Ethical Culture Survey of Malaysian Government Departments

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Abstract

This study aims to investigate the level of ethical culture of the Malaysian public sector. The paper used a set of a questionnaire as the medium for data collection. Two hundred fifty-one respondents from various government organisations took part in the survey. These employees are from various federal ministries, departments, and government agencies. The paper presents a descriptive survey of the levels of ethical culture maintained in these organisations. The findings show that some ethical culture components present a high value in a score representing their ethical culture level in the organisation. The levels of ethicalness in employees will impact the workplace's efficiency and total social environment. The study's value is in terms of public sector feedback, where there are usually substantial barriers to obtaining feedback.

Keywords: Ethics, ethical culture, public sector

1. INTRODUCTION

Having high levels of ethical values may result in positive results in an organisation. The relationship between ethics and efficiency shows that high ethics levels improve organisational efficiency (Dobel, 2009). The impact it has on having an acceptable organisational climate is also influenced by the levels of ethical culture (Dickson, Smith, Grojean, & Ehrhart, 2001). The performance levels in an organisation are also related to the levels of ethical values instilled in the organisation (Koh & Boo, 2004). Such studies observed the impact of no ethics codes and found that unethical behaviour increases due to low ethical values (Treviño, Butterfield, & McCabe, 1998). Human behaviour research enables understanding values that can impact performance, efficiency, and commitment an employee has towards the organisation.

The studies of ethical values provide information on areas that can be further improved in a group or organisation. The construct of ethics is the moral reasoning or compass that the person has in navigating their current society (Ross, 1999). Modern-day studies engage in normative ethics to understand the action or ethical action of moral reasoning when conducting a behaviour (Hursthouse, 2015). The subject is broad as cultural, socio-economic, and other factors may influence the investigation results. Studies of organisational culture have shown that each culture holds different values in interpreting ethics (Kolthoff, Erakovich, & Lasthuizen, 2010).

Malaysian cultures are a mixture of knowledge. The population comprises various ethnic groups, mainly Malay, Chinese, Indian, and many other ethnic groups. Through these various ethnic groups, each race holds different values towards cultural beliefs as religions come into play that primarily influences their actions (Kennedy & Mansor, 2000). Based on Hofstede's (2017) analysis, Malaysia has high collectivism levels and high levels of power distance in society in terms of values. Race actions have shared values as their upbringing is based on religion's teachings. In early 2000, prior studies related to race and values showed no significant difference

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between the Malays and the Chinese workers (Lim, 2001). That particular study had also highlighted that there are high levels of power distance in Malaysia.

2.   LITERATURE REVIEW

2.1   Ethical Culture

Organisational culture is the shared principle of beliefs and assumptions that influence how individuals or groups behave in the organisation (Van Den Berg & Wilderom, 2004). The early studies of organisational culture can be seen from the works of Elton Mayo of the "Hawthorne Effect" in the 1950s (Rob et al., 2007). The factory workers in Hawthorne were observed in terms of their productivity and adjustment of surrounding lights. The development was that people work harder when being observed, thus creating the Hawthorne effect. Organisational culture encompasses the values, beliefs, and principal of the employees, management, and organisations visions and missions (Needle, 2010). Culture is from the common pattern of behaviour of groups or organisations, which can be considered the norm developed during the organisation's history (Andrew, 1998; Needle, 2010). Organisational culture from various literature suggests it comes from a collection of variables from history, technology, ownership, leadership, and strategies. This can be influenced by political, economic, or socially which can affect the organisation's culture

Ethical culture is the set of values incorporated in an individual or organisation towards the expected level of ethical behaviour practised (Kaptein, 2011). The values in ethical behaviour include the level of ethics that are currently maintained and the subconscious ethical values embedded within the individual or organisation (Treviño, Weaver, & Reynolds, 2006). The ethics within the workspace environment represents the components of ethical culture within the organisation (Treviño et al., 1998). They suggested that the ethics action within the people in the organisation influences the organisation's levels of ethical climate.

