed (to co-workers), globally committed (to upper management and the organisation), committed to both local and global foci or uncommitted to either the organisation or his/her co-workers (Becker & Billings, 1993).

Organisational commitment has at least three separate components reflecting a desire, need and obligation. Desire means an affective commitment that refers to a personal characteristic, structural characteristic and work experience. Need refers

to a continuance commitment that reflects the recognition of cost associated with leaving the organisation, while obligation refers to a normative commitment that may result from familiar or cultural socialisation or advance reward given to the employees. It causes a feeling of obligation (Meyer & Allen, 1991).

Street (1995) argued that if individuals have a high organisational commitment, they are more likely to display prosocial behaviour of whistle-blowing. Miceli et al. (2008) reported that some studies demonstrated that whistle-blowers have higher organisational commitment than inactive observers since they are more invested in remaining with rather than exiting the organisation. Examining professional commitment, organisational commitment and colleague commitment, Taylor and Curtis (2010) found that an auditor's organisational commitment drives their perseverance in reporting an observed violation.

Somers and Casal (1994) found that whistle-blowing was influenced by commitment only to a moderate level. Moreover, analysing eight studies, Mesmer-Magnus and Viswesvaran (2005) found no essential correlation between organisational commitment and whistle-blowing intent. Focusing on external whistle-blowing, Sims and Keenan (1998) also did not find a significant relationship between organisational commitment and whistle-blowing. Ahmad (2011) found the inability of organisational commitment to explain whistle-blowing behaviour among internal auditors in Malaysia. He argued that the organisational commitment of the internal auditors appeared to be hampered by the status of the wrongdoers. On the other hand, Chen and Lai (2014) found that organisational commitment has a moderated mediation effect between moral intensity, whistle-blowing intention and behaviour.

Chen and Lai (2014) argued that employees with low organisational commitment as well as high organisational commitment may have different levels of willingness in terms of their intention to blow the whistle. Less committed employees may be unwilling to blow the whistle or may even be unaware of any ongoing wrongdoing that may bring harm to their organisation or, on the other hand, they may readily blow the whistle externally without concern for any damage to the organisation that may arise from their whistle-blowing decision.

More committed employees may cautiously blow the whistle in an attempt to stop the wrongdoing and minimise any loss to the organisation. However, employees with excessive organisational commitment who want to protect their organisations and demonstrate their loyalty to their organisations may have higher unwillingness to blow the whistle.

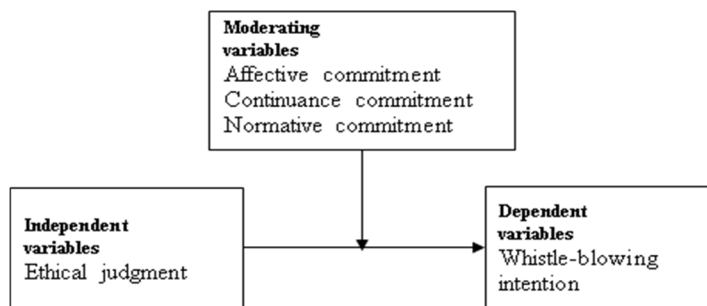
In light of the previous findings outlined above, a proposition can be offered that the three forms of organisational commitment – affective commitment, continuance commitment and normative commitment (Allen & Meyer, 1990) – will be found in government internal auditors in Indonesia. Therefore, the hypotheses are stated as follows:

Hypotheses 3a, 3b and 3c:

The effect of ethical judgement on whistle-blowing intention is moderated by organisational commitment. It will be stronger for government internal auditors with higher organisational commitment in (a) affective commitment, (b) continuance commitment or (c) normative commitment.

Figure 2.7 illustrates a conceptual diagram of organisational commitment as a moderator of the relationships between ethical judgement and whistle-blowing intention.

Figure 2.7: Conceptual diagram of the moderating effect of organisational commitment



2.7.2 Relationship between Control Variables and Whistle-blowing Decision

The control variables to be further examined are ethical climate, the wrongdoer's power status that is reflected in the wrongdoer's job level and the potential whistle-blower's job level.

2.7.2.1 Job Level

Job rank, job level, professional status, supervisory status or managerial role all reflect power distance. This is a relative measure of the distance in position between two parties: the observer of the wrongdoing and the wrongdoer themselves. Taylor and Curtis (2013) argued that this power distance may influence the observer's decision to report the observed wrongdoing and Miceli et al. (2008) found that an employee's position is likely to be positively correlated with their decision to blow the whistle. It is because upper-level employees possess greater opportunity to observe wrongdoing and also have a prescribed role to report misconduct and enforce standards and regulation to subordinates (Rothwell & Baldwin, 2006). Focusing on the less serious form of fraud, Keenan (1990) provided a slightly different justification whereby an upper-level manager is less threatened by fear of retaliation and is therefore more willing to blow the whistle.

Investigating predictors of police willingness to blow the whistle and the frequency with which police blow the whistle in relation to various forms of minor and major violations, Rothwell and Baldwin (2007) confirmed this positive correlation. Supervisory status was one of the most consistent predictors of whistle-blowing. Keenan (2002) also confirmed that whistle-blowing occurs at all levels of management but found significant differences across different managerial levels. Upper-level managers were more positive and more likely to blow the whistle on various kinds of wrongdoing than their middle-level and first-level-manager counterparts. Miethe (1999) identified whether or not misconduct reported by a supervisor or higher official depended on the particular position of the violator in the organisational hierarchy.

On the other side, based on nationwide data on whistle-blowers and silent observers, Rothschild and Miethe (1999) reported that there were no substantial differences across the four groups of non-observers, silent observers, internal whistle-blowers and external whistle-blowers regarding their supervisory position within the organisation. Miceli et al. (2008) also reported that the relationship between observer and violator was mixed and conflicting. Lee et al. (2004) found that supervisory status was unrelated to whistle-blowing in cases of whistle-blowing of sexual harassment.

2.7.2.2 Ethical Climate

The ethical climate is the ethical dimensions of organisational culture and a subset of organisational work climates. Schneider and Barbera (2014) concluded that climate and culture are two conceptually distinct but connected constructs, mutually reinforcing and reciprocally related. Culture refers to the beliefs, ideologies and basic values of an organisation, while organisational culture refers to (i) the taken-for-granted values, underlying assumption, expectations and their members and (ii) the socially constructed attribute of organisations that serve as social glue (Cameron & Quinn, 2011).

Organisational climate refers to the employees' perception of what constitutes appropriate behaviour (Ployhart, et al., 2014), employees' attitude and the feeling of organisational behaviours and characteristics (Keyton, 2014) and employees' views of their organisation's policies, procedures and practices. Values and beliefs cause climates to emerge through the policies, practices and procedures that, reciprocally, can be seen as vehicles for the commencement of changes in culture (Schneider & Barbera, 2014; Burke, 2014).

Definition and Theoretical Types of Ethical Climate

Ethical climate refers to how people in an organisation typically decide whether something is right or wrong. It also refers to the information basis for organisational members to decide what one can do and what one ought to do regarding the treatment of others (Victor & Cullen, 1988). It reflects a shared set

of understandings about what correct behaviour is and how ethical issues will be handled. This climate sets the tone for decision-making at all levels and in all circumstances (Sims, 1992).

Considering the ethical philosophy of egoism, utilitarianism and deontology and the sociological theory of reference groups of cosmopolitan, local and individual, Victor and Cullen (1988) developed a model of ethical climate. It consists of nine theoretical types of ethical climate (see Figure 2.8): personal self-interest, friendship, personal morality, company profit, team interest, rules and standard operating procedures, efficiency, social responsibility and laws and professional codes.

Figure 2.8: Theoretical types of ethical climate (Victor & Cullen, 1988)

		Locus of Analysis		
		Individual	Local	Cosmopolitan
Ethical Criterion	Egoism	Personal Self-interest	Company Profit	Efficiency
	Benevolence (utilitarian)	Friendship	Team Interest	Social Responsibility
	Principle (deontology)	Personal Morality	Rules, Standard Operating Procedure	Laws and Professional Codes

Victor and Cullen (1988) described how the personal self-interest climate (individual-egoism dimension) can be found in an organisation where people use maximisation of self-interest with no other consideration as their criteria for decision-making or in their treatment others. In the company profit climate, consideration shifts to the interests of the company, while in the efficiency climate, the criteria used for decision-making or in regard to the treatment of others are larger social interests. In the benevolence dimension, the criteria of friendship, team interest and social responsibility climates are, in order, consideration given to: 1) others without any preference shown to any particular

organisational member, 2) a fellow member of an organisation collectively, such as esprit de corps, and 3) communities at large outside the organisation. In the principle dimension, the guidance used by an individual in the personal morality, rules and standard operating procedure and laws and professional codes climates are reflected in the source of principle which, consecutively, come from 1) individual personal ethics, 2) organisational policies such as codes of conduct and 3) outside the organisation, such as from a professional code of ethics or religious values.

As seen in Figure 2.9, among the nine theoretical types of ethical climate, Victor and Cullen (1988) found only five empirically ethical climate types, named as (i) independence, (ii) instrumental, (iii) caring, (iv) rules and (v) law and code. Focusing on not-for-profit organisations, Agarwal and Malloy (1999) also found only five types of ethical climate: (i) Individual Caring, (ii) Machiavellianism, (iii) Independence, (iv) Social Caring, (v) and Law and Code. Putranta (2008) and Ahmad (2011) reported that none of the prior studies were able to validate all of the nine theoretical climates and that the number of types of ethical climate empirically confirmed in previous studies ranged from five to eight.

Figure 2.9: Empirical Types of Ethical Climate for Profit Organisation (Victor & Cullen, 1988) and Not For Profit Organisation*) (Agarwal & Malloy, 1999)

		Locus of Analysis		
		Individual	Local	Cosmopolitan
Ethical Criterion	Egoism	Instrumental	Instrumental	
		<i>Machiavellian</i>		
	Benevolence (utilitarian)	Caring	Caring	
		<i>Individual Caring</i>		<i>Social Caring</i>
	Principle (deontology)	Independence	Rules	Law and Code
		<i>Independence</i>		<i>Law and Code</i>

*) presented in italics

The Relationship between Ethical Climate and Ethical Decision-Making

The relationship between ethical climate and ethical decision-making has been reported in several studies in various different contexts. Loe et al. (2000) reviewed numerous empirical studies assessing ethical decision-making and reported that ethical climate is significantly related to ethical decision-making. Schwepker et al. (1997) found that in the context of a salesperson, the positive ethical climate was negatively associated with ethical conflict with sales managers. Similarly, Verbeke et al. (1996) found that ethical climate and personality traits affect ethical decision-making. Another piece of ethical decision-making literature, reviewed by O'Fallon and Butterfield (2005), also found an increase in support for the idea that the dimensions of ethical climates have a significant relationship with ethical decision-making.

In a study of the general managers of lodging operations, Upchurch (1998) found that benevolence was the primary ethical guidance impacting ethical decision-making. Examining the direct and indirect effects of individuals' perceptions of work climate on their ethical judgements and behavioural intentions regarding an ethical dilemma, Barnett and Vaicys (2000) found that the strength of the ethical judgement-behavioural intentions relationship varied depending on the individual's perception of ethical climate. Furthermore, they argued that, in the social responsibility and rules/codes climates, individuals were less likely to engage in a questionable act. In a team/friendship climate, individuals were somewhat more likely to form intentions consistent with their judgement.

In more recent studies, Shafer (2008) found that the type of ethical climate did not significantly affect moral-equity judgements but did find that perceptions of an egoistic/local climate had a highly significant effect on relativism judgements (judgements of what is traditionally or culturally acceptable). Exploring the impact of individual ethics and organisational ethics on ethical intention, Elango et al. (2010) found that both individual ethics (experiences and values) and organisational ethics (ethical standards and practices) in the workplace guide managers in making ethical choices. Studying accountants' ethical decision-making, Musbah (2010) found only very limited significant relationships between

ethical climate types and the stages of ethical decision-making. However, in general, individuals' ethical decision-making processes can be significantly different depending on the working environment in place, such as the ethical climate, code of ethics (Musbah, 2010) or ethical norms (Craft, 2013).

Theoretical Types of Ethical Climate and Their Association with Whistle-blowing

Defined as a set of principles (Wimbush & Shepard, 1994), individuals in an **independence** climate have a moral obligation to do what is right regardless of the consequences. Simha and Cullen (2012) argued that personal moral beliefs with minimal external influences are emphasised in the independence climate. As a form of ethical behaviour, whistle-blowing is therefore expected to have a positive association with the independence climate.

On the contrary, persons in an **instrumental** climate may have no conformity with ethical or moral principles and are instead driven by the maximisation of self-interest and situational benefits. Organisations with instrumental climates may encourage employees to make decisions in accordance with their egoistic interest (Simha & Cullen, 2012). Therefore, this climate is expected to have a negative association with whistle-blowing.

Guided by utilitarian principles of seeking the greatest good, individuals in a **caring** climate are primarily concerned with the well-being of others within or outside their organisation who might be affected by their ethical decisions. This climate is expected to be positively related to whistle-blowing.

In **rules** climates, employees strictly obey the rules of the organisation and use these as a basis for resolving ethical dilemmas. Decision-making is guided by a set of local rules or standards such as codes of ethics (Simha & Cullen, 2012). This climate is expected to be positively related to whistle-blowing. Employees in law and code climates are governed by external codes, legal and professional standards and use these both within and outside their environments. A positive relationship can be predicted between the law and code climate and whistle-blowing (Wimbush, et al. (1997), Rothwell and Baldwin (2006)).

Focusing on three facets of bureaucracy: formalisation, centralisation and controls, Ferrel and Skinner (1988) proposed that more a formalised organisation (i.e. an organisation that enacts and enforces its written code of ethics, written rules and regulation) should have more control over the ethical behaviour of its employees. A highly centralised organisation in which authority is retained at the top level should have more opportunity to control ethical decisions. Subordinates obey authority and comply with orders even when they do not agree with a superior. Regarding control in the bureaucracy, they argued that rules, standards and internal procedures as means of control could influence ethical behaviour. Weber (1990) suggested that organisations characterised by complex bureaucracies and layers of divisions and organisations may isolate employees whose worlds they may perceive to be limited to their divisions and thus separated from the rest of organisation. In facing a moral dilemma, they may tend to rely on the approval and support of interpersonal relations with their peers or immediate superiors. In a smaller organisation, employees may be more concerned with adhering to laws resulting from their interactions with other parts of their organisations and their stakeholders and be more in tune with formal norms (Malloy & Agarwal, 2001).

Miceli and Near (1992) argued that whistle-blowing is less open and frequent in hierarchical, bureaucratic or authoritarian organisations where voices expressed by employees that differ from those of upper management are suppressed. Miceli et al. (2008) proposed that bureaucracy, where compliance with rules requiring ethical behaviour may result in the discouragement of wrongdoing, results in a pre-empting of the need for whistle-blowing. But emphasising compliance may hinder the development of ethical values. They reported a positive relationship between the supportiveness of the organisational climate for whistle-blowing and employees' intention to blow the whistle.

Comparing internal and external disclosure, King (1999) proposed that whistle-blowers may be less likely to use internal disclosure channels within a vertical (bureaucratic, top-down) organisational structure. Examining the phenomenon of whistle-blowing in the hierarchical cultures of a firm, Evans (2008) argued that

whistle-blowing, defined as an unauthorised revelation of wrongdoing, is a form of organisational dissent and that organisations with hierarchical cultures suppress dissent. Moreover, independent thinking and freedom of speech are suppressed in bureaucratic organisations.

Organisational Leadership and Whistle-blowing

Organisational leadership was also found to be an important factor in the whistle-blowing decision. Caillier (2013) found that employees were more comfortable blowing the whistle when they perceived organisational leaders to be practising transformational leadership. Leaders who share their vision, act as role models, inspire employees, stimulate and challenge the status quo are an important predictor of any whistle-blowing decision. Seeing whistle-blowing as an employee's extra role, Bhal and Dadhich (2011) argued that subordinates with high-quality interactions with their superiors beyond those required by their job description were positively related to whistle-blowing by the subordinates. Examining whistle-blowing in a health care organisation, Azhari (2014) showed that management support is critical to the development of trust and open communication. Nurses struggling with reporting wrongdoing need responsive and sensitive leadership to overcome their fears (Azhari, 2014).

On the contrary, avoidant leadership can suppress dissent and avoid bringing attention to matters of concern. In an organisation with avoidant leadership, leaders may ignore or cover up mistakes and errors to protect organisational interest or other employees' personal interest. Examining the whistle-blowing experience of nurses in a health care organisation, Jackson et al. (2013) found that in such a situation, the raising of concerns about wrongdoing that are not in the best interests of the organisation can be viewed as a counterproductive act.

2.8 Research Context: Integration of the Micro-Individual and Macro-Organisational Levels

The need to develop an organisational context in this research is triggered by the fact that whistle-blowing is a social construct that depends on the interaction of

people within an organisation in conjunction with its social setting (Vandekerckhove, 2011). The research context is also important in studying multilevel of analysis. Kozlowski and Klein (2000) put forward a consideration that micro phenomena are embedded at the macro level whilst macro phenomena emerge through the interaction of lower-level elements. The macro level focuses on aggregate or collective response while the micro level focuses on variations in individual characteristics. House et al. (1995) defined this as the meso level that can be a bridge connecting variables in both individual and organisational level to synthesise the process of the micro and macro levels.

As described in the previous section, the research examined both the micro level, that is, the individual factors contributing to a whistle-blowing decision, and the macro level, the situational and organisational factors of a whistle-blowing decision. Micro-macro level interaction is also reflected in the use of both an OCI (micro level) and CO (macro level) as a framework for developing a case scenario of whistle-blowing intention. To develop meso-level theories and capture interactions between the person and situation, Johns (2001) suggested that scholars should study and report organisational context in their research. Referring to the background and rationale of the research given in Chapter 1, the organisational contexts – the surroundings associated with whistle-blowing phenomena – sits within three constructs: Indonesian culture, the government internal audit unit where the research was conducted and internal auditing as the profession of the participants in this research.

2.8.1 Indonesian Culture

A description of Indonesian culture in comparison with other national cultures can be found in the Global Leadership and Organisational Behavior Effectiveness study that expanded Hofstede's five culture dimensions and proposed nine dimensions of national culture. Hofstede's five dimensions of culture are power distance, individualism-collectivism, masculinity-femininity, uncertainty avoidance and short- and long-term orientation (Hofstede & Hofstede, 2005). As will shortly be described in Table 2.9, the nine culture dimensions of the Globe are: group/family collectivism, power distance, humane orientation, uncertainty

avoidance, institutional collectivism, future orientation, performance orientation, assertiveness, gender egalitarianism (House, et al., 2004). Irawanto (2011) summarised that Indonesian culture is:

- relatively high in in-group collectivism, power distance, humane orientation, performance orientation, institutional collectivism, and
- places medium value on uncertainty avoidance, future orientation, assertiveness and gender egalitarianism dimensions.

Although considered a multi-ethnic and multicultural country, Indonesian culture is dominated by Javanese culture, which accounts for half of the total population of Indonesia. Javanese culture influences the Indonesian way of life and dominates the social arena (Irawanto, 2011) as well as the formal life of an organisation and bureaucracy (Sarsito, 2006). In comparing British and Indonesian culture, Suryani (2012) also put forward that Javanese culture is commonly accepted as a representation of Indonesian culture.

The discussion regarding Javanese culture mainly referred to Geertz's perspective that Javanese culture consists of two pillars: 1) *halus* (pure, civilised) and *kasar* (rough, uncivilised) and 2) *lahir* (physical, material, an outer realm of human behaviour) and *batin* (spiritual, inner realm). To be an ideal person, one has to get closer to *halus* and get more *batin* experience in one's life. This combination of *halus-kasar* and *lahir-batin* produces three clusters of cultural values: social order, social harmony and mysticism (Geertz, 1960, in Efferin and Hopper, 2007). Deriving from this perspective, Suryani (2012), who compared Indonesian to British culture, emphasised three constructs of Indonesian culture in the organisational context: view of life, hierarchy and collectivism.

Table 2.9: Dimensions of culture measurement in GLOBE model

Hofstede Dimensions	The Globe Study Dimensions	Score of Indonesian Culture
Power distance The extent to which the less powerful members of organisations accept and expect that power to be distributed equally	Power Distance The degree to which members of a collective expect power to be distributed equally	High
Uncertainty avoidance The degree to which people prefer structured over Long term orientation and Short term orientation unstructured situations	Uncertainty Avoidance The extent to which members of collectives seek orderliness, consistency, structure, formalized procedures, and laws to cover situations in their daily lives	Medium
Individualism and collectivism The extent to which individuals prefer to act as individual rather than as members of groups	Institutional Collectivism Level at which a society values and rewards collective action and resource distribution In-Group Collectivism Level at which a society values cohesiveness, loyalty, and pride, in their families and organisations	High High
Masculinity and Femininity The degree of assertiveness and comprehensiveness versus modesty and caring	Humane Orientation Ideas and values and prescriptions for behaviour associated with the dimension of culture at which a society values and rewards altruism, caring, fairness, friendliness, generosity, and kindness	High
Long term orientation and Short term orientation Thrift and perseverance versus (short term) respect to tradition, fulfilment of social obligations, and protection of one's "face"	Future Orientation The extent to which members of a society or an organisation believe that their current actions will influence their future, focus on investment in their future, believe that they will have a future that matters, believe in planning for developing their future, and look far into the future for assessing the effects of their current actions.	Medium
	Performance Orientation Level at which a society values and rewards individual performance and excellence	High
	Assertiveness A set of social skills or a style of responding amenable to training or as a facet of personality	Medium
	Gender Egalitarianism Level at which a society values gender equality and lessens role differences based gender	Medium

Source: House, et al. (2004)

Indonesian culture is characterised by a high degree of in-group collectivism whereby people are strongly integrated and related in cohesive groups such as family or circles of close friends. In the organisational context, this may be manifested in the form of employer-employee relationships that can be similar to those found in a family. Indonesia is described as a collective society in which individuals are expected to conform to the ideals of society. Pekerti and Sendjaya (2010) argued that the idea of social and interpersonal harmony as a result of mutual respect is the most obvious value.

In terms of power distance, power distribution is relatively unequal and people place a strong emphasis on seniority and recognise the existence of privileges that come from hierarchical power status. Subordinates always need their superior's direction and wait for them to make the final decision. Important decisions have to be consulted on with superiors. The Hofstede Centre describes Indonesian culture as being dependent on a hierarchy in which a manager counts on the obedience of their team members and indirect communication. No one wishes to transmit bad or negative news or feedback. When there is a conflict, direct communication is seen as an uncomfortable and threatening situation. Moreover, under the Javanese philosophy of *mikul dhuwur mendhem jero* (carry high, bury deep), a subordinate (child) is not expected to talk about any bad deed by his/her leader (bury deep) but rather to only expose his/her goodness (carry high).

In terms of the human orientation dimension, Indonesian people are perceived as fair, altruistic and caring towards other and expect religious morality to be practised in the workplace. Moreover, Indonesians are not assertive but rather work in a cooperative and harmonious way. Indonesian culture is described as separating the internal self and external self that is important for maintaining a harmonious relationship in the workplace. Moreover, the Hofstede Centre (2014) put forward:

Perhaps one very key phrase in Indonesia that describes how this [uncertainty avoidance (UAI)] works is “Asal Bapak Senang” (Keep the Boss Happy). The reason is multifold; but if you extrapolate to UAI dimension you can see that keeping the boss happy means you will be rewarded and if you are rewarded you have no economic or status

uncertainty as you will keep being a valuable member of the company (Hofstede, 2014).

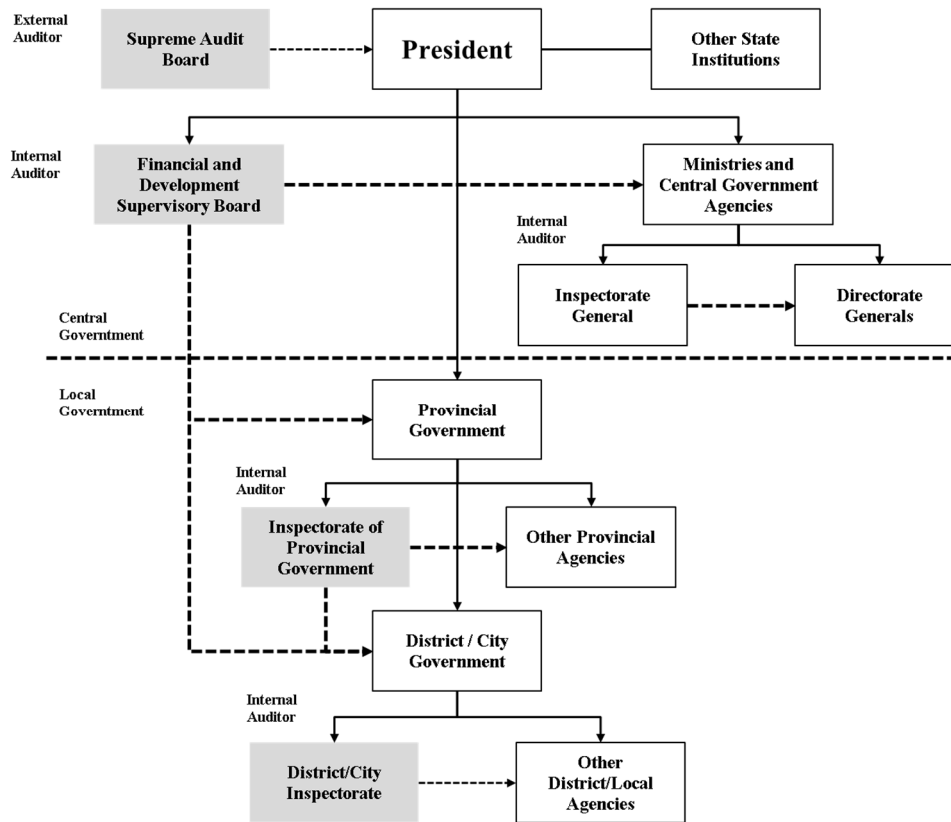
Indonesians moderately tend to avoid uncertainty and seek ways to mitigate the unpredictability of future events by relying on social norms, rituals and formalised policies and procedures but do, on the other hand, accept informality. In institutional collectivism, Indonesians have a high willingness to integrate broader entities, such as extended family, into their circle. This results in dependency on the group's decision and, consequently, people make personal sacrifices in order to meet group obligations. A group or society also encourages and rewards its members for performance improvement and achievement (House, et al., 2004, in Irawanto, 2011).

2.8.2 Description of Government Internal Audit Agency in Indonesia

The internal auditor is responsible for evaluating and improving the effectiveness of governance, risk management and control processes (IIA, 2011). In the government context, internal auditors examine, assess, evaluate and enhance how the state budget is earned and spent, with the aim of improving the efficiency and effectiveness of government programmes (IIA, 2006a). In assurance and consulting services provided by internal auditors, independence and objectivity are important values for an auditor so that stakeholders' trust in the internal audits functions can be maintained.

As shown in Figure 2.10, state audit institutions in Indonesia consist of two main categories. They are external audit units that is *Badan Pemeriksa Keuangan* (The Supreme Audit Board of Republic of Indonesia) that is independent from the government of Indonesia and the Government Internal Audit Units (GIAUs) that are part of the government and falls within the structure of the executive power of the president. The GIAU in Indonesia is present in national, ministerial, provincial and regency/city levels of government.

Figure 2.10: Government Internal Audit Units in Indonesia



The Financial and Development Supervisory Agency (*Badan Pengawasan Keuangan dan Pembangunan*) is the GIAU at a national level that reports directly to the president and is responsible for conducting internal audits on state finance accountability, reviews of financial statements, development of the internal audit profession and building capacity for implementation of the government's internal control system. The Inspectorate General/Prime Inspectorate is the GIAU at ministerial level that reports directly to the minister and is responsible for conducting audit in the organisation units within the ministry. The Provincial Inspectorate and regency/city inspectorate are two GIAUs within local government that report directly to the governor and mayor, respectively.

Employees in a government agency can be separated into various categories. They are labelled *Jabatan Pimpinan Tinggi* (chief/senior/higher executive officer), *Jabatan Administrator* (administrative officer) and *Jabatan Pengawas* (supervisory officer), previously labelled as structural officer of echelons I, II, III

and IV and functional officer. An executive officer is mainly responsible for managing the office, unit or subunit while a functional officer is responsible for conducting the job assigned to them. In the GIAU, executive officers may be composed of two or three levels commonly termed Inspector General, Inspector and Assistant Inspector. The functional officer in the GIAU is referred to as a certified government internal auditor. However, non-certified employees, such as provisional auditors or apprentice employees, may also conduct an audit.

The typical structure of an audit team comprises six layers of positions: inspector general, inspector in a specific field, managing auditor, supervising auditor, team leader and team member. The role of the inspector general is mainly in macro planning, coordinating the audit and compiling the audit result for reporting to the ministry. The inspector is the official responsible for the effectiveness and efficiency of resource utilisation within the government internal audit unit. The managing auditor has a duty to maintain the quality of the audit report. The supervising auditor has to make sure that audit procedures have been followed and that suitable audit techniques have been used by the team leader and team members.

The job status of the certified government internal auditor consists of seven professional levels – three sub-levels at the junior auditor level and four sub-levels at the senior auditor level. The professional level is differentiated according to the level of education and professional certification and performance score that reflects the tenure and professional development achieved by the auditor. The professional levels for junior auditors are practitioner, advanced practitioner and supervisory practitioner. Professional levels for senior auditors are first auditor, lead auditor, associate auditor and principal auditor.

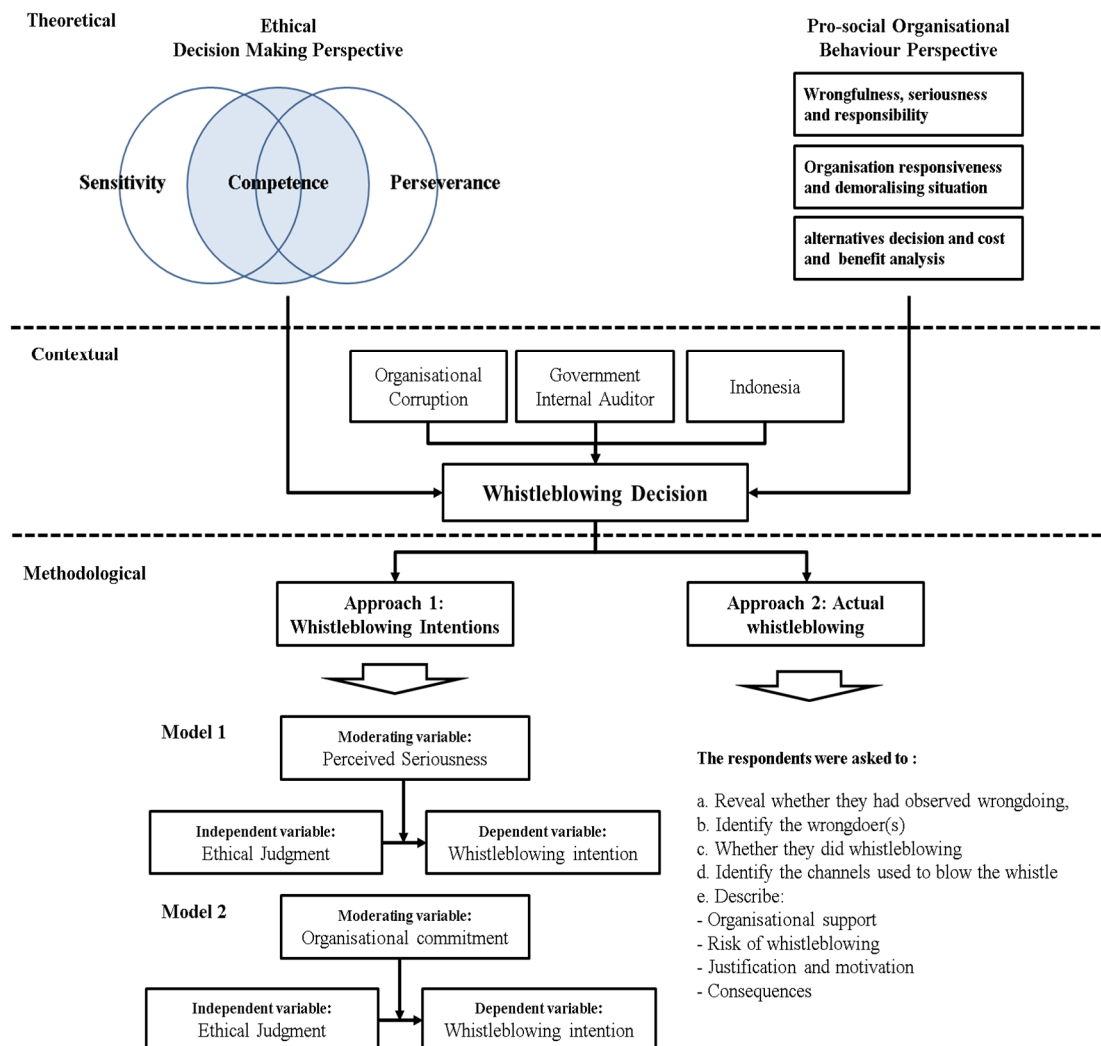
An audit team, in general, consists of five hierarchical levels of professional status. The lowest level in an audit team is the junior auditor and first senior auditor that act as team members, while the lead auditor acts as team leader. The supervising auditor and prime auditor have the managerial role. The role of the supervising auditor involves mainly organisation and the day-to-day control and technical supervision of the audit team. The prime auditor's role is focused on

planning the audit, evaluation of the audit team and controlling the overall quality of the audit. The highest level is the executive officer who, as head of the internal audit unit, has overall responsibility for the audit.

2.9 Concluding Notes, Conceptual Model and Research Approaches

As depicted in Figure 2.11, a conceptual model was developed to apply the theoretical framework and guide development of the research methods. The model was developed based on the following concluding notes:

Figure 2.11: Conceptual Model



1. Whistle-blowing is an act of revealing information regarding activities or incidents that:
 - a. can be perceived as deviance from laws, regulations, procedures, codes of conduct, illegal, immoral or illegitimate practices, improper or unethical conduct,
 - b. can occur in the organisation in which the whistle-blower works, in daily working activities or in the conducting of an audit,
 - c. are provided in the form of a filed report, an anonymous letter, an email, texting/short messages or other means of communication, verbally or in writing,
 - d. are given to a person, officer or organisational unit that may be able to handle the wrongdoing.
2. In ethical decision-making perspectives of whistle-blowing, the whistle-blower uses an internal channel first instead of an external channel, which is considered as constructive rather than destructive deviance. This leads to the need to examine the channel chosen by the whistle-blower. Channels for whistle-blowing include:
 - a. Internal whistle-blowing, defined as whistle-blowing within the scope of the government agency where the respondent works.
 - b. External whistle-blowing, defined as whistle-blowing to government agencies outside the government agency where the respondent works.
 - c. Public whistle-blowing, defined as whistle-blowing to the media, non-government organisation or a member of the House of Representatives.
3. Organisational corruption is:
 - a. A significant proportion of an organisation's members acting in a corrupt manner primarily for their personal benefit motivated by individual needs and not supported by the organisation (organisation of corrupt individuals/OCI).
 - b. A group acting collectively to engage in corrupt behaviour for the benefit of the organisation in terms of the organisation's position, power and/or financial resources (corrupt organisation/CO).

4. Whistle-blowing decision process

As a form of ethical decision-making, the main dilemma of whistle-blowing relates to: (1) the conflict of balancing values, multiple loyalties and obligations (Hersh, 2002) and (2) the moral position of whistle-blowing that is either morally not required, morally permitted, morally required or morally praiseworthy. From the POB perspective, whistle-blowers see themselves as members of an organisation who conduct their organisational roles to prevent wrongdoing and to maintain the integrity of people other than oneself (Brief & Motowidlo, 1986; Clarke, 2003). Whistle-blowers may feel they are morally obliged to blow the whistle. But they also contextualise their decision in relation to other values. They also evaluate evidence of the wrongdoing that they have to support their decision. They then assess the situation and consider how those factors impact upon their integrity and dignity (Brenkert, 2010; Hoffman and McNulty, 2011).

5. Previous models of whistle-blowing decisions developed from the POB perspective and whistle-blowing as ethical decision-making were integrated to develop a model of the whistle-blowing decision.

This integration is illustrated through the combination of: 1) the three necessary ethical conditions for whistle-blowing to be manifested – sensitivity, competence and perseverance and 2) the three phases in the POB perspective of the whistle-blowing decision (Thorne, 1998; Armstrong, et al., 2003; Ponemon, 1994, Miceli, et al., 2008; Warren, 2003; Gundlach, et al., 2003). The three phases of the model are:

- a. In Phase 1 of the integrative framework, ethical sensitivity determines whether or not the activity is wrongful and whether anyone has a responsibility to stop it. The potential whistle-blower assesses whether the incident is an act of corruption. The potential whistle-blower evaluates whether the incident of corruption is the result of internal or external, controllable or uncontrollable or stable or unstable causes. In this phase,

there may be ethical sensitivity to identification of the problem and to distinguish the seriousness of the wrongdoing.

- b. In Phase 2, the process of signalling or demoralising occurs.
- c. In Phase 3, the potential whistle-blowers will see whistle-blowing as ethical decision-making that is different from an ordinary decision. Ethical competence – the ability to develop a strategy, gather and evaluate all of the information available for dealing with the problem – may occur in this phase. The potential whistle-blower processes the available information and analyses the ethical dilemma and the costs and benefits of blowing the whistle.

In this phase, employees make a decision by evaluating whether it is their responsibility to speak up and evaluate the cost and benefit of each alternative. Ethical perseverance to follow through with the decision was integrated into this phase. The potential whistle-blower will then either proceed with blowing the whistle or not.

- 6. The factors influencing the whistle-blowing decision to be examined are:
 - a. Main effect: ethical judgement,
 - b. Moderating effect: perceived seriousness of wrongdoing and organisational commitment, and
 - c. Control variables: ethical climate, wrongdoer's power status and whistle-blower's job level.
- 7. The hypotheses relating to the factors influencing the whistle-blowing decision are:
 - a. individuals having higher ethical judgement will be more likely to blow the whistle,
 - b. the more serious the organisational corruption, the higher the influence of ethical judgement on the intention to blow the whistle,
 - c. the effect of ethical judgement on the whistle-blowing intention will be stronger in individuals with higher organisational commitment.
- 8. Whistle-blowing is expected to have a positive association with the independence climate and caring climate while the instrumental climate (egoistic) is expected to have a negative association with whistle-blowing. The

rules climate and law and code climate are expected to have a positive association with whistle-blowing.

9. Whistle-blowing is expected to have a positive association with transformational leadership, open communication and high interactions between superiors and subordinates while avoidant leadership is expected to have a negative association with whistle-blowing.
10. GIAU in national level includes the Financial and Development Supervisory Agency and the Inspectorate General/Prime Inspectorate.
11. The typical structure of an audit team comprises six layers of positions: inspector general, inspector in a specific field, managing auditor, supervising auditor, team leader and team member.
12. Indonesian culture is relatively high in in-group collectivism, power distance, human orientation and medium in uncertainty avoidance.
13. As previously depicted in Figure 2.11, the central element of the conceptual model is the whistle-blowing decision that is derived from both perspectives of ethical decision-making and POB. In attempting to answer the research questions, the whistle-blowing decisions were examined using two approaches: 1) whistle-blowing intentions and 2) actual self-reported whistle-blowing.
 - a. Whistle-blowing intention is defined as a plan or an aim to blow the whistle which is a likelihood that a person (the potential whistle-blower) will engage in the whistle-blowing behaviour.
 - b. Actual whistle-blowing is defined as a real experience of whistle-blowing. An actual whistle-blower is a person who actually observed and reported the wrongdoing.
 - c. The first approach – whistle-blowing intentions – was applied to test the hypotheses of factors influencing the whistle-blowing decision in relation to the organisational corruption described in the case scenarios.
 - d. The second approach – actual whistle-blowing– was applied to examine the incidence and experiences of the actual self-reported whistle-blowing. Respondents were asked whether they had observed any act of wrongdoing before being asked to identify the wrongdoing, wrongdoer,

their justification for blowing the whistle or not blowing the whistle, the channels, organisational support (if any) and the risk(s) and outcome(s) of their whistle-blowing.

- e. Respondents were divided into three categories: 1) non-observer of wrongdoing, 2) silent observer and 3) whistle-blower. They were further divided into three subcategories based on the whistle-blowing channels used: internal, external and public whistle-blowing channels.

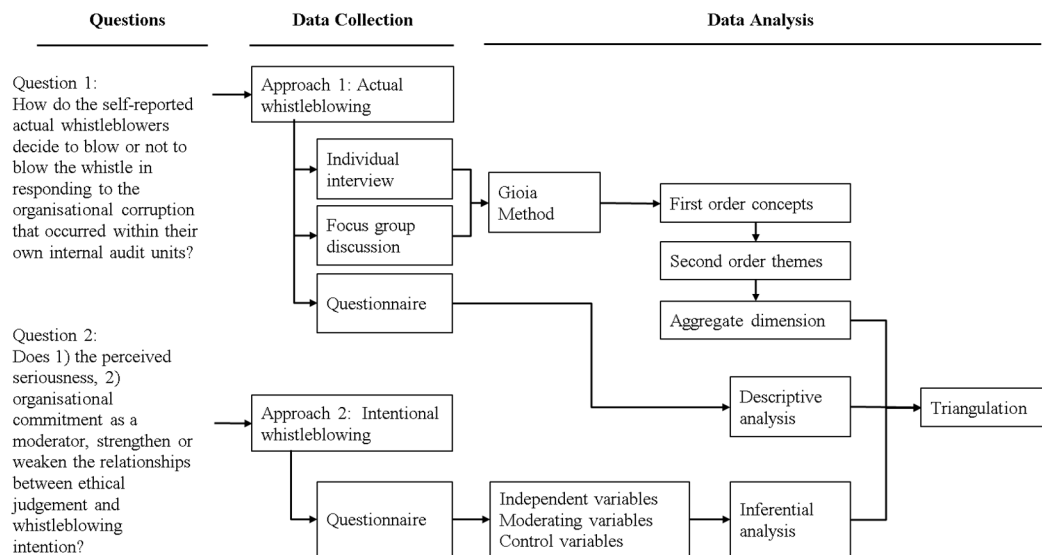
CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

As depicted in Figure 3.1, the purpose of this chapter is to describe the methodological consideration, research design and the quantitative and qualitative methods that are adopted, adapted and developed. The study utilised individual interviews, focus group discussions (FGDs) and survey questionnaires to answer the research questions. The qualitative data were analysed using the Gioia method while the quantitative data were analysed using descriptive and inferential statistics methods.

Figure 3.1: Connecting the questions and the methods



The chapter is divided into six sections. The first section contains a philosophical assumption and a consideration of and justification for choosing the methods (Section 3.1). Section 3.2 contains a description of the overall research process and research design, with the procedures for collecting and analysing the

qualitative and quantitative data given in Sections 3.3 and 3.4. The fifth and sixth sections comprise the procedures for employed to minimise error and bias (Section 3.5) and the approach for combining the qualitative and quantitative results as a concluding notes (Section 3.6).

3.1.1 Philosophical Assumption: Realism

The purpose of this research is not merely to explain the association of a pattern of events but rather to explain the particular mechanisms (causal powers) of whistle-blowing behaviour. Realism assumes that causal powers are independent of the events they generate and that causal power needs to be activated (Tsoukas, 2000). The study has attempted to discover the observable and non-observable mechanisms of the whistle-blowing decision. Within a realism framework, both qualitative and quantitative methodologies are seen as appropriate for researching the underlying mechanisms that drive whistle-blowing behaviour (Healy & Perry, 2000). This leads to the rationale for using a mixture of quantitative and qualitative research.

In utilising quantitative methods, the researcher was aware that statistical correlational studies, as a product of positivism, provide only limited information about causation between variables because they lack contextual realism. The researcher was also aware that the use of qualitative methods may lead to important data from participants being either overlooked or not noticed at all, even after the researcher provides an explicit and transparent description of the techniques used (Curral & Towler, 2003). Therefore, the study used the assumption that whistle-blowing behaviour is a single reality but multiple perceptions since they are built and developed by individuals or societies in specific contexts.

By using the assumption that whistle-blowing behaviour is a single reality that exists externally outside of the human mind and apart from the beliefs of an individual, the study is able explain and predict the whistle-blowing decision by searching for regularities between its properties (variables) (Bergman, 2008; Chen and Hirschheim, 2004). The variables were measured through objective methods

by collecting data on a large number of whistle-blowing (or silent) events, people (internal auditors) and organisations (the government internal audit units) and calculating and interpreting correlations between the variables to construct a model (Swanborn, 2010). In doing so, the study has adopted and developed instruments to observe, measure and assess the variables and then use the result to develop the findings and either confirm or disconfirm theories (Bergman, 2008; Curral and Towler, 2003). Moreover, this quantitative research was conducted using theory deductively as a framework for developing the research questions, hypotheses and data collection procedures.

In utilising the assumption that the realities concerning a whistle-blowing decision lie inside the human mind, the research findings must be within the research contexts such as the time, place and situation during the period of data collection, interpretation and presentation. This is because the reality is constructed and cannot be objectively interpreted due to the nature of interdependence between the knower and the known. To reveal the reality behind this constructed mind, the researcher engaged and interactively linked with the participants. Individual constructions were dialectically compared, contrasted and interpreted to build consensus construction (Guba and Lincoln, 1994; Healy and Perry, 2000). The researcher interpreted the phenomena being studied and thus the results were influenced by the researcher's perspectives and values (Saunders et al., 2009; Swanborn, 2010). The findings were constructed using the procedure of inductive logic to discover and understand the causal mechanism of the whistle-blowing decision within its social context of Government internal audit units (GIAUs) in Indonesia. Therefore, the findings may not be generalised beyond the research context.

3.1.2 Methodological Consideration in Studying Whistle-blowing and Justification for Applying Mixed Methods

The main challenge in studying whistle-blowing decisions in response to organisational corruption is finding respondents or participants who meet certain criteria. They should be the observer of corrupt activities, the potential whistle-blower or, preferably, the actual whistle-blower. Moreover, they should be willing

to describe the incidence of corruption that they observed and reveal their experiences in reporting the wrongdoing or the retaliation they may have experienced. Miceli et al. (2008) described several alternative methods on how to study whistle-blowing. They identified methodological dilemmas and suggested that the researcher needs to disclose the trade-off of choosing a particular method and also the consequences and limitations of the methods chosen.

In choosing the methods applied in the research, several alternatives have been considered. The first alternative is a field experiment or true laboratory study. In field experiments, examination is conducted within participants' real-life environment, thus, the influencing variables cannot be fully controlled. In a laboratory experiment, the environment can be controlled. Therefore, the variables can be measured more precisely. A laboratory study allows a cause-and-effect relationship to be established (McLeod, 2012). The hypotheses may not be confirmed because of the need to weaken the condition regarding the experiment in retaliation testing to avoid the ethical problem. Research in whistle-blowing and organisational corruption is sensitive, meaning that the field experiment design will not be sufficiently realistic to create significant variance across various conditions or create a sufficiently complex set of relationship in which employee may be involved in the act of whistle-blowing or corruption (Miceli, et al., 2008).

A quasi-experiment using a hypothetical case scenario is the next alternative that is commonly used in studying whistle-blowing behaviour because of the advantages it offers, including enabling anonymity and focusing on certain issues to test a theory (Miceli, et al., 2008). The main threats to the validity of using a hypothetical case scenario are common method bias and social desirability bias. Knowing they are not faced with real conditions, respondents may provide answers that support the researcher's hypothesis or else give what they perceive to be a 'good' answer in place of a 'real' answer that reflects their true perception.

An in-depth case study offers rich qualitative data. However, it may also contain bias. This bias can be reduced by applying legal case studies whereby data can be taken from public and external sources. But the issue of non-random sampling

applying to the case study or legal case study may lead to the representativeness of the population being called into question. Another disadvantage is that the selected cases may not be suited to the particular variables in which the researcher is interested.

A longitudinal non-experimental field survey is capable of overcoming same-sources method problems by separating the times of data collection, but the wrongdoer and respondent must be willing to be identified in order for the data to be traced. This research design is impossible because it sacrifices anonymity and confidentiality. Cross-sectional questionnaires pose a similar problem to a longitudinal non-experimental field survey in terms of validating the data obtained by cross-checking with other observers of the whistle-blowing. But combining cross-sectional questionnaires with other sources of data, such as asking co-workers, may reduce some potential same-sources problems (Miceli, et al., 2008). Considering the advantages and disadvantages of each alternative, the decision was made to apply mixed methods, research that integrates quantitative and qualitative research within a single project (Bryman, 2012), to the research. Three methods – survey, individual interview and focus group interview – were utilised.

A survey using a hypothetical case scenario enabled the researcher to focus on particular predictors of the whistle-blowing decision whilst at the same time maintaining confidentiality. The use of interviews in both individual and group contexts enriched the data and enabled the researcher to gain more insight into the phenomena under study in terms of detailed perceptions, opinions, beliefs and attitudes. Moreover, because of:

In social research, there is no guarantee that informants would always know and tell the complete truth. Informants may be aware of certain issues; besides, they may also lie, evade, and otherwise deceive the researcher (Tiainen & Koivunen, 2006);

and

The informant cannot offer more than a single, embedded perspective on the complexities of the world, his or her account will be situated, limited and motivated, and it will always have to be qualified by conditions as yet unimagined.... One must search out others for a qualifying perspective. (Rock, 2001 in Tiainen and Koivunen, 2006);

FGDs were utilised to gain and accommodate divergent viewpoints and to cross-check the tentative findings that emerged during the field study.

Lund (2012) reported that mixed methods enable the researcher to simultaneously answer a combination of exploratory and confirmatory questions. The qualitative and quantitative results that may be found during the research can be complementary to each other and provide more valid inferences. In the case of contradiction between qualitative and quantitative results, the findings can lead to extra reflection and the generation of new theoretical insights. Moreover, mixed methods are able to provide answers to the research questions that other methodologies cannot. They can also provide stronger inferences and the opportunity to present a diversity of views (Teddlie & Tashakkori, 2003).

3.1.3 Justification in Selecting the Research Sites

The research was conducted in the offices of seven GIAUs in six ministries/government agencies. These are the Jakarta Representative Office of the Financial and Development Supervisory Agency (FDSA), the FDSA's Supervisory Directorate of Foreign Loan and the offices of the inspectorate general in five ministries. The latter are the Ministry of Finance (MoF), Ministry of Education and Culture (MoE), Ministry of Religion (MoR), Ministry of Health (MoH) and Ministry of Public Works (MoPW).

The FDSA was chosen because it is the largest of the GIAUs, with 33 local offices in 33 provinces. The MoF was chosen because it covers various areas of financial management and is perceived to be the most reformed organisation. The MoF is also one of several government agencies to have initiated the development of a system for whistle-blowing. The MoE, MoH, MoR and MoPW are government agencies in receipt of a large budget allocation. The risk of any wrongdoing occurring may be higher in organisations that undertake large-scale spending and thus, the act of whistle-blowing may also be higher. Other considerations are that all seven of the internal audit units have a similar organisational structure and have all implemented the same standard of certified

government internal auditor system. Auditors in these seven internal audit units operate under the same standard of internal audit and the same code of ethics. For confidentiality reasons, the names of the government agencies in which research was conducted were disguised and coded.

3.2 Overall Research Process and Research Design

After conducting a pilot study with 39 auditors who were trainees at the Internal Audit Training Center, a total of 816 questionnaires were distributed to seven GIAUs, 365 of which were returned and used for further analysis. Five FGDs were conducted for a total of 460 minutes and attended by 112 participants. Thirteen individual interviews were conducted for a total of 715 minutes. The interviewees and FGD participants were auditors, middle and lower managers in the government internal audit units and officials in the human resources department.

The first full-scale field study was conducted from October 2013 to January 2014 and comprised two FGDs, six interviews and survey questionnaires in four government audit units. The qualitative and quantitative data from the first field study were collected and analysed, and the tentative findings discussed with the research supervisors. Several missing links were identified between the quantitative and qualitative findings and it was decided that more empirical evidence was needed. The second field study was conducted from July to October 2014, comprising three FGDs, seven interviews and survey questionnaires in three additional government audit units. The specific research phases and steps taken are described in detail in Table 3.1.

Table 3.1: Research Phases and Steps

Phases		Steps
1. Qualitative Data Collection Phase		
a. Individual Interview	1.	Participants selection
	2.	Interview guide development
	3.	Pilot Study
	4.	Organising and conducting interview
b. Focus group interview	1.	Participants selection
	2.	Focus group guide development
	3.	Pilot Study
	4.	Organising and conducting interview
2. Quantitative Data Collection Phase		
a. Questionnaires development	1.	Adaptation the questionnaires on factors influencing whistle-blowing
	2.	Development of a measure of organisational corruption
	3.	Hypothetical case scenario development
	4.	Translation
b. Pilot Study	1.	General pre-testing
	2.	Pre-tested questionnaire distribution
	3.	Data input
	4.	Data analysis
	5.	Questionnaire Finalisation
c.. Survey	1.	Participants selection
	2.	Survey administration
	3.	Questionnaire distribution and collection
	4.	Data input
3. Qualitative Data Analysis	1.	Data transcription and translation
	2.	Gioia method analysis
4. Quantitative Data Analysis	1.	Descriptive statistics analysis
	2.	Inferential statistics analysis

3.3 Qualitative Data Collection and Analysis

As Alvesson and Ashcraft (2012) suggested, the data were collected using interview guides – a respondent approach to ensure flexibility in composing additional questions during the interview, providing an opportunity for the

interviewees to inform the researcher of new issues regarding whistle-blowing whilst, at the same time, maintaining the main structures of data collection. The interview and FGD guides were composed specifically for each respondent based on the detailed research questions and literature that had been reviewed.

To ensure that all necessary themes were covered, the following steps were taken to compose the interview guides: definition of all aspects of the topic, determination of the type of questions, formulation of the questions and establishment of a logical question order. The interview and FGD guide are shown in Appendix 1. The interview questions were revised on an ongoing basis to accommodate different themes that emerged.

3.3.1 Piloting the Interview Guide

The interview guides were piloted to elicit responses to the questions being asked and to obtain various possible answers. The interview guide was piloted by conducting two discussions about whistle-blowing behaviour, organisational corruption and bureaucratic reform (see Table 3.2, items 1, 2 and 3). Based on participants' views towards the content and the way questions were delivered, the wording of questions was revised and alternative questions were formulated in anticipation of the various possible answers that participants may give. Several difficulties in formulating the interview questions were also identified when participants gave unexpected answers. It was necessary to modify subsequent questions so as not to potentially disorder the initial structure of questions.

3.3.2 Selection of Interviewees and Focus Group Discussion Participants

Individual interviews were conducted to collect data mainly concerning participants' experience of actual whistle-blowing and specific organisational aspects of the internal audit unit. The interviewees were auditors and government officers who were chosen based on their capacity to describe the topics relevant to the research. Due to the ethical sensitivity of the research and the difficulty in identifying potential and actual whistle-blowers, participants in the FGDs were recruited using a non-probability purposive sampling method on a voluntary basis

using a self-selection method. The researcher offered a general invitation and participants identified themselves. Participants had to meet the following criteria to qualify for inclusion in the sample: they had to be auditors, be willing to take part in an interview and must have observed wrongdoing that could be considered organisational corruption. In reality, the heads of the internal audit units under research helped to gather participants by issuing a letter of assignment for auditors to attend the FGDs. The researcher did not have the authority to appoint the FGD participants.

3.3.3 Organising and Conducting Individual Interviews and Focus Group Discussions

As shown in Table 3.2, the topics discussed with the interviewees were whistle-blowing behaviour as the central topic and various other aspects including codes of ethics, professional development and organisational culture. For confidentiality purposes, interviewees' real names were not used when presenting the research findings. Interviews were conducted at the interviewees' offices at times convenient to the participants. The interviews were recorded and no gift in any form was given to participants. Considering the homogenous nature of the population, the size of the sample required was around 4–12 auditors (Saunders, 2012), however 13 individual interviews were conducted for a total of 715 minutes.

Five FGDs were conducted for a total of 460 minutes and attended by 112 participants. There was no direct financial benefit for participants in four out of the five FGDs. Meals, lunch and drinks were provided in all group discussions as a courtesy. A financial incentive was offered to participants at one out of the five FGDs in the form of gift vouchers with a value of approximately GBP 80 in total. As shown in Table 3.3, participants in the FGDs were auditors, middle and lower managers in internal audit units and officials from the human resources department. The topics discussed in the FGDs are shown in detail in Table 3.3.

Table 3.2: Individual Interview

Initial	F/M; Position	Age / tenure (years)	Date of Interview	Topics	Length of time (minute)
Luc	F; Senior Auditor	33/7	5 July 2013	Whistle-blowing behaviour, organisational corruption and bureaucratic / anti- corruption reform (pilot study)	70
Teg	M; Senior Auditor	40/20	7 July 2013		65
Fir	M; Senior Auditor	37/17	7 July 2013		65
And	M; Lecturer in Internal Audit Training Centre, Former Auditor	49/27	15 September 2013	Whistle-blowing behaviour and internal audit code of ethics	55
Rin	F; Senior Auditor, middle manager in Internal Auditor Development Centre	44/23	20 September 2013	Whistle-blowing behaviour and internal auditor professional development	45
Nyo	M; Senior Auditor, middle manager	53/31	07 January 2014	Whistle-blowing behaviour and organisational culture	65
Sab	M; Senior Auditor	39/16	14 August 2014	Actual whistle- blowing experience	75
Rath	F; Senior Auditor, middle manager	55/32	14 August 2014	Actual whistle- blowing experience and Managing whistle-blowing information	40
Lad	F; Senior Auditor	38/18	15 August 2014	Actual whistle- blowing experience	50
Har (Not willing to be recorded)	M; Top manager at FDSA	59/36	15 August 2014	Managing whistle- blowing information	30
Sum	M; Senior Auditor, middle manager in human resources department	47/26	23 September 2014	Managing whistle- blowing information	50
Bam	M; Senior Auditor, lower manager in human resources department	46/25	24 September 2014	Actual whistle- blowing experience	65
Evag	F; Senior Auditor	38/18	03 October 2014	Actual whistle- blowing experience	40
Total					715

Table 3.3: Focus Group Discussions

Topics and Date of FGD	Length of time (minute)	Audience	Attendance	Place
Whistle-blowing system as anti-corruption instrument in government agencies; 01 November 2013	90	Auditor	30	Directorate of Investigative Audit
Whistle-blowing behaviour and Islamic values; 18 November 2013	100	Auditor and officials in HRM Unit	18	Sub Division of Human Resources Development
Inside the mind of whistle-blowers; 01 July 2014	100	Auditor and Assessor of MAC	7	Management Assessment Centre
Internal Auditor Decision to Blow the whistle in Supervisory Directorate of Foreign Loan; 08 September 2014	90	Auditor	32	Directorate at Deputy of Supervisory of Government Agency in field of Economic
Internal Auditor Decision to Blow the whistle in Jakarta Office of FDSEA; 05 September 2014	80	Auditor	25	Investigative Audit Division
Total	460		112	

In FGD numbers 1, 4 and 5 (see Table 3.3), respondents were asked to share their experiences of when they themselves had or had not blown the whistle, had intended to blow the whistle or share their actual stories about a co-worker's whistle-blowing experience. The respondents were also asked to give their perceptions as to why their co-workers chose to blow the whistle or remain silent in response to organisational corruption. After respondents had shared their experiences, the researcher provided comments and asked other relevant questions regarding the personal, situational and organisational factors influencing their decisions. The researcher then invited comments from the other participants. The researcher also tried to separate respondents' own experiences of whistle-blowing from their opinions or perceptions of their co-workers' experiences.

In FGD numbers 2 and 3, the researcher focused more on testing his own perception about the process of making a decision to blow the whistle in various situations in addition to his own perceptions of the leadership, ethical climate and organisational culture within the organisations. Participants also put forward their own informal and unwritten values that influenced their decisions.

Although the FGDs were structured and directed, the researcher encouraged open participation so that the participants could contribute. This provided the researcher with opportunities to learn about other topics, such as the effectiveness of whistle-blowing arrangements and the role(s) played by emotion in the whistle-blowing decision.

3.3.4 Qualitative Data Analysis Procedures: Gioia Method

Participants in the individual interviews and FGDs reported eleven notable cases of whistle-blowing. These cases were further analysed according to the themes that emerged. The cases are summarised in Table 3.4.

The initial stage of the analysis included transcribing and translating the interviews into English, reading and re-reading the transcript, noting down initial ideas and composing an outline to understand the raw information. The qualitative analyses followed the established technique and procedure of the Gioia method (Corley and Gioia, 2004; Gioia and Pitre, 1990), comprising three main steps: formulating first-order concepts, building second-order themes and developing aggregate dimensions. The detailed steps taken in composing first-order concepts were as follows:

- a. Reviewing the outline and identifying the concepts contained in the transcript,
- b. Examining and comparing the key ideas discussed by the informants,
- c. Identifying initial concepts in the data and grouping them into categories,
- d. Formulating first-order concepts.

Table 3.4: Summary of self-reported whistle-blowing cases

Participant Code	Role of the participant	Wrongdoing	Wrongdoer(s)	Decision
T33.9 (Lily)	Observer and beneficiary of wrongdoing	Covering up audit finding and receiving money from audit client	Audit team collectively	Silent
	Observer	Falsifying travel expenses	Co-worker in audit team	Blow the whistle to superior
T33.12 (Barley)	Observer	Certified internal government auditor examination	Superior(s)	Blow the whistle to higher superior
T33.13 (Eve)	Observer	Falsifying travel expenses	Superior	Silent and refuse to be involved
	Observer	Leave during audit assignment	Superior	Blow the whistle to higher superior
T33.11 (Sonny)	Whistle-blowing information recipient	Unfair distribution of corrupt money	Collective employee	Informal talk
T33.8 (Rena)	Whistle-blowing information recipient	Extortion to audit client	Fellow Auditor	Ask the wrongdoer to return back the money
	Observer	Acting against organisational policy	Higher superior	Silent
T33.7 (Barry)	Observer	Covering up audit finding and receiving money from audit client	Audit team collectively	Silent
FGD1.Harley	Observer	Covering up audit finding	Immediate superior	Informal talk to supervisor and then silent
FGD3.Nickie	Observer and beneficiary of wrongdoing	Covering up audit finding and receiving money from audit client	Audit team collectively	Direct reprimand to the wrongdoer(s) and gave the money to the needy

To build second-order themes, the steps taken included engaging in axial coding – the process of relating codes to each other by combining inductive and deductive thinking, seeking similarities among and differences between categories and searching for relationships between and among the categories and then giving those categories labels. Similar themes were gathered into several overarching dimensions to develop a framework and build second-order themes. The aggregate dimensions were developed by distilling the second-order themes to develop a data structure to represent progression of the analysis from raw data to terms and themes.

