

UNETHICAL BEHAVIOUR AND ITS IMPACT ON WORK PERFORMANCE AMONGST PUBLIC EMPLOYEES IN THE EDUCATION DEPARTMENT

Kuldip Singh^{1 *}
Arenawati Sehat Binti Haji Omar²
Zalina Binti Mohd Desa³

¹ Faculty of Administrative Science and Policy Studies, Universiti Teknologi MARA (UiTM), Sarawak
Email: kuldip@uitm.edu.my

*Corresponding author.

² Faculty of Administrative Science and Policy Studies, Universiti Teknologi MARA (UiTM), Sarawak
Email: arenasomar@uitm.edu.my

³ Faculty of Administrative Science and Policy Studies, Universiti Teknologi MARA (UiTM), Sarawak
Email: zalina510@uitm.edu.my

Article history

Received date : 15-4-2021

Revised date : 16-4-2021

Accepted date : 29-4-2021

Published date : 31-5-2021

To cite this document:

Singh, K., Omar, A. S., & Mohd Desa, Z. (2021). Unethical Behaviour and Its Impact on Work Performance Amongst Public Employees in The Education Department. *International Journal of Accounting, Finance and Business (IJAFB)*, 6 (33), 20 - 27.

Abstract: Ethical behaviour if not practiced has the ability of reducing employee work performance. The unethical behaviours observable that may affect employee performance include personal use, passing blame, bribery and falsification. An organization's ability to bring forth ethical behaviour that goes above and beyond the call of duty can be a key asset and one that is difficult for competitors to imitate. This article aims to advance our understanding of and confidence in the relationship between unethical behaviour and work performance by testing the degree to which unethical behaviour effects work performance of government employees. Using data collected through a survey from 133 employees working in the State Education Department we find that a negative relationship exists between unethical behaviour and work performance and that that personal use and passing blame negatively impact work performance. The data obtained through questionnaires was analyzed and evaluated by statistical test correlation to test the various hypotheses. This study provides insights on the relationship between unethical behavior and work performance in the public sector. The findings of this study may help the public sector to better understand ethical behavior work life balance and its effect on work performance. This study has some limitations and recommendations are also discussed.

Keywords: Unethical Behaviour, Work performance, Personal use, Passing blame, Bribery, Falsification, Public sector.

Introduction

In term of practice, government efforts to improve effectiveness of government sector by reforming government sector is known as New Public Management (NPM). It helps to enhance professionalism, efficiency and high ethical value among public sector employees (Megat & Abd., 2016). By having this kind of ethical behaviour, it will help an individual or the employees to improve their work performance and achieved the objectives of the organization. In order to enhance the professionalism and strengthening the ethical behavior of public sector employees, the organization can send their employees for training.

Literature review

Unethical Behaviour

In modern time, ethical behaviour has been looked as important aspect of the business success (Geeta, Pooja & Mishra, 2016). Ethical behaviour is the acting in ways that are consistent with one's personal values and the commonly held values of the organization and society (Naran, 1992). Besides, unethical behaviour by employees can affect individuals, work teams, and even the organization (Andrews, 1989, Yatich & Musebe, 2017). In business or others sector, the ethical behaviour also important because it show the true colour of attitude and behaviour of certain individual in term how they perform their work. Besides, many sectors will also use the ethical behaviour as guidelines to give an appraisal to their employees (Selvarajan & Sardessai 2010). In addition, the previous researcher also states that the ethical behaviour is very important, and it will effect of work performance of the employees (Saeed, Shakeel & Lodhi, 2013). The four types of unethical behavior studied in this research are personal use, Passing blame, bribery and falsification. Personal use is whereby the employees use and pilfering their organization materials and supplies, using organization services for personal use, doing personal business on company time like sells their business products such as Tupperware, handbag, and others. Passing blame is where the employees blame another employee even though it not their fault and also the act of pointing fingers to others when something bad occurred when it is your own mistake (Ware, CFA & Hsu, 2014). Bribery is now recognized to be a widespread problem across the developing world and well beyond (Aidis & Van Praag, 2007; Williams, Perez & Kedir, 2016). Furthermore, bribery is typically involved the abuse of trust and misuse of power (Bowman & Gilligan, 2007). Falsification is where the employees do falsify in term of their time, quality, and quantity of their report. Besides, they also take a day off for calling in sick even though they are not sick.

