



ISSN: 2617-6548

URL: www.ijirss.com



Perspectives on Unethical Behaviors among Accounting Students in Emerging Markets

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Abstract


Unethical activities have a diverse impact on society. Such activities, if not properly curbed, can destroy the values and culture of an organization. Thus, an understanding of the attitude of young people towards unethical behavior is necessary because they are the future leaders who will determine the direction and success of nations. This study investigates the factors that stimulate unethical behavior among university students in Malaysia and Indonesia. A survey questionnaire was distributed to accounting student respondents in selected universities. This study applies the Partial Least Squares technique to confirm the results. The findings show strong support for a direct relationship between attitude and unethical behavior in the Malaysian setting and a significant direct relationship between perceived behavioral control and subjective norm with unethical behavior in the Indonesian setting. In terms of contribution, this study has raised the awareness to the relevant regulatory bodies of the need to seriously educate society, especially the youth, on the impact of unethical behavior on a nation's development. Severe penalties and fines must be imposed on individuals committing unethical behavior. Educators need to revamp existing syllabi and embed ethical behavior content into them. Society needs to support anti-corruption activities carried out by regulatory bodies, the community, and non-governmental organizations (NGOs), so the presence of unethical activities can be minimized, and the dignity of society can be elevated.

Keywords: Unethical behavior, Attitude, Temptation, Ethic, University students, Accounting.

DOI: 10.53894/ijirss.v4i4.267

Funding: This study is funded by Yayasan Muhibah and the authors would like to gratefully acknowledge the generous support offered by Tunku Puteri Intan School of Accountancy (TISSA-UUM), Universiti Islam Bandung (UNISBA), ASIAN Research Institute for Corporate Governance (ARICG), and Universiti Utara Malaysia.

History: Received: 29 October 2021/**Revised:** 1 December 2021/**Accepted:** 8 December 2021/**Published:** 14 December 2021

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Acknowledgment: All authors contributed equally to the conception and design of the study.

Competing Interests: The authors declare that they have no competing interests.

Transparency: The authors confirm that the manuscript is an honest, accurate, and transparent account of the study was reported; that no vital features of the study have been omitted; and that any discrepancies from the study as planned have been explained.

Ethical: This study follows all ethical practices during writing.

1. Introduction

Unethical behavior is a global plague that seems to defy solutions. It not only erodes the profitability of organizations and threatens their solvency but also casts doubt on investor confidence in the quality of a country's governance mechanisms, including its ethical values and monitoring efficiency. The increase in the number of reported cases of unethical behavior, such as corruption, bribery, and fraud, raises questions about the motives of the culprit(s) involved in the acts, especially if they are top-level executives or respected individuals in society. A study by Merritt [1] in the U.S. found that unethical behavior involved business executives and managers who were educated in colleges and universities. Then these individuals entered the market and worked in large corporations. Individuals who behave unethically usually begin with small amounts at the early stages [2], then they become braver, committing increasingly serious acts until they reach a stage where they are caught by their own actions.

A worrisome fact about unethical behavior, such as committing fraud, is that most of the time, it involves a massive amount of money. Often, professionals are implicated, which ultimately causes severe economic and reputation damage at organizational and national levels. Further, fraud has occurred frequently in countries regardless of their economic status, including Asian countries such as Malaysia and Indonesia. Malaysia and Indonesia share similar characteristics, including they are neighboring countries and members of the Association of Southeast Asian Nations (ASEAN). Most of the population in these two countries is Muslim, and they are generally similar in terms of culture and civilization. However, from political and administrative points of view there are significant differences. This is because Malaysia was a British colony, and its administrative system was adopted from the British one, while Indonesia was a Dutch colony. Economically, Malaysia's average Gross Domestic Product (GDP) per capita is USD 29,526 while Indonesia's is USD12,302 (<https://data.worldbank.org/>, July 2020). The education system of the two countries in terms of their philosophical underpinnings are not much different, and the factor of faith in God/ divinity plays a key role [3].

In Malaysia, for example, the corporate scandal involving the state investment fund, 1MDB, resulted in a loss of about USD4.5 billion, while [Omar and Bakar \[4\]](#) found in their study that Transmile Group Berhad, Megan Media Holdings Berhad, and Tat Sang Berhad are other prominent fraud cases that have adversely affected Malaysian companies. The value of reported fraud in Malaysia between January 2006 and December 2008 was RM63.95 million [5].

Meanwhile, the scenario of unethical behavior in Indonesia involves several large-scale corruption cases, such as the Bank Indonesia Liquidity Assistance (SKL BLBI) certificate in 2004 with a loss of Rp. 4.58 trillion, Century Bank in 2008 with a loss of Rp.7 trillion, and Hambalang Athlete Guesthouse with a loss of Rp. 706 billion. Apart from these substantial cases, another example was the PT Pelindo II corruption case in 2015 with an estimated loss of Rp. 6 trillion, along with the alleged corruption case of PT Asuransi Jiwasraya, which caused a default on policies to customers related to the Savings Plan investment of Rp.12.4 trillion [6]. The corruption cases in Indonesia may have been caused by many factors, including the complexity of the bureaucracy and general inefficiency, lack of control over security and oversight functions, and lack of confidence in bureaucratic reform [7]. From the educational background perspective, corruption cases in Indonesia comprise mostly perpetrators with post-graduate educations, followed by undergraduate and then doctoral educations. Those with junior high school (SMP) and high school (SMA) certificates have been caught not as the main actors but due to their indirect involvement in corruption activities [8].