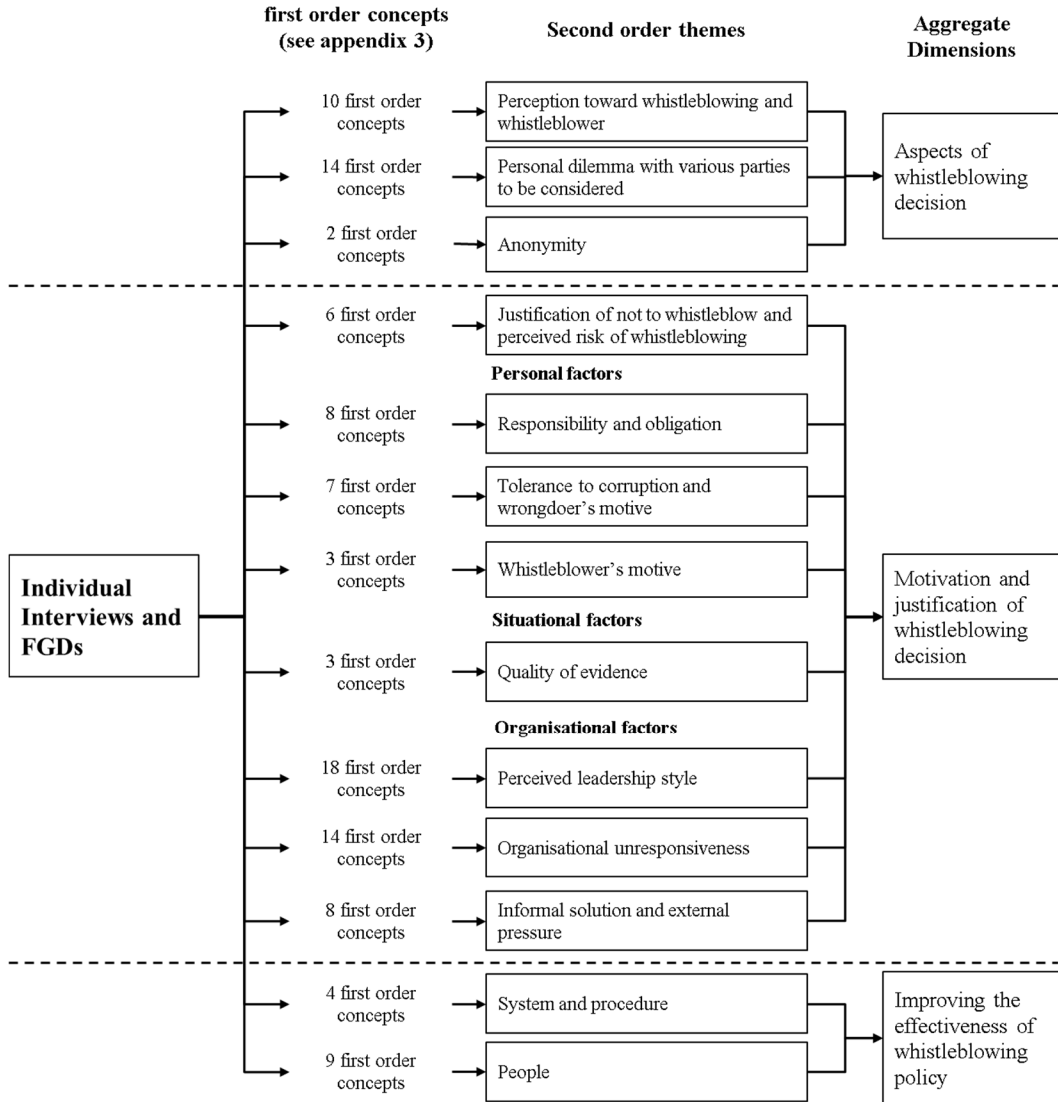
Furthermore, as recommended by the Gioia method (Corley and Gioia, 2004; Gioia and Pitre, 1990), the following steps were taken:

- a. cycling between emergent data, themes, concepts and dimensions and the relevant literature to see whether new concepts can be discovered,
- b. capturing informants' experience in theoretical terms,
- c. showing the dynamic relationships between the emergent concepts that describe or explain the phenomenon of interest and one that makes clear all relevant data-to-theory connections.

As depicted in Figure 3.2, 106 first-order concepts, 13 second-order themes and three aggregate dimensions were identified: 1) aspects of the whistle-blowing decision, 2) motivation and justification for the whistle-blowing decision and 3) improving the effectiveness of the whistle-blowing policy. Detailed results of the Gioia method are given in Appendix 3.

The first aggregate dimension (aspects of the whistle-blowing decision) and the second aggregate dimension (motivation and justification for whistle-blowing) were built from second-order themes related to the whistle-blowing decision-making process. The first dimension focuses more on the general process of the whistle-blowing decision such as the respondents' perceptions of the whistle-blower and the act of whistle-blowing. The first aggregate dimension also contains respondents' perceptions of how they found themselves in the dilemma whereby they were faced with the whistle-blowing situation.

Figure 3.2: Qualitative data structure from the interviews and FGDs



The second aggregate dimension focuses more on specific features of the whistleblowing decision, the personal, situational and organisational factors that either motivate or impede the respondents from blowing the whistle. The second-order themes related to personal factors include the perceived motive, responsibility and obligation to blow the whistle. The second-order theme related to the situational factors is the quality of the evidence, whereas the second-order themes related to the organisational factors are informal solution and external pressure, perceived leadership style and organisational unresponsiveness.

The third aggregate dimension (improving the effectiveness of whistle-blowing policy) was developed from the second-order themes related to the respondents' suggestions of how the organisations should develop their whistle-blowing systems.

3.4 Quantitative Data Collection and Analysis

3.4.1 Questionnaire Development

The questionnaire consists of six sections. Section 1 contains demographic data. Section 2, measuring whistle-blowing intentions, contains six case scenarios and measurement of the seriousness of the wrongdoing, the power status of the wrongdoer and the ethical judgement. Measurements for the organisational culture, ethical climate and organisational commitment are in Section 3. Sections 4 and 5 present questions about the experiences of whistle-blowing in responding to the organisational corruption that may be observed during an audit assignment or observed during respondents' daily working activities. Whistle-blowing channels, the threat of retaliation and justification of whether or not to blow the whistle are also contained in both sections. Section 6 is a blank space for respondents to provide additional comments. The questionnaire is in Appendix 2.

3.4.1.1 Questionnaire Section 1: Demographic data

Section 1 of the questionnaire asks for the respondent's age, gender, tenure as a civil servant, tenure as an auditor, education, job level and religion. Gender was measured as a dichotomous variable, male or female, while age, tenure, education and job level were measured at an ordinal level. Religion was measured at a nominal level. Since respondents may have previously worked at offices other than the internal audit unit, tenure of the respondent was divided into two categories: tenure as a government officer and tenure as an auditor.

3.4.1.2 Questionnaire Section 2: Whistle-blowing intention

Section 2 contains the six case scenarios, the measurement of the seriousness of wrongdoing, the power status of the wrongdoer and the ethical judgement.

Case Scenario Development

A case scenario is a short description of a person or social situation which contains particular factors related to the decision-making or judgement-making processes of respondents (Alexander and Becker, 1978) that simulate elements of the research topics under study (Hughes and Huby, 2002). Even though a case scenario can never completely reflect the complexity of the reality, it can be standardised to describe a situation (Finch, 1987). The use of case scenarios in the study of sensitive topics can also help to desensitise the issue and so reduce the influence of socially desirable responses.

As shown in Table 3.5, the research utilised six case scenarios to measure the whistle-blowing intentions in responding to two types of organisational corruption: organisation of corrupt individuals (OCI) and corrupt organisation (CO). These were combined with three levels of wrongdoer: supervisor/managerial level, co-worker and collusive employees, and two types of wrongdoing: financial and non-financial wrongdoing. The case scenarios were developed based on the researcher's own observations and experience as an auditor.

Table 3.5: Whistle-blowing Case Scenario

Type	Wrongdoer	Financially related	Non-Financially related
Organisation of corrupt individuals (OCI)	Supervisor/managerial level	Case Scenario 1: Destroying Audit Evidence	Case Scenario 2: Undisclosed Audit Finding
	Co-worker	Case Scenario 3: Fictitious official travel expense	Case Scenario 4: Falsifying Individual Performance Report
Corrupt organisation (CO)	Collusive employees	Case Scenario 5: Raising illegal fund from travel allowance for off-budget office expenses	Case Scenario 6: Falsifying organisation performance report

Case Scenario 1 is about a financially related OCI type of organisational corruption committed by an auditor at managerial level. The case scenario was initially titled 'Destroying Audit Evidence to Cover up Bribery/Extortion' and was about the conducting of an audit in a state-owned enterprise (SOE). However,

following feedback from the pilot study (see Section 3.4.2), the case scenario was altered slightly, as follows:

- The phrase 'to Cover up Bribery/Extortion' was omitted from the title due to the potential for it to encourage respondents to reach a conclusion prior to having fully read the case scenario.
- The setting of the scenario was changed from an SOE to a government agency in order to make it more realistic. A government internal auditor can only conduct an audit in a government agency, not in an SOE.

The revised Case Scenario 1 is as follows:

'Destroying Audit Evidence'

You are conducting an operational audit of a multi-year construction contract. Based on your tentative audit finding conclusion, you have found financial irregularities that result in a loss of government funding. You have confirmed your finding to the contractor and they have verbally admitted it. They then inform you, however, that they spent a huge amount of cash on government officials related to the construction project that included a government project manager, a member of the government procurement committee and officials from the government audit unit in your organisation.

You decide to consult your direct supervisor on this finding. You take the working papers and all related documents with you. Your supervisor listens to you and then asks you to 'Leave the papers with me. I will discuss this matter with our bosses.' A few days later, you learn that your supervisor has destroyed the papers and has taken no further action. You now no longer have the audit working papers.

Case Scenario 2 is about a non-financially related OCI type of organisational corruption committed by a supervisor. The case scenario was initially titled 'Destroying Audit Evidence to Cover up a Procurement Procedure Violation'. However, this case scenario was also altered slightly following feedback from the pilot study, as follows:

- 'Procurement procedure violation' was retained as the context of a non-financial wrongdoing but the actual wrongdoing was amended from 'destroying audit evidence' to 'undisclosed audit finding'.
- The wrongdoer in the scenario was altered from direct supervisor to head of internal audit unit, as someone at a higher level, in order to make it more realistic.
- The phrase 'to cover up a procurement procedure violation' in the title was also eliminated for the same reason as in Case Scenario 1.

The revised Case Scenario 2 is as follows:

'Undisclosed Audit Finding'

You are conducting an annual operational audit of a construction project. During the audit, you discover that the project manager, procurement committee and contractor and other bidders have manipulated the contract documents and conducted procurement procedures for the sake of procedures (pro forma). You conduct further audit procedures to identify any financial loss that has occurred but because of time limitations you are unable to obtain sufficient evidence. You try asking for a time extension but the Head of Audit Unit (the official responsible for the audit) does not approve it without any explanation. In the review meeting, the Head of Audit Unit reads your finding and then tells you, 'It is not important, there is no financial loss, no need to report it'. The Head of Audit Unit does not write anything in the audit working papers or in the audit quality management forms. The Head of Audit Unit then tells the audit team to omit the finding and alter the audit report.

Case Scenario 3 is about a financially related OCI type of organisational corruption carried out by a co-worker. The case scenario was initially titled 'Claim More Expenses than Actually Spent'. However, also after receiving feedback in the pilot study stage, the case scenario was altered slightly to include:

- Eliminating the status of the whistle-blower as a junior auditor to neutralise the different job levels between the respondent and the actors in the scenario,
- Eliminating the nominal value of the expense to prevent misperception about the materiality of the wrongdoing.

The revised Case Scenario 3 is as follows:

‘Fictitious official travel expense’

You and your team are working on an audit that requires travelling. The office of the audit unit pays for your travel and subsistence expenses. Instead of staying in the hotel, a fellow auditor decides to stay with his/her relatives. When you and your team return to your own office, you find out that your fellow auditor asked the hotel staff to provide him/her with a fake cash receipt and hotel invoice. A few days later, you find out that your fellow auditor has used the fake documents to claim his/her accommodation expenses.

Case Scenario 4 is about a non-financially related OCI type of organisational corruption carried out by a co-worker. The case scenario was altered slightly to change the status of the whistle-blower from that of senior auditor, for the same reason as in Case Scenario 3. The revised Case Scenario 4 is as follows:

‘Falsifying Individual Performance Report’

As part of auditor performance assessment, you compile documents related to your individual performance report that have to be submitted at the end of the year for assessment by your immediate supervisor. You discover that some of your fellow auditors have falsified several documents, including certificates of attendance for several in-house training courses or seminars. Their immediate supervisors responsible for assessing their performance seem to ignore this and continue with validating the performance report.

Case Scenario 5 is about a financially related CO type of organisational corruption carried out collusively by a group of employees. The case scenario was initially titled ‘Raising Illegal Funds for Wedding Gifts’. The case scenario was altered slightly to change the motive of the wrongdoing from ‘wedding gifts’ to ‘cover off-budget office expenses’ in an attempt to make it a more current and realistic wrongdoing. This change was made to prevent the misconception that the employees are the victims in the case, whereas, in fact, the intention is for them to be both the wrongdoers and beneficiaries of the collusive corrupt activities. The revised Case Scenario 5 is as follows:

‘Raising illegal funds from travel allowances
for off-budget office expenses’

Your immediate supervisor and colleague auditors agree to take approximately 10% of the travel allowances to be collected for off-budget office expenses such as buying meals and snacks for social meetings, social contributions and additional salary payments for office staff and other incidental off-budget office expenses. However, in order to ensure that the auditors still obtain the full amount of their daily travel allowances when undertaking official travel, one of the auditors assigned to managing the travel allowances manipulates cash receipts, hotel invoices and other accommodation expenses to cover the 10% of the deductible allowances.

Case Scenario 6 is about a non-financially related CO type of organisational corruption carried out collusively by a group of employees. The case scenario was again altered slightly to include changing the type of wrongdoing from ‘manipulate some supporting documents to cover problems of unfinished projects’ to ‘back-dating the audit report and altering the audit working papers’. The revised wrongdoing is audit-related and contextual in terms of normal working activities in an internal audit unit. The revised Case Scenario 6 is as follows:

‘Falsifying organisation performance report’

At the end of the year, you and your team are conducting an evaluation of your Internal Audit Unit organisation performance report before submitting it to the Minister. The performance report may affect the organisation’s reputation and may also negatively affect the budget allocation for the next fiscal year. A low score for your organisation’s performance will influence the decision as to whether your Internal Audit Unit will be chosen as a pilot project unit and receive new computer equipment and international training for auditors. During the data collection and report preparation process, you discover that some audit reports have been predated/backdated. The head of the operational division responsible for the performance report instructs the entire audit team to alter the supporting documents and audit working papers in order to cover up the data manipulation contained in the performance report.

Measuring the perceived seriousness of the wrongdoing

Luo (2005) argued that the intensity and hierarchical scales jointly reflect the seriousness of organisational corruption. Intensity is measured using a scale comprising the multitude (quantity) and magnitude of the corrupt activities. The hierarchical scale is the number of hierarchical levels directly involved in the

corrupt activities. The ‘seriousness of wrongdoing’ was manipulated in each case scenario. The level of seriousness in the scenarios was reflected through the type of organisational corruption – an OCI or CO – and two types of wrongdoing – financial or non-financial wrongdoing. The respondents were asked to evaluate the degree of seriousness for each case scenario. Four-point Likert-types scales were provided for each scenario containing the possible responses ‘not at all serious’, ‘less serious’, ‘somewhat serious’ and ‘very serious’.

Measuring the power level of the wrongdoer

Respondents were asked to evaluate the degree of power of the wrongdoer(s) in each case scenario by comparing their job level and degrees of power status. These are an immediate supervisor in Case Scenario 1, top-level manager responsible for the audit assignment in Case Scenario 2, a co-worker in Case Scenario 3, more than one co-worker in Case Scenario 4 and co-workers and managerial-level officers operating collusively in Case Scenarios 5 and 6. Four-point of Likert-type scales were provided for each scenario comprising ‘not at all powerful’, ‘less powerful’, ‘somewhat powerful’ and ‘very powerful’.

Ethical judgement

Ethical judgements were measured using the Multidimensional Ethics Scale (MES) (Reidenbach & Robin, 1990) comprising three ethical dimensions: moral equity, relativism and contractualism. Adapting the MES, eight items were applied as a template: just/unjust, fair/unfair, morally right/not morally right, culturally acceptable/unacceptable, traditionally acceptable/unacceptable, acceptable/ unacceptable to my family, violates/does not violate an unwritten contract and violates/does not violate an unspoken promise. The respondents were asked, in each case scenario, to indicate their degree of agreement or disagreement with each statement on a four-point scale.

Measuring whistle-blowing intention

A four-point Likert-type scale was used and labelled ‘not likely’, ‘less likely’, ‘somewhat likely’ and ‘very likely’ to determine the respondents’ willingness to

blow the whistle. After respondents had read the case scenarios, evaluated the seriousness of the wrongdoing and the power status of wrongdoer and indicated their ethical judgement of the scenarios, they were asked, for each given hypothetical situation, to indicate how likely they would be to decide to either blow or not blow the whistle through the three possible channels:

- Internal whistle-blowing: whistle-blowing within the scope of the government agency in which the respondent works.
- External whistle-blowing: whistle-blowing outside the scope of the government agency in which the respondent works but still within other government agencies.
- Public whistle-blowing: whistle-blowing to the media, a non-government organisation or member of the House of Representatives.

3.4.1.3 Questionnaire Section 3

Section 3 of the questionnaire consists of three measurements: organisational commitment, organisational culture and ethical climate.

Organisational Commitment Questionnaire (OCQ)

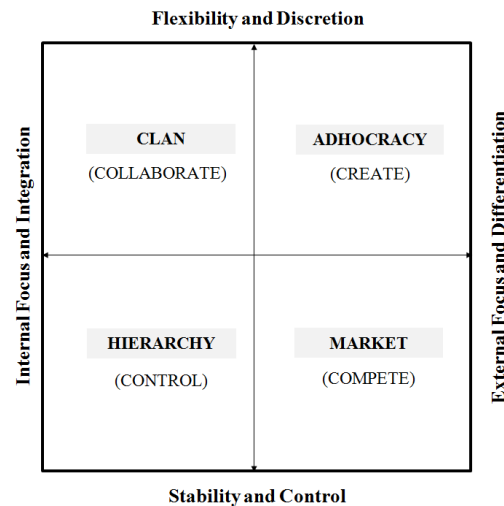
To assess the extent of auditors' commitment to their organisations, the OCQ originally developed by Allen (1990) was applied. The initial OCQ consisted of 24 items – eight items for each of three scales: affective commitment (AC), continuance commitment (CC) and normative commitment (NC). In 1993, the original version was revised to include a total of 18 items – 6 items for each scale (Meyer, et al., 1993). The respondents were asked to indicate their degree of agreement or disagreement with each statement on a seven-point scale: strongly disagree, disagree, slightly disagree, undecided, slightly agree, agree and strongly agree. The detailed OCQ responses were coded and are described in Appendix 2.

Organisational Culture Assessment Instrument (OCAI)

Organisational culture types at the research sites were identified and measured using the OCAI (Cameron and Quinn, 2011). The OCAI was derived from the

competing value framework of the organisational culture model, composed of two dimensions. The first dimension consists of two opposite sides: 1) flexibility, discretion and dynamism, and 2) stable, predictable and mechanistic. The second dimension also consists of two opposite sides: 1) internal orientation, integration and unity, and 2) external orientation, differentiation and rivalry. As illustrated in Figure 3.3, these two dimensions create four quadrants labelled Clan, Adhocracy, Market and Hierarchy.

Figure 3.3: The Competing Value Framework Model of Organisational Culture (Cameron & Quinn, 2011)



Cameron and Quinn (2011) describe six dimensions that serve as the basis for measurement of organisational culture and which reflect key values in the organisation. The six dimensions are dominant characteristics, leadership style, management of employees, organisational glue, strategic emphases and criteria of success. As shown in Appendix 2, each of these six dimensions has four alternatives: A, B, C and D. Respondents were asked to share 100 points between these four alternatives, awarding the highest number of points to the alternative with the most similarities to the respondent's organisation.

Ethical Climate Questionnaire (ECQ)

Developed by Victor and Cullen (1988), the ECQ was designed to capture organisation members' perceptions of how they would deal with an ethics-related

issue in their organisation. These perceptions may influence what issues are considered as ethical within the work context and also influence the type of ethics applied in responding to the issue.

The 36 questions in the ECQ were applied as a template. The ECQ was modified to measure ethical climate in government agencies in an Indonesian context, including replacing the generic terms of ‘company’, ‘people’ and ‘citizen’ with the more specific terms ‘Internal Audit Unit’, ‘employees’ and ‘stakeholders’. Following Laratta’s (2010) suggestion, some specific items were changed, replaced or left out due to there being too many repetitive, similar and ambiguous questions. The modified ECQ was then reduced to 26 items, with every item having a six-point rating scale from ‘completely false’ to ‘completely true’. This modified version of the ECQ was then translated into Indonesian. As proposed by Laratta (2010), the 26 ECQ items were classified into nine theoretical types of ethical climate. As shown in Figure 3.4, there are two dimensions: 1) ethical criterion, comprising egoism (E), benevolence (B) and principle (P); and 2) the level of analysis, comprising individual (I), local (L) and cosmopolitan (C).

Figure 3.4: Nine Types of Ethical Climate in Government Sector Based on Victor and Cullen (1988) and Laratta (2010)

		Locus of Analysis		
		Individual	Local	Cosmopolitan
Ethical Criterion	Egoism	Personal Self-interest	Organisational Interest	Efficiency
	Benevolence	Friendship	Team Interest	Social Responsibility
	Principle	Personal Morality	Company Rules and Procedure	Laws and Professional Codes

Combining the dimensions generates the nine theoretical types of ethical climate: 1) Personal Self-Interest, 2) Organisational Interest, 3) Efficiency, 4) Friendship, 5) Team Interest, 6) Social Responsibility, 7) Personal Morality, 8) Company Rules and Procedure and 9) Laws and Professional Codes.

3.4.1.4 Questionnaire Sections 4 and 5: Actual whistle-blowing experience

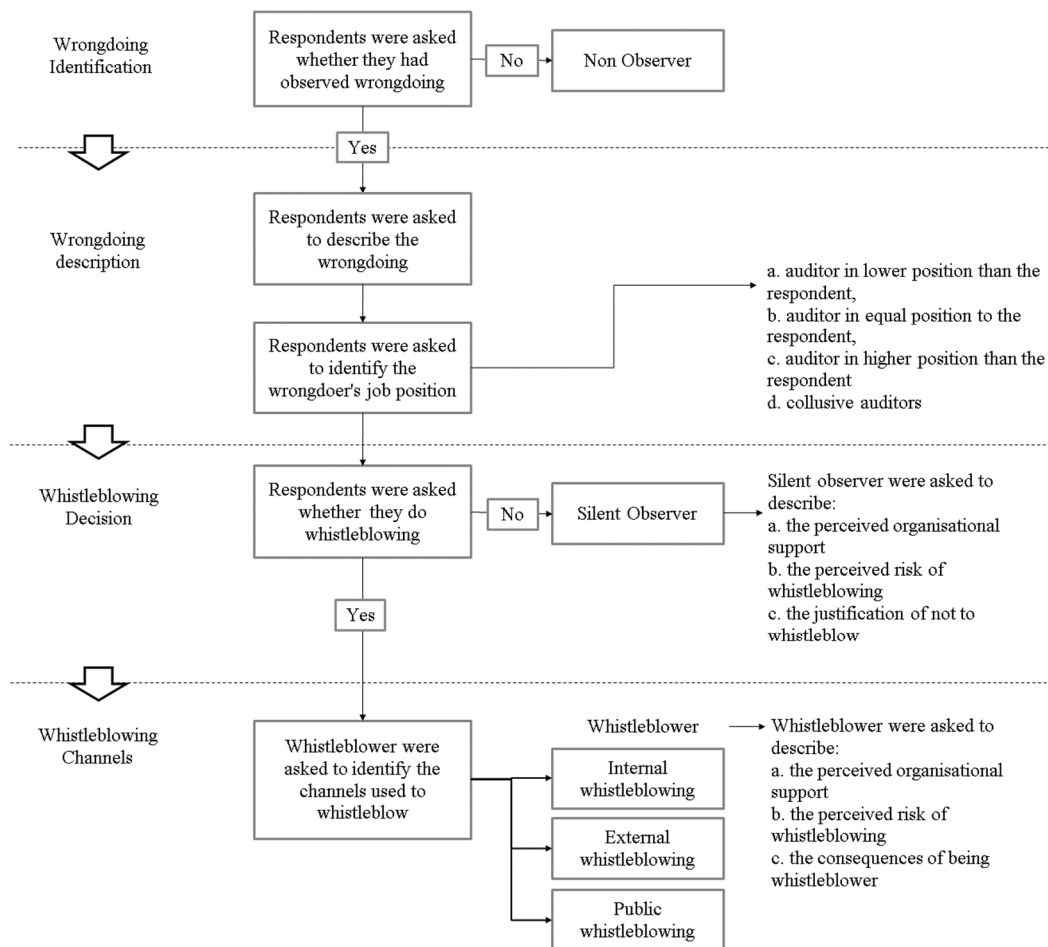
To examine actual incidences and experiences of whistle-blowing in the internal audit units, Sections 4 and 5 were dedicated to identifying respondents' experiences of the organisational corruption that they may have observed. Section 4 captured the respondents' experiences in the context of conducting an audit, meaning that the wrongdoer committed the act of wrongdoing during the time that the respondent was conducting an audit assignment. Section 5 captured wrongdoing that occurred as part of daily office activities and, thus, outside of the audit context.

In this research, the identification of cases of actual organisational corruption relied on respondents' self-reporting. Andvig et al. (2000) argued that one of the major difficulties in measuring corruption is the lack of a solid empirical basis. Corruption is a hidden crime and is almost always covert. Direct and first-hand observation of the perpetrator committing the incidence of corruption or fraudulent transaction is ideal but almost impossible (Andvig et al., 2000; Kurer, 2005). Respondents were asked to report if they had observed a wrongdoing. They were provided with eight types of wrongdoing and had to either select a description corresponding to their experience or else describe their experience in their own words. The list of the eight type of wrongdoing is presented in Chapter 4 along with the result and findings. Respondents who claimed to have observed the wrongdoing taking place were asked if they identified the wrongdoer and whether or not they elected to blow the whistle.

As depicted in Figure 3.5, respondents were provided with a list of seven possible wrongdoers reflecting the structure of an audit team as well as the organisational structure of an internal audit unit. Regardless of the respondent's job position within the audit team at the time that he/she observed the wrongdoing, the

wrongdoer and the whistle-blower may be in one of three positions relative to the respondent. They may be in a lower, equal or higher position than the respondent. Respondents who decided to blow the whistle, labelled whistle-blowers, were asked to identify the channels they used, the officers/unit/other parties to whom they provided the information and their perceived risk of blowing the whistle.

Figure 3.5: Flow of questions to identify self-reported actual whistle-blowing decisions



Respondents who decided not to blow the whistle, labelled silent observers, were asked to describe their justifications for not doing so and the risk they perceived associated with whistle-blowing. The list of acts of wrongdoing, wrongdoer(s), justifications and risks of whistle-blowing are presented in Chapter 4 along with the results and findings.

3.4.2 Piloting the Questionnaire

The questionnaire was evaluated and pretested prior to being used in the survey. Testing is a way of ensuring that the survey questions do indeed communicate to respondents as intended (Campanelli, 2008). The questionnaires were adapted from those used in previous studies where the reliability and validity of the original questionnaire had been proven. However, it was necessary to pilot the translated questionnaire to identify any problems with the data collection strategies and proposed methods (Hertzog, 2008) and to determine its reliability and the validity (DeVellis, 2012).

The pilot testing was conducted through two main stages comprising general pretesting and piloting of the questionnaire. The first stage, general pretesting, was conducted to increase the understandability of the questionnaire by government internal auditors in Indonesia. The first draft was self-evaluated to ensure that each question met all the criteria for good questionnaire design needed to avoid any unfamiliar, technical or ambiguous terms. This was also to prevent the questionnaire lacking a time frame and to give attention to the introduction, vocabulary, context and range of response (Fowler and Cosenza, 2008). Prior to conducting pretesting, the questionnaires were translated into Indonesian. The translation procedures used are further described in Section 3.5.1.

The first stage involved interviewing three auditors, as described earlier, to explore the factors influencing auditors' decisions to blow the whistle. Factors emerging during the interviews along with factors previously found in the literature were discussed, compared and analysed. The initial draft of the questionnaire was subsequently developed and revisions made accordingly, including:

- a. Lengthening the period captured in the question regarding whistle-blowing experience from 'in the last 12 months' to 'in the last 24 months',
- b. Removing four options of corruption/wrongdoing incidences – 'Misuse of confidential information', 'Covering up poor performance', 'Covering up corruption' and 'hindering an official investigation' – because of their lack of

clarity and replacing them with two more commonly occurring incidences of wrongdoing in an audit process, as follows:

- The covering up of an audit finding in which an incidence of corruption is indicated (financially related audit finding),
 - The covering up of an audit finding that does not indicate an incidence of corruption (non-financially related audit finding),
- c. Emphasising the relative position of the wrongdoer as either lower, higher or equal in comparison to that of the respondent,
 - d. Adding 'several co-workers act together/collusion' as an option for the wrongdoer of the corrupt incidences,
 - e. Adding an option of 'anonymity or mentioning the whistle-blower's identity' to the question relating to whether the whistle-blower reported the activity/incidence to any individual or group,
 - f. Restricting the number of possible answers to the question about the perception of the risk of reprisal to three answers only,
 - g. Broadening the possibility of the whistle-blowing channels by separating the external channel into two groups: 'government agencies outside your organisation' and 'media, non-government organisation, a member of parliament'.

In the second stage, the initial draft of the questionnaire was distributed to 60 auditors attending internal audit training sessions at the Internal Audit Training Centre during the period September–October 2013. A total of 39 questionnaires were returned (65% response rate). A majority of respondents in the pilot study were male, with 69% males and 31% females. Regarding formal education, 77% of the total respondents had undergraduate degrees. Based on their job status, 44% of respondents were junior auditors. A majority of respondents (38%) had been in their positions as government auditors for between 15 and 25 years.

Respondents in the pilot study also provided comments on and critiques of the questionnaire. Following consideration of respondents' input to the pilot questionnaire, the following revisions were made:

- a. In Section 2 of the questionnaire, ‘whistle-blowing intention’, the ‘seriousness of the wrongdoing’, ‘power status of the wrongdoer’ and ‘ethical judgement’ scales were reduced from five- to four-point Likert-type scales to prevent central tendency bias and to simplify the questionnaire,
- b. The relativism and contractualism dimensions of ethical judgement were added to the moral equity dimension already contained within the questionnaire,
- c. An operational definition was added to the questionnaire.

The second draft was then finalised, printed and distributed for the full-scale survey.

3.4.3 Sampling Procedures and Distribution of the Questionnaire

In consideration of the fact that the research was about a confidential matter and sensitive subject, respondents were required to meet certain capability and credibility criteria and had to be able to provide unbiased perceptions (Andvig, et al., 2000). The respondents were internal auditors who were certified government audit professionals working in the government agencies under research.

A self-administered drop-off/pick-up method was applied in this survey. The questionnaires were delivered to respondents by the researcher and left with them, to be completed and picked up at a later date. This method provides higher response rates than postal surveys and is less costly than either face-to face or telephone interviews (NSS, nd). The choice of this method was also affected by the complexity of the topic, the types of data and respondent preference. The nature and form of the questionnaire is a complex subject. A self-administered questionnaire may give the respondent sufficient time to think about the answers and the opportunity to provide more detailed explanatory notes. The data acquired is also a sensitive topic. The self-administered method may give respondents privacy and the opportunity to check and re-check the information they need prior to filling out the questionnaire. An auditor’s work schedule is characterised by travelling to other cities for several days during the fieldwork stage and then working at their office during the reporting stage. This schedule fits in well with the self-administered drop-off/pick-up method that requires a flexible time and

place for the respondents. As described in Table 3.6, a total of 816 questionnaires were distributed, with 365 questionnaires returned and usable for further analysis. The response rate was 45%.

Table 3.6: Sampling Frame and Response Rate

Research Sites	Sent	Returned and usable	Response Rate
Ministry of Religious Affair	150	81	54%
Financial and Development Supervisory Agency – Jakarta Office	100	58	58%
Ministry of Education and Culture	150	64	43%
Ministry of Finance	180	50	28%
Financial and Development Supervisory Agency – Supervisory Directorate of Foreign Loan	36	33	92%
Ministry of Public Works	100	45	45%
Ministry of Health	100	34	34%
Total	816	365	45%

3.4.4 Procedures in Conducting Quantitative Data Analysis

Statistical Package for Social Sciences (SPSS) statistical analysis software was employed for both descriptive and inferential statistics.

3.4.4.1 Data Preparation

The analyses commenced with preparation of the data to ensure that the quality of the data was suitable for further statistical analysis. These analyses include examining the adequacy of the sample size, data coding procedure, missing values, social desirability bias and diagnosing the normality of data distribution. As a rule of thumb for determining the adequate sample size required for regression analysis, Green (1991) suggested that minimum sample size requirements may be calculated using the formula $50 + 8m$ or $104 + m$, where ‘m’ is the number of predictors. In this study, there are seven predictors (see Table 3.9), thus giving a sample size of 106 or 111. Other recommendations are benchmarks of 10 and 15 cases of data per predictor in the model, which would result in a range of 70 to 105 cases (Field, 2009), with samples containing more

than 200 cases deemed large (Hair, et al., 1998). The sample for this research was 365 respondents across seven internal audit units. It was therefore considered sufficient and appropriate.

All questionnaires sent to and returned by respondents were coded. Each questionnaire contained 190 questions and was coded, with all reverse-coded items subsequently re-coded. This study utilised the approach of listwise deletion or complete case analysis. This entails omitting those cases with missing data and running analyses using the remaining data. Of the total of 365 respondents, the number of respondents after missing data screening is 362 to 353 respondents, as shown in Table 3.7.

Table 3.7: Missing Data

Case scenario	Dependent Variable: Whistle-blowing Intention	Number of Respondent containing missing value	Number of screened respondent
Case Scenario 1	Internal whistle-blowing	3	362
	External government agency whistle-blowing	11	354
	Public whistle-blowing	12	353
Case Scenario 2	Internal whistle-blowing	8	357
	External government agency whistle-blowing	8	357
	Public whistle-blowing	12	353
Case Scenario 3	Internal whistle-blowing	5	360
	External government agency whistle-blowing	6	359
	Public whistle-blowing	7	358
Case Scenario 4	Internal whistle-blowing	8	357
	External government agency whistle-blowing	9	356
	Public whistle-blowing	11	354
Case Scenario 5	Internal whistle-blowing	7	358
	External government agency whistle-blowing	8	357
	Public whistle-blowing	9	356
Case Scenario 6	Internal whistle-blowing	9	356
	External government agency whistle-blowing	10	355
	Public whistle-blowing	11	354

To test of normality distribution of data, the Kolmogorov-Smirnov statistic test is less than the required value of 0.05. The significance value of the Kolmogorov-Smirnov Test was below 0.05. Therefore, the data significantly deviated from a normal distribution. This study failed to satisfy the assumptions for the required parametric statistics. Therefore, the study abandoned parametric analysis and used non-parametric alternatives instead.

3.4.4.2 Descriptive Analysis

Descriptive statistics consisting of mean and percentage were firstly applied to indicate the proportion of respondents in terms of gender, age, tenure, and education level and job status. In studying whistle-blowing intention, descriptive statistics were applied to analyse responses across the different case scenarios. The proportions and mean scores of each variable were explored to indicate the seriousness of each case scenario, the power level of the wrongdoer, the respondent's evaluation of the case scenario and the respondents' and their co-workers' likelihood of blowing the whistle. The analysis was also applied to investigate the difference of whistle-blowing intentions across respondents' profiles. In studying actual whistle-blowers, descriptive statistics were applied to compare the profiles of silent observers and whistle-blowers.

3.4.4.3 Exploratory Factor Analysis: Principal Component Analysis

Exploratory factor analysis (EFA) was used to identify the latent factors or constructs from observed variables in the questionnaire items to build 'proposed measurement models'. Finch and West (1997) argued that EFA can be used when the researcher has no a priori hypothesis on factors of measured variables. In the context of conducting research in Indonesia using pre-existing measures developed in Western countries, EFA was employed due to the absence of validated Indonesian versions of the measures combined with possible contextual differences between Western countries and Indonesia (Putranta, 2008). EFA was used to test the existence of: 1) the ethical judgement dimension, 2) types of organisational commitment and 3) types of ethical climates. A series of statistical

procedures and tools applied in EFA is presented in Table 3.8. The factor scores identified and tested were applied in the regression analysis.

Table 3.8: Statistical Tools Applied in Exploratory Factor Analysis

No	Purposes	Statistical Tools	Description
1.	The variables needed to be sufficiently correlated	Bartlett's test of sphericity	A significant relationship between the items is indicated by a Chi-square value which is Chi-square value with $p < 0.05$
2.	Measuring sampling adequacy	The Kaiser-Meyer-Olkin (KMO)	The index ranges from 0 to 1.00. The threshold of this index for the appropriateness of EFA is greater than 0.50.
3.	Determining number of factors that should be extracted	Principal component analysis extraction method	The eigenvalue, indicating the total variance in all variables explained by the factor, > 1.00 is used as the criterion for retaining the number of factors.
4.	Examining variables to identify how much of the variance in each of the original variables is explained by the extracted factors	Communalities	An item with a low communality coefficient (less than 0.50) indicates the variance for the variable is not explained by its underlying factor.
5.	Minimising the number of variables that loaded on a factor to make the factor simple	Orthogonal rotation with Varimax method	Tabachnick and Fidell (2001) point to a loading coefficient of 0.32 as the minimum threshold for a variable to load on a factor
6.	Assessing reliabilities	Cronbach's alpha coefficient	Cronbach's alpha value of 0.70 indicates a good reliability and greater than 0.60 up to 0.7 indicates an acceptable reliability of a construct
7.	Naming each reliable identified construct according to the common theme		

3.4.4.4 Non-Parametric Tests

Because of the non-normal distribution of the data, non-parametric tests were used to test for group differences and to explore the relationship between two variables. The non-parametric test used was the Wilcoxon Signed-Rank Test. The test was

utilised to identify whether social desirability response bias existed. The purpose of the Wilcoxon Signed-Rank Test is to test differences between two conditions or two sets of scores (respondents' whistle-blowing intention and respondents' co-workers' intention) that come from the same participants (Field, 2009)

3.4.4.5 Moderated Multiple Regression Analysis

Moderated multiple regression statistical techniques were used to test the research hypotheses of factors influencing whistle-blowing intention. In general, multiple regression is a way of determining the relationship between each member of a set of predictors (independent variables) and a criterion (dependent variable) while taking into account the fact that the predictors are related to each other as well as to the criterion (Howitt & Cramer, 2011). Specifically, moderated multiple regression analysis was conducted to test the main effect of ethical judgement, the interaction effect of ethical judgement and seriousness of wrongdoing and the interaction effect of ethical judgement and organisational commitment.

Referring to the development of hypotheses described in Chapter 2, two models of whistle-blowing decision were developed and tested:

1. Model 1: the effect of ethical judgement on whistle-blowing intention using perception of seriousness of wrongdoing as the moderating effect, and
2. Model 2: the effect of ethical judgement on whistle-blowing intention using organisational commitment as the moderating effect.

The dependent variables in both models are internal whistle-blowing intention (IW), external whistle-blowing intention (EW) and public whistle-blowing (PW). The independent variables and control variables that include personal, situational and organisational in both models are presented in Table 3.9.

Table 3.9: Variables in Model 1 and Model 2

Model 1			Model 2		
Dependent variables	1	Whistle-blowing intention	1	Whistle-blowing intention	
Independent variables	2	Ethical judgement	2	Ethical judgement	
Moderating variables	3	Perception toward seriousness of wrongdoing	3	Organisational commitment	
Control variables					
- Personal factors	4	Respondent's job level	4	Respondent's job level	
	5	Organisational commitment			
- Situational factors	6	Wrongdoer(s)' power status	5	Wrongdoer(s)' power status	
			6	Seriousness of wrongdoing	
- Organisational factors	7	Ethical climate	7	Ethical climate	

Four steps were taken to test the hypotheses. The control variables were entered in step 1, the independent variable in step 2 (main effect), moderator variables in step 3 and interactions between the independent variable and moderator variables in step 4 (moderating effect). Changes in the multiple squared coefficients (ΔR^2 ; delta R-squared) were evaluated to determine whether the independent and moderator variables influenced the dependent variables. Procedures for conducting moderated multiple regressions are described, along with the results, in Chapter 5.

Before performing the regression analysis, the independent, moderating and control variables were zero centred, except categorical data, to reduce multicollinearity. This also renders the tests of hypotheses more meaningful and substantively interpretable (Hayes, 2013). After analysing the data output from SPSS, the unstandardised regression coefficients, constants, means and standard deviations of the centred predictor and moderator variables were extracted and inputted to Jose's (2013) ModGraph-1 programme to develop graphs to reflect the interaction in Models 1 and 2. Jose's (2013) ModGraph-1 programme was also used to test if the simple slope of moderating variables that includes the high, medium and low levels of perceived seriousness of wrongdoing and

organisational commitment differs significantly from zero. The simple slopes were calculated by inputting the standard errors, t-values, p-values and the data from the covariance matrix in the SPSS output to ModGraph-1.

3.5 Minimising Error and Bias

3.5.1 Questionnaire Translation and Back-Translation to Minimise Measurement Error

Su and Parham (2002) identified several problems that may be found during translation processes, including difficulties in finding an equivalent idiomatic expression or words or grammatical structures in the original language that are not translatable into the target language. In order to build a valid translated questionnaire, they suggested that a cross-cultural researcher conduct back-translation, that is, using at least two bilingual translators, one performs an initial translation from the source version to the target version and then another translates it back into the source language. The second English version needs to be compared with the original English version, with any discrepancies discussed and resolved. If the meanings of the two versions are not similar, the back-translation process is repeated iteratively (Cascio, 2012). However, given that the three instruments of the ethical climate, organisational commitment and organisational culture questionnaires used in this research have already been applied by various researchers in the Indonesian language, the steps recommended above were altered.

The translation processes were started with the researcher first translating the original version into Indonesian (first Indonesian version). The Indonesian versions of the ethical climate, organisational commitment and organisational culture questionnaires used by other researchers were searched for and found. They are Victor and Cullen's (1988) ECQ applied by Putranta (2008), Allen's (1990) OCQ applied by Putranta (2008) and Setiawan (2011) and Cameron and Quinn's (2011) OCAI applied by Hidayat (2012). These translated questionnaires served in the development of the second Indonesian version.

In translating the organisational commitment and ethical climate questionnaires into Indonesian, Putranta (2008) conducted translation and back-translation procedures utilising bilingualists. Therefore, Putranta's (2008) versions of the organisational commitment and ethical climate questionnaires were used as the main reference for this research. The researcher compared the first Indonesian version (translated by the researcher) and the second Indonesian version (translated by other researchers) and evaluated the differences. Various difficult terms or words were discussed with different colleagues to find the closest meaning of the words in the Indonesian context. The researcher revised the first Indonesian version and finalised the questionnaire before conducting the pilot study.

3.5.2 Minimising Coverage Error and Non-Response Error

Coverage error is avoided when every member of the population has a known and non-zero chance of being selected for the survey (Leeuw, et al., 2008). To prevent under- or over-coverage, the researcher requested a list of auditors provided by the Internal Auditor Development Centre. Non-response is an inability to obtain data for all eligible sampled units (unit non-response) on all questions (item non-response) (Leeuw, et al., 2008). Steps taken to minimise non-response error included making contact, obtaining cooperation and ensuring that the respondent received all of the information necessary to complete the questionnaire (Leeuw & Hox, 2008).

3.5.3 Minimising Social Desirability Bias

Despite the advantages of anonymity and enabling a focus on certain issues to test a theory presented by the use of hypothetical case scenarios, the main threat in their use lies in the potential for social desirability response bias. Knowing that they were not faced with a real situation, respondents may tend to provide an answer that supports the researcher's hypothesis or else they give a 'good' answer rather than a 'real' answer that reflects their true perception. Due to the sensitive nature of ethics research, the presence of a social desirability response bias may pose a severe threat to the validity of the findings and social desirability response

bias can significantly influence responses in ethics research (Fernandes & Randall, 1992).

A second question was asked to control for this bias in relation to the likelihood that the respondents' co-worker would undertake the action (Cohen, et al., 1996). The questions were: (1) 'Rate the likelihood you would do the whistle-blowing', and (2) 'Rate the likelihood that your co-worker would do the whistle-blowing'. As shown in Table 3.10, compared to the 'You' question, the mean scores were slightly higher than for the 'Your co-workers' whistle-blowing intentions in each of the six case scenarios, except for the public whistle-blowing intention in cases 1, 2, 3 and 4. Respondents in this study indicated that their co-workers were slightly less likely to perform internal and external government agency whistle-blowing in comparison to their intentions.

The Wilcoxon Signed-Rank Test was utilised, with the result showing that there were no statistically significant differences between the scores of the 'You' and 'Your co-workers' questions in 16 out of 18 whistle-blowing intentions in six case scenarios (2-tailed, $p < .001$). These results reveal the non-existence of social desirability response bias among internal auditors in those 16 models of whistle-blowing intention. Social desirability response bias was present in only 2 out of 18 whistle-blowing intention models and occurred only in the internal whistle-blowing intention in case 1 (destroying audit evidence) and case 5 (raising illegal funds from travel allowances for off-budget office expenses).

Previous ethics studies demonstrated that social desirability response bias was not a salient threat to the internal validity of the findings (Nguyen et al., (2008) and Ahmad (2011)) and social desirability was not related to ethics perception (Loo, 2001). However, Fernandes and Randall (1992) stated that researchers seeking to measure ethical attitudes or behaviour using self-reported questionnaires need to be concerned that their findings have the potential to be contaminated with a social desirability bias and that the prevalence of a social desirability bias should not be underestimated.

Table 3.10: Social desirability response bias (SDRB) analysis

Whistle-blowing Intention	Co-worker's response		Respondent's response		Mean Difference	Z	Asymptotic Sig. (2-tailed)	
	Mean	SD	Mean	SD				
Destroying Audit Evidence								
Internal	3.03	.767	3.17	.823	-0.14	-3.439	0.001	SDRB
External	2.68	.778	2.75	.894	-0.07	-1.952	0.051	
Public	2.41	.905	2.36	.976	0.05	-1.362	0.173	
Undisclosed Audit Finding								
Internal	2.91	.796	2.99	.838	-0.08	-2.529	0.011	
External	2.57	.860	2.60	.902	-0.03	-1.011	0.312	
Public	2.32	.929	2.30	.995	0.02	-0.726	0.468	
Fictitious official travel expense								
Internal	2.90	.823	2.98	.832	-0.08	-2.736	0.006	
External	2.48	.942	2.51	.960	-0.03	-1.094	0.274	
Public	2.29	1.003	2.27	1.004	0.02	-0.755	0.450	
Falsifying Individual Performance Report								
Internal	2.83	.830	2.90	.871	-0.07	-2.435	0.015	
External	2.43	.937	2.44	.995	-0.01	-0.526	0.599	
Public	2.23	1.000	2.22	1.030	0.01	-0.12	0.904	
Raising illegal fund								
Internal	2.65	.878	2.75	.886	-0.11	-4.231	0.000	SDRB
External	2.30	.920	2.33	.958	-0.03	-1.383	0.167	
Public	2.11	.980	2.12	1.001	-0.01	-0.51	0.610	
Falsifying organisation performance report								
Internal	2.70	.872	2.72	.890	-0.03	-0.972	0.331	
External	2.33	.949	2.34	.952	-0.01	-0.61	0.542	
Public	2.17	.979	2.17	1.007	-0.00	-0.284	0.776	

They also argued that the condition of anonymity has relatively little effect on the level of social desirability. Since the anonymity of the respondents in this study has been assured and social desirability bias was found in only two out of eighteen whistle-blowing intentions, the level of social desirability response bias in this study is therefore considered minimal.

3.6 Approach in Combining Qualitative and Quantitative Data: Triangulation and Complementarities

Bryman (2012) identified various methods of combining quantitative and qualitative research, such as triangulation, offset and completeness. Of those methods, this research focused on the triangulation and complementarity approaches. Triangulation refers to the use of qualitative and quantitative methods in studying the same phenomenon with the purpose of increasing credibility and validity by cancelling out the weaknesses of the methods used to enhance the validity of the findings (Modell, 2005). Complementarities refer to an effort to gain a complete answer to the research questions. The gaps left by one method can be filled by another (Bryman, 2012).

Tobin and Begley (2004) outlined various types of triangulation, including theoretical, methodological, analysis and data triangulation. As shown in Table 3.11, Briller et al. (2008) provided brief definitions of these types of triangulation.

Table 3.11: Triangulation types and its application in the research

Triangulation Types	Brief Definition	Application in the Research
Methodological	Multiple data collection strategies	Survey using self-completed questionnaire Individual interview Focus group interview
Data	Different sources of information	Auditor Manager in internal audit unit
Theoretical	the use of multiple theories in the same study for the purpose of supporting or refuting findings	Prosocial Organisational Behaviour Ethical perspective of whistle-blowing
Analysis	the use of more than two methods of analysing the same set of data for validation purposes	Gioia Method Descriptive statistical analysis Inferential statistical analysis

In this research, methodological triangulation was applied by collecting qualitative data using interviews and FGDs, and collecting quantitative data using surveys. Data triangulation was achieved by using different sources of

information – auditors and managers in internal audit units. Theoretical triangulation is reflected in the use of multiple theories that are prosocial organisational behaviour and the ethical decision-making perspective.

In triangulating the data, the aggregate dimensions of the qualitative data (see Section 3.3.4) and variables that were statistically examined (see Table 3.9) were re-grouped according to the research questions. The findings were clustered into relevant themes that were used to build a structure for discussing the findings and developing theoretical implications.

CHAPTER 4

FINDINGS: WHISTLE-BLOWING DECISIONS

4.1 Introduction

This chapter describes the research findings regarding research question 1 on how (potential) whistle-blowers decide whether or not to blow the whistle. The findings emerged particularly from the eleven notable actual cases of whistle-blowing reported by the participants of the individual interviews and FGDs (see Chapter 3 Section 3.3.4) and the 129 observed wrongdoings reported by the respondents in the survey questionnaires (see Chapter 3 Section 3.4.1.4). The structure of the data is presented in the following sections after an overview of the findings.

4.1.1 Overview of the Findings

For actual whistle-blowing, most of the respondents who observed wrongdoing decided NOT to blow the whistle, whereas the level of whistle-blowing intention across the six case scenarios was high. The findings show that the internal channel was the preferred choice. The respondents were more likely to blow the whistle internally than through external government agency channels or to the public. To justify their decision to stay silent, respondents put forward reasons that the wrongdoing was not actually illegal or that it was permitted, understandable or authorised. However, when they perceived wrongdoing that constituted actual wrongful behaviour, this on its own was not enough to prompt the observers to actually blow the whistle. They faced multiple loyalties and conflicts in choosing between personal and organisational values.

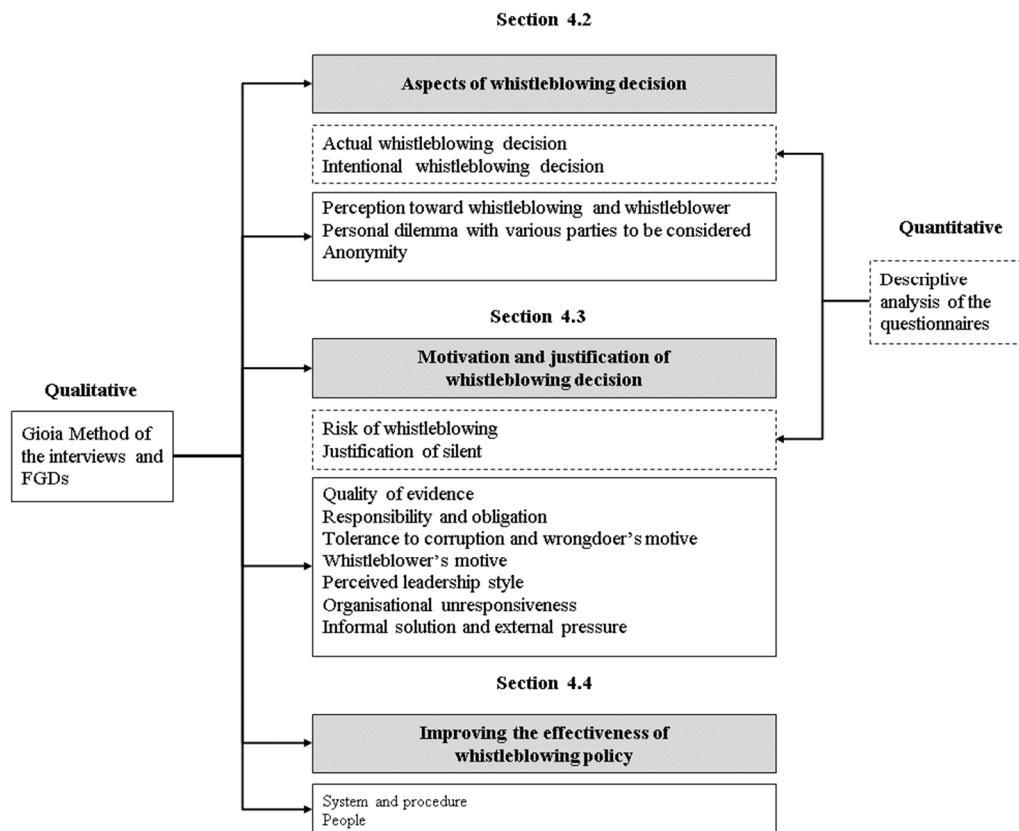
Their unwillingness to blow the whistle was driven by a domination of informal values such as tolerance of collective corruption. The organisations' leaders often promoted an attitude of silent acquiescence of wrongdoing through various reward and punishment systems, including misusing decision of human resources

management. The risk of broken social relationships in the office was feared more than any risk relating to human resources management. When whistle-blowing did occur, the superior would typically quietly address the wrongdoing outside formal procedures. It was found that rules and procedures were upheld only in the face of external pressure or when personal self-interest of the organisations' leaders did not stand to be affected by the act of whistle-blowing.

4.1.2 Data Structure of Qualitative and Quantitative Results to Answer Research Question 1

Performing the Gioia method (see Section 3.3.4), three aggregate dimensions were identified. Along with data about the actual whistle-blowing decision, perceived risk and justification of silence collected from the survey questionnaire (see Section 3.4.1.4), these three aggregate dimensions are used to build the structure of the findings presented in this chapter (see Figure 4.1).

Figure 4.1: Data structure of qualitative and quantitative results to answer research question 1



Findings related to aspects of the whistle-blowing decision are presented in Section 4.2, findings related to the motivation and justification behind the whistle-blowing decision are in Section 4.3 and findings related to the effectiveness of the whistle-blowing policy are in Section 4.4. Concluding notes to the chapter are in Section 4.5.

4.2 Aspects of the Whistle-blowing Decision

4.2.1 Whistle-blowing intentions and Actual Whistle-blowing Decisions in Responding to Individual and Collective Corruption

Regarding actual whistle-blowing decisions, the data from the survey show that a substantial minority of auditors have observed organisational corruption. In responding to any observed wrongdoing, auditors' decisions to blow the whistle on the wrongdoings committed by an individual in an equal and higher position were fewer compared to those for blowing the whistle on wrongdoing committed collusively by auditors. Decisions to blow the whistle were relatively greater for wrongdoing committed by lower-level auditors. Observers of wrongdoing mostly blew the whistle to co-workers and their immediate and higher superiors. Regarding whistle-blowing intentions, the study found that across six case scenarios, the level of respondents' whistle-blowing intention was mostly high. Similar to actual whistle-blowing, the respondents were more likely to blow the whistle via internal channels than via external government agency channels or to the public.

In the questionnaire, respondents were asked to identify one case of organisational corruption that they had observed during the preceding 24 months and were asked to indicate the best description of the observed wrongdoing from a list of eight different types of organisational corruption. As shown in Table 4.1, 129 out of 365 respondents (35%) observed at least one case of organisational corruption being committed by auditors or other officials in the internal audit unit. 'Abuse of power', 'fictitious payment' and 'acting against organisational policy' were the acts of wrongdoing most commonly observed by respondents. Other acts of wrongdoing that may typically be expected within an internal audit unit – bribery,

extortion and covering up of audit findings, for example – were also observed by respondents. This finding indicates that employees have a significant potential role in detecting wrongdoing in their organisations.

Respondents who claimed to have observed incidents of corruption were then asked if they had reported these either verbally or by sending a letter, e-mail or text message or by any other channel for blowing the whistle. Of 129 observed incidents, 38 were reported (29%), with silence maintained for the remaining 91 (71%).

Table 4.1: Actual whistle-blowing decisions in responding to organisational corruption that occurred in and committed by fellow auditors in the Government Internal Audit Units that observed by respondents

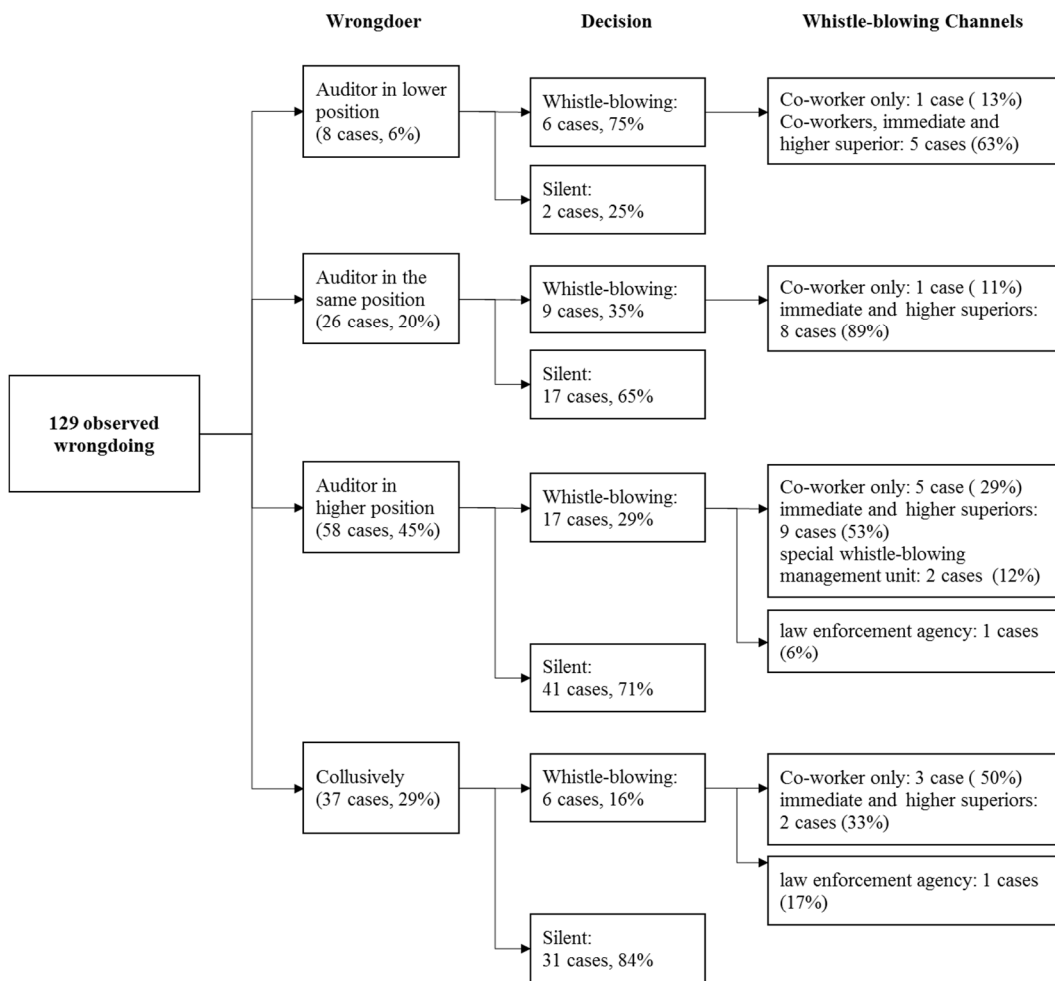
Description	Number of incidence observed	Blow the whistle	Decision		
			%	Silent	%
Covering up audit finding that were not resulted in financial loss to government	8	5	63%	3	38%
Extortion to audit client	7	3	43%	4	57%
Abused of power or use of an official position for personal benefits, personal services or favours	24	8	33%	16	67%
Abuse of office facilities, improper use of facilities or resources for private purposes	18	5	28%	13	72%
Covering up audit finding that resulted in financial loss to government	15	4	27%	11	73%
Acting against organisational policy, regulations or laws or work not in accordance with the provisions and procedures	23	6	26%	17	74%
Fictitious payment, making false or inflated claims for reimbursement	23	5	22%	18	78%
Bribes (Taking and giving bribes), accepting illegal gifts / donations/ gratifications	11	2	18%	9	82%
Total	129	38	29%	91	71%

Of the reasons for making the decision to blow the whistle, ‘covering up audit findings that did not result in financial loss to government’ was the most reported wrongdoing (5 out of 8; 63%). This was followed by ‘extortion to audit client’ (3 out of 7; 43%). ‘Taking bribes’ was the least reported wrongdoing (2 out of 11;

18%). Other types of organisational corruption, including ‘abuse of power’, ‘covering up audit findings that resulted in financial loss to government’, ‘acting against organisational policy’ and ‘fictitious payment’ were all at a similar level in the range of 22%–33%.

The study asked respondents to indicate the relative position of wrongdoers to the respondent in order to examine the organisational relationship between wrongdoers, whistle-blowers and silent observers. As shown in Figure 4.2, approximately 45% of all incidents were committed by an auditor in a higher position than that of the respondent.

Figure 4.2: Position of respondents relative to the wrongdoer(s) and their decision to blow or not to blow the whistle



Collusive auditors were perceived as the wrongdoers in 29% of all incidents, followed by auditors in an equal position (20%) and auditors in a lower position than the respondent (6%). Organisational corruption committed by wrongdoers acting collusively was reported in only six incidents (16%). The remaining 38 incidents (84%) remained unexposed. This low level of whistle-blowing was also found in cases where wrongdoing was committed by the auditor in higher and equal positions, with reported levels of 35% and 29%, respectively. In contrast, 75% of incidents of wrongdoing committed by auditors in lower positions were reported.

The whistle-blowers were asked to indicate to whom they had given their information. Respondents were provided with a list of 10 whistle-blowing channels – six internal and four external. Respondents could choose more than one channel. Based on the 38 cases of whistle-blowing, respondents preferred to blow the whistle internally. As shown in Table 4.2, 26 out of 38 whistle-blowing cases (68%) were reported to fellow auditors only or to fellow auditors and other channels combined. Whistle-blowers also utilised their immediate superiors in the audit team (50%), their immediate superiors in the human resources function (18%) and their higher superiors (37%) as either the sole or combined channels for blowing the whistle.

The special unit that has responsibility for managing the whistle-blowing system was selected in only 3 out of 38 whistle-blowing incidents (8%). External channels including a law enforcement official, the news media, a member of a people's representatives' council and a non-government organisation were chosen in two whistle-blowing cases.