Studies on ethical culture often investigated the aftereffects or consequences when there are low levels of ethics within the individual or organisation. Past studies of ethical culture show that high levels of ethics negatively influence misbehaviour (Kangas, Muotka, Huhtala, Mäkikangas, & Feldt, 2015). The studies of ethical cultures' impact on the organisational climate found that ethics levels will influence the organisation's setting and climate (Silvija & Ksenija, 2012). The individual impact on auditors shows that ethical culture levels positively improve the employees (Svanberg & Öhman, 2013). This is why such cultural studies of ethics are essential areas of research.

2.2   Malaysian Culture

Cultural studies investigate theories, politics, and values practised by society's population (Hall, 1980). It is related to the community's native behaviour or standard societal practices. Malaysian culture presents vital harmony and social responsibility (Naqshbandi, Kaur, Sehgal, & Subramaniam, 2015). They value continuous harmony due to the complexity of having multiple races in the population. Social responsibility includes being accountable for their actions for the sake of family and friends.

The positive culture of Malaysians includes being helpful and considerate (Mansor & Kennedy, 2000). Although there are some gender inequalities between men and women, women have opportunities to have a successful career in employment (Hirschman, 2016). In terms of ethics, most of Malaysia's culture falls back to religion in improving their levels of ethicality (Majid, Mohamed, & Mahmud, 2010). Malaysia is also a developing country that still has room for improvement.

3.   RESEARCH METHOD

3.1   Research Model

This study uses the Cultural Ethical Values Model (CEVM) developed to determine the levels of ethical culture within an individual or organisation (Kaptein, 2008). The original CEVM is with eight items that evaluated the ethical culture model. This study focused only on five items: clarity, supportability, transparency, discussion ability, and sanctionability (Kaptein, 2008). Each of these measurements considers the ethical values that the entity has.

Table 1. Items of Cultural Ethical Value Model

Description	Ref.	Items
Ethical Culture		
Clarity	A1	My organisation has clear ethical conduct guidelines
	A2	My organisation makes it clear on methods of obtaining proper authorisation
	A3	My organisation makes it sufficiently clear on the use of office equipment (e.g., Photostat machines)
	A4	My organisation makes it sufficiently clear on the handling of money and other financial assets responsibly
	A5	My organisations make sufficiently clear on how to deal with conflict of interests
	A6	My organisation makes it sufficiently clear on dealing with confidential information responsibly
	A7	My organisation makes it sufficiently clear on how to deal with external persons (visitors or customers)
Supportability	B1	My organisation employees have the best interests for their department
	B2	My organisation employees take the existing norms and standards seriously
	B3	My organisation employees treat one another with respect
Transparency	C1	Management will find out if an employee does something unethical
	C2	Employees or co-workers in my organisation will find out if a person does something ethically
	C3	If the organisations superior or management does something unethical, someone will find out about it
Discussability	D1	My organisation handles reports of unethical conduct with caution
	D2	My organisation has opportunities to express any opinions
	D3	My organisation has adequate room to discuss unethical conduct
	D4	My organisation takes any reports of unethical conduct seriously
	D5	My organisation has adequate room to discuss personal ethical dilemmas
	D6	My organisation provides adequate opportunities to discuss ethical misconducts
	D7	My organisation respectfully handles cases of unethical conducts
	D8	My organisation provides adequate opportunities to correct unethical behaviours
	D9	If the unethical conduct does not receive adequate attention, there are sufficient channels to raise the matter elsewhere
Sanctionability	E1	My organisation employees will be disciplined if they behave unethically
	E2	My organisation employees involved with unethical misconduct are disciplined fairly regardless of their position
	E3	My organisation employees with integrity have better chances to receive positive performance appraisals

3.2 Sample and Data

A survey was given to government employees using these measurements as questions. The scale was evaluated from one to seven. The seven Likert scales form an ascending order of strongly agree represented by seven, the most robust answer for the items questioned (Creswell & Creswell, 2017). There are a total of 251 government employees that answered the survey.