Based on the severity of the known cases and involvement of educated individuals, it is timely to conduct this research on undergraduates who will be future leaders so that they are informed, even before they embark on their careers, that unethical behavior is wrong whatever the reasons for it may be. Furthermore, accounting graduates are potential leaders who will be responsible for monitoring and managing the accounting and financial affairs of organizations. This is also in line with the spirit of good governance practices which highly recommend a company's audit committee to be composed of individuals with knowledge in accounting and finance.

As such, this paper investigates the factors that stimulate unethical behavior among students in two universities in Malaysia and Indonesia. The study further examines the effect of temptation on the students to engage in unethical behavior. The structure of this paper is; first, the introduction section highlights the problem statements in the Malaysian and Indonesian scenarios, then comes the literature review and theoretical framework. Next is the explanation of the research methodology, followed by a discussion of the findings. The last section is the conclusion, the contributions of the study, and recommended future research.

2. Literature Review

2.1. Unethical Behavior

[Buchan \[9\]](#) states that behavioral intention acts as a proxy for behavior, as the intention to behave immorally or unethically is the root of actual behavior. Behavioral intention can be explained by the theory of reasoned action (TRA). This theory is mainly derived from the cognitive belief system [10]. The theory is highly applicable in investigating human behavior as its emphasis on cognitive self-regulation, which is one feature of behavioral dispositions [11]. Further, it can describe, help to understand, envisage, and influence virtually any human behavior in a practical background and is not confined to a specific behavioral realm [12]. The theory can also identify the possible reasons that might influence an individual's intention to get involved in unethical conduct. The TRA provides a framework for expanding this study to understand the factors that stimulate unethical behavior among university students in Malaysia and Indonesia. According to [Ajzen and Fishbein \[12\]](#), behavioral intention consists of two components, namely state of mind towards the behavior (i.e., happiness with or uneasiness about certain conducts) and subjective norm, i.e., an individual's sensitivity of social influence or pressure to either act or not act in a behavior of interest.

2.2. Intentions and Unethical Behavior

[Ajzen \[11\]](#) suggested that one factor that influences one's intention to conduct a behavior is perceived behavioral control. A person will intend to commit fraud if the control over that person's behavior is great. Increasing control occurs because of the opportunities a person has and the obstacles that can be anticipated when committing fraud [13].

Apart from perceived behavioral control, [Carpenter and Reimers \[14\]](#) also show that subjective norms may influence unethical behavior. They provide empirical evidence that subjective norms have a positive effect on the intention of financial managers to commit fraud in their financial statements. [Gillett and Uddin \[15\]](#) also discussed the influence of subjective norms among financial officers in preparation of financial statements. The results reveal that subjective norms are inversely associated with the intention of financial managers to cheat in the preparation of financial statements. In another research with financial reporting as the subject matter, [Siti, et al. \[16\]](#) examined the behavioral intention of non-normal financial

reporting based on individual and social factors. Results suggested that attitude plays an important role in determining intention of non-normal financial reporting. However, when moral obligation was included in the analysis, interestingly it was found to be more significant in the attitude toward behavior.

Unethical behavior can also be influenced by personal and environmental factors [17]. An environmental factor, as argued by Davis and Pesch [17], can be represented by the types of peers/friends and organization policies an employee is working with. McCabe, et al. [18] carried out a study to investigate the incidence of graduate business students cheating and the reasons for cheating in the U.S. and Canada. Results show that graduate business students cheat more than their non-business counterparts. Cheating in terms of perceived peer behavior was the most significant effect found in this study. Meanwhile, perceived certainty of being reported by a peer, and the understanding and acceptance of academic honesty policies by students and faculty are other elements to cheating. A study has been carried out to examine probable differences between business and psychology students with regards to their unethical behavior. Findings reveal that students taking a business course have a much higher tendency to commit unethical behavior such as theft and corruption than do psychology students. Specifically, business students have a higher possibility of being involve in unethical behavior, a love of money, and Machiavellianism [19].

In Malaysia, Awang and Ismail [20] conducted a study among accounting practitioners in the banking sector. It was revealed that factors such as attitude, subjective norms, and ethical judgment heavily affect unethical financial reporting intention. Meanwhile, ethical judgment shows a marginal effect on intention. Another study by Jamil, et al. [21] show that moral philosophies and subjective norms positively and strongly influence unethical behavioral intention. Hence, the overall finding of the study is consistent with Awang and Ismail [20]. However, Jamil, et al. [21] revealed that there is no difference with regards to unethical behavior between business and non-business students. A study in Indonesia by Triantoro, et al. [22] demonstrated that fraud intention rises with the absence of a whistleblowing mechanism. It was revealed that highly Machiavellian individuals show greater fraud intentions than individuals with low Machiavellian personality scores. However, the establishment of strong fraud prevention tools such as a whistleblowing mechanism may enhance the control system in the organization. Thus, these individuals become necessarily less Machiavellian.

