

# Factors Affecting Whistleblowing Intention Among Working Millennials in Malaysia

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## ABSTRACT

Corporate scandals involving white collar crimes occurring in Malaysia has amassed widespread attention from both local and international media which has the ability to besmirch Malaysia's reputation. Being aware of how millennials perceive whistleblowing and how they would act when they see corporate wrongdoings occurring in their organization is important as they will be dominating the workforce in the near future. Hence, this paper identifies the factors affecting whistleblowing intention among working millennials. Moral Intensity Model is used (Magnitude of Consequences, Social Consensus and Proximity) to predict working millennials' whistleblowing intention with an added variable of Fear of Retaliation to complement the study. Results shown that Magnitude of Consequences, Social Consensus and Proximity has significant positive relationship with whistleblowing intention while Fear of Retaliation has significant negative relationship with whistleblowing intention. This study wished to provide a much needed theoretical and practical contribution to the scarcity of generation's whistleblowing intentions' literature in Malaysia and in hope to improve the effectiveness of WPA 2010.

**Keywords:** *Whistleblowing, millennials, moral intensity model*

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## 1. INTRODUCTION

In the past few years, more than ever companies are operating in a complex business environment in which small or large businesses are overwhelmed in a sea of digital data, trying to comply with increase regulations, adapting to unexpectable perils and trying to avoid costly enforcement actions and litigation. However, despite of that some business leaders are still caught in corporate scandals involving fraud, corruption and bribery in either public or private sectors. The increase number of revealed corporate scandals occurring within and outside Malaysia is alarming beginning with infamous Enron and WorldCom, Transmile Group Berhad, Felda Global Ventures, and most controversial case in Malaysia which is 1 Malaysia Development Berhad (1MDB) that said to involved former prime minister of Malaysia. The recent corporate debacles have captured public attention into the powerful impact it may cause

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especially when its involving public money. Corroboration have proven that the findings of these corporate scandals came to light due to whistleblowing.

Corruptions and dangerous situations may be reduced by improving the disclosure of information about illegal and unethical activities by government and private organisations through the means of encouraging employees to whistleblow. The early detection of corporate wrongdoings by employees can help to minimize the degree of consequences. Despite the increase in whistleblowing interest, little is known about the intention of whistleblowing among employees (Mustapha & Siaw, 2012).

Millennials are among the generations who are currently dominating workforce in Malaysia (Puspanathan, Ramendran, Muthurajan & Singh, 2017). According to EGYM (2015), millennials will represent three-quarters of the global workforce by 2025. Hence, the next generation of managers and leaders of the society consist of individuals from this generation (Campos, 2019) where they can most likely be a potential employee or employer to whistleblow when they encounter any corporate frauds or unethical activities in their organisation.

Prior research focus on investigating whistleblowing intention using motivating factors that affect the behaviour. Yet, according to Miceli, Near, Rehg and Van Scotter (2012), there is no study that can include all relevant variables affecting whistleblowing intention. Although there is a growing interest of whistleblowing issue in Asian context, most of the past studies were emerging in Western context rather than in an Eastern context (Salleh & Syahidah, 2015) in which it is important to emphasize that different country have different culture and ethics. Fraud, bribery and corruption cases in Malaysia cannot be addressed using whistleblowing studies conducted in different countries (Apadore *et al.*, 2018) due to the reason mentioned before.

A clear understanding of working millennials is critical since this generation is aging into the workforce and will quickly becoming the future leaders of business organisations. There are scant studies on whistleblowing intention among working millennials in Malaysia. Previous study has been done to understand whistleblowing intention among undergraduate accounting students which does not really portrays their actual behaviour when they faced such situations. Hence, this research is aimed to gain a better understanding on the factors affecting whistleblowing intention among working millennials in Malaysia.

## **2. LITERATURE REVIEW**

### **2.1 MORAL INTENSITY MODEL**

Moral intensity is defined as a construct that captures the extent of issue-related moral imperative in a situation (Jones 1991). He stated that the characteristics of the moral intensity influenced ethical decision making and the moral intensity of a situation can affect moral judgement that can in turn shape intentions and behaviours.