4. ANALYSIS AND RESULTS

4.1 Frequency Distribution

The frequency distribution for corruption shows the number of times perceived corruption occurs in a government organisation. Respondents were asked to indicate a scale of one to seven on which statements they agree or disagree with. The scale measured strongly disagree, somewhat disagree, slightly disagree, moderate, slightly agree, somewhat agree, and strongly agree. Where one is the weakest and seven is the most substantial value. The following table shows the frequency distribution of corruption in the public sector.

Table 2. Frequency of ethical culture in the public sector

Ethical Culture	Ref.	Valid Cases	Mean	Strongly disagree	Somewhat disagree	Slightly disagree	Moderate	Slightly agree	Somewhat agree	Strongly agree
				1	2	3	4	5	6	7
Clarity	A1	250	5.54	**4**	11	7	33	44	70	**81**
	A2	252	5.47	7	12	**4**	34	45	72	**76**
	A3	250	5.46	**3**	16	4	34	49	70	**74**
	A4	250	5.53	7	10	**5**	30	47	72	**79**
	A5	248	5.35	10	12	**3**	38	48	68	**69**
	A6	247	5.53	7	12	**4**	31	38	75	**80**
	A7	247	5.47	8	9	**7**	33	36	**85**	69
Supportability	B1	249	5.20	**7**	8	16	43	53	**66**	56
	B2	249	5.26	**6**	9	14	41	53	**67**	59
	B3	248	5.25	13	**8**	10	36	53	61	**67**
Transparency	C1	248	5.26	**5**	13	11	42	51	67	60
	C2	249	5.20	**7**	10	10	49	46	**76**	51
	C3	249	5.18	10	12	**7**	48	45	**72**	55
Discussability	D1	249	5.30	**5**	13	8	40	52	**72**	59
	D2	249	5.09	12	12	11	37	61	**66**	50
	D3	248	5.13	**8**	11	12	455	55	**67**	50
	D4	248	5.37	**5**	14	6	42	45	**64**	72
	D5	249	5.05	9	16	**7**	47	59	**65**	46
	D6	247	5.08	**9**	14	10	49	47	**69**	49
	D7	248	5.20	**5**	14	9	46	51	**71**	52
	D8	247	5.11	**8**	13	13	44	49	**73**	47
	D9	248	4.98	**11**	13	15	47	52	**64**	46
Sanctionability	E1	249	4.99	**13**	16	17	45	38	**70**	52
	E2	250	4.86	**15**	17	**15**	53	40	**60**	50
	E3	249	5.08	**11**	14	**11**	50	42	**64**	57

Table 2 indicates that each public sector employee is perceived to have high ethical culture levels in their organisation. There are still many cases where there are deficient ethical climate levels, although it is insignificant. The most frequent value in the descriptive is that most public sector departments have ethical guidelines (Item A1, N=81). In contrast, the employees are evident in public sector equipment and their responsibilities (Item A3, N=3).

5.   CONCLUSION

The importance of ethical culture in an organisation increases the likelihood of having more ethical values. The ethical culture also influences efficiency and helps organisations run better (Treviño et al., 1998). The employees' motivations are also improved when there are high levels of ethical culture (Kaptein, 2009). This study indicates that the Malaysian government department maintains high levels of ethical culture in their organisations.

The organisation's ethical culture is one of the crucial elements of organisations circumstances as the practice of ethical cultures in organisations will uphold ethical behaviour throughout members of the organisation (Brown & Treviño, 2006; Kaptein, 2011). The critical point here is that ethical culture shows informal areas in an

organisational context. In contrast, integrity and ethics control programmes are part of the formal organisational context. Integrating an ethics programme to ensure ethical behaviour is part of the organisational culture is difficult (Ferrell, 1998).

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