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EFFECT OF PROFESSIONALISM AND SOCIAL ASPECTS OF STUDENTS ON WHISTLEBLOWING INTENTIONS

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ABSTRACT

Background

Agencies are vulnerable to fraud cases. However, one way to detect fraud is by whistleblowing. Whistleblower education must be given early on to accountant students as the frontline candidates for financial recorders.

Objective

This study aimed to determine whether professional commitment and anticipatory socialization of accounting students influence the whistleblowing behavior.

Methods

This study used primary data obtained by distributing questionnaires to selected respondents. The criteria of respondents were students majoring in accounting who had or were taking an internal audit courses. The analysis technique used was an analysis of descriptive statistics. The analysis was based on respondents' answers obtained through questionnaires distributed at the university. Multiple regression analysis tools were used, for hypothesis examination.

Results

The results of the study indicated that professional commitment influenced whistleblowing behavior both from the perceptual aspects and whistleblowing intentions. In contrast to anticipatory socialization, the results of this study were anticipatory socialization that did not affect whistleblowing behavior both in terms of perceptions and whistleblowing intentions.

Conclusion

There was a significant influence between professional commitment to whistleblowing behavior both in terms of perception and intention to conduct whistleblowing.

INTRODUCTION

All types of agencies have the risk of fraud. Whistleblowing is reporting by members of an organization (current or previous) against illegal, immoral, and forbidden practices that are under employee control of people or organizations that might result in an action. Whistleblowing can occur from inside or outside (Dyck et al., 2010).

The reporter or actor in disclosure of fraud is known as a whistleblower. Examples of whistleblowers of active organization members are employees and on-active organization members are former employees (Qomariyah, 2019). The role as a whistleblower is not easy. It takes great courage and confidence because there are many risks that will be borne by a whistleblower. The risks that may be taken by the whistleblower are careers, personal life and mental outlook towards them (Astutik et al., 2018).

An effective, transparent and responsible whistleblowing system will encourage and increase employee participation to report suspected frauds. There are various kind of opinions regarding whistleblowing actions. Some people assume the whistleblower as a traitor and a heroic protector of truth values (Dyck et al., 2010).

Culture plays an important role in describing ethical standards because "Ethical orientations are strongly related to cultural backgrounds". This means that culture will influence and determine someone to dare to act and take action. The higher the professionalism of an auditor, the better the quality audit generated in the financial statements will be (Mardijuwono and Subianto, 2018). There will be a different perception of an accountant or internal auditor to conduct whistleblowing because it will depend on the culture in which they are located. Perception is the basis for someone to act, right or incorrect, it reflect reality (Syarif, 2019).

Myers (2008) explains that behavior carried out by individuals arises because of the intention underlying the behavior. This intention is formed by two main factors, attitudes toward behavior and subjective norms. Attitudes toward behavior are the degree of someone evaluates or judges whether the behavior is beneficial or not. Subjective norms are factors outside the individual that indicate a person's perception of the behavior carried out (Myers, 2008). In this study, attitudes towards behavior were played out by professional commitment. This is because being committed to the profession means believing that his profession has and gives good things to himself (Nafis, 2019).

Accounting students are candidates for accountants and potential to be whistleblowers. An accountant must have the courage to carry out whistleblowing actions. Whistleblowing carried out by accountants is one of the most important ways to detect fraud, waste, and abuse of authority or resources by the company (Qomariyah, 2019).

It's hoped that with professional commitment and high anticipatory socialization, accountants will prioritize professionalism and professional

ethics so that they will report any violations/fraud that occur (Sukoco et al., 2018). Based on the background of the problem, the purpose of this study was to determine whether professional commitment and anticipatory socialization of accounting students had an effect on whistleblowing behavior.

METHODS

This study used a quantitative approach with a questionnaire method. It was distributed directly to respondents, the respondents were accounting students whom had taken internal audit courses. This study used three variables consisting of two independent variables and one dependent variable. The dependent variable in this study was the perception and intention of carrying out whistleblowing. Two independent variables in this study were professional commitment and anticipatory socialization (Prasetyo Adi Nugroh, 2020).

This research used 100 respondents of accounting undergraduate students of Universitas Airlangga who had taken internal audit courses. Student samples consisted of 33 men and 77 women with 67 respondents under the age of 25 years and 20 respondents over 24 years. The questionnaires distributed in this study were 110 questionnaires, consisting of 55 manual questionnaires and 55 online questionnaires distributed through Google docs. Only 100 questionnaires could be used because there were 10 incomplete data. This type of research data was divided into two, primary data obtained from questionnaires distributed to students manually or via the web, and secondary data was from research and study literature (Sukoco et al., 2018).