The relationships exist between all elements and moral intensity where they have interactive effects on each other (Jones, 1991). He theorized that if any element increases, it is generally expected that the overall level of moral intensity will also increase, and vice versa, assuming all remaining components are constant (Sweeney & Costello, 2009). The person will more likely recognize a moral component, undertake ethical reasoning, form moral intentions and act ethically if a person perceives a high level of moral intensity in a situation requiring a decision to act. Before deciding whether they will take action, people are likely to wonder about how serious the potential consequences of an action are or how society evaluates the morality of an action (Barnett, 2001).

Based on this theory, a model of whistleblowing intentions that seems particularly appropriate for situations involving moral dilemmas such as whether or not to whistleblow when the employees witness unethical activities occurring in their organisation is constructed. This study will focus on three elements in moral intensity model which are magnitude of consequences, social consensus and proximity because these elements are regarded as significant predictors of moral intention (Apadore *et al.*, 2018; Arnold, Dorminey & Neidermeyer, 2013; Lincoln & Holmes, 2011; Wang *et al.*, 2015). The exclusion of the other three elements in the moral intensity model which are concentration of effect, probability of effect and temporal immediacy element are due to failure to provide empirical evidence and minor impact in previous studies.

This study going to be a repetitive study of Apadore *et al.* (2018) to explore the effect of these three elements on whistleblowing intention in a working millennial's context. How members of the millennial generation reason about their actions especially when it comes to their ethical or moral reasoning may be found in one element or another (Lin *et al.*, 2017). The inherent complexities of the whistleblowing process may not be fully explored due to failure in examining the key differentials in decision-making preferences and motivations (Watts & Buckley, 2017) in which understanding the psychological determinants of whistleblowing is particularly relevant

## **2.2 OVERVIEW OF WHISTLEBLOWING**

The disclosure of information by someone who reasonably believes such information is evidence of contravention of any laws or indicates any mismanagement, corruption or abuse of authority is a term used to describe whistleblowing (Pascoe & Rachagan, 2005). 'Whistleblowing' term was first used in 1963 to address the act performed by Otto Otopoka who give a proof concerning security risk to the chief counsel of United States Internal Security (Nadzri, 2013). Since then, researchers attempted to provide definition for the term 'whistleblowing' in their own ways of understanding.

The act of whistleblowing about organisational wrongdoings can be made either through internal or external channel. The whistleblow is said to be internal whistleblowing when the wrongdoing is reported within the organisation itself without involvement of any outside parties while external whistleblowing is when the wrongdoing is reported to parties outside of the organisation such as the enforcement agencies. Internal whistleblowing is favourable over

external whistleblowing due to the severe damage it can bring to the organisation as compared to internal whistleblowing (Ahmad, 2011). Nevertheless, reporting wrongdoing externally or internally is largely the same process as argued by Miceli and Near (1997) and King (1999).

### **2.3 WHISTLEBLOWING INTENTION**

Whistleblowing intention refers to the likelihood of individual to engage into actual whistleblowing behaviour. The whistleblower is regarded as internal or external whistleblower in accordance to which channel they choose to report the illegal or unethical activities occurring in the organisation. This study does not measure the difference between internal or external whistleblowing intention as it focus on the overall effect of moral intensity on whistleblowing intention.

There are many variables and theories that has been used to study whistleblowing intention in various context. Mainly the whistleblowing intention studies focused on organisational, individual, situational and demographic factors. Past studies have used prosocial behaviour theory (Ahmad, Smith & Ismail, 2012; Miceli *et al.*, 2012; Shamsuddin *et al.*, 2015), corporate ethical virtues model (Farooqi *et al.*, 2017; Kaptein, 2009) and theory of planned behaviour (Şivil & Baraz, 2019) to investigate the factors affecting whistleblowing intention. From the past studies, it can be concluded that there are no significant variables that can generalize the whistleblowing intention especially in generation context as different theories and model were being used.

### **2.4 MAGNITUDE OF CONSEQUENCES AND WHISTLEBLOWING INTENTION**

Magnitude of consequences relates to how individuals perceive whistleblowing as necessary depending on the seriousness of the case and assured that whistleblowing is a right course of action (Sampaio, Sobral, Seifert, Sweeney, Joireman, Thornton & Cannatelli, 2013).