Table 4.2: Whistle-blowing channels chosen in the thirty-eight whistle-blowing cases

Report to	Frequency	% of 38 whistle-blowing incidences
Internal channels		
- Fellow auditor	26	68%
- Immediate supervisor in audit team	19	50%
- Echelon II in your office	14	37%
- Immediate HRM supervisor	7	18%
- Special unit that has responsibility in managing whistle-blowing system	3	8%
- Echelon I in your office or minister or head of government agency	2	5%
External channels		
- Law enforcement official	2	5%
- News media	2	5%
- Member of people representatives' council	0	0%
- Non-government organisation	0	0%
- Others	1	3%

4.2.2 Perception of the Whistle-blower and the Act of Whistle-blowing

Similar to the perception of whistle-blowing typified in Western literature, in Indonesia, whistle-blowing is also depicted by two extreme positions, such as 'hero–traitor', 'snitch–saviour' or 'disloyal employee–protectors of the public interest'. Between these two opposing positions, there is a neutral position that can be expressed as 'I won't blow the whistle but if someone else were to do it, I wouldn't denounce him/her either'. The perception of a whistle-blower as a hero or traitor depended on the perceived motive of the whistle-blower. Participants in the interviews and FGDs suggested that the whistle-blower was perceived as a traitor, troublemaker and hypocrite when the act of whistle-blowing was motivated by either revenge or personal interest. When motivated by a selfless or altruistic motive, then the whistle-blower was labelled a hero or agent of change for good. Some respondents agreed that it was wrong to remain silent and that this

did not constitute good behaviour. Remaining silent was perceived as neglectful and as ignoring the ongoing wrongdoing. However, being a silent observer was also perceived as being a realistic choice.

The perception of the whistle-blower tended to be negative when it concerned petty corruption commonly occurring among low-level civil servants. Employees who blew the whistle on cases of petty corruption was seen as traitors among other employees.

The [lower-level] employees always think about how to get 'other income' to fulfil their basic need. Most employees have not been able to afford to live within a reasonable standard of living decently. In this kind of situation, a whistle-blower may be seen as a traitor among other employees. (Rainy, interview, 2013)

Whistle-blowing was perceived as a hypocritical and judgemental act if the whistle-blower was not seen to be a better person than the wrongdoer. Whistle-blowers should understand the mistakes that had been made prior to accusing someone. Whistle-blowers must themselves be cleaner and holier than the wrongdoer or they may receive a sarcastic comment such as 'The pot calling the kettle black' (Adele, interview, 2013). When the whistle-blower was perceived as a cleaner and better person, he/she earned the respect of his/her co-workers.

It means that if we are clean, and just in case there is a counter-attack against us, it will be bounced off. We will be skinned and criticised. If we are not a really good person or just as bad as them, we will lose the courage to be a whistle-blower. (Iris, interview, 2013)

Other respondents emphasised that the character of the whistle-blower must be better than that of the wrongdoer (Adele, interview, 2013) and that they should be cleaner, have courage and be a God-fearing person (Iris, interview, 2013). These were qualities required to face the negative consequences of their whistle-blowing.

We will lose the courage to be a whistle-blower if we are not really good persons or just as bad as the wrongdoer. We should be ready with the consequences. If we have the faith to be in line with our beliefs to tell the truth, we dare to deal with a greater power. (Iris, interview, 2013)

The positive side of whistle-blowing was shown by the perception that whistle-blowing was seen as an assertion of family values and religious duty. Whistle-blowers related their decisions to their religious teaching. Their fear of retaliation was outweighed by the expression of sentiments such as ‘God does not sleep’ and ‘let us pray’.

Whistle-blowing, in my opinion, is a demand for us, we have a religious duty to do goodness and prevent misguidance. Whistle-blowing is one of the implementations of those teachings. It is how we in daily life can blow the whistle for goodness and remind [others] in a case of badness. Ethically and morally, Islam teaches us to be a whistle-blower and become the agent of change in goodness. It is obligatory. We should cooperate in goodness and not cooperate in crime. We must put ourselves aside from collective corruption. (Lee, interview, 2013)

A whistle-blower dares to take the risk. I’ve found many people who take risks but someone [a whistle-blower] who also dares to take the risk may have a good understanding of his religion. (Nico, interview, 2014)

It was impossible for me to argue and oppose to my boss. Threatening me? Alright then, let us pray. All I could do was I did not follow his order. For one or two cases, I followed him but not for the most part. (Barley, interview, 2014)

Moreover, whistle-blowers related their decisions to the values they had been taught by their families.

My parents planted those values and gave us examples of the behaviour. And I saw my parents fight for their integrity. (Nickie, interview, 2014)

Respondents had equally positive and negative views of the consequences of whistle-blowing. Some of the common negative consequences of whistle-blowing expressed by the interviewees were risk of prejudice, backbiting and defamation.

It can bring down the spirit of people to perform well if that happens [backbiting and prejudice]. Because of bad management of whistle-blowing, they may not want to take responsibility of a high-risk job only because they are afraid of being accused of something that they do not do. (Rianna, interview, 20 September 2013)

Some positive consequences were that most respondents viewed the whistle-blowing system as a way of detecting and preventing wrongdoing. It carries with it the potential to create an atmosphere of deterrence. It also makes anyone aware

that they would always be supervised by one another, and also aware of the fact that anyone may be concerned and able to respond to any wrongdoing that may occur.

The system also creates a feeling of always being careful when doing anything and builds a deterrence atmosphere. People will always provide a response to any personnel who commit violations. All the government apparatus would be terrified when thinking to do any wrongdoing. (Rianna, interview, 20 September 2013)

In brief, the concepts of whistle-blowing and whistle-blower that emerged from the interviews can be categorised into three groups of themes (see Table 4.3). Positive themes of whistle-blowing show that whistle-blowing is perceived as prosocial organisational behaviour that is an altruistic behaviour to promote the welfare of the organisation. Negative themes of whistle-blowing indicate that an act of whistle-blowing can be perceived as egoistic behaviour that jeopardises the welfare of the organisation.

Table 4.3: Perception of whistle-blowing

Positive Themes	Negative Themes	Neutral Themes
<ul style="list-style-type: none"> - Hero - Agent of change in goodness - Personal obligation by law - Religious duty 	<ul style="list-style-type: none"> - Traitor - Act of fools - Trouble maker - Crazy - Hypocrite - Judging - Intervening other business - Seeking public attention - Defaming - The pot calling the kettle black 	<ul style="list-style-type: none"> - “Not my business” - As long as it is done within the whistle-blower’s authority - As long as it is done in secret

4.2.3 Personal Dilemma with Various Parties to Be Considered

Whistle-blowing was perceived as a tough, personal and situational decision. Each person has his/her own personal boundaries in assessing which incidents of wrongdoing are unacceptable to him/her so that he/she will or will not blow the whistle. The boundaries were described as a grey area where the wrongdoing was deemed wrongful but respondents put forward justifications in order to make the

wrongdoing appear permitted, understandable or 'authorised'. The difficulties associated with the decision were described as 'crazy' and 'professional suicide', particularly when whistle-blowing was committed by junior auditors. Whistle-blowing without having power in the office was perceived as suicide or as a reckless and foolish decision.

If I, as a junior auditor, vigorously and passionately did the whistle-blowing, I might be considered as crazy. (Harley, interview, 2013)

I did not have the courage to prevent that wrongdoing. It is my own experience. When I was a junior auditor, I did not have the power. If I did it [whistle-blowing] while the [working] condition here was not conducive, it means suicide for me. It would be good if the wrongdoing can be rectified completely. But if it does not happen, we will get the damage. If we have the power, then we can prevent the wrongdoing from occurring. (Sab, interview, 2014)

This dilemma was reflected in the way respondents identified the various parties that they took into consideration as part of their decision-making process. They were aware that they would not be dealing with only one or two persons, but instead many more employees acting in collusion. The wrongdoer's position in the office was also considered. However, the important parties to be considered may be their families.

Having the courage to do whistle-blowing is not enough. For example, I do the whistle-blowing on something and then all of sudden, I got transferred [to another office, perceived as an unfavourable position]. The effect is not on ourselves solely but also on our families. That is part of our consideration. (Rudolph, interviews, 2013)

I did once try to blow the whistle in the KPK online whistle-blowing system. I got a response from them but then they wanted my identity, my name, my phone number and other personal data. And then I started to think deeply if so, it was quite likely I would become the one to blame [by my family]. Instead of the wrongdoing being proven, I would become the highlighted person. I decided not to carry on with the whistle-blowing and so be it. (Rudolph, interviews, 2013)

The wrongdoer's family was also considered as part of the decision on whether or not to blow the whistle. In deciding to carry out internal or external whistle-blowing, a recipient of whistle-blowing information was afraid that the wrongdoer's family would get into financial trouble if she blew the whistle

externally and the wrongdoer ended up with a severe punishment. The superior of the wrongdoer who extorted money from an audit client preferred to rectify the issue outside formal procedures. After receiving the information from the whistleblower (the wrongdoer's co-worker), instead of reporting it to the internal compliance unit, she instructed the wrongdoer to return the money to the audit client using an off-budget office fund. She then asked the wrongdoer to refund it. She did not want her subordinate (the wrongdoer) to receive a formal punishment that may have taken the form of a dishonourable discharge.

We have discussed it with the leaders here and there was an option to report it to our inspectorate. Because it should be so. But we felt pity if we reported it and then he got punished severely. He has several children and his wife does not work. How could they live? It was decided to punish him [in a way] that would not endanger his family. They were not the ones who had committed it. (Rena, interviews, 2014)

In an incident, I observed someone [in my audit team] accept an envelope [bribe money from audit client]. It was not that much money. Then I saw that he was the single breadwinner of his family, he had many kids and he did not have anything [luxurious]. I do not justify the wrongdoing but I can understand why he did it. I guessed that he/she did it because he/she needed it so bad. (Nickie, interviews, 2014)

Aware of the dilemma, respondents suggested that the decision to blow the whistle should be on a voluntary basis according to the whistle-blower's ability to overcome the risk. The costs and benefits of the decision were considered. Because of the difficulties involved, whistle-blowing was perceived as a last resort after having talked informally to the wrongdoer as their friend.

It is up to us whether we want to report it or not. We should not be forced to be a whistle-blower. (Lily, interview, 2014)

In an employment relationship, whistle-blowing is the last step. Say it directly that it is unlawful. If it is not addressed, then [try again for] a second time. If it is still not considered, so be it. We are the subordinates right. Thus, maybe we could take the final steps which is whistle-blowing. (Nico, interview, 2013)

Whistle-blowers felt a sense of accomplishment when they decided to blow the whistle. It was perceived as a personal battle that they had won.

In fact, I'm glad that they finally realised their mistakes. So, maybe at that point God does not sleep, there must be a lesson to be learnt. There will be a time when we win and I have done it. (Eve, interview, 2014)

Whistle-blowers were described as brave, risk takers and employees who dared to disagree. The whistle-blowers knew the consequences of their action and they consistently accepted these consequences.

Yes, that was the consequence. I felt like I was isolated in my environment. What we thought was that we needed to be brave and make a stand. After that, we did receive some unfavourable consequences. We accepted these. It was difficult but fortunately, we can show that we were consistent with our attitude and it did not affect our performance. Whatever their manoeuvre that has been done to us, it does not matter. The basic of our attitude is good intention. (Eve, interview, 2014)

On the other side, the silent observers knew that the wrongdoing was wrong. But they chose to ignore the ongoing incidents occurring around them. The most important thing for them was that they were not complicit in the wrongdoing and that they would be the one who would end up being victimised.

People are apathetic. The words they used that make me feel sick are 'never mind, as long as it does not bother me'. Once they interfere me, I will be the one who take them apart. I heard this frequently. It happens many times. It may be permissive attitudes and habits that are not good. (Sonny, interview, 2014)

I think if it happens, the tendency was, 'I am not conducting an audit here, don't trouble yourself, and never mind.' (Andrew, interview, 2013)

Other alternatives taken by silent observers were that they either accepted the money or became a beneficiary of the corrupt activities. But to escape from the dilemma and to ease their feeling of guilt, they then gave the money to the needy, charities or religious events.

Finally, I said to them [audit team], 'It is up to you, you were the one who take it while I was not here. But I would not take it and I wanted to return it back.' I just wanted to know that I could not accept that. (Nickie, interview, 2014)

My co-worker did receive something from the audit client. [I received it also] but I did not want it. Alright then, secretly I returned it back. Or I gave it to the needy. I know it was not right, it was a wrongdoing but I did not speak up. Let it be. I might be permissive but almost everybody did it. I

could do something, speak up. But frankly speaking, I did not do it. Even if my heart tells me not to do it [the wrongdoing]. (Sonny, interview, 2014)

4.2.4 Anonymity

Anonymous whistle-blowing was seen as an unethical and irresponsible way to speak up. Sending an anonymous letter was perceived as taking the easy way out. Anonymous whistle-blowers were seen as neglectful and lazy and that they performed the act anonymously to avoid being accused as a wrongdoer or co-conspirator.

They take the easy way. They prefer to write a letter. They do not want to take the hard and tiring way. They are fearful of being blamed for what they say. So there is a sense of laziness, reluctance in communicating. The first is neglect, laziness is the second and the third is avoiding being blamed. They prefer to take the easiest way in which can keep their identity unknown. (Nico, interview, 2013)

Anonymous whistle-blowing may lead to backbiting and prejudice among employees. It can affect the working atmosphere in the office and also employees' performance. However, in the case of collective organisational wrongdoing, anonymous whistle-blowing was seen as a compromise solution for a silent observer too afraid to openly blow the whistle but also too angry to remain silent.

Yes, I will report it [organisational wrongdoing] with a variety of considerations if it is really and truly detrimental to the organisation. It seems that, in general, the consequences of being a whistle-blower are still very hard to take. In many cases, we see that the whistle-blower is not fully protected. It is better to choose the anonymous unofficial channel. (Augustine, interview, 2013)

4.3 Motivation and Justification for Whistle-blowing Decision

This section presents the results of the survey questionnaire and the aggregate dimension of the interviews and FGDs regarding silent observers' justifications for not blowing the whistle and the risk they perceived associated with whistle-blowing. It also describes the aggregate dimension on the personal, situational and organisational factors that either motivate or impede the respondents from blowing the whistle.

4.3.1 General Justification for not Blowing the Whistle and the Perceived Risk of Whistle-blowing

Respondents in the survey who claimed to have observed wrongdoing but who then chose not to blow the whistle – the silent observers – were asked to indicate their justifications. Eight different descriptions were provided in the questionnaire and respondents could make up to three choices. Not wishing to get anyone into trouble (17%), lack of evidence (16%), scepticism as to whether the whistle-blowing information would be acted upon (15%) and avoidance of risk (13%) were the dominant justifications for not acting upon the identified wrongdoing. However, in terms of wrongdoing committed by auditors acting collusively, the majority choice was ‘I did not want to embarrass my organisation’. More detailed descriptions are shown in Table 4.4.

Table 4.4: Justification of silent on wrongdoing committed by lower, equal and higher position than respondents and collusive auditors

Justification	Wrongdoing committed by auditor in				Total	%
	Lower position	Equal position	Higher position	Collusive auditors		
I did not want to get anyone in trouble	1	6	14	9	30	17%
I indeed know the incidence by myself but I did not have enough evidence to report	1	7	15	5	28	16%
I did not think that anything would be done to correct the activity	0	4	15	6	25	15%
I decided that reporting this matter was too great a negative risk for me	1	5	9	8	23	13%
I did not want to embarrass my organisation	0	0	9	11	20	12%
I did not think the activity was important enough to report	1	4	6	7	18	10%
The activity had already been reported by someone else	1	3	5	7	16	9%
I was not really sure to whom I should report the matter	0	1	5	3	9	5%
Others	1	0	1	1	3	2%
					172	100%

The whistle-blowers and silent observers were asked to indicate those risks that they were most afraid of. Respondents were provided with a list of 13 risks associated with whistle-blowing and were able to select up to three risks. As described in Table 4.5, most of the respondents perceived that the risk of damage to social relationships in the office was greater than the risk relating to decisions by human resources management (65% vs 35%). Respondents perceived that their relationships with co-workers, supervisors and officials above their supervisor (14%) could be broken as a result of their act of whistle-blowing.

Table 4.5: The risk of whistle-blowing perceived by respondents

Risk of whistle-blowing	According to the whistle-blowers		According to the Silent observers		Total	
Social relationship in the office						
Causing your co-worker unhappy with you	14	23%	49	29%	63	27%
Causing your supervisor unhappy with you	8	13%	26	15%	34	15%
Causing someone above your supervisor unhappy with you	8	13%	27	16%	35	15%
Verbal harassment or intimidation	2	3%	15	9%	17	7%
Sub Total	32	53%	117	69%	149	65%
HRM decision						
Poor performance appraisal	2	3%	7	4%	9	4%
Denial of promotion	6	10%	8	5%	14	6%
Denial of training opportunities	5	8%	1	1%	6	3%
Assigned less desirable or less important duties in my current job	1	2%	14	8%	15	7%
Transfer or reassignment to a different job with less desirable duties	4	7%	5	3%	9	4%
Reassignment to different geographic location	6	10%	7	4%	13	6%
Suspension from your job	1	2%	3	2%	4	2%
Fired from your job	1	2%	3	2%	4	2%
Grade level demotion	0	0%	1	1%	1	0%
other	2	3%	4	2%	6	3%
Sub Total	28	47%	53	31%	81	35%
Total	60	100%	170	100%	230	100%

They were also afraid of verbal harassment or intimidation. HRM decision-related risks, such as being assigned less desirable duties, job reassignment, denial of promotion and poor performance appraisal, were less feared. However, comparing the perceptions of whistle-blowers and silent observers, HRM-related risks and social relationship risks were equally feared by the whistle-blowers (53% vs 47%). In contrast, the silent observers placed greater emphasis on the social relationship risks (69% vs 31%).

The risks of 'broken social relationships in the office' and 'job reassignment to a less favourable working unit' were the most feared risks associated with blowing the whistle. Being excluded from daily official and social activities and feeling lonely were the results of employees' perception that the whistle-blower would be seen as a traitor and as a disloyal and unfaithful friend. The whistle-blowers were physically present in the office but they felt that they were not there. They were excluded not only from social but also from official activities. In terms of establishing an audit team, the whistle-blower was not considered a good employee to have as part of the team.

They could be considered as a traitor. It happens many times. Clean auditors do not have many friends. They are lonely because they cannot be with other friends. They are excluded from their environment and their co-workers, although they are not necessarily removed from them. It was like 'I do not want to be with him, he is [too] clean'. That is what I experienced during my work here if we want to be a better [organisation] we should become whistle-blower but should also be careful. (Sonny, interview, 2013)

In social activity in the office, it was like, we were together, we were there but we felt we did not exist. (Eve, interview, 2014)

Sometimes they would have been excommunicated by other co-workers or excluded from an audit assignment. (Andy, interview, 2013)

The whistle-blowing system may be reliable but it can still be leaked. A whistle-blower is a good man but he/she can be discriminated against and labelled as a disloyal and unfaithful friend. Being excluded from social activities is the most severe punishment for a human being. (Barry, interview, 2013)

The risks of job reassignment to less desirable duties or to a less favourable working unit were also emphasised.

Some words such as ‘Do you still want to be here or do you want me to transfer you to an “unfavourable” organisation’ will come out. It makes the decision more difficult for them. (Andrew, interview, 2013)

My obligation is ended at my immediate supervisor. I did not do anything further. I chose to keep silent, follow the bureaucratic procedures and did not want to put my supervisor in the opposite position to his supervisor. Here in this organisation, the transfer policy [to unfavourable place] is used as a punishment tool. (Harley, interview, 2013)

4.3.2 Personal Factors

This section presents the second-order themes of the interviews and FGDs related to the personal factors that include 1) the responsibility and obligation to blow the whistle, 2) the tolerance of corruption and the wrongdoer’s motive and 3) the whistle-blower’s motive.

4.3.2.1 Responsibility and Obligation to Blow the Whistle

According to Article 3 of Government Regulation Number 53/2010 on Civil Service Discipline, each government employee has duties regarding confidentiality, loyalty, obedience and reporting to superiors. Government employees promise to be faithful and obedient to the government and to uphold the dignity of the government and prioritise the national interests above their own, those of other people and the interests of a group of individuals. On confidentiality, they promise to keep confidential official information or other information instructed to be kept secret and secure. On the duty of reporting, they promise to report immediately to superiors when they know something may be harmful or detrimental to the state or government, particularly in the areas of security, finance and material. The study found that observers of wrongdoing were not always able to exercise their legal responsibility to report. They were often faced with other competing obligations and values.

A senior audit manager who blew the whistle on an extortion case committed by a subordinate wanted all of her employees to be following laws and codes of conduct. She argued that the trust shown by an audit client is important in

conducting the internal audit function and that whistle-blowing is a necessary part of maintaining that trust (Rena, interview, 2014). The perception that wrongdoers did not perform their jobs professionally and in a responsible way triggered the observer to blow the whistle. A senior auditor who blew the whistle on a series of fictitious travel expenses by her superior expected her co-workers and superiors to perform their jobs responsibly, in the same way that she performed her job.

In my opinion, employees should be fully responsible for doing their job whether they are a team member, team leader and especially supervisor. But at that time, for example, she did not do her duty to supervise my audit team. I do not see whether she is a team member or my superior. But it is clear that we must work professionally and prioritise our job. If, for example, they could not be professional, they should resign from the assignment. So it motivates me to expose the problem of my audit team. In my opinion, each member, whether he is a supervisor or the CEO, they have an equal responsibility. (Eve, interview, 2014)

Previously, a whistle-blower did not want to exercise her formal obligation to report wrongdoing. But she felt resentment towards the wrongdoer for being greedy and money-grabbing. She discovered that her fellow auditor, when they had travelled out of town for work, repeatedly inflated the accommodation cost to gain some extra money by falsifying hotel invoices. He also told her to do the same so that the financial officer in their office would not be suspicious. At some point, she felt that enough was enough and that she could no longer tolerate the situation. Her formal obligation turned into a personal obligation. She reported the wrongdoing to her superior. Considering that the wrongdoer did not have any HRM-related authority towards her, she convinced herself to blow the whistle. She did not consider retaliation to be a risk for herself.

It was just a small thing. What I mean is that it happened in the audit team internally. For example, official travel allowance and accommodation cost. I knew my co-worker marked up the cost of an airline ticket and hotel. I reported it to my immediate superior because I was resentful of him. He actively did it. He was greedy [and] money-grabbing. (Lily, interviews, 2014)

The formal obligation to blow the whistle was also postponed due to the need to prioritise the values of friendship and togetherness. A potential whistle-blower saw the wrongdoer(s) as their friend(s) and attempted to talk to them on a personal

level about their behaviour prior to making the decision to formally blow the whistle. The wrongdoer(s), particularly in cases of collective corruption, were not always the pure perpetrators as a result of their own will but they may have been the victims of a corrupt system. The potential whistle-blowers felt the need to communicate with the wrongdoer on a personal level first. This personal approach was part of their willingness to change their organisation (Nico, interviews, 2014) without 'making the water muddy' (Sonny, interviews, 2014).

It depends on our intention. If we have a definite love for our organisation, we will try our best to tell him [the wrongdoer], and so there will be no victims, and that person [the wrongdoer] will not be a victim either. If we do the whistle-blowing, there must be some casualties. It means that if we can stop then, we should stop it and find how we communicate it. It comes back to you; how strong your intention is. (Nico, interviews, 2014)

The formal obligation to blow the whistle was finally exercised when personal approaches had no effect in stopping the wrongdoing. A respondent was aware that the personal approach had its limitations. When the wrongdoer became ignorant and his/her behaviour negatively affected the organisational performance or working condition in the office, the potential whistle-blower finally blew the whistle.

I always feel challenged to use humanistic approach. My intention was to change the organisation. High performance can be achieved through togetherness and teamwork. This culture must be built. Togetherness is important. We may write a letter to do whistle-blowing when he/she cannot be told anymore, when he/she becomes ignorant and does not want to change his behaviour. He/she clearly have the intention to corrupt. When we speak to him and he does not want to hear, so be it. It means we have an obligation to inform it using another way. (Nico, interviews, 2014)

Feeling pity and compassion towards the wrongdoer and their family were also part of the justification for not resorting to any formal obligation to blow the whistle. Considering that they (the wrongdoer and potential whistle-blower) worked in the same unit or even within the same audit team, the potential whistle-blower usually knew the wrongdoer's family very well.

I did not report it to our superior because I was a close friend of my team leader. (Nickie, interview, 2014)

The wrongdoers' families were perceived as people who should not have to suffer the consequences of the whistle-blowing. The wrongdoer's family situation and wrongdoer's lifestyle influenced the decision of whether to blow the whistle or remain silent.

I felt pity for him too. He has a kid with special needs. I understood that he needed money, not that much, but enough for his daily life. (Lily, interview, 2014)

When the decision was made to blow the whistle, they, the interviewees, did it informally and internally. Public whistle-blowing was seen as unfair and as an act to humiliate the wrongdoer.

Because we were close in the same office room, in term of amount of money, it was petty. If we blew it up and all of our office mate would know, it might be unfair. (Lily, interview, 2014)

Humiliating people publicly somewhat is not our culture. We, three of us [top and middle managers in the organisation], agreed not to do that [external whistle-blowing]. (Rena, interview, 2014)

The act of whistle-blowing, although conducted informally and internally, impacted the social relationship in the office. In the case of 'Lily', after blowing the whistle informally and internally, she no longer wished to remain part of the same audit team as the wrongdoer. In the case of 'Rena', the wrongdoer separated himself from the whistle-blower and from his other co-workers.

4.3.2.2 Tolerance of corruption and the wrongdoer's motive

Respondents determined their level of tolerance by evaluating the incidents of corruption from various points of view. Some interviewees emphasised the impact of the wrongdoing on their organisation, the amount of money involved and the wrongdoer's motive. In the case of repeated wrongdoing, a respondent blew the whistle when the wrongdoer went on to commit the same act of wrongdoing again, but this time for money. As instructed by his superior, a respondent marked up several examinees' scores so that they passed an exam and qualified for promotion to a higher-level auditor. He felt compassionate, did it and remained silent.

For one or two cases, I followed him but not for the most part. (Barley, interview, 2014)

Respondents were reluctant to speak up when the wrongdoing was carried out in the best interest of the organisation and not in someone's own personal self-interest.

I find it normal if our travel allowance is cut for non-budget office expenses. (GIAU_E, 30)

They also tried to understand the difficulties faced by the manager. They were aware that managers sometimes have to do something illegal or unethical in order to get the job done.

If the wrongdoing is necessary for the best interest of the organisation, I think it is ok. It is not for us personally. However, if money involved in the wrongdoing, it cannot be tolerated. (Augustine, interview, 2013)

But if it is an organisational wrongdoing, I try to understand the difficulties faced by the management. (Andrew, interviews, 2013)

Wrongdoing occurring in the context of getting a decent life or for charity or social purposes was seen as tolerable wrongdoing and was not going to be reported. In contrast, greedy wrongdoers seeking to excessively enrich themselves deserved to be reported.

One time, I observed someone [in my audit team] accepted an envelope [bribe money from audit client]. It was not that much money. Then I saw that he was a single breadwinner of his family, he had many kids and he did not have anything [luxurious]. I do not justify the wrongdoing but I can understand why he did it. I guessed that he/she did it because he/she needed it so bad. (Nickie, interviews, 2014)

Yes, I think we still have some level of tolerance to corruption. The tolerance here is not because of the nature of greed or enrich themselves or excessive, no, but in the context of getting a decent life. (Rainy, interviews, 2013)

We need to look at the social aspect, perhaps. I do not know. Maybe I was influenced by the opinion that it is not corruption if the money goes to charity or for social purposes. (Andrew, interviews, 2013)

4.3.2.3 Whistle-blower's motive

Some respondents who were recipients of whistle-blowing information emphasised the importance of a whistle-blower's pure and sincere motives when deciding what to do with the information they held. They made attempts to verify the information and seek additional evidence. The whistle-blower, also one of the wrongdoers or a beneficiary of the corrupt activities, was seen as an untrustworthy person. In contrast, a whistle-blower who perceived themselves to be the victim of wrongdoing can be regarded as an employee who is jealous of other employees who gain benefit from the wrongdoing.

The [potential] whistle-blowers should not take the beneficiary [of corruption] as the consideration of the decision to blow the whistle or not. There is no need to look to whose interest it is. If we do consider it, then, I think, our intention will not be pure again. It means you will be silent when you get the benefit but when you are not one of the beneficiaries you will do whistle-blowing. That is just not right. (Sonny, interviews, 2014)

For example, a job promotion is not by the procedures. It is against the rules; it is a non-compliance. But if I report it then they will think 'you are envious'. It seems that because I am not the one who get promoted and then I get jealous. I think to myself what exactly the reason I report it. That is why I do not care much to our organisation. It is their problem, not mine. I have doubt on my justification. (Rena, interviews, 2014)

However, another respondent put forward different views that the whistle-blower's motive may be difficult to assess. Handling and responding to the information are substantially more important than questioning the motive or identity of the whistle-blower.

The important things are getting the content of what they said. We do not need to know who did that. Then we need to analyse and validate it. Is the substance of the information true or false? If it is true, then we do something to solve the problems. If it is false information, it does not matter. [There is] no need to know who said it. (Sonny, interviews, 2014)

4.3.3 Situational Factors

This section presents the second-order themes of the interviews and FGDs related to the situational factors which is the quality of evidences.

4.3.3.1 Quality of evidences

In deciding whether or not to blow the whistle, respondents placed a strong emphasis on the quality of the evidence of the wrongdoing that they had observed. Strong evidence gave them confidence in their ability to defend themselves if they were criticised or accused by other parties. Verbal information or wrongdoing based on hearsay was not reported. When there was a clear, present and actual case of corruption, then they felt blowing the whistle to be an obligation rather than an option. In one reported case of repeated wrongdoing, the wrongdoer (whistle-blower's superior) told the whistle-blower via text message to do the same wrongdoing for other clients. He was suspicious that this time his superior was doing it for money. He did not do it and then blew the whistle to his higher superior and showed him a note and text message.

I went to my CEO [official higher than the wrongdoer] and met him in his office. I showed him the text messaging and the wrongdoer's handwriting on the notes. 'These persons had to pass the exam'. (Barley, interview, 2014)

However, his superior did nothing. Within several months, he had been transferred to a less favourable unit.

The quality of evidence was also emphasised by a recipient of whistle-blowing information. This recipient of whistle-blowing information asked the whistle-blower to provide some evidence in support of the ongoing incidents. The recipient of the whistle-blowing information also attempted to find additional evidence by questioning other wrongdoers' co-workers.

We heard from the audit team that the wrongdoer asked something to our audit client, we continued to explore the extent to which the wrongdoing occurred. The audit team provided me the evidence that it is true that he has accepted 'something'. We, ourselves, looked at the evidence. We reported it to our director and we were told to trace his similar behaviour in another audit client. I asked his previous audit team to clarify and it was positive that he committed similar wrongdoing in previous audit clients. But his co-workers did not report to us. There was someone did report but it was considered a vague case. We continued to trace him when he was at another directorate. It turned out that he was famous for doing so. (Rena, interviews, 2014)

A silent observer also justified her decision to remain silent due to a lack of hard evidence.

If I kept arguing then [I was afraid] he might insistently be questioning me, 'how do you know, do you have evidence of this?' ... I did not have direct and authentic evidence showing someone had received money and then the audit findings were gone. (Lily, interview, 2014)

4.3.4 Organisational Factors

This section presents the second-order themes of the interviews and FGDs related to the organisational factors that include 1) perceived leadership style, 2) organisational unresponsiveness and 3) informal solution and external pressure.

4.3.4.1 Perceived Leadership Style

Whistle-blowers' or silent observers' superiors played important roles in the whistle-blowing decision process. Leaders were seen by both whistle-blowers and silent observers as offering guidance on how to behave and their behaviour reflected their commitment to anti-corruption reform, along with their integrity. Whistle-blowing decisions were somewhat influenced by leadership style. One respondent decided to blow the whistle after learning that she was able to trust her supervisor. She described her superior as being as close to her as a friend and as an idealist.

I did it [whistle-blowing] because it was an internal issue and I know my superior's character... So I convinced myself to do it. She [whistle-blowing information recipient] was quite idealistic person, she did not want to get her tickets and hotels paid or receive gift [from audit clients]. (Lily, interviews, 2014)

One open-minded and receptive superior also helped a potential whistle-blower to speak up.

My supervisor talks and discusses openly to me. His openness provided me with the opportunity for giving him some input or feedback. (Nico, interviews, 2014)

Sure, I am happy. It is okay for me. I do emphasise to my subordinates that if I am wrong, please correct me. They can speak it up carefully and wisely.

If it is true, we can be a clean person and our employees will not do something wrong. (Sonny, interviews, 2014)

It should start from the top, from the top leaders. They should be more open and willing to listen. It may change the environment a little bit. When people are willing to speak up then, the whistle-blowing may come out. (Eve, interviews, 2014)

On the contrary, ‘talk the talk’ leadership and angry and spiteful superiors served to suppress employees’ willingness to speak up. Respondents were afraid that these kinds of superiors would seek to use their power to retaliate.

It [exemplary leadership] does not exist but ‘talk only’ leadership. When someone do the whistle-blowing but then he got retaliated, it is all the same, it is better to keep quiet. (Andrew, interviews, 2014)

In our culture, people whose evil deeds get exposed, tend to be angry. If he has power, he will use the power to retaliate or take action that can be harmful to the whistle-blower. (Iris, interviews, 2014)

CEOs with whom their employees were not able to argue were described as little tyrants. They used their authority to get rid of their unfavourable subordinates by transferring them to an unfavourable office.

There was a case when an official was transferred. He got punished. But it was not because of something that he did was wrong or that he was not performing well. It was because he spoke up and argued against our CEO. Our CEO banged the desk while he was arguing with him. So some employees think that our CEO is a little tyranny. (Barley, interviews, 2014)

Respondents were mainly concerned that a feudalistic culture, bureaucratic environment and unresponsive leaders demotivated them to blow the whistle.

The culture here was very feudalistic. We would get punished for only putting some words out. (Harley, interviews, 2013)

In terms of our culture which is developed in our bureaucratic environment, whistle-blowing is difficult to apply. We, especially someone who has higher position, tend not to appreciate when someone reminds us of our bad behaviour. (Harley, interviews, 2013)

My supervisor did not respond to my report and I stopped there. Maybe, if I continued to blow the whistle to the higher manager, I would have

transferred somewhere around Indonesia. As a result, I have worked here in Jakarta for 30 years now. (Harley, interviews, 2013)

If the subordinates reported [the wrongdoing] to the superiors but they do not do the follow-up action, it [the whistle-blowing intention] can be gone. Actual and firm action is needed. It can motivate us to do more whistle-blowing. (Eve, interviews, 2014)

I did the whistle-blowing but there was no response at all. Should it be responded right? And their actions should be informed to us. (Barry, interviews, 2013)

A feudalistic culture was perceived as being overly bureaucratic and could be related back to the leaders' negative behaviour, always wishing to be respected and exert old-fashioned, undemocratic and non-participative leadership.

Describing how (bad) the situation was, a silent observer was grateful and thankful to God that his co-workers had respect for him when he refused to take bribe money and do nothing to him. He did not feel isolated from daily social activities despite the fact that he had failed to comply with the collective decision of his audit team. Wrongdoers who shared their money with other employees were seen as good and generous people. The attitude of 'get more or less, do not eat it by yourself, share it and enjoy it together' was a commonly shared attitude.

When I came to this office, compared to other organisations, this organisation is cleaner and better. The atmosphere for us to do the right thing is more supportive. No one will challenge or threaten you for doing the right thing. Therefore, I will not try to do this and that. I once refused to receive some offering [of money from audit clients]. Nothing has happened. I was not isolated. (Barry, interviews, 2014)

The culture of cooperation and solidarity is strong. If you get it [money] even a little, let us eat together, do not eat by yourself, right? Some portion of that should be trickled down. But the worst is that the wrongdoer is seen as a good and generous person. Whereas, they never questioned where the money comes from. They [the wrongdoers] were frequently seen as a hero. (Lily, interviews, 2013)

A whistle-blower also felt fortunate that her immediate superior also had respect for her when she said she did not want to get involved in the wrongdoing. This was despite the fact that she also felt her superior may not wish to hear it and would label her a rebellious employee.

Fortunately, my immediate superior could accept my attitude although he might not like to hear it from me. But he respected my views not to get involved in the wrongdoing. However, he might take note of me for being rebellious. We were seen as 'too late to be the hero'. What is it good for? [It was] like you never did it. (Eve, interviews, 2014)

Giving 'reward' to wrongdoer(s) was also part of the leaders' policy to suppress the whistle-blowers' willingness to blow the whistle. Auditors who can generate revenue in the form of money from audit clients for their superiors were assigned to 'nice' audit clients instead of 'ordinary' audit clients. Nice audit clients were described as high-spending government agencies or big state-owned enterprises with off-budget funds for unofficial expenses.

It has become an open secret for us all. We all know that he was the player. Giving money to the superiors was common practice and even made him proud. He was the player and he was the favourite employee. He was like a [revenue generator]. He became a legend. (Lily, interviews, 2013)

It [corrupt behaviour] was systemic, what I mean is it was rooted. And usually, those who can produce something like that [money from audit client] they got nice audit client. However, it depends on the team leader. There were also some idealist auditors. But they usually got ordinary audit client. (Lily, interviews, 2013)

In order to avoid the whistle-blowing dilemma, respondents preferred not to get too close to their superiors personally. They worked by the rule. In doing so, they felt free to refuse becoming involved in any wrongdoing initiated by their superior. They could also blow the whistle without being perceived as a disloyal employee.

I do not underlie my work on likes or dislikes basis but rather on what my obligation is. I do not see who my boss is. I do the job following the rules. With such an approach, I do not need to get close to or stay away from my supervisor. (Nico, Interview, 2014)

4.3.4.2 Organisational Unresponsiveness

Lack of organisational support was also evident in the respondents' perceptions and in their comments on how their organisation managed the whistle-blowing information. The respondents perceived that the whistle-blowing policies

developed as part of anti-corruption reform may merely be ‘lip service’, ‘talk only’ or ‘image building’.

Internal control is built by the manager to control the organisation's activities. However, according to my experience, they violated it. Just like this whistle-blowing system. They built it as its best but the information gained from the system may be used only as image building to secure their interest. (Barry, interviews, 2014)

I see it as lip service only, plans, dreams and ideals. It should be a measurable commitment and used as an indicator of success. It must be embedded, measurable and clear accountability. If there is no evaluation and monitoring, let us forget it. Whistle-blowing was built not to denounce, but to provide positive and corrective impact. (Rena, interviews, 2014)

Some respondents put forward the risk of misuse of the whistle-blowing information.

It is only to appease the public without any intention to act upon. (Adele, Interview, 2013)

Can they guarantee that the whistle-blowing information will not be leaked and the whistle-blower will not be known? (Barry, interviews, 2013)

Potential whistle-blowers perceived that openly blowing the whistle meant they would be putting themselves in the trouble and aggravating situation. By becoming involving in a legal issue in the office, they were ready to be questioned, exposed and spiritually tortured.

There is a belief not to interfere in other people's business. Moreover, exposure of corruption here is also still rather difficult. The one who exposes the incidence tends to be the one who gets the problem. That's why most auditors do not want to be involved if it is out of the audit context. (Andrew, interviews, 2013)

They may be afraid of getting involving in troublesome issues, being questioned and exposed. (Lily, interviews, 2014)

Afraid to involve in an annoying situation, I have experienced being a witness of a fraud. I helped in preventing the fraud so that it did not happen. At the time, the fraud was occurred it was beyond our control. I was the witness but it seemed I was the wrongdoer. It cost me money and time and I felt spiritually tortured. I felt like by participating in something to uphold the truth we even felt discomfort. (Rena, interviews, 2014)

Some respondents believed that, just like any other system built by the manager, there was potential for the whistle-blowing information system to be breached and violated by them in order to serve their own interests.

We are not sure whether our report will arrive [at the authorities]. There is someone who filters the information. We once conducted an audit and found a corruption case. An official of regional office [of Ministry of Education] illegally took fees on school fund. I reported to my superior but it stopped there. And then I knew that the information never arrived at our CEO. (Barley, interviews, 2014)

Do people who manage this whistle-blowing information never conduct an audit? They have conducted an audit. There is a saying of 'Pot Calling the Kettle Black'. You used to do it anyway, how come you pretend to be mister clean. We are just worried that there is a conflict of interest, 'you know it, I know it', 'you know that I know what you have done wrong in the past'. You expose mine, I expose yours. (Iris, interviews, 2014)

The unsupportive environment may create a feeling of powerless among employees, who then to choose to either remain silent or to gossip.

I did not have the courage to prevent that wrongdoing. It is my own experience. When I was a junior auditor, I did not have the power. If we have the power, as team leader, then we can prevent the wrongdoing from occurring. (Barry, interview, 2013)

I will choose to do gossiping, or if I feel the need to report it. Because of the fear of getting identified [as the one who blow the whistle], I prefer to use the informal channel. I have no courage yet to openly blow the whistle. In a case of organisational wrongdoing, we may be somewhat reluctant to formally blow the whistle. (Augustine, interview, 2014)

This may also serve to reduce employees' self-confidence since they knew that the wrongdoing they observed was wrong but they tried to convince themselves that they might be wrong. The wrongdoer(s) was(were) perceived as someone who knew everything and the silent observer saw themselves as someone who knew nothing.

I am still afraid to blow the whistle, I should look into myself and until now I am no one here. (Princess, interview, 2013)

We can keep in silence but it does not mean that we agree with it [the wrongdoing]. If we are in lack of power position, and we feel that whistle-blowing will be in vain, and we do not have the ability, it is better not to

blow the whistle. If we are confident [that whistle-blowing will be effective], yes we can do it. We need to see 'who we are'. (Harry, interview, 2014)

I felt junior, yes [powerless]. At that time, I did not quite understand. (Lily, interview, 2014)

4.3.4.3 Informal solution and external pressure

In handling issues of whistle-blowing, CEOs saw the superior of the whistle-blower as an incompetent manager for not being able to control both the wrongdoer and the whistle-blower as their subordinates. This motivated superiors, as the recipients of whistle-blowing information, to suppress their subordinates to not blow the whistle externally and to quietly rectify the wrongdoing outside formal procedures. In a case of extortion carried out by an auditor upon their audit client, the CEO did not want to go to the internal compliance unit and the wrongdoer's superior asked the wrongdoer to quietly return the money.

He [her CEO] did not believe that it still happens today. [He] though my report was not true. I assured him that this was the risk. But still he said 'no' [to formally report it to internal compliance unit] repeatedly. That was it, and then I stopped arguing and kept silent. We solved it by returning the money to the audit client using 'organisation fund'. Then we ask him to replace the funds. We were confused that time, how we treat him regarding his status as the government officer. We have talked to the CEO. But there has been no progress. (Rena, interviews, 2014)

Handling the issue of whistle-blowing through the use of formal procedures was seen as an 'explosive' solution that was described as bad publicity and as 'get[ting] the fish but making the water muddy'. Respondents were aware that the wrongdoer may not learn a lesson and may thus reduce the deterrence effect of the punishment.

Wrongdoers who are handled by informal punishment may not learn the lesson. It is not an 'explosive' solution. But everything has been considered. If it involves a substantive amount of money or repeated wrongdoing, it should be approached differently. Therefore, the challenge is how we can resolve the wrongdoing without making the water muddy. (Sonny, interviews, 2014)

However, the informal and quiet solution was preferred for both the whistle-blowing information recipient and the wrongdoer. The wrongdoer's superior

wanted to help the wrongdoer personally so that his/her wrongdoing did not harm either the organisation's or the CEO's reputation. The wrongdoer, on the other hand, would not be severely punished by either the human resources or internal compliance units.

As his superior, we wanted to help him solve his problems so this organisation would not be affected. We asked some evidence. We reported it to our CEO and he told us to return the money back to audit client. (Rena, interviews, 2014)

I prefer informal resolution; I will ask the wrongdoer to return the money quietly. He/she is my subordinate; he/she is my friend. I would try my best to resolve it as such we all are his/her family. It is like solving the problem but not letting the water muddy. Get the fish but do not let the water muddy. (Sonny, interviews, 2014)

Formal procedures were used when there was external pressure on CEOs or when the wrongdoer or the whistle-blower did not align with their interest. Whistle-blowing information discussed in the CEO's meeting was not resolved until a similar act of wrongdoing was found by either the Supreme Audit Institution (SAI) or the Corruption Eradication Commission (CEC). When wrongdoing was exposed by the CEC, the CEO's capability as head of the government agency who was supposed to be able to control their subordinates was called into question. Only then would the CEO introduce new policies or regulation to prevent the wrongdoing from reoccurring.

Was the case that has been exposed and publicly known resolved? It was repeatedly exposed in the CEOs meeting but is there any decisive action from CEOs to make deterrence effect for us? I don't think so. Is it an indication that our CEOs want to quietly get rid of the problem? I do not think so. It is because the wrongdoing has not been known by external parties. When CEC or SAI found it, then the CEOs will do something about it. So, our CEO may have the intention to solve the problem but they are passive. I see our CEOs will not act as long as their self-interests will not be disturbed. (Barley, interviews, 2014)

CEOs should be proactively eager to improve things that went wrong even if they do it informally and quietly. But that does not happen here. Our CEOs knew that the wrongdoing was occurring, but they wait. If CEC or SAI do not put it in their report, then they are silent and do nothing. (Barley, interviews, 2014)

When their subordinates [the wrongdoer] were 'handled' by external parties, which they think it can affect their reputation, they then act something about it. (Barley, interviews, 2014)

Moreover, a respondent put forward the importance of external pressure in developing anti-corruption awareness among employees.

Before 2009, many employees marked their travel expenses up. The fictitious business trip occurred for employees' welfare. But after a team from the Corruption Eradication Commission supervised us, thank God, many employees were aware [that it was wrong] and back to the right path. However, there are still some employees trying to commit the unethical act secretly. (GIAU_C, 19)

4.4 Improving the Effectiveness of Whistle-blowing Policy

The study found that committed leadership is a prerequisite for the promotion of whistle-blowing behaviour. Furthermore, the respondents recommended that the implementation of a whistle-blowing system should carry with it a protection mechanism (Iris, interview, 18 November 2013) 'so that people having good intentions can blow the whistle safely' (Nico, interview, 7 January 2014). It needs online facilities for the whistle-blower to track the progression of the case (Iris, interview, 18 November 2013) and also legal aid for the whistle-blower (Michael, interview, 1 November 2013). In general, the themes that emerged from the interviews were on ethical climate, organisational culture, human resources management and reward for the whistle-blower.

In offering a reward for the whistle-blower, it was suggested that this should not be in the form of money, goods or benefits because 'It may be used only [as a motive] to gain money' (Kurt, interview, 18 November 2013). From another perspective, 'If it is a financial reward, it did not mean that much' (Andy, interview, 15 September 2013). The whistle-blowers' own safety and a guarantee that there would be no retaliation were preferred to any form of reward being offered.

Safety is the first I think. It means that there would be no negative impact on the whistle-blower and their family and their prosperity. It has to be built first. Through the reward, even non-financial reward, the appreciation and the commitment of the leaders can be shown. The employees need to see some positive sign that can encourage people to blow the whistle. The sign should truly exist in the policies and actions. (Andy, interview, 15 September 2013)

Promotion and employee development could also be applied as rewards for the whistle-blower.

To avoid backbiting and prejudice, Rianna (interview, 20 September 2013) stressed the importance of balancing the protection of identity and of being a responsible whistle-blower in order to maintain a good working environment.

In my opinion anyway, if we want to implement the whistle-blowing system it is better to develop a good and wise mechanism that includes legal protection for the witnessing whistle-blower. It is also needed to maintain good and conducive working atmosphere in the government agencies, avoiding backbiting and prejudice. The whistle-blower's identity must be given along with the information provided. Principally, protection is guaranteed, but the whistle-blower should be responsible also. When we implement the control environment, we should continue doing the daily activities smoothly. Do not let the business process be halted because the control is set too tight. Anyone can give input or complaint but with no identity, it is irresponsible. (Rianna, interview, 20 September 2013)

To encourage employees to be responsible whistle-blowers, the respondents suggested that:

the criteria of information that will be acted upon should be mentioned which the facts or documents showing the facts (Rianna, interview, 20 September 2013).

They further suggested improvements to the ethical climate and culture in the organisation through 'instilling ethical values and improving recruitment process', 'instilling people with a "dare to disagree" and "speak it out politely and respectfully" attitude' and creating a 'good work ambience, sufficient facilities, good inter-personal relationships, particularly among subordinates and superiors' (Nico, interview, 7 January 2014).

Aside from a formal reporting procedure, a special integrity pact in managing whistle-blowing information was also suggested. The information must be managed by a designated person to ensure the confidentiality and anonymity of the whistle-blower.

The important thing is getting the content of what they said. We do not need to know who did that [whistle-blowing]. Then we can analyse and validate it. Is the substance of the information true or false? If it is true, then we do something to solve the problems. If it is false information, it does not matter, no need to know who said it. What is important is the substance of the information whether it is right or wrong. (Nico, Interview, 7 January 2014)

The importance of external parties in managing the whistle-blowing information was also emphasised.

If the wrongdoing occurred in lower-level management, there is no problem, the higher manager in the headquarters will do something. However, how to cope with fraud involving top managers in the headquarters? It is important to ask external parties to manage the whistle-blowing system. (Barry, interview, 1 November 2013)

The purpose of having an external party involved in managing the system is to ensure that:

The case to be handled is not subjectively selected by the internal manager to serve their interest' (Barry, interview, 1 November 2013).

It is also to prevent the manager from:

Filter[ing] [the information] and then no single action will be taken' (Rachel, interview, 1 November 2013).

4.5 Concluding Notes

The findings show that the decision to blow the whistle is a personal and situational decision. Participants in the interviews and FGDs seem to have their own criteria in evaluating the situation. Both the motivations for blowing the whistle and the justifications for not blowing the whistle seem to be unique to each case. The whistle-blowers appeared to be willing to blow the whistle. They wanted to contribute and help their organisation by preventing wrongdoing.

However, it seems that they did not want to take the risk and become the victim of retaliation. They may have had a strong intention but they might not have had sufficient perseverance to actually blow the whistle.

In addition to the process of the normalisation of corruption such as low level of responsibility (Sections 4.3.2.1) and tolerance of corruption (Section 4.3.2.2), it can also be concluded that the whistle-blowing decisions were influenced by two main factors: the quality of the evidence of wrongdoing and the leadership in the organisation. The findings show that the quality of evidence was related to the justification not to blow the whistle (Section 4.3.3.1). By having evidence, the potential whistle-blowers perceived the wrongdoing to be less ambiguous and that they would be perceived by others as constructive whistle-blowers (Section 4.3.2.3). The existence of evidence also provided the recipients of whistle-blowing information with a basis upon which to act.

The findings also show how the perceived leadership style (Section 4.3.4.1) and the organisational unresponsiveness (Section 4.3.4.2) greatly influenced the decision. Participants in the interviews and FGDs seemed to perceive that their leaders sought to suppress their potential acts of blowing the whistle formally and externally. The act of formal whistle-blowing was perceived as a threat to their superiors (Section 4.3.4.3). For the whistle-blower, it was only the wrongdoing that was the problem, but for their leaders, the issue was both the wrongdoing and the whistle-blowing.

CHAPTER 5

FINDINGS: FACTORS INFLUENCING WHISTLE-BLOWING INTENTIONS

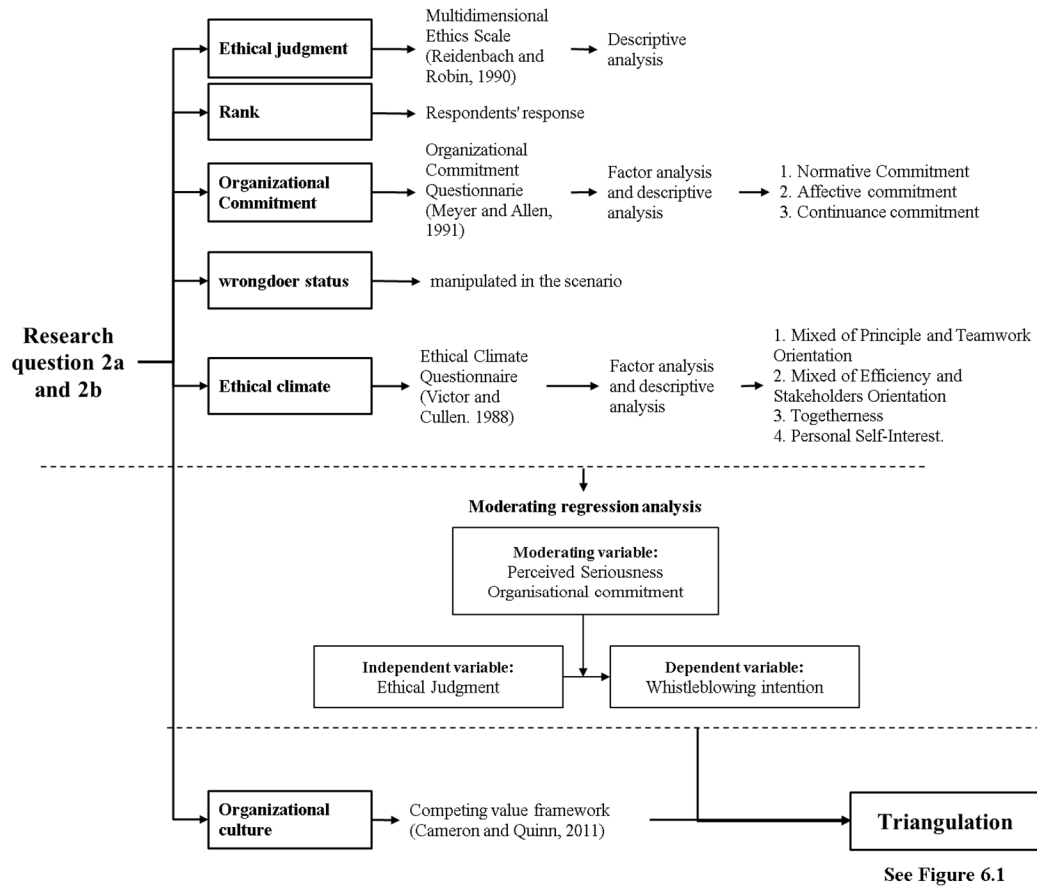
5.1 Introduction

This chapter outlines the research findings with regard to research question 2, which concerns testing the role of ethical judgement, perceived seriousness of the wrongdoing, organisational commitment, respondents' job level, the wrongdoer's power status and ethical climate in cases of whistle-blowing intentions. Referring to the analysis procedures described in Section 3.4, the quantitative data were analysed using statistical analysis software for both descriptive and inferential statistics. The findings described in this chapter complement the findings described earlier in Chapter 4. The qualitative findings in Chapter 4 were used to contextualise the quantitative findings described in Chapter 5 to gain a more comprehensive answer to the research questions. The structure of the data and an overview of the findings are presented in the following sections.

5.1.1 Data structure of quantitative results to answer research question 2

As depicted in Figure 5.1, this chapter describes the quantitative research findings regarding research question two, which mainly aims to explore the effect of the perceived seriousness of wrongdoing and organisational commitment in the relationship between ethical judgement and whistle-blowing intention using ethical climate, power status and job level as the control variables. Descriptive analysis of dependent, independent moderating and control variables are presented in Sections 5.2, 5.3, 5.4 and 5.5. Section 5.5 also contains factor analysis to identify constructs in the ECQ. Results of the moderated regression analysis are in Section 5.6. Section 5.7 contains supporting analysis on the organisation culture in research sites. Section 5.8 presents the concluding notes of Chapter 5. Most of the statistical results are reported in tables, footnotes and appendices to facilitate readability.

Figure 5.1: Data structure of quantitative results to answer research question 2



5.1.2 Overview of the findings

Results of the descriptive statistics analysis and factor analysis of the dependent and independent variables

In all six case scenarios, the survey respondents in the research were more likely to use internal than external whistle-blowing channels within government agencies. They were also more likely to use external channels provided by other government agencies than to blow the whistle in public. The respondents' ethical judgement towards the case scenarios showed that they perceived an organisation of corrupt individuals (OCI) to be more unethical than a corrupt organisation (CO). In term of the wrongdoer, acts of wrongdoing committed collusively by employees were seen as less unethical compared with those committed by a co-

worker or supervisor. Moreover, they perceived that the OCI was more serious than the CO.

Of the three types of organisational commitment, affective commitment seems to be more salient than normative commitment and continuance commitment. The respondents felt more emotionally attached, part of the family and a strong sense of belonging. They seemed to be more 'wanting to' be in the organisation rather than 'needing to be' or 'having to be'.

Factor analysis of the Ethical Climate Questionnaire shows the existence of an ethical climate characterised by: 1) adherence to rules, professional ethics and upholding teamwork 2) working in efficient ways and maintaining the best service for the stakeholders, 3) personal self-interest and 4) unity, cohesiveness, togetherness and caring.

Results of the inferential statistics analysis

The study found that whistle-blowing intention became higher when ethical judgement rose. The seriousness of the wrongdoing significantly moderated the effects of ethical judgement on whistle-blowing intentions. These results indicate that the relationships between ethical judgement and whistle-blowing intention were positive and stronger in employees who were intolerant of corruption, sensitive and who had a higher perception of the seriousness of wrongdoing.

The study also found that continuance commitment significantly moderated the effect of ethical judgement on internal, external and public whistle-blowing intentions. The relationship between ethical judgement and whistle-blowing intention was stronger and positive for employees with a higher level of continuance commitment.

5.2 Dependent Variables: Descriptive Analysis of the Whistle-blowing Intentions in Case Scenarios 1 to 6

The whistle-blowing intentions were measured across three channels: internal whistle-blowing within the government agencies at which respondents work,

external whistle-blowing to other government agencies and external whistle-blowing to the public (see Section 3.4.1.2.5). As shown in Table 5.1, in general, in all six case scenarios, respondents were more likely to use internal than external channels within government agencies. They were also more likely to use external channels within government agencies than to blow the whistle in public.

Table 5.1: Whistle-blowing intention on Case Scenario 1 to 6

Case Scenario/ Channels	Whistle-blowing intention								Total
	Not likely		Less likely		Somewhat likely		Very likely		
Destroying audit evidence									
Internal	14	4%	55	15%	149	41%	144	40%	362
External	38	10%	82	23%	164	45%	70	19%	354
Public	80	22%	113	31%	113	31%	47	13%	353
Undisclosed audit finding									
Internal	22	6%	61	17%	173	48%	101	28%	357
External	53	15%	87	24%	168	46%	49	14%	357
Public	95	26%	99	27%	117	32%	42	12%	353
Fictitious official travel expense									
Internal	21	6%	66	18%	174	48%	99	27%	360
External	61	17%	113	31%	126	35%	59	16%	359
Public	103	28%	99	27%	114	31%	42	12%	358
Falsifying individual performance report									
Internal	26	7%	77	21%	161	44%	93	26%	357
External	79	22%	95	26%	129	36%	53	15%	356
Public	114	31%	91	25%	106	29%	43	12%	354
Raising illegal fund from travel allowance for off-budget office expenses									
Internal	36	10%	87	24%	164	45%	71	20%	358
External	87	24%	103	28%	130	36%	37	10%	357
Public	126	35%	91	25%	106	29%	32	9%	355
Falsifying organisational performance report									
Internal	39	11%	87	24%	164	45%	66	18%	356
External	82	23%	111	31%	123	34%	39	11%	355
Public	117	32%	97	27%	103	28%	37	10%	354

Respondents were more likely to blow the whistle in cases of an OCI (Case Scenarios 1, 2, 3 and 4) than for a CO (Case Scenarios 5 and 6). Respondents were also more likely to blow the whistle in cases of financial wrongdoings (Case Scenarios 1, 3 and 5) than non-financial wrongdoings (Case Scenarios 2, 4 and 6). In terms of the wrongdoers, respondents were more likely to blow the whistle on wrongdoing committed by a supervisor (Case Scenarios 1 and 2) than wrongdoing committed by their co-workers (Case Scenarios 3 and 4) or on auditors acting collusively (Case Scenarios 5 and 6).

5.3 Independent Variables: Descriptive Analysis of Respondents' Ethical Judgement Towards the Wrongdoing in the Case Scenarios

Using the Multidimensional Ethics Scale (MES) instrument (Reidenbach & Robin, 1990), as summarised in Table 5.2, the respondents perceived Case Scenario 1 (destroying audit evidence) as the most unethical wrongdoing. This was followed by Case Scenario 3 (fictitious official travel expenses), Case Scenario 4 (falsifying individual performance reports), Case Scenario 2 (undisclosed audit findings) and Case Scenario 6 (falsifying organisational performance reports). Case Scenario 5 (raising illegal funds from travel allowances for off-budget office expenses) was perceived as the least unethical wrongdoing.

Table 5.2: Mean scores of respondents' ethical judgement toward six case scenarios according to the type and the wrongdoer(s)

Type	Wrongdoer	Financially related		Non-Financially related	
Organisation of corrupt individuals (OCI)	Supervisor/ managerial level	Case Scenario 1: Destroying Audit Evidence	3.75	Case Scenario 2: Undisclosed Audit Finding	3.42
	Co-worker	Case Scenario 3: Fictitious official travel expense	3.46	Case Scenario 4: Falsifying Individual Performance Report	3.46
Corrupt organisation (CO)	Collusive employees	Case Scenario 5: Raising illegal fund from travel allowance for off-budget office expenses	3.26	Case Scenario 6: Falsifying organisation performance report	3.32

This demonstrates that an OCI was seen in a more unethical light than a CO. In terms of the wrongdoer, acts of wrongdoing committed by employees acting collusively were seen as less unethical in comparison to wrongdoing committed by either co-workers or supervisors.

5.4 Moderating Variables

5.4.1 Descriptive Analysis of Perceived Seriousness of Wrongdoing in the Case Scenarios

Seriousness of the wrongdoing in the case scenarios was measured by asking respondents to evaluate the six case scenarios and then select from the following levels of seriousness given as four-point Likert-type scales: ‘not at all serious’, ‘less serious’, ‘somewhat serious’ and ‘very serious’. As shown in Table 5.3, Case Scenario 1 was the most serious of the six case scenarios. In general, an OCI was more serious than a CO.

Table 5.3: Mean scores of seriousness of six case scenarios according to the type and the wrongdoer

Type	Wrongdoer	Financially Related Wrongdoing		Non-Financially Related Wrongdoing	
Organisation of corrupt individuals (OCI)	Supervisor/managerial level	Case Scenario 1: Destroying Audit Evidence	3.60 (.691)	Case Scenario 2: Undisclosed Audit Finding	3.29 (.685)
	Co-worker	Case Scenario 3: Fictitious official travel expense	3.18 (.736)	Case Scenario 4: Falsifying Individual Performance Report	3.03 (.740)
Corrupt organisation (CO)	Collusive employees	Case Scenario 5: Raising illegal fund from travel allowance for off-budget office expenses	3.10 (.776)	Case Scenario 6: Falsifying organisation performance report	3.06 (.743)

In term of the wrongdoers, respondents perceived wrongdoing committed by their supervisor (Case Scenarios 1 and 2) as more serious than wrongdoing committed by their co-workers (Case Scenarios 3 and 4) or other employees acting collusively (Case Scenarios 5 and 6). The seriousness of financial wrongdoings

(Case Scenarios 1, 3, and 5) was also higher than non-financial wrongdoings (Case Scenarios 2, 4 and 6).

