

INDIVIDUAL AND ORGANIZATIONAL FACTORS THAT INFLUENCE WHISTLE BLOWING INTENTIONS AMONG MALAYSIAN AUDITORS

Khamisah Abd Manaf

*Faculty of Business and Management, Universiti Teknologi MARA Cawangan Kelantan
khami181@uitm.edu.my*

Maheran Zakaria

*Faculty of Accountancy, Universiti Teknologi MARA Cawangan Kelantan
maher835@uitm.edu.my*

Abstract: Whistleblowing is a disclosure by a member of organisation of any misconduct perpetrated by the management. This noble deed is an effective tool to deter misconducts and hence it is a duty of all parties who stumbled upon such incidences to report to those who can execute actions. Specifically the auditor, although they are abided by the confidentiality rules, their mandatory duty is to whistle blow, should they uncover the misconducts while performing audit work. Indeed, evidences have indicated that numerous misconducts such as mismanagement, misuse of corporate reserves, fraudulent tax evasion, income statement fraud and money laundering were detected through whistleblowing. To date whistleblowing has captured the interests of many studies. Prior studies have indicated that many factors would influence auditors to whistle blow and amongst them are organisational ethical climate, virtue ethics and knowledge of ethics. Emulating previous studies, the objective of this paper is to propose the aforementioned variables namely organizational ethical climate, virtue ethics and knowledge of ethics as the factors that would influence whistleblowing. Hence, the proposed factors are expected to create new possible avenues for future research.

Keywords: Whistleblowing, whistle blower, misconduct, auditor, audit firm

1. Introduction

This paper focuses on analysing the variables in relation to the whistle-blowing intentions of the auditor. It is not an easy task to report any organizational fraud, either internally or externally, because auditors have to make a better judgment after taking into account the advantages and consequences or risks of their actions. This paper would have a better description and insight on the important factor in gaining authority and influence over the whistleblowing intentions of the auditor. The individual and organizational variables were defined as predictive variables that should be able to assist an organization to recognize the appropriate factors to enhance the extent of auditors' whistleblowing intentions.

Whistleblowing can be seen as an ethical behaviour in decision-making that has usually generated positive outcomes or effects from such behaviour (Ahmad, 2011). Whistleblowing is also known as public disclosure as an action taken to remedy it for the sake of public interest by exposing some organization's malpractice or fraud that occurred in an organization. Possible fraud, waste, abuse, unfair practices or other threats that have a detrimental effect on the consumer, community, company or the public have become an example of misconduct or unlawful and unethical practices (CPA, 2011).

In order to warn the public of any corporate misconduct, whistleblowing can be viewed as the safest option for auditors. Ethically, whistleblowing causes damage to the companies of the client, and it could tarnish the credibility of the audit firm to gain the trust of their client. This situation would also pose a challenge for auditors, whether to operate on behalf of the company or serve the public interest (Label & Miethe, 2011).

In addition, auditors provide their clients with the finest, but at the same time, they are responsible for carrying out their duties in compliance with existing accounting rules and regulations, such as the Malaysia Financial Reporting Standard (MFRS), Company Act 1965, Securities Act and others. However, auditors have to make their own discretion based on prescribed standards and apply their professional judgment to solve the problem in relation to

those problems that can be considered irregularities and breach the rules and regulations or damage the company as well as the public. One of the challenges often encountered by auditors in upholding justice can be whistle-blowing.

2. Problem Statement

According to the survey conducted by Price Water House Coopers (2014), approximately 35 percent of respondents from the survey population represented publicly traded companies from more than 95 countries around the world with respect to global economic crime. The study found that 69% of economic crime involved misappropriation of assets, 29% of procurement fraud, 27% of bribe and corruption, 24% of cybercrime, and lastly, 22% of accounting fraud. This reality has shown that economic crime, particularly in publicly traded companies, continues to increase from time to time. Other than that, a survey conducted by Deloitte (2015) on bribery and corruption found that hidden conflicts of interest, supplier kickback and personal favours are the most prevalent forms of domestic corruption. Subsequently, the top three ways in which the instances were identified are by management analysis, internal monitoring as well as tip-offs from workers or often referred to as whistleblowing.