The predictive factors that affect whistleblowing intention which are magnitude of consequences, management reaction to the report and witness protection has been studied by Salleh and Syahidah (2015). From their study, only magnitude of consequences has significance relationship with whistleblowing intention in Malaysia's public organisation. The strong proof of wrongdoing and the seriousness and materiality of wrongdoing had a positive significance effect on the intention of employees to blow the whistle. The study from Mustapha and Siaw (2012) on the likelihood of whistleblow among final year accounting students in a Malaysian public university also shows that the seriousness of questionable act is significantly related to the possibility to whistleblow which is similar with Apadore *et al.* (2018) findings. This shows that students will most likely whistleblow when the wrongdoings are serious and may cause significant impact to the organisation than when the wrongdoings are trivial.

Findings from the study of Pillay, Dorasamy and Vranic (2012) on the other hand partly supported the importance of magnitude of consequences as it shows that impact of wrongdoings is partly positive to the intention to blow the whistle among management and administration personnel. Results drawn from the sample shows when the effect of the fraud on the organisation or society is more prominent, then the intention to blow the whistle is slightly stronger. However, the intention to whistleblow is absent when large sum of money

associated with the fraud. The authors added that the sum of money engaged with the unethical activities do not appear to affect the intention, whereas the risk of authoritative or societal loss does which affect the overall intention for the employees to report wrongdoings. Therefore, the above discussion has led to development of following hypothesis:

**H1:** *There is a significant positive relationship between magnitude of consequences and whistleblowing intention.*

## **2.5 SOCIAL CONSENSUS AND WHISTLEBLOWING INTENTION**

Social consensus relates to how individuals or society perceive whistleblowing as an act of evil or good. At the point when a moral dilemma has higher consensus on the dilemma and its impact, and is closer to the subject, the subject will feel greater pressure to act (Chen & Lai, 2014). The study on how social consensus affect whistleblowing intention has not been made widely resulting to scarcity of literature to generalise on how this variable really affect whistleblowing intention. Past researches on social consensus and whistleblowing intention have conflicting result.

There was no significant relationship between social consensus and whistleblowing intention (Chen & Lai, 2014). The study focuses on examining the impact of social consensus on whistleblowing intention on whistleblowing intention mediating by organisational commitment. By analogy, one has the need to eat and it is only a matter of choosing what to eat. Hence, social consensus is not related to intention but rather to behaviour.

On the other hand, studies made by Apadore *et al.* (2018) and Shawver (2011) has opposite results from Chen and Lai (2014) studies. Findings showed that there was a significant relationship between social consensus and whistleblowing intention in which it is suggested that undergraduates often consider the opinion of people surrounding them when intending to whistle blow. Their study agrees with prior research where social pressure has a greater effect on ethical intentions to whistleblow. As indicated by Kohlberg's (1969) model of moral reasoning, individuals may be more influenced by social consensus and rules developed by society when they have lower levels of cognitive development. Therefore, the above discussion has led to development of following hypothesis:

**H2:** *There is a significant positive relationship between social consensus and whistleblowing intention*

## **2.6 PROXIMITY AND WHISTLEBLOWING INTENTION**

There's a significant difference when the wrongdoer is a stranger and when the wrongdoer has a closer relationship with the potential whistleblower (Miller, 2013). The way an individual thinks and acts are affected by a person's relationship. According to Miethe (1999) as cited from Miller (2013) which is still relevant today found that the acts of misconduct involving close friends who are co-workers are more likely to be ignored than similar conduct done by rivals and less cherished co-workers. Limited studies have been made in identifying the

severity of proximity influencing whistleblowing intention. The relationship of this variable affecting whistleblowing intention remained inconclusive.