5.4.2 Factor Analysis and Descriptive Analysis of Organisational Commitment

Organisational commitment was measured using the organisational commitment questionnaire developed by Allen (1990) and Meyer et al. (1993). Three types of organisational commitment – affective, continuance and normative commitment – emerged following the conducting of factor analysis. Principal Component Analysis (PCA) was used to extract factors (latent variables) from 18 questionnaire items (observed variables). The steps taken in conducting PCA are given in Section 3.4.4.3.

Procedures of Principal Component Analysis

The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy revealed a value of 0.841, greater than 0.50. This meant that the sample size was adequate for further analysis. Bartlett's test revealed a Chi-square value of 2779.836 with 153 degrees of freedom and a significance value of 0.000, which is less than 0.001. This means that the organisational commitment variables are sufficiently correlated. Factor analysis could therefore be conducted.

However, not all individual communality coefficients, showing the percentage of the variance associated with each item, fell within the acceptable level (greater than 0.50). The communality coefficients of items AC2 (Affective Commitment item number 2) and NC1 (Normative Commitment item number 1) were 0.414 and 0.471, respectively. The analysis yielded a four-factor solution with eigenvalues greater than 1.00, which together explained 62.28% of the variance in the data. However, the individual loading factor of item CC3 (Continuance Commitment item number 3) was 0.462, which is below the value of 0.50 necessary for items to be considered sufficiently loaded. Thus, AC2, NC1 and CC3 were omitted and a second principle component analysis was conducted for the remaining 15 items.

In the second analysis, the individual communality coefficient of NC2 was 0.486 which is below the acceptable level of 0.5. Moreover, the individual loading factor of AC1 was 0.454, also below the value of 0.50 required for items to be considered sufficiently loaded. Therefore, NC2 and AC1 were also omitted from the subsequent analysis. In the third analysis, the individual communality coefficient of CC1 was 0.306, which is below the acceptable level of 0.5. Therefore, CC1 was also omitted from the next analysis and a fourth principle component analysis was conducted on the remaining 12 items.

In the fourth analysis, the KMO measure of sampling adequacy revealed a value of 0.805, with Bartlett's test revealing a Chi-square value of 1887.821 with 66 degrees of freedom and a significance value of 0.000. The analysis revealed a three-factor solution with eigenvalues of each factor greater than 1.00, loading factor exceeding the value of 0.5 and all three factors combined explaining 67.78% of the variance in the data. The Cronbach's alpha for all factors was 0.000. The communalities were in the range of 0.512–0.840.

Of the 12 items, four items loaded on Factor 1, four items on Factor 2 and four items on Factor 3. The first factor, consisting of normative commitment item numbers 3, 4, 5 and 6, had an eigenvalue of 3.630 and explained 30.250% of the variance. In line with the taxonomy of the originators, Factor 1 was named 'normative commitment'. The Cronbach's alpha coefficient of Factor 1 was 0.836, considered good reliability. The second factor consisted of affective commitment item numbers 3, 4, 5 and 6. The eigenvalue of the second factor was 3.019, explaining 25.160% of the variance. Factor 2 was named 'affective commitment'. The Cronbach's alpha coefficient of Factor 2 was 0.837, considered good reliability. The third factor consisted of the four continuance commitment items of CC2, CC4, CC5 and CC6, with an eigenvalue of 1.484 and accounting for 12.369% of the variance in the data. In line with the taxonomy of the originators, Factor 3 was named 'continuance commitment'. The Cronbach's alpha coefficient of Factor 3 was 0.793, which is considered good reliability.

Table 5.4 displays the identified factors and their respective items, factor loadings, eigenvalues, percentages of variance explained, Cronbach's alpha coefficients and communality coefficients.

Table 5.4: Factor Structure of the Organisational Commitment

No	Question	Factor			Comm.
		1	2	3	
Factor 1: Normative Commitment					
NC5	I would not leave my organisation right now because I have a sense of obligation to the people in it.	.848			.735
NC4	This organisation deserves my loyalty.	.800			.675
NC3	I would feel guilty if I left my organisation now.	.793			.650
NC6	I owe a great deal to my organisation.	.752			.632
Factor 2: Affective Commitment					
AC4	I do not feel "emotionally attached" to this organisation		.908		.839
AC3	I do not feel like "part of the family" at my organisation.		.864		.777
AC6	I do not feel a strong sense of "belonging" to my organisation.		.830		.716
AC5	This organisation has a great deal of personal meaning for me		.600		.538
Factor 3: Continuance Commitment					
CC4	I feel that I have too few options to consider leaving this organisation.			.867	.774
CC5	One of the few <i>negative</i> consequences of leaving this organisation would be the scarcity of available alternatives			.849	.793
CC6	If I had not already put so much of myself into this organisation, I might consider working elsewhere.			.720	.591
CC2	Too much of my life would be disrupted if I decided I wanted to leave my organisation now			.637	
	Eigenvalues	3.630	3.019	1.484	
	Variance explained (%)	30.250	25.160	12.369	67.779
	Cronbach alpha	0.834	0.837	0.793	0.764

Results of the Principal Component Analysis

As shown in Table 5.5, of the three types of organisational commitment, 'Affective Commitment' seems to be more salient as the reason for why respondents felt a bonding between them and their organisation and the perception of how they and the organisation linked together.

Table 5.5: Mean Scores of Organisational Commitment

Dimensions of Organisational Commitment	Mean
Factor 1: Normative Commitment	
Committed to organisation due to feeling of guilty if respondent leave the organisation, sense of obligation, owing to the organisation and because of their loyalty	4.61
Factor 2: Affective Commitment	
Committed to organisation due to the feeling of "emotionally attached", "part of the family" and strong sense of "belonging".	5.19
Factor 3: Continuance Commitment	
Committed to organisation due to the negative consequences of leaving the organisation and only having few option.	4.50

The mean scores for 'Normative Commitment' and 'Continuance Commitment' were lower than 'Affective Commitment'. This shows that loyalty and sense of obligation were also part of the reason why respondents were committed to their organisation. Respondents felt more 'emotionally attached', 'part of the family' and a strong sense of 'belonging'. Respondents may not consider the relatively minimal benefits received in typical government agencies as a reason to leave the organisation. It also means that respondents may have other job options that they may ignore. Respondents, as educated and certified auditing professionals, may feel more confident and not afraid of losing their jobs in government agencies. They seem to be more 'wanting to be' in the organisation rather than 'needing to be' or 'having to be'. In general, organisational commitment in research sites aligns with Indonesian culture (see Section 2.8.1). Indonesian culture is relatively high in in-group collectivism whereby employees value cohesiveness, loyalty and

pride in their organisation. Indonesians work and make personal sacrifices to meet group obligations in a cooperative and harmonious way.

5.5 Control Variables

5.5.1 Descriptive Analysis of Respondents' Job Level

In terms of job level, 58% of respondents were at senior auditor level. Detailed profiles of the respondents are presented in Table 5.6.

Table 5.6: Job level of the respondents

Profile Categories	Frequency	Percentage
Junior Auditor: team member level	151	41.37%
Senior Auditor: team leader level, supervisor level, managerial level	213	58.36%
Choose not to disclose	1	0.27%
Total	365	100.00%

5.5.2 Descriptive Analysis of Wrongdoer's(s') Power in the Case Scenarios

The power status of wrongdoer(s) was measured by asking respondents to evaluate the six case scenarios. They were asked to choose the level of power of wrongdoer(s) using four-point Likert-type scales comprising 'not at all powerful', 'less powerful', 'somewhat powerful' and 'very powerful'.

As described in Table 5.7, in general, wrongdoers with a higher hierarchical status were perceived as more powerful than those with a lower hierarchical status and collusive wrongdoers were also perceived as more powerful than single individual wrongdoers. The mean scores show that the top-level manager responsible for the audit assignment in Case Scenario 2 and the immediate supervisor in Case Scenario 1 were the most powerful wrongdoers in comparison to those in the other four case scenarios. Respondents perceived that the acts of wrongdoing committed collusively by co-workers and managerial-level officers in Case

Scenarios 5 and 6 were more powerful than those committed by one individual co-worker in Case Scenario 3 or by more than one co-worker in Case Scenario 4.

Table 5.7: Mean scores of powers status of wrongdoer(s) in six case scenarios

Type	Wrongdoer	Financially related		Non-Financially related	
Organisation of corrupt individuals (OCI)	Supervisor/managerial level	Case Scenario 1: Destroying Evidence	2.95	Case Scenario 2: Undisclosed Audit Finding	2.97
	Co-worker	Case Scenario 3: Fictitious official travel expense	2.39	Case Scenario 4: Falsifying Individual Performance Report	2.42
Corrupt organisation (CO)	Collusive employees	Case Scenario 5: Raising illegal fund from travel allowance for off-budget office expenses	2.66	Case Scenario 6: Falsifying organisation performance report	2.85

5.5.3 Factor Analysis and Descriptive Analysis of Ethical Climate

Using the Ethical Climate Questionnaire (ECQ) developed by Victor and Cullen (1988), ethical climate was measured to capture respondents' perceptions of how they deal with the issues of ethics within their organisation. Instead of finding nine theoretical types of ethical climate, factor analysis of the ECQ revealed the existence of four types of ethical climate in GIAU, which were:

- A mixture of Principle and Teamwork Orientation,
- A mixture of Efficiency and Stakeholders Orientation,
- Togetherness, and
- Personal Self-Interest.

The Principle–Teamwork Orientation was a type of ethical climate that combines: 1) the rules, procedures, laws and professional ethics that are expected to be strictly followed and 2) the teamwork, cooperation and team spirit that are needed to develop in the organisation. The Efficiency–Stakeholders Orientation climate involved shared perception about the significance of conducting office activities efficiently whilst at the same time maintaining the best service to stakeholders. Personal Self-Interest was a type of climate in which employees protect their

personal interest above that of others and above organisational or broader considerations. Togetherness was a shared value in the organisation which views the importance of unity, cohesiveness, togetherness and caring and also takes employee welfare into consideration in terms of organisational decision-making. Detailed descriptions are presented in the following sections.

5.5.3.1 Factor Structure of the Ethical Climate Questionnaire

The ECQ was factor analysed using the steps described earlier in Section 3.4.4.3. The KMO value was 0.912, more than the value of 0.50. This means that the sample size is adequate for further analysis. The Chi-square value of Bartlett's test was 4157.205 with 325 degrees of freedom and a significance value of $p < 0.001$. This means that the items on the ethical climates questionnaire are sufficiently correlated. The ECQ was then considered appropriate for factor analysis and the study proceeded to the next steps.

The first PCA revealed six extracted factors with eigenvalues greater than 1.00, explaining 63.204% of the total variance of the data. The individual loading factors of items EL4 and EL8 were 0.498 and 0.404, respectively, which is below the value of 0.50 for the items to be considered sufficiently loaded. Thus, EL4 and EL8 were omitted and a second analysis was conducted for the remaining 24 items. The loading factor of BC23 in the second attempt was also less than 0.5 and the item was thus omitted. Factor 5 generated in the second attempt was eliminated because it had only two items and thus the respective items – PI3 and PI10 – were deleted. In the third attempt, the individual communality coefficient of PL7 was 0.48, which is not acceptable as it is a score less than 0.5 and the item was thus deleted and a fourth attempt was conducted for the 20 remaining items.

In the fourth analysis, the KMO value was 0.906, greater than the value of 0.50. The Chi-square value of Bartlett's test was 3354.691 with 190 degrees of freedom and a significance value of $p < 0.001$. The 20 ECQ items were then considered appropriate for analysis and the study thus proceeded to the next steps. The fourth analysis generated four factors that explained 61.975% of the variance of the data. The eigenvalue of each factor was higher than 1.00. All of the 20 items were

loaded above the value 0.50. The Cronbach's alpha for all four factors was 0.809, which is greater than the acceptable value of 0.60. Across all items, the lowest communality coefficient was 0.504 and the highest was 0.715.

Factor 1: Principle and Teamwork Climate

Factor 1 comprised eight items encompassing the egoism, principal and benevolence types of ethical climate. The factor had an eigenvalue of 7.656 and explained 38.281% of the variance in the data. The Cronbach's alpha coefficient of Factor 1 was 0.889, which is considered a good reliability. As shown in Table 5.8, Factor 1 was loaded with eight items. These comprised one item of organisational interest (EL14), one item of friendship (BI26), two items of team interest (BL18 and BL25), one item of social responsibility (BC17), one item of company rules and procedure (PL12) and two items of laws and professional codes (PC13 and PC16). In line with the result of the factor analysis that put six theoretical types of ethical climate into one factor, Factor 1 was named 'Principle and Teamwork Orientation'.

Factor 2: Efficiency–Stakeholders Orientation Climate

Factor 2 consisted of five items, had an eigenvalue of 2.132 and explained 10.659% of the variance in the data. The Cronbach's alpha coefficient of Factor 2 was 0.797, which is considered good reliability. This factor is also a mixed climate of efficiency, team interest and social responsibility. Therefore, in line with the name in the theoretical type of ethical climates, Factor 2 was named 'Efficiency–Stakeholders Orientation Climate'.

Factor 3: Personal Self-Interest

Factor 3 consisted of four items (EI22, EI9, EI1 and EC6), had an eigenvalue of 1.517 and explained 10.659% of the variance in the data. The Cronbach's alpha was 0.787, which is considered good reliability. This factor was dominated by the egoism-individual dimension. In line with the name in the theoretical type of ethical climate, Factor 3 was named 'personal self-interest'.

Table 5.8: Factor Structure of the Ethical Climate

No	Question	Factor 1	Factor 2	Factor 3	Factor 4	Comm.
Factor 1: Principle - Teamwork Climate						
PC16	In this organisation, employees are expected to comply with their professional ethics.	.760				.669
PL12	In a decision-making process, the first consideration is whether a decision violates any law.	.756				.606
BI26	Good interpersonal contacts with other employees are considered to be very important in this organisation	.739				.645
PC13	Employees are expected to comply with the law over and above other considerations.	.735				.626
BL25	A good and broad cooperation among all employees is considered to be very important in this organisation	.722				.715
BC17	It is expected here that employee will always do what is right for the stakeholders	.648				.554
EL14	Employees here consider it is important that the stakeholder is satisfied and acknowledge that this organisation is better than other organisations that perform similar tasks	.628				.529
BL18	Employee in this organisation view team spirit as important.	.515	.509			.583
Factor 2: Efficiency – Stakeholders Orientation Climate						
EC2	In this organisation, each employee is expected, above all, to work in an efficient way.		.738			.582
EC15	The efficient way is always the right way in this organisation		.623			.556
BC20	Employees in this organisation are actively concerned about the stakeholders they have direct contact with.		.595			.601
BI5	In this organisation, our major concern is always what is best for the other employee (whether he or she is a colleague or not).		.562			.504

No	Question	Factor 1	Factor 2	Factor 3	Factor 4	Comm.
BC19	Employee in this organisation have a strong sense of responsibility to the stakeholders		.556			.657
Factor 3: Personal Self-interest Climate						
EI22	Employees in this organisation are mostly concerned about what is best for themselves.			.817		.680
EI9	In this organisation, employees protect their own personal interest above other considerations.			.807		.669
EI1	In this organisation, employees are mostly out for themselves.			.713		.637
PI6	There is no room for one's own professional ethics or personal morals in this organisation			.708		.551
Factor 4: Togetherness Climate						
BI24	In a decision-making process, it is expected that each employee is cared for.				.806	.704
BL21	The most important concern is the good of all the employees in this organisation				.744	.703
BI11	What is best for each employee is the primary concern in this organisation				.726	.624
Eigenvalues		7.656	2.132	1.517	1.090	
Variance explained		38.281	10.659	7.583	5.451	
Cronbach alpha		0.889	0.797	0.787	0.771	0.089

Factor 4: Togetherness Climate

Factor 4 consisted of 3 items (BI24, BL21 and BI1), had an eigenvalue of 1.090 and explained 5.451% of the variance in the data. The Cronbach's alpha was 0.771, which is considered good reliability. This factor was the benevolence dimension in an individual and local context and was a theoretical combination of the self-interest and organisational interest climate types. For that reason, Factor 4 was named 'Togetherness'.

As shown in Table 5.9, in general, the Principle–Teamwork Orientation was the dominant climate in seven GIAU, followed by the Efficiency–Stakeholders

Orientation and Togetherness climates, while the Personal Self-Interest climate was a less dominant climate.

Table 5.9: Mean Scores of ethical climate in research sites

Research Sites	Principle - Teamwork		Efficiency - Stakeholders Orientation		Togetherness		Personal Self- interest	
GIAU_A	4.84	(0.809)	4.31	(0.794)	4.15	(0.861)	2.89	(1.031)
GIAU_B	4.59	(0.846)	4.13	(0.734)	3.48	(0.909)	3.07	(0.833)
GIAU_C	4.77	(0.550)	4.39	(0.674)	3.88	(0.697)	2.78	(0.700)
GIAU_D	4.92	(0.471)	4.22	(0.787)	3.81	(0.846)	2.99	(1.076)
GIAU_E	5.06	(0.500)	4.51	(0.485)	3.94	(1.012)	2.69	(0.921)
GIAU_F	4.70	(0.655)	4.13	(0.706)	4.12	(0.803)	3.29	(1.031)
GIAU_G	4.65	(0.524)	4.10	(0.698)	3.83	(0.862)	3.38	(0.890)
Grand Average (SD)	4.78	(0.676)	4.26	(0.724)	3.90	(0.872)	2.99	(0.948)

5.5.3.2 Principle–Teamwork Climate

This type of climate can be described as an ethical climate that promotes good teamwork and broad cooperation among all employees to collectively comply with the law and professional ethics in order to deliver the best service to stakeholders. The Principle–Teamwork Climate consists of six theoretical types of ethical climate: organisational interest, friendship, team interest, social responsibility, rules and procedure and laws and professional codes (see Section 2.7.2.2). This shows how respondents may view the principle climate as being inseparable from personal contact and team spirit. The organisational principle states an expectation for rules and procedures and external principles such as laws and professional ethics to be strictly adhered to. At the same time, however, teamwork should not be sacrificed.

The fact that 1) the research was conducted in government agencies and that 2) government internal auditors were selected as the respondents may provide one explanation of why these mixed types of ethical climate were found. It may link to the bureaucratic environment that urges employees not to violate any law in any activities. Moreover, as reflected in the definition of internal audit (see Section

2.8.2), the nature of the services provided by an internal audit unit relate to fulfilling the stakeholders' interests. Internal audit units act to improve the organisation's operation, preventing wrongdoing and providing insight and recommendations for managers and chief executives in government agencies. The auditors' performance is measured and assessed based on stakeholders' satisfaction level. Auditors were expected to provide high-quality services for the stakeholders and, in carrying out these duties, to always act in a way compliant with the law, rules, procedures and codes of conduct. They perceived it to be important for the stakeholder to be satisfied and to acknowledge that the internal audit unit is better than other organisations that perform similar tasks. Moreover, the organisational values of integrity were found and highly emphasised in all seven research sites. One of their organisational values is explicitly expressed that in delivering public service, employees must be free from corruption, collusion and nepotism.

5.5.3.3 Efficiency–Stakeholders Orientation Climate

As shown in Table 5.8, this ethical climate type comprises a mixture of the egoism (efficient) and benevolence dimensions in both an individual and cosmopolitan context (stakeholders' interest). This may indicate that respondents perceive it to be important to work in an efficient way but that efficiency has to be well balanced with an effort to provide the best services to stakeholders. The Efficiency Orientation climate may be a common type of climate in government agencies as a result of the impact of budget constraints and financial performance policy. This finding corroborates the result of organisational culture assessment, particularly in the Criteria of Success dimension (see Section 5.7.6) that states that the success criteria for internal audit units are based on stakeholder satisfaction, employee development and efficiency rather than on providing a unique service or innovation.

5.5.3.4 Togetherness Climate

The togetherness climate may be a common type of climate in government agencies as an impact of continuing internalisation of 'esprit de corps' values such

as unity, cohesiveness and caring for each other. In the togetherness climate, respondents may have also identified the importance of considering employee's welfare in the organisational decision-making process, indicated by the view that personal self-interest and organisational interest need to be well balanced. Referring to Indonesian culture that emphasises in-group collectivism (see Section 2.8.1) and the clan type of organisational glue (see Section 5.7.4), the togetherness climate found in research sites confirmed that the employees working at the research sites were strongly integrated and preferred to work in cooperation. The culture of collectivism, cooperation and collaborative in the Indonesian context is known as *rukun* (live in harmony), *gotong – royong* (mutual assistance) or, in the context of the decision-making process, *musyawarah* (consensus) that reflects a personal obligation towards one's community (Bowen, 1986).

5.5.3.5 Personal Self-interest Climate

The fact that this ethical climate existed in internal audit units does not mean that the organisation promotes this unfavourable counterproductive climate, since the protection of personal interest above other considerations is not compatible with the way internal audit units work with an emphasis on teamwork and placing the greatest priority on stakeholder interests.

5.6 Moderated Multiple Regression Analysis

The procedures used in conducting the moderated multiple regression analysis are described in Section 3.4.4. The results are presented in the following sections.

5.6.1 Assumptions of Multiple Regression

Linearity, homoscedasticity and multicollinearity were applied to check the assumptions of multiple regressions. Multiple regressions require no perfect linear relationship between two or more predictors in a model. Perfect collinearity exists when at least one predictor is a perfect linear combination of the others (Field, 2009). Utilising Spearman's rank correlation matrices for each of the 12 models, relations of .80 or greater were not detected. Further tests were conducted by examining the variables' tolerance scores and variance inflation factor (VIF)

scores. All of the models had independent variables with tolerance scores above the cut-off point of .10 and VIF scores of less than 10. This indicates the absence of serious multicollinearity. Therefore, these variables were retained for analysis.

In multiple regression analysis, the variance of the residual terms is assumed to be constant or to have the same variance (homoscedasticity) and the relationship in the models is a linear one. When the variances are very unequal, there is said to be heteroscedasticity. Graphical examination of residual scatterplots for each model showed acceptance of the multiple regression assumptions. The scatterplot for each model showed a random array of dots dispersed around zero. There was no sort of curve in the graphs. This pattern is indicative of a situation in which the assumptions of linearity and homoscedasticity have been met (Field, 2009). Field (2009) suggested that, in conducting multiple regression, the residual terms for any two observations should be unrelated (or independent). This is described as a lack of auto-relation. Using the Durbin-Watson test for each of the 72 models of multiple regression analysis (6 scenarios, 3 whistleblowing channels and 4 moderating variables); the results showed that the Durbin-Watson test statistic varied between 1.762 and 2.127, which is around a value of 2. A value greater than 2 indicates a negative relation between residuals, whereas a value lower than 2 indicates a positive relation. The Durbin-Watson test result indicates that the residuals are unrelated.

To test the normality of residuals, the histogram and normal probability plot were examined. The histogram has the appearance of a normal distribution (i.e. a bell-shaped curve) and the normal probability plot shows that the data exhibit slight deviation from normality. Therefore, the distribution is considered roughly normal. Graphical observation of the histograms and normal probability plots was conducted for all 12 models, and the assumption of normality was met.

5.6.2 Model 1: Ethical Judgement, Seriousness of Wrongdoing and Whistle-blowing Intention

In at least one out of the six case scenarios, moderated multiple regression analysis results show that whistle-blowing intention became higher when the

ethical judgement about the wrongdoing rose. Ethical judgement made a significant contribution to explaining the variance for internal, external and public whistle-blowing. The seriousness of wrongdoing significantly moderated the effects of ethical judgement on whistle-blowing intentions. Thus, hypotheses 1 and 2 were supported. These results indicate that the relationships between ethical judgement and whistle-blowing intention were positive and stronger in employees who were intolerant of corruption, were sensitive to and had a higher perception of the seriousness of wrongdoing.

The perceived seriousness of wrongdoing added significant incremental variance to the internal whistle-blowing intention. This was seen in Case Scenarios 1, 3 and 5 (see Table 5.10), for external whistle-blowing in Case Scenarios 4 and 5 (see Table 5.11) and for public whistle-blowing in Case Scenarios 1, 3, 4 and 5 (see Table 5.12). However, the perceived seriousness of wrongdoing did not significantly moderate the effect of ethical judgement on internal whistle-blowing intention in Case Scenarios 2 (undisclosed audit finding), 4 (falsifying individual performance report) and 6 (falsifying organisational performance report). Neither did the perceived seriousness of wrongdoing significantly moderate the effect of ethical judgement on external and public whistle-blowing intentions in Case Scenarios 2 and 6. The fact that those case scenarios are non-financial wrongdoing scenarios may have contributed to the respondents' perceptions. The acts of wrongdoing were perceived as somewhat wrong (see Section 5.3) and somewhat serious (see Section 5.4.1), and the interaction of perceived wrongfulness and seriousness of the wrongdoing did not influence the intention to blow the whistle internally and publicly in Case Scenarios 2, 4 and 6.

The results of simple slopes analysis confirmed all significant interactions of ethical judgement and whistle-blowing intention derived from the regression analyses (see Table 5.13). Figure 5.2 shows the pattern of the moderating effect of perceived seriousness on the interaction of ethical judgement and whistle-blowing intention. Detailed results of analysis of the statistics are given in Appendix 4.

Table 5.10: Results of moderated multiple regression analysis for the moderating effects of seriousness of wrongdoing on internal whistle-blowing

Step	Variables	Case Scenario 1				Case Scenario 2			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.066	0.066	**		0.040	0.040	†
2	Ethical judgement (EJ)	0.326	0.157	0.092	*	0.326	0.189	0.149	*
3	Seriousness of wrongdoing (SW)	0.110	0.165	0.008	***	0.161	0.208	0.019	*
4	Interaction of EJ and SW	0.099	0.172	0.007	***	-0.069	0.213	0.005	†
	F value	5.889			*	7.559			*

Step	Variables	Case Scenario 3				Case Scenario 4			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.095	0.095	*		0.112	0.112	*
2	Ethical judgement (EJ)	0.427	0.312	0.217	*	0.231	0.296	0.184	*
3	Seriousness of wrongdoing (SW)	0.170	0.330	0.018	*	0.415	0.395	0.099	*
4	Interaction of EJ and SW	0.096	0.338	0.007	***	0.065	0.398	0.004	†
	F value	14.490			*	18.658			*

Step	Variables	Case Scenario 5				Case Scenario 6			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.126	0.126	*		0.088	0.088	*
2	Ethical judgement (EJ)	0.415	0.388	0.262	*	0.333	0.320	0.233	*
3	Seriousness of wrongdoing (SW)	0.293	0.422	0.034	*	0.337	0.381	0.060	*
4	Interaction of EJ and SW	0.152	0.441	0.019	*	0.061	0.384	0.003	†
	F value	22.172			*	17.574			*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

Table 5.11: Results of moderated multiple regression analysis for the moderating effects of seriousness of wrongdoing on external whistle-blowing

Step	Variables	Case Scenario 1				Case Scenario 2			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.085	0.085	*		0.091	0.091	*
2	Ethical judgement (EJ)	0.245	0.138	0.053	*	0.282	0.201	0.109	*
3	Seriousness of wrongdoing (SW)	0.087	0.143	0.005	†	0.140	0.214	0.013	**
4	Interaction of EJ and SW	0.074	0.146	0.004	†	0.029	0.215	0.001	†
	F value	4.755			*	7.649			*

Step	Variables	CaseScenario3				CaseScenario4			
		β	R2	DeltaR2		β	R2	DeltaR2	
1	Nine control variables		0.117	0.117	*	0.158	0.162	0.162	*
2	Ethical judgement (EJ)	0.274	0.225	0.108	*	0.202	0.245	0.083	*
3	Seriousness of wrongdoing (SW)	0.168	0.242	0.017	**	0.229	0.274	0.029	*
4	Interaction of EJ and SW	0.078	0.247	0.005	†	0.099	0.283	0.008	**
	F value	9.288			*	11.078			*

Step	Variables	CaseScenario5				CaseScenario6			
		β	R2	DeltaR2		β	R2	DeltaR2	
1	Nine control variables	0.068	0.170	0.170	*	-0.037	0.085	0.085	*
2	Ethical judgement (EJ)	0.285	0.305	0.136	*	0.275	0.213	0.128	*
3	Seriousness of wrongdoing (SW)	0.239	0.328	0.023	*	0.196	0.233	0.020	**
4	Interaction of EJ and SW	0.120	0.340	0.012	**	0.036	0.234	0.001	†
	F value	14.382			*	8.585			*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

Table 5.12: Results of moderated multiple regression analysis for the moderating effects of seriousness of wrongdoing on public whistle-blowing

Step	Variables	Case Scenario 1				Case Scenario 2			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.049	0.049	**		0.069	0.069	**
2	Ethical judgement (EJ)	0.165	0.062	0.013	**	0.304	0.161	0.092	*
3	Seriousness of wrongdoing (SW)	0.077	0.064	0.002	†	0.028	0.161	0.000	†
4	Interaction of EJ and SW	0.166	0.083	0.019	***	0.019	0.162	0.000	†
F value		2.489			*	5.329			*

Step	Variables	Case Scenario 3				Case Scenario 4			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.085	0.085	*		0.094	0.094	*
2	Ethical judgement (EJ)	0.288	0.151	0.066	*	0.200	0.158	0.063	*
3	Seriousness of wrongdoing (SW)	0.050	0.153	0.002	†	0.161	0.172	0.014	**
4	Interaction of EJ and SW	0.119	0.164	0.011	**	0.089	0.179	0.007	***
F value		5.547			*	6.085			*

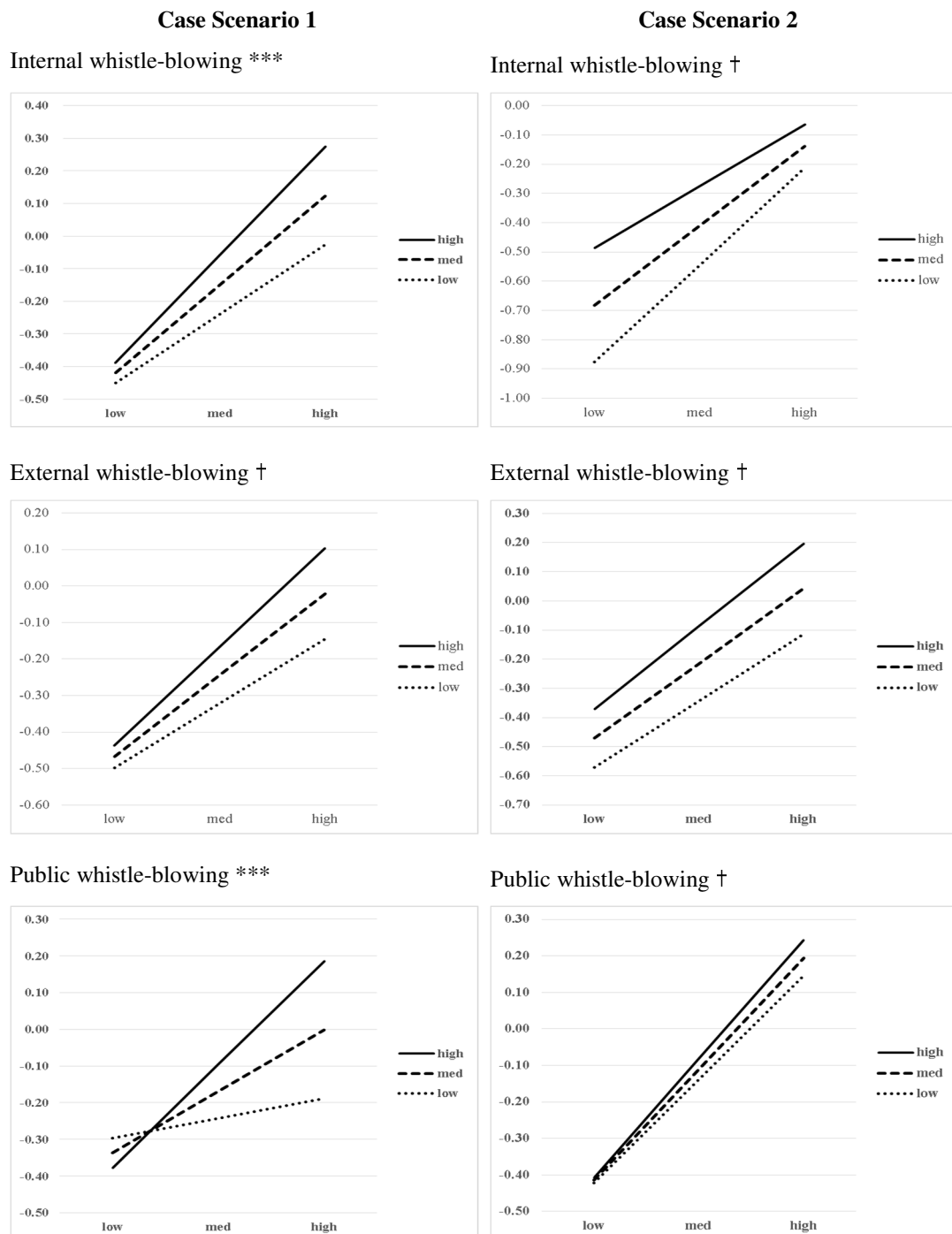
Step	Variables	Case Scenario 5				Case Scenario 6			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.117	0.117	*		0.063	0.063	**
2	Ethical judgement (EJ)	0.343	0.234	0.117	*	0.295	0.173	0.110	*
3	Seriousness of wrongdoing (SW)	0.078	0.236	0.002	†	0.124	0.181	0.008	***
4	Interaction of EJ and SW	0.088	0.242	0.006	***	0.051	0.184	0.002	†
F value		8.898			*	6.300			*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

Table 5.13: Effect of ethical judgement and perceived seriousness on internal whistle-blowing intentions (simple slopes analysis)

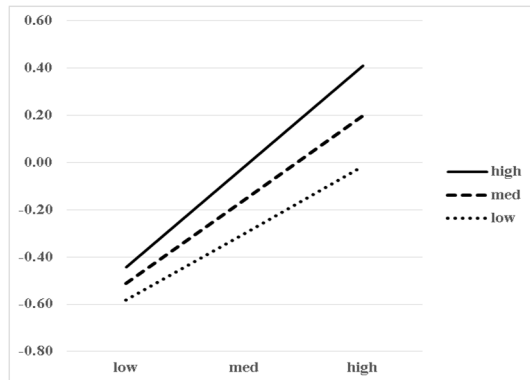
	β	SE	t		β	SE	t
Internal whistle-blowing	Case Scenario 1				Case Scenario 2		
High level seriousness	0.82	0.18	4.60		0.40	0.12	3.28
Medium level seriousness	0.67	0.12	5.49		0.51	0.09	5.68
Low level seriousness	0.52	0.12	4.38		0.62	0.12	5.21
	Case Scenario 3				Case Scenario 4		
High level seriousness	0.78	0.13	5.82		0.47	0.12	3.78
Medium level seriousness	0.65	0.09	6.81		0.38	0.09	4.01
Low level seriousness	0.51	0.09	5.44		0.29	0.10	2.84
	Case Scenario 5				Case Scenario 6		
High level seriousness	0.72	0.10	7.50		0.59	0.11	5.12
Medium level seriousness	0.56	0.08	7.28		0.51	0.09	5.75
Low level seriousness	0.41	0.08	4.83		0.44	0.09	4.66
External whistle-blowing	Case Scenario 1				Case Scenario 2		
High level seriousness	0.67	0.20	3.39		0.53	0.13	4.00
Medium level seriousness	0.55	0.14	4.05		0.48	0.10	4.80
Low level seriousness	0.44	0.13	3.39		0.43	0.13	3.23
	Case Scenario 3				Case Scenario 4		
High level seriousness	0.60	0.17	3.63		0.54	0.16	3.46
Medium level seriousness	0.48	0.12	4.05		0.38	0.12	3.22
Low level seriousness	0.36	0.12	3.01		0.22	0.13	1.75
	Case Scenario 5				Case Scenario 6		
High level seriousness	0.56	0.11	4.95		0.50	0.14	3.62
Medium level seriousness	0.42	0.09	4.69		0.46	0.11	4.16
Low level seriousness	0.28	0.10	2.92		0.41	0.12	3.53
Public whistle-blowing	Case Scenario 1				Case Scenario 2		
High level seriousness	0.69	0.22	3.10		0.61	0.15	4.08
Medium level seriousness	0.41	0.16	2.63		0.57	0.11	5.18
Low level seriousness	0.13	0.15	0.89	†	0.53	0.15	3.59
	Case Scenario 3				Case Scenario 4		
High level seriousness	0.72	0.18	3.95		0.54	0.17	3.12
Medium level seriousness	0.53	0.13	4.04		0.39	0.13	3.00
Low level seriousness	0.33	0.13	2.54		0.25	0.14	1.77
	Case Scenario 5				Case Scenario 6		
High level seriousness	0.63	0.13	5.05		0.59	0.15	3.87
Medium level seriousness	0.53	0.10	5.29		0.52	0.12	4.36
Low level seriousness	0.42	0.11	3.90		0.45	0.12	3.58

Figure 5.2: Plot of interaction effect of ethical judgement and perceived seriousness on whistle-blowing intentions



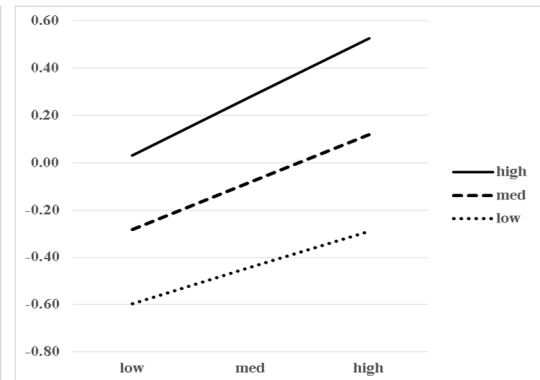
Case Scenario 3

Internal whistle-blowing ***

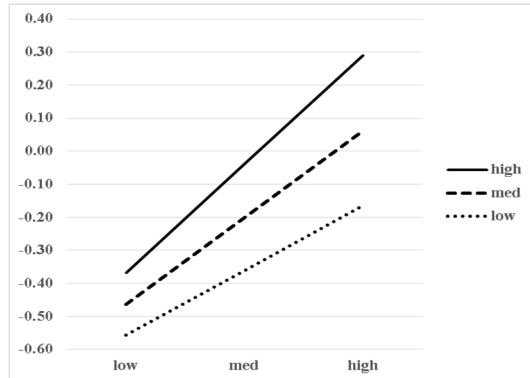


Case Scenario 4

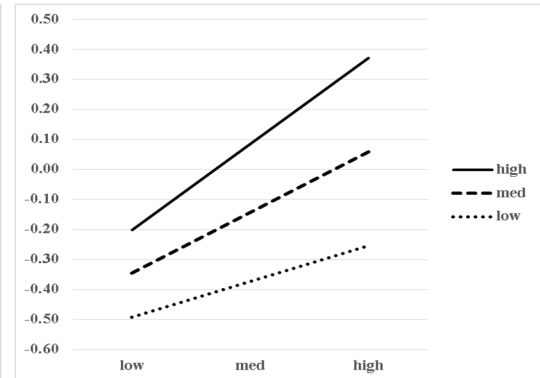
Internal whistle-blowing †



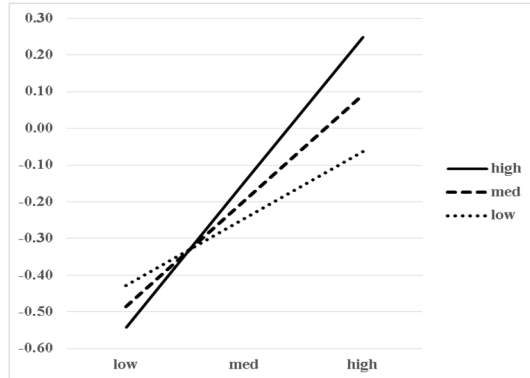
External whistle-blowing †



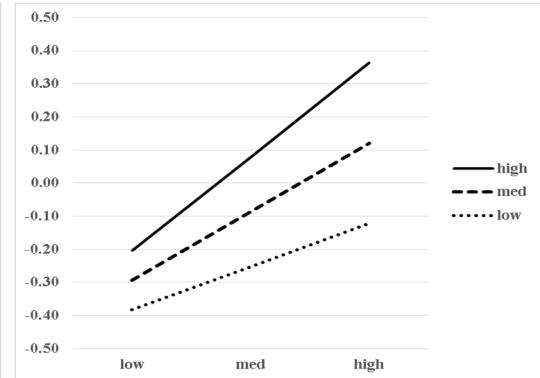
External whistle-blowing **



Public whistle-blowing **

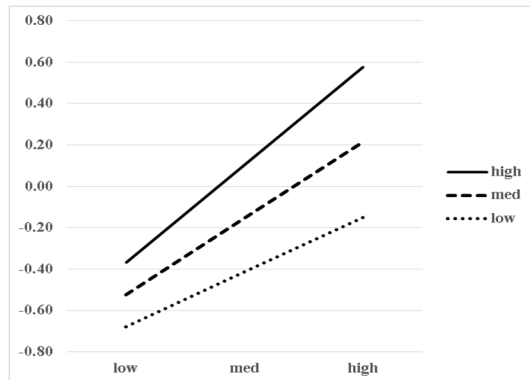


Public whistle-blowing ***



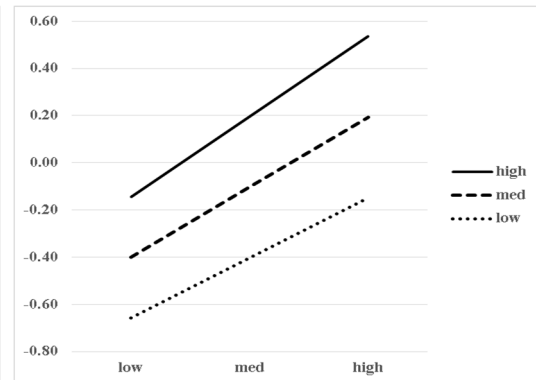
Case Scenario 5

Internal whistle-blowing *

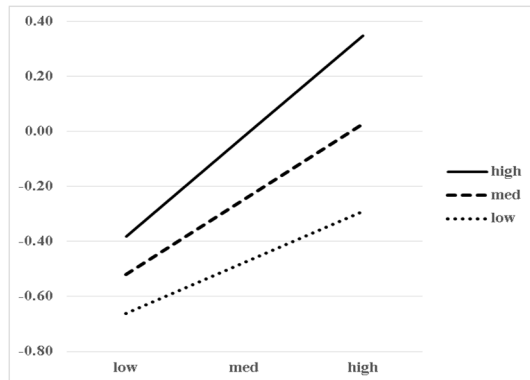


Case Scenario 6

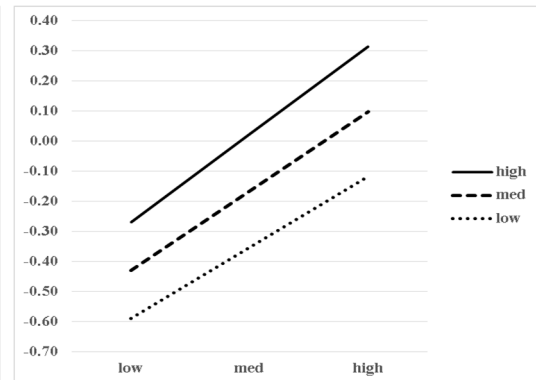
Internal whistle-blowing †



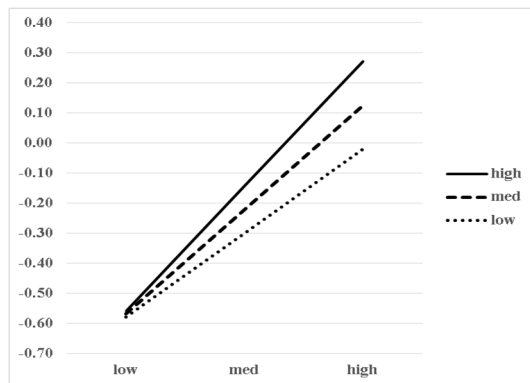
External whistle-blowing **



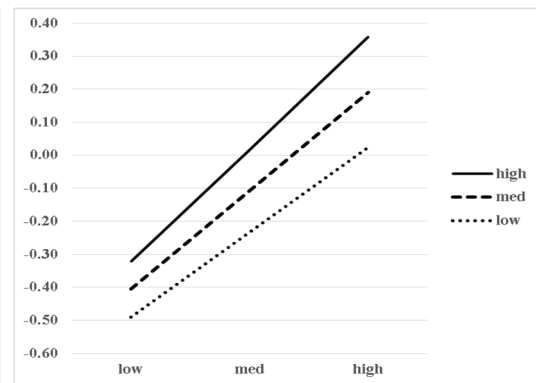
External whistle-blowing †



Public whistle-blowing ***



Public whistle-blowing †



Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

5.6.3 Model 2: Ethical Judgement, Organisational Commitment and Whistle-blowing Intention

Neither affective commitment nor normative commitment significantly moderated the effect of ethical judgement on internal, external and public whistle-blowing in all six case scenarios. This indicates that the relationship between ethical judgement and whistle-blowing intention was dependent on neither affective commitment nor normative commitment. Therefore, hypotheses H3a and H3c were not supported.

However, continuance commitment did significantly moderate the effect of ethical judgement on the intention to blow the whistle internally in Case Scenario 1 (see Table 5.14), externally in Case Scenarios 3 and 6 (see Table 5.15) and for public whistle-blowing, also in Case Scenarios 3 and 6 (see Table 5.16). This indicates that the relationship between ethical judgement and whistle-blowing intention was stronger and positive at the higher level of continuance commitment than at the lower level. When ethical judgement is high, employees with high continuance commitment will be more likely to blow the whistle. Therefore, hypothesis H3b was supported.

The results from simple slopes analysis confirmed all of the significant interactions of ethical judgement and whistle-blowing intention derived from the regression analyses (see Table 5.17). Figure 5.3 shows the pattern of the moderating effect of continuance commitment on the interaction of ethical judgement and whistle-blowing intention. The detailed results of the statistics analysis are in Appendix 4.

Table 5.14: Results of moderated multiple regression analysis for the moderating effects of continuance commitment on internal whistle-blowing

Step	Variables	Case Scenario 1				Case Scenario 2			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.096	0.096	*	0.167	0.133	0.133	*
2	Ethical judgement (EJ)	0.290	0.164	0.069	*	0.326	0.207	0.075	*
3	Continuance commitment (CC)	-0.034	0.165	0.001	†	0.031	0.208	0.001	†
4	Interaction of EJ and CC	0.103	0.175	0.010	**	0.018	0.208	0.000	†
	F value	6.012			*	7.364			*

Step	Variables	Case Scenario 3				Case Scenario 4			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.250	0.250	*	0.411	0.364	0.364	*
2	Ethical judgement (EJ)	0.396	0.330	0.080	*	0.213	0.390	0.026	*
3	Continuance commitment (CC)	-0.014	0.330	0.000	†	-0.076	0.395	0.005	***
4	Interaction of EJ and CC	0.045	0.332	0.002	†	-0.002	0.395	0.000	†
	F value	14.127			*	18.376			*

Step	Variables	Case Scenario 5				Case Scenario 6			
		β	R2	Delta R2		β	R2	Delta R2	
1	Nine control variables		0.343	0.343	*	0.331	0.322	0.322	*
2	Ethical judgement (EJ)	0.387	0.422	0.079	*	0.319	0.379	0.058	*
3	Continuance commitment (CC)	-0.013	0.422	0.000	†	-0.047	0.381	0.002	†
4	Interaction of EJ and CC	0.023	0.422	0.001	†	0.036	0.382	0.001	†
	F value	20.530			*	17.420			*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

Table 5.15: Results of moderated multiple regression analysis for the moderating effects of continuance commitment on external whistle-blowing

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Delta R2	β	R2	Delta R2
1	Nine control variables		0.105	0.105 *	0.140	0.157	0.157 *
2	Ethical judgement (EJ)	0.216	0.143	0.038 *	0.282	0.213	0.056 *
3	Continuance commitment (CC)	0.011	0.143	0.000 †	0.014	0.214	0.000 †
4	Interaction of EJ and CC	-0.036	0.144	0.001 †	0.039	0.215	0.001 †
	F value	4.660		*	7.676		*

Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Delta R2	β	R2	Delta R2
1	Nine control variables		0.211	0.211 *	0.221	0.251	0.251 *
2	Ethical judgement (EJ)	0.263	0.242	0.031 *	0.182	0.269	0.018 *
3	Continuance commitment (CC)	-0.031	0.242	0.000 †	-0.084	0.274	0.005 †
4	Interaction of EJ and CC	0.089	0.249	0.007 **	0.058	0.278	0.003 †
	F value	9.393		*	10.792		*

Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Delta R2	β	R2	Delta R2
1	Nine control variables		0.291	0.291 *	0.182	0.193	0.193 *
2	Ethical judgement (EJ)	0.266	0.328	0.037 *	0.272	0.233	0.040 *
3	Continuance commitment (CC)	0.008	0.328	0.000 †	0.001	0.233	0.000 †
4	Interaction of EJ and CC	0.040	0.329	0.001 †	0.090	0.240	0.007 ***
	F value	13.712		*	8.888		*

Note: * $p < .01$; ** $p < .05$; *** $p < .01$; † $p \geq .1$

Table 5.16: Results of moderated multiple regression analysis for the moderating effects of continuance commitment on public whistle-blowing

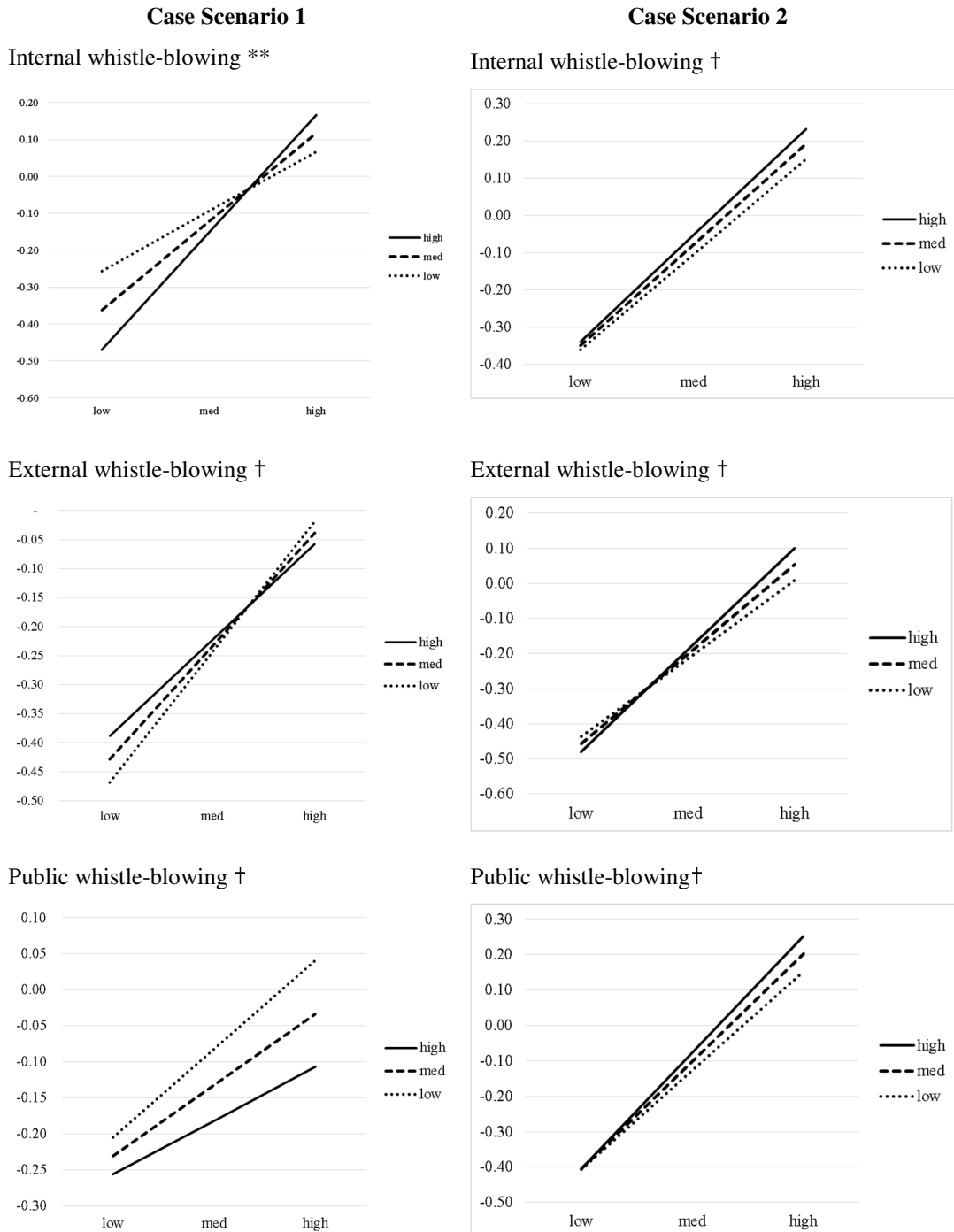
Step	Variables	Case Scenario 1				Case Scenario 2				
		β	R2	Delta R2		β	R2	Delta R2		
1	Nine control variables		0.053	0.053	**	0.028	0.095	0.095	*	
2	Ethical judgement (EJ)	0.100	0.061	0.009	***	0.304	0.160	0.065	*	
3	Continuance commitment (CC)	-0.051	0.064	0.002	+	0.026	0.161	0.001	+	
4	Interaction of EJ and CC	-0.027	0.064	0.001	+	0.026	0.162	0.001	+	
	F value	1.904			*	5.340			*	
Step	Variables	Case Scenario 3				Case Scenario 4				
		β	R2	Delta R2		β	R2	Delta R2		
1	Nine control variables		0.121	0.121	*	0.155	0.154	0.154	*	
2	Ethical judgement (EJ)	0.258	0.152	0.031	*	0.181	0.172	0.018	*	
3	Continuance commitment (CC)	0.016	0.153	0.001	+	-	0.031	0.172	0.001	+
4	Interaction of EJ and CC	0.088	0.160	0.007	***	0.047	0.174	0.002	+	
	F value	5.368			*	5.890			*	
Step	Variables	Case Scenario 5				Case Scenario 6				
		β	R2	Delta R2		β	R2	Delta R2		
1	Nine control variables		0.178	0.178	*	0.108	0.136	0.136	*	
2	Ethical judgement (EJ)	0.328	0.235	0.057	*	0.288	0.180	0.044	*	
3	Continuance commitment (CC)	0.027	0.236	0.001	+	0.025	0.181	0.001	+	
4	Interaction of EJ and CC	0.022	0.236	0.000	+	0.096	0.190	0.009	***	
	F value	8.608			*	6.566			*	

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

Table 5.17: Effects of ethical judgement and continuance commitment (cc) on internal whistle-blowing intentions (simple slopes analysis)

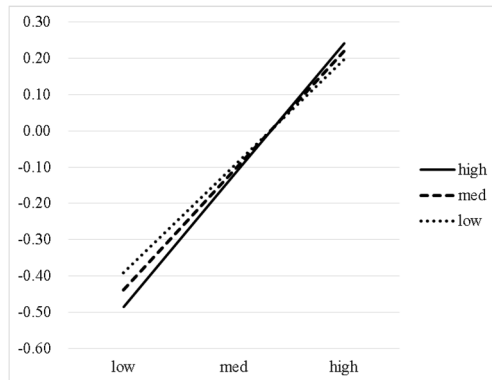
	β	SE	t		β	SE	t
Internal whistle-blowing	Case Scenario 1				Case Scenario 2		
High level cc	0.79	0.15	5.30		0.53	0.12	4.63
Medium level cc	0.60	0.11	5.32		0.51	0.09	5.65
Low level cc	0.40	0.15	2.74		0.48	0.12	4.11
	Case Scenario 3				Case Scenario 4		
High level cc	0.66	0.12	5.36		0.35	0.12	2.97
Medium level cc	0.60	0.09	6.46		0.35	0.09	3.81
Low level cc	0.53	0.10	5.18		0.35	0.11	3.25
	Case Scenario 5				Case Scenario 6		
High level cc	0.56	0.10	5.74		0.54	0.11	5.04
Medium level cc	0.53	0.08	6.80		0.49	0.09	5.61
Low level cc	0.50	0.09	5.47		0.44	0.10	4.25
External whistle-blowing	Case Scenario 1				Case Scenario 2		
High level cc	0.41	0.17	2.45		0.54	0.12	4.33
Medium level cc	0.48	0.13	3.83		0.48	0.10	4.90
Low level cc	0.55	0.16	3.37		0.42	0.13	3.26
	Case Scenario 3				Case Scenario 4		
High level cc	0.60	0.15	3.97		0.44	0.15	3.02
Medium level cc	0.46	0.11	4.01		0.34	0.12	2.96
Low level cc	0.31	0.13	2.47		0.24	0.14	1.76
	Case Scenario 5				Case Scenario 6		
High level cc	0.44	0.11	3.92		0.57	0.13	4.49
Medium level cc	0.39	0.09	4.31		0.45	0.10	4.27
Low level cc	0.34	0.11	3.17		0.32	0.12	2.56
Public whistle-blowing	Case Scenario 1				Case Scenario 2		
High level cc	0.18	0.19	0.97	†	0.61	0.14	4.31
Medium level cc	0.24	0.14	1.70		0.57	0.11	5.09
Low level cc	0.30	0.19	1.62	†	0.52	0.15	3.57
	Case Scenario 3				Case Scenario 4		
High level cc	0.62	0.17	3.68		0.44	0.16	2.68
Medium level cc	0.47	0.13	3.73		0.35	0.13	2.76
Low level cc	0.32	0.14	2.29		0.27	0.15	1.77
	Case Scenario 5				Case Scenario 6		
High level cc	0.54	0.13	4.23		0.64	0.14	4.61
Medium level cc	0.51	0.10	4.98		0.50	0.11	4.37
Low level cc	0.47	0.12	3.99		0.35	0.14	2.61

Figure 5.3: Plot of interaction effect of ethical judgement and continuance commitment on whistle-blowing intentions



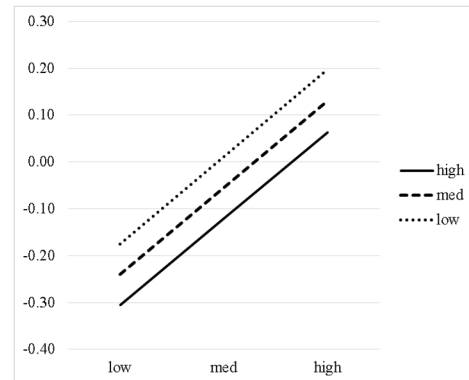
Case Scenario 3

Internal whistle-blowing †

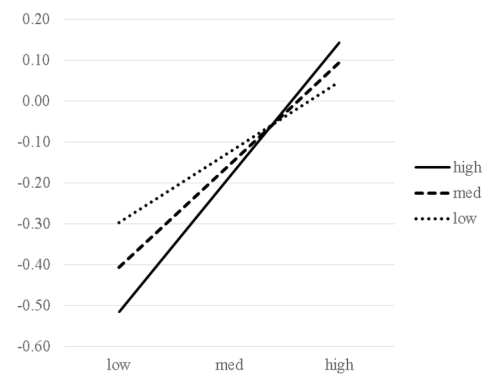


Case Scenario 4

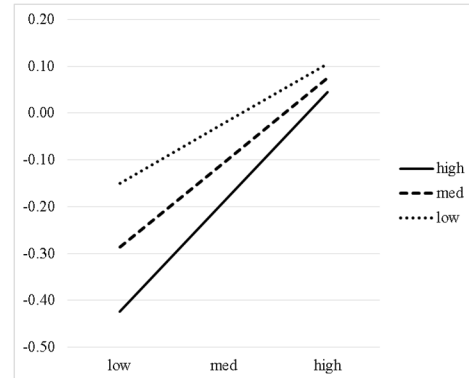
Internal whistle-blowing †



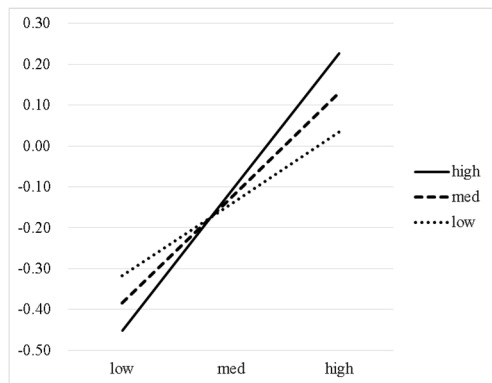
External whistle-blowing **



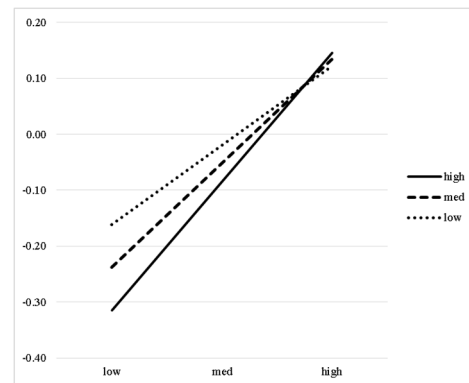
External whistle-blowing †



Public whistle-blowing ***

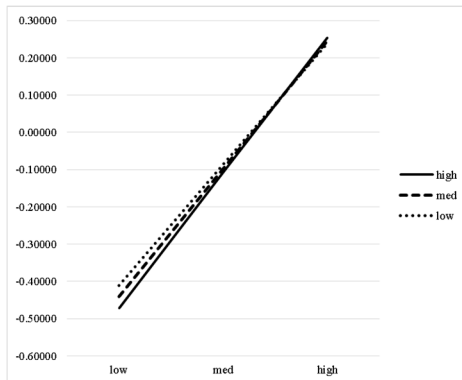


Public whistle-blowing †

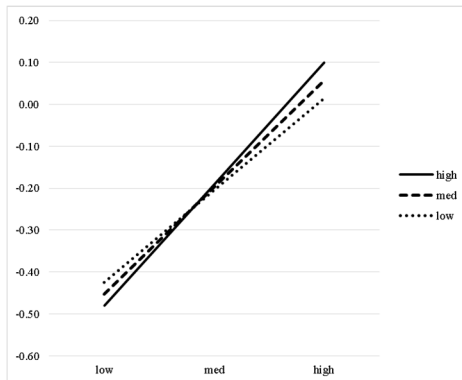


Case Scenario 5

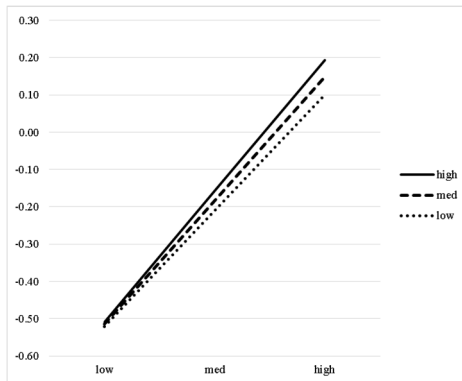
Internal whistle-blowing †



External whistle-blowing †

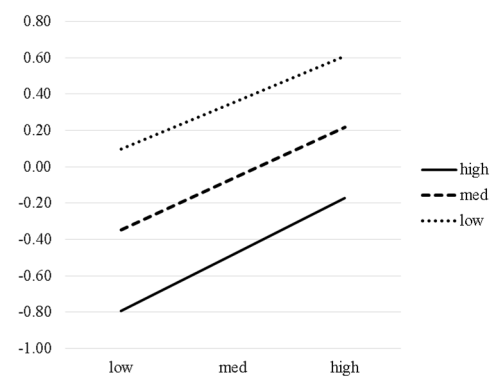


Public whistle-blowing †

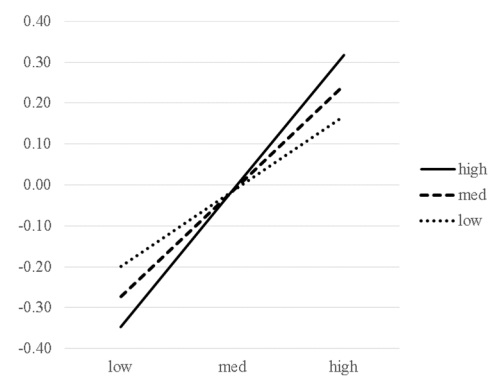


Case Scenario 6

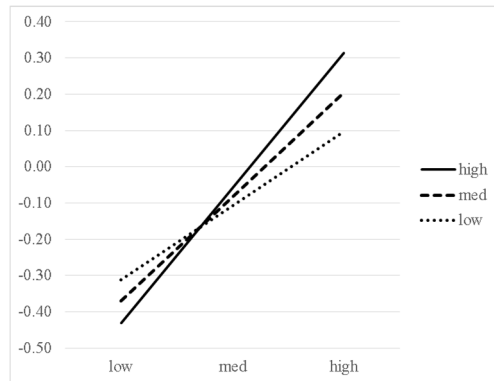
Internal whistle-blowing †



External whistle-blowing ***



Public whistle-blowing ***



Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

5.7 Supporting Analysis: Organisational Culture Profiles in Research Sites

As government officers, internal auditors are bound to government regulations regarding confidentiality, loyalty, obedience, reporting to superiors and prioritising the national interest. The government agencies where they worked also stated their formal written values. The values of integrity, professionalism, responsibility and excellent service are given as formal written values in most of the government agencies. The values of synergy, partnership and teamwork are also part of these formal written values.