In addition, this will have a significant impact on the accounting policy based on the cases of Enron and Arthur Anderson, WorldCom and KPMG, regarding accounting fraud. In response to the corporate scandals of the late 1990s and early 2000s, the Sarbanes-Oxley Act of 2002 (the 'Sarbanes-Oxley Act' or the Act') was enacted, which culminated in massive corporate scandals in the late 1990s and early 2000s. Investor losses and a doomed investor trust in financial markets in the United States. The Sarbanes-Oxley Act's provisions were intended to improve the internal controls of public corporations over financial reporting and helped to sharpen the attention of senior management, boards of directors, audit committees, internal audit departments and auditors on their reliable financial reporting obligations. Although it is widely agreed that the Sarbanes-Oxley Act has strengthened corporate governance and reduced the incidence of fraud, recent studies and surveys have shown that investors and management are still concerned about fraud in financial statements. For example, the Report to the Nations on Workplace Fraud and Abuse, based on a study by the Association of Certified Fraud Examiners (ACFE) (2010), found that financial statement fraud was by far the most costly, representing less than five percent of the cases of fraud in its report, with a median loss of \$1.7 million per incident.

In addition, there were several provisions on fraud concerns in the Sarbanes-Oxley Act of 2002 as it requires evaluations and expanded disclosures of a company's internal control over management financial statements and a related report by the auditor for some companies and also mandated companies to set up whistleblowing programs that retaliate against unlawful whistle blower systems. Since SOX 2002 concentrated on whistleblowing as well as the auditor's duties as the deterrence to fraud, it clearly showed that one of the strongest ways to prevent fraud and other corporate misconduct is the whistleblowing intention. So the purpose of this research is to investigate the factors that influence the individual and organizational towards the whistleblowing intentions among Malaysian auditor.

3. Literature Review

3.1 Whistleblowing and auditors

Over time, the notion of whistleblowing keeps evolving. This is due to several research opinions on whistleblowing issues like the concept of whistle blower, the action reported and also the reporting channel (Greenwood, 2011) and there are several definitions for whistleblowing according to Khan (2009), although there is no universal definition for whistleblowing until today.

Whistle-blowing may also be viewed as a dynamic mechanism because it requires both personal and organizational considerations (Elias, 2008). Whistle-blowing is primarily described by the CPA as voluntary disclosure. Consequently, the disclosure made by the auditors is the product of a legal requirement or professional responsibility. For instance, a case

involving audit engagement. In addition, for non-voluntary whistleblowing, it focuses on having the responsibility to report. Even with voluntary whistleblowing, the outcome is still the same (CPA, 2011).

Whistleblowing is typically equivalent to disclosure made by organizational members of any illegal or misconduct that happens in the organization. Whistleblowing can be seen as an ethical conduct in decision-making that usually creates a beneficial result or results from such behaviour (Ahmad, 2011). This study describes whistleblowing as public disclosure or an action taken for the sake of public interest, in line with the conceptualization of whistleblowing from previous literature, by making a disclosure about any malpractice or wrongdoing that occurred in that organization, with the intention of fixing it. Such misconduct includes unlawful or immoral acts, such as potential fraud, waste, abuse, unfair practices or other hazards that can adversely affect the customer, the environment, the company or the public (CPA, 2011).

According to Susmanschi (2012), there are two types of whistle-blowing namely internal and external whistle-blowing. Internal whistle blowing happens when members of the organization report or reveal any wrongdoing to the individuals within the organization, there is commonly a channel for members to report any misconduct, such as reporting to the top management, the board and shareholders. In the meantime, external whistle blowing happens when members of the company reveal or disclose any organizational misconduct to persons outside the organization, such as public news, media, law, other local, state or federal authorities, enforcement. In addition, external whistleblowing is usually encouraged or encouraged by monetary rewards. Employers usually prefer their workers to blow the whistle internally rather than externally. This is to ensure that the company will be aware of the misconduct and have the ability to take further action (CPA, 2011).