In a study of analysing how a person's relationship with a wrongdoer affects whether he or she reports the wrongdoer's misconduct by Miller (2013), reveals that there is a significant difference when the wrongdoer is a stranger and when the wrongdoer had a closer relationship with the potential whistleblower. The extent on how close the relationship would affect the likelihood to blow the whistle remains questionable as it cannot be measured in the study. Further supported by Apadore *et al.* (2018), the authors have found that proximity have a significant relationship with whistleblowing intention. Stronger feeling of empathy is felt by the students if the people close to them are involved in wrongdoing which makes them reluctant to report the unethical activities that they saw. Therefore, the above discussion has led to development of following hypothesis:

**H3:** *There is a significant positive relationship between proximity and whistleblowing intention.*

## **2.7 FEAR OF RETALIATION AND WHISTLEBLOWING INTENTION**

Undesirable action taken against a whistleblower as a result of whistleblowing is what defined retaliation (Miceli *et al.*, 2012). Management often condemned the act of whistleblowing because it said to draw public attention to the wrongdoing and may expose the organisation to the negative effects of adverse publicity, financial losses and/or litigation (Miethe, 1999). As a result, it may be expected that whistleblowers face a significant risk of retaliation even when the disclosure of unethical wrongdoings benefits the organisation.

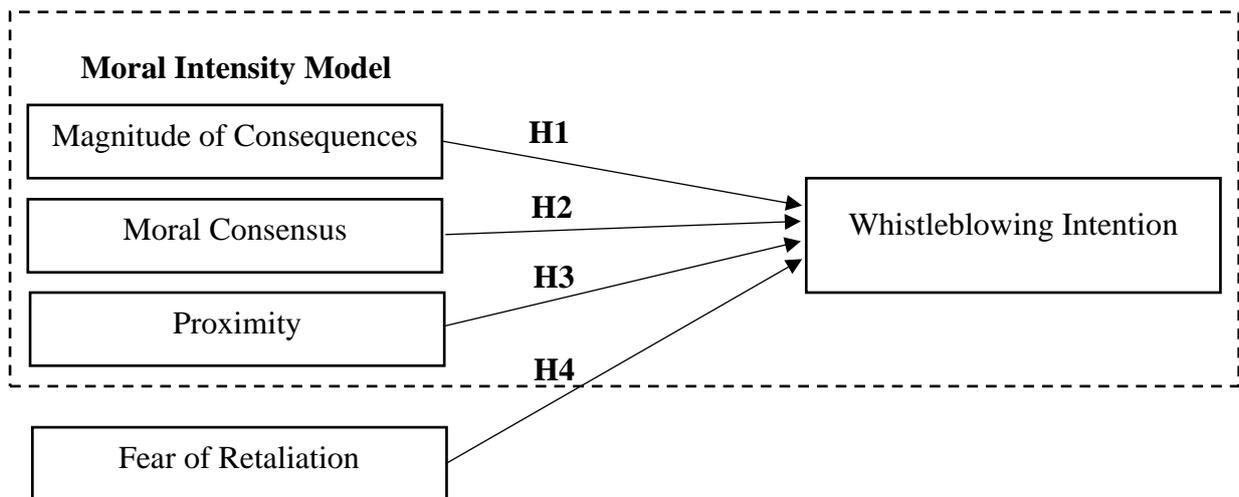
Fear of retaliation is added as an additional variable because there is an ongoing debate about the influence of employees' fear of retaliation on the likelihood to whistleblow. It has been extensively highlighted in theoretical and empirical studies in which retaliation is a common reality among whistleblowers (Sampaio & Sobral, 2013).

Based on the past findings, there is a negative relationship between fear of retaliation and intention to whistleblow (Fatoki, 2013; Apadore *et al.* 2018). The authors discovered that the lesser the intention to whistleblow, the stronger the strength of retaliation. However, Jabbour, Latan and Ringle (2016) found that there is a positive relationship between fear of retaliation and intention to whistleblow. They argued that cost of reporting affect whistleblowing intention of Indonesian public accountants because they will most likely keep quiet when the see any unethical activities occurring inside the organisation rather than opt to whistleblow because they are afraid of undesirable action taken against them which may include losing job and security of themselves. Despite the mixed nature of empirical results, the general pattern is that the harsher the retaliation, the less likely the possibility for an individual to whistleblow (Liyarachchi & Adler, 2010). Research from Mesmer-Magnus and Viswesvaran (2005) has overestimated the influence of the fear of retaliation as it focuses on the intention to whistleblow rather than on actual behaviour. Thus, the strength of potential retaliation is likely to influence an individual's decision to whistleblow. Therefore, the above discussion has led to development of following hypothesis:

**H4:** *There is a significant negative relationship between fear of retaliation and whistleblowing intention*

### 3. RESEARCH METHODOLOGY

Based on the underpinning theory and past researches, Figure 3.1 presents the proposed research framework illustrating factors affecting whistleblowing intention of working millennials in Malaysia.