2.3. Temptation and Unethical Conduct

Several studies have demonstrated that temptation leads to unethical behavior and the intention to behave unethically [23, 24]. The intention to behave unethically is high for groups that aim for short-term benefits [25]. Also, lack of self-control may lead to temptation [24]. Temptation encourages unethical behavior and reduces individuals' ability to acknowledge that their behavior is unacceptable. For example, individuals working under pressure and with frequent disruptions are likely to use self-will. These connections enhance the possibility that individuals will act beyond their ethical boundaries [25].

Tang and Chen [19] developed the propensity to engage in unethical behavior (PUB) scale that contains 15 items covering five dimensions. A study conducted by Lawson [26] adopted the PUB scale to examine the relationship between classroom cheating and the propensity to cheat in the real world. Findings confirm that there is a link between students cheating in school and their beliefs regarding ethical conduct in real-life business. Chen and Tang [23] reveal that temptation among American males leads to fraudulent intentions both directly and indirectly, and the love of money leads to cheating.

2.4. Influence of Academic Qualifications

A higher level of education has a central role in preventing both corruption and financial statement fraud by creating an anti-corruption culture, raising legal awareness, and instilling values of integrity. The active understanding of fraud learned by students will be the basis for them to obtain views or perceptions of fraud that are not justified. Perception has a significant relationship with intention, attitude, and behavior [27]. Therefore, students' perceptions of cheating can also influence their attitude and behavior in the future, including in the workplace. Fantasy and Al-Athmay [28] examined United Arab Emirates (UAE) university students on the extent to which Islamic values impact on their ethical behavior. The results indicate that religion has a positive impact on ethical behavior. Apart from that, factors such as education, code of ethics, and Islamic principles can mitigate ethical behavior issues.

A research conducted by Dirwan [29] relating to corruption in Indonesia has shown a high number of cases occurred in universities, but the Human Development Index does not show any actions taken, either individually or collectively, to tackle corruption in Indonesia. Furthermore, Suryaningrum, et al. [30] showed that higher education institutions with a good accreditation quality can better influence students' ethical behavior. Tjoanda and Diptyana [31] showed that unethical behavior is in the form of accounting fraud, a bad attitude, and academic dishonesty among accounting students.

Lawter, et al. [32] conducted a study in the U.S. for two groups of students who had finished a business ethics course and those who had not done so. Again, their study revealed that ethics education has a strong influence on a student's likelihood of being involved in ethical behavior. The relationship between the learning method and the business ethics class strongly influenced the learners' probability of committing unethical behavior. Thus, based on the arguments in the literature review, this study hypothesizes that accounting students have a high desire for temptations to engage in unethical behavior.

3. Methodology

This study utilized a survey method, with a questionnaire as the primary means of data collection. The questionnaire was developed and directed to the respondents, undergraduate accounting students in Universitas Islam Bandung Indonesia and Universiti Utara Malaysia, after explaining the objective of the survey to them. To confirm voluntary participation and prompt honest answers from the respondents, they were guaranteed the privacy of their answers which would be used for the purposes of this study only.

For an instrument, this study adopted the questionnaire from Owusu, et al. [33]. All factors were measured using a Likert scale (1= strongly agree to 5 = strongly disagree). The Likert scale is a type of scale used to measure research variables (specific social phenomena), such as attitude, opinions, and social perceptions of a person or group of people. A Likert scale of 1 to 5 was used to facilitate the respondents to respond to the statements given, and make it easier for the researchers to interpret the respondents’ responses.

The questionnaire consists of three sections. The first section is on the demographic characteristics of respondents, namely gender, age, and year of study. The second part focuses on temptation and its possible effects on students. There are 14 items on temptation and these items are classified into five groups: (i) getting rich, (ii) impulsive behavior, (iii) cognitive impairment, (iv) social moral values, and (v) lack of self-control. The last section requires the students to indicate their probability of behaving unethically based on 15 scenarios/questions.

Respondents in this study are students from the Faculty of Economics and Business, Bandung Islamic University and Tunku Puteri Intan Safinaz School of Accountancy (TISSA), Universiti Utara Malaysia. Respondents in this study have taken courses related to auditing and ethics. The number of final respondents in Indonesia are 248 with 319 from Malaysia. Table 1 below illustrates the details of respondents in this study. The majority of the respondents are female with 78% from Indonesia and 80% from Malaysia, while the remaining are male respondents, with Indonesia accounting for 22% and Malaysia 20%.

Table-1.
Demographic profile of respondents

Group Respondents	Information	Indonesia (n=248)		Malaysia (n=319)	
		n	%	n	%
Gender	Male	54	22%	65	20%
	Female	194	78%	254	80%
Age	19 years	32	13%	0	0%
	20 years	78	31%	2	0.6%
	21 years	102	41%	28	8.8%
	22 years	32	13%	156	48.9%
	23 years	4	2%	49	15.4%
	24 years	0	0%	76	23.8%
	25 years	0	0%	7	2.2%
	26 years	0	0%	1	0.3%
Year of study	2 nd year	10	4%	17	5.3%
	3 rd year	160	65%	122	38.2%
	4 th year	77	31%	180	56.4%
	5 th year	1	0%	0	0%

4. Findings of the Study

Table 2 shows the comparative analysis of the Indonesian and Malaysian students’ views on temptation. Most scores are between 2.718 and 3.752, which implies the presence of temptation among the respondents. Two types of temptation, impulsive behavior and lack of self-control, clearly indicate significant differences among the respondents.