Specific measurements were conducted of the organisational culture in the GIAU using the Organisational Culture Assessment Instrument (OCAI) (Cameron & Quinn, 2011). As shown in Table 5.18, the overall assessment of organisational culture shows the Hierarchy and Market cultures to be more salient for the government internal audit units. However, looking at each of the six items, the culture types are a combination of the Hierarchy, Market and Clan cultures. The GIAU are formalised, results-oriented and structured organisations that place an emphasis on efficiency, control and smooth operation. The organisations were not personal or dynamic, entrepreneurial places. Organisational leadership at the research sites was the combination of a results-oriented leader, coordinator and organiser. The leaders were neither risk takers nor entrepreneurs. The management of employees was emphasised along with job security and conformity with the rules in recruitment, promotion, demotion, transfer or training. The organisational glue binding the internal audit units comprised their formal rules and policies and the esprit de corps and status associated with being a civil servant. The organisations measured success in terms of stakeholder satisfaction, employee development and efficiency rather than by having the most unique services or innovation.

Table 5.18 Mean score (SD) of organisational culture in research sites

Research Sites		Clan		Adhocracy		Market		Hierarchy	
GIAU_A		24.62	(4.54)	19.19	(4.75)	28.13	(5.66)	28.07	(7.26)
GIAU_B		24.06	(5.21)	19.73	(4.47)	28.21	(5.43)	27.99	(5.25)
GIAU_C		25.56	(4.85)	20.89	(4.81)	26.12	(4.45)	27.43	(4.95)
GIAU_D		24.43	(6.39)	19.26	(4.71)	27.97	(7.03)	28.36	(9.86)
GIAU_E		24.18	(3.98)	19.21	(3.95)	28.78	(4.58)	27.83	(4.99)
GIAU_F		26.68	(6.53)	19.21	(6.94)	26.39	(6.35)	27.73	(5.91)
GIAU_G		24.13	(4.26)	21.17	(5.83)	27.97	(4.82)	26.73	(5.66)
Grand	Average (SD)	24.83	(5.20)	19.77	(5.09)	27.61	(5.58)	27.79	(6.50)

5.7.1 Dominant Characteristics

As shown in Table 5.19, the dominant characteristics of the research sites were similar, as they were inclined towards the Market and Hierarchy cultures. This indicates that GIAU were characterised as very formalised and structured places to work and as results-oriented organisations rather than as personal or dynamic, entrepreneurial places. The implementation of performance management such as the Annual Audit Program and Government Agency Accountability System at the organisational level and Employee Performance Objective at the individual level may explain why respondents perceived the internal audit units to be organisations oriented towards achievement and ‘getting the job done’ oriented. The requirement to publish audit reports promptly may also contribute to this perception.

Internal audit is a type of work that requires employees to strictly follow the audit objective, audit procedures and hierarchical reviews involving sensitive financial information or government operation. Therefore, respondents also perceived the organisations to be controlled and structured places guided by formal procedures.

Table 5.19 Mean scores (SD) of dominant characteristics in Government Internal Audit Units

Dominant Characteristics	Government Internal Audit Units							
	A	B	C	D	E	F	G	Avg
A very personal place. It is like an extended family. People seem to share a lot of themselves.	24 (9.9)	23 (9.7)	22 (8.2)	24 (12.7)	25 (9.0)	26 (14.9)	20 (9.2)	23 (10.6)
A very dynamic entrepreneurial place. People are willing to stick out their necks and take risks.	15 (5.9)	18 (7.9)	16 (8.2)	15 (6.9)	14 (5.1)	16 (7.6)	20 (10.9)	16 (7.6)
A very results-oriented. A major concern is getting the job done. People are very competitive and achievement-oriented.	34 (11.6)	32 (11.5)	33 (11.6)	31 (11.8)	33 (10.3)	31 (14.2)	31 (11.2)	32 (11.8)
A very controlled and structured place. Formal procedures generally govern what people do.	27 (10.4)	27 (11.0)	29 (10.4)	30 (14.1)	28 (10.6)	27 (12.4)	29 (13.8)	28 (11.6)

5.7.2 Organisational Leadership

Organisational leadership in the research sites was inclined towards the Market and Hierarchy cultures. As described in Table 5.20, the average scores were 29 and 30 for each of the Market and Hierarchy cultures, respectively. This indicates that leadership in the internal audit units was a combination of 1) an aggressive, results-oriented leader and 2) a coordinator and organiser but not a risk taker or entrepreneur. These types of leadership were needed to manage the organisational performance, to meet the demand for prompt publication of audit reports and to enforce the rules and procedures used when conducting the audit.

The clan type of leadership also existed alongside the results-oriented leadership in the organisation. Employees perceived their leaders as parent figures carrying out mentoring, facilitating or nurturing roles. In conducting an audit, the audit team leaders at various levels have a duty to properly supervise their audit staff and/or inexperienced junior auditors.

Table 5.20 Mean Scores (SD) of organisational leadership in Government Internal Audit Units

Organisational Leadership	Government Internal Audit Units							Avg
	A	B	C	D	E	F	G	
Exemplify mentoring, facilitating, or nurturing.	24 (8.8)	20 (7.2)	24 (7.0)	21 (7.8)	22 (5.6)	24 (10.3)	20 (9.7)	22 (8.3)
Exemplify entrepreneurship, innovation, or risk taking.	18 (8.2)	19 (7.0)	21 (10.1)	19 (7.1)	18 (7.9)	17 (9.1)	21 (9.8)	19 (8.6)
Exemplify a no-nonsense, aggressive, results-oriented focus.	29 (10.8)	30 (8.2)	28 (9.6)	28 (8.7)	29 (8.8)	28 (11.1)	29 (9.4)	29 (9.7)
Exemplify coordinating, organizing, or smooth-running efficiency	29 (10.8)	31 (10.3)	27 (8.6)	31 (11.6)	31 (11.0)	30 (10.3)	30 (12.0)	30 (10.6)

5.7.3 Management of Employees

As shown in Table 5.21, the average scores for the Hierarchy, Clan and Market cultures were similar, at 27, 27 and 26, respectively.

Table 5.21: Mean scores (SD) of management of employees in Government Internal Audit Units

Management of Employees	Government Internal Audit Units							Avg
	A	B	C	D	E	F	G	
Teamwork, consensus, and participation.	23 (7.4)	29 (8.8)	27 (8.6)	26 (7.8)	29 (11.7)	31 (10.9)	28 (11.6)	27 (9.5)
Individual risk taking, innovation, freedom, and uniqueness.	19 (7.6)	19 (6.8)	22 (8.3)	20 (7.9)	18 (7.1)	20 (11.2)	21 (7.8)	20 (8.1)
Hard-driving competitiveness, high demands, and achievement.	27 (9.6)	25 (8.8)	24 (8.5)	26 (10.2)	26 (9.4)	24 (9.8)	27 (9.2)	26 (9.4)
Security of employment, conformity, predictability, and stability in relationships.	30 (10.4)	28 (11.1)	27 (8.4)	29 (13.2)	26 (8.2)	25 (11.8)	23 (9.4)	27 (10.6)

The high demand and achievement style of managing employees may be the consequence of implementing the individual performance management. Auditors' performance was measured and assessed based on their own individual output and

the quality of their audit reports. The auditor performance allowance was computed based on their individual performance score. The performance score also determines whether or not an auditor can be promoted to a higher position. The system may force an auditor to not only conform to the rules but also to uphold teamwork and togetherness. The Market culture in managing employees was corroborated by the Performance orientation dimension in the Globe study (see Section 2.8.1), indicating that Indonesian people both value and are highly reward for individual performance.

The management of employees at research sites is influenced by the fact that they are part of government agencies that are bound by civil servant regulation. Job security and conformity with the rules of recruitment, promotion, demotion, transfer or training were all emphasised at government agencies and the internal audit units examined in this research were no exception. Moreover, an audit is always conducted by an audit team and cannot be conducted by one individual auditor. There was also a hierarchical review mechanism involving the checking and re-checking of work among auditors in an audit team. Teamwork and participative decision-making, as a part of Clan culture, were common in the internal audit units. In a review meeting, senior auditors or higher-level officials allowed or even encouraged junior or lower-level auditors to share their opinions regarding the audit findings. A member of the audit team with a dissenting opinion regarding his/her supervisor's decision was able to express this opinion in the audit paperwork and it became part of the formal documentation.

5.7.4 Organisational Glue

The relatively equal scores for the Market and Hierarchy cultures and slightly lower score for Clan culture was found in the organisational glue of the internal audit units. As shown in Table 5.22, the average scores for organisational glue were 27, 27 and 25 for the Hierarchy, Market and Clan cultures, respectively.

Table 5.22: Mean scores (SD) of organisation glue in Government Internal Audit Units

Organisation Glue	Government Internal Audit Units							
	A	B	C	D	E	F	G	Avg
Loyalty and mutual trust. Commitment to this organisation runs high.	26 (9.6)	23 (8.8)	26 (8.3)	23 (10.3)	23 (7.2)	23 (8.0)	26 (9.3)	25 (9.0)
Commitment to innovation and development. There is an emphasis on being on the cutting edge.	20 (7.7)	21 (6.0)	22 (6.8)	20 (7.6)	21 (7.1)	19 (8.1)	20 (6.2)	21 (7.1)
An emphasis on achievement and goal accomplishment.	27 (8.9)	29 (7.6)	25 (8.1)	27 (8.1)	29 (7.9)	26 (9.2)	28 (8.4)	27 (8.4)
Formal rules and policies. Maintaining a smooth-running organisation is important.	26 (10.9)	26 (8.0)	27 (8.2)	29 (14.1)	26 (9.4)	31 (10.4)	27 (10.7)	27 (10.4)

These three relatively balanced scores show that the organisational glue holding the internal audit units together comprises formal rules and policies and respondents' esprit de corps and status as civil servants. Organisational glue is continuously developed through various activities such as management briefings, in-house training, outbound activities, religious services and family visits. Several important annual events such as Independence Day or anniversaries are celebrated by organising sports or art contests and family gatherings. This clan type of organisational glue corroborated the description of the In-Group Collectivism dimension (see Section 2.7.1) in which Indonesian people place a high value on cohesiveness and loyalty.

5.7.5 Strategic Emphases

The high score for the Hierarchy culture and relatively equal scores for the Clan and Market cultures were found in the strategic emphasis component of organisation culture. As shown in Table 5.23, the average scores of the strategic emphases components were 30, 25 and 24 for the Hierarchy, Clan and Market cultures, respectively. This indicates that the strategic priorities within internal audit units were efficiency, control and smooth operation.

Table 5.23: Mean scores (SD) of strategic emphases in Government Internal Audit Units

Strategic Emphases	Government Internal Audit Units							
	A	B	C	D	E	F	G	Avg
On human development. High trust, openness, and participation persist.	24 (8.2)	24 (9.5)	27 (7.7)	26 (11.3)	23 (6.1)	24 (10.0)	23 (7.8)	25 (8.9)
On acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued.	22 (8.9)	21 (7.7)	21 (6.9)	21 (7.2)	23 (8.0)	22 (10.4)	23 (6.3)	22 (8.1)
On actions and achievement. Hitting stretch targets and winning in the marketplace are dominant.	24 (11.4)	23 (10.9)	24 (7.7)	25 (10.8)	25 (6.5)	24 (9.0)	24 (9.0)	24 (9.7)
On permanence and stability. Efficiency, control and smooth operations are important.	31 (11.6)	32 (10.9)	28 (6.4)	28 (12.6)	29 (8.3)	29 (11.3)	29 (10.4)	30 (10.5)

As well as other government agencies, the environment of internal audit units was relatively stable. Human and financial resources, as reflected in the annual government budget, did figure very high in the head of the internal audit unit's responsibilities in order that his/her focus could be fully directed to the smooth execution of their office activities. The job description and functions of each subunit or each employee were also relatively stable and standardised. As previously discussed in Section 3.1.3 and 2.8.2, all seven of the internal audit units had implemented the same standard of certified government internal auditor system that included standardised job descriptions, as outlined in the Ministry of State Apparatus Empowerment Regulation number 220/2008.

Responsibility and accountability systems, such as the 5-year Strategic Plan and annual Government Agency Performance Accountability System, were considered an important part of strategic emphasis. Congruent with the type of management of employees, which is a mix of Hierarchy, Clan and Market cultures, human development also formed part of units' strategic emphasis. In general, leaders at the research sites were aware of the importance of building employees' capacity to deliver high-quality audit services to stakeholders. The Market culture found in

the strategic emphasis of the internal audit units indicates that the auditors also placed emphasis on goal accomplishment whilst also remaining within the scope of formal rules and policies.

5.7.6 Criteria of Success

The highest score for the Market culture and relatively equal scores for the Clan and Hierarchy cultures were found in the Criteria of Success. As shown in Table 5.24, the average scores were 28, 26 and 25 for the Market, Clan and Hierarchy cultures, respectively. Internal audit units defined success on the basis of stakeholder satisfaction, employee development and efficiency rather than by having the most unique services or innovation.

Table 5.24: Mean scores (SD) of criteria of success in Government Internal Audit Units

Criteria of Success	Government Internal Audit Units							
	A	B	C	D	E	F	G	Avg
On the basis of development of human resources, teamwork, employee commitment, and concern for people.	26 (8.0)	25 (7.6)	26 (7.7)	27 (13.3)	24 (6.6)	30 (10.5)	26 (8.4)	26 (9.1)
On the basis of creating the most unique or newest products. It is a product leader and innovator	20 (7.9)	20 (7.0)	21 (7.0)	20 (9.0)	20 (7.0)	21 (11.2)	22 (7.5)	21 (8.1)
On the basis of winning in the marketplace and outpacing the competition. Competitive market leadership is the key	29 (9.4)	31 (10.6)	27 (6.4)	29 (12.0)	30 (8.8)	24 (8.7)	28 (12.2)	28 (9.8)
On the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical.	25 (10.5)	25 (8.5)	26 (7.7)	23 (11.2)	26 (7.2)	24 (8.7)	23 (7.3)	25 (9.0)

The importance of stakeholder satisfaction as a success criterion is reflected in the research sites' organisational values. GIAU _D implemented the value of 'excellent service', meaning that employees in GIAU_D should give service to their clients or customers in a wholehearted, transparent, fast and accurate way. GIAU_B and GIAU_E made 'user oriented' one of their values, indicating that employees should know and fulfil the needs of their audit clients. GIAU_C and GIAU_G implemented the broader values of 'inclusive' and 'pro-people'. In

delivering public services, GIAU_C encouraged their stakeholders, especially professional associations and people at large, to actively participate.

The internal audit units operate in a relatively uniform role, function or field of work that is determined by laws and the formal policies of upper-level government (see Section 2.8.2). Uniformity in services was maintained by upholding the standards and procedures for conducting an audit. Efficiency became a criterion for success since the internal audit unit operates within the scope of tight annual budget control. Any spending discrepancies occurring in the execution of the budget other than those previously specified were scrutinised and examined by the budget authority.

5.8 Concluding Notes: Combination of Qualitative and Quantitative Findings

Based on the survey, the study found that whistle-blowing intention can be influenced by ethical judgement, perceived seriousness of the wrongdoing and organisational commitment. The intention to blow the whistle will be greater when ethical judgement rises. The relationships between ethical judgement and whistle-blowing intention will be positive and stronger in employees who 1) have a higher perception of the seriousness of wrongdoing or 2) have a higher level of continuance commitment. The findings described in this chapter were contextualised using the findings given in Chapter 4 (qualitative findings). As will be further discussed in Chapter 6, the qualitative findings from Chapter 4 and quantitative findings from Chapter 5 were combined to develop the triangulated data structure that was used to build the discussion themes (see Figure 6.1). The combination of the findings includes:

1. Quantitative data about the whistle-blowing decision, prioritisation of the internal channel and justifications for remaining silent were combined with qualitative data about responsibility and obligation, organisational responses, personal dilemma, and anonymity to explain the respondents' whistle-blowing decision process;

2. Quantitative data about ethical judgement, perceived seriousness, organisational commitment, job level, ethical climate and organisational culture were combined with qualitative data that emerged from the interviews and FGDs about leadership in the organisation, the quality of evidence and motives to explain the factors influencing the whistle-blowing decision.

Table 5.25 summarises this combination of the qualitative and quantitative data.

Table 5.25: Combining qualitative and quantitative data

Quantitative data		Qualitative data		Purpose
Whistle-blowing decision	Section 4.2.1	Responsibility and obligation	Section 4.3.2.1	To explain the process of whistleblowing decision
Prioritisation of internal channel	Section 5.2	Personal Dilemma with Various Parties to Be Considered (Multiple Loyalties)	Section 4.2.3	
Justification of silent	Section 4.3.1	Anonymity	Section 4.2.4	
		Organisational responses	Section 4.3.4	To explain the factors influencing whistle-blowing decision.
Ethical judgment.	Section 5.3	Organisational responses (leadership in the organisation)	Section 4.3.4	
Perceived seriousness	Section 5.4.2			
Organisational commitment	Section 5.4.1	Perception of whistle-blower and act of whistle-blowing	Section 4.2.2	
Job level	Section 5.5.1	Quality of evidence	Section 4.3.3	
Ethical climate	Section 5.5.3	Motives	Section 4.3.2.2 and 4.3.2.3	
Organisational culture	Section 5.7			

CHAPTER 6 DISCUSSION

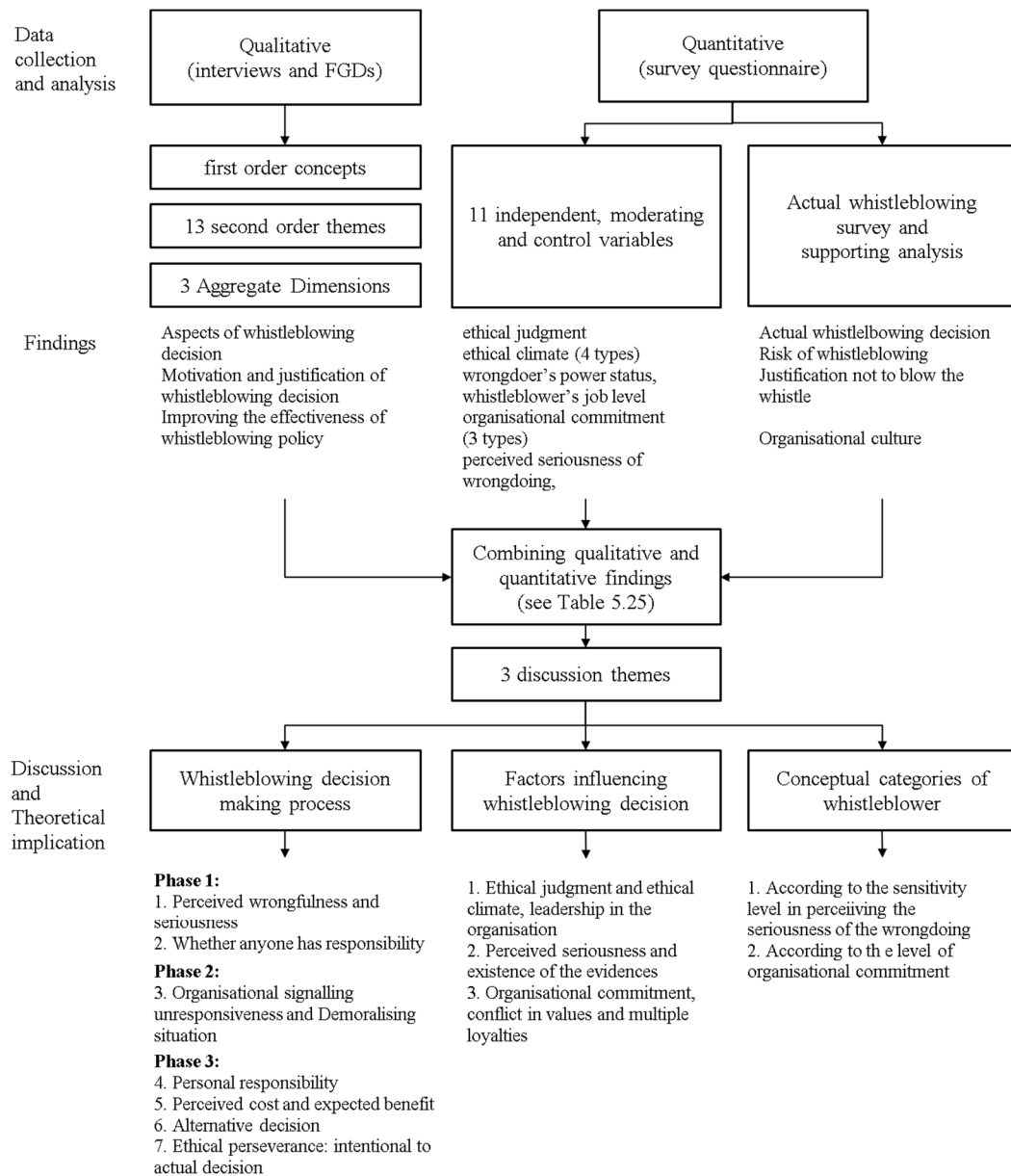
6.1 Introduction

6.1.1 Triangulation Process

In this chapter, the research findings are discussed to answer the research questions. The quantitative and qualitative results are interpreted, explained and compared to those of previous similar studies. Similar or alternative explanations of the findings are offered and consideration is given as to whether or not they are consistent with the previous body of knowledge on the subject. Using the approaches described in Section 3.5 and given that the qualitative analysis produced intersecting themes, the quantitative and qualitative results were combined. This combination emphasised 1) the function of the qualitative results as a means of contextualising the findings from the quantitative analysis, and 2) the quantitative and qualitative results functioning complementarily to provide a more comprehensive answer to the research questions. The process of combining the qualitative and quantitative data can be found in Chapter 5, Section 5.8.

As depicted in Figure 6.1, in triangulating the data, the three aggregate dimensions of the qualitative data (see Chapter 3 Section 3.3.4) and variables that were statistically examined (see Chapter 3 Section 3.4.4.5) were regrouped in accordance with the research questions. Themes about the whistle-blowing decision process that emerged from the interviews and focus group discussions (FGDs) were grouped together and discussed to answer the first research question of how whistle-blowers decide whether or not to blow the whistle. To answer the second research question – confirming whether the perceived seriousness of the wrongdoing and the organisational commitment strengthen or weaken the relationships between ethical judgement and whistle-blowing intention – the quantitative results were combined with the themes related to them.

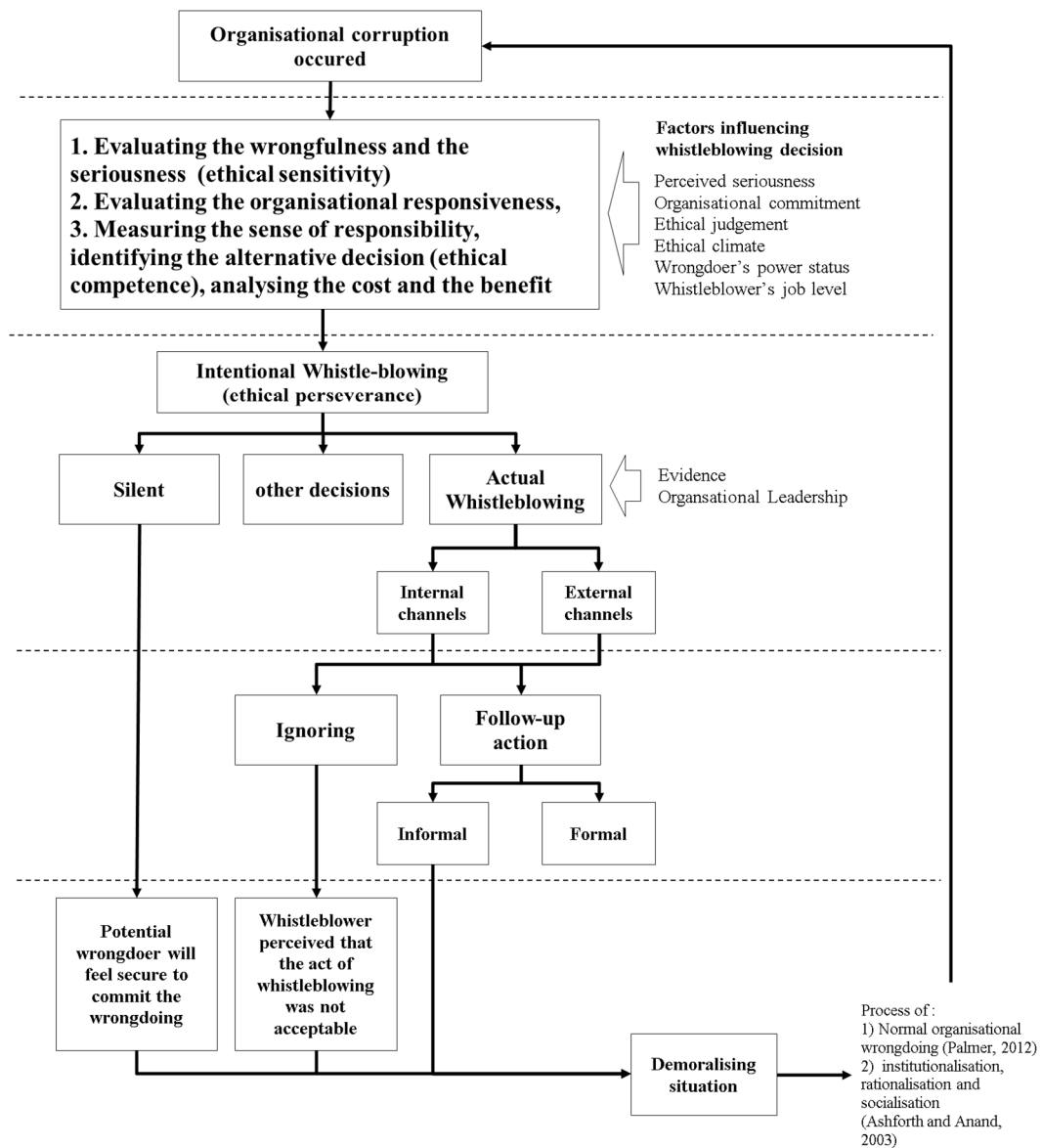
Figure 6.1: Triangulation process



6.1.2 Overall View of the Discussion

As depicted in Figure 6.2, the findings of this study suggest that the employee's unwillingness to blow the whistle may be influenced by the normalisation of corruption.

Figure 6.2: The process of whistle-blowing decision and normalisation of corruption



The act of ignoring the information provided through an act of whistle-blowing results in a demoralising situation in which the wrongdoer feels secure and the whistle-blower perceives that their whistle-blowing is not acceptable. These combine to form a vicious cycle of unwillingness to blow the whistle and a process of rationalisation and socialisation that underlie the normalisation of organisational corruption.

Unwillingness to blow the whistle was driven by the domination of informal hidden values instead of formal written values. The informal hidden values that emerged from the interviews and FGDs include:

- Tolerance of petty corruption (see Section 4.2.2);
- Tolerance of collective corruption (see Section 4.3.2.1);
- Leaders who victimised the whistle-blower (see Section 4.2.3);
- Unresponsive leaders (see Section 4.3.4.1);
- Feudalistic culture (see Section 4.3.4.1);
- Misuse of the decisions of human resources management as an instrument of reward and punishment (see Section 4.3.4.1);
- Maintaining a good relationship with leaders is important for advancing a career in the office (see Section 4.3.4.1);
- Whistle-blowers are perceived as traitors, disloyal and unfaithful friends (see Section 4.2.2);
- Wrongdoers who shared their corrupt money with other employees were seen as good and generous individuals (see Section 4.3.4.1);
- The real or perceived motives impacted on the decision and the organisational response (see Section 4.2.2, Section 4.3.2.2 and Section 4.3.2.3);
- Whistle-blowing policies were perceived as ‘lip service’; ‘talk only’ or ‘image building’ (see Section 4.3.4.2).

Employees tend to choose to apply informal values that can justify their decision to remain silent. The role of leaders was important not only in creating the informal values that contrast and conflict with the formal written values but also in motivating employees to apply the informal values.

Regarding factors influencing the decisions, the findings suggest that ethical judgement, ethical climate, organisational commitment and perceived seriousness were necessary factors to instil in potential whistle-blowers the intention to blow the whistle, but that these were not sufficient for them to actually blow the whistle. Organisational leadership and strength of evidence were necessary factors for potential whistle-blowers to follow through on their whistle-blowing intention and turn it into an actual act of whistle-blowing.

The findings are discussed in the ensuing sections, beginning with the decision-making process that includes how and why employees decide to either blow or not blow the whistle, the phases of the whistle-blowing decision and the factors influencing the decision and conceptual categories of the whistle-blower.

6.2 Whistle-blowing Decision-Making Process

In the integrated perspective of prosocial organisational behaviour and ethical decision-making of whistle-blowing, the potential whistle-blowers' goals in blowing the whistle include helping the organisation and the public by preventing wrongdoing whilst at the same time not becoming involved in the wrongdoing themselves and not being the victim of retaliation. In attempting to achieve these goals, the research findings reveal the decision to blow the whistle to be a personal and situational one. The decision to blow the whistle in response to organisational corruption means different things to different people. Each person has his/her own personal boundaries in assessing whether or not a particular type of wrongdoing is morally acceptable, thereby affecting his/her decision on whether or not to blow the whistle. He/she also has his/her own criteria for evaluating the situation. The motivations for blowing the whistle and justifications for not blowing the whistle seem to be unique in each case and it may not be able to generalise for every person and every situation. However, the processes at work behind decisions of whether or not to blow the whistle appear to follow a pattern similar to the three phases of whistle-blowing decision proposed in this study.

Analysis of both the qualitative and quantitative data revealed the process of a whistle-blowing decision. The findings described in this section have important implications in helping us understand how employees in government internal audit units gave responses to the moral problem of dealing with the wrongdoing and how the organisation acted upon the whistle-blowing information presented to it. Discussions of the findings and theoretical implications are presented in the following sections.

6.2.1 Phase 1: Wrongfulness and Seriousness of the Wrongdoing and Responsibility to Act to Stop the Wrongdoing

In this phase, potential whistle-blowers evaluate the wrongfulness and seriousness of the wrongdoing and identify whether anyone has responsibility to stop the wrongdoing.

6.2.1.1 Assessing the Wrongfulness and the Seriousness of the Wrongdoing

The study indicated that, as a moral agent, a potential whistle-blower first becomes aware that there is a moral issue at the time the wrongdoing occurs, as well as when the decision to blow the whistle is made. In agreement with the POB perspective of whistle-blowing, employees' knowledge of what is considered wrongdoing is a prerequisite (Olsen, 2014). To analyse the conflicting moral issues at play, they interpret both the rules and regulations and the organisation's values. They also interpret past situations of when the wrongdoing has occurred along with the situation at the time the decision to blow the whistle was made. As government internal auditors, both whistle-blowers and silent observers have the ability to assess the wrongfulness of the wrongdoing. They then use these abilities to compare the various rules, regulations and organisational values or other standards, such as the religious teaching of family values, to determine whether they are illegal, illegitimate or unethical or contradict/violate the organisation's values. This process is consistent with the notion that ethical judgement is a comparative process (Sparks and Pan, 2010; Hersh, 2002). As put forward by Near and Miceli (1985), the perception on the wrongfulness of the wrongdoing depends on whose perception is dominant.

The conflicting values faced by potential whistle-blowers indicate the low clarity of organisational values. These organisational values may not be concrete and understandable to them, creating confusion among employees, reducing their sense of responsibility and motivating them not to blow the whistle (Jubb, 1999; Kaptein, 2010).

The study also found that potential whistle-blowers were aware that the wrongdoing was wrongful, yet they also put forward reasons or excuses for why the wrongdoing was not illegal. The organisational culture endorsed the wrongful courses of action as rightful by containing practices that convey the message that the wrongdoing is appropriate (further discussed in Section 6.3.1). The organisational culture also gave rise to the organisational corruption by containing practices that convey values that stipulate extenuating circumstances under which the wrongful wrongdoing can be considered acceptable. The potential whistle-

blowers used legality as a rationalising ideology of corruption (Ashforth & Anand, 2003; Palmer, 2012). The excuses included that existing rules were not enforced. Use of legality as a rationalising ideology of corruption may reflect the uncertainty avoidance culture of Indonesian. Individuals with high uncertainty avoidance culture tend to focus more on legality than ethicality of their actions. They might view the unethical behaviour that is done legally as less unethical than those in low uncertainty avoidance culture (Christie, et al., 2003).

An explanation of the findings may refer to the process of normalisation of organisational corruption that can produce tolerable or permissible wrongdoing (Misangyi, et al., 2008). The processes of institutionalisation, rationalisation and socialisation underlie the normalisation of organisational corruption. Institutionalisation refers to the process whereby corrupt practices are routinised, become embedded in the organisational structure and without conscious thought of whether or not they are wrong. There is a systemic and strategic influence which is currently ethical that undermines the organisation's effectiveness by diverting it from its purpose or weakening its ability to achieve its purpose (Lessig, 2013). Rationalisation means the wrongdoer uses self-serving justification to legitimate acts of corruption. Socialisation is the process through which new employees are induced or taught to view corruption as permissible. The socialisation process may also take place via a reward system and the expectation placed on employees to obey their organisation's leaders (Ashforth & Anand, 2003; Misangyi, et al., 2008; Brief, et al., 2001). Palmer (2012) argued that the prospective 'questionably wrongful behaviour' can be considered rightful because it is not much different from previous 'entirely rightful behaviour'. Moreover, the prospective 'wrongful behaviour' can be considered rightful because it is not much different from 'questionably rightful behaviour' that was perceived as 'entirely rightful'.

If it is concluded that the act of wrongdoing is not wrongful, the decision process stops. If it is concluded that the act of wrongdoing is wrongful, the potential whistle-blower will analyse the seriousness of the wrongdoing.

As described in further detail in Section 6.3.2, the study found that various aspects were considered in determining the level of seriousness. Similar to the wrongfulness phase, potential whistle-blowers also put forward excuses and used rationalising ideologies of corruption to justify that the wrongdoing was either permitted, understandable or authorised. It can be inferred from this that the process of normalisation of corruption was occurring. This process led to an alteration of serious wrongful wrongdoing into tolerable wrongdoing. Olsen (2014) argued that what different types of organisational culture (further discussed in Section 6.3.1) will accept or tolerate provides the observer with a different basis for assessing the seriousness of the wrongdoing.

The study also found that the potential whistle-blowers took the wrongdoer's motive into consideration when determining the wrongfulness of the wrongdoing. Examination of the act of wrongdoing in the context of getting a decent life, for charity or social purposes or for the purpose of enriching a particular person demonstrates that the wrongdoer's motives were part of the consideration in the whistle-blowing decision. The study also found that, in collective wrongdoing, the actor(s) (not the mastermind) was(were) seen as the victim(s) of the corrupt system. The actor in the wrongdoing was just an obedient subordinate who did what his/her superior(s) told him/her to do. The wrongdoing was not reported and the observer chose to talk informally to the actor. The motive of the wrongdoer has the ability to either motivate or demotivate observers of the wrongdoing.

Theoretical implications

This finding has important implications for helping us understand the interplaying role of moral wrong and harm (perceived seriousness). This finding suggests that both moral wrong and perceived seriousness need to be considered when defining ethical whistle-blowing. Another implication may be that the themes about rationalising ideologies of corruption provide insight into the justification to remain silent. The theory of normalisation of corruption may be better able to explain how employees evaluate the wrongfulness and seriousness of the wrongdoing.

The study suggests that Davis' (1996) Complicity Theory may be more suitable in the context of government since it places an emphasis on moral wrong, not harm, as justification for blowing the whistle. In government agencies, collective wrongdoing may be viewed as harmless wrongdoing (Brief, et al., 2001). The study found that the wrongdoer(s) and silent observer(s) used rationalising ideologies of corruption (Ashforth & Anand, 2003), comprising mainly denial of injury and the metaphor of the ledger technique. By applying wrong moral criteria (not harm), silent observers cannot use those excuses. The wrongdoing will still be ethically judged as wrongful wrongdoing even though it may also be perceived as harmless. Therefore, potential whistle-blowers will be morally required to blow the whistle. By using moral wrong as the criterion, blowing the whistle on perceived harmless wrongdoing can still be defined as ethical whistle-blowing.

6.2.1.2 Whether Anyone Has Responsibility to Act to Stop the Wrongdoing

The study has shown that, if it is concluded that the act of wrongdoing is deemed a wrongful and serious one, a potential whistle-blower attempts to identify whether anyone has the responsibility to stop it. In cases of individual wrongdoing, the observer of the wrongdoing is the one with responsibility to act except for when someone else has blown the whistle or the organisation is in the process of addressing the wrongdoing (Miceli, et al., 2008). Referring to the bystander effect of prosocial behaviour, if there is only one person present at the time of a particular occurrence of wrongdoing, then that person is one hundred per cent responsible for providing help through whistle-blowing (Clarke, 2003).

However, the study also found that in cases of collective wrongdoing where the observer was either one of the wrongdoers or a beneficiary of the wrongdoing, the person responsible for acting to stop the wrongdoing was not clear. The powerful authorities may know about or even be involved in the ongoing wrongdoing themselves. This creates role conflict between the person responsible for stopping the wrongdoing and the person who is one of the wrongdoer(s). This results in a vagueness of responsibility since all those who knew about the ongoing wrongdoing should have been the ones acting to report it.

Theoretical implications

This finding has important implications for helping us understand how the observers of wrongdoing identify those in the organisation with responsibility to act to stop the wrongdoing in cases of both individual and collective wrongdoing. In responding to collective wrongdoing, the findings suggest that the bystander effect may not be fully applicable. This indicates that it is more difficult for the organisation to motivate the employee to blow the whistle in cases of collective wrongdoing because of the role conflict experienced by the recipient of the whistle-blowing information and the diffusion of responsibility.

6.2.2 Phase 2: Organisation Responsiveness and Demoralising Situations

In this phase, potential whistle-blowers evaluate whether the organisation is signalling an unresponsiveness that can help to create a demoralising situation. Results from the interviews and FGDs found that different whistle-blowers received different responses from different individuals in the organisation. The responses varied and included: 1) the whistle-blowing information was ignored and the problem continued; 2) the problem was solved but the wrongdoer was not punished; 3) the problem was solved and the wrongdoer was informally punished; and 4) the problem was systematically solved through the introduction of a new policy and procedure. However, this only took place after either the Supreme Audit Board or Corruption Eradication Commission had discovered the problem.

An explanation for this may be that the recipients of the whistle-blowing information had different considerations for dealing with the problem. They were dealing with a unique situation that needed to be treated differently. Not all recipients of whistle-blowing information necessarily have the good intention to put a stop to the wrongdoing. They may have a personal interest in the continuation of the wrongdoing or may be trying to protect their superiors' interests. They put forward justifications for not following standard procedure in handling whistle-blowing information. Non-conformance with standard procedure

produced various responses from the recipients of whistle-blowing information. These results support the notion that whistle-blowers do not normally encounter a single and consistent organisational response, but rather a range of responses from different individuals in the organisation (Vandekerckhove, et al., 2014).

Recipients of information from whistle-blowing did not want to be perceived as incompetent leaders for not being able to control both the wrongdoer and the whistle-blower as their subordinates. If an employee formally blew the whistle, the ongoing wrongdoing would come to the attention of the CEO. As described in Section 2.8.1, the uncertainty avoidance dimension in Indonesian culture is *Asal Bapak Senang* (keep the boss happy). This means that employees will be rewarded as long as their superior is happy and they are working with other employees in a cooperative and harmonious way. If employees are rewarded, then they have no economic or status uncertainty as they continue to be valuable members of the organisation (Hofstede, 2014). It can be inferred from the findings that the attitude of *Keep the Boss Happy* includes preventing: 1) the superior from noticing problems that should have been solved by a lower-level manager and 2) the employee looking bad or incompetent in front of other employees, especially his/her superior. Exposing a problem in the organisation may make the boss unhappy. This motivated the whistle-blower's superiors, as recipients of the whistle-blowing information, to prevent their subordinates from blowing the whistle formally and externally and to quietly rectify the wrongdoing without resorting to formal procedures.

This explanation is in line with the notion that role conflict can be created when an immediate supervisor is also the recipient of whistle-blowing information. The supervisor, as the information recipient, may admit that the wrongdoing has occurred and he/she is then obliged to bring an end to it. However, he/she may also feel defensive if there is a perception that the subordinate is criticising his/her supervisor for not being able to prevent the wrongdoing from occurring, even if she or he is not directly responsible for committing it (Moberly, 2014; Miceli and Near, 1992). This suggests that whistle-blowing may be perceived as a threat not

only to the wrongdoer but also to the recipient of the whistle-blowing information who does not want to have his/her managerial incompetence exposed.

The perceived risks of whistle-blowing showed that the demoralising situation was created by the leaders who intimidate the potential whistle-blowers so that they can control the employees. The intimidation can be conducted directly or indirectly (Gummer, 1985). The indirect intimidation includes 1) nullification, such as asking for evidence (see Section 4.3.3) that is difficult to provide so that the whistle-blowers can be assured that their accusations are invalid or the result of misperceptions on their part, 2) isolation, such as exclusion not only from social but also from official activities (see Section 4.3.1). The direct intimidation includes 1) defamation such as questioning their motives to impugn the whistle-blowers' character (see Section 4.3.2.3) and verbal harassment (see Section 4.3.1), 2) expulsion such as being assigned less desirable duties, job reassignment, denial of promotion, poor performance appraisal, suspension, fired or grade level demotion (see Section 4.3.1).

The current study found that potential whistle-blowers evaluated the organisation's response to the ongoing wrongdoing and acted accordingly. If the organisation did not support the whistle-blowing behaviour, then willingness to blow the whistle (in Phase 3) will decrease. In contrast, if the organisation facilitates the employee in blowing the whistle, then willingness to blow the whistle will increase. Neglected and uncorrected wrongdoing were seen by potential whistle-blowers as signs that the organisation tolerates the wrongdoing. The organisation did not value the employee's contribution in terms of whistle-blowing information. Solving the problem informally and letting the wrongdoer go unpunished sends a signal to the employee that the organisation does not take the wrongdoing seriously. This can lead to a loss of hope and confidence on the part of potential whistle-blowers.

These results are in line with the notion that unreported or uncorrected wrongdoing may indicate that the organisation tolerates wrongdoing and that the whistle-blowing attempt will be ignored (Miceli, et al., 2008). Another explanation for the influence of the organisation's degree of responsiveness on

employees' willingness to blow the whistle may be that in a supportive organisation the potential whistle-blower will feel less fear of retaliation but a greater sense of responsibility to blow the whistle (discussed further in Phase 3) (Alleyne, 2010).

Furthermore, the whistle-blower's perceived motive also influences the perceptions of both the recipient of the whistle-blowing information and of other employees in terms of the act of whistle-blowing. Whistle-blowers who were themselves part of the wrongdoers or a beneficiary of the corrupt activities, or whistle-blowers who perceived themselves as the victim of wrongdoing, were seen as traitors and hypocrites who intervened in the business of other employees. These results are in accordance with the notion that the challenge in using the insider accounts of offenders (the whistle-blowers) is the perception of their moral credibility. Gray (2013) argued that the morally acceptable narrative appears to be that of an individual whistle-blower who was inside a system of unethical practices but tried to do the right thing. Whistle-blowers with sincere motives were seen in a positive light and gained the support of other employees. They were perceived as heroes or agents of change by the fact that they were showing their altruistic motivation. Referring to previous studies, altruistic motivation is shown when employees are motivated to blow the whistle by a specific legal obligation, professional ethics, personal morality or ethical standards (Roberts, 2014).

It supports the idea that the real or perceived motives for blowing the whistle will impact on the process of how the organisation responds to the whistle-blowing (Lewis, et al., 2014). The findings indicate that the recipient of whistle-blowing information may not fully support the act of whistle-blowing if he/she perceives it to be malicious. The act of whistle-blowing may be seen as the right thing to do but if the motive and intentions for doing it are not in the interests of the organisation, then it is not a good action (Vardy & Grosch, 1999). One aspect of the importance of the motive is that altruistic whistle-blowing is seen as deserving of protection whilst whistle-blowing carried out in line with improper or malicious motives does not (Vandekerckhove, 2011).

The whistle-blowers' motives may influence the perceived validity or accuracy of the information. The recipient of the whistle-blowing information may not fully support the act of whistle-blowing if he/she perceives the whistle-blower to be dissatisfied with the authority. He/she will perceive that the information being disclosed has low validity (Brown, et al., 2014).

The whistle-blower's motivation was questioned in cases where the whistle-blower was one of the wrongdoers or a beneficiary of the corrupt activities. According to Bok's (1980) Good Reason Theory, this type of whistle-blowing cannot be categorised as morally right whistle-blowing. Seeing whistle-blowing as a speaking truth to power, O'Toole (2008) also argued that before speaking truth to power can be considered virtuous, the act must be truthful, do no harm to innocents, not be self-interested, the product of moral reflection, come from a messenger who is willing to pay the price, have at least a chance of bringing about positive change and not be done out of spite or anger.

However, the focus should be on stopping the wrongdoing and solving the problem, whether the whistle-blowing is motivated by greed, revenge or a sense of duty (Hoffman & McNulty, 2011). Lewis et al. (2014) also argued that the whistle-blower's motive is not relevant to the core issue of dealing with the reported wrongdoing. It also does not substantially influence the whistle-blowing decision since the whistle-blowers intend to benefit themselves and others (Miceli & Near, 2010). Self-interest motivation does play an important part in whistle-blowing (Roberts, 2014) but whistle-blowing behaviour does not have to be altruistic to be considered prosocial (Miceli, et al., 2008).

Theoretical implications

This finding has important implications for helping us understand the importance of the organisation in supporting the potential whistle-blower. Organisational support is a crucial factor in determining whether there is a moral problem in the organisation, its wrongfulness and its seriousness. It relates to the process of normalisation of corruption in Phase 1. Organisational support was a main theme that emerged when the observers of wrongdoing justified their acts of either

blowing the whistle or of remaining silent. It supports the proposition that employees may not have the ethical perseverance to blow the whistle partly as a result of unresponsiveness on the part of the organisation.

This finding also has important implications for helping us understand the significance of the real or perceived motives of the potential whistle-blower in the decision-making process. Although it may be difficult to verify their true motives, this area still needs to be examined in more depth in order to define ethical whistle-blowing and ethical silence. Therefore, we can develop constructive whistle-blowing behaviour among employees. However, it may not be necessary to consider the whistle-blower's motive if the focus is on detecting and then preventing the wrongdoing from occurring (Vandekerckhove, et al., 2014).

6.2.3 Phase 3: Personal Responsibility, Cost and Benefit Analysis of Whistle-blowing and Ethical Perseverance

In Phase 3, potential whistle-blowers make a decision by evaluating whether it is their responsibility to speak up and they evaluate the costs and benefits associated with each alternative, including the alternative channels available for blowing the whistle. If the perceived benefits of the whistle-blowing exceed the costs associated with it, ethical perseverance will still be needed to change the whistle-blowing intention into an actual act whistle-blowing.

6.2.3.1 Is It My Responsibility to Blow the Whistle?

The study found that personal, legal and professional responsibility were important considerations in the decision to blow the whistle. However, it appears that it was personal responsibility that ultimately determined the decision of whether or not to blow the whistle. This relationship between responsibility and whistle-blowing intention is consistent with that found in previous studies. Whistle-blowing intention will be higher when personal responsibility, role responsibility or the social responsibility to speak up are greater (Graham, 1986; Kaplan and Whitecotton, 2001; Curtis, 2006; Alleyne, et al., 2012). Referring to the Integrity Theory of whistle-blowing (Brenkert, 2010), the findings support the

Principle of Position Responsibility. Potential whistle-blowers will be aware of their duty to uphold loyalty, obedience and provide information to/report to authorities. They will put this principle into the context of other values so that they can assess the situation and then consider their integrity in order to determine their responsibility to the organisation or other parties. To exercise the integrity, they need to discern what is right and what is wrong, act on what they have discerned, even at personal cost, and say openly that they are acting on their understanding of right and wrong (O'Toole, 2008).

The obligation to report any wrongdoing, as public officers and professional government internal auditors, is clearly stated in the law, regulations and codes of conduct. It becomes their legal and regulatory responsibility. The potential whistle-blowers were aware of this obligation and may have felt legally and morally bound to adhere to it. However, the silent observers did not view their legal and regulatory obligations as personal obligations. They put forward excuses that they were not able to follow their responsibility through into action. They made excuses for their denial of responsibility by referring to their excuses in Phase 2 that the wrongdoing was not wrongful or that it was wrong but could be tolerated. Moreover, they justified their irresponsibility by comparing it with their superiors who did nothing to stop or prevent the wrongdoing.

Related to the concept of the bystander effect, there may be a diffusion of personal responsibility when many individuals observe the wrongdoing (i.e. as bystanders). In this instance, no one single individual will feel the responsibility for blowing the whistle. The responsibility diffuses, with all of the observers remaining silent. When there is only one observer of the wrongdoing, he/she is responsible for blowing the whistle. However, considering that the observer may have more time to evaluate the situation and the wrongdoer is often not a stranger, diffusion of responsibility may not occur in the context of whistle-blowing. In the context of responding to organisational corruption, a potential whistle-blower is not confronted with an emergency situation such as rescuing a person in danger (Miceli, et al., 2008; Robinson, et al., 2012).

Another explanation for the findings may refer to the elements of responsibility. Duska (2010) argued that obligation to prevent harm, such as whistle-blowing, arises when there is need, capability, proximity, last resort and probability of success. In both individual and collective corruption, the wrongdoer(s) have caused harm to the organisation and it was expected that whistle-blowing would either stop or prevent the wrongdoing from occurring again. The element of need was fulfilled. Potential whistle-blowers have the knowledge to identify the wrongdoing and to blow the whistle. They also observe or may even be involved in the wrongdoing. Thus the elements of capability and proximity are also fulfilled.

However, the elements of last resort and probability of success become the main issue in determining whether or not an individual has responsibility for blowing the whistle. In the case of individual wrongdoing, a potential whistle-blower may be the only person to observe the wrongdoing. This makes him/her the person of last resort. But in the case of collective wrongdoing, other employees may also observe the wrongdoing, thus meaning that the observer is not the person of last resort, unless other observers or the organisation do not take any action. On the other hand, however, other observers and the organisation choosing to do nothing may actually reduce the probability of success. In collective wrongdoing, the element of last resort and probability of success may go in different directions.

The collective diffusion of personal responsibility may indicate that leadership in the organisation frames the wrongdoing situations and the whistle-blowing situation by creating the demoralising situation (in the previous phase) for the employees so that they did not engage to the ethical decision making. They may be led by their leaders to see the wrongdoing and the whistle-blowing situations as not entailing a choice but as a situation demanding the compliance and the fulfilment of their role as the subordinates. (Brief, et al., 2001)

Theoretical implications

This finding has important implications for helping us identify that the aspect of responsibility integrated the prosocial organisational behaviour and ethical

decision-making perspectives of whistle-blowing. Another implication of this finding may be that role or professional responsibility should not end with the stipulations laid out in any job description, procedure or code of conduct. We should be able to motivate employees to take personal responsibility for blowing the whistle.

6.2.3.2 Identifying Alternative Decisions and Assessing the Perceived Cost and Expected Benefit

The current study found that potential whistle-blowers used their ability (ethical competence) to develop a strategy for dealing with wrongdoing by identifying alternative decisions. As previously described in Section 4.2, the alternatives are not black or white with a fine line separating them, but rather exist on a spectrum. Acts of disclosure is performed in various forms, such as:

- Internal whistle-blowing;
- External whistle-blowing to other government agencies;
- External whistle-blowing to public or media;
- Blowing the whistle anonymously;
- Informal whistle-blowing: talking with the wrongdoers' leader, gossiping or secretly consulting with leaders whom they trust;
- Directly reprimanding wrongdoers;
- Total silent.

Loyens and Maesschalck (2014) found that responses also include making jokes and the use of sarcasm or cynicism. These findings are consistent with the notion that a potential whistle-blower is faced with a range of potential responses, such as joining in (participating in the wrongdoing), doing nothing (inaction), a direct (personal) attempt to stop wrongdoing, reporting wrongdoing by the book (procedural reporting) and a non-procedural form of whistle-blowing (McLain & Keenan, 1999).

Internal or External Whistle-blowing

The difficulties in making the decision concerned not only whether or not to blow the whistle, but also which channel the employees would opt to use in doing so. The internal-external dilemma found in the study indicates the effort of the

potential whistle-blower to solve his/her conflict of values and loyalties. It may also be an attempt to balance the various interests of the whistle-blower, organisation and society. In reference to previous studies, organisations have an interest in effectively controlling and preventing wrongdoing whilst still protecting their reputation. Society wants to encourage lawful behaviour and public accountability. Potential whistle-blowers, on the other hand, want to protect themselves from possible retaliation while still being able to act to stop the wrongdoing (Dworkin and Callahan, 1991; Miceli and Near, 1992; Moberly, 2014).

The research findings on whistle-blowing intentions show that the respondents were more likely to blow the whistle internally than through external government agency channels or to the public. The actual whistle-blowing survey also highlighted a preference for internal channels. The study found that potential whistle-blowers were reluctant to expose organisational corruption to external parties. The acts of wrongdoing were reported mostly to co-workers and immediate and higher superiors. A similar result was also reported by Donkin et al. (2008) who, in an examination of whistle-blowing in the Australian public sector, found that the people whom whistle-blowers were likely to approach first are their supervisors, senior managers, CEOs, human resources and audit and fraud units. Moreover, they reported that almost all reporting was directed solely at internal recipients.

For the organisation, the advantages of internal whistle-blowing include minimising organisational costs in the form of disruption to employer–employee relationships or a loss of reputation as a result of external exposure. Moberly (2014) put forward the downside of internal whistle-blowing that it may serve private rather than public interests if the organisation chooses to ignore the whistle-blowing information or seeks to retaliate to the whistle-blower. Miceli et al. (2008) argued that most whistle-blowers who used external channels also used internal channels. External channels are used to escalate the complaint to someone external with more power and to bring pressure on the organisation.

For collective wrongdoing, the study indicates that public disclosure may be the solution, in that it will be rectified when there is external pressure. In collective wrongdoing, an immediate supervisor or higher superior cannot be expected to stop the wrongdoing effectively. Therefore, there is no requirement for an internal procedure to be exhausted in order for whistle-blowing to be defined as ethical whistle-blowing. Comparing internal and external channels, Moberly (2014) argued that external whistle-blowing may be more effective but it may be anti-social if a whistle-blower blows the whistle externally to gain personal benefit without having used an internal channel first. External whistle-blowing will not be influenced by a member of the organisation attempting to either ignore or cover up the wrongdoing.

The study suggests that there was almost no indication that the respondents in the research would blow the whistle externally even if they ignored their internal whistle-blowing channel(s). Blowing the whistle externally was not seen as the employees' obligation. They felt that their responsibility ended at the time they blew the whistle internally. They hoped that their organisations would respond to the whistle-blowing information sooner or later. The respondents related stories that, all of sudden, various top- and middle-level officials had been fired after their high-profile wrongdoings had been reported.

Potential whistle-blowers who believed that their immediate supervisors had committed wrongdoing discussed their concerns with them first. Although they were aware that internal whistle-blowing may not be fully effective, their commitment to the organisation (see Section 5.4.2) and their loyalties mainly to their leaders and co-workers (see Section 2.7.1.3, Section 5.7.2 and Section 5.7.4) prevented them from blowing the whistle externally. By using internal channels, employees are still able to express their anti-corruption attitudes or their willingness to change their corrupt organisations whilst avoiding the risk of bad publicity for their organisations. Internal whistle-blowing was preferred and considered constructive deviance, while external whistle-blowing was perceived as defamatory or guided by improper motives other than to protect the public.

Whistle-blowing informally

Miceli and Near (1992) argued that there is general agreement that co-workers, friends and family do not constitute proper recipients of whistle-blowing information because they are not able to correct the problem disclosed by the whistle-blower. The study found that co-workers or top managers who happened to be close friends of the observer of the wrongdoing are one of many internal whistle-blowing information channels. Formally, their co-workers and friends in higher positions do not have formal authority to stop the wrongdoing but they blew the whistle on them to raise awareness of the wrongdoing that was occurring. In cases of collective wrongdoing, they did it to demonstrate their disapproval.

Blowing the whistle informally to someone that the employee can trust was also seen as a way of avoiding confrontation with the wrongdoer(s). Informal whistle-blowing was seen as maintaining a harmonious working environment and avoiding defamation of the organisation's reputation. Observers of the wrongdoer did not utilise the formal whistle-blowing system provided by the organisation partly because they did not trust the way whistle-blowing information would be managed, particularly in relation to confidentiality. Moreover, formally blowing the whistle may lead to retaliation whilst total silence on the part of the whistle-blower may be perceived as them being one of the wrongdoer(s). Observers of the wrongdoing may have prior experience of whistle-blowing and may have found that the organisation did nothing to rectify the problem. They may have observed that other whistle-blowers were not protected from retaliation. They also did not believe that formal whistle-blowing would be effective. The alternatives to either formally blowing the whistle or maintaining total silence were seen as less risky.

Anonymous Whistle-blowing

When the whistle-blowers chose to utilise formal channels, they preferred to remain anonymous. As one of the spectra of the whistle-blowing decision, anonymous whistle-blowing was perceived as an unethical and irresponsible way of speaking up. Referring to previous studies, anonymous whistle-blowing may

also be used by employees who may not be sure about the wrongfulness of the wrongdoing or who need to protect themselves against retaliation or against someone who wishes to disrupt their career prospects (Nayir & Herzig, 2012; Suyatno, et al., 2015; Scott & Rains, 2005). Anonymous whistle-blowing may be less credible than a non-anonymous case. Therefore, it may not be investigated sufficiently since the organisation may allocate fewer resources (Hunton & Rose, 2011). Miceli, et al., 1988 who examined the trade-offs facing the potential whistle-blowers who decides to remain unidentified found that what anonymous whistle-blowers may lose in credibility they gain in protection from retaliation. They argued that the decision to anonymously blow the whistle related to the retaliatory culture of the organisation and perceptions about the ability of the whistle-blowing information recipient to response and protect the whistle-blower's identity.

Direct Reprimand

Issuing a direct reprimand to the wrongdoer may resolve the wrongdoing. It provides the observer of the wrongdoing with the opportunity to verify their interpretation of the incident and to provide the wrongdoer with the opportunity to explain and correct the wrongdoing (Kaptein, 2011). In a case of collective wrongdoing found in the research, reprimand was seen as a middle way (compromise) solution for employees who felt compelled to stop the wrongdoing but who were too afraid to openly blow the whistle and too angry to stay silent. They wanted to show that they were not complicit in the wrongdoing.

Assessing the Perceived Cost and Expected Benefit

The goals of whistle-blowing for the potential whistle-blower include aiding the organisation in preventing occurrences of wrongdoing (Miceli, et al., 2008) and preventing harm to the public (DeGeorge, 2006). Other goals include not getting involved in the wrongdoing (Davis, 1996), protecting the public interest that may be neglected, abused or put at risk (Bok, 1980), maintaining the dignity of all relevant stakeholders (Hoffman & McNulty, 2011) and not becoming the victim of retaliation. The study found that in attempting to achieve these goals, potential

whistle-blowers analysed the perceived cost and expected benefit of each alternative decision.

The study suggests that potential whistle-blowers will decide to blow the whistle if, when compared to the perceived costs, the expected benefits are favourable to other alternatives in the spectrum of the whistle-blowing decision. Where there is an unwillingness to blow the whistle, the risk of damage to social relationships in the office and verbal harassment and intimidation are feared more than the risks related to decisions by HRM, such as being assigned less desirable duties, job reassignment, denial of promotion and poor performance appraisal. The costs for the whistle-blower of blowing the whistle may include mental health issue, facing expensive lawsuits, divorce, alcohol abuse, attempted suicide and bankruptcy (Fotaki, et al., 2015).

The most feared risk was not that of being fired as a result of blowing the whistle, but rather job reassignment to less desirable duties or a less favourable working unit. Job transfer is within most higher and middle managers' remit of authority. In contrast, dismissing a government employee requires a decision from the head of the government agency or even a decree from the head of state. It can be a long and daunting long legal procedure. As previously described in Section 4.3.4.3, managers prefer to rectify the problem informally.

The potential whistle-blowers see that ruining the reputation of the organisation may be their personal risk of whistle-blowing. As professional internal auditors who rely on the trust of their clients, they are aware that upholding the organisation's reputation is an important part of their work and that this is therefore also important for their personal life. The risk of bad publicity was considered mostly in deciding not to use the external channel. By using internal channels only, whistle-blowers can still express their anti-corruption sentiments or their willingness to change the corrupt environment within the organisation while avoiding any risk of bad publicity for their organisations. Other personal costs were having to deal with trouble and annoying situations. By bringing any legal issue into the office as a result of blowing the whistle, they perceived that they had to be ready to be questioned, exposed and put under mental stress.