**Figure 3.1:** Proposed Research Framework (Adopted from Apadore *et al.*, 2018)

The target population for this study is working millennials (born between 1981 and 1996). A total of 400 respondents were targeted to answer the survey questionnaire blasted online in one-month time.

In total, there are 21 items in which 17 items for independent variables and 4 items for dependent variable. The measurement of variables is adapted as stated in Table 3.1.

**Table 3.1:** Measurement of Variables

Variables	No. of items	Source
Magnitude of consequences	4	Apadore <i>et al.</i> , 2018
Social Consensus	5	
Proximity	3	
Fear of retaliation	5	
Whistleblowing intention	4	

## 4. DATA ANALYSIS

### 4.1 DESCRIPTIVE ANALYSIS

From 400 targeted responses, only 191 responses received after a month. This has resulted to 47.75% response rate which is considered acceptable and expected given the low response rate of Malaysians. Of the 191 data collected, only 170 data are usable for this study.

The profiles of the respondents participated in this study is presented in Table 4.1. Majority of respondents who answered this survey were female (57.1%). Since this study targeted to study the intention of millennials to whistleblow, the majority age group from this study is those from the age of 24 years old to 39 years old. Irrelevant data is removed.

Out of 170 respondents, 151 of them are Malay (88.8%), 7 Chinese, 5 Indian and the rest were from another ethnicity such as Kadazan. Most of these millennials were Degree holder (70.0%) which have lower working tenure that is less than 2 years (55.9%) with their current organisation. Majority of the respondent (77.1%) were well aware with whistleblowing term but the remaining were not familiar and never heard about whistleblowing before.

**Table 4.1:** Respondents' Demographic Profile (N = 170)

<b>Variables</b>		<b>N</b>	<b>%</b>
Gender	Male	73	42.9
	Female	97	<b>57.1</b>
	<b>Total</b>	<b>170</b>	100
Age	< 24 years old	16	8.4
	24-39 years old	170	<b>89.0</b>
	>39 years old	5	2.6
	<b>Total</b>	<b>191</b>	100
Ethnicity	Malay	151	<b>88.8</b>
	Chinese	7	4.1
	Indian	5	2.9
	Others	7	4.1
	<b>Total</b>	<b>170</b>	100
Education Level	Diploma	25	14.7
	Degree	119	<b>70.0</b>
	Master's Degree	22	12.9
	Others	4	2.4
	<b>Total</b>	<b>170</b>	100
Tenure	< 2 years	95	<b>55.9</b>
	2-5 years	61	35.9
	> 5 years	14	8.2
	<b>Total</b>	<b>170</b>	100

## 4.2 INFERENCE ANALYSIS

### 4.2.1 PEARSON CORRELATION COEFFICIENT

**Table 4.2:** Pearson Correlation Coefficient Matrix

Variables	Whistleblowing Intention	Magnitude of Consequences	Social Consensus	Proximity	Fear of Retaliation
Whistleblowing Intention	1.0000				
Magnitude of Consequences	0.2508	1.0000			
Social Consensus	0.5702	0.1795	1.0000		
Proximity	0.1353	0.1098	0.05433	1.0000	
Fear of Retaliation	-0.2534	-0.0158	-0.1550	0.1237	1.0000

From Table 4.3, it can be seen that all of the variables studied are moderately correlated with one another since the correlation value falls within the range 0.05433 and 0.5702. The correlation of all variables is significant because their p-values are less than 0.05. This means that the correlation is different from 0.

The strongest correlation exists between social consensus and whistleblowing intention. Meanwhile, the weakest correlation can be found between fear of retaliation and magnitude of consequence. There is no evidence of multicollinearity effect between the independent variables as the correlation coefficient value is less than 1. Thus, since it suffices the basic assumption of regression, multiple regression analysis for the data can be proceeded.