As for unethical behavioral intention, interestingly both Malaysian and Indonesian students will most likely use office supplies for their personal use. The respondents also view that “abuse the company’s expense accounts and falsify accounting records” and “take no action against employees who steal cash/merchandise” are serious types of unethical behavior. Out of 15 items, four types of unethical behavior do not show significant differences.

To ensure the constructs are suitable to be included in the structural model analysis, validity and reliability tests were performed, by looking at the factor loading, construct reliability (CR), and average variance extracted (AVE) for the Indonesian and Malaysian datasets.

With reference to Table 3, the factor loading should be higher than 0.5, and, ideally, should be 0.7 or higher [34]. In this analysis, of the 29 items tested, most scores are above 0.7 for the Indonesian and Malaysian datasets. For Indonesia’s factor loading, 27 out of 29 scores are above the 0.7 value, with only two scores at <0.7. Malaysia’s dataset for factor loading is also fulfilled for 27 out of 29 scores, with only two scores at <0.7.

The CR for six categories (cognitive impairment, impulsive behavior, getting rich, lack of self-control, social moral values, and the propensity of unethical behavior) for the Indonesian and Malaysian datasets are above 0.7, thus meeting the rule for CR. The AVE was used to test convergent validity. For this study, all the scores are above 0.5.

Table-2.

Comparison between Malaysian and Indonesian respondents.

Constructs	Panel A: Country				z stat
	Indonesia (n=248)		Malaysia (n=319)		
	Mean	SD	Mean	SD	
Temptation Cognitive Impairment (TCI).					
Temptations provoke me to think and act irrationally.	3.363	0.988	3.297	1.056	-0.425
Temptations motivate me to behave spontaneously and impulsively.	2.911	0.935	2.943	0.998	-0.043
Temptations persuade me to follow my feelings and instinct in the moment and act right away.	2.718	1.007	2.824	1.073	-0.941
Temptation Impulsive Behavior (TCB).					
Temptations corrupt me and cause me to make inappropriate decisions.	3.347	1.180	3.457	1.017	-1.225
Temptations control my thoughts and behavior and prevent me from concentrating on anything else.	2.823	1.057	3.159	1.035	-3.594***
Temptations make me feel weak physically, psychologically, and spiritually.	3.242	1.068	3.426	1.006	-2.058**
Temptation Getting Rich (TGR).					
Temptations are more prominent for those who want to get rich.	2.766	1.195	2.877	1.043	-1.372
Temptations are more important to those who have a high love-of-money orientation.	2.782	1.156	2.808	1.051	-.645
Temptations provoke me to become selfish and ignore others' needs, rights, and concerns.	3.282	1.135	3.752	0.937	-5.198***
Temptation Lack of Self-Control (TLSV)					
Temptations prevent me from thinking clearly about my goals, ideals, and plans.	3.065	1.047	3.498	0.980	-5.126***
Temptations weaken the control of my emotions, desires, urges, or itches.	3.073	1.011	3.326	1.037	-3.037***
Temptations cause me to lose track of my own behavior.	3.339	1.130	3.463	1.039	-1.313
Temptation Social Moral Values (TSMV)					
Temptations persuade people with status and power to "cave in" to them.	2.984	1.220	2.937	0.972	-.175
Temptations are easier to accept when my friends and peers are doing them.	3.000	1.087	2.931	1.067	-.568
Unethical Behavioral Intention (UBI)					
Borrow RM20/Rp 67.800 from a cash register overnight without asking.	4.274	1.256	4.100	1.219	-2.949***
Take merchandise and/or cash home.	4.387	1.205	4.072	1.193	-4.882***
Give merchandise away to personal friends (no charge to customers).	4.121	1.257	3.996	1.153	-2.416**
Misuse the company's expense accounts and falsify accounting records.	4.468	1.141	4.116	1.308	-4.595***
Receive gifts, money, and loans (bribery) from others due to one's position and power.	4.306	1.228	4.084	1.257	-3.117***
Lay-off 500 employees to save the company money and increase one's personal bonus.	4.282	1.191	4.003	1.201	-3.947***
Overcharge customers to increase sales and earn a higher bonus.	3.839	1.203	3.996	1.237	-2.045**
Give customers "discounts" then secretly charge them more money later.	3.944	1.287	3.959	1.236	-.169
Make more money by deliberately not letting clients know about their benefits.	4.129	1.124	3.937	1.174	-2.318**
Use office supplies (e.g., paper, pen), machines, and stamps for personal purposes.	3.815	1.134	3.774	1.092	-.576
Make personal long-distance (mobile phone) calls at work.	3.903	1.203	3.934	1.066	-.304
Waste company time surfing on the internet, playing computer games, and socializing.	3.847	1.234	3.918	1.087	-.077
Take no action against shoplifting by customers.	4.105	1.309	4.047	1.127	-2.221**
Take no action against employees who steal cash/merchandise.	4.347	1.167	4.166	1.195	-2.889***
Take no action against the fraudulent charges made by one's company.	4.290	1.199	4.103	1.222	-2.676***

Table-3.

Factor Loading, Construct Reliability (CR), and Average Variance Extracted (AVE).