The researchers tested the reliability by calculating the cronbach's alpha of each instrument in an instrument variable used in the variable said to be reliable if cronbach's alpha more than the r value of the table (Harymawan and Nowland, 2016). The normality test technique used in this study was the Kolmogorof-Smirnov One Sample Test, if there was normality; the residuals were distributed normally and independently. A multiple regression analysis tool was used to test the effect of professional commitment and anticipatory socialization on the intention to conduct whistleblowing.. The analysis was assisted by statistical software, SPSS.(Asnawi et al., 2018).

RESULTS AND DISCUSSION

According to the Table 1, the actual average seriousness of 11.30 is higher than the theoretical average of 10.5. The average actual responsibility was 11.34, higher than the theoretical average of 10.5. The average actual risk of 11.16 was higher than the theoretical average of 10.5. Furthermore, the real average of whistleblowing intentions was 11.34, which was higher than the theoretical average of 10. In the whistleblowing variable, this indicates a high level of seriousness, responsibility, risk, and intention of the respondent's whistleblowing for the three cases. This shows that the respondents considered the whistleblowing to be something important and would report a violation if it occurred in a company.

Table 1. Descriptive statistics

Variable	Average	Range	Average	n	Skew	Kurtosis
	Theoretical	Actual	Actual		Ness	
Seriousness	10.5	6-15	11.30	100	-0.029	-0.260
Responsibility	10.5	6-15	11.34	100	-0.297	-0.107
Risk	10.5	6-15	11.16	100	-0.541	0.135
Intention of Whistleblowing	10	5-15	11.23	100	-0.463	0.248
Professional Commitment	17	9-25	18.89	100	-0.315	1.219
Misstate	13.5	8-19	14.30	100	-0.096	0.083
Disclosure	6	3-9	6.14	100	0.057	-0.470
Cost and Benefit	8.5	4-13	9.16	100	0.348	-0.616
Responsibility	6	3-9	6.81	100	-0.316	-0.147

Source: SPSS processed data

In the professional commitment variable, the actual average value was 18.89, higher than the theoretical average of 17. This indicated that respondents tended to have a high commitment to their profession. The last variable was anticipatory socialization with a proxy perception of financial reporting with four factors. The misstate factor had actual average of 14.3, which was higher than the theoretical average of 13.5. The disclosure factor had actual average of 6.14, which was higher than the theoretical average of 6.

The cost and benefit factor had actual average of 9.16, higher than the theoretical average of 8.5. Then the responsibility factor had actual average of 6.81, which was higher than the theoretical average of 6. This indicated that respondents tended to have high anticipatory socialization.

Skewness and kurtosis are measures to see whether the data is normally distributed or not. The value of skewness and kurtosis of all variables in this study was close to zero, i.e. variables of seriousness, responsibility, risk, whistleblowing intention, professional commitment, misstate, disclosure, cost-benefit, and responsibility. The values were -0.029, -0.297, -0.541, -0.463, -0.315, -0.096, 0.057, 0.348, and -0.316, respectively. For kurtosis were -0.260, -0.107, 0.135, 0.248, 1.219, 0.083, -0.470, -0.616, and -0.147, respectively. This indicated that all data were normally distributed.

Table 2. Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
PW	0.260 ^a	0.067	0.048	4.739
WI	0.301 ^a	0.091	0.072	2.178

Source: SPSS processed data

From the display of SPSS output model summary, the amount of the adjusted R squared was 0.048 and 0.072. This means that PW (perception of whistleblowing) was 4.8% and WI (whistleblowing intentions) was 7.2% which can be explained by variations in both the independent variables of KP (professional commitment) and AS (anticipatory socialization). This showed 95.2% of the variation in PW (perception of whistleblowing) and 92.8% of WI (whistleblowing intentions) can be caused by other factors, such as self efficacy, attitudes towards whistleblowing, organizational commitment, personal cost, level of seriousness of fraud, personal responsibility, perceptions of behavioral control, Machiavellian traits, ethical environment, gender, academic performance, idealism ethics orientation, ethics relativism orientation, and ethical sensitivity (Agustia et al., 2019). Whereas, see from the data amounted to 4.739 for variation in PW (perception of whistleblowing) and 2.178 in WI (whistleblowing intentions). The values of the data were relatively lower compared to time series data. This is due to variations between each observation.