### 4.2.2 MULTIPLE LINEAR REGRESSION

**Table 4.3:** Result for Multiple Linear Regression

	B	Standard Error	$\beta$	t	Sig.
(Constant)	1.9954	0.3411		5.8503	0.0002
Magnitude of Consequences	0.1222	0.0528	0.1438	2.3135	0.0219
Social Consensus	0.3583	0.0441	0.5092	8.1221	0.0000
Proximity	0.1005	0.0540	0.1149	1.8596	0.0647
Fear of Retaliation	-0.1400	0.0467	-0.1864	-2.9998	0.0031
R = 0.6239					
R <sup>2</sup> = 0.3892					
F-value = 26.2880					

According to the result, the linear combination of 4 independent variables in this study significantly predicts whistleblowing intention among millennials where  $R^2 = 0.3892$  with a p-value less than alpha value of 0.05. This means that the 4 independent variables in this study are able to explain 38.92% of the factors affecting whistleblowing intention among millennials.

The remaining of 61.08% are caused by other factors that are not considered in this study. Similar study between accounting undergraduates by Apadore *et al.* (2018) obtained R<sup>2</sup> value of 0.2463. This shows that millennials have higher tendency to whistleblow compared to accounting undergraduates. The F-value = 26.2880 with a p-values less than alpha value (0.05) indicates that the regression fit is good all the four independent variables are significant.

The strength of relationship of independent variables with dependent variable is in the order of,  $\beta = 0.1149$  (Proximity),  $\beta = 0.1438$  (Magnitude of Consequences),  $\beta = -0.1864$  (Fear of Retaliation) and  $\beta = 0.5092$  (Social Consensus). It is to be noted that the positive or negative symbol just shows the relationship of the independent variable with the dependent variable. The beta weights ( $\beta$ ) stipulates that overall, social consensus has the strongest effect on millennials' intention to whistleblow. With that being mentioned, the multiple linear regression equation for this model is formulated as follows:

$$WI = 1.9954 + 0.1438(\text{Magnitude of Consequences}) + 0.5092 (\text{Social Consensus}) + 0.1149(\text{Proximity}) - 0.1864 (\text{Fear of Retaliation})$$

### 4.3 SUMMARY OF ANALYSIS

The hypotheses and summary of relationship for this study is presented in Table 4.5 which shows the significance and correlation of each independent variable and dependent variable.

**Table 4.4:** Hypotheses and summary of relationship

	Hypothesis	Significance Level	Correlation	Result	
<b>H<sub>1</sub></b>	There is a significant positive relationship between magnitude of consequences and whistleblowing intention	<0.05	0.2508	There is a significant positive relationship and the correlation between them is moderate	Supported
<b>H<sub>2</sub></b>	There is a significant positive relationship between social consensus and whistleblowing intention	<0.05	0.5702	There is a significant positive relationship and the correlation between them is strong	Supported
<b>H<sub>3</sub></b>	There is a significant positive relationship between proximity and whistleblowing intention	<0.05	0.1353	There is a significant positive relationship and the correlation between them is weak	Supported
<b>H<sub>4</sub></b>	There is a significant negative relationship between fear of retaliation and whistleblowing intention	<0.05	-0.2534	There is a significant negative relationship and the correlation between them is moderate	Supported

## **5. DISCUSSION, IMPLICATIONS AND CONCLUSION**

### **5.1 DISCUSSION OF RESEARCH FINDINGS**

The results convey that working millennials have moderate intention to whistleblow when they encounter unprecedented situation in their workplace

#### **5.1.1 MAGNITUDE OF CONSEQUENCES**

Working millennials has a moderate intention to whistleblow as the correlation between the two variables are 0.2508. This shows that the result of an ethical issue must be serious enough to set up thought of reaction by millennials. Working millennials will most likely intend to whistleblow when there is a strong proof of wrongdoing and the seriousness and materiality of wrongdoing.

The result of this study is congruent with previous studies such as Apadore *et al.* (2018) and Arnold *et al.* (2013) given that both of these previous studies used different context as their subject of study. Millennials who perceived the wrongdoings to be more serious will most likely report these behaviours than working millennials who perceived the wrongdoings to be less serious. In the current study, magnitude of consequences plays a significant role to working millennials' intention to whistleblow depending on the seriousness of the situation involved.

#### **5.1.2 SOCIAL CONSENSUS**

Social consensus has the highest correlation to whistleblowing intention among working millennials in this study where the correlation is 0.5702. This suggested that working millennials will take into consideration of what the society believes is right or wrong. There is high probability of working millennials to whistleblow when the people surrounding them think that it is a right thing to do.