In addition to Susmanschi (2012), Khan (2009) discovered that in Malaysia, there are clauses in the regulation concerning whistle blowers that clarify the duty or obligation of the auditor to disclose to the registrar if there are any violations of company law. For example, subsection 174(8) of the Malaysian Companies Act 1965 imposes an obligation on auditors to inform the relevant authorities of violations of company law. In addition to the Companies Act, the Capital Market and Services Act 2007 provided auditors and individual employees of listed companies who disclosed violations of securities laws and stock exchange regulations to the relevant authorities with immunity against victimisation. Other than that, the Whistleblower Protection Act 2010 provides whistle blowers who report misconduct to external agencies only with anonymity, protection and immunity from civil and criminal accountability (CPA, 2011).

According to Seifert (2006), auditors play an important role in checking whistleblowing processes to ensure the most successful whistleblowing mechanisms, as it is typically used by other staff, such as management accountants, and monitored by internal auditors.

3.2 *The influence of virtue ethics on auditor*

Virtue ethics is a theoretical viewpoint that holds decisions about the inner lives of individuals (their attributes, motivations, dispositions, and character) which are of the greatest moral significance rather than judgments about the correctness or wrongness of external actions and/or consequences of acts.

In general, normative ethical systems can be broken down into three groups, namely deontology, teleology, and virtue ethics. Deontology and teleology have been presented in the ethics theory of Hunt and Vitell (1986). Ethical theories focused on virtue put less emphasis on which laws people can obey. It focuses instead on helping individuals cultivate positive character qualities such as compassion and generosity. Virtue ethics is derived from the ancient Hellenistic tradition represented by Plato and Aristotle, in which the development of character characteristics of virtue is seen as the primary role of morality (Beauchamp & Bowie, 2001).

Virtue ethics, according to the International Federation of Accountants (IFAC), emphasizes the kind of moral skills that place one in a position to behave morally. The actions and intentions of an individual are typically influenced by those who are important to the person, either his/her peers or bosses. According to the theory of Hunt and Vitell (1986), a morally good person with the right interests or motivation is more likely to understand what should be done than a morally bad person who is more likely to be motivated to perform the

appropriate actions (Beauchamp & Bowie, 2001). In this research, the ethics theory of Hunt and Vitell (1986) is extended to link moral reasoning to ethical judgements.

As this theory implies, a person's morality governs his or her actions. A person with high moral reasoning is more likely to behave more ethically than an individual with a lower level of moral reasoning. This ethical theory states that ethics should establish a person's character traits or virtues such that the person does what is morally right because he or she is a good person. As mentioned above in section 2.1, when a more thorough description of each variable was given in the model, Hunt-(1986) Vitell's theory was further refined in 1993. Hunt and Vitell discussed at length in 2006 how the theory could be used as a positivist theory, even if the model was said to be an ethical decision-making mechanism.

Based on false and simplistic notions of the goal of ethics, our patterns of classification of ethical theories and modes of ethical thinking hinder our comprehension and distort our perception. The essence of ethics does not impose any concepts of classification on us; we form what ethical debate is in part by what we want to put together by the patterns of similarities and differences in ethical thinking that we trace and show (Diamond, 1988).

Diamond (1988) raises the question: how do we judge whether we are worse off or better off as ideas change? The term 'ethical' also means moral. It is as if we have forgotten everything that we know, because we have ceased to see ourselves as ethical beings, about what moral thinking and moral debate could be like. We also lost the opportunity to use an older language such as 'support others with conviction.

Such pre-modern ideas, as Diamond (1988) states, live on as kind of folk terms - strong yet unacknowledged - long after they have ceased to be part of respectable speech. We still use certain terms from an older moral vocabulary with common-sensory conviction, but without approval. Instead we have late-modern vocabulary such as personalization and market preference that cannot be used at all with any conviction.

3.3 The influence of knowledge of ethics on auditor whistleblowing intention

Ethics concerns values, what is good and what is bad, and it is a dimension of human society. It is impossible not to get involved in ethics, since what all we do – or do not do – can at any time be the subject of an ethical evaluation. Mankind is in a continuous search for the essence of various rules, being thus connected to the essence of morality. Many consider that a moral behaviour implies an aware acceptance of specific constraints or rules that limit both reaching our interests and our search for the collective welfare.