Work Performance

Performance is behaviour exhibited or something done by the employee (Osibanjo, Akinbode, Falola & Oludayo, 2015). Work performance defines as a measure of how well an employee meets the standards that are required on a specific job (Dessler, 1983). This is mean that the employee must fulfil the expectation or else they will face some action due to under performance. In addition, work performance is the quality and quantity of human output necessary to meet work goals agreed upon between employees and their managers (Ivancevich & Matteson, 1996).

Unethical behavior and Work performance

Unethical peer behaviors are illegal and/or moral standard-violating behaviors conducted by organizational peers (O'Fallon & Butterfield, 2012). Although few empirical studies have

examined the direct relationship between unethical peer behavior and employee performance (O'Fallon & Butterfield, 2012), the effect of unethical peer behavior on employee performance can be inferred from previous studies in the following four aspects. First, employees learn from their peers' unethical behaviors (O'Fallon & Butterfield, 2011, 2012), such as "doing personal business during the work time", which will affect employees' working efficiency and quality and influence their job performance. Second, individual reciprocity can be both positive and negative (Croppanzano & Mitchell, 2005). In other words, employees who feel that they benefit from their coworkers will try to reciprocate by offering favorable returns, whereas employees who feel they are exploited by their unethical peers will try to offer unfavorable returns, which will hinder employees' cooperation with their coworkers and ultimately decrease their own job performance (Harris, Kacmar, & Zivnuska, 2007). Third, peers' unethical behaviors, which violate organizational rules and regulations, promote confusion among employees about their job expectations and responsibilities and influence these employees' job performance (Goebel & Weißenberger, 2017; Mulki, Jaramillo, & Locander, 2008). Fourth, employees experience moral angry and emotional exhaustion when they find themselves vulnerable and lacking emotional, personal, or social resources to cope with their unethical peers (O'Reilly & Aquino, 2011; Skarlicki & Kulik, 2005), and these emotional reactions lower their own job performance (Kammeyer-Mueller, Simon, & Rich, 2012).

Based on these arguments, we propose the following hypothesis:

- H1 Unethical behavior is negatively related to work performance.
- H1a There is a significant negative relationship personal use and work performance.
- H1b There is a significant negative relationship between passing blame and work performance.
- H1c There is a significant negative relationship between bribery and work performance.
- H1d There is a significant negative relationship between falsification and work performance.
- H2 Personal use is the main determinant of work performance.

Methodology

A survey design was used to reach the research objectives. The specific design was the cross-sectional design, where a sample is drawn from a population at a particular point in time. About 160 questionnaires were distributed to employees in the education department in Kuching. About 133 employees returned back the questionnaire giving a response rate of 83 %. The instrument used to measure ethical behavior was adapted from the scale developed by Newstrom & Ruch's (1975). Each item reflects a facet of unethical behavior which was broken down onto four aspects which are personal use, passing blame, bribery, and falsification. The scale used was 1 (Never) to 5 (frequently). Lower mean score indicates high ethical behavior. Work performance was measured using a scale developed by Ivancevich & Matteson, (1996). The scale used was 1 (strongly disagree) to 5 (strongly agree). Higher score indicates higher work performance. Results of the instrument's Cronbach Alpha measurement show that the score of reliability is above .80 which indicates an acceptable level. This is summarized in Table 1 below.