Factors of temptation	Indonesia			Malaysia		
	Factor Loading	CR	AVE	Factor Loading	CR	AVE
TCI		0.804	0.584		0.860	0.672
Temptations provoke me into thinking and acting irrationally.	0.900			0.772		
Temptations motivate me to behave spontaneously and impulsively.	0.769			0.863		
Temptations persuade me to follow my feelings and heart in the moment and take action right away.	0.593			0.821		
TIB		0.840	0.638		0.849	0.653
Temptations corrupt me and cause me to make inappropriate decisions.	0.861			0.807		
Temptations control my thoughts and behavior and prevent me from concentrating on anything else.	0.818			0.762		
Temptations make me feel weak physically, psychologically, and spiritually.	0.710			0.852		
TGR		0.821	0.608		0.789	0.559
Temptations are more prominent for those who want to get rich.	0.758			0.657		
Temptations are more salient (important) to those who have a high love-of-money orientation.	0.895			0.693		
Temptations provoke me to become selfish and ignore others' needs, rights, and concerns.	0.670			0.875		
TLSC		0.871	0.692		0.871	0.693
Temptations prevent me from thinking clearly about my goals, ideals, and plans.	0.817			0.869		
Temptations weaken the control of my emotions, desires, urges, or itches.	0.806			0.772		
Temptations cause me to lose track of my own behavior.	0.871			0.854		
TSMV		0.794	0.662		0.856	0.749
Temptations persuade people with status and power to "cave in" to them.	0.713			0.849		
Temptations are easier to accept when my friends and peers are doing them.	0.902			0.881		
PUB	0.970	0.686		0.980	0.765	
Borrow RM20/RP67.800 from a cash register overnight without asking.	0.818			0.896		
Take merchandise and/or cash home.	0.899			0.866		
Give merchandise away to personal friends (no charge to customers).	0.826			0.840		
Abuse the company's expense accounts and falsify accounting records.	0.893			0.924		
Receive gifts, money and loans (bribery) from others due to one's position and power.	0.893			0.903		
Lay-off 500 employees to save the company money and increase one's personal bonus.	0.879			0.846		
Overcharge customers to increase sales and earn a higher bonus.	0.772			0.905		
Give customers "discounts" then secretly charge them more money later.	0.806			0.894		
Make more money by deliberately not letting clients know about their benefits.	0.864			0.887		
Use office supplies (e.g., paper, pen), machine, and stamps for personal purposes.	0.704			0.802		
Make personal long-distance (mobile phone) calls at work.	0.772			0.832		
Waste company time surfing on the internet, playing computer games and socializing.	0.770			0.864		
Take no action against shoplifting by customers.	0.775			0.866		
Take no action against employees who steal cash/merchandise.	0.875			0.895		
Take no action against the fraudulent charges made by one's company.	0.846			0.890		

Notes: TCI-Temptation Cognitive Impairment, TGR-Temptation Getting Rich, TIB- Temptation Impulsive Behavior, TLSC-Temptation Lack of Self-Control, PUB-Propensity Unethical Behavior, TSMV-Temptation Social Moral Value.

Table 4 displays the discriminant validity for this study. Discriminant validity is applied to measure how distinct and uncorrelated the constructs are. Table 4 indicates that the model of this study has a good discriminant validity as the square root of AVE for each of the factors is higher than the cross-correlation between the factors. Thus, all the reliability and validity scores are within the acceptable range.

Table-4.
Discriminant validity for the Indonesian and Malaysian datasets.

Panel A: Indonesia						
Construct	TCI	TGR	TIB	TLSC	PUB	TSMV
TCI	0.764					
TGR	0.340	0.780				
TIB	0.473	0.469	0.799			
TLSC	0.440	0.440	0.647	0.832		
PUB	0.123	0.094	0.152	0.257	0.828	
TSMV	0.532	0.486	0.482	0.611	0.080	0.813
Panel B: Malaysia						
TCI	0.820					
TGR	0.359	0.748				
TIB	0.587	0.534	0.808			
TLSC	0.431	0.546	0.670	0.833		
PUB	0.224	0.139	0.186	0.162	0.875	
TSMV	0.397	0.410	0.400	0.399	0.086	0.865

Notes: TCI-Temptation Cognitive Impairment, TGR-Temptation Getting Rich, TIB- Temptation Impulsive Behavior, TLSC- Temptation Lack of Self-Control, PUB-Propensity Unethical Behavior, TSMV-Temptation Social Moral Value.

4.1. Structural Model Analysis

Table 5 refers to the Variance Inflation Factor (VIF) test that was conducted for the datasets of Indonesia and Malaysia for the effects of multicollinearity. The VIF for the Indonesian and Malaysian datasets is below 10 for all five elements.

Table-5.
Variance Inflation Factor (VIF).

Factors of temptation	Indonesia	Malaysia
	VIF	VIF
TCI	1.526	1.601
TGR	1.451	1.608
TIB	1.967	2.386
TLSC	2.161	2.028
TSMV	1.983	1.350

Notes: TCI-Temptation Cognitive Impairment, TGR-Temptation Getting Rich, TIB- Temptation Impulsive Behavior, TLSC- Temptation Lack of Self-Control, TSMV-Temptation Social Moral Value.