Accounting and certified accountants resort to virtues such as: justice, prudence, probity, and dignity, and the professional deontology of the public accountant is concentrated in the mission statement “Science, Independence, Morality”. The correlation between ethical principles and the principles of “the science of accounts” results from the fact that any deliberate alteration of the truth is a falsification of reality, an abdication from the principles of ethics and morality.

Based on a coherent set of principles, norms, and conventions, accounting provides, through the “true and fair view”, a performance and legitimacy criterion. Without a doubt, accounting based on real, sincere, complete, and neutral information expresses, to a good extent, the degree of morality of the actors involved in the economic activity: investors, the state, the employees, the unions, the manager, the potential investors, etcetera (Horomnea, 2012).

The German economist Sombart stressed the role of accounting in the general economic development, in his renowned work *Der Moderne Kapitalismus*. Accounting, according to Sombart, is the science that contributed for the first time to the assertion of the scientific organization and leadership spirit, which was for a long time an isolated island in an ocean of empiricism. “The double play” allowed capitalism to perfect its company leadership norms, since the use of accounting helps meeting the two essential conditions on which the quality of the management of the shareholders' equity depends: order and clarity. It is known that precisely “order and clarity increase the company's penchant for saving and earning”. We believe that order reflects meeting all the moral principles, and clarity is the necessary and absolutely indispensable condition that the accounting information provided by the accounting professional must comply with.

Through its nature, accounting is tightly connected with ethics, morality, and religion (Horomnea, 2001). At the same time, the concepts of morality and ethics are related, associated, complementary, and indispensable to contemporary world, considering the interdependencies between the markets, the huge quantity of accounting information found on these markets, as well as the fraudulent manoeuvres to which financial-accounting information is subject. If it does not meet the moral principles and norms, contemporary world is subject to chaos.

However, starting from the last decade of the 20th century, ethics comes back to the front stage. Debates on ethical subjects take an unprecedented scope. At the same time, ethics research foundations and centers appear, such as the Foundation for Global Ethics, led by Hans Kung, or the Center for Global Ethics, in the United States of America, which proliferate ethical and deontological codes. We can notice that, starting from the 1990s, we can speak of a true renaissance of ethics and of the interest for ethical issues. Gilles Lipovetsky stated that “the 20th century will be ethical or will not be at all” (Lipovetski, 1996). The deep crises that mankind faced, religion, global governance, as well as life itself, which applies pressures through the problems it implies, have proven that ethics must be acknowledged and taken into account. Carl F. H. Henry stated that ethics became “an incisive and universal requirement for the survival as species” of mankind.

The application of an ethical viewpoint to particular issues and practical circumstances has begun to evolve much more in recent decades. In the area of applied ethics, business ethics plays a special role. In the same way as ethics in medicine, business ethics, like ethics in accounting, consists of the application of those concepts in particular circumstances. Business ethics exists in human activities, unlike medical ethics, whose practitioners often have no professional standing and whose motivations are considered less noble. The same cannot be said of accounting ethics, because it is distinguished by the professional status of accountants: public accountants, professional accountants, even auditors, as well as by the noble intent of that profession of presenting the financial condition and the results of the economy or business examined. In ancient and medieval times, the tradition of ethics in business and accounting originated when logical thinkers such as Cicero studied the question of correctness in common commercial transactions. As Samuel Noah Kramer said since Sumerian times, when trade and accounting were conducted on a large scale six thousand years ago, business has existed (Kramer, 1959).

In the current economic context, therefore the position of a skilled accountant has crossed the boundaries of a simple job and is a guarantee of the accuracy of the information disclosed to the public by economic entities. The skilled accountant must meet the knowledge requirements of the harmonized accounting market, oriented towards the customers, in order to overcome the urge of each person to be professionally recognized. In other words, an irrational behaviour dictated by the desire to stand out professionally and for immediate riches (or “irrational exuberance” as Alan Greenspan called it is occasionally displayed by human nature. Such circumstances lead to the development of a speculative sphere, regardless of whether we are talking here of fraudulent manoeuvres that made the major world players in the field of audit, called, at first the Big Eight, then becoming the Big Six and finally the Big Four, or simply failing to comply with the ethical and moral standards in the performance of their attribution by the professional accountant or auditor.