Table 1: Reliability

Variables	N	Items	Cronbach's Alpha
Unethical behaviour	133	12	.924
Work performance	133	10	.937

Table 2: Demographic Profile

Demographic	Frequency	Percentage %
Gender		
Male	72	54.1
Female	61	45.9
Age		
21-30 years	46	34.6
31-40 years	43	32.3
41-50 years	30	22.6
51-60 years	14	10.5
Marital status		
Single	46	34.6
Married	78	58.6
Others	9	6.8
Job category		
Support group	66	49.6
Management & professional group	51	38.3
Top management group	16	12.0
Length of service		
1-5 years	49	36.8
6-10 years	40	30.1
11-15 years	12	9.0
16-20 years	13	9.8
More than 20 years	19	14.3
Highest qualification		
SPM	40	30.1
STPM	18	13.5
Diploma	29	21.8
Degree	35	26.3
Master	11	8.3
Monthly salary		
< RM2,000.00	28	21.1
RM2,001.00 – RM4,000.00	67	50.4
RM 4,001.00 – RM6,000.00	29	21.8
>RM6,000.00	9	6.8

Respondent Profile

Of 133 respondents, 54.1% were male and 45.9% were female. Majority of respondents were in the age range of 21 – 40 years old (66.9%). Majority of respondents are married (58.6%). Category of employment showed 49.6% Support group, 38.3% Management & professional group and 12.0% Top management group. Length of service showed majority of the

respondents had 1 to 10 years (66.9%) of service working in the organization. Highest education reported by respondents showed 30.1% had a SPM, Degree (26.3%) Diploma (21.8%), STPM (13.5%) and 8.3% have Masters. Majority of the respondents had monthly income of between RM2,00 to RM4,000 (50.4%) and 21.1% had income of less than RM2,000. This is summarized in Table 2.

Results

Table 3 shows that the level of unethical behavior is low ($M=1.29$, $SD=.42$) The highest mean is for Personal use ($M=1.48$, $SD=.59$) and the lowest mean for unethical behavior is for falsification ($M=1.12$, $SD=.41$). The level of work performance is high ($M=4.22$, $S D =.57$).

Table 3: Mean and standard deviation of ethical behaviour and its dimensions, and work performance (N=133)

Variables	N	Mean	Standard deviation
Ethical behaviour	133	1.29	.42
Personal use	133	1.48	.59
Passing blame	133	1.27	.49
Bribery	133	1.17	.49
Falsification	133	1.12	.41
Work performance	133	4.22	0.57

Based on Table 4, there is significant negative relationship between unethical behaviour and work performance ($r = -0.493$, $p < 0.01$). Thus, higher unethical behaviour is associated with lower higher work performance. Thus, H1 is accepted. There are also significant negative relationships with Personal use (-0.55, $p<0.01$); Passing blame (-0.492, $p < 0.01$) and Falsification (-0.302, $p < 0.01$). This H1a, H1b and H1d are accepted. But a weak negative correlation was found between Bribery and work performance which was not statistically significant ($p > 0.05$). Thus, H1c is not accepted.

Table 4: Correlation between Unethical behaviour and Work performance (N=133)

Variables	r-value (Work performance)
Unethical behaviour	-0.493**
Personal use (PU)	-0.55**
Passing blame (PB)	-0.492**
Bribery (BRI)	-0.124
Falsification (FALSI)	-0.302**

**Significant at 0.01 level.

The relationship between unethical behavior and work performance was further tested using multiple regression analysis. The results in Table 5 shows that a significant negative regression equation relationship was between personal use and passing blame ($p < .001$). The main predictor of work performance is personal use (beta value= -.398) followed by passing blame (beta value= -.366). The adjusted R^2 of our model is 0.351, which means that the four variables together accounts for 35.1 % of the total variance in work performance. It thus implies that many other factors that were not considered in the study could be responsible for the remaining 64.9% of the variance in the relationship between ethical behavior and work performance.