The below section explains the structural model of the relationship between temptation and the propensity of unethical behavior of Indonesian and Malaysian students. The results are presented in Figures 1 and 2 and Table 6.

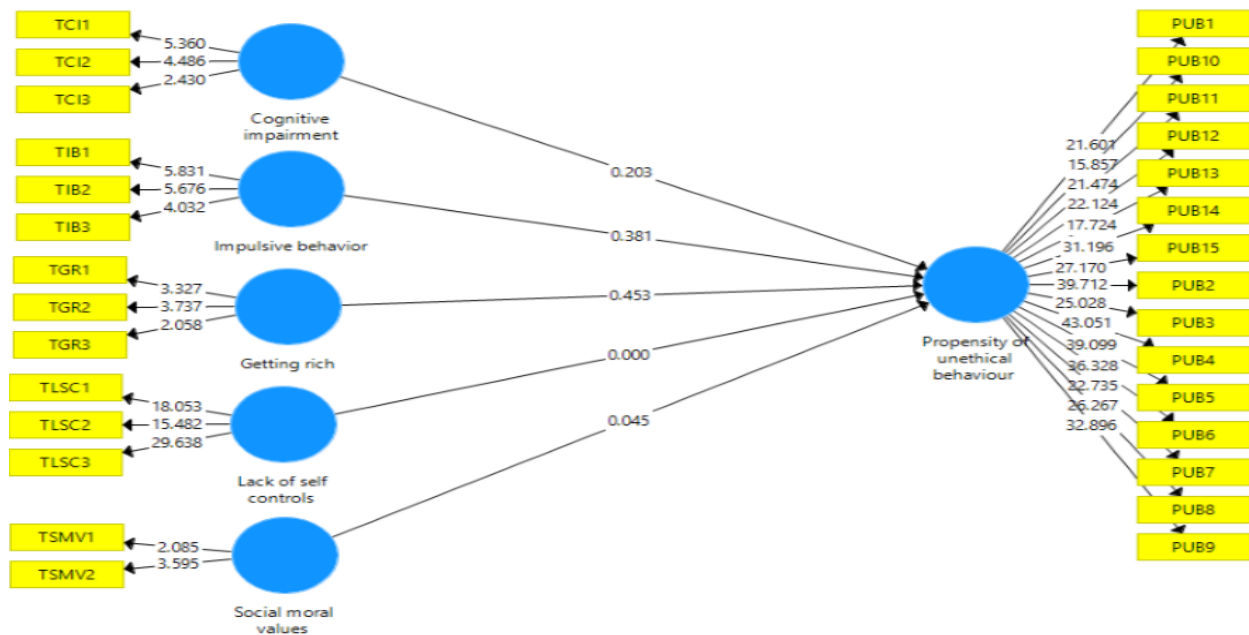


Figure-1.
A structural model of the relationship between temptation and PUB among Indonesian students.

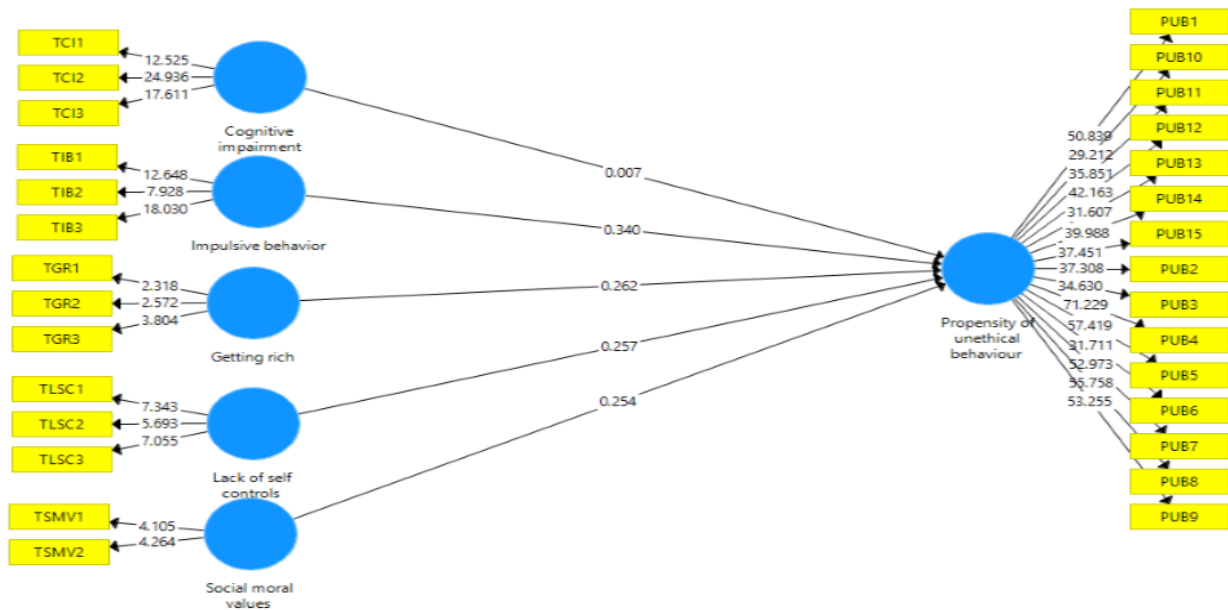


Figure-2.
A structural model of the relationship between temptation and PUB among Malaysian students.