3.4 The influence of organizational ethical climate on auditor whistleblowing intention

For the purpose of this study and following Victor and Cullen (1988), the organizational ethical environment is characterized as the expectations of employees as to the extent of the responsibilities of their organization in relation to the establishment and compliance of ethical issues for their employees and management rules and procedures.

One of the key factors affecting intra-organizational relationships and employee behaviour is the ethical environment, which also has a direct effect on the results of the company such as financial performance. Therefore, it is an important field of study to understand the relationship between organizational ethical environment and employee attitudes and behaviours. For example, enhancing employee satisfaction is one route by which strong adherence to ethical values produces superior organizational efficiency. Employees who

consider their employer to be ethical are more likely to see their employers as being fair to them. In exchange, this is likely to improve the satisfaction of workers (e.g., Koh & Boo, 2001). Interestingly, however, until the present moment, little empirical work has been done on this subject.

While job satisfaction has been one of the most studied of all work attitudes (Brown & Peterson, 1993), and there is a wide range of literature on the effect of job satisfaction on job performance (e.g., Hochwarter et al., 1999), the relationship between styles of ethical environment and job satisfaction is currently being investigated. Furthermore, it remains to be an untapped research issue if current ethical typologies and structures established in western contexts exist in various cultures and whether ethics is universally connected to employee attitudes. In this analysis, we therefore examine: (a) the validity of the nine different ethical climate types concept of Victor and Cullen (1988) in a culturally different setting, a developing world, Turkey; and (b) the impact of each ethical climate type on employee job satisfaction.

According to Schneider (1975) the organizational atmosphere consists of common expectations that describe the activities and procedures of a system as “psychologically significant environmental descriptions”. Climate is the way organizations operationalize repetitive activities and acts that the company encourages and rewards (Schneider & Rentsch, 1988). Within businesses, environment can vary due to variations in people, job groups, employment backgrounds and roles of individuals (Victor & Cullen, 1988). It should also be remembered that because of differences in its functions and procedures, organisations have many forms of environment (Schneider, 1975). An aspect of the general organizational environment is the ethical climate.

Then, Victor and Cullen (1987) discussed that an organization's ethical climate refers to “shared perceptions of what ethically correct behaviour is and how to deal with ethical issues”. Victor and Cullen (1987, 1988) also suggested a typology of ethical environments based on three pillars of moral judgment, namely, egoism, benevolence, and values. Egoism (hedonism) refers to a behavioural propensity that is fundamentally self-interested in finding satisfaction and preventing pain; benevolence (utilitarianism) is associated with concerns about meeting the needs of as many people as possible; and the internalization of common values and principles by the members of an organization is related to principled climates (deontology) (Appelbaum et al., 2005, p. 44; Cullen et al., 2003, p.129).

In addition to these three basic types of ethical settings, primarily based on theories of organizational roles and reference groups (Merton, 1957), the typology of Victor and Cullen (1987, 1988) also relies on three loci of research used by individuals in decision-making, namely individual, local, and cosmopolitan. It is hypothesized that the analytical loci “shape the behaviours and attitudes of role owners” (Victor & Cullen, 1988, p. 106). The individual level refers to the use of the self as the primary reference for moral reasoning, the local level emphasizes reference groups that exist in the individual's immediate social structures, e.g. organizational processes, policies, etc., and the cosmopolitan level refers to sources of moral reasoning outside the immediate organization or community (Victor & Cullen, 1988).

4. Proposed Conceptual Framework

Figure 1 below shows the proposed framework of the study. As shown in the figure, this study examines the relationship between independent variables that are represented by three factors namely virtue ethics, knowledge of ethics and organizational ethical climate. Meanwhile, a dependent variable is represented by the auditor's intention to blow the whistle of the malpractice found in the organization.