Carpenter (2007) says that the coefficient of determination is not the only criterion for choosing a good model. In addition to the coefficient of determination, the model must be in accordance with economic theory and pass the classical assumption test. The regression model in this study had fulfilled all classic assumption tests, so it can be said the estimator model in this study was a good estimator model to be used as an empirical model (Carpenter, 2007).

Table 3. F-Statistic Test of Whistleblowing Perception

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	157.596	2	78.798	3.509	.034 ^b
Residual	2178.404	97	22.458		
Total	2336.000	99			

Source: SPSS Processed Data

From the F-test in **Table 3**, the F count value is 3.509 with a probability of 0.034. Because the probability was lower than 0.05, the first regression model can be used to predict the perception of the perception of importance of whistleblowing or it can be said that professional commitment and anticipatory socialization influenced the perception of the importance of whistleblowing.

Table 4. F-Statistic Test of Whistleblowing Intention

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	45.783	2	22.891	4.828	.010 ^b
Residual	459.927	97	4.742		
Total	505.710	99			

From the F-test in **Table 4**, the calculated F value is 4.828 with a probability of 0.010. Because the probability was lower than 0.05, the regression model can be used to predict that professional commitment and anticipatory socialization influenced the intention of whistleblowing or the desire to do whistleblowing (Uzun et al., 2004). Thus, simultaneously, all the independent variables affected the dependent variable.

Table 5. T-Statistic Test of Whistleblowing Perception

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	29.336	4.476		6.554	0.000
1 Professional Commitment	0.442	0.169	0.261	2.606	0.011
2 Anticipatory Socialization	-0.193	0.190	-0.101	-1.011	0.314

Source: SPSS Processed Data

From the results of calculations in **Table 5**, it can be seen that the independent variable of professional commitment entered into the regression model has a significance at 5 0.05 with a significant value of 0.011. Professional commitment variables showed a significant influence on the perception of the importance of whistleblowing. The coefficient that had positive meaning between professional commitment and the perception of the importance of whistleblowing had positive relationship (Sukoco et al., 2018). This is probably because the respondents had not been able to anticipate attitudes, norms and values that were inherent in the profession that they would be living. So, the PW equation is = 29.336 + 0.442 KP - 0.193 SA.

Based on the results of **Table 5**, the Professional Commitment has a significant effect on the perception of whistleblowing. This supports the results of previous studies which stated that professional commitment affects the perception of whistleblowing. This is possible because some students do not have work experience that can affect their perceptions of the world of work that are different from students who already have work experience (Apriliana et al., 2017).

The variable of Anticipatory Socialization did not affect the perception of whistleblowing. This may be due to the level of students' comprehension

about the dissemination of the whistleblowing which was different from one to another so as to produce different outputs in the students (Albrecht et al., 2008). This is internal from every student. Comprehending lecture material by each student and the situation during the lecture and the material presented can lead to differences in student perceptions of the importance of reporting violations (Carpenter, 2007).

Table 6. T-Statistic Test of Whistleblowing Intention

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	8.123	2.057		3.949	0.000
1	Professional Commitment	0.242	0.078	0.307	3.102	0.003
2	Anticipatory Socialization	-0.072	0.088	-0.082	-0.826	0.411

From the results of calculations in **Table 6** above, it can be seen that the independent variable of professional commitment entered into the regression model has a significance of 5 0.05 with a value of 0.003. Professional commitment variables showed a significant influence on the intention to do whistleblowing. The increasing professional commitment of students, the intention to conduct a whistleblowing increased by 0.242 or 24.2% (Janvrin, 2003).

The coefficient which has a positive meaning between professional commitment and the intention to conduct whistleblowing has a positive relationship (Berliner and Biddle, 1996). Whereas, for anticipatory socialization variables, the significant value of the anticipatory socialization variable was 0.411. This is the same as the previous t test. The anticipatory socialization variable did not have an effect because the respondents had not been able to anticipate the attitudes, norms and values that were inherent in the profession they would be living (Qomariyah, 2019). Based on the results from the table above, it can be seen that the professional commitment has a significant effect on the intention to conduct whistleblowing.

The apprehension of lecture material by each student and the situation during the lecture and the material presented can lead to differences in students' intentions to conduct violation reporting/whistleblowing (Harymawan, 2018). This study shows that respondents had not been able to anticipate attitudes, norms, and values that were inherent in the profession they would be living.

CONCLUSION

The results of this study indicated a significant influence between professional commitments to whistleblowing behavior, but did not find a significant effect between anticipatory socialization of whistleblowing behavior both in terms of perception and intention.

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