There were not many findings regarding the expected benefits of whistle-blowing except that it would prevent the wrongdoing from occurring again. However, whistle-blowers got the emotional benefit of feeling relief knowing that they had finally blown the whistle. They felt personal satisfaction knowing that their leaders responded positively and that the wrongdoing was stopped as a result of their act of whistle-blowing. Consistent with previous studies, the benefits for the whistle-blower of blowing the whistle include self-efficacy, and personal gratification (Miethe, 1999).

Theoretical implications

This finding has important implications for helping us understand the alternative actions facing the observer of the wrongdoing. This finding also raises the possibility that the factors influencing the whistle-blowing decision may also influence behaviours similar to blowing the whistle such as complaining and remonstrating. A separate study of the factors influencing the decision to blow the whistle and the decision to remain silent is needed. Deciding not to blow the whistle does not mean deciding to remain totally silent. Another implication is that the spectrum of responses indicates that the organisation cannot be expected to respond to the whistle-blowing information effectively, meaning that they may choose another morally acceptable way.

This finding may help us understand how a potential whistle-blower chooses the whistle-blowing channel, particularly when responding to collective wrongdoing in which the recipient of the whistle-blowing information may be one of the wrongdoers. Prioritising internal over external channels indicates that employees wish to blow the whistle constructively. This presents the organisation with an opportunity to prevent destructive external whistle-blowing by responding effectively to whistle-blowing information. Another implication may be that internal and external whistle-blowing are not the same phenomenon, indicating that they need to be examined separately.

6.2.3.3 Executing the decision: Whistle-blowing intentions and Actual Whistle-blowing and Unwillingness to Blow the Whistle

A substantial minority of respondents had observed organisational corruption but the analysis of actual cases of whistle-blowing described in Section 4.2.1 shows that most of the respondents who observed wrongdoing opted NOT to blow the whistle. This was particularly the case where acts of wrongdoing were committed by auditors collusively or by an individual auditor in an equal and higher position. The study suggests that there was an ethical gap in the whistle-blowing decision. There were few decisions to actually blow the whistle, whereas across the six case scenarios, the level of whistle-blowing intention was high. Although behavioural intention is a good predictor of actual behaviour (Chiu, 2003) and intentions can account for a considerable proportion of variance in behaviour (Ajzen, 1991), Bazerman and Tenbrunsel (2011) proposed that there is a gap between how ethical we think we are and how ethical we truly are. They refer to this as the organisational and societal blind spot that can be lead to contrary, inconsistent and even hypocritical behaviour. Referring to models of ethical decision-making proposed by Thorne (1998) and Armstrong et al. (2003), potential whistle-blowers passed the test of 'ethical sensitivity' and 'ethical judgement' but they did not pass the test of 'ethical motivation' and 'ethical character'.

The potential whistle-blowers identified and judged the dilemma by interpreting the situation of organisational corruption. They were aware of the moral problem and costs and benefits of each decision and then assessed which action would be most justifiable for them. However, respondents seemed to be discouraged, not motivated, and to not have sufficient commitment to translate their intention into actual whistle-blowing behaviour. The perceived "benefit-to-cost differential" appeared to mediate the relationship between the factors influencing whistle-blowing decision (further discussed in Section 6.3) and whistleblowing intentions (Keil, et al., 2010). Furthermore, Ponemon (1994) put forward that a potential whistle-blower must have the ethical perseverance (persistence) to follow through on a decision.

Blowing the whistle on a co-worker's behaviour may be more difficult in the context of high in-group collectivism where employees place a high value on cohesiveness and togetherness. The potential whistle-blower and the wrongdoers may have close interpersonal relationships that make the decision to blow the whistle more difficult.

Unwillingness to blow the whistle is related to the ongoing process of the normalisation of corruption and the manifestation of institutional corruption. The unwillingness to blow that was seen as ethical behaviour undermined the government internal audit effectiveness by diverting it from its purpose. The silent behaviour of the auditors can deteriorate the quality of the audit reports and weaken the public's trust in the government internal audit units (Lessig, 2013). The leaders who rewarded the silent observers and the wrongdoers confirm the notion that an organisation's culture can shape its incentive structure, which in turn can facilitate the normalisation of organisational wrongdoing (Palmer, 2012). Whistle-blowers were punished while wrongdoers and silent observers were rewarded in the form of them being assigned 'nice' audit clients such as large-spending government agencies or big state-owned enterprises with off-budget funds for unofficial expenses. Blowing the whistle means putting oneself in trouble and in an annoying situation. Potential whistle-blowers had to be ready to be questioned, exposed and spiritually tortured. The costs of whistle-blowing were deemed to be higher than any benefit, meaning that intentions to blow the whistle did not translate into actual whistle-blowing.

This unwillingness to blow the whistle was found in previous studies. Incidents of wrongdoing observed by employees were ignored. The US Merit Systems Protection Board (US MSBP) (MSPB, 1984) reported that around 30% and 31% of federal public servants reported wrongdoing in the organisations that they observed in their 1980 and 1983 surveys, respectively. However, the willingness to blow the whistle increased significantly. In their 1992 and 2010 surveys, the US MSPB (MSPB, 2011) reported that the percentage who told no one of what they observed was 40% in 1992 and 34% in 2010. The Australian Public Service Commission (Brown, et al., 2008) conducted a survey of employees from

Australian public service agencies and reported that 11% of respondents indicated that they had witnessed a breach such as fraud, theft, misuse of clients' personal information, sexual harassment and leaking classified documentation and that about 50% of employees had reported the wrongdoing. Conducting a survey on 2,539 Norwegian workforces in 2005 in various occupations including military roles, administrative leaders, academics, clerical works and sales and service occupation, Bjørkelo et al. (2011) reported that a total of 12.2% of employees reported being whistle-blowers.

However, higher willingness to blow the whistle was found in other professions such as nurses in Ireland and public officials in Norway. Moore and McAuliffe (2012) reported that, of 575 respondents, 88% of nurses working in acute hospitals had observed an incident of poor care in the past six months, and that 70% of those had reported it. Skivenes and Trygstad (2010) reported that 76% of those who observe wrongdoing report the misconduct to their immediate supervisor or another person either inside or outside the organisation. However, they argued that their findings were unexpected since other studies had shown whistle-blowing to be a negative activity that focused more on its dangers, risks and failure.

Theoretical implications

This finding has important implications for helping us understand the justification for not blowing the whistle, particularly in cases when employees do not have the ethical perseverance to follow through on a decision. Some of the issues emerging from this finding relate to the process of normalisation of corruption. It provides some support for the proposition that employees do not have ethical perseverance partly because of the process of normalisation of corruption. Another implication may be that the effort to develop whistle-blowing behaviour could focus more on motivating employees to progress from the intention to blow the whistle to the actual decision to go through with it.

6.3 Factors Influencing the Whistle-blowing Decision

Analysis of both the qualitative and quantitative data revealed factors that influence the whistle-blowing decision. The findings described in this section have important implications in helping us to understand the role of perceived seriousness and organisational commitment in the relationship between ethical judgement and whistle-blowing intention. Organisational and situational factors including ethical climate, wrongdoer's power status and the whistle-blower's job level were also taken into account in examining the relationship between ethical judgement and whistle-blowing intention. However, the findings suggest that those factors were insufficient for a decision to blow the whistle. Organisational leadership and strength of evidence were necessary factors for potential whistle-blowers to follow through on turning their intention to blow the whistle into an actual act of whistle-blowing.

6.3.1 Ethical Judgement, Ethical Climate and Leadership in the Organisations

Ethical judgement

The study found that whistle-blowing intention became higher when ethical judgement rose. This finding further supports previous studies examining the relationship between ethical judgement and whistle-blowing behaviour (Chiu, 2003; Ayers & Kaplan, 2005; Zhang, et al., 2009; Ahmad, 2011). An explanation of these results may be related to the wrongfulness evaluation in Phase 1 (see Section 6.2.1.1) and responsibility in Phase 3 of the decision-making process (see Section 6.2.3.1). Potential whistle-blowers fully understand that the acts of wrongdoing they observed were wrong. As government auditors, they have the ability to assess the wrongfulness of the acts, in terms of whether they are illegal, illegitimate or unethical or whether they contradict or violate the organisation's values.

The observers of wrongdoing considered themselves to be employees with a personal, legal or professional responsibility to blow the whistle because they

believed that blowing the whistle was the most ethical alternative and that remaining silent was morally wrong (Hunt and Vitell, 1986; Rest, 1986). They were concerned about the wrongdoer's behaviour and assumed that by blowing the whistle their responsibility would be transferred to the recipient of the whistle-blowing information. Loyens and Maesschalck (2014) argued that actively displacing responsibility in this way is intended to free the whistle-blower from feelings of guilt.

However, the study also found that perceived wrongfulness taken in isolation was insufficient to prompt the observer of the wrongdoing to blow the whistle. Potential whistle-blowers in this study recognised that their tolerance of corruption and their inability to follow the intention through to actually blowing the whistle were influenced by the ethical climate within their organisations. As described in Section 5.5.3, the study found the existence of four types of ethical climate characterised by: 1) adherence to rules, professional ethics and upholding teamwork; 2) working in an efficient way and providing the best services to stakeholders; 3) personal self-interest; and 4) togetherness, unity, cohesiveness and caring. However, the potential whistle-blowers in this study perceived that they worked in an organisation with an ethical climate that did not fully support them in blowing the whistle. An explanation of these results may be related to:

- The domination of informal hidden values instead of formal written values.
- The role of organisational leadership in creating the informal values as well as in motivating employees to apply the informal values.

The Interplaying Role of Ethical Judgement and Ethical Climate: The Domination of Informal Hidden Values

The GIAU have formal regulations and codes of conduct to which all auditors are expected to comply. The leadership of the GIAUs also instructed their auditors to sign a 'Pact of Integrity'. The Organisational Culture Assessment Instrument (OCAI) and Ethical Climate Questionnaire (ECQ) results also showed that compliance with the law and professional ethics are emphasised and that formal procedures govern what employees do. This should promote ethical behaviour and

encourage the employee to utilise a whistle-blowing system whenever they observe a wrongdoing. In an organisation with an ethical climate characterised by principle, the employee will be more likely to blow the whistle. Rules and procedures will be upheld. The employee will be aware of their legal and professional responsibility. Therefore, willingness to blow the whistle will increase.

However, we found informal culture to be dominant. In the GIAU, where formal rules and codes of ethics are not consistent with the informal culture, employees justified their unwillingness to blow the whistle by referring to the informal culture in their organisations that they felt in their daily life. Formal organisational culture is one that is established by the organisation and written in the mission statements whereas informal culture, which for the purpose of the analysis can be defined as collective practices and approaches to ethical dilemma that are not guided by policy, and values they reflect. It is tacit but can be predominant and involves norms that reflect explicit or implicit values or beliefs (Opel, et al., 2009). In responding to the organisational corruption, they may consider togetherness, friendship and good personal contact to be more important than following any code of conduct, rules or procedures.

The togetherness climate (see Section 5.5.3.4) and organisational glue inherent in the Hierarchy and Clan cultures (see Section 5.7.4) were manifested in the whistle-blowing decision-making process. The values of esprit de corps, unity, cohesiveness and caring for each other were important considerations in deciding not to blow the whistle. Employees' welfare was considered in deciding to rectify the problem informally. The wrongdoer's superior as the recipient of whistle-blowing information did not punish the wrongdoer because of the view that this may harm the wellbeing of the wrongdoer's family. Superiors who committed wrongdoing and shared corruption money with their subordinates were seen as engaging in acts of caring for their subordinates' welfare. The petty corruption usually committed by low-level employees as a way of meeting their basic needs (see Section 4.3.2.2) was tolerated and thus these acts were not reported.

Being a silent observer was also seen as a way of maintaining the climate of togetherness and of demonstrating a cooperative attitude and harmonious ways of working. This was reflected in respondents' justification and their perceived risk of whistle-blowing. Silent observers did not want to make their co-workers or superiors (the wrongdoer(s)) unhappy and were not willing to get them into trouble. In collective organisational corruption, potential whistle-blowers saw the wrongdoer(s) as their friends and as victims of a corrupt system. They felt that the wrongdoer should not be fully blamed for the ongoing wrongdoing.

As government officers, their sense of togetherness is built and continuously developed from the early stages of their careers. A government internal auditor, a civil servant, is a member of an organisation that is taught to uphold the values of obedience, discipline, loyalty, mutual trust and commitment to the organisation. In daily office activities, they work as a team that is required to persistently and consistently pull together to accomplish common team purposes such as maintaining good relationships with their audit clients, prompt conducting of audits and backing each other up.

Another informal hidden values of personal self-interest also manifested in the way leaders handled the issues of whistle-blowing. The leaders tried to protect their reputations by suppressing external whistle-blowing by their subordinates or by quietly rectifying the wrongdoing outside formal procedures (see Section 4.3.4.3). Whistle-blowing using formal procedures were viewed as bad publicity for them. The use of informal solutions indicated that the principle climate and organisational interest were manifested in balance with their personal self-interest. This supports the notion that leaders might fail to effectively investigate cases of whistle-blowing if they pose a threat to their personal reputations (Hunton & Rose, 2011). In handling the issue of whistle-blowing, rules and procedures were upheld and the organisational interest was prioritised only when external pressure existed. The rules and procedures were also applied when their leaders' personal self-interest would not be affected by the act of whistle-blowing.

On the other hand, personal self-interest (egoism) may create an attitude of unconcern about the ongoing wrongdoing and the observers will not respond to

this unless they are the victims. This confirms the notion of motivated blindness that is the tendency to overlook the unethical behaviour of others when it is not in the best interest of the observer (Bazerman & Tenbrunsel, 2011). The study suggests that, in general, in an organisation with an ethical climate characterised by egoism, the employee will be less likely to blow the whistle. However, protecting their personal interest may have a positive side. The most important thing for unconcerned employees may be that they are not complicit in the wrongdoing.

The relationship between ethical climate and ethical decision-making reported in this study is consistent with that noted by Loe et al. (2000) and O'Fallon and Butterfield (2005) in various contexts such as that of salespeople (Schwepker Jr., et al., 1997) and lodging operations (Upchurch & Ruhland, 1996). The relationship was also found when examining particular types of ethical climate such as social responsibility and rules climates, team climate and friendship climate (Barnett & Vaicys, 2000) and egoistic climate (Shafer, 2009), individual ethics in the form of experience and values and organisational ethics in the form of ethical standards and practices (Elango, et al., 2010).

The influence of the national culture on the whistle-blowing decision was also found in other countries. Su, et al. (2010) investigated the impact of cultural factors on ethical attitude related to whistle blowing among accounting students in the United States and Taiwan. Compare to US people, Taiwanese, high in power distance and uncertainty avoidance and collectivistic society, may be afraid to blow the whistle. They argued that Taiwanese tend to regard themselves as members of a larger group and exchange loyalty and obligation for social or group protection. A Taiwanese may be willing to participate in a cover-up to save face and protect the reputation of the group to show their loyalty, whereas an American (an individualist culture) may view this type of behaviour as negative or unethical (Su, et al., 2010).

Examining the relation of culture to the propensity for both internal reporting and whistle-blowing in the US, Canada and Mexico, MacNab, et al. (2007) found that Hofstede's cultural dimension uncertainty avoidance and power distance had the

most consistent and significant relationship to propensity for both whistle-blowing and internal reporting, while collectivism was not found to be significantly related to either whistle-blowing and internal reporting. Similar explanation could be found also in case of Pakistan (Bashir, et al., 2011), Brazil (Sampaio & Sobral, 2013), Japan (Brody, et al., 1998), South Korea and Turkey (Park, et al., 2008).

The Role of Leadership in the Organisation

Leadership in the organisations was a main theme that emerged when the respondents of the interviews and FGDs justified their acts of whistle-blowing or of remaining silent. The current study found that the mixture of the Hierarchy and Clan types of organisational leadership at the research sites (see Section 5.7.2) was manifested in the whistle-blowing decision process. In the Hierarchy-Clan type of leadership, potential whistle-blowers see the leader as a parent figure with a mentoring, facilitating or nurturing role. Leaders are seen as providing guidance on how to behave and their behaviour reflects their level of commitment to anti-corruption reform. Leaders who are friendly, open-minded, receptive and trustworthy give hope and confidence to potential whistle-blowers that they will be heard. In contrast, 'talk-only' leadership and feudalistic, unresponsive, angry and spiteful superiors demoralise and suppress the potential whistle-blowers' willingness to speak up. Kaptein (2010) argued that in an organisation where speaking up is not desirable, the focus will shift from solving the wrongdoing to retaliation against the whistle-blower.

The Hierarchy-Clan type of leadership was also manifested in the perception that it was imperative that leaders' policy be followed even though it may not be fully in agreement with the rules. Whistle-blowing was seen as a challenge to the powerful authority. This supports the notion that organisations do not welcome whistle-blowing behaviour because it challenges the hierarchy (Mesmer-Magnus & Viswesvaran, 2005). Brief, et al. (2001) put forward some reasons regarding the employees' capacity for obedience to hierarchical authority. It can be the prerequisite for employees in dealing with their environment and maintain internal harmony to survive. Employees collectively may also view their superiors as legitimate authorities and therefore deserving of unquestioning obedience.

The role of organisational leadership in signalling unresponsiveness was also shown in how leaders socialised the attitude of silence. Similar to the process of normalisation of corruption, the attitude of silence is socialised through a reward system and by perceiving that silence is a manifestation of obedience to the leaders (see Section 4.3.4.1). Observers of wrongdoing saw their leaders deriving benefit from the wrongdoing and then sharing it with their subordinates. Their leaders also denied that the organisation had problems that needed to be solved. These findings are in accord with those of previous studies on the corrupt behaviour of the civil service in Indonesia. Budiman et al. (2013) found that one main rationalisation of routine and embedded corruption was an explanation of corrupt leadership at senior levels of government.

This ambiguity between 1) leaders who are part of the wrongdoers or who do nothing with the whistle-blowing information they receive, and 2) leaders who promote anti-corruption reform, created the situation that triggered respondents to choose good personal contact over principles. Ambiguity is an unclear and inexplicable internal state that may feel like confusion. Employees who simultaneously embrace two or more irreconcilable meanings become confused when information that is expected from their leaders is absent (Meyerson & Martin, 1987). It occurred when leaders who should be the ones upholding those principles were instead complicit in the wrongdoing. The leaders authorised, approved or accrued benefit from the ongoing wrongdoing or ignored the whistle-blowing information being ignored. The leaders either rectified the problem informally or did not punish the wrongdoer (Section 4.3.4.3).

On the other hand, good personal contact was associated with promotion, training opportunities and 'nice' audit assignment. Respondents saw that whistle-blowing or acts of dissent in relation to leaders' policies resulted in punishment, but that total obedience led to reward.

This confirms the notion that leaders who routinely delegate unethical behaviour to their subordinates trigger indirect blindness in the eyes of the observer. Individuals overlook the unethical behaviour of others when the actions occur indirectly (Bazerman & Tenbrunsel, 2011). Their silence and unsupportive

attitude of whistle-blowing information suggests that the problem for them is that it is detected and reported.

The findings also provide support for the notion that whistle-blowing represents a power that can influence the relationship between the two parties involved – the wrongdoer and the whistle-blower. When the two parties are in conflict, one party attempts to use its power to alter the behaviour of the other party (Near & Miceli, 1995). In the whistle-blowing situation, the organisation may become political arena. The finding also confirms the view that leaders' beliefs and values are vitally important in shaping the workplace climate (Day, et al., 2014) and the behaviour of managers has a greater influence on an employee's decision than any other factor (Lewicka-Strzalecka, 2011).

The ambiguity also resulted in the perception that whistle-blowing policies may only serve as forms of 'lip service' or 'image building'. This supports the idea that some whistle-blowing systems seem only to be symbolic models that lack the desired effectiveness (Pittroff, 2014). The culture of the organisation was perceived as unfavourable for an employee not only to blow the whistle on an act of wrongdoing but also to speak up, criticise or provide input on general issues in the office. Potential whistle-blowers recognised that there were many opportunities for them to provide input to their higher managers but they felt this was conducted only for ceremonial, formal or procedural purposes. They felt that their superiors' personal actions, interpersonal relationships and the way they handled whistle-blowing information were not indicative of attitudes that were anti-corruption.

This provides further support for the proposition that the process of rationalisation and socialisation of the wrongdoing may lead to an unethical act of silence (Ashforth and Anand, 2003; Misangyi, et al., 2008; Treviño, et al., 2006). The perception that the organisation will support a whistle-blowing system and that it will be effective has also been found to be a motivating factor for employees in their decision to blow the whistle (Klaas, et al., 2012). Examining institutional corruption in South Africa, Pillay and Kluvers (2014) also confirmed that whistle-blowing will only occur if it is supported by the organization's culture and

leadership. Legislation alone will not provide sufficient protection for a public official who wishes to make a disclosure about wrongdoing

As previously described in Section 2.8.1, this type of leadership confirms the existence of *bapakism* or paternalistic leadership in Javanese-dominated Indonesian culture. Leaders act as father figures and subordinates act as their children. Irawanto (2011) put forward that this *bapakism* enables leaders (the fathers) to strongly exert their authority whilst at the same time their subordinates (the children) must comply with their will. Employees recognise the existence of privileges that come from a hierarchical power status. Subordinates always need their superiors' direction and wait for them to make the final decision.

The submissive subordinate is created by the culture of *hormat* (respectful) and *nurut* (following the father's rule), *manut* (high obedience) and *nrimo* (accepting with compliance). The subordinate should respect and recognise superior rank and follow the decision made by the leader. In the value of *nrimo*, people always accept the arguments of others respectfully to avoid disharmony and personal conflict in their relationships (Koentjaraningrat, 1985). In return, the leader must listen to the subordinate's personal problems and provide sympathy, empathy and advice. Therefore, the leader may stand to gain the personal loyalty of his subordinates (Efferin & Hopper, 2007). The leader is perceived as a model or standard of how to behave in the workplace and sets an example for subordinates to follow.

The results of this research also support the idea that avoidant, unresponsive and insensitive leadership tends to ignore the wrongdoing and the whistle-blowing information. In a tolerant society, a potential wrongdoer will feel secure in committing the wrongdoing and whistle-blowers will be afraid of retaliation. This is consistent with the notion that in intolerant societies people are less motivated to engage in corruption and people in tolerant societies are inclined to commit wrongdoing (Gong and Wang, 2013; Khruakham and Lee, 2013).

This relationship between leadership and the whistle-blowing decision was also found in other studies. Leaders who practise transformational leadership (Caillier,

2013), develop high-quality interactions with subordinates (Bhal & Dadhich, 2011) and communicate openly (Azhari, 2014) were positively related to whistle-blowing by the subordinates. On the contrary, avoidant, unresponsive and insensitive leadership tends to be associated more with leaders who ignore the wrongdoing, ignore the whistle-blowing information and perceive whistle-blowing as counterproductive to the organisation (Jackson, et al., 2013) or perceive it as a threat to the organisation's authority structure (Vandekerckhove, et al., 2014).

The relationship between leadership and the whistle-blowing decision may show also that the leaders (the whistle-blowing information recipient) and the employee (the whistle-blower) together can create a motivation to change. An employee may finally decide to blow the whistle to the public after his/her leader ignores or denies the whistle-blowing information. When an employee feels strongly enough to blow the whistle, the wrongdoing then may finally be rectified. (Schein, 2010)

Theoretical implication

This finding has important implications for helping us understand how ethical judgement and ethical climate influence the whistle-blowing decision by use of reward and punishment and HRM policies. The values applied by leaders in the organisation also play an important role in shaping the organisation's ethical climate. Another implication of the findings may be that various types of ethical climate exist in the organisation and each type of ethical climate influences the whistle-blowing decision differently.

6.3.2 Perceived Seriousness of the Wrongdoing and the Existence of Evidence

The current study found that the perceived seriousness of wrongdoing significantly moderated the effect of ethical judgement on internal, external and public whistle-blowing. The relationships between ethical judgement and whistle-blowing intention were positive and stronger in employees who were sensitive and had higher perception of the seriousness of wrongdoing. Potential whistle-

blowers may share a similar perception that the ongoing wrongdoing is wrongful but they may perceive the seriousness of the wrongdoing differently. Referring to previous studies by Jones (1991) and Luo (2005), the perceived seriousness depends on potential whistle-blowers' perception of various aspects, mainly: the frequency, beneficiary, length of time, amount of money involved and amount of damage and magnitude of the consequences of the wrongdoing.

An explanation for these results may be that the wrongdoing is not perceived as serious when it is in the best interests of the organisation. Moreover, acts of wrongdoing occurring in the context of getting a decent life, for charity or social purposes or on compassionate grounds (see Sections 4.3.3 and 4.3.4) were perceived as acceptable and understandable. In contrast, wrongdoing was perceived as serious if it was undertaken in someone's personal self-interest, was repeated wrongdoing or if it was committed by greedy employees seeking to excessively enrich themselves (see Section 4.3.4). These findings are in line with those of previous studies that found that the perceived seriousness of wrongdoing is related to whistle-blowing decision-making and behaviour (Jones, 1991; Near, et al., 2004; Miceli and Near, 1992; Robinson, et al., 2012).

The various perceptions relating to the seriousness of the wrongdoing may indicate occurrence of the process of normalisation of corruption. This leads to the perception of tolerable and permissible wrongdoing. The excuses and justifications expressed by the observers of wrongdoing illustrated how acts of wrongdoing had become embedded and perpetuated in the organisation. Normalised corruption weakened the perceived seriousness of the wrongdoing. Perceived wrongfulness and seriousness of the wrongdoing may be reflected in the tolerance to corruption.

The study found that in evaluating the seriousness of wrongdoing, potential whistle-blowers considered the existence and quality of the evidence. Wrongdoing based on hearsay was not reported. When it was a case of clear, present and actual corruption, potential whistle-blowers felt blowing the whistle to be an obligation rather than an option. The quality of evidence is also emphasised by the recipient of the whistle-blowing information. The recipient asked the whistle-blower to

provide evidence of the ongoing incidents. The recipient also attempted to find additional evidence (see Section 4.3.2.3).

Having evidence will lead potential whistle-blowers to perceive the acts of wrongdoing as less ambiguous. Evidence provides potential whistle-blowers with a basis on which to assess the level of seriousness. Evidence also gives them confidence that they can defend themselves if criticised or accused by other parties. This supports the notion that as the strength of evidence increases, an individual may be more aware that wrongdoing has occurred (Brink, et al., 2013). Moreover, evidence of wrongdoing gives the observer more power to report and increase their sense of responsibility for reporting (Ayers & Kaplan, 2005).

Theoretical implication

This finding has important implications for helping us understand how employees assess the level of seriousness of the wrongdoing and how this influences the whistle-blowing decision. Intolerant employees are likely to perceive wrongdoing as serious and be likely to blow the whistle. Tolerant employees, on the other hand, will be likely to perceive wrongdoing as not serious and will not be likely to blow the whistle. They may even engage in the wrongdoing themselves. This finding suggests that, in assessing the perceived seriousness of the wrongdoing, observers of the wrongdoing consider the availability of evidence. The stronger the evidence, the less ambiguous the wrongdoing, and therefore the greater the likelihood of the observer blowing the whistle. Considering that direct evidence of corruption may be difficult to find, another implication may be that recipients of whistle-blowing information should only ask for preliminary information from the whistle-blower. They should not ask the whistle-blower to provide complete and sufficient evidence. It is their duty to act upon the whistle-blowing information.

6.3.3 Organisational Commitment, Conflict in Values and Multiple Loyalties

The study found that in responding to organisational corruption, whistle-blowers and silent observers could be differentiated according to their continuance

commitment but not according to their affective and normative commitment. Continuance commitment significantly moderated the effect of ethical judgement on the whistle-blowing intention. The relationship between ethical judgement and whistle-blowing intention was stronger and positive at the higher level of continuance commitment than at the lower level. When ethical judgement is high, an employee with high continuance commitment will be more likely to blow the whistle. In contrast, affective and normative commitment was not significantly moderated by the effect of ethical judgement on the whistle-blowing intention (see Section 5.6.3).

Employees with high organisational commitment were less likely to blow the whistle externally and this may be because they wanted to show their loyalty to their organisations by protecting them from bad publicity. They were more likely to blow the whistle internally, particularly when they perceived that the act of whistle-blowing would serve to stop the wrongdoing, therefore minimising loss to the organisation. On the other hand, less committed employees were either unaware of or intentionally ignored the observed wrongdoing since they perceived that the prevention of loss to the organisation was not their concern and may have perceived the organisation's values to be different from their own, or they had no desire to forge a career in that particular organisation. However, Chen and Lai (2014) argued that less committed employees may also easily blow the whistle without considering the impact on the organisation.

The multiple commitments of potential whistle-blowers may explain the contrasting findings of continuance commitment, affective commitment and normative commitment as the moderating effect of ethical judgement and whistle-blowing intention. Seeing whistle-blowing as prosocial organisational behaviour, potential whistle-blowers are faced with a conflicting commitment between commitment to the organisation and commitment to their leaders, superiors and work groups (audit team). O'Toole (2008) found that many institutional leaders believe that their employees owe loyalty to them as individuals whereas whistle-blowers typically say they owe their first loyalty to their organisations.

In the GIAUs, the commitment to the leaders, superiors and work groups were shown in organisational leadership (see Section 5.7.2), organisational glue (see Section 5.7.4) and in the in-group collectivism of Indonesian culture (see Section 2.8.1). On the one hand, potential whistle-blowers felt a sense of obligation and debt to the organisation. On the other hand, potential whistle-blowers also placed a high value on in-group collectivism. Employees were taught to work cooperatively and harmoniously way and to make personal sacrifices to meet group obligations. Organisational glue was continuously developed through various activities such as managerial briefings, outbound activities, religious services and family visits. On the contrary, potential whistle-blowers were also taught to uphold rules, regulations and codes of ethics. Their leaders demanded obedience from their subordinates but subordinates saw that their superiors were either themselves wrongdoers or else gave rewards to wrongdoers.

These findings support the notion that commitment is related to prosocial organisational behaviour. Employees' commitment to top management, supervisors and work groups contributed significantly to predicting prosocial organisational behaviour beyond organisational commitment (Becker, 1992; Taylor and Curtis, 2010; Becker and Billings, 1993).

The study also found that the observers of wrongdoing evaluated the conflict between their values and multiple loyalties to the parties involved. Invoking a particular value in the whistle-blowing decision may have meant they violated other values. They were also aware that loyalty accorded to a particular party also came with its own costs and benefits. Similarly, giving their loyalty to one particular party may be seen as disloyalty to other parties. These findings show that conflict in values occurred mainly between personal and organisational values whereas conflict of multiple loyalties occurred mainly between obligations to the organisation and other parties such as to their co-workers, leaders, families, friends and selves.

These results are in accordance with the notion that fairness and loyalty norms clash during whistle-blowing decisions. There will be a trade-off between fairness and loyalty norms. Fairness norms typically require potential whistle-blowers to

treat different people equally. Thus, they should report the wrongdoing in an attempt to punish the wrongdoer, whereas loyalty norms indicate favourable treatment of one person over others. This may demotivate an employee to blow the whistle since whistle-blowing may be seen as disloyal and an act of betrayal. Therefore, the whistle-blower may be inclined towards fairness norms while silent observers may choose to implement loyalty norms in their decisions (Waytz, et al., 2013). However, the norms of fairness and loyalty may not clash if the potential whistle-blower uses hypernorms. Hypernorms are globally held beliefs and values that guide behaviour or actions and judgement across situations (Kluckhohn and Strodtbeck, 1961; Rokeach, 1973, in Stam, et al., 2014; Warren, 2003). A potential whistle-blower using hypernorms may not experience conflict between fairness and loyalty norms since he/she will choose to be loyal to the public instead of serving the interests of the wrongdoer.

Theoretical implication

These findings have important implications in helping us understand that the role of multiple commitment, conflict in values and multiple loyalties in influencing the whistle-blowing decision. Each employee has various types of organisational commitment and each type of organisational commitment influences the whistle-blowing decision differently. In general, the higher the organisational commitment, the higher the willingness to blow the whistle. However, this may apply only to internal whistle-blowing. Another important implication may be that we need to develop an appropriate type of organisational commitment in order to promote constructive whistle-blowing behaviour among employees.

6.4 Conceptual categories of whistle-blower and individual differences between whistle-blower and silent observer

This study found that ethical judgement was related to whistle-blowing intention and moderated by perceived seriousness and organisational commitment. Based on these interplaying relationships, characterisations can be developed of both the whistle-blower and silent observer. This study proposes that the whistle-blower can be conceptually categorised according to the relationships between: 1) ethical

judgement and perceived seriousness and 2) ethical judgement and organisational commitment. The internal whistle-blower can be described as an employee who is ethically sensitive, intolerant of corruption and has a high level of organisational commitment. On the contrary, the silent observer is ethically insensitive, tolerant of corruption and has a low level of organisational commitment.

This study also proposes that whistle-blowers and silent observers can be differentiated based on their individual differences. A whistle-blower can be described as an employee who proactively initiates change in the organisation and utilises higher norms so that they see whistle-blowing as constructive deviance.

6.4.1 Individual Differences: Initiating Change Proactively and Utilising Higher Norms

The current study found that respondents in the research described the whistle-blower somewhat differently to how they described the silent observer (see Section 4.2.2). One main important theme differentiating the whistle-blower and the silent observer may be that whistle-blowers appeared to be proactive employees. Whistle-blowers proactively initiated change in their organisation. In responding to individual corruption, informal whistle-blowing was seen as a way of changing the wrongdoer's behaviour whereas, in responding to collective organisational corruption, whistle-blowing internally was seen as a way of changing the corrupt system in their organisation. In responding to inconsistent leaders who committed an act of wrongdoing, they proactively brought the issue to their higher superiors and CEOs and opposed the wrongdoer's decision.

Whistle-blowers seem to overcome an unsupportive ethical climate and unsupportive leadership by bringing higher norms into their decision process. Whistle-blowers were aware that the act of whistle-blowing may be seen as deviant behaviour by other employees. They were also aware that whistle-blowing may land them in trouble and bring annoying situations. In bringing legal issues into the office, they were ready to be questioned, exposed and spiritually tortured (see Section 4.3.4.2). This may not conform with the norms of their co-workers. However, they chose to use the higher norms of 1) being an employee who is

professional, responsible and committed to the organisation, 2) being loyal to the organisation and 3) practising religious values (see Section 4.2.2 and 4.2.3). They perceived themselves as acting on good intention and their act of internal whistle-blowing was perceived as an act of constructive deviance. The use of higher norms to guide them in the ethical dilemma may shift the destructive conformity of the silent observer to the constructive deviance of whistle-blowing.

From the prosocial organisational behaviour perspective of whistle-blowing, particularly in Phase 3, proactive employees may have greater willingness to take responsibility by blowing the whistle when they observe a wrongdoing. From the ethical decision-making perspective of whistle-blowing, taking proactive responsibility indicates the existence of a higher level of perseverance. Whistle-blowers execute their intention to actually blow the whistle by overcoming obstacles, particularly those of an unsupportive ethical climate and unsupportive leadership (Bazerman & Tenbrunsel, 2011; Miceli, et al., 2008). This is aligned with the notion that whistle-blowers are driven by their sense of integrity and have a social responsibility to speak out and allow their attitudes and beliefs to guide them (Greene & Latting, 2004).

6.4.2 Individual Difference: Job Level

The study found that acts of wrongdoing committed by auditors in equal and higher positions and acts of wrongdoing committed collusively by auditors were less likely to be the target of whistle-blowing in comparison to acts of wrongdoing committed by lower-level auditors (see Section 4.2.1). In other words, observers of wrongdoing older and more senior than the wrongdoer may be more likely to blow the whistle. In responding to collective wrongdoing, older and more senior employees may know more about the situation in their organisations, particularly in terms of how to assess the existence of organisational support. They may also have greater ability to assess the level of wrongfulness and the level of seriousness of the wrongdoing. Evidence of the act of wrongdoing may be more accessible to them. They may be able to develop relationships with higher superior(s) so that they can informally report to them or the wrongdoer's superior. Older and more senior employees seem to have greater competence in identifying

the various parties to be considered and to estimate the kinds of responses those parties may give if they decide to blow the whistle. They also seem to have greater risk-abatement ability and be more capable of minimising the perceived cost of whistle-blowing.

Another explanation may refer to the concept of power distance. In a highly patriarchal and hierarchical culture (see Section 2.8.1 and Section 5.7.2), there is great power distance between not only younger, junior employees and wrongdoer(s) but also between younger, junior employees and their superiors. Younger, junior employees felt inferior towards wrongdoer(s) with higher power status. In collective organisational corruption, the act of being a silent observer was seen as showing respect to the status of seniority and superiority of the wrongdoer(s). When they decided to blow the whistle internally and then the recipient of the whistle-blowing information decided not to respond, they were silent and did not take further action such as external whistle-blowing. The younger, junior auditor was left out of the audit team's decision to engage in collective wrongdoing but still received corrupt money in recognition of their showing loyalty to their co-workers. He or she was not the wrongdoer but they nevertheless felt complicit in the wrongdoing. Feelings of powerlessness and inferiority may result in a reduced intention to blow the whistle. Blowing the whistle in the absence of having any power in the office was perceived as suicide, reckless and a foolish decision (see Section 4.2.3).

Prior studies found insignificant, inconsistent or negative and positive correlations between age and tenure and whistle-blowing. Miethe (1999) explained this mixed result by comparing younger, lower-ranked and novice employees with older, supervisory and senior workers. The former categories may be less likely to observe wrongdoing and more prone to victimisation and therefore less likely to blow the whistle. They may also, however, be less vested and thus be more willing to blow the whistle. On the other hand, a senior employee is more likely to hold a managerial position and have greater opportunity to observe but also greater tolerance of wrongdoing. They may therefore be more likely to report wrongdoing internally in order to prevent adverse publicity for their organisations.

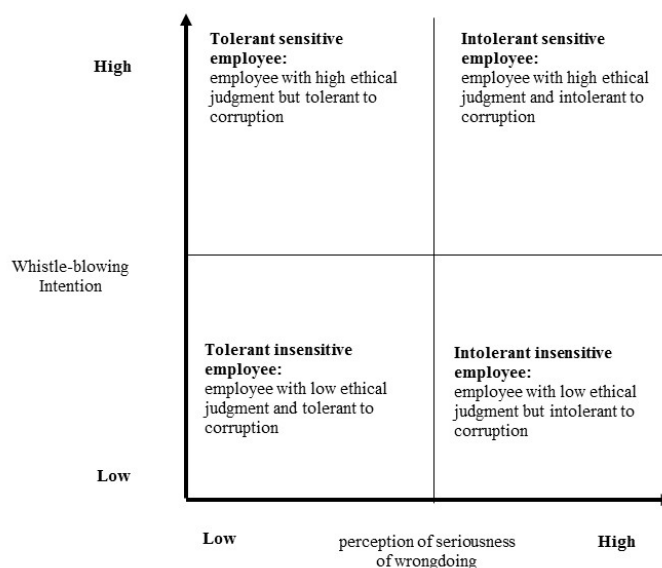
This mixed result was also found in studies of sexual harassment. Vijayasiri (2008) reported that according to Rudman et al. (1995), older women are more likely to report sexual harassment, while a study by Terpstra and Cook (1985) suggested that younger women may be more likely to complain.

6.4.3 Conceptual Categories of Whistle-blower

6.4.3.1 Conceptual Category Based on the Relationship between Ethical Judgement and Perceived Seriousness of Wrongdoing

The findings suggest that potential whistle-blowers can be grouped into the four conceptual categories of employees who are: 1) tolerant and ethically insensitive to corruption, 2) tolerant but ethically sensitive, 3) intolerant but ethically insensitive and 4) intolerant and ethically sensitive. Figure 6.3 shows the descriptions of potential whistle-blowers based on the interaction of ethical judgement and seriousness of wrongdoing.

Figure 6.3: Conceptual categories of potential whistle-blower based on the interaction of ethical judgement and seriousness of wrongdoing perception



It can be inferred that silent observers are people with a high tolerance of corruption whereas whistle-blowers are people with a low tolerance of corruption who are inclined to reject engagement in a corrupt act or who view corrupt behaviour committed by other persons as ethically unacceptable. Whistle-blowers will feel secure in knowing that society will not accept the wrongdoing. On the contrary, whistle-blowers will feel afraid of retaliation while the wrongdoer will feel secure in committing the wrongdoing in an intolerant society. This is consistent with the notion that people are less motivated to engage in corruption in an intolerant society. But people are more inclined to commit wrongdoing in a tolerant society (Gong and Wang, 2013; Khruakham and Lee, 2013).

Insensitive Tolerant Employee

Tolerant and ethically insensitive to corruption means that when an employee observes a wrongdoing, he/she will perceive it to be not wrongful. He/she will not be aware that there is a moral problem in the ongoing wrongdoing. He/she will also not perceive the wrongdoing as serious. He/she may use various rationalising ideologies that the wrongdoing is seen as tolerable corruption. Therefore, the employee has a low intention to blow the whistle.

Sensitive Tolerant Employee

Ethically sensitive but tolerant of corruption means that when an employee observes an act of wrongdoing, he/she will perceive the wrongdoing as wrongful. He/she is aware that the wrongdoing is illegal, illegitimate and unethical or contradicts/violates the organisation's value. However, using various rationalising ideologies, the employee will tolerate the wrongdoing. Although it is wrong, it is tolerable. He/she will assume that it does not warrant being reported. Therefore, the employee has a low intention to blow the whistle.

Insensitive Intolerant Employee

Ethically insensitive and intolerant to corruption means that when an employee observes a wrongdoing, he/she will not perceive the wrongdoing as wrongful. He/she is not aware that he/she is dealing with a moral dilemma. The wrongdoing

will not be seen as illegal, illegitimate and unethical or as contradicting/violating the organisation's values. However, if he/she observes a particular activity and then concludes that the activity is wrongful, he/she will not tolerate it. Therefore, the employee has a high intention to blow the whistle.

Sensitive and Intolerant Employee

An employee who is ethically sensitive and intolerant to corruption has a high intention of blowing the whistle. When he/she observes a wrongdoing, he/she will perceive that the wrongdoing is both wrongful and serious. He/she will not try to provide a justification for the wrongdoing being wrongful and tolerable. Without a doubt, he/she will conclude that it is wrong and that it cannot be tolerated. The sensitive and intolerant employee is the most likely to blow the whistle, whereas the insensitive and tolerant employee is the least likely to blow the whistle.

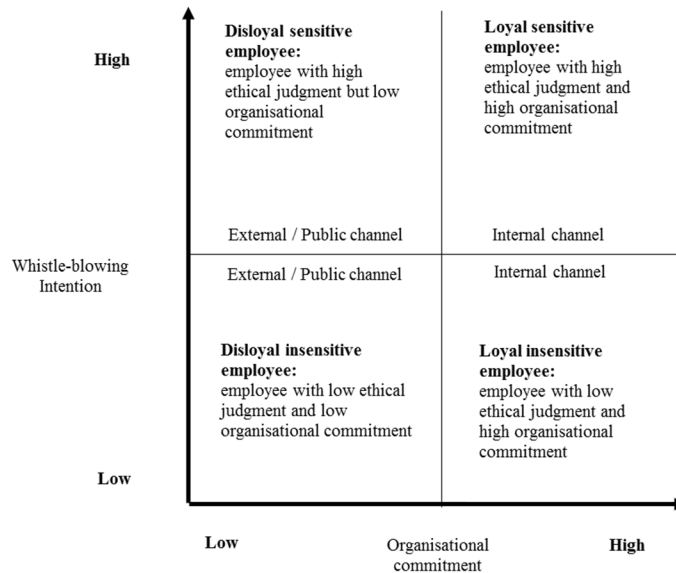
6.4.3.2 Conceptual Categories of Whistle-blower According to the Relationship between Ethical Judgement and Organisational Commitment

Based on the interaction of ethical judgement and organisational commitment, it can be proposed that potential whistle-blowers can be grouped into the four conceptual categories of employees who are: 1) ethically insensitive to corruption and disloyal to the organisation, 2) sensitive but disloyal, 3) insensitive but loyal and 4) sensitive and loyal. Figure 6.4 shows the descriptions of potential whistle-blowers based on the interaction of ethical judgement and organisational commitment.

Insensitive Disloyal Employee

Insensitive disloyal employee means an employee who is ethically insensitive and has a low level of organisational commitment. When an employee observes a wrongdoing, he/she will perceive the wrongdoing as not wrongful. His/her indifference towards the organisation makes him/her reluctant to blow the whistle.

Figure 6.4: Conceptual categories of potential whistle-blowers based on the interaction of ethical judgement and organisational commitment



Sensitive Disloyal Employee

When a sensitive disloyal employee observes a wrongdoing, he/she will perceive the wrongdoing to be wrongful. His/her indifference towards the organisation also makes him/her reluctant to blow the whistle. However, due to his/her sensitiveness, he/she may feel guilty if he/she does not do something. He/she may gossip or engage in an informal talk with the wrongdoer. He/she may not be concerned about the organisation, but may have some concern for the wrongdoer. Alternatively, he/she may directly blow the whistle externally or to the public. He/she may not be aware of bad publicity that may harm the organisation.

Insensitive Loyal Employee

An ethically insensitive and loyal employee means that when an employee observes a wrongdoing, he/she will perceive that the wrongdoing is not wrongful. His/her high level of organisational commitment can produce the perception that the organisation cannot be wrong. The wrongdoing may be rationalised as ‘in the interest of the organisation’. The wrongdoing will not be reported.

Sensitive Loyal Employee

The sensitive loyal employee will perceive the observed activity as unacceptable wrongful wrongdoing. His/her high level of organisational commitment motivates him/her to correct the wrongdoing and prevent harm to the organisation. He/she will blow the whistle internally. However, his/her commitment to the organisation prevents him/her from blowing the whistle externally or to the public. He/she is aware that external whistle-blowing may harm the organisation. The sensitive and loyal employee is the most likely to carry out (internal) whistle-blowing whereas the insensitive and disloyal employee is the least likely to blow the whistle.

6.4.4 Theoretical Implication of the Characteristics of Whistle-blowers

The study suggests that whistle-blowers seem to overcome an unsupportive ethical climate and unsupportive leadership by bringing higher norms into their decision-making process. The use of higher norms to guide them in the ethical dilemma may shift the destructive conformity of silence to constructive deviance of whistle-blowing. From the ethical decision-making perspective of whistle-blowing, taking responsibility indicates the existence of a higher level of perseverance (Bazerman and Tenbrunsel, 2011; Miceli, et al., 2008; Greene and Latting, 2004). In the context of bureaucratic and anti-corruption reform in Indonesia, the employee who initiates change (persuades other employees to believe in the benefits of their act of reporting) and uses higher norms (uses their capability to overcome scepticism) can be perceived as an institutional entrepreneur (Misangyi, et al., 2008).

This finding has important implications for helping us identify potential whistle-blowers among employees in the organisation. Another important implication may be that we can develop employees to have a proactive attitude and willingness to utilise higher norms. Another important implication may be that we need to focus more on developing employees to be intolerant and sensitive to corruption and loyal to the organisation by eliminating the justification for not blowing the whistle.

6.5 Concluding Notes: Summary of Theoretical Implications

To answer the research questions, we developed integrated frameworks of the ethical decision-making and prosocial organisational behaviour perspectives of the whistle-blowing decision. The main discussion on the ethical decision-making perspective of whistle-blowing is the ethical dilemma resulting from the conflict involved in balancing values and multiple loyalties, obligations and commitments in order to determine the moral position of whistle-blowing: whistle-blowing as morally not required, morally permitted, morally required and morally praiseworthy. The main discussion on the prosocial organisational behaviour perspective of whistle-blowing is how employees help organisations stop or prevent wrongdoing from occurring by blowing the whistle without becoming the object of retaliation. In doing so, they evaluate their responsibility, the response from the organisation and the costs and benefits of each alternative. The findings of this study demonstrate how the respondents used their ethical sensitivity, ethical competence and ethical perseverance in making the whistle-blowing decision.

This has important implications for helping us understand the process of making the decision, particularly in terms of:

- The occurrence of the process of normalisation of corruption in the evaluation of the wrongfulness and seriousness of the wrongdoing.
- The importance of the organisational response to whistle-blowing information in determining that there is a moral problem in the organisation, its wrongfulness and its seriousness.
- The occurrence of role conflict for the recipient of whistle-blowing information and the diffusion of responsibility in the identification process of who has responsibility for blowing the whistle in response to collective wrongdoing.
- The significance of the real or perceived motives of the potential whistle-blower in the decision process.

- Other morally acceptable decisions that the observer of the wrongdoing may make, aside from a decision to blow the whistle, because the organisation cannot be expected to effectively respond to the whistle-blowing information.
- The process of how a potential whistle-blower selects the channel to use when blowing the whistle.
- The justification for not blowing the whistle, particularly in cases where employees do not have the ethical perseverance to follow through on a decision.

The study also has important implications for helping us understand the factors influencing the whistle-blowing decision, particularly in terms of:

- The relationship between ethical judgement and whistle-blowing intention.
- The role of perceived seriousness in the relationship between ethical judgement and whistle-blowing intention whilst taking into consideration the ethical climate, wrongdoer's power status, whistle-blower's job level and organisational commitment.
- The role of organisational commitment in the relationship between ethical judgement and whistle-blowing intention whilst taking into consideration the ethical climate, wrongdoer's power status, whistle-blower's job level and perceived seriousness.
- The influence of organisational leadership and the strength of evidence on the decision to follow the intention to blow the whistle through to actual whistle-blowing behaviour.
- The role of leadership in the organisation in shaping the ethical climate through the use of reward and punishment systems.
- The occurrence of multiple commitment, conflict in values and multiple loyalties in the whistle-blowing decision.

CHAPTER 7 CONCLUSIONS

7.1 Introduction

This chapter draws together the findings and key arguments that underlie the theoretical contribution (Section 7.2), practical implication (Section 7.3) and methodological contribution (Section 7.4). The limitations of the study and suggestions for future research are in Section 7.5 and Section 7.6. The researcher's personal reflection is in Section 7.7.

7.2 Theoretical Contribution

We have examined how government internal auditors in Indonesia decide and justify whether to blow or not to blow the whistle in responding to organisational corruption. We have also analysed the intention to blow the whistle through a series of six case scenarios presented in the questionnaires to examine the factors influencing whistle-blowing decisions.

The current thesis has managed to make a theoretical contribution by filling significant gaps in the existing knowledge in the domains of organisational studies and business ethics particularly regarding the area of whistle-blowing decisions. As indicated in the literature review chapter, it was found that the previous studies that examined whistle-blowing behaviour were conducted using various theoretical frameworks, approaches, types of occupation, types of wrongdoing and largely conducted in organisations in Western countries. There existed a scarcity of research in the field of government internal auditors' whistle-blowing decision in responding to organisational corruption in non-Western countries.

We combined the ethical decision-making and prosocial organisational behaviour perspectives of whistle-blowing to examine the ethical dilemma resulting from the conflict in balancing values, multiple loyalties and obligations and how employees help their organisation either stop or prevent wrongdoing from occurring by blowing the whistle constructively. The findings of this study

demonstrate how the respondents used their ethical sensitivity, ethical competence and ethical perseverance in making their whistle-blowing decisions.

It has enhanced our understanding of whistle-blowing behaviour, particularly the behaviour of employees who were also wrongdoers or beneficiaries of the wrongdoing in responding to individual corruption as well as normalised collective organisational corruption. The study helps us to understand how auditors in government agencies in Indonesia decided to blow or not to blow the whistle in response to organisational corruption taking place within their own internal audit units.

The theoretical contributions of the thesis are as follow:

1. We provide an integrated perspective of the whistle-blowing decision developed from the ethical decision-making perspective (cf. Armstrong, et al., 2003; Ponemon, 1994) and prosocial organisational behaviour perspective (cf. Miceli, 2008) of the whistle-blowing decision.

- a. Together, these two perspectives can capture both micro-individual and macro-organisational phenomena of the whistle-blowing behaviour in Indonesia

The organisational factors that include ethical climate, organisational culture and leadership reflected the aggregate or collective response in the macro level whereas the individual factors that include ethical judgment, organisational commitment, job level reflected the variations in individual characteristics in the micro level. The use of the concept of corrupt organisation and organisation of corrupt individuals also reflected the macro – micro level of whistle-blowing phenomena. Examining these two levels can capture the meso level which is the interactions between the person (the whistle-blower) and the whistle-blowing situation. The situational factor that includes perceived seriousness reflected the meso level of whistle-blowing phenomena in the government internal audit units.

- b. Based on the integrated perspective of the whistle-blowing decision, the processes at work behind whistle-blowing decisions appear to follow a

proposed three phases of whistle-blowing decision. In phase 1, the potential whistle-blower evaluated the wrongfulness and the seriousness of the wrongdoing in accordance with his/her ethical sensitivity and evaluated the existence of the responsibility to act to stop the wrongdoing. In phase 2, the potential whistle-blower evaluated the organisation responsiveness and the demoralising situation. In phase 3, the potential whistle-blower assessed his/her personal responsibility, identified alternative decisions according to his/her ethical competence, analysed the cost and the benefit of each alternative and decide to blow or not to blow the whistle depended on his/her ethical perseverance.

2. The integrated perspective of the ethical decision-making and prosocial organisational behaviour perspectives enable us to understand the occurrence of the process of normalisation of corruption in the government internal audit units (cf. Ashforth & Anand, 2003; Palmer, 2012) that influence the whistle-blowing decisions in the following ways:
 - a. Desensitising employees' evaluation of the wrongfulness and the seriousness of the wrongdoing;
 - b. Diffusing the responsibility to blow the whistle;
 - c. Creating a demoralising situation and unresponsive organisation;

Employees will perceive the wrongdoing to be acceptable and will not see themselves as responsible for their decision to stay silent. The tolerance to corruption, rewarding the silent observers and perceiving whistle-blowers as traitors, disloyal and unfaithful friends suppress the willingness to blow the whistle. Furthermore, the wrongdoer will feel secure and the whistle-blower will perceive that the act of whistle-blowing is not acceptable. These combine to form a vicious cycle of unwillingness to blow the whistle and a process of rationalisation and socialisation that underlie the normalisation of organisational corruption.

3. We provide evidence that ethical judgement, ethical climate, organisational commitment and perceived seriousness are necessary factors for potential whistle-blowers to have the intention to blow the whistle while also taking the

ethical climate, wrongdoer's power status and whistle-blower's job level into consideration.

- a. Seeing ethical judgement as a comparative process of evaluation (Rest, 1986; Sparks and Pan, 2010) and using Multidimensional Ethics Scale (Reidenbach and Robin, 1990), we can confirm that government internal auditors with higher ethical judgement will be more likely to blow the whistle in responding to organisational corruption than those who have lower ethical judgement. (cf. Greene and Latting, 2004; Chiu, 2003; Ayers and Kaplan, 2005; Zhang et al., 2009; Ahmad, 2011),
- b. Defining perceived seriousness of the organisational corruption as the reflection of the intensity scale and the hierarchical scale that includes the frequency, the length of time the organisational corruption has been taking place, the amount of money involved, the amount of damage and the impact on society and individuals or on the particular parties involved (Jones, 1991) and the number of hierarchical levels directly involved in the corruption activities (Luo, 2005), we confirm that the effect of ethical judgement on whistle-blowing intention will be moderated by the perceived seriousness of the wrongdoing. The more serious the organisational corruption perceived by a government internal auditor, the higher the influence of ethical judgement on the government internal auditor's intention to blow the whistle (cf. Jones, 1991; Near et al., 2004; Miceli and Near, 1992; Lee et al. 2004; Robinson, et al., 2012; Ayers and Kaplan, 2005; Ming et al., 1998).

A wrongdoing may not be perceived as serious when it is in the best interests of the organisation, occurring in the context of getting a decent life, for charity or social purposes or on compassionate grounds. Therefore, they may be less likely to be reported.

In contrast, a wrongdoing that is undertaken in someone's personal self-interest, repeated wrongdoing or committed by greedy employees seeking to excessively enrich themselves are considered as serious wrongdoing. Therefore, they may be more likely to be reported.

- c. Utilising three separate components of organisational commitment: affective commitment, continuance commitment and normative commitment (Meyer & Allen, 1991), we confirm that the effect of ethical judgement on whistle-blowing intention is moderated by organisational commitment. The effect of ethical judgement on whistle-blowing intention will be stronger for government internal auditors with higher organisational commitment (cf. Street, 1995; Miceli et al., 2008; Taylor and Curtis, 2010; Somers and Casal, 1994; Mesmer-Magnus and Viswesvaran, 2005; Sims and Keenan, 1998; Ahmad, 2011; Chen and Lai, 2014)

However, considering that an employee may be committed to co-workers, committed to upper management and the organisation, committed to both foci or uncommitted to either the organisation or his/her co-workers (Becker & Billings, 1993), the effect of organisational commitment on the relationship between ethical judgment and the whistle-blowing intention may apply only to internal whistle-blowing. Less committed employees may be either unaware of or intentionally ignored the observed wrongdoing or may also easily blow the whistle without considering the impact on the organisation.

- 4. The study provides us with evidence that organisational leadership and strength of evidence are necessary factors for potential whistle-blowers to follow their whistle-blowing intention through into actual whistle-blowing behaviour.
 - a. Exemplary leaders who are friendly, open-minded, receptive and trustworthy can give hope and confidence for employees to blow the whistle (cf. Caillier, 2013; Bhal & Dadhich, 2011; Azhari, 2014). In contrast, 'talk-only' leadership and feudalistic, unresponsive, angry and spiteful superiors demoralise and suppress the potential whistle-blowers' willingness to speak up (cf. Jackson, et al., 2013; Vandekerckhove, et al., 2014).
 - b. The strength of evidence are also necessary factors for potential whistle-blowers to follow their whistle-blowing intention through into actual

whistle-blowing behaviour. The stronger the evidence, the less ambiguous the wrongdoing. It can increase their sense of responsibility for reporting. Therefore, the greater the likelihood of the observer blowing the whistle. Furthermore, the whistle-blower who blow the whistle based on robust evidence will be perceived by others as constructive whistle-blowers (cf. Brink, et al., 2013; Ayers & Kaplan, 2005).

5. The study provides us with a conceptual category of the internal whistle-blower and silent observer according to the relationship between 1) ethical judgement and perceived seriousness and 2) ethical judgement and organisational commitment.

The internal whistle-blower can be described as an employee who is ethically sensitive, intolerant of corruption and has a high level of organisational commitment. On the contrary, the silent observer is ethically insensitive, tolerant of corruption and has a low level of organisational commitment.

The contribution made by the results could be considered a new point of reference for theories of whistle-blowing in an Indonesian setting. It can also be applied to other countries where in-group collectivism, power distance, human orientation and uncertainty avoidance are relatively high.

7.3 Practical Implication in the Context of Indonesia

The study may be able to guide policymakers in formulating whistle-blowing regulations and developing organisational culture and in helping employees make whistle-blowing decisions. The findings demonstrate the importance of:

1. Altering the perception of whistle-blowing from being considered an act of destructive conformity or constructive deviance to one of constructive conformance. The whistle-blower has to be seen as a member of the organisation who behaves constructively against wrong behaviour but not against the organisation itself;
2. Utilising 1) Kantian deontology by applying obligation to blow the whistle, 2) the calculations of utilitarian ethics to evaluate whether whistle-blowing is morally not required, morally permitted, morally required or morally

praiseworthy and 3) virtue ethics in the form of leaders who are role models for good characters and subordinates who are willing to overcome scepticism and persuade other employees to believe in the benefits of their act of whistle-blowing.

Several practical implications for policymakers, managers and individuals can be deduced from the findings.

Practical implication for Policymakers in Government

Regarding the silent observers' justifications for not acting upon the identified wrongdoing, whistle-blowing should be altered from being considered constructive deviance to constructive conformance. This is something that can be developed through rules and regulation. Ethics can be institutionalised by establishing laws and compliance programmes (Ferrell, et al., 2011). Moreover, since the risk of broken social relationships in the office, verbal harassment and intimidation were feared more than the risk related to HRM decisions, protecting the whistle-blower using rules and regulation need to be followed through the development of organisational culture and ethical climate in the organisation. Therefore, the employee will come to see whistle-blowing as a legal and moral duty and responsibility.

This is in conformance with the United Nations recommendation. Since Indonesia has ratified the United Nations Convention against Corruption, the Indonesian government needs to improve its system for whistle-blowers to:

... provide protection against any unjustified treatment for any person who reports in good faith and on reasonable grounds to the competent authorities any facts concerning offences established in accordance with this Convention. (CEC, 2006)

Creating reporting mechanisms with adequate policies on confidentiality and non-retaliation is extremely important and whistle-blowing systems can help to achieve open communications and build employee confidence and trust that the organisation will not tolerate either retaliation against whistle-blowers or false reporting. Therefore, the flow of information will increase and the barriers that

separate between the leaders and the subordinates can be broken down (Luo, 2005; O'Toole, 2008; Vandekerckhove, et al., 2016).

In addition to committed leadership as a prerequisite for promoting whistle-blowing behaviour, respondents in the study recommended that the implementation of a whistle-blowing system should have a protection mechanism, online tracking facilities for the whistle-blower to follow the progression of the case and legal aid for the whistle-blower. The information must be managed by a designated person to assure the confidentiality of the whistle-blower's identity. In line with the findings, the implementation of whistle-blowing system need to take into account the potentially difficult interactions between organisational culture in the government internal audit units and national cultures (Vandekerckhove, et al., 2016). Moreover, the whistle-blowing system also need to consider the distinction between individual and systemic corruption albeit that the two forms of corruption may coexist and mutually reinforce each other (Fotaki & Humanitito, 2015).

Practical implication for Organisation/Managers

The ethical gap of whistle-blowing behaviour can be rectified by 1) improving the principles dimension of the organisation's ethical climate to guide employees on how to deal with the whistle-blowing dilemma and 2) developing a training system that extends to employees at the managerial level. Regarding characterisation of the whistle-blower, the ethical training managers may need to focus more on developing employees to be intolerant of and sensitive to corruption and loyal to the organisation. This training should include the development of personal responsibility for blowing the whistle in addition to role responsibility or professional responsibility as described in the job description and code of conduct. In doing this, effort to develop whistle-blowing behaviour can focus more on motivating employees to move from an intention to actually following through with their decision.

Regarding 1) the result of how organisational commitment influences the whistle-blowing intention, and 2) leaders who promoted the attitude of silent acquiescence, the training should incorporate the paradigm change that leaders

need to see organisational commitment as identification with the mission of the government agencies and not see it as absolute obedience to superiors. Whistle-blowers should not be accused of disloyalty (Lewicka-Strzalecka, 2011).