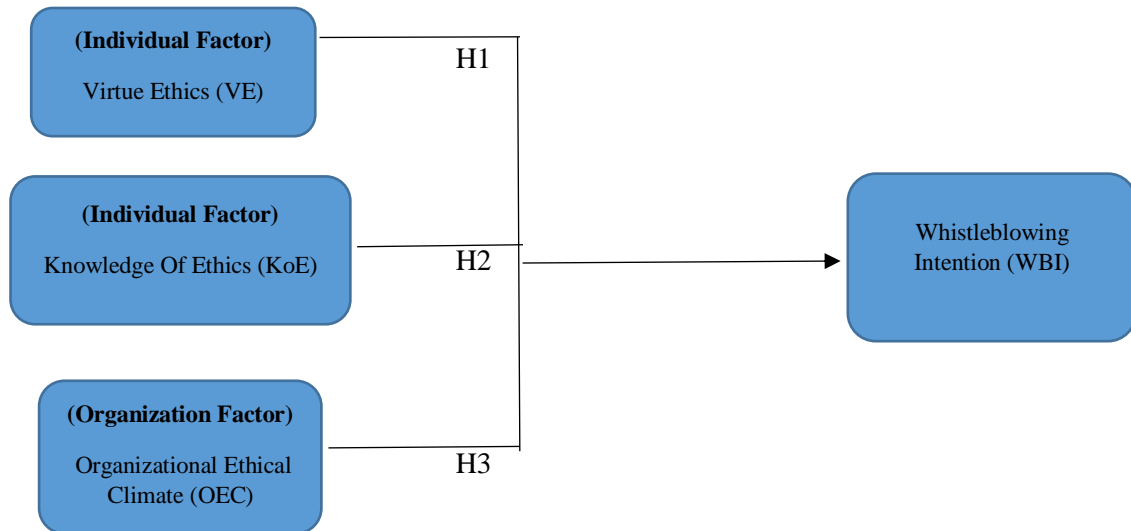


Figure 1: Proposed framework

5. Discussion

Whistleblowing is no longer a new issue in Malaysia. The introduction of Whistleblowing Protection Act 2010 in Malaysia has provided a clear picture on awareness and benefit that could be derived from such action. In addition, changes in the corporate environment in Malaysia such as increase in financial scandal, mismanagement, corruption and bribery also might be one of the reasons of introduction to this law. However, whistleblowing, or also known as public disclosure, is a common issue for auditors, since auditors as independent parties who are responsible to examine company financial statements already have their own established prescribe rules and standards that allow them to report any suspected or actual fraud and corporate wrongdoing in organizations. Prior studies have indicated that many factors would influence auditors to whistle blow and amongst them are organisational ethical climate, virtue ethics and knowledge of ethics. Emulating previous studies, the objective of this paper is to propose the aforementioned variables namely organizational ethical climate, virtue ethics and knowledge of ethics as the factors that would influence whistleblowing. Hence, the proposed factors are expected to create new possible avenues for future research.

6. Conclusion

Whistleblowing is no longer a new issue in Malaysia. The introduction of Whistleblowing Protection Act 2010 in Malaysia has provided a clear picture on awareness and benefit that could be derived from such action. In addition, changes in the corporate environment in Malaysia such as increase in financial scandal, mismanagement, corruption and bribery also might be one of the reasons of introduction to this law. However, whistleblowing or also known as public disclosure is common issue for external auditors, since external auditors as independent parties who are responsible to examine company financial statements already have their own established prescribe rules and standards that allow them to report any suspected or actual fraud and corporate wrongdoing in organizations. The truthfulness of financial statement and integrity of management in managing a corporation become major challenges to external auditor nowadays. Since there is limited study regarding external auditor whistleblowing practice in Malaysia, the objective of the study is to examine the factors that will affect Malaysia's external auditor towards whistleblowing intentions. The focus of the study is to examine virtue ethics, knowledge of ethics and organizational ethical climate plus their impact on the external auditor whistleblowing intentions. Hence, it clearly shows that three factors play an important role as motivation for external auditors to engage in whistleblowing intentions.