Table 5: Model summary of the relationship between unethical behavior and work performance (N=133)

Variables	R	R2	B	t	F	p
Constant	.593	.351		38.175	17.334	.000
Personal use (PU)			-.398	-3.941		.000
Passing blame (PB)			-.366	-2.848		.005
Bribery (BRI)			.142	1.366		.174
Falsification (FALSI)			.099	.735		.464

Dependent variable: Work performance

Predictors (constant): PU, PB, BRI, FALSI

Discussion

Unethical behavior has a negative relationship with work performance as demonstrated through negative correlations between the variables. This may be because unethical behavior such as personal use, passing blame, bribery and falsification can deter work performance of employees. For example, taking extra personal time during lunch hour, breaks or early departure from work can affect the quality of work being done resulting in work not done on time. This finding is consistent with that of Harris, Kacmar & Zivnuska (2007) who reported unethical behavior will hinder employees' cooperation with their coworkers and ultimately decrease their own job performance. The present results are in line with the findings of a study by (Kammeyer-Mueller, Simon, & Rich, 2012) that emphasized that employees experience moral angry and emotional exhaustion to cope with their unethical peers and these emotional reactions lower their own job performance. Since personal use and passing blame negatively effects work performance it is recommended that organizations monitor these activities and have mechanism in place to lessen or eliminate this from happening through strict compliance with code of ethics and regular ethics training for employees. The level of unethical behavior is low (Mean= 1.29) and therefore it should be further reduced to zero through education and training programs.

Limitations and Future Directions

This study acknowledges several limitations. First, a cross-sectional research design was used to gather data at one point within the period of study. This may not be able to capture the developmental issues and/or causal connections between variables of interest. Second, the survey questionnaires relied heavily on the respondents' self-responses that were selected based on random sampling technique. Finally, the samples were taken from one public agency in Kuching. These limitations may decrease the ability of generalizing the results to other public agencies in Malaysia. It is suggested that future research may look at other variables such as ethical efficacy, moral disengagement, ethical climate, and ethical leadership which may moderate or mediates the relationship between unethical behavior and work performance.

Conclusion

The purpose of this study as to investigate the relationship between unethical behavior and work performance. The study found a negative relationship between the unethical behavior and work performance as mentioned in previous studies. This study adds to the growing body of knowledge on ethical behavior and work performance in the public sector. Overall, the study demonstrates the importance of ethical behavior in enhancing work performance of employees.

Acknowledgments

The authors are very thankful to all the associated personnel in any reference that contributed in / for the purpose of this study.