Referring to organisational unresponsiveness in responding to whistle-blowing information, training for managers should include how to lead by example and should emphasise the importance of the values of integrity and fairness. Managers need to reduce the impact of the power distance on unwillingness to blow the whistle by being open-minded and receptive superiors. The leaders and managers also need to create a culture of candour by telling the truth, admit mistakes, and respectfully listen to the perspectives of others (O'Toole, 2008),

Whistle-blowing as a prosocial voice needs to be seen as constructive change and not be perceived as a challenge to the status quo (Latham & Sue-Chan, 2014). In doing this, the employee will prioritise internal channels over external channels, which may present an opportunity for the organisation to prevent destructive external whistle-blowing. Miethe (2009) posited that employees who do not view their leaders as role models are more likely to blow the whistle externally since they do not trust their leaders. They will perceive that external whistle-blowing is the only effective means of stopping the wrongdoing since the leaders have been involved in or are beneficiaries of the wrongdoing. As put forward by Vandekerckhove (2011), internal whistle-blowing can be seen as a compromise between moral muteness and moral heroism.

Practical implication for Employees

Regarding the influence of ethical judgement and perceived seriousness of the wrongdoing, employees need to be more sensitive to and intolerant of wrongdoing. Employees should report concerns that they may previously have perceived as less serious. Regarding the responsibility to act to stop the wrongdoing, employees also need to be aware of their legal obligation to blow the whistle as described in the code of conduct, standard operating procedures and job description. In cases of organisational unresponsiveness, employees need to be aware of the spectrum of the whistle-blowing decision. Whistle-blowing

behaviour other than formal whistle-blowing must be constructive behaviour so that the organisation can stop the wrongdoing and the employee can avoid retaliation. Considering that the risk of harm to social relationships was feared more than HRM-related risk, employees need to be supportive of the whistle-blower.

7.4 Methodological Contribution

The questionnaires used for assessing the presence of respondents' commitment to their organisations, identifying organisational culture type and capturing the ethical climate at the research sites can be applied to other studies in the Indonesian context. The Organisational Commitment Questionnaire originally developed by Allen (1990), the OCAI developed by Cameron and Quinn (2011) and the ECQ developed by Victor and Cullen (1988) have been adapted, translated into the Indonesian language and tested in the Indonesian context. They could therefore be used to help other researchers studying organisations in Indonesia.

The six case scenarios utilised in the study can also be used by other researchers. As described in Section 3.4.1, the six case scenarios were used to measure whistle-blowing intentions in responding to organisational corruption committed by individual and collective wrongdoer(s).

7.5 Delimitations and Limitations

Limitations, shortcomings and conditions of the research that cannot be controlled may influence the results obtained in the study. The advantage of using self-report methods in the survey questionnaire and individual interview is that respondents were able to give their views and perceptions of themselves and their world. The disadvantage of the method is social desirability bias, whereby respondents tend to fill out questionnaires or answer interview questions in a way that makes them look as good as possible (Donaldson & Grant-Vallone, 2002). Respondents may also misperceive the observed wrongdoing due to an incomplete understanding of the facts, one-sided viewpoints and self-serving recollections (Olsen, 2014).

The social desirability bias, coverage error and non-response error that may occur in the conducting of a survey have been measured and minimised, including an emphasis on anonymity and confidentiality. Focus group interviews were also conducted as additional sources of information.

However, there are some other limitations and delimitations to this research study that should be set and acknowledged to analyse any flaws found in the research design and possible threats to its validity. The constructs of organisational commitment, ethical climate, ethical judgement and organisation culture examined in the research were measured and defined according to pre-existing instruments. The reliability of the scales was tested in the research. However, there remains the possibility that other dimensions of organisational commitment, ethical climate, ethical judgement and organisation culture may have remained unidentified.

The delimitations of the research defined the boundaries of the study. The populations focused on in the research were limited to registered and certified government internal auditors in seven government agencies in Indonesia. Therefore, the results concluded from the research may not be generalisable to any definable population. Moreover, the study does not consider internal auditors who work in the private sector or external auditors working in the government sector or accounting firms.

7.6 Future Research Suggestions

Regarding the ethical gap of the whistle-blowing decision, although behavioural intention is a reliable predictor of actual behaviour (Chiu, 2003; Ajzen, 1991), it would be interesting to examine whistle-blowing intentions and actual whistle-blowing decisions in more depth. The aims of studying the ethical gap would be to discover how and why the employee does not follow an intention to blow the whistle through to actual whistle-blowing behaviour.

Regarding the spectrum of whistle-blowing decisions other than formally blowing the whistle or remaining silent, further studies need to be carried out to validate

the factors influencing the decision to blow the whistle and the decision to remain silent. Deciding not to blow the whistle does not mean deciding to remain silent. The study raised the possibility that factors influencing the whistle-blowing decision may also influence other behaviours in the spectrum of the whistle-blowing decision, or vice versa.

Organisational unresponsiveness found in the study highlights the need to extend the study to comparatively examine perceived organisational support before and after the introduction of new whistle-blowing policies. As described in Section 1.1.2, the development of a whistle-blowing system is part of anti-corruption reform. The comparative study may include: 1) an assessment of the level of wrongdoing and incidents of whistle-blowing, and 2) an exploration of the personal, organisational and situational factors influencing whistle-blowing.

7.7 Personal Reflection

The conclusion of the research brought to mind a story in the Bible. When the scribes and Pharisees brought to Jesus a woman caught in adultery, Jesus said, 'He who is without sin among you let him throw a stone at her first' (John Chapter 8 verse 7). Being convicted by their conscience (verse 9), all of the accusers went out one by one and no one condemned her (verse 10). Could this be seen as justification for not wanting to blow the whistle? It also brought to mind the saying that we cannot use a dirty broom to clean a house. We may observe our co-worker(s) committing an act of wrongdoing but we may also be aware that we ourselves have done something similar in the past. We may also do the same, or worse, if in a similar situation. We are the sinner and we are the dirty broom. Is it right for us (the observer of the wrongdoing) to accuse, judge and condemn the wrongdoer(s) and then blow the whistle? Will it be clean if we (the recipients of whistle-blowing information) sweep our offices with that dirty broom? It ends up in a question of where should anti-corruption reform begin? Who should start the reform? The old saying that the best change starts with ourselves is true.

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Appendix 1 Interview and focus group discussion guidelines

Whistle-blowing

1. In your words, what do you know about “whistle-blowing”?
2. To what extent, do you think that whistle-blowing is important to an auditor? Why?
3. In your opinion, how is whistle-blowing perceived (as a hero or traitor)? Why?
4. In general, to what extent are you willing to report questionable acts?
5. In your view, which one is more important for reporting questionable acts? Approval from others? Or self-approval? Why? Which referent group is important to you? (Supervisor, co-workers, neighbours, friends and family)
6. In your opinion, how easy or difficult would it be for you to report a questionable act (e.g. whistle-blowing on a colleague who signed off a clean audit report on misleading financial statements)?
7. In your view, do you believe that auditors have a personal responsibility towards others (e.g. the audit firm, profession, shareholders, society) to report questionable acts? Which one is more important? Why?
8. In your opinion, to what extent do you believe that your organisation would support you if you decided to report unethical practices or wrongdoing? (i.e. superiors, etc.) (Please give reasons).
9. What mechanisms do your organisation have for supporting ethical behaviour or whistle-blowing (reporting questionable acts)?
10. What do you know about your organisation’s code of ethics? How will it affect your ability to report questionable acts?
11. In your opinion, to what extent is material harm in influencing you to report questionable acts?
12. In your opinion, if you had observed wrongdoing in your organisation, what are the main factors that would motivate you to report it to the appropriate person(s)?
13. In your opinion, if you had observed wrongdoing in your organisation, what are the main factors that would discourage you from reporting it to the appropriate person(s)?
14. What are the personal costs (i.e. trouble, risk, discomfort) to you?
15. If you had observed wrongdoing, which channel of reporting would you take [i.e. internal channels (senior management, ethics committee) and external channels (media, regulatory bodies)]? (Anonymous reporting (hotline)? (Please give reasons for your choice of the channel) Why?
16. Have you ever observed and reported wrongdoing? Explain what happened.

17. What do you think are the positive and negative consequences of whistle-blowing in your organisation?
 - a. To you (Positive /Negative consequences)
 - b. To the audit unit (Positive /Negative consequences)
 - c. To the profession (Positive / negative consequences)
 - d. To the society (Positive / Negative consequences)
18. What other observations can you make about whistle-blowing within the audit profession?
19. What recommendations can you make about encouraging whistle-blowing?

Organisational Corruption

20. When you think about corruption, what problems come to mind? Who is involved in corruption?
21. Are you concerned about the amount of organisational corruption in your organisation? In what way? How do you think organisational corruption affects your organisation?
22. What do you think causes organisational corruption?
23. What are the most difficult choices facing us related to corruption in your organisation? Why is it difficult for your organisation to tackle this problem?

Organisation culture

24. What are the values and beliefs of this organisation? What are the organisational attitude and behaviour?
25. Is the organisational culture able to encourage/motivate the member of the organisation to be a whistle-blower in responding to the organisational corruption?
26. What does whistle-blowing mean according to the organisation culture in this organisation?
27. From the organisational culture perspective, what is the purpose of the whistle-blowing system development?
28. In general, how does the organisation member deal with the practices of whistle-blowing?
29. In general, how does the leader of this organisation deal with the practices of whistle-blowing?
30. To what extent, do you think that the organisation culture in this organisation is important to the effectiveness of the whistle-blowing as an anti-corruption instrument? Why?
31. Is there any different treatment in dealing with an internal whistle-blowing and an external whistle-blowing?

32. Is there any difference approach in dealing with a whistle-blowing case occurred in client's organisation and a whistle-blowing case in the organisation itself?

Code of ethics

33. In general, according to the Government Internal Auditor Code of Ethics, how does the government internal auditor profession deal with the practices of whistle-blowing?
34. Is the code of conduct applied both in the context of conducting an audit and in the daily non-audit working activities?
35. Is there any differences approach in the code of ethics whenever an auditor faced with corruption incident occurred in the auditee office and his office?
36. There is a gap between the code of ethics and auditor's perception. So, if someone does whistle-blowing become out of audit context, is he regarded as hero or traitor?
37. According to your opinion, is it difficult, or how difficult or how easy is this for an auditor to blow the whistle on corruption when it occurs in their environment?
38. What is the factor that distinguishes between the two organisations, the reforming and the not-yet reformed organisation?
39. What are the factors that drive and motivate the auditor in a low commitment organisation to be a whistle-blower?
40. In an audit, we found fictitious official travel, we do report it. But, if we found it in our organisation, what do you think?
41. Does auditor become less sensitive when the corrupt act was benefited for many employees or for the benefit of the organisation?
42. Is there a conflict of values among auditors as a profession, government officers and member of an organisation?
43. What is the code of ethics point of view on anonym whistle-blowing?
44. If I report something to my supervisor, is it a type of whistle-blowing?
45. What is your recommendation regarding code of ethics?

Appendix 2 Questionnaire

**ANTICORRUPTION INSTITUTIONAL ENTREPRENEURS IN GOVERNMENT AGENCIES
IN INDONESIA: INTERNAL AUDITOR WHISTLEBLOWING DECISION
IN RESPONDING TO ORGANISATIONAL CORRUPTION**

KUESIONER

November 2013

PETUNJUK UMUM

Kuesioner ini terdiri dari lima bagian yaitu:

Bagian 1, data demografis, mencakup data mengenai unit organisasi, usia, jenis kelamin, pengalaman kerja, tingkat pendidikan, jabatan dan agama.

Bagian 2, kasus hipotetis, mencakup 6 (enam) kasus hipotetis yang mungkin Bapak/Ibu hadapi pada saat melaksanakan pekerjaan.

Bagian 3, faktor yang mempengaruhi whistleblowing, terdiri dari tiga sub bagian: komitmen organisasi, budaya organisasi dan iklim etika organisasi.

Bagian 4 dan bagian 5 merupakan bagian yang didesain untuk memperoleh gambaran umum mengenai bagaimana keputusan untuk ber-*whistleblowing* diambil.

Dalam menjawab kuesioner ini, Bapak/Ibu harap mengacu pada definisi operasional berikut ini:

1. *Whistleblowing* adalah upaya mengungkapkan informasi suatu kejadian atau kegiatan yang Bapak/Ibu anggap sebagai:
 - penyimpangan dari peraturan perundang-undangan, peraturan intern organisasi, prosedur, kode etik, aturan perilaku
 - kejadian yang menurut Bapak/Ibu tidak pantas, tidak bermoral atau mengganggu rasa keadilan atau tidak sesuai dengan hati nurani Bapak/Ibu.
 - yang terjadi di dalam organisasi dimana Bapak/Ibu bekerja
 - dilakukan dalam bentuk mengadu, melapor, mengirim surat kaleng, mengirim email/sms atau bentuk-bentuk pengungkapan informasi lainnya, baik secara lisan maupun tulisan
 - yang ditujukan kepada pejabat atau unit organisasi yang Bapak/Ibu anggap dapat menangani penyimpangan tersebut.
2. Korupsi organisational adalah:
 - Sebagian besar pegawai berperilaku korup terutama untuk kepentingan diri meraka sendiri
 - Sekelompok pegawai secara kolektif berperilaku korup untuk kepentingan organisasi
3. Untuk responden Auditor BPKP, istilah 'organisasi' disini mengacu pada unit kerja eselon II (Direktorat, Perwakilan, Pusat, Biro, Inspektorat) dimana Bapak/Ibu bekerja.
Untuk responden Auditor APIP Kementerian/lembaga dimana APIP-nya eselon I, istilah 'organisasi' disini mengacu pada unit kerja eselon I (Inspektorat Jenderal/Inspektorat Utama).
Untuk responden Auditor APIP lembaga non kementerian/provinsi/kabupaten/kota dimana APIP-nya eselon II, istilah 'organisasi' disini mengacu pada unit kerja eselon II (inspektorat).
4. Atasan langsung administratif adalah atasan langsung yang menilai kinerja Bapak/Ibu dalam DP3
5. Atasan langsung dalam penugasan adalah atasan langsung Bapak/Ibu, baik Auditor maupun pejabat struktural, sesuai surat tugas pengawasan

PETUNJUK PENGISIAN

- Harap **tidak** mencantumkan nama, tanda tangan atau identitas lainnya di lembar kuesioner. Tanda persetujuan Bapak/Ibu untuk mengisi kuesioner ini terdapat pada lembar persetujuan yang telah disediakan terpisah dari kuesioner ini.
- Harap menjawab seluruh pertanyaan berdasarkan apa yang Bapak/Ibu alami selama 24 (dua puluh empat) bulan terakhir, kecuali dinyatakan lain untuk pertanyaan-pertanyaan tertentu
- Bapak/Ibu mungkin tidak harus menjawab setiap pertanyaan. Petunjuk mengenai pertanyaan-pertanyaan yang tidak perlu dijawab tercantum pada pertanyaan yang bersangkutan..
- Bapak/Ibu dapat memberikan komentar/pendapat tambahan pada lembar terakhir kuesioner ini
- Pastikan hanya terdapat satu jawaban untuk setiap pertanyaan, kecuali dinyatakan lain untuk pertanyaan-pertanyaan tertentu
- Kembalikan kuesioner yang telah lengkap terisi pada petugas yang telah ditunjuk.
- Beri tanda silang pada kotak (☒) sesuai jawaban Bapak/Ibu. Untuk merubah jawaban, coret jawaban semula (☒) dan beri tanda silang pada kotak (☒) lainnya yang sesuai.

BAGIAN 1 DATA DEMOGRAFIS

1. Unit organisasi:

- | | |
|--|---|
| a. <input type="checkbox"/> BPKP | c. <input type="checkbox"/> APIP Provinsi |
| b. <input type="checkbox"/> APIP Kementerian/Lembaga | d. <input type="checkbox"/> APIP Kabupaten/Kota |

2. Usia:

- | | |
|--|--|
| a. <input type="checkbox"/> Kurang dari atau sama dengan 30 tahun | c. <input type="checkbox"/> Lebih dari 40 tahun sampai dengan 50 tahun |
| b. <input type="checkbox"/> Lebih dari 30 tahun sampai dengan 40 tahun | d. <input type="checkbox"/> Lebih dari 50 tahun |

3. Jenis Kelamin:

- | | |
|----------------------------------|------------------------------------|
| a. <input type="checkbox"/> Pria | b. <input type="checkbox"/> Wanita |
|----------------------------------|------------------------------------|

4. Pengalaman kerja sebagai pegawai negeri:

- | | |
|--|--|
| a. <input type="checkbox"/> Kurang dari atau sama dengan 10 tahun | c. <input type="checkbox"/> Lebih dari 20 tahun sampai dengan 30 tahun |
| b. <input type="checkbox"/> Lebih dari 10 tahun sampai dengan 20 tahun | d. <input type="checkbox"/> Lebih dari 30 tahun |

5. Pengalaman kerja sebagai auditor:

- | | |
|--|--|
| a. <input type="checkbox"/> Kurang dari atau sama dengan 10 tahun | c. <input type="checkbox"/> Lebih dari 20 tahun sampai dengan 30 tahun |
| b. <input type="checkbox"/> Lebih dari 10 tahun sampai dengan 20 tahun | d. <input type="checkbox"/> Lebih dari 30 tahun |

6. Tingkat pendidikan terakhir:

- | | |
|--|---|
| a. <input type="checkbox"/> Diploma 3 | c. <input type="checkbox"/> Sarjana S2/ sederajat |
| b. <input type="checkbox"/> Diploma IV/ Sarjana S1 | d. <input type="checkbox"/> Sarjana S3/ sederajat |

7. Jabatan Auditor:

- | | |
|--|---|
| a. <input type="checkbox"/> Calon Auditor | e. <input type="checkbox"/> Auditor Pertama |
| b. <input type="checkbox"/> Auditor Pelaksana | f. <input type="checkbox"/> Auditor Muda |
| c. <input type="checkbox"/> Auditor Pelaksana lanjutan | g. <input type="checkbox"/> Auditor Madya |
| d. <input type="checkbox"/> Auditor Penyelia | h. <input type="checkbox"/> Auditor Utama |

8. Agama

- | | | | | | |
|----|--------------------------|---------|----|--------------------------|------------------------------|
| a. | <input type="checkbox"/> | Islam | f. | <input type="checkbox"/> | Budha |
| b. | <input type="checkbox"/> | Kristen | g. | <input type="checkbox"/> | Kong Hu Cu |
| c. | <input type="checkbox"/> | Katolik | f. | <input type="checkbox"/> | Lain-lain |
| e. | <input type="checkbox"/> | Hindu | g. | <input type="checkbox"/> | Tidak bersedia mengungkapkan |

BAGIAN 2

KASUS HIPOTETIK

Bagian ini menyajikan 6 (enam) kasus hipotetik yang mungkin Bapak/Ibu hadapi pada saat melaksanakan pekerjaan, yaitu:

- Kasus 1: menghilangkan bukti audit
- Kasus 2: menghilangkan temuan hasil audit
- Kasus 3: pembiayaan perjalanan dinas fiktif
- Kasus 4: rekayasa bukti angka kredit auditor
- Kasus 5: pungutan biaya perjalanan dinas
- Kasus 6: rekayasa data kinerja unit kerja

Kami harap Bapak/Ibu dapat menjawab seluruh pertanyaan setelah membaca, membandingkan dan menganalisis tiap-tiap kasus hipotetik ini. Perlu kami tegaskan bahwa kami tidak menilai kebenaran jawaban Bapak/Ibu, penelitian ini hanya bertujuan mendapatkan persepsi Bapak/Ibu pada saat menghadapi kasus-kasus seperti ini. Kasus ini murni adalah hipotetik, kemiripan dengan kejadian aktual hanya kebetulan belaka.

Kasus 1: Menghilangkan Bukti Audit

Anda sedang melaksanakan audit operasional suatu kontrak konstruksi tahun jamak. Berdasarkan simpulan hasil audit sementara, terdapat temuan yang merugikan keuangan negara. Anda mengkonfirmasi hal ini kepada pihak kontraktor dan mereka mengakui hal ini secara lisan, namun kemudian pihak kontraktor memberitahu anda bahwa kontraktor telah memberi sejumlah uang untuk pejabat yang terkait dengan proses pengadaan, tim audit tahun lalu serta pejabat struktural yang saat ini masih aktif.

Anda kemudian berkonsultasi dengan atasan langsung dalam penugasan. Atasan langsung tersebut mendengarkan anda dan kemudian berkata **“berikan semua kertas kerjanya pada saya, saya akan diskusikan dulu hal ini dengan Pimpinan”**. Beberapa hari kemudian, anda mengetahui bahwa atasan langsung anda tersebut telah menghilangkan seluruh kertas kerja audit yang telah anda berikan dan tidak melakukan tindakan apapun juga terhadap temuan anda. Saat ini anda tidak lagi mempunyai bukti-bukti atas temuan tersebut.

1. Tentukan tingkat keseriusan kejadian tersebut diatas	<input type="checkbox"/> Tidak serius	<input type="checkbox"/> Kurang Serius	<input type="checkbox"/> Cukup serius	<input type="checkbox"/> Sangat Serius
2. Dalam konteks organisasional, tentukan seberapa kuat kekuasaan “atasan langsung yang menghilangkan bukti audit” tersebut terhadap diri anda	<input type="checkbox"/> Tidak berkuasa	<input type="checkbox"/> Kurang berkuasa	<input type="checkbox"/> Cukup berkuasa	<input type="checkbox"/> Sangat berkuasa
3. Apakah perilaku “atasan langsung yang menghilangkan bukti audit untuk melindungi pejabat terkait “ tersebut:				
a. etis?	<input type="checkbox"/> Sangat Etis	<input type="checkbox"/> Cukup etis	<input type="checkbox"/> Kurang etis	<input type="checkbox"/> Tidak etis
b. wajar/pantas (<i>fair</i>)?	<input type="checkbox"/> Sangat wajar	<input type="checkbox"/> Cukup wajar	<input type="checkbox"/> Kurang wajar	<input type="checkbox"/> Tidak wajar
c. mencerminkan rasa keadilan (<i>just</i>)?	<input type="checkbox"/> Sangat mencerminkan rasa keadilan	<input type="checkbox"/> Cukup mencerminkan rasa keadilan	<input type="checkbox"/> Kurang mencerminkan rasa keadilan	<input type="checkbox"/> Tidak mencerminkan rasa keadilan

d. dapat dibenarkan secara moral (<i>morally right</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat dibenarkan secara moral	Cukup dapat dibenarkan secara moral	Kurang dibenarkan secara moral	Tidak dapat dibenarkan secara moral
e. dapat diterima apabila terjadi di kalangan keluarga anda?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
f. dilihat dari sudut pandang budaya organisasi, apakah perilaku dimaksud dapat diterima (<i>culturally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
g. dilihat dari sudut pandang tradisi yang hidup di organisasi, apakah perilaku dimaksud dapat diterima (<i>traditionally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
h. menunjukkan adanya pelanggaran terhadap kontrak sosial tidak tertulis (<i>unwritten social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar
i. menunjukkan adanya pelanggaran kontrak/perjanjian sosial tidak terucapkan (<i>unspoken social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar

4. Menghadapi situasi tersebut, tentukan kemungkinan **Bapak/Ibu** menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Menurut anda, apabila **rekan kerja Bapak/Ibu** menghadapi situasi yang sama, tentukan kemungkinan rekan kerja tersebut menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Kasus 2: Menghilangkan Temuan Hasil Audit

Anda sedang melaksanakan audit operasional suatu kontrak konstruksi. Anda mendapatkan temuan bahwa penanggung jawab kegiatan konstruksi, pejabat pengadaan, pemenang lelang dan para peserta lelang lainnya telah memanipulasi dokumen pelelangan dan melaksanakan prosedur lelang secara proforma (hanya formalitas). Anda telah melakukan prosedur audit lanjutan namun karena keterbatasan waktu audit, anda tidak menemukan bukti adanya kerugian keuangan negara. Anda mencoba mengajukan perpanjangan surat tugas namun tidak disetujui oleh penanggungjawab audit tanpa disertai alasan yang jelas. Pada saat review meeting, penanggung jawab audit membaca temuan anda dan berkata "Temuan tidak penting, tidak ada kerugian keuangannya kan? Tidak usah masuk laporan ya". Tanpa menulis apapun dalam formulir kendali mutu (formulir revidi berjenjang), penanggung jawab audit kemudian memerintahkan Tim Audit untuk menghilangkan temuan dan merubah konsep laporan.

1. Tentukan tingkat keseriusan kejadian tersebut diatas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak serius	Kurang Serius	Cukup serius	Sangat Serius
2. Dalam konteks organisasional, tentukan seberapa kuat kekuasaan "Penanggung jawab audit yang menghilangkan temuan hasil audit" tersebut terhadap diri anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak berkuasa	Kurang berkuasa	Cukup berkuasa	Sangat berkuasa
3. Apakah perilaku "Penanggung jawab audit yang tidak menyetujui perpanjangan surat tugas dan kemudian menghilangkan temuan penyimpangan prosedur dengan alasan tidak ada kerugian negara" tersebut:				
a. etis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat Etis	Cukup etis	Kurang etis	Tidak etis
b. wajar/pantas (<i>fair</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat wajar	Cukup wajar	Kurang wajar	Tidak wajar
c. mencerminkan rasa keadilan (<i>just</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat mencerminkan rasa keadilan	Cukup mencerminkan rasa keadilan	Kurang mencerminkan rasa keadilan	Tidak mencerminkan rasa keadilan

d. dapat dibenarkan secara moral (<i>morally right</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat dibenarkan secara moral	Cukup dapat dibenarkan secara moral	Kurang dibenarkan secara moral	Tidak dapat dibenarkan secara moral
e. dapat diterima apabila terjadi di kalangan keluarga anda?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
f. dilihat dari sudut pandang budaya organisasi, apakah perilaku dimaksud dapat diterima (<i>culturally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
g. dilihat dari sudut pandang tradisi yang hidup di organisasi, apakah perilaku dimaksud dapat diterima (<i>traditionally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
h. menunjukkan adanya pelanggaran terhadap kontrak sosial tidak tertulis (<i>unwritten social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar
i. menunjukkan adanya pelanggaran kontrak/perjanjian sosial tidak terucapkan (<i>unspoken social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar

4. Menghadapi situasi tersebut, tentukan kemungkinan **Bapak/Ibu** menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Menurut anda, apabila **rekan kerja Bapak/Ibu** menghadapi situasi yang sama, tentukan kemungkinan rekan kerja tersebut menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Kasus 3: Pembiayaan Perjalanan Dinas Fiktif

Anda saat ini sedang melakukan perjalanan dinas untuk melaksanakan tugas audit di luar kota bersama beberapa auditor lain dalam satu tim audit. Biaya perjalanan dinas sepenuhnya ditanggung oleh kantor anda. Alih-alih menginap di hotel, rekan kerja satu tim anda memutuskan untuk menginap di rumah kerabatnya. Pada saat akan kembali pulang, anda mengetahui bahwa rekan anda tersebut meminta dan mendapatkan kuitansi dan bukti menginap dari hotel. Beberapa hari kemudian, anda juga mengetahui bahwa bukti tersebut digunakan untuk mempertanggungjawabkan biaya perjalanan dinas.

1. Tentukan tingkat keseriusan kejadian tersebut diatas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak serius	Kurang Serius	Cukup serius	Sangat Serius
2. Dalam konteks organisasional, tentukan seberapa kuat kekuasaan "Rekan kerja yang mengklaim pembiayaan perjalanan dinas fiktif" tersebut terhadap diri anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak berkuasa	Kurang berkuasa	Cukup berkuasa	Sangat berkuasa
3. Apakah perilaku "Rekan kerja yang mengklaim pembiayaan perjalanan dinas fiktif" tersebut:				
a. etis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat Etis	Cukup etis	Kurang etis	Tidak etis
b. wajar/pantas (<i>fair</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat wajar	Cukup wajar	Kurang wajar	Tidak wajar
c. mencerminkan rasa keadilan (<i>just</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat mencerminkan rasa keadilan	Cukup mencerminkan rasa keadilan	Kurang mencerminkan rasa keadilan	Tidak mencerminkan rasa keadilan
d. dapat dibenarkan secara moral (<i>morally right</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat dibenarkan secara moral	Cukup dapat dibenarkan secara moral	Kurang dibenarkan secara moral	Tidak dapat dibenarkan secara moral

e. dapat diterima apabila terjadi di kalangan keluarga anda?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
f. dilihat dari sudut pandang budaya organisasi, apakah perilaku dimaksud dapat diterima (<i>culturally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
g. dilihat dari sudut pandang tradisi yang hidup di organisasi, apakah perilaku dimaksud dapat diterima (<i>traditionally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
h. menunjukkan adanya pelanggaran terhadap kontrak sosial tidak tertulis (<i>unwritten social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar
i. menunjukkan adanya pelanggaran kontrak/perjanjian sosial tidak terucapkan (<i>unspoken social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar

4. Menghadapi situasi tersebut, tentukan kemungkinan **Bapak/Ibu** menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Menurut anda, apabila **rekan kerja Bapak/Ibu** menghadapi situasi yang sama, tentukan kemungkinan rekan kerja tersebut menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Kasus 4: Perekayasaan Bukti Angka Kredit Auditor

Dalam rangka menyiapkan laporan angka kredit, anda saat ini sedang mengumpulkan berbagai bukti perolehan angka kredit untuk satu semester yang lalu. Anda mengetahui bahwa beberapa auditor rekan anda merekayasa daftar hadir pelatihan kantor sendiri dan memalsukan sertifikat tanda mengikuti seminar untuk menambah angka kredit mereka. Atasan langsung mereka yang juga kebetulan atasan anda juga mengetahui kejadian tersebut namun tidak peduli dan tetap mengesahkan laporan angka kredit mereka.

1. Tentukan tingkat keseriusan kejadian tersebut diatas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak serius	Kurang Serius	Cukup serius	Sangat Serius
2. Dalam konteks organisasional, tentukan seberapa kuat kekuasaan "Beberapa rekan kerja yang merekayasa bukti angka kredit auditor" tersebut terhadap diri anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak berkuasa	Kurang berkuasa	Cukup berkuasa	Sangat berkuasa
3. Apakah perilaku "Beberapa rekan kerja yang merekayasa bukti angka kredit auditor" tersebut:				
a. etis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat Etis	Cukup etis	Kurang etis	Tidak etis
b. wajar/pantas (<i>fair</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat wajar	Cukup wajar	Kurang wajar	Tidak wajar
c. mencerminkan rasa keadilan (<i>just</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat mencerminkan rasa keadilan	Cukup mencerminkan rasa keadilan	Kurang mencerminkan rasa keadilan	Tidak mencerminkan rasa keadilan
d. dapat dibenarkan secara moral (<i>morally right</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat dibenarkan secara moral	Cukup dapat dibenarkan secara moral	Kurang dibenarkan secara moral	Tidak dapat dibenarkan secara moral

e. dapat diterima apabila terjadi di kalangan keluarga anda?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
f. dilihat dari sudut pandang budaya organisasi, apakah perilaku dimaksud dapat diterima (<i>culturally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
g. dilihat dari sudut pandang tradisi yang hidup di organisasi, apakah perilaku dimaksud dapat diterima (<i>traditionally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
h. menunjukkan adanya pelanggaran terhadap kontrak sosial tidak tertulis (<i>unwritten social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar
i. menunjukkan adanya pelanggaran kontrak/perjanjian sosial tidak terucapkan (<i>unspoken social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar

4. Menghadapi situasi tersebut, tentukan kemungkinan **Bapak/Ibu** menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Menurut anda, apabila **rekan kerja Bapak/Ibu** menghadapi situasi yang sama, tentukan kemungkinan rekan kerja tersebut menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Kasus 5: Pungutan biaya perjalanan dinas untuk biaya kantor sehari-hari

Atasan langsung anda dan para auditor rekan kerja anda sepakat dan rela untuk menyisihkan kira-kira 10% dari biaya perjalanan dinas untuk dikumpulkan dan dikelola bersama untuk kepentingan kantor seperti membeli makan-minum tamu, makanan ringan untuk rapat, sumbangan sosial, tambahan honor *office boy* dan keperluan lain yang sifatnya untuk kebersamaan pegawai. Namun, agar kesepakatan tersebut tidak mengurangi hak auditor (uang harian perjalanan dinas), salah satu pegawai yang ditugaskan untuk mengurus pertanggungjawaban biaya perjalanan dinas merekrut biaya hotel untuk mendapatkan kelebihan dana dalam rangka menutupi pungutan dana 10% tersebut.

1. Tentukan tingkat keseriusan kejadian tersebut diatas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak serius	Kurang Serius	Cukup serius	Sangat Serius
2. Dalam konteks organisasional, tentukan seberapa kuat kekuasaan "Atasan langsung anda dan para auditor rekan kerja anda yang memungut dana dari biaya perjalanan dinas untuk kepentingan kantor dan untuk kebersamaan pegawai" tersebut terhadap diri anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak berkuasa	Kurang berkuasa	Cukup berkuasa	Sangat berkuasa
3. Apakah perilaku "Atasan langsung anda dan para auditor rekan kerja " tersebut:				
a. etis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat Etis	Cukup etis	Kurang etis	Tidak etis
b. wajar/pantas (<i>fair</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat wajar	Cukup wajar	Kurang wajar	Tidak wajar
c. mencerminkan rasa keadilan (<i>just</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat mencerminkan rasa keadilan	Cukup mencerminkan rasa keadilan	Kurang mencerminkan rasa keadilan	Tidak mencerminkan rasa keadilan
d. dapat dibenarkan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

secara moral (<i>morally right</i>)?	Sangat dapat dibenarkan secara moral	Cukup dapat dibenarkan secara moral	Kurang dibenarkan secara moral	Tidak dapat dibenarkan secara moral
e. dapat diterima apabila terjadi di kalangan keluarga anda?	<input type="checkbox"/> Sangat dapat diterima	<input type="checkbox"/> Cukup dapat diterima	<input type="checkbox"/> Kurang dapat diterima	<input type="checkbox"/> Tidak dapat diterima
f. dilihat dari sudut pandang budaya organisasi, apakah perilaku dimaksud dapat diterima (<i>culturally acceptable</i>)?	<input type="checkbox"/> Sangat dapat diterima	<input type="checkbox"/> Cukup dapat diterima	<input type="checkbox"/> Kurang dapat diterima	<input type="checkbox"/> Tidak dapat diterima
g. dilihat dari sudut pandang tradisi yang hidup di organisasi, apakah perilaku dimaksud dapat diterima (<i>traditionally acceptable</i>)?	<input type="checkbox"/> Sangat dapat diterima	<input type="checkbox"/> Cukup dapat diterima	<input type="checkbox"/> Kurang dapat diterima	<input type="checkbox"/> Tidak dapat diterima
h. menunjukkan adanya pelanggaran terhadap kontrak sosial tidak tertulis (<i>unwritten social contract</i>)?	<input type="checkbox"/> Tidak Melanggar	<input type="checkbox"/> Kurang Melanggar	<input type="checkbox"/> Cukup Melanggar	<input type="checkbox"/> Sangat Melanggar
i. menunjukkan adanya pelanggaran kontrak/perjanjian sosial tidak terucapkan (<i>unspoken social contract</i>)?	<input type="checkbox"/> Tidak Melanggar	<input type="checkbox"/> Kurang Melanggar	<input type="checkbox"/> Cukup Melanggar	<input type="checkbox"/> Sangat Melanggar

4. Menghadapi situasi tersebut, tentukan kemungkinan **Bapak/Ibu** menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Menurut anda, apabila **rekan kerja Bapak/Ibu** menghadapi situasi yang sama, tentukan kemungkinan rekan kerja tersebut menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Kasus 6: Rekayasa Data Kinerja Unit Kerja

Pada akhir tahun, anda ditugaskan untuk mengumpulkan data dan menyusun laporan akuntabilitas kinerja bidang pengawasan di unit kerja anda sendiri. Laporan akuntabilitas kinerja tersebut mempengaruhi reputasi unit kerja dan mempengaruhi alokasi anggaran pengawasan. Rendahnya capaian kinerja juga akan mempengaruhi keputusan apakah unit kerja anda layak dipilih untuk menjadi *pilot project* kegiatan peningkatan kapasitas yang antara lain berupa kegiatan penambahan sarana komputer kantor dan kesempatan pelatihan audit di luar negeri bagi auditor. Pada saat mengumpulkan data dan menyusun laporan, anda mengetahui bahwa beberapa pelaksanaan kegiatan audit terlambat diselesaikan namun nomor dan tanggal laporan audit telah direkayasa seolah-olah laporan tersebut selesai tepat waktu. Pejabat penanggung jawab kinerja tersebut memerintahkan kepada para tim audit agar data kronologis pada formulir kendali mutu audit dan kertas kerja audit juga disesuaikan dengan tanggal laporan hasil audit yang telah direkayasa tersebut.

1. Tentukan tingkat keseriusan kejadian tersebut diatas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak serius	Kurang Serius	Cukup serius	Sangat Serius

2. Dalam konteks organisasional, tentukan seberapa kuat kekuasaan "Pejabat penanggung jawab kinerja dan beberapa tim audit yang merekayasa data kinerja" tersebut terhadap diri anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak berkuasa	Kurang berkuasa	Cukup berkuasa	Sangat berkuasa

3. Apakah perilaku "Pejabat penanggung jawab kinerja dan beberapa tim audit yang merekayasa data kinerja " tersebut:

a. etis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat Etis	Cukup etis	Kurang etis	Tidak etis

b. wajar/pantas (<i>fair</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat wajar	Cukup wajar	Kurang wajar	Tidak wajar

c. mencerminkan rasa keadilan (<i>just</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat mencerminkan rasa keadilan	Cukup mencerminkan rasa keadilan	Kurang mencerminkan rasa keadilan	Tidak mencerminkan rasa keadilan

d. dapat dibenarkan secara moral (<i>morally right</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat dibenarkan secara moral	Cukup dapat dibenarkan secara moral	Kurang dibenarkan secara moral	Tidak dapat dibenarkan secara moral
e. dapat diterima apabila terjadi di kalangan keluarga anda?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
f. dilihat dari sudut pandang budaya organisasi, apakah perilaku dimaksud dapat diterima (<i>culturally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
g. dilihat dari sudut pandang tradisi yang hidup di organisasi, apakah perilaku dimaksud dapat diterima (<i>traditionally acceptable</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sangat dapat diterima	Cukup dapat diterima	Kurang dapat diterima	Tidak dapat diterima
h. menunjukkan adanya pelanggaran terhadap kontrak sosial tidak tertulis (<i>unwritten social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar
i. menunjukkan adanya pelanggaran kontrak/perjanjian sosial tidak terucapkan (<i>unspoken social contract</i>)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tidak Melanggar	Kurang Melanggar	Cukup Melanggar	Sangat Melanggar

4. Menghadapi situasi tersebut, tentukan kemungkinan **Bapak/Ibu** menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Menurut anda, apabila **rekan kerja Bapak/Ibu** menghadapi situasi yang sama, tentukan kemungkinan rekan kerja tersebut menjadi whistle-blower?

	Tidak mungkin	Kurang mungkin	Cukup mungkin	Sangat mungkin
a. Whistleblowing ke pihak internal: pejabat atau unit kerja dalam lingkup kementerian/ lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Whistleblowing ke pihak eksternal: pejabat, unit kerja, organisasi pemerintah diluar lingkup kementerian/lembaga anda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Whistleblowing ke pihak eksternal: media, LSM atau anggota DPR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

BAGIAN 3

FAKTOR YANG MEMPENGARUHI *WHISTLEBLOWING*

SUB BAGIAN 1: KOMITMEN ORGANISASI

Pernyataan-pernyataan berikut berkaitan dengan hubungan Bapak/Ibu dengan organisasi. Kami mohon Bapak/Ibu dapat mengungkapkan sejauh mana tingkat kesetujuan atau ketidaksetujuan atas masing-masing pernyataan dibawah ini dengan cara memberi tanda silang (X) pada salah satu jawaban yang tersedia di sebelah kanan dari setiap pernyataan, dengan acuan sebagai berikut:

- 1 = Sangat Tidak Setuju (STS)
- 2 = Tidak Setuju (TS)
- 3 = Kurang Setuju (KS)
- 4 = Ragu-ragu (R)
- 5 = Agak Setuju (AS)
- 6 = Setuju (S)
- 7 = Sangat Setuju (SS)

Pernyataan		STS	TS	KS	R	AS	S	SS
		1	2	3	4	5	6	7
A	1 Saya merasa bahagia apabila dapat menghabiskan sisa karier saya di organisasi ini.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2 Permasalahan organisasi ini saya rasakan sebagai permasalahan saya sendiri.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	3 Saya tidak merasa seperti bagian dari keluarga di organisasi ini.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4 Saya tidak merasa terikat secara emosional dengan organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	5 Organisasi ini mempunyai makna pribadi yang sangat mendalam bagi saya	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	6 Saya tidak mempunyai rasa memiliki yang kuat terhadap organisasi ini.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B	1 Saat ini, sangat berat bagi saya untuk keluar dari organisasi ini, walau saya menginginkannya sekalipun	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2 Kehidupan saya akan sangat terganggu seandainya sekarang saya memutuskan ingin keluar dari organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Pernyataan		STS	TS	KS	R	AS	S	SS
		1	2	3	4	5	6	7
3	Saat ini, saya tetap bekerja di organisasi ini, selain karena kebutuhan, juga karena saya menginginkannya	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Saya merasa bahwa saya hanya mempunyai sedikit pilihan sehingga sulit bagi saya untuk mempertimbangkan keluar dari organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Salah satu risiko yang berat bagi saya apabila saya keluar dari organisasi ini adalah sedikitnya pilihan pekerjaan lain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Salah satu alasan utama saya untuk tetap bekerja di sini adalah karena keluar dari organisasi menuntut pengorbanan pribadi yang sangat besar, organisasi lain mungkin tidak akan memberikan penghasilan/tunjangan seperti yang saya peroleh dari organisasi ini.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C 1	Saya tidak merasa berkewajiban untuk tetap tinggal bekerja dan setia pada organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Bahkan jika ada tawaran yang lebih menguntungkan untuk meninggalkan organisasi ini saat ini, saya merasa hal tersebut tidak pantas.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Saya akan merasa bersalah apabila meninggalkan organisasi ini saat ini.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Organisasi ini layak mendapatkan kesetiaan (loyalitas) dari saya	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Saya tidak akan keluar dari organisasi ini saat ini karena saya merasa mempunyai kewajiban moral terhadap rekan-rekan kerja saya disini.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Saya punya hutang moral pada organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SUB BAGIAN 2: BUDAYA ORGANISASI

Pernyataan-pernyataan berikut berkaitan dengan karakter budaya organisasi dimana Bapak/Ibu bekerja. Kami mohon Bapak/Ibu memberi nilai pada setiap alternatif pernyataan A, B, C dan D masing – masing dengan nilai 0 s/d 100, sedemikian rupa sehingga nilai $A+B+C+D = 100$. Nilai 100 berarti menunjukkan suatu pernyataan sangat sesuai dengan kondisi aktual sedangkan nilai 0 (nol) berarti suatu pernyataan sangat tidak sesuai dengan kondisi aktual.

Contoh:

A. Organisasi ini merupakan tempat yang sangat personal, rasa kekeluargaan sangat tinggi, seperti sebuah keluarga besar. Para pegawai saling berbagi.	20
B. Organisasi ini merupakan organisasi dengan nilai kewirausahaan yang dinamis. Para pegawai bersedia dan berani mengambil risiko.	10
C. Organisasi ini sangat berorientasi pada hasil. Hal terpenting terletak pada penyelesaian tugas. Para pegawai sangat kompetitif dan berorientasi pada prestasi kerja.	45
D. Organisasi ini adalah tempat yang sangat terkontrol dan terstruktur. Pelaksanaan pekerjaan ditata dan dikelola berdasarkan prosedur formal.	25
	<hr/> 100 <hr/>

Perlu kami tegaskan bahwa kami tidak menilai kebenaran jawaban Bapak/Ibu, penelitian ini hanya bertujuan mendapatkan persepsi Bapak/Ibu.

1. Karakter Dominan

A. Organisasi ini merupakan tempat yang sangat personal, rasa kekeluargaan sangat tinggi, seperti sebuah keluarga besar. Para pegawai saling berbagi.
B. Organisasi ini merupakan organisasi dengan nilai kewirausahaan yang dinamis. Para pegawai bersedia dan berani mengambil risiko.
C. Organisasi ini sangat berorientasi pada hasil. Hal terpenting terletak pada penyelesaian tugas. Para pegawai sangat kompetitif dan berorientasi pada prestasi kerja.
D. Organisasi ini adalah tempat yang sangat terkontrol dan terstruktur. Pelaksanaan pekerjaan ditata dan dikelola berdasarkan prosedur formal.
	<hr/> 100 <hr/>

2. Kepemimpinan

- A. Kepemimpinan di organisasi ini pada umumnya ditunjukkan dalam bentuk membimbing, memfasilitasi dan mengasuh bawahan.
- B. Kepemimpinan di organisasi ini pada umumnya ditunjukkan dalam bentuk mendorong bawahan untuk berjiwa wirausaha, inovatif dan berani mengambil risiko.
- C. Kepemimpinan di organisasi ini pada umumnya ditunjukkan dalam bentuk bekerja secara sungguh-sungguh, sepenuh hati, agresif dan berorientasi pada hasil.
- D. Kepemimpinan di organisasi ini pada umumnya ditunjukkan dalam bentuk koordinasi, pengorganisasian dan pengutamaan efisien dan kelancaran pekerjaan
.....

100

3. Manajemen sumber daya manusia/kepegawaian

- A. Gaya manajemen SDM di organisasi ini berkarakter: kerja sama tim, konsensus, dan partisipasi.
- B. Gaya manajemen SDM di organisasi ini berkarakter: pemberian kebebasan untuk berinovasi dan mengambil risiko individual serta menghargai keunikan.
- C. Gaya manajemen SDM di organisasi ini berkarakter: persaingan ketat antar pegawai, tuntutan kerja yang tinggi, dan pencapaian kinerja / prestasi kerja
.....
- D. Gaya manajemen SDM di organisasi ini berkarakter: keamanan kerja, harmonis, tidak bergejolak dan stabilitas dalam hubungan antar pegawai
.....

100

4. Penguat Ikatan Organisational

- A. Faktor yang menguatkan persatuan dan kesatuan di organisasi ini adalah loyalitas dan rasa saling percaya. Komitmen di organisasi ini cukup tinggi
.....
- B. Faktor yang menguatkan persatuan dan kesatuandi organisasi ini adalah komitmen terhadap inovasi dan pengembangan. Penekanan utama pada pentingnya untuk selalu terdepan
.....
- C. Faktor yang menguatkan persatuan dan kesatuandi organisasi ini adalah penekanan pada pencapaian tujuan dan kinerja.
.....
- D. Faktor yang menguatkan persatuan dan kesatuan di organisasi ini adalah peraturan dan kebijakan formal. Sangat penting untuk menjaga kelancaran jalannya organisasi.
.....

100

5. Strategi

- A. Organisasi ini menekankan pengembangan sumber daya manusia. Rasa saling percaya yang tinggi, keterbukaan, dan partisipasi telah berkembang dan bertahan lama
.....
 - B. Organisasi ini menekankan penyediaan dan rekrutmen sumber daya baru dan menciptakan tantangan-tantangan baru. Upaya untuk mencoba hal-hal baru dan meraih peluang baru sangat dihargai
.....
 - C. Organisasi ini mendorong persaingan dan prestasi kerja. Pencapaian target secara optimal dan menang dalam persaingan menjadi yang utama.
.....
 - D. Organisasi menekankan terciptanya soliditas yang kuat dan stabilitas. Efisiensi, kontrol dan kelancaran kegiatan operasional menjadi yang utama.
.....
-
- 100**
-

6. Kriteria Keberhasilan

- A. Organisasi menjadikan pengembangan sumber daya manusia, kerja sama tim, komitmen pegawai, dan kepedulian terhadap auditan sebagai kriteria keberhasilan
.....
 - B. Organisasi menjadikan kekinian/kebaruan dan keunikan produk dan inovasi sebagai kriteria keberhasilan. Menjadi pemimpin produk yang inovatif adalah kunci keberhasilan.
.....
 - C. Organisasi menjadikan tingkat kepuasan *stakeholders* dan pengakuan bahwa organisasi berkinerja lebih baik dari organisasi lain yang melaksanakan tugas sejenis sebagai kriteria keberhasilan. Menjadi pemimpin diantara organisasi-organisasi lain sejenis adalah kunci keberhasilan.
.....
 - D. Organisasi mendefinisikan sukses berdasarkan azas efisiensi. Pelaksanaan tugas audit yang tepat waktu, dan biaya audit yang rendah menjadi faktor kunci keberhasilan.
.....
-
- 100**
-

SUB BAGIAN 3: IKLIM ETIKA ORGANISASI

Petunjuk pengisian:

Pernyataan-pernyataan di bawah ini menyangkut iklim etika organisasi tempat Bapak/Ibu bekerja. Kami mohon Bapak/Ibu untuk mengkaitkan masing-masing pernyataan dibawah ini dengan situasi atau suasana sesungguhnya yang terjadi di organisasi Bapak/Ibu, dan **tidak** mengkaitkannya dengan suka atau tidak suka terhadap pernyataan tersebut.

Silakan Bapak/Ibu ungkapkan tingkat kesetujuan atau ketidaksetujuan terhadap setiap pernyataan dengan cara memberi tanda silang (X) pada salah satu alternatif jawaban yang anggap paling tepat, yang terdapat di sebelah kanan masing-masing pernyataan, dengan acuan sebagai berikut:

1 = Sepenuhnya Salah (SS)

2 = Salah (S)

3 = Kurang Benar (KB)

4 = Agak Benar (AB)

5 = Benar (B)

6 = Sepenuhnya Benar (SB)

	Pernyataan	1 SS	2 S	3 KB	4 AB	5 B	6 SB
1.	Pegawai di organisasi ini pada umumnya hanya mementingkan diri sendiri	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Pegawai di organisasi ini menjadikan efisiensi sebagai pertimbangan utama terlaksananya tugas dan tanggung jawabnya	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Pegawai di dalam organisasi ini, diharapkan untuk berpedoman pada keyakinan moral mereka sendiri untuk menentukan apa yang benar untuk dilakukan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Pegawai di organisasi ini diharapkan untuk melakukan segala sesuatu demi tercapainya tujuan organisasi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Pegawai di organisasi ini saling memperhatikan kesejahteraan / kebaikan mereka	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Pertimbangan etika dan moral pegawai di dalam organisasi ini tidak diutamakan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Mematuhi sepenuhnya aturan dan prosedur organisasi merupakan hal yang sangat penting di dalam organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Pegawai di organisasi ini menempatkan tujuan dan reputasi organisasi di atas segala-galanya	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	Pegawai di organisasi ini pada umumnya menempatkan kepentingan pribadi di atas kepentingan lainnya	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	Pertimbangan utama di organisasi ini adalah kesadaran masing-masing pegawai akan hal yang dianggap benar dan salah	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.	Kesejahteraan seluruh pegawai di dalam organisasi menjadi kepedulian utama organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.	Dalam membuat keputusan, pertimbangan paling utama di dalam organisasi ini adalah apakah keputusan tersebut tidak bertentangan dengan hukum dan peraturan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Pernyataan		1 SS	2 S	3 KB	4 AB	5 B	6 SB
13.	Pegawai di organisasi ini diharapkan untuk menempatkan kepatuhan pada aturan hukum di atas pertimbangan-pertimbangan yang lain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14.	Pegawai di dalam organisasi ini memandang pentingnya tingkat kepuasan stakeholders dan pengakuan bahwa organisasi ini berkinerja lebih baik dari organisasi lain yang melaksanakan tugas sejenis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.	Cara yang paling efisien merupakan cara yang dianggap paling tepat di dalam organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.	Pegawai di organisasi ini diharapkan untuk mentaati kode etik dan standard profesi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.	Pegawai di organisasi ini diharapkan untuk selalu melakukan apa yang tepat bagi stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.	Pegawai di organisasi ini memandang loyalitas tim (jiwa korsa) sebagai suatu hal yang penting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19.	Pegawai di organisasi ini mempunyai rasa tanggung jawab yang besar terhadap stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.	Pegawai di organisasi ini secara aktif menunjukkan kepedulian mereka terhadap kepentingan stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21.	Apa yang terbaik bagi tiap-tiap pegawai menjadi perhatian utama organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22.	Pegawai di dalam organisasi ini pada umumnya hanya memperhatikan terhadap apa yang terbaik bagi diri mereka sendiri	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23.	Perhatian utama organisasi ini adalah dampak dari suatu keputusan terhadap stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24.	Ketika suatu keputusan akan dibuat, organisasi ini memperhatikan kepentingan setiap pegawai	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25.	Kerjasama yang baik dari seluruh rekan kerja dipandang sangat penting di organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26.	Hubungan pribadi yang baik dengan rekan kerja sangat penting di organisasi ini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

BAGIAN 4

WHISTLEBLOWING DALAM KONTEKS AUDIT

1. Dalam 24 bulan terakhir, apakah Bapak/Ibu pernah mengetahui suatu kejadian atau kegiatan yang menurut Bapak/Ibu dapat diklasifikasikan sebagai korupsi yang dilakukan oleh rekan sekerja, baik auditor atau pejabat lainnya, yang berkaitan dengan pelaksanaan tugas-tugas audit (*assurance* maupun konsultasi)?

- a. ☐ Tidak (*Silakan ke kuesioner **Bagian 5***)
- b. ☐ Ya

Pilih **satu** dari pernyataan-pernyataan berikut ini yang paling tepat untuk menggambarkan kejadian tersebut?

(Jika Bapak/Ibu mengetahui lebih dari satu kejadian, harap pilih SATU kejadian yang menurut Bapak/Ibu adalah kejadian yang paling serius)

(Beri tanda X pada kotak yang sesuai)

- ☐ 1) Penyalahgunaan wewenang atau memanfaatkan jabatan untuk keuntungan pribadi
- ☐ 2) Pembiayaan / pembayaran fiktif, mengajukan penggantian biaya yang lebih besar daripada seharusnya
- ☐ 3) Penyuapan (menerima atau memberi uang suap), menerima atau memberi gratifikasi/hadiah/donasi illegal
- ☐ 4) Pemerasan kepada auditee
- ☐ 5) Penyalahgunaan sarana, asset atau fasilitas kantor atau penggunaan secara tidak wajar untuk kepentingan pribadi
- ☐ 6) Melakukan perbuatan melanggar ketentuan intern organisasi atau bekerja tidak sesuai prosedur
- ☐ 7) Menutupi, menyamarkan, tidak mengungkapkan atau menghilangkan temuan yang menurut Bapak/Ibu temuan tersebut adalah temuan yang merugikan keuangan Negara atau berindikasi korupsi
- ☐ 8) Menutupi, menyamarkan, tidak mengungkapkan atau menghilangkan temuan yang menurut Bapak/Ibu temuan tersebut adalah temuan yang TIDAK merugikan keuangan Negara atau TIDAK berindikasi korupsi
- ☐ 9) Kejadian lainnya (harap dijelaskan)

2. Siapakah pelaku utama kejadian tersebut?
(Pilih **satu** dan beri tanda X pada kotak yang sesuai)
- a. ☐ Rekan kerja Auditor yang jabatannya lebih rendah dari Bapak/Ibu
 - b. ☐ Rekan kerja Auditor yang jabatannya sama dengan Bapak/Ibu
 - c. ☐ Rekan kerja Auditor yang jabatannya lebih tinggi dari Bapak/Ibu
 - d. ☐ Pejabat Struktural dengan jabatan lebih rendah dari penanggung jawab audit
 - e. ☐ Pejabat Struktural penanggung jawab audit
 - f. ☐ Pejabat Struktural dengan jabatan lebih tinggi dari penanggung jawab audit
 - g. ☐ Bersama-sama lebih dari satu pelaku
3. Apakah atas kejadian tersebut, Bapak/Ibu mengadu, melapor, mengirim surat kaleng, mengirim email/sms atau bentuk-bentuk *whistleblowing* lainnya?
- a. ☐ Ya, dengan menyebut identitas, (ke pertanyaan nomor 4)
 - b. ☐ Ya, tanpa menyebut identitas (anonim), (ke pertanyaan nomor 4)
 - c. ☐ Tidak (ke pertanyaan nomor 5)
4. Kepada siapa saja informasi tersebut anda sampaikan?
(Dapat dipilih **lebih dari satu** dan lanjutkan ke pertanyaan nomor 6)
- a. ☐ Rekan sekerja
 - b. ☐ Atasan langsung administratif kepegawaian
 - c. ☐ Atasan langsung dalam penugasan audit
 - d. ☐ Pimpinan unit kerja (eselon II)
 - e. ☐ Atasan pimpinan unit kerja (eselon I atau menteri/kepala lembaga)
 - f. ☐ Unit khusus yang menangani pengaduan di organisasi Bapak/Ibu
 - g. ☐ Aparat penegak hukum (Polri, Kejaksaan, KPK)
 - h. ☐ Media Massa
 - i. ☐ Anggota DPR
 - j. ☐ Lembaga Swadaya Masyarakat
 - k. ☐ Lainnya (sebutkan)

5. Pilihlah, maksimal 3 pilihan, dari pernyataan-pernyataan berikut ini yang paling tepat menggambarkan alasan Bapak/Ibu **tidak** melakukan *whistleblowing*
- a. ☐ Saya merasa bahwa melakukan *whistleblowing* berisiko negatif terhadap diri saya
 - b. ☐ Saya merasa kejadian tersebut tidak begitu penting untuk dilaporkan
 - c. ☐ Saya mengetahui kejadian tersebut namun saya merasa tidak punya cukup bukti
 - d. ☐ Saya tidak mengetahui kepada siapa saya harus melapor
 - e. ☐ Saya tidak ingin orang lain mendapat masalah karena saya
 - f. ☐ Saya ingin menjaga reputasi organisasi saya dan tidak ingin mempermalukan unit kerja saya
 - g. ☐ Saya merasa bahwa tidak ada satupun yang bisa dilakukan untuk memperbaiki kondisi ini
 - h. ☐ Kejadian tersebut telah dilaporkan oleh pegawai lain
 - a. ☐ Lainnya (sebutkan)
6. Pilihlah, maksimal 3 pilihan, dari pernyataan-pernyataan berikut ini yang paling tepat menggambarkan risiko yang paling Bapak/Ibu takutkan terjadi apabila Bapak/Ibu melakukan *whistleblowing*
- a. ☐ rekan kerja berubah sikap menjadi tidak menyukai atau menjauhi Bapak/Ibu
 - b. ☐ atasan langsung administratif kepegawaian berubah sikap menjadi tidak menyukai Bapak/Ibu
 - c. ☐ pejabat lebih tinggi dari atasan langsung administratif kepegawaian berubah sikap menjadi tidak menyukai Bapak/Ibu
 - d. ☐ penilaian kinerja (DP3) menjadi rendah
 - e. ☐ tidak direkomendasikan untuk dipromosikan
 - f. ☐ tidak direkomendasikan untuk mengikut diklat
 - g. ☐ Ditugaskan di jenis pekerjaan yang relatif tidak disukai atau tidak diinginkan
 - h. ☐ Dipindahtugaskan pada jabatan yang relatif tidak disukai atau tidak diinginkan
 - i. ☐ Dipindahtugaskan ke unit kerja di daerah lain yang yang relatif tidak disukai atau tidak diinginkan
 - j. ☐ Diberhentikan sementara dari jabatan
 - k. ☐ Dipecat dari pekerjaan
 - l. ☐ Penurunan grade jabatan
 - m. ☐ Intimidasi atau pelecehan verbal
 - n. ☐ Lainnya (sebutkan)

BAGIAN 5

WHISTLEBLOWING DALAM KONTEKS PEKERJAAN KANTOR SEHARI-HARI DILUAR KONTEKS AUDIT

1. Dalam 24 bulan terakhir, apakah Bapak/Ibu pernah mengetahui suatu kejadian atau kegiatan yang menurut Bapak/Ibu dapat diklasifikasikan sebagai korupsi yang dilakukan oleh rekan sekerja, baik auditor atau pejabat lainnya, yang terjadi dalam konteks pekerjaan kantor sehari-hari yang **TIDAK** berkaitan dengan pelaksanaan tugas-tugas audit?

- a. ☐ Tidak *(Silakan ke ke bagian 6)*
b. ☐ Ya

Pilih **satu** dari pernyataan-pernyataan berikut ini yang paling tepat untuk menggambarkan kejadian tersebut?

(Jika Bapak/Ibu mengetahui lebih dari satu kejadian, harap pilih SATU kejadian yang menurut Bapak/Ibu adalah kejadian yang paling serius)

(Beri tanda X pada kotak yang sesuai)

- ☐ Penyalahgunaan wewenang atau memanfaatkan jabatan untuk keuntungan pribadi
- ☐ Pembiayaan / pembayaran fiktif, mengajukan penggantian biaya yang lebih besar daripada seharusnya
- ☐ Penyuapan (menerima atau memberi uang suap), menerima atau memberi gratifikasi/hadiah/donasi illegal
- ☐ Pemerasan kepada auditee
- ☐ Penyalahgunaan sarana, asset atau fasilitas kantor atau penggunaan secara tidak wajar untuk kepentingan pribadi
- ☐ Melakukan perbuatan melanggar ketentuan intern organisasi atau bekerja tidak sesuai prosedur
- ☐ Menutupi, menyamarkan, tidak mengungkapkan atau menghilangkan temuan yang menurut Bapak/Ibu temuan tersebut adalah temuan yang merugikan keuangan Negara atau berindikasi korupsi
- ☐ Menutupi, menyamarkan, tidak mengungkapkan atau menghilangkan temuan yang menurut Bapak/Ibu temuan tersebut adalah temuan yang **TIDAK** merugikan keuangan Negara atau **TIDAK** berindikasi korupsi
- ☐ Kejadian lainnya (harap dijelaskan)

2. Siapakah pelaku utama kejadian tersebut?

(Pilih salah satu dan beri tanda X pada kotak yang sesuai)

- a. ☐ Rekan kerja Auditor yang jabatannya lebih rendah dari Bapak/Ibu
- b. ☐ Rekan kerja Auditor yang jabatannya sama dengan Bapak/Ibu
- c. ☐ Rekan kerja Auditor yang jabatannya lebih tinggi dari Bapak/Ibu
- d. ☐ Pejabat Struktural dengan jabatan lebih rendah dari penanggung jawab audit
- e. ☐ Pejabat Struktural penanggung jawab audit
- f. ☐ Pejabat Struktural dengan jabatan lebih tinggi dari penanggung jawab audit
- g. ☐ Bersama-sama lebih dari satu pelaku

3. Apakah atas kejadian tersebut, Bapak/Ibu mengadu, melapor, mengirim surat kaleng, mengirim email/sms atau bentuk-bentuk *whistleblowing* lainnya?