References

- Ahmad, S. A. (2011). *Internal auditor and internal whistleblowing intention: A study of organisational, individual, situational and demographic factors*. (Doctor of Philosophy), Edith Cowan University, Western Australia.
- Appelbaum et al. (2005). A Case Study Analysis of the Impact of Satisfaction and Organizational Citizenship on Productivity. *Management Research News*, 28(5).
- Association of Certified Fraud Examiners (ACFE) (2010). Malaysia.
- Beauchamp & Bowie (2001). *Ethical Theory and Business*. Prentice Hall.
- Brown & Peterson (1993). Antecedents and Consequences of Salesperson Job Satisfaction: Meta-Analysis and Assessment of Causal Effects. *Journal of Marketing Research*, XXX (February 1993), 63-77.
- CPA. (2011). *Whistleblowing: Some ethical and legal consideration* (pp.2-11). CPA Australia.
- Cullen et al. (2003). The Effects of Ethical Climates on Organizational Commitment: A Two-Study Analysis. *Journal of Business Ethics*, 46(2), 127-141.
- Deloitte. (2015). *Deloitte Bribery and Corruption Survey 2015 Australia and New Zealand*. Deloitte.
- Diamond (1988). Organizational Identity: A Psychoanalytic Exploration of Organizational Meaning. *Journal Administration and Society*.
- Elias, R. (2008). Auditing students' professional commitment and anticipatory socialization and their relationship to whistleblowing. *Managerial Auditing Journal*, 23(3), 283-294.
- Greenwood, C. A. (2011). *Killing the messenger: A survey of public relations practitioners and organizational response to whistleblowing after Sarbanes-Oxley*. (3481226 Ph.D.). University of Oregon.
- Hochwarter et al. (1999). Value Attainment: An Explanation for the Negative Effects of Work-Family Conflict on Job and Life Satisfaction. *Journal of Occupational Health and Psychology*, 4(4), 318-26.
- Horomnea E. (2012). Ethical and Morality in Accounting Epistemological Approach. *IBIMA Publishing Journal of Eastern Europe Research in Business & Economics*.
- Hunt & Vitell (1986). A General Theory of Marketing Ethics. *Journal of Macro Marketing*.
- Khan, D. M. A. (2009). Auditors and Whistleblowing Law. *Accountants Today*, 12-22.
- Label, W. A., & Miethe, T. D. (2011). Whistleblowing and auditors. *Journal of Applied Business Research (JABR)*, 15(2), 87-92.
- Koh & Boo, (2001). The Link between Organizational Ethics and Job Satisfaction: A Study of Managers in Singapore. *Journal of Business Ethics*, 29, 309-324.
- Label & Miethe (2011). Integrating Trends in Whistle-blowing and Corporate Governance: Promoting Organizational Effectiveness, Societal Responsibility, and Employee Empowerment. *American Business Law Journal*, 40, 177-196.
- Lipovetski G. (1996). The synthetic hierarchy method: An optimizing approach to obtaining priorities in the AHP. *European Journal of Operational Research*, 93(3), 550-564.
- Merton, R. K., Reader, G. G., Kendall, P. & Kendall, P. L. (1957). *The student physician: Introductory studies in the sociology of medical education*. Harvard Univer. Press. <https://doi.org/10.4159/harvard.9780674366831>.
- Porter, L. W. & Steers, R. M. (1973). Organizational, work, and personal factors in employee turnover and absenteeism. *Psychological Bulletin*, 80(2), 151-176. <https://doi.org/10.1037/h0034829>.
- PWC (2014). *PwC's 2014 Global Economic Crime Survey Latin America Supplement* www.pwc.com Economic Crime: A Threat to Business Globally.
- Sarbanes-Oxley Act of (2002).

- Schneider (1975). Organizational Climates: An Essay. *Personnel Psychology*, 28(4), 447-479.
- Schneider & Rentsch (1988). Managing climates and cultures: A futures perspective. In J. Hage (Ed.), *Issues in organization and management series. Futures of organizations: Innovating to adapt strategy and human resources to rapid technological change* (p. 181–203). Lexington Books/D. C. Heath and Com.
- Seifert, D. L. (2006). *The influence of organizational justice on the perceived likelihood of whistle-blowing*. (3252319 Ph.D.), Washington State University, Ann Arbor. <http://search.proquest.com.ezaccess.library.uitm.edu.my/docview/304964956?accountid=42518> ProQuest Dissertations & Theses Global database.
- Susmanschi, G. (2012). Internal audit and whistleblowing. *Economic, Management, and Financial Market*, 7(4), 415-421.
- Victor, B. & Cullen, J. B. (1988). The organizational bases of ethical work climates. *Administrative Science Quarterly*, 33(1), 101–125. <https://doi.org/10.2307/2392857>.