

**UNIVERSITI TEKNOLOGI MARA**

**FACTORS THAT INFLUENCE  
ETHICAL JUDGEMENT OF KOTA  
BHARU MUNICIPAL COUNCIL  
OFFICIALS**

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Dissertation submitted in partial fulfillment  
of the requirements for the degree of  
**Master of Accountancy**

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## AUTHOR'S DECLARATION

I declare that the work in this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This dissertation has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

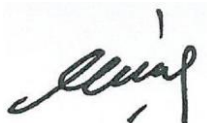
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## **ABSTRACT**

Rampant unethical incidences have been reported in public sectors and municipal councils are not spared from these predicaments. Many indicate that these incidences are due to the involvement of municipal officials in unethical incidences such as abuse of power, breach of duties and manipulation of financial transactions. The incidences have eroded the public trust towards municipal officials. They accuse that the officials are unethical in their actions, and eager in enriching themselves instead of protecting the interest of the public. Indeed, unethical actions are derived from unethical judgments which are influenced by various factors. Applying Hunt and Vitell theory, the objectives of this study is to examine the ethical judgments in relation to organizational ethical climate, deontological evaluations of rules compliance and teleological evaluations of perceive consequences. Data were collected from 141 officials of Kota Bharu municipal council and analysed using SPSS statistics version 27. As hypothesized, the findings supported that organizational ethical climate, deontological evaluations and teleological evaluations have significant impact on ethical judgements. This study provides beneficial insights to the government, policy and lawmakers, municipal councils, and academicians that rule compliance (deontology), able to quantify the right over the wrong consequences (teleology) since having a sound organizational ethical climate is vital in the formation of ethical judgments. Hence, it is hoped that enhancing ethical judgements among the officials would regain the public trust towards the municipal council and thus align to the country's aspiration of becoming a corrupt free nation in due time.

**Keywords:** Municipal Council, Organizational Ethical Climate, Deontological Evaluation, Teleological Evaluation, Ethical Judgement.

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