Table-6.
Regression output.

Hypothesis path	Indonesia			Malaysia		
	Path co-efficient	p-value	Result	Path co-efficient	p-value	Result
TCI → PUB	0.066	0.203	Rejected	0.178	0.007	Accepted
TIB → PUB	-0.027	0.381	Rejected	0.040	0.340	Rejected
TGR → PUB	0.011	0.453	Rejected	0.042	0.262	Rejected
TLSC → PUB	0.333	0.000	Accepted	0.050	0.257	Rejected
TSMV → PUB	-0.151	0.045	Accepted	-0.038	0.254	Rejected
R ²	0.079			0.058		
Q ²	0.045			0.040		

Notes: TCI-Temptation Cognitive Impairment, TIB-Temptation Impulsive Behavior, TGR-Temptation Getting Rich, TLSC-Temptation Lack of Self-Control, TSMV-Temptation Social Moral Value, PUB-Propensity Unethical Behavior.

With reference to Table 6, in the Indonesian setting the result reveals that lack of self-control is strongly significant (at 1%) and positively associated with the propensity of unethical behavior. This indicates that an individual with a high temptation to get what they desire tends to behave unethically to fulfil their needs. The result supported Triantoro, et al. [22] study in Indonesia that high Machiavellianism individuals have a greater tendency toward unethical intention. Other studies that concur with this finding are Tang and Sutarto [24] who determined that unethical behavior impairs individuals' ability to behave. Social moral values are found to be significant (at 5%) and negatively associated with the propensity of unethical behavior. This explains that when the moral values in the society are higher and the tendency for people to commit unethical behavior is lower. This result is in line with Fantasy and Al-Athmay [28] who conclude that education, code of ethics, and values may affect students' ethical behavior. Conversely, the study finds that cognitive impairment, impulsive behavior and getting rich do not relate to the propensity of unethical behavior.

For Malaysia, cognitive impairment is significant (at 5%) and positively associated with the propensity of unethical behavior. It indicates that Malaysians tend to react to unethical behavior based on their thinking that it is alright to act in that way. It is consistent with Lawson [26] who found that students believe they need to act unethically to advance their careers. The other factors of impulsive behavior, namely getting rich, lack of self-control, and social moral values do not relate to the propensity of unethical behavior. R²=0.079 (for Indonesia) and R²=0.058 (for Malaysia) are moderate and deemed reliable for this model [35]. Q²=0.045 (for Indonesia) and Q²=0.040 (for Malaysia) explain sufficient predictive relevance in the model.

In line with Owusu, et al. [33] and the argument of the theory of reasoned action, the next analysis included cognitive impairment, impulsive behavior, and getting rich as part of the attitude component (please refer to Figures 3 and 4; and Table 7).

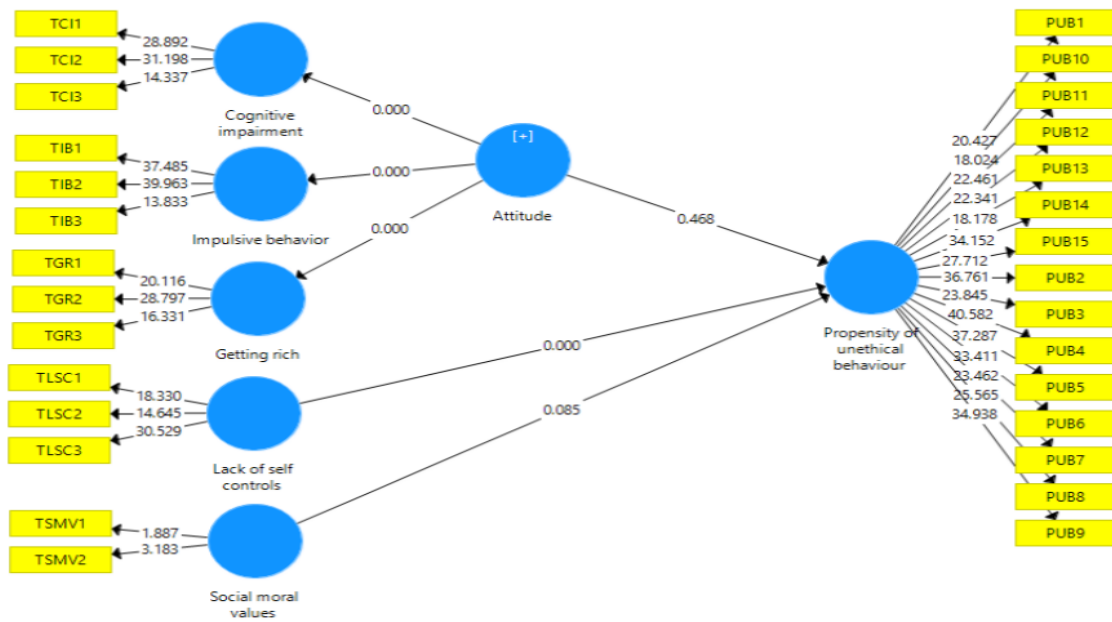


Figure-3.
A structural model of TPB (attitude, subjective norm, and perceived behavioral control) and PUB among Indonesian students.