In this study, the opinion of people surrounded them that will most likely affect their decision would be those who are close to them such as family members, friends and colleagues. They will be more motivated to whistleblow if the act of doing so is supported by these individuals because they feel a sense of responsibility to speak up about the frauds or misconduct happening inside the organisation. As such social consensus is most persuasive for the decision to whistleblow due to a rules-based culture that these working millennials have gotten familiarised with.

#### **5.1.3 PROXIMITY**

Proximity and whistleblowing intention have the weakest relationship among all the variables being studied. The correlation between them is 0.1353, given that they still have a positive relationship between each other but the relationship is weak which is in line with previous studies (Miller, 2013; Apadore *et al.*, 2018).

There appears to be lack of studies investigating the reasoning behind these two variables. Current study shows that proximity somehow is not strongly associated with whistleblowing intention but affects millennials decision to whistleblow. It can be fairly deduced that millennials might be sensitive to the potential of their activities to mischief or benefit another,

if the person involved is closer to them since proximity is a significant indicator for moral awareness. Thus, proximity does affect millennials intention to whistleblow but to a lesser degree.

#### **5.1.4 FEAR OF RETALIATION**

Contrary to the normal setting, the result of this study supported hypothesis 4 that there is a significant negative relationship between fear of retaliation and whistleblowing intention among working millennials. The inability of fear of retaliation to affect whistleblowing intention of working millennials is due to the behaviour of this generation which are more transparent and vocal in upholding justice. What is right will be right but what is wrong will be viewed as wrong and no justification is suffice to make it looks ethical when the behaviour is clearly unethical. Several prior studies have reported that people across generation has different attitudes and traits.

A research that studies millennials' behaviour stated that millennials are better educated than the generations that preceded them. Millennials are increasingly persuaded by their capacity to have an effect at any place they work which make them less afraid to voice out their judgements and uneasiness of unethical behaviour occurring at the workplace. Hence, fear of retaliation does not affect working millennials intention to whistleblow. This finding communicates profoundly the ethical compass of the respondents involved in this study which appears to be good news to a certain extent.

### **5.2 IMPLICATIONS OF STUDY**

#### **5.2.1 THEORETICAL IMPLICATIONS**

The results of this study extend organisation's ability to predict whistleblowing intention among working millennials in Malaysia that will be a major generation that will be dominating the workforce in the near future. The empirical results confirm that the elements in the moral intensity model is appropriate to be used in understanding situation involving whether to whistleblow or not to whistleblow when employees witness unethical activities occurring in their organisation. The problem of lack theoretical model in studying whistleblowing issue able to be resolved by this study as not many researchers has used this model to understand the determinants of whistleblowing in Malaysia. The use of working millennials as the context of this study may hopefully complement the gap in understanding the behaviour of this generation and extend the literature of whistleblowing in Malaysia with useful information which perhaps has the ability to open possible route for future research pertaining this generation.

#### **5.2.2 MANAGERIAL IMPLICATIONS**

The behaviours of working millennials that are more transparent and vocal in stating facts should be acknowledge to combat unethical activities such as fraud and bribery occurring in the organisation. This can contribute to a sound governance process in every organisation in Malaysia hence making Malaysia to be a corruption free country. Moreover, the study indicated that social consensus as major influence for working millennials to whistleblow. In order to increase working millennials whistleblowing intention, there is a need to increase awareness

and legitimisation of whistleblowing in workplace which can be done through educational and training programs conducted by local regulatory agencies. This can help to create a working environment where employees understand whistleblowing as an ethical behaviour and the importance of their agreement and support when their colleague faces a whistleblowing dilemma. The prevention and detection of wrongdoing may be further heightened through a sound internal mechanism and in hope increase employee's confidence in their organisational internal reporting structure.

### **5.2.3 REGULATORY BODIES IMPLICATIONS**

The gap in WPA 2010 (means of reporting, level of executive control, etc.) has contribute to the low number of whistleblowers coming forward to report on any wrongdoings in the country. Therefore, the results are useful to be used by local regulatory bodies in order to create a comprehensive framework to improve WPA 2010. This can further complement the shortcomings of WPA 2010 so that the act can genuinely provide adequate protection to whistleblowers and at the same time encourage publics to whistleblow.