- a. ☐ Ya, dengan menyebut identitas, (ke pertanyaan nomor 4)
- b. ☐ Ya, tanpa menyebut identitas (anonym), (ke pertanyaan nomor 4)
- c. ☐ Tidak (ke pertanyaan nomor 5)

4. Kepada siapa saja informasi tersebut anda sampaikan?

(Dapat dipilih lebih dari satu dan lanjutkan ke pertanyaan nomor 6)

- a. ☐ Rekan sekerja
- b. ☐ Atasan langsung administratif kepegawaian
- c. ☐ Atasan langsung dalam penugasan audit
- d. ☐ Pimpinan unit kerja (eselon II)
- e. ☐ Atasan pimpinan unit kerja (eselon I atau menteri/kepala lembaga)
- f. ☐ Unit khusus yang menangani pengaduan di organisasi Bapak/Ibu
- g. ☐ Aparat penegak hukum (Polri, Kejaksaan, KPK)
- h. ☐ Media Massa
- i. ☐ Anggota DPR
- j. ☐ Lembaga Swadaya Masyarakat
- k. ☐ Lainnya (sebutkan)

5. Pilihlah, maksimal 3 pilihan, dari pernyataan-pernyataan berikut ini yang paling tepat menggambarkan alasan Bapak/Ibu **tidak** melakukan *whistleblowing*
- a. ☐ Saya merasa bahwa melakukan *whistleblowing* berisiko negatif terhadap diri saya
 - b. ☐ Saya merasa kejadian tersebut tidak begitu penting untuk dilaporkan
 - c. ☐ Saya mengetahui kejadian tersebut namun saya merasa tidak punya cukup bukti
 - d. ☐ Saya tidak mengetahui kepada siapa saya harus melapor
 - e. ☐ Saya tidak ingin orang lain mendapat masalah karena saya
 - f. ☐ Saya ingin menjaga reputasi organisasi saya dan tidak ingin mempermalukan unit kerja saya
 - g. ☐ Saya merasa bahwa tidak ada satupun yang bisa dilakukan untuk memperbaiki kondisi ini
 - h. ☐ Kejadian tersebut telah dilaporkan oleh pegawai lain
 - i. ☐ Lainnya (sebutkan)
6. Pilihlah, maksimal 3 pilihan, dari pernyataan-pernyataan berikut ini yang paling tepat menggambarkan risiko yang paling Bapak/Ibu takutkan terjadi apabila Bapak/Ibu melakukan *whistleblowing*
- a. ☐ rekan kerja berubah sikap menjadi tidak menyukai atau menjauhi Bapak/Ibu
 - b. ☐ atasan langsung administratif kepegawaian berubah sikap menjadi tidak menyukai Bapak/Ibu
 - c. ☐ pejabat lebih tinggi dari atasan langsung administratif kepegawaian berubah sikap menjadi tidak menyukai Bapak/Ibu
 - d. ☐ penilaian kinerja (DP3) menjadi rendah
 - e. ☐ tidak direkomendasikan untuk dipromosikan
 - f. ☐ tidak direkomendasikan untuk mengikut diklat
 - g. ☐ Ditugaskan di jenis pekerjaan yang relatif tidak disukai atau tidak diinginkan
 - h. ☐ Dipindahtugaskan pada jabatan yang relatif tidak disukai atau tidak diinginkan
 - i. ☐ Dipindahtugaskan ke unit kerja di daerah lain yang yang relatif tidak disukai atau tidak diinginkan
 - j. ☐ Diberhentikan sementara dari jabatan
 - k. ☐ Dipecat dari pekerjaan
 - l. ☐ Penurunan grade jabatan
 - m. ☐ Intimidasi atau pelecehan verbal
 - n. ☐ Lainnya (sebutkan)

BAGIAN 6

KOMENTAR TAMBAHAN

Nomor Pertanyaan	Uraian

Terima Kasih atas Partisipasi Bapak/Ibu dalam Penelitian ini

Appendix 3 Results of Gioia Method

Name	Verbatim	1st order concept	2nd Order themes
Aggregate Dimension: Aspects of whistle-blowing decision			
Barley	It was impossible for me to argue and oppose to my boss. Threatening me? Alright then, let us pray. All I could do was I did not follow his order. For one or two cases, I followed him but not for the most part.	Let us pray	Perception toward whistle-blower and the act of whistle-blowing
Iris	It means that if we are clean, and just in case there is a counter-attack against us, it will be bounced off. We will be skinned and criticised. If we are not a really good person or just as bad as them, we will lose the courage to be a whistle-blower.	Clean, really good person	Perception toward whistle-blower and the act of whistle-blowing
Iris	We will lose the courage to be a whistle-blower if we are not really good persons or just as bad as the wrongdoer. We should be ready with the consequences. If we have the faith to be in line with our beliefs to tell the truth, we dare to deal with a greater power	Should be ready with the consequences.	Perception toward whistle-blower and the act of whistle-blowing
Lee	Whistle-blowing, in my opinion, is a demand for us, we have a religious duty to do goodness and prevent misguidance. Whistle-blowing is one of the implementations of those teachings. It is how we in daily life can blow the whistle for goodness and remind [others] in a case of badness. Ethically and morally, Islam teaches us to be a whistle-blower and become the agent of change in goodness. It is obligatory. We should cooperate in goodness and not cooperate in crime. We must put ourselves aside from collective corruption	Religious duty	Perception toward whistle-blower and the act of whistle-blowing
Nickie	My parents planted those values and gave us examples of the behaviour. And I saw my parents fight for their integrity	Family values	Perception toward whistle-blower and the act of whistle-blowing
Nico	A whistle-blower dares to take the risk. I've found many people who take risks but someone [a whistle-blower] who also dares to take the risk may have a good understanding of his religion	Religious values	Perception toward whistle-blower and the act of whistle-blowing

Name	Verbatim	1st order concept	2nd Order themes
Rainy	The [lower-level] employees always think about how to get 'other income' to fulfil their basic need. Most employees have not been able to afford to live within a reasonable standard of living decently. In this kind of situation, a whistle-blower may be seen as a traitor among other employees	Traitor	Perception toward whistle-blower and the act of whistle-blowing
Rianna	It can bring down the spirit of people to perform well if that happens [backbiting and prejudice]. Because of bad management of whistle-blowing, they may not want to take responsibility of a high-risk job only because they are afraid of being accused of something that they do not do	Backbiting and prejudice	Perception toward whistle-blower and the act of whistle-blowing
Rianna	The implementation of whistle-blowing system makes anyone aware that they would always be supervised by one another, and feels that anyone is concerned and able to response to the wrongdoing that may occur.	Being aware that they would always be supervised by one another	Perception toward whistle-blower and the act of whistle-blowing
Rianna	The system also creates a feeling of always being careful when doing anything and builds a deterrence atmosphere. People will always provide a response to any personnel who commit violations. All the government apparatus would be terrified when thinking to do any wrongdoing	Deterrence atmosphere	Perception toward whistle-blower and the act of whistle-blowing
Andrew	I think if it happens, the tendency was... 'I am not conducting an audit here, don't trouble yourself, never mind.'	don't trouble yourself	Personal dilemma with various parties to be considered
Eve	In fact, I'm glad that they finally realised their mistakes. So, maybe at that point God does not sleep, there must be a lesson to be learnt. There will be a time when we win and I have done it..	God does not sleep	Personal dilemma with various parties to be considered
Eve	Yes, that was the consequence. I felt like I was isolated in my environment. What we thought was that we needed to be brave and make a stand. After that, we did receive some unfavourable consequences. We accepted these. It was difficult but fortunately, we can show that we were consistent with our attitude and it did not affect our performance. Whatever their manoeuvre that has been done to us, it does not matter. The basic of our attitude is good intention.	Brave, make a stand, consistent and good intention	Personal dilemma with various parties to be considered

Name	Verbatim	1st order concept	2nd Order themes
Harley	If I, as a junior auditor, vigorously and passionately did the whistle-blowing, I might be considered as crazy.	Crazy	Personal dilemma with various parties to be considered
Lily	It is up to us whether we want to report it or not. We should not be forced to be a whistle-blower.	Voluntarily whistle-blowing	Personal dilemma with various parties to be considered
Nickie	In an incident, I observed someone [in my audit team] accept an envelope [bribe money from audit client]. It was not that much money. Then I saw that he was the single breadwinner of his family, he had many kids and he did not have anything [luxurious]. I do not justify the wrongdoing but I can understand why he did it. I guessed that he/she did it because he/she needed it so bad.	Wrongdoer's family is part of the consideration	Personal dilemma with various parties to be considered
Nickie	Finally, I said to them [audit team], 'It is up to you, you were the one who take it while I was not here. But I would not take it and I wanted to return it back.' I just wanted to know that I could not accept that.	Not willing to be complicit	Personal dilemma with various parties to be considered
Nico	In an employment relationship, whistle-blowing is the last step. Say it directly that it is unlawful. If it is not addressed, then [try again for] a second time. If it is still not considered, so be it. We are the subordinates right. Thus, maybe we could take the final steps which is whistle-blowing.	Whistle-blowing is final step	Personal dilemma with various parties to be considered
Rena	We have discussed it with the leaders here and there was an option to report it to our inspectorate. Because it should be so. But we felt pity if we reported it and then he got punished severely. He has several children and his wife does not work. How could they live? It was decided to punish him [in a way] that would not endanger his family. They were not the ones who had committed it.	Feeling pity to the wrongdoer due to his family situation	Personal dilemma with various parties to be considered
Rudolph	Having the courage to do whistle-blowing is not enough. For example, I do the whistle-blowing on something and then all of sudden, I got transferred [to another office, perceived as an unfavourable position]. The effect is not on ourselves solely but also on our families. That is part of our consideration.	Having courage to do whistle-blowing is not enough	Personal dilemma with various parties to be considered

Name	Verbatim	1st order concept	2nd Order themes
Rudolph	I did once try to blow the whistle in the KPK online whistle-blowing system. I got a response from them but then they wanted my identity, my name, my phone number and other personal data. And then I started to think deeply if so, it was quite likely I would become the one to blame [by my family]. Instead of the wrongdoing being proven, I would become the highlighted person. I decided not to carry on with the whistle-blowing and so be it.	Afraid to be blamed by their own family	Personal dilemma with various parties to be considered
Sab	I did not have the courage to prevent that wrongdoing. It is my own experience. When I was a junior auditor, I did not have the power. If I did it [whistle-blowing] while the [working] condition here was not conducive, it means suicide for me. It would be good if the wrongdoing can be rectified completely. But if it does not happen, we will get the damage. If we have the power, then we can prevent the wrongdoing from occurring.	Power to prevent	Personal dilemma with various parties to be considered
Sonny	People are apathetic. The words they used that make me feel sick are 'never mind, as long as it does not bother me'. Once they interfere me, I will be the one who take them apart. I heard this frequently. It happens many times. It may be permissive attitudes and habits that are not good.	as long as it does not bother me	Personal dilemma with various parties to be considered
Sonny	My co-worker did receive something from the audit client. [I received it also] but I did not want it. Alright then, secretly I returned it back. Or I gave it to the needy. I know it was not right, it was a wrongdoing but I did not speak up. Let it be. I might be permissive but almost everybody did it. I could do something, speak up. But frankly speaking, I did not do it. Even if my heart tells me not to do it [the wrongdoing].	Ease the guilty feeling	Personal dilemma with various parties to be considered
Rena	For example, a job promotion is not by the procedures. It is against the rules; it is a non-compliance. But if I report it then they will think 'you are envious'. It seems that because I am not the one who get promoted and then I get jealous. I think to myself what exactly the reason I report it. That is why I do not care much to our organisation. It is their problem, not mine. I have doubt on my justification.	Being whistle-blower can be seen as a jealous envy employee	Whistle-blower's motive

Name	Verbatim	1st order concept	2nd Order themes
Sonny	The [potential] whistle-blowers should not take the beneficiary [of corruption] as the consideration of the decision to blow the whistle or not. There is no need to look to whose interest it is. If we do consider it, then, I think, our intention will not be pure again. It means you will silent when you get the benefit but when you are not one of the beneficiaries you will do whistle-blowing. That is just not right.	Altruistic motive	Whistle-blower's motive
Sonny	The important things are getting the content of what they said. We do not need to know who did that. Then we need to analyse and validate it. Is the substance of the information true or false? If it is true, then we do something to solve the problems. If it is false information, it does not matter. [There is] no need to know who said it.	The content is more important	Whistle-blower's motive
Barley	Was the case that has been exposed and publicly known resolved? It was repeatedly exposed in the CEOs meeting but is there any decisive action from CEOs to make deterrence effect for us? I don't think so. Is it an indication that our CEOs want to quietly get rid of the problem? I do not think so. It is because the wrongdoing has not been known by external parties. When CEC or SAI found it, then the CEOs will do something about it. So, our CEO may have the intention to solve the problem but they are passive. I see our CEOs will not act as long as their self-interests will not be disturbed.	quietly get rid of the problem	Informal solution and external pressure
Barley	CEOs should be proactively eager to improve things that went wrong even if they do it informally and quietly. But that does not happen here. Our CEOs knew that the wrongdoing was occurring, but they wait. If CEC or SAI do not put it in their report, then they are silent and do nothing.	Waiting until the wrongdoing found by external parties	Informal solution and external pressure
Barley	When their subordinates [the wrongdoer] were 'handled' by external parties, which they think it can affect their reputation, they then act something about it.	act when it affect the reputation	Informal solution and external pressure

Name	Verbatim	1st order concept	2nd Order themes
GIAU_ C, 19	Before 2009, many employees marked their travel expenses up. The fictitious business trip occurred for employees' welfare. But after a team from the Corruption Eradication Commission supervised us, thank God, many employees were aware [that it was wrong] and back to the right path. However, there are still some employees trying to commit the unethical act secretly.	Supervision from Corruption Eradication Commission	Informal solution and external pressure
Rena	He [her CEO] did not believe that it still happens today. [He] though my report was not true. I assured him that this was the risk. But still he said 'no' [to formally report it to internal compliance unit] repeatedly. That was it, and then I stopped arguing and kept silent. We solved it by returning the money to the audit client using 'organisation fund'. Then we ask him to replace the funds. We were confused that time, how we treat him regarding his status as the government officer. We have talked to the CEO. But there has been no progress.	Confuse in treating the wrongdoer	Informal solution and external pressure
Rena	As his superior, we wanted to help him solve his problems so this organisation would not be affected. We asked some evidences. We reported it to our CEO and he told us to return the money back to audit client	Help the wrongdoer personally so that his wrongdoing does not affect the organisation	Informal solution and external pressure
Sonny	Wrongdoers who are handled by informal punishment may not learn the lesson. It is not an 'explosive' solution. But everything has been considered. If it involves a substantive amount of money or repeated wrongdoing, it should be approached differently. Therefore, the challenge is how we can resolve the wrongdoing without making the water muddy.	Get the fish but do not let the water muddy	Informal solution and external pressure
Sonny	I prefer informal resolution; I will ask the wrongdoer to return the money quietly. He/she is my subordinate; he/she is my friend. I would try my best to resolve it as such we all are his/her family. It is like solving the problem but not letting the water muddy. Get the fish but do not let the water muddy.	Informal resolution is preferred	Informal solution and external pressure

Name	Verbatim	1st order concept	2nd Order themes
Agustine	Yes, I will report it [organisational wrongdoing] with a variety of considerations if it is really and truly detrimental to the organisation. It seems that, in general, the consequences of being a whistle-blower are still very hard to take. In many cases, we see that the whistle-blower is not fully protected. It is better to choose the anonymous unofficial channel.	anonymous unofficial channel is better	Anonymity
Nico	They take the easy way. They prefer to write a letter. They do not want to take the hard and tiring way. They are fearful of being blamed for what they say. So there is a sense of laziness, reluctance in communicating. The first is neglect, laziness is the second and the third is avoiding being blamed. They prefer to take the easiest way in which can keep their identity unknown.	Fear of the risk but still want to do something	Anonymity
Aggregate Dimension: Motivation and justification of whistle-blowing decision			
Andrew	Some words such as ‘Do you still want to be here or do you want me to transfer you to an “unfavourable” organisation’ will come out. It makes the decision more difficult for them.	Transfer to unfavourable place	Justification of not to blow the whistle and perceived risk of whistle-blowing
Andy	Sometimes they would have been excommunicated by other co-workers or excluded from an audit assignment.	excommunicated and excluded	Justification of not to blow the whistle and perceived risk of whistle-blowing
Barry	The whistle-blowing system may be reliable but it can still be leaked. A whistle-blower is a good man but he/she can be discriminated against and labelled as a disloyal and unfaithful friend. Being excluded from social activities is the most severe punishment for a human being.	disloyal, unfaithful, excluded	Justification of not to blow the whistle and perceived risk of whistle-blowing
Eve	In social activity in the office, it was like, we were together, we were there but we felt we did not exist.	alienated	Justification of not to blow the whistle and perceived risk of whistle-blowing
Harley	I chose to keep silent, follow the bureaucratic procedures and did not want to put my supervisor in the opposite position to his supervisor. Here in this organisation, the transfer policy [to unfavourable place] is used as a punishment tool.	Transfer to unfavourable place is used as punishment tools	Justification of not to blow the whistle and perceived risk of whistle-blowing

Name	Verbatim	1st order concept	2nd Order themes
Sonny	They could be considered as a traitor. It happens many times. Clean auditors do not have many friends. They are lonely because they cannot be with other friends. They are excluded from their environment and their co-workers, although they are not necessarily removed from them. It was like 'I do not want to be with him, he is [too] clean'. That is what I experienced during my work here if we want to be a better [organisation] we should become whistle-blower but should also be careful.	Traitor, excluded	Justification of not to blow the whistle and perceived risk of whistle-blowing
Barley	I went to my CEO [official higher than the wrongdoer] and met him in his office. I showed him the text messaging and the wrongdoer's handwriting on the notes. 'These persons had to pass the exam'.	Text messaging and written documentation	Quality of evidence
Lily	If I kept arguing then [I was afraid] he might insistently questioned me "how do you know, do you have evidence of this?" ... I did not have direct authentic evidence showing someone has received some money and then the audit findings gone	direct authentic evidence	Quality of evidence
Rena	We heard from the audit team that the wrongdoer asked something to our audit client, we continued to explore the extent to which the wrongdoing occurred. The audit team provided me the evidences that it is true that he has accepted "something". We, ourselves, looked at the evidence. We reported it to our director and we were told to trace his similar behaviour in another audit clients. I asked his previous team audit to clarify and it was positive that he committed similar wrongdoing in previous audit clients. But his co-workers did not report to us. There was someone did report but it was considered as vague cases. We continued to trace him when he was at another directorate. It turned out that he was famous in doing so	Seeking evidences	Quality of evidence

Name	Verbatim	1st order concept	2nd Order themes
Eve	In my opinion, employees should be fully responsible in doing their job whether they are team member, team leader and especially supervisor. But at that time, for example, she did not do her duty to supervise my audit team. I do not see whether she is a team member or my superior. But it is clear that we must work professionally and prioritize our job. If, for example, they could not be professional, they should resign from the assignment. So it motivates me to expose the problem of my audit team. In my opinion, each member, whether he is a supervisor or CEOs, they have equal responsibility	Responsible, professional employee	Responsibility and obligation
Lily	It was just a small thing. What I mean is that it happened in the audit team internally. For example, official travel allowance and accommodation cost. I knew my co-worker marked up the cost of airline ticket and hotel. I reported it to my immediate superior. Because I was fully resentful to him. He actively did it. He was greedy money-grabbing	Resentful, greedy money-grabbing	Responsibility and obligation
Lily	I felt pity for him too. He has a kid with special needs. I understood that he needed money, not that much, but enough for his daily life	Feeling pity	Responsibility and obligation
Lily	Because we were close in the same office room. In term of amount of money, it was petty. If we blew it up and all of our office mate would know, it might be unfair	Blowing the whistle on petty corruption may be unfair	Responsibility and obligation
Nickie	I did not report it to our superior because I was close friend to my team leader	wrongdoer is a close friend	Responsibility and obligation
Nico	It depends on our intention. If we have a definite love for our organisation, we will try our best to tell him [the wrongdoer], and so there are no victims, and that person [the wrongdoer] will not be a victim either. If we do the whistle-blowing, there must be some casualties. It means that if we are able to stop then we should stop it, and find how we communicate it. It comes back to you, how strong your intention is	Direct reprimand	Responsibility and obligation

Name	Verbatim	1st order concept	2nd Order themes
Nico	I always feel challenged to use humanistic approach. My intention was to change the organisation. High performance can be achieved through togetherness and team work. This culture must be built. Togetherness is important. We may write a letter to do whistle-blowing when he/she cannot be told anymore, when he/she becomes ignorant and does not want to change his own behaviour. He/she clearly have intention to corrupt. When we speak to him and he does not want to hear, so be it. It means we have an obligation to inform it using another way	Togetherness is important	Responsibility and obligation
Rena	Humiliating people publicly somewhat is not our culture. We, three of us [top and middle managers in the organisation], agreed not to do that [external whistle-blowing]	Formally report to the authorities is considered as publicly humiliating the wrongdoer	Responsibility and obligation
Agustine	If the wrongdoing is necessary for the best interest of the organisation, I think it is ok. It is not for us personally. However, if money involved in the wrongdoing, it cannot be tolerated	For the best of interest of the organisation	Tolerance to corruption and wrongdoer's motive
Andrew	But if it is an organisational wrongdoing, I try to understand the difficulties faced by the management	Understand the difficulties faced by the management	Tolerance to corruption and wrongdoer's motive
Andrew	We need to look at the social aspect, perhaps. I do not know, maybe I was influenced by the opinion that it is not a corruption if the money goes to charity or for social purposes	it is not a corruption if the money goes to charity or for social purposes	Tolerance to corruption and wrongdoer's motive
Barley	For one or two cases, I followed him but not for the most part	following superior's order	Tolerance to corruption and wrongdoer's motive
GIAU_E, 30	I find it normal if our travel allowance to be cut for non-budget office expenses	It is normal	Tolerance to corruption and wrongdoer's motive

Name	Verbatim	1st order concept	2nd Order themes
Nickie	In an incident, I observed someone [in my audit team] accepted an envelope [bribe money from audit client].It was not that much money. Then I saw that he was a single breadwinner of his family, he had many kids and he did not had anything [luxurious]. I do not justify the wrongdoing but I can understand why he did it. I guessed that he/she did it because he/she needed it so bad	Wrongdoer's family is part of the consideration	Tolerance to corruption and wrongdoer's motive
Rainy	Yes, I think we still have some level of tolerance to corruption. The tolerance here is not because of the nature of greed or enrich themselves or excessive, no, but in the context of getting a decent life	Corruption to survive	Tolerance to corruption and wrongdoer's motive
Andrew	It [exemplary leadership] does not exist but 'talk only leadership. When someone do the whistle-blowing but then he got retaliated, it is all the same, it is better to keep quiet	Talk only leadership	Perceived leadership style
Barley	There was case when an official was transferred, he got punished. But it was not because of he did something wrong or was not performing well. It was because he spoke up and argued against our CEO. Our CEOs banged the desk while he was arguing with him. So some employees think that our CEOs is actually a little tyranny.	a little tyranny	Perceived leadership style
Barry	I did the whistle-blowing but there was no response at all. It should be followed up right? And their actions should be informed to us	No responses	Perceived leadership style
Barry	When I came to this office, comparing to other organisations, this organisation is cleaner and better. The atmosphere for us to do rightful thing is more supportive. No one will challenge or threaten you for doing the right thing. Therefore, I will not try to do this and that. I once refused to receive some offering [of money from audit clients]. Nothing has happened, I was not isolated	Supportive, cleaner and better	Perceived leadership style
Eve	It should start from the top, from the top leaders. They should be more open and willing to listen. It may change environment a little bit. When people are willing to speak up then the whistle-blowing may come out	open and willing to listen	Perceived leadership style

Name	Verbatim	1st order concept	2nd Order themes
Eve	If the subordinates have reported [the wrongdoing] to the superiors but they do not followed it up and act something, it [whistle-blowing intention] can be gone. Actual and firm action is needed. It can motivate us to do more whistle-blowing	Actual and firm action is needed.	Perceived leadership style
Eve	Fortunately, my immediate superior could accept my attitude although he might not like to hear it from me. But he respected my views to not get involved in the wrongdoing. However, he might take note on me for being rebellious. We were seen as “too late to be the hero”. What is it for? Like you never did it	Remain respectful to subordinate who do not want to involve	Perceived leadership style
Harley	It was so feudalistic culture in here. We would get punished for only put some words out.	feudalistic culture	Perceived leadership style
Harley	In term of our culture which is developed in our bureaucratic environment, whistle-blowing is difficult to apply. We, especially someone who has higher position, tend not to appreciate when someone reminds us about our bad behaviour	bureaucratic environment	Perceived leadership style
Harley	My supervisor did not respond to my report and I stopped there. Maybe, if I continued to blow the whistle to the higher manager, I would have transferred somewhere around Indonesia. As a result I still worked here in Jakarta for 30 years now	Supervisor who do not response	Perceived leadership style
Iris	In our culture, people who their evil get exposed, tend to be angry. If he has power, he will use the power to retaliate or take action that can be detrimental to the whistle-blower	use the power to retaliate	Perceived leadership style
Lily	I did it [whistle-blowing] because it was internal issue and I know my superior’s character... So I convinced myself to do it. She [whistle-blowing information recipient] was quite idealistic person, she did not want to get her tickets and hotels paid or receive gift [from audit clients]	Idealistic superior	Perceived leadership style

Name	Verbatim	1st order concept	2nd Order themes
Lily	The culture of mutual cooperation and solidarity is so strong. If you get it [money] even a little, let us eat together, do not eat by yourself, right? Some portion of that should be trickle down. But the worst is that the wrongdoer is seen as good generous person. Whereas, where the money comes from is never be questioned. Actually, they [the wrongdoers] are frequently seen as hero	Trickling down the money	Perceived leadership style
Lily	It has become an open secret for us all. We are all know that he was the player. Giving money to the superiors was common practices and even it made him proud. He was the player and he was favourite employee. He was like a [revenue generator]. He became a legend	Giving money to the superiors was common practices	Perceived leadership style
Lily	It [corrupt behaviour] was systemic, what I mean is it was rooted. And usually, those who can produce something like that [money from audit client] they got nice audit client. However, it depends on the team leader. There were also some idealist auditors. But they usually got ordinary audit client	Systemic, rooted	Perceived leadership style
Nico	My supervisor talks and discuss openly to me. His openness provided me with the opportunity for giving him some input or feedbacks	Openness in receiving input	Perceived leadership style
Nico	I do not underlie my work on likes or dislikes basis but rather on what my obligation is. I do not see who my boss is. I do the job in accordance with the rules. With such an approach, I do not need to get close to or stay away from my supervisor	Work in accordance with the rule	Perceived leadership style
Sonny	Sure, I am happy. It is okay for me. I do emphasised my subordinates, if I am wrong, please correct me. They can speak it up carefully and wisely. If it is true we can be clean person and our employees will not do something wrong	Open and welcome to be corrected	Perceived leadership style
Adele	It is only to appease the public without any intention to follow-up”	no intention to response	Organisational unresponsiveness

Name	Verbatim	1st order concept	2nd Order themes
Agustine	I will choose to do gossiping, or if I feel the need to report it. Because of the fear of getting identified [as the one who blow the whistle], I prefer to use informal channel. I have no courage yet to openly blow the whistle. In case of organisational wrongdoing, we may be somewhat reluctant to formally blow the whistle	Fear of getting identified	Organisational unresponsiveness
Andrew	There is a belief not to interfere other people's business. Moreover, the corruption exposure here is also still rather difficult. The one who exposes the incidence tend to be the one who get the problem. That's why most auditors do not want to involve in if it is out of audit context	The one who exposes the incidence tend to be the one who get the problem	Organisational unresponsiveness
Barley	We are not sure whether our report will arrive [at the authorities]. There is someone who filter the information. We once conducted an audit and found a corruption case. An official of regional office [of Ministry of Education] illegally took fees on school fund. I reported to my superior but it stopped there. And then I knew that the information never arrived to our CEO	filterring the information	Organisational unresponsiveness
Barry	Internal control is built by manager to control the organisation's activities. However, according to my experience, the manager themselves violated it. Just like this whistle-blowing system. They built it as its best but the information gained from the system may be used only as image building to secure their interest	Image building	Organisational unresponsiveness
Barry	Can they guarantee that the whistle-blowing information will not be leaked and the whistle-blower will not be known?	Leaked information	Organisational unresponsiveness
Barry	I did not have the courage to prevent that wrongdoing. This is my own experience. When I was a junior auditor I did not have the power. If we have the power, as team leader, then we can prevent the wrongdoing to occur	Courage and power	Organisational unresponsiveness
Harry	We can keep in silence but it does not mean that we are agree with it [the wrongdoing]. If we are in lack of power position, and we feel that whistle-blowing will be in vain, and we do not have the ability, it is better not to blow the whistle. If we are confident [that whistle-blowing will be effective], yes we can do it. We need to see 'who we are'.	whistle-blowing will be in vain	Organisational unresponsiveness

Name	Verbatim	1st order concept	2nd Order themes
Iris	Do people who manage this whistle-blowing information never conduct an audit? They have conducted an audit. There is a saying of “Pot Calling the Kettle Black”. You used to do it anyway, how come you pretend to be mister clean. We are just worried that there is a conflict of interest, ‘you know it, I know it’, ‘you know that I know what you have done wrong in the past’. You expose mine, I expose yours	You expose mine, I expose yours	Organisational unresponsiveness
Lily	They may be afraid of getting involving in troublesome issues, being questioned and exposed.	Afraid of involving in troublesome issues	Organisational unresponsiveness
Lily	I felt junior, yes [powerless]. At that time, I did not quite understand.	Powerless	Organisational unresponsiveness
Princess	I am still afraid to blow the whistle, I should look into myself and until now I am no one here.	I am no one here	Organisational unresponsiveness
Rena	I see it as lip service only, plans, dreams and ideals. It should be a measurable commitment and used as an indicator of success. It must be embedded, measurable and clear accountability. If there is no evaluation and monitoring, let us forget it. Whistle-blowing was built not to denounce, but to provide positive and corrective impact.	Lips service	Organisational unresponsiveness
Rena	Afraid to involve in an annoying situation. I have experienced being a witness of a fraud. I helped in preventing the fraud so that it did not happen. At the time, the fraud was occurred it was beyond our control. I was the witness but it seemed I was the wrongdoer. It cost me money and time and I felt spiritually tortured. I felt like by participating in something to uphold the truth we even felt discomfort.	Contributing in law enforcing activities cost us money, time and spiritually tortured	Organisational unresponsiveness
Aggregate Dimension: Improving the effectiveness of whistle-blowing policy			
Andy	Through the reward, even non-financial reward, the appreciation and the commitment of the leaders can be shown. The employees need to see some positive sign that can encourage people to blow the whistle. The sign that should be actually exist in the policies and actions	Reward	System and procedure

Name	Verbatim	1st order concept	2nd Order themes
Rianna	In my opinion anyway, if we want to implement the whistle-blowing system it is better to develop a good and wise mechanism that includes legal protection for the witnessing whistle-blower. It is also needed to maintain good and conducive working atmosphere in the government agencies, avoiding backbiting and prejudice. The whistle-blower's identity must be given along with the information provided. Principally, protection is guaranteed, but the whistle-blower should be responsible also.	legal protection, conducive working atmosphere	System and procedure
Rianna	When we implement the control environment, we should continue doing the daily activities smoothly. Do not let the business process be halted because the control is set too tight. Anyone can give input or complaint but with no identity, it is irresponsible.	complaining with no identity is irresponsible	System and procedure
Rianna	The criteria of information that will be acted upon should be mentioned which the facts or documents showing the facts	Evidences criteria	System and procedure
Andy	If it is a financial reward, it did not mean that much	Reward	People
Andy	Safety is the first I think. It means that there would be no negative impact on the whistle-blower and their family and their prosperity. It has to be built first. Through the reward, even non-financial reward, the appreciation and the commitment of the leaders can be shown. The employees need to see some positive sign that can encourage people to blow the whistle. The sign should truly exist in the policies and actions.	Negative impact to the whistle-blower	People
Barry	If the wrongdoing occurred in lower-level management, there is no problem, the higher manager in the headquarters will do something. However, how to cope with fraud involving top managers in the headquarters? It is important to ask external parties to manage the whistle-blowing system.	Fraud involving top manager in the head quarter	People
Barry	The case to be handled is not subjectively selected by internal manager to serve their own interest	subjectively selected case	People
Kurt	It may be used only [as a motive] to gain money	Money motivated	People

Name	Verbatim	1st order concept	2nd Order themes
Nico	So that people having good intentions can blow the whistle safely	Whistle-blowing safely	People
Nico	‘instilling ethical values and improving recruitment process’, ‘instilling people with a “dare to disagree” and “speak it out politely and respectfully” attitude’ and creating a ‘good work ambience, sufficient facilities, good inter-personal relationships, particularly among subordinates and superiors’	Culture that motivates employee to speak up	People
Nico	The important thing is getting the content of what they said. We do not need to know who did that [whistle-blowing]. Then we can analyse and validate it. Is the substance of the information true or false? If it is true, then we do something to solve the problems. If it is false information, it does not matter, no need to know who said it. What is important is the substance of the information whether it is right or wrong.	The substance of the information is more important	People
Rachel	Filter[ing] [the information] and then no single action will be taken’ (Rachel, interview,	Abuse of whistle-blowing information	People

Appendix 4a Results of hierarchical regression analysis for the moderating effects of perceived seriousness on whistle-blowing intention

1. The moderating effect of perceived seriousness on internal whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.011			-0.052		
	Efficiency - stakeholder climate	0.027			-0.021		
	Personal interest climate	-0.038			-0.045		
	Togetherness climate	-0.007			0.069		
	Wrongdoer(s)' power status	-0.103			0.092		
	Respondent's job level	0.136			-0.106		
	Affective commitment	-0.137			0.027		
	Continuance commitment	-0.026			0.092		
	Normative commitment	0.216	0.066	0.066 **	-0.117	0.040	0.040 †
2	Ethical judgment	0.326	0.157	0.092 *	0.326	0.189	0.149 *
3	Seriousnes of wrongdoing	0.110	0.165	0.008 ***	0.161	0.208	0.019 *
4	Interaction of ethical judgment and perceived seriousness	0.099	0.172	0.007 ***	-0.069	0.213	0.005 †
	F value	5.889		*	7.559		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	0.010			-0.016		
	Efficiency - stakeholder climate	0.013			0.023		
	Personal interest climate	0.002			0.028		
	Togetherness climate	0.044			0.086		
	Wrongdoer(s)' power status	0.118			0.047		
	Respondent's job level	-0.068			-0.010		
	Affective commitment	-0.004			-0.073		
	Continuance commitment	0.095			0.104		
	Normative commitment	0.056	0.095	0.095 *	0.059	0.112	0.112 *
2	Ethical judgment	0.427	0.312	0.217 *	0.231	0.296	0.184 *
3	Seriousnes of wrongdoing	0.170	0.330	0.018 *	0.415	0.395	0.099 *
4	Interaction of ethical judgment and perceived seriousness	0.096	0.338	0.007 ***	0.065	0.398	0.004 †
	F value	14.490		*	18.658		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.090			-0.021		
	Efficiency - stakeholder climate	0.075			0.059		
	Personal interest climate	-0.045			-0.013		
	Togetherness climate	-0.002			0.022		
	Wrongdoer(s)' power status	0.079			0.078		
	Respondent's job level	-0.045			-0.005		
	Affective commitment	0.005			-0.047		
	Continuance commitment	0.158			0.051		
	Normative commitment	0.064	0.126	0.126 *	-0.017	0.088	0.088 *
2	Ethical judgment	0.415	0.388	0.262 *	0.333	0.320	0.233 *
3	Seriousnes of wrongdoing	0.293	0.422	0.034 *	0.337	0.381	0.060 *
4	Interaction of ethical judgment and perceived seriousness	0.152	0.441	0.019 *	0.061	0.384	0.003 †
	F value	22.172		*	17.574		*
Note: * p < .01; ** p < .05; ***p< .1 ; †p >= .1							

2. The moderating effect of perceived seriousness on external whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.156			-0.120		
	Efficiency - stakeholder climate	-0.000			-0.082		
	Personal interest climate	0.048			-0.004		
	Togetherness climate	0.209			0.174		
	Wrongdoer(s)' power status	-0.103			0.185		
	Respondent's job level	0.216			-0.119		
	Affective commitment	-0.101			0.020		
	Continuance commitment	0.010			0.118		
	Normative commitment	0.110	0.085	0.085 *	-0.041	0.091	0.091 *
2	Ethical judgment	0.245	0.138	0.053 *	0.282	0.201	0.109 *
3	Seriousnes of wrongdoing	0.087	0.143	0.005 †	0.140	0.214	0.013 **
4	Interaction of ethical judgment and perceived seriousness	0.074	0.146	0.004 †	0.029	0.215	0.001 †
	F value	4.755		*	7.649		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.109			-0.035		
	Efficiency - stakeholder climate	0.021			-0.020		
	Personal interest climate	0.098			0.100		
	Togetherness climate	0.140			0.190		
	Wrongdoer(s)' power status	0.140			0.070		
	Respondent's job level	-0.089			-0.056		
	Affective commitment	-0.016			-0.074		
	Continuance commitment	0.171			0.169		
	Normative commitment	0.103	0.117	0.117 *	0.158	0.162	0.162 *
2	Ethical judgment	0.274	0.225	0.108 *	0.202	0.245	0.083 *
3	Seriousnes of wrongdoing	0.168	0.242	0.017 **	0.229	0.274	0.029 *
4	Interaction of ethical judgment and perceived seriousness	0.078	0.247	0.005 †	0.099	0.283	0.008 **
	F value	9.288		*	11.078		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.119			-0.023		
	Efficiency - stakeholder climate	0.062			-0.057		
	Personal interest climate	0.074			0.066		
	Togetherness climate	0.125			0.160		
	Wrongdoer(s)' power status	0.162			0.133		
	Respondent's job level	-0.091			-0.026		
	Affective commitment	0.025			0.008		
	Continuance commitment	0.206			0.090		
	Normative commitment	0.068	0.170	0.170 *	-0.037	0.085	0.085 *
2	Ethical judgment	0.285	0.305	0.136 *	0.275	0.213	0.128 *
3	Seriousnes of wrongdoing	0.239	0.328	0.023 *	0.196	0.233	0.020 **
4	Interaction of ethical judgment and perceived seriousness	0.120	0.340	0.012 **	0.036	0.234	0.001 †
	F value	14.382		*	8.585		*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

3. The moderating effect of perceived seriousness on public whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.118			-0.113		
	Efficiency - stakeholder climate	-0.074			-0.039		
	Personal interest climate	-0.044			-0.039		
	Togetherness climate	0.195			0.137		
	Wrongdoer(s)' power status	0.001			0.084		
	Respondent's job level	0.115			-0.054		
	Affective commitment	-0.094			0.030		
	Continuance commitment	-0.050			0.148		
	Normative commitment	0.096	0.049	0.049 **	0.018	0.069	0.069 **
2	Ethical judgment	0.165	0.062	0.013 **	0.304	0.161	0.092 *
3	Seriousnes of wrongdoing	0.077	0.064	0.002 †	0.028	0.161	0.000 †
4	Interaction of ethical judgment and perceived seriousness	0.166	0.083	0.019 ***	0.019	0.162	0.000 †
	F value	2.489		*	5.329		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.125			-0.113		
	Efficiency - stakeholder climate	-0.005			0.059		
	Personal interest climate	0.036			0.106		
	Togetherness climate	0.108			0.141		
	Wrongdoer(s)' power status	0.111			0.021		
	Respondent's job level	-0.048			-0.008		
	Affective commitment	0.032			-0.023		
	Continuance commitment	0.144			0.125		
	Normative commitment	0.144	0.085	0.085 *	0.123	0.094	0.094 *
2	Ethical judgment	0.288	0.151	0.066 *	0.200	0.158	0.063 *
3	Seriousnes of wrongdoing	0.050	0.153	0.002 †	0.161	0.172	0.014 **
4	Interaction of ethical judgment and perceived seriousness	0.119	0.164	0.011 **	0.089	0.179	0.007 ***
	F value	5.547		*	6.085		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.119			-0.075		
	Efficiency - stakeholder climate	0.042			-0.013		
	Personal interest climate	0.022			0.093		
	Togetherness climate	0.094			0.175		
	Wrongdoer(s)' power status	0.140			0.073		
	Respondent's job level	-0.139			-0.033		
	Affective commitment	0.038			0.031		
	Continuance commitment	0.160			0.070		
	Normative commitment	0.096	0.117	0.117 *	-0.035	0.063	0.063 **
2	Ethical judgment	0.343	0.234	0.117 *	0.295	0.173	0.110 *
3	Seriousnes of wrongdoing	0.078	0.236	0.002 †	0.124	0.181	0.008 ***
4	Interaction of ethical judgment and perceived seriousness	0.088	0.242	0.006 ***	0.051	0.184	0.002 †
	F value	8.898		*	6.300		*
Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$							

Appendix 4b Results of hierarchical regression analysis for the moderating effects of affective commitment on whistle-blowing intention

1. The moderating effect of affective commitment on internal whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.028			-0.059		
	Efficiency - stakeholder climate	0.032			-0.010		
	Personal interest climate	-0.051			-0.034		
	Togetherness climate	-0.009			0.073		
	Wrongdoer(s)' power status	-0.108			0.087		
	Respondent's job level	0.137			0.034		
	Continuance commitment	-0.028			0.093		
	Normative commitment	0.206			-0.119		
	Seriousnes of wrongdoing	0.094	0.089	0.089 *	0.165	0.127	0.127 *
	F value	5.611		*	7.530		*
2	Ethical judgment	0.288	0.151	0.062 *	0.328	0.200	0.073 *
3	Affective commitment	-0.138	0.165	0.014 **	-0.091	0.208	0.008 ***
4	Interaction of ethical judgment and affective commitment	0.003	0.165	0.000 †	-0.065	0.212	0.004 †
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	0.017			-0.017		
	Efficiency - stakeholder climate	0.003			0.033		
	Personal interest climate	-0.011			0.035		
	Togetherness climate	0.041			0.082		
	Wrongdoer(s)' power status	0.111			0.051		
	Respondent's job level	-0.004			-0.075		
	Continuance commitment	0.090			0.100		
	Normative commitment	0.039			0.051		
	Seriousnes of wrongdoing	0.186	0.249	0.249 *	0.411	0.369	0.369 *
	F value	14.129		*	18.382		*
2	Ethical judgment	0.379	0.327	0.079 *	0.214	0.395	0.026 *
3	Affective commitment	-0.063	0.330	0.003 †	-0.012	0.395	0.000 †
4	Interaction of ethical judgment and affective commitment	-0.044	0.332	0.002 †	0.009	0.395	0.000 †
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.086			-0.023		
	Efficiency - stakeholder climate	0.070			0.055		
	Personal interest climate	-0.052			-0.018		
	Togetherness climate	0.008			0.017		
	Wrongdoer(s)' power status	0.089			0.076		
	Respondent's job level	-0.009			-0.043		
	Continuance commitment	0.153			0.051		
	Normative commitment	0.042			-0.013		
	Seriousnes of wrongdoing	0.269	0.343	0.343 *	0.338	0.324	0.324 *
	F value	20.491		*	17.345		*
2	Ethical judgment	0.385	0.420	0.077 *	0.317	0.381	0.057 *
3	Affective commitment	-0.050	0.422	0.002 †	0.004	0.381	0.000 †
4	Interaction of ethical judgment and affective commitment	-0.007	0.422	0.000 †	-0.015	0.381	0.000 †

Note: * p < .01; ** p < .05; ***p< .1 ; †p >= .1

2. The moderating effect of affective commitment on external whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.168			-0.118		
	Efficiency - stakeholder climate	0.004			-0.086		
	Personal interest climate	0.036			-0.008		
	Togetherness climate	0.206			0.173		
	Wrongdoer(s)' power status	-0.106			0.186		
	Respondent's job level	0.218			0.017		
	Continuance commitment	0.010			0.117		
	Normative commitment	0.100			-0.041		
	Seriousnes of wrongdoing	0.072	0.100	0.100 *	0.138	0.148	0.148 *
2	Ethical judgment	0.212	0.135	0.035 *	0.281	0.203	0.055 *
3	Affective commitment	-0.100	0.143	0.007 ***	-0.125	0.214	0.011 **
4	Interaction of ethical judgment and affective commitment	-0.019	0.143	0.000 †	0.022	0.214	0.000 †
	F value	4.627		*	7.633		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.103			-0.040		
	Efficiency - stakeholder climate	0.012			0.003		
	Personal interest climate	0.087			0.117		
	Togetherness climate	0.137			0.182		
	Wrongdoer(s)' power status	0.134			0.075		
	Respondent's job level	-0.016			-0.072		
	Continuance commitment	0.166			0.160		
	Normative commitment	0.089			0.152		
	Seriousnes of wrongdoing	0.181	0.207	0.207 *	0.227	0.255	0.255 *
2	Ethical judgment	0.235	0.237	0.030 *	0.179	0.272	0.017 *
3	Affective commitment	-0.085	0.242	0.005 †	-0.056	0.274	0.003 †
4	Interaction of ethical judgment and affective commitment	-0.042	0.244	0.002 †	0.057	0.277	0.003 †
	F value	9.127		*	10.780		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.119			-0.025		
	Efficiency - stakeholder climate	0.053			-0.059		
	Personal interest climate	0.066			0.063		
	Togetherness climate	0.140			0.158		
	Wrongdoer(s)' power status	0.168			0.132		
	Respondent's job level	0.014			0.011		
	Continuance commitment	0.201			0.090		
	Normative commitment	0.042			-0.034		
	Seriousnes of wrongdoing	0.222	0.287	0.287 *	0.196	0.193	0.193 *
2	Ethical judgment	0.258	0.321	0.034 *	0.265	0.233	0.040 *
3	Affective commitment	-0.089	0.328	0.007 ***	-0.022	0.233	0.000 †
4	Interaction of ethical judgment and affective commitment	-0.069	0.333	0.005 †	-0.002	0.233	0.000 †
	F value	13.908		*	8.528		*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

3. The moderating effect of affective commitment on public whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.145			-0.112		
	Efficiency - stakeholder climate	-0.069			-0.041		
	Personal interest climate	-0.056			-0.042		
	Togetherness climate	0.193			0.137		
	Wrongdoer(s)' power status	-0.004			0.085		
	Respondent's job level	0.112			0.028		
	Continuance commitment	-0.057			0.148		
	Normative commitment	0.079			0.017		
	Seriousnes of wrongdoing	0.053	0.050	0.050 **	0.027	0.094	0.094 *
	F value	2.024		*	5.316		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.122			-0.114		
	Efficiency - stakeholder climate	-0.008			0.070		
	Personal interest climate	0.029			0.115		
	Togetherness climate	0.104			0.137		
	Wrongdoer(s)' power status	0.107			0.027		
	Respondent's job level	0.025			-0.026		
	Continuance commitment	0.140			0.120		
	Normative commitment	0.131			0.112		
	Seriousnes of wrongdoing	0.059	0.122	0.122 *	0.157	0.154	0.154 *
	F value	5.118		*	5.807		*
2	Ethical judgment	0.238	0.152	0.029 *	0.176	0.172	0.018 *
	Affective commitment	-0.043	0.153	0.001 †	-0.012	0.172	0.000 †
	Interaction of ethical judgment and affective commitment	0.023	0.153	0.000 †	0.005	0.172	0.000 †
	F value	5.118		*	5.807		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.118			-0.078		
	Efficiency - stakeholder climate	0.037			-0.014		
	Personal interest climate	0.016			0.089		
	Togetherness climate	0.103			0.171		
	Wrongdoer(s)' power status	0.145			0.073		
	Respondent's job level	0.030			0.036		
	Continuance commitment	0.157			0.070		
	Normative commitment	0.080			-0.031		
	Seriousnes of wrongdoing	0.065	0.169	0.169 *	0.123	0.136	0.136 *
	F value	8.631		*	6.210		*
2	Ethical judgment	0.324	0.221	0.052 *	0.281	0.181	0.044 *
3	Affective commitment	-0.140	0.236	0.015 **	-0.030	0.181	0.001 †
4	Interaction of ethical judgment and affective commitment	-0.031	0.237	0.001 †	0.014	0.182	0.000 †
F value		8.631		*	6.210		*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

Appendix 4c Results of hierarchical regression analysis for the moderating effects of normative commitment on whistle-blowing intention

1. The moderating effect of normative commitment on internal whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.033			-0.059		
	Efficiency - stakeholder climate	0.033			-0.015		
	Personal interest climate	-0.055			-0.037		
	Togetherness climate	-0.010			0.074		
	Respondent's job level	0.137			0.091		
	Affective commitment	-0.137			-0.103		
	Continuance commitment	-0.028			0.030		
	Wrongdoer(s)' power status	-0.108			-0.118		
	Seriousnes of wrongdoing	0.092	0.076	0.076 *	0.170	0.124	0.124 *
2	Ethical judgment	0.284	0.136	0.060 *	0.319	0.202	0.078 *
3	Normative commitment	0.206	0.165	0.029 *	0.098	0.208	0.006 †
4	Interaction of ethical judgment and normative commitment	-0.022	0.165	0.000 †	-0.030	0.209	0.001 †
	F value	5.628		*	7.387		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	0.013			-0.018		
	Efficiency - stakeholder climate	0.008			0.031		
	Personal interest climate	-0.006			0.034		
	Togetherness climate	0.041			0.082		
	Respondent's job level	0.114			0.052		
	Affective commitment	-0.063			-0.012		
	Continuance commitment	-0.008			-0.078		
	Wrongdoer(s)' power status	0.043			0.048		
	Seriousnes of wrongdoing	0.181	0.247	0.247 *	0.412	0.362	0.362 *
2	Ethical judgment	0.384	0.325	0.078 *	0.207	0.388	0.026 *
3	Normative commitment	0.091	0.330	0.006 ***	0.102	0.395	0.007 **
4	Interaction of ethical judgment and normative commitment	-0.002	0.330	0.000 †	-0.022	0.395	0.000 †
	F value	14.014		*	18.410		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.088			-0.020		
	Efficiency - stakeholder climate	0.072			0.056		
	Personal interest climate	-0.052			-0.014		
	Togetherness climate	0.006			0.019		
	Respondent's job level	0.089			0.077		
	Affective commitment	-0.051			0.001		
	Continuance commitment	-0.010			-0.039		
	Wrongdoer(s)' power status	0.042			-0.012		
	Seriousnes of wrongdoing	0.270	0.333	0.333 *	0.335	0.322	0.322 *
2	Ethical judgment	0.384	0.406	0.073 *	0.321	0.379	0.057 *
3	Normative commitment	0.155	0.422	0.016 *	0.046	0.381	0.002 †
4	Interaction of ethical judgment and normative commitment	-0.011	0.422	0.000 †	0.031	0.382	0.001 †
	F value	20.496		*	17.396		*
Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$							

2. The moderating effect of normative commitment on external whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.167			-0.122		
	Efficiency - stakeholder climate	0.003			-0.085		
	Personal interest climate	0.040			-0.009		
	Togetherness climate	0.207			0.177		
	Respondent's job level	0.217			0.186		
	Affective commitment	-0.102			-0.121		
	Continuance commitment	0.009			0.016		
	Wrongdoer(s)' power status	-0.106			-0.044		
	Seriousnes of wrongdoing	0.075	0.100	0.100 *	0.140	0.144	0.144 *
2	Ethical judgment	0.218	0.136	0.035 *	0.278	0.204	0.060 *
3	Normative commitment	0.101	0.143	0.007 **	0.120	0.214	0.009 **
4	Interaction of ethical judgment and normative commitment	0.008	0.143	0.000 †	-0.017	0.214	0.000 †
	F value	4.617		*	7.624		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.100			-0.031		
	Efficiency - stakeholder climate	0.022			-0.008		
	Personal interest climate	0.100			0.110		
	Togetherness climate	0.138			0.187		
	Respondent's job level	0.136			0.077		
	Affective commitment	-0.085			-0.063		
	Continuance commitment	-0.019			-0.076		
	Wrongdoer(s)' power status	0.097			0.148		
	Seriousnes of wrongdoing	0.169	0.195	0.195 *	0.221	0.239	0.239 *
2	Ethical judgment	0.256	0.223	0.028 *	0.187	0.256	0.017 *
3	Normative commitment	0.164	0.242	0.019 *	0.163	0.274	0.018 *
4	Interaction of ethical judgment and normative commitment	0.068	0.246	0.004 †	0.044	0.276	0.002 †
	F value	9.255		*	10.715		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.126			-0.030		
	Efficiency - stakeholder climate	0.064			-0.058		
	Personal interest climate	0.065			0.058		
	Togetherness climate	0.128			0.154		
	Respondent's job level	0.167			0.131		
	Affective commitment	-0.096			-0.023		
	Continuance commitment	0.013			0.006		
	Wrongdoer(s)' power status	0.049			-0.034		
	Seriousnes of wrongdoing	0.225	0.269	0.269 *	0.199	0.187	0.187 *
2	Ethical judgment	0.255	0.300	0.031 *	0.258	0.227	0.040 *
3	Normative commitment	0.210	0.328	0.028 *	0.097	0.233	0.006 †
4	Interaction of ethical judgment and normative commitment	-0.044	0.330	0.002 †	-0.047	0.235	0.002 †
	F value	13.729		*	8.627		*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

3. The moderating effect of normative commitment on public whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.146			-0.117		
	Efficiency - stakeholder climate	-0.067			-0.042		
	Personal interest climate	-0.067			-0.044		
	Togetherness climate	0.190			0.141		
	Respondent's job level	0.116			0.086		
	Affective commitment	-0.094			-0.055		
	Continuance commitment	-0.053			0.026		
	Wrongdoer(s)' power status	-0.006			0.014		
	Seriousnes of wrongdoing	0.047	0.053	0.053 **	0.030	0.076	0.076 *
2	Ethical judgment	0.100	0.060	0.007 †	0.297	0.146	0.070 *
3	Normative commitment	0.077	0.064	0.004 †	0.153	0.161	0.015 **
4	Interaction of ethical judgment and normative commitment	-0.003	0.064	0.000 †	-0.030	0.162	0.001 †
	F value	1.883		*	5.347		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.117			-0.110		
	Efficiency - stakeholder climate	-0.008			0.069		
	Personal interest climate	0.031			0.115		
	Togetherness climate	0.104			0.138		
	Respondent's job level	0.105			0.027		
	Affective commitment	-0.042			-0.014		
	Continuance commitment	0.027			-0.025		
	Wrongdoer(s)' power status	0.131			0.114		
	Seriousnes of wrongdoing	0.058	0.112	0.112 *	0.154	0.145	0.145 *
2	Ethical judgment	0.245	0.140	0.028 *	0.187	0.162	0.018 *
3	Normative commitment	0.137	0.153	0.013 **	0.119	0.172	0.010 **
4	Interaction of ethical judgment and normative commitment	0.039	0.154	0.001 †	0.041	0.174	0.002 †
	F value	5.154		*	5.870		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.113			-0.077		
	Efficiency - stakeholder climate	0.037			-0.016		
	Personal interest climate	0.019			0.089		
	Togetherness climate	0.101			0.171		
	Respondent's job level	0.146			0.073		
	Affective commitment	-0.142			-0.028		
	Continuance commitment	0.030			0.036		
	Wrongdoer(s)' power status	0.085			-0.032		
	Seriousnes of wrongdoing	0.062	0.167	0.167 *	0.123	0.133	0.133 *
2	Ethical judgment	0.328	0.219	0.052 *	0.282	0.178	0.045 *
3	Normative commitment	0.155	0.236	0.017 *	0.069	0.181	0.003 †
4	Interaction of ethical judgment and normative commitment	0.017	0.236	0.000 †	0.006	0.181	0.000 †
	F value	8.599		*	6.205		*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$

Appendix 4d Results of hierarchical regression analysis for the moderating effects of continuance commitment on whistle-blowing intention

1. The moderating effect of continuance commitment on internal whistle-blowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.006			-0.050		
	Efficiency - stakeholder climate	0.046			-0.012		
	Personal interest climate	-0.040			-0.034		
	Togetherness climate	-0.020			0.067		
	Respondent's job level	0.138			0.090		
	Normative commitment	0.208			0.094		
	Affective commitment	-0.147			-0.104		
	Wrongdoer(s)' power status	-0.103			-0.113		
	Seriousnes of wrongdoing	0.096	0.096	0.096 *	0.167	0.133	0.133 *
2	Ethical judgment	0.290	0.164	0.069 *	0.326	0.207	0.075 *
3	Continuance commitment	-0.034	0.165	0.001 †	0.031	0.208	0.001 †
4	Interaction of ethical judgment and continuance commitment	0.103	0.175	0.010 **	0.018	0.208	0.000 †
	F value	6.012		*	7.364		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	0.018			-0.016		
	Efficiency - stakeholder climate	0.019			0.031		
	Personal interest climate	0.001			0.034		
	Togetherness climate	0.033			0.083		
	Respondent's job level	0.114			0.052		
	Normative commitment	0.094			0.101		
	Affective commitment	-0.067			-0.013		
	Wrongdoer(s)' power status	0.043			0.050		
	Seriousnes of wrongdoing	0.179	0.250	0.250 *	0.411	0.364	0.364 *
2	Ethical judgment	0.396	0.330	0.080 *	0.213	0.390	0.026 *
3	Continuance commitment	-0.014	0.330	0.000 †	-0.076	0.395	0.005 ***
4	Interaction of ethical judgment and continuance commitment	0.045	0.332	0.002 †	-0.002	0.395	0.000 †
	F value	14.127		*	18.376		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.084			-0.018		
	Efficiency - stakeholder climate	0.074			0.059		
	Personal interest climate	-0.049			-0.016		
	Togetherness climate	0.007			0.016		
	Respondent's job level	0.090			0.077		
	Normative commitment	0.154			0.052		
	Affective commitment	-0.051			0.001		
	Wrongdoer(s)' power status	0.044			-0.007		
	Seriousnes of wrongdoing	0.270	0.343	0.343 *	0.331	0.322	0.322 *
2	Ethical judgment	0.387	0.422	0.079 *	0.319	0.379	0.058 *
3	Continuance commitment	-0.013	0.422	0.000 †	-0.047	0.381	0.002 †
4	Interaction of ethical judgment and continuance commitment	0.023	0.422	0.001 †	0.036	0.382	0.001 †
	F value	20.530		*	17.420		*

Note: * p < .01; ** p < .05; ***p< .1 ; †p >= .1

2. The moderating effect of continuance commitment on external whistleblowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.176			-0.112		
	Efficiency - stakeholder climate	-0.002			-0.081		
	Personal interest climate	0.035			-0.006		
	Togetherness climate	0.210			0.170		
	Respondent's job level	0.216			0.187		
	Normative commitment	0.100			0.118		
	Affective commitment	-0.099			-0.123		
	Wrongdoer(s)' power status	-0.107			-0.039		
	Seriousnes of wrongdoing	0.073	0.105	0.105 *	0.140	0.157	0.157 *
2	Ethical judgment	0.216	0.143	0.038 *	0.282	0.213	0.056 *
3	Continuance commitment	0.011	0.143	0.000 †	0.014	0.214	0.000 †
4	Interaction of ethical judgment and continuance commitment	-0.036	0.144	0.001 †	0.039	0.215	0.001 †
	F value	4.660		*	7.676		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.098			-0.027		
	Efficiency - stakeholder climate	0.037			-0.005		
	Personal interest climate	0.105			0.112		
	Togetherness climate	0.122			0.179		
	Respondent's job level	0.137			0.078		
	Normative commitment	0.174			0.169		
	Affective commitment	-0.094			-0.057		
	Wrongdoer(s)' power status	0.094			0.145		
	Seriousnes of wrongdoing	0.173	0.211	0.211 *	0.221	0.251	0.251 *
2	Ethical judgment	0.263	0.242	0.031 *	0.182	0.269	0.018 *
3	Continuance commitment	-0.031	0.242	0.000 †	-0.084	0.274	0.005 †
4	Interaction of ethical judgment and continuance commitment	0.089	0.249	0.007 **	0.058	0.278	0.003 †
	F value	9.393		*	10.792		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.114			-0.011		
	Efficiency - stakeholder climate	0.064			-0.051		
	Personal interest climate	0.072			0.067		
	Togetherness climate	0.132			0.155		
	Respondent's job level	0.171			0.134		
	Normative commitment	0.203			0.095		
	Affective commitment	-0.096			-0.021		
	Wrongdoer(s)' power status	0.052			-0.022		
	Seriousnes of wrongdoing	0.221	0.291	0.291 *	0.182	0.193	0.193 *
2	Ethical judgment	0.266	0.328	0.037 *	0.272	0.233	0.040 *
3	Continuance commitment	0.008	0.328	0.000 †	0.001	0.233	0.000 †
4	Interaction of ethical judgment and continuance commitment	0.040	0.329	0.001 †	0.090	0.240	0.007 ***
	F value	13.712		*	8.888		*

Note: * p < .01; ** p < .05; ***p< .1 ; †p >= .1

3. The moderating effect of continuance commitment on public whistleblowing intention

Step	Variables	Case Scenario 1			Case Scenario 2		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.150			-0.107		
	Efficiency - stakeholder climate	-0.071			-0.039		
	Personal interest climate	-0.069			-0.040		
	Togetherness climate	0.193			0.134		
	Respondent's job level	0.115			0.085		
	Normative commitment	0.076			0.149		
	Affective commitment	-0.092			-0.057		
	Wrongdoer(s)' power status	-0.007			0.019		
	Seriousnes of wrongdoing	0.047	0.053	0.053 **	0.028	0.095	0.095 *
2	Ethical judgment	0.100	0.061	0.009 ***	0.304	0.160	0.065 *
3	Continuance commitment	-0.051	0.064	0.002 †	0.026	0.161	0.001 †
4	Interaction of ethical judgment and continuance commitment	-0.027	0.064	0.001 †	0.026	0.162	0.001 †
	F value	1.904		*	5.340		*
Step	Variables	Case Scenario 3			Case Scenario 4		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.112			-0.107		
	Efficiency - stakeholder climate	0.009			0.072		
	Personal interest climate	0.039			0.116		
	Togetherness climate	0.089			0.131		
	Respondent's job level	0.106			0.028		
	Normative commitment	0.146			0.124		
	Affective commitment	-0.050			-0.009		
	Wrongdoer(s)' power status	0.129			0.111		
	Seriousnes of wrongdoing	0.059	0.121	0.121 *	0.155	0.154	0.154 *
2	Ethical judgment	0.258	0.152	0.031 *	0.181	0.172	0.018 *
3	Continuance commitment	0.016	0.153	0.001 †	-0.031	0.172	0.001 †
4	Interaction of ethical judgment and continuance commitment	0.088	0.160	0.007 ***	0.047	0.174	0.002 †
	F value	5.368		*	5.890		*
Step	Variables	Case Scenario 5			Case Scenario 6		
		β	R2	Sigma R2	β	R2	Sigma R2
1	Principal - team work climate	-0.116			-0.063		
	Efficiency - stakeholder climate	0.042			-0.007		
	Personal interest climate	0.020			0.092		
	Togetherness climate	0.099			0.168		
	Respondent's job level	0.146			0.074		
	Normative commitment	0.158			0.075		
	Affective commitment	-0.143			-0.027		
	Wrongdoer(s)' power status	0.084			-0.018		
	Seriousnes of wrongdoing	0.065	0.178	0.178 *	0.108	0.136	0.136 *
2	Ethical judgment	0.328	0.235	0.057 *	0.288	0.180	0.044 *
3	Continuance commitment	0.027	0.236	0.001 †	0.025	0.181	0.001 †
4	Interaction of ethical judgment and continuance commitment	0.022	0.236	0.000 †	0.096	0.190	0.009 ***
	F value	8.608		*	6.566		*

Note: * $p < .01$; ** $p < .05$; *** $p < .1$; † $p \geq .1$