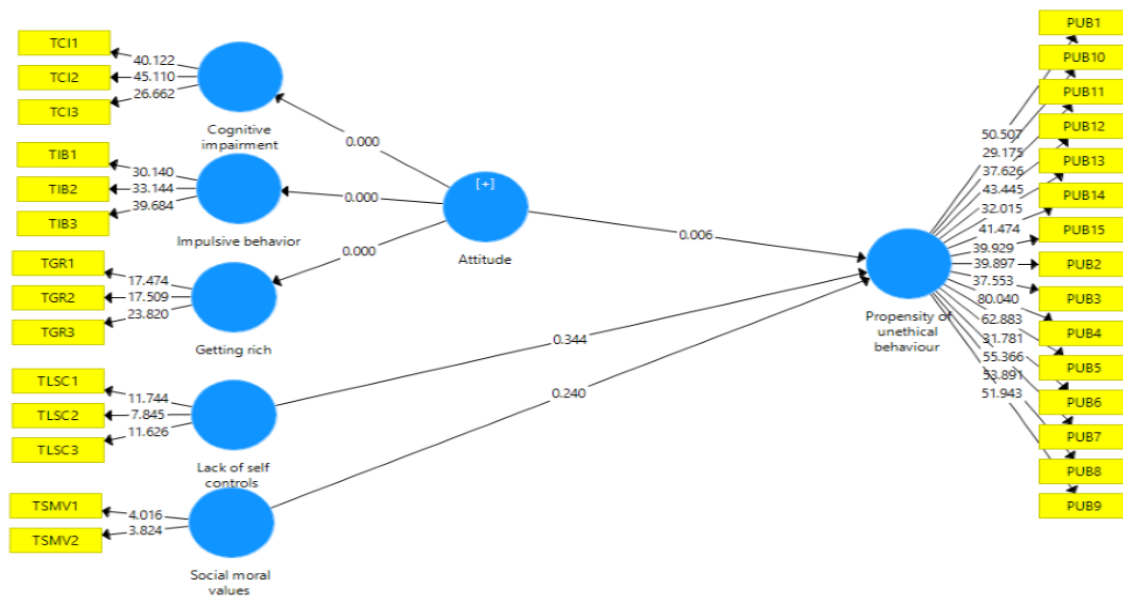


Figure-4.
A structural model of TPB (attitude, subjective norm, and perceived behavioral control) and PUB among Malaysian students.

Table-7.
Regression output.

Hypothesis path	Indonesia			Malaysia		
	Path co-efficient	p-value	Result	Path co-efficient	p-value	Result
Attitude → PUB	0.007	0.468	Rejected	0.223	0.006	Accepted
Perceived behavioral control → PUB	0.329	0.000	Accepted	0.030	0.344	Rejected
Subjective norm → PUB	-0.125	0.085	Accepted	-0.041	0.240	Rejected

The results presented in Table 7 reveal that there are no differences from the earlier results discussed in Tables 3, 4, and 6. For the Indonesian setting, perceived behavioral control (lack of self-control) is significant (coef=0.329, p-value=0.000) and positively related to the propensity of unethical behavior. This study supports a local study in Indonesia by Triantoro, et al. [22] that in the absence of an internal control system, the individual’s fraud intention will increase. This result also supports Ajzen [11], Tang and Sutarto [24], and McCabe, et al. [18]. Subjective norm (social moral values) is significant (coef=-0.125, p-value=0.085) and negatively related to the propensity of unethical behavior. This finding is in line with Gillett and Uddin [15]. Attitude has no influence on the propensity of unethical behavior (coef=0.007, p-value=0.468). This result

supports the findings by Dirwan [29] in Indonesia that no actions are being taken to combat the increasing volume of corruption cases.

For Malaysia, attitude (cognitive impairment, impulsive behavior, and getting rich) is significant (coef=0.233, p-value=0.006) and positively related to the propensity of unethical behavior. This finding supports the TRA for the attitude dimension as discussed by Ajzen and Fishbein [12] and past works by Siti, et al. [16] and Awang and Ismail [20] who also carried out their study in Malaysia. Perceived behavioral control (coef=0.030, p-value=0.344) and subjective norm (coef=-0.041, p-value=0.240) have no influence on the propensity of unethical behavior, contradicting [21] and Awang and Ismail [20] who also did their studies in Malaysia.

5. Conclusion

This study concludes that undergraduate students in both universities are involved in some degree of unethical behavior. It was found that cognitive impairment, lack of self-control, and social moral values contribute significantly to a propensity for unethical behavior. Attitude, perceived behavioral control, and subjective norm are significant in this study. Therefore, it is timely for the regulators, academicians, and society at large to take proactive action to minimize the problems. Regulatory bodies, such as the Anti-Corruption Agency, need to inculcate and educate society, especially the youth, on the dangers of taking bribes or committing fraud. Serious penalties and fines must be imposed on individuals committing unethical behavior. Educators need to revamp the syllabi to embed ethical elements in the primary, secondary, and university level curricula to remind students of the importance of being ethical in all situations, be it as a student or an employee. Society also needs to cooperate and be involved in activities, such as anti-corruption campaigns, anti-corruption portals, and dissemination of information on corruption in the mass media to enhance life quality and ethical living. Future studies may explore more by comparing the results with other countries in ASEAN or expanding the sample size.

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