

UNIVERSITI TEKNOLOGI MARA

**FACTORS INFLUENCING
WHISTLEBLOWING INTENTION IN
PUBLIC SECTOR: EVIDENCE FROM
NORTHERN REGION OF
MALAYSIA**

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ABSTRACT

The public sector has always been associated with issues of corruption, integrity, and other unethical misconduct because it is the executive body that manages and spends public funds. Malaysia is ranked 61st out of 180 countries on the Corruption Perceptions Index (CPI) for 2022, with a score of 47 on a scale from 0 (highly corrupt) to 100 (very clean). This illustrates that the public sector in Malaysia is not doing enough to eradicate malpractice and corruption effectively. The Malaysian government has taken the initiative to combat this issue through the National Anti-Corruption Plan (NACP), whose ultimate vision is to create a corrupt-free nation. This plan includes whistleblowing as a strategy to eliminate corruption and unethical conduct. Basically, whistleblowing is the act of disclosing unethical behaviour that takes place within the organization. Whistleblowing is a risky behaviour that involves complex decision-making processes; therefore, there are several factors that will help a person solve this dilemma. There is a lack of empirical studies about how whistleblowing can be fostered among public sector employees outside the West, such as in Malaysia. Thus, this research aims to determine the factors influencing whistleblowing intentions among public sector employees in the northern region of Malaysia. For that purpose, this study utilized the Theory of Prosocial Behaviour, which includes contextual determinants (policy and procedure, training, responsiveness of management, reporting channel, financial reward, seriousness level of wrongdoing) and individual determinants (knowledge, trust) as independent variables, gender as a moderating variable, and whistleblowing intention as the dependent variable. The data was collected from 123 public sector employees in the northern region of Malaysia (Perlis, Kedah, and Penang) from various ministries via an online survey questionnaire and analysed by Partial Least Squares structural equation modelling (PLS-SEM) using SmartPLS software. This study found that there is a significant relationship between all independent variables and whistleblowing intention, except for the responsiveness of management. Additionally, gender was found only to be significant in moderating the relationship between reporting channels, seriousness level of wrongdoing, knowledge, and whistleblowing intention. The findings of this study suggested that holistic strategic planning is needed for the Public Service Department (PSD) and public sector management to efficiently foster whistleblowing among public sector employees to minimize corruption and unethical conduct as well as achieve the objectives of NACP and improve CPI performance.

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CHAPTER ONE

INTRODUCTION

1.1 Preamble

This chapter contains the research background, problem statement, research objectives and questions, scope of study, significance of study, and definition of terms. The first chapter of this research is designed to provide relevant information regarding the background of whistleblowing intentions. Additionally, the nature of the research will be explained to the reader. The issues and problems that need to be resolved and studied are clearly identified in this chapter. This chapter has a detailed plan of action that explains how the research will be conducted. The main goal of this chapter is to present a concept for conducting research or solving a problem.

A problem requiring attention has been defined as one that necessitates action to acquire information, evaluate data, identify the components that contribute to the problem, and propose solutions. The chapter has emphasized essential topics to aid in obtaining pertinent information. The introduction articulates the problems, describing the aim or purpose of the study. Additionally, it provides reliable background information to demonstrate the researcher's expertise in the subject by categorizing previous work into sensible categories.

1.2 Research Background

Corruption and unethical conduct are continuous obstacles for the organizations in achieving their objectives. The private sector is not the only one experiencing an uptick in corruption, a lack of integrity, fraud cases, and malpractices. In the public sector as well, worries about poor service delivery and financial misconduct are growing (Mohd Noor & Mansor, 2018). Organizations strive to perform efficiently and effectively in their business and activities with integrity, competence, and professionalism. While the organization strives to sustain its performance in the future, wrongdoings such as corruption will erode the organization's credibility. The public sector is the executive body that manages and spends public funds to run their administration and deliver services to the nations. In addition, they are the ones who