References

- Aidis, R., and Van Praag, M., (2007). Illegal entrepreneurship experience: does it make a difference? Employees' Job Performance. *Journal of Leadership, Accountability and Ethics*, Vol. 22, No. 2, 283-310.
- Andrews, K. R., (1989). Ethics in practice. *Harvard Business Review*. 1 September 1981.
- Bowman, D., and Gilligan, G., (2007). Public awareness of corruption in Australia. *Journal of Financial Crime*, Vol. 14 No. 4, 438-452.
- Cropanzano, R., and Mitchell, M. S. (2005). Social exchange theory: An interdisciplinary review. *Journal of Management*, 31(6), 874–900. doi:10.1177/0149206305279602.
- Dessler, G., (1983). *Applied Human Relations*. New York: Reston Publishing.
- Geeta, M., Pooja J., and Mishra, P.N, (2016). Ethical Behaviour in Organizations: A Literature Review. *Quest Journals, Journal of Research in Business and Management, Volume 4 Issue 1*, 01-06.
- Goebel, S., and Weißenberger, B. E. (2017). The relationship between informal controls, ethical work climates, and organizational performance. *Journal of Business Ethics*, 141(3), 505–528. doi:10.1007/s10551-015-2700-7.
- Harris, K. J., Kacmar, M. K., and Zivnuska, S. (2007). An investigation of abusive supervision as a predictor of performance and the meaning of work as a moderator of the relationship. *The Leadership Quarterly*, 18(3), 252–263. doi:10.1016/j.lequa.2007.03.007.
- Ivancevich, J. M., and Matteson, M. T., (1996). Organizational behaviour and management. *Journal of Entrepreneurial Behavior & Research*, Vol. 22 Issue: 3, 398-415.
- Kammeyer-Mueller, J. D., Simon, L. S., and Rich, B. L. (2012). The psychic cost of doing wrong ethical conflict, divestiture socialization, and emotional exhaustion. *Journal of Management*, 38(3), 784–808. doi:10.1177/0149206310381133.
- Megat Ayop Megat Arifin, Abd. Halim Ahmad, (2016). Kepentingan budaya integriti dan etika kerja dalam organisasi di Malaysia: Suatu tinjauan umum. *Geografia Online Malaysian Journal of Society and Space*, Vol. 12 Issue 9, 138-149.
- Monteduro, F., Hinna, A., and Moi, S., (2016). Governance and Corruption in the Public Sector: An Extended Literature Review, In Governance and Performance in Public and Non-Profit Organizations. Published online: 18 Apr 2016; 31-51.
- Mulki, J. P., Jaramillo, J. F., and Locander, W. B. (2008). Effect of ethical climate on turnover intention: Linking attitudinal-and stress theory. *Journal of Business Ethics*, 78(4), 559–574. doi:10.1007/s10551-007-9368-6.
- Naran, F., (1992). Your Role in Shaping Ethics, Executive Excellence, 7, 11-12.
- Newstrom, J.W. and W.A. Ruch (1975). Marketing Ethics of Management and the Management of Ethics. *MSU Business Topics*, Winter, 31.Ethic, MSU.
- O'Fallon, M. J., and Butterfield, K. D. (2011). Moral differentiation: Exploring boundaries of the “monkey see, monkey do” perspective. *Journal of Business Ethics*, 102(3), 379–399. doi:10.1007/s10551-011-0820-2.
- O'Fallon, M. J., and Butterfield, K. D. (2012). The influence of unethical peer behavior on observers' unethical behavior: A social cognitive perspective. *Journal of Business Ethics*, 109(2), 117–131. doi:10.1007/s10551-011-1111-7.

- O'Reilly, J., and Aquino, K. (2011). A model of third parties' morally motivated responses to mistreatment in organizations. *Academy of Management Review*, 36(3), 526–543.
- Osibanjo, A. O., Akinbode, J. O., Falola, H. O., and Oludayo, A. O., (2015). Work Ethics Performance in Education Sector of Pakistan, Middle-East Journal of Scientific Research Vol. performance. *African Journal of Business Management*, Vol. 11 (1), 12-16.
- Saeed R., Shakeel M., and Lodhi R. N., (2013). Ethical Behavior and Employees Job Performance in Education Sector of Pakistan. *Middle-East Journal of Scientific Research* Vol. 18 (4), 524-529.
- Sanyal, R., Samanta, S., (2011). Trends in international bribe-giving: do anti-bribery laws matter?. *Journal of International Trade Law and Policy*, Vol. 10 No. 2, 151-164.
- Selvarajan, T. T., and Sardessai, R., (2010). Appraisal of Ethical Performance: A Theoretical Model. *The Journal of Applied Business Research*, 26(3) , 1-8 .
- Shahrul Nizam bin Salahudin, Mohd Nur Ruzainy bin Alwi, Siti Sarah binti Baharuddin and Siti Syahfina binti Halimat, (2016). The Relationship between Work Ethics and Job Performance, *The European Proceedings of Social & Behavioural Sciences*, eISSN: 2357-1330.
- Skarlicki, D. P., and Kulik, C. T. (2005). Third-party reactions to employee (mis)treatment: A justice perspective. *Research in Organizational Behavior*, 26(4), 183–229. doi:10.1016/S0191-3085(04)26005-1.
- Ware, J., CFA, and Hsu, J., (2014). Blame, Accountability and Performance, CFA Institute Magazine, 25(5), 16-17.
- Williams, C. C., Perez, A. M., and Kedir, A., (2016). Does bribery have a negative impact.