### **5.3 CONCLUSION**

The synchronisation of moral intensity model and whistleblowing intention in this study has provided a new empirical contribution to the body of knowledge in generation context. Millennials' behaviour can be explored through this study which act as a vital information as this generation will be dominating the workforce in 5 years from now. Magnitude of Consequences, Social Consensus and Proximity has proven a significant positive relationship with whistleblowing intention while Fear of Retaliation proves a significant negative relationship. A more thorough study regarding millennials is needed with the purpose of understanding how this generation think and act so that organisation can implement a more complement policy to address such issues that arise internally besides laws enforced by government. Ethical behaviour can be promoted by understanding and finding ways which may make significant open doors for authoritative learning, improvement and working with a sense of social obligation.

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## APPENDIX

### SECTION B: FACTORS AFFECTING WHISTLEBLOWING INTENTION AMONG WORKING MILLENNIALS IN MALAYSIA

#### Factor 1: Magnitude of Consequences

The statement stated in this component are related to Magnitude of Consequences. Given that you are aware of the following wrongdoings, please indicate “√” how serious you feel it on a 5-point Likert scale below:

1 = Not serious at all; 2 = Not very serious; 3 = Somewhat serious; 4 = Very serious;  
5 = Extremely serious

No.	Statements	1	2	3	4	5
MC1	Falsifying financial statements to obtain a RM100,000 bank loan					
MC2	Underreporting sales to pay RM100,000 less on taxes					
MC3	Stealing RM100,000 cash from the company by diverting some portion of company sales receipt for yourself					
MC4	Receiving bribe from company's biggest supplier for purchase made					

**Factor 2: Social Consensus**

The statement stated in this component are related to Social Consensus. Please “√” the box to each statement to indicate your viewpoints with 5-point Likert scale below:

1 = Strongly disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly agree

No.	Statements	1	2	3	4	5
SC1	My peer would strongly approve if I whistleblow					
SC2	Most people who are important to me think that I should whistleblow					
SC3	Most people whose opinion I value would approve of my decision to whistleblow					
SC4	If the people I know witness any wrongdoings, they will whistleblow					
SC5	The people that I know whose opinion I value would strongly approve my decision to whistleblow					

**Factor 3: Proximity**

The statement stated in this component are related to Proximity. Please “√” the box to each statement to indicate your viewpoints with 5-point Likert scale below:

1 = Strongly disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly agree

No.	Statements	1	2	3	4	5
PX1	I feel sorry for the victim of an illegal, immoral or illegitimate practice in my organisation					

PX2	I sympathised with the victim of an illegal, immoral or illegitimate practice in my organisation					
PX3	I do not feel close to the victim of an illegal, immoral or illegitimate practice in my organisation					

**Factor 4: Fear of Retaliation**

The statements stated in this component are related to Fear of Retaliation. Please “√” the box to each statement to indicate your viewpoints with 5-point Likert scale below:

1 = Strongly disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly agree

No.	Statements	1	2	3	4	5
FR1	I am afraid if the wrongdoer would take action against me					
FR2	I am afraid if the organisation would take action against me					
FR3	I do not want to get anyone into trouble					
FR4	I do not want to embarrass the organisation					
FR5	It would have been too stressful to report it					

**SECTION C: WHISTLEBLOWING INTENTION AMONG WORKING MILLENNIALS IN MALAYSIA**

The statement stated are related to overall assessment of whistleblowing intention among working millennials in Malaysia. Please “√” the box to each statement to indicate your viewpoints to overall assessment on whistleblowing intention with 5-point Likert scale below:

1 = Strongly disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly agree

*When I am aware of an illegal, immoral or illegitimate practice in my organisation:*

No.	Statements	1	2	3	4	5
WI1	I will whistleblow					
WI2	I will not ignore the wrongdoing(s)					
WI3	I will not choose to turn a blind eye over that matter					
WI4	I will not choose to leave the organisation					

----- **END OF QUESTIONNAIRE** -----

Thank you for your time and cooperation in completing this questionnaire. Your opinions are valuable and your participation is required for the completion of this study. Please ensure that you have answered **ALL** questions.

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