

**Perceptions of Unethical Conduct and Business Practices
in Malaysian Corporate Governance**

Jawahir Bin Kamarudin



Project Paper Submitted in Partial Fulfillment of the Requirements

for the Degree of Master of Business Administration

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DECLARATION

I hereby declare that the research thesis contained herein are my original work, based on research proposal, research findings, research conclusion that was conducted over a period of five months, except for quotes and citations which has been duly acknowledged under Section 6 References. In addition, I also hereby declare that this research has not been previously or concurrently submitted for any Master's Degree at Universiti Tun Abdul Razak (UNIRAZAK) or any other institutions of higher learning.



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Date :

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LIST OF ACRONYMS AND ABBREVIATIONS

'Board or BoG' means the Board of Governors;

'Board Committees' means committees established by the Board of Governors from time to time including Audit Committee and Nominating Committee;

'CEO' means the principal officer of the Institute;

'MD' means Managing Director

'Corporate crimes' means crimes committed either by a corporation ,a business entity or by individuals acting on behalf of a corporation or other business entity

'Employee' means those remunerated by MICG (part timers, contract staff, permanent staff and interns);

'MICG' means Malaysian Institute of Corporate Governance;

'Management' means the management personnel of the Institute, Company or an organization;

'MACC' is Malaysian Anti Corruption Commission

'DOSM' means Department os Statistics Malaysia

'GTP' means Government Transformation Program

'NKRA' means National Key Result Area

'Whistleblowing' means is the act of drawing public attention, or the attention of an authority figure, to perceived wrongdoing, misconduct, unethical activity within public, private or third-sector organisations

Reference to the word 'he' shall include the female gender unless otherwise stated.

Abstract of the Project Paper Submitted to the Senate of Universiti Tun Abdul Razak
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**Perceptions of Unethical Conduct and Business Practices
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By

Jawahir Bin Kamarudin

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This research examines the perception of Malaysians on business ethics in corporate governance. Malaysia being a progressive multiracial country, with a workforce that may have varying degrees of unethical perception which may be caused by gender, age, academic qualifications, ethnicity as well as their work environment which may have an effect and determine their frame of mind. The research will examine the relationship of each of those factors with regards to their perception of unethical behaviour. The 1MDB global financial scandal can be seen as a wake up call for many Malaysians involve in business as what is perceived as unethical and how damaging these actions can be for the country. With the past and current issues of major unethical behaviour involving billions of ringgit as a backdrop, this research will attempt to study the relationship of gender, age, ethnicity, frame of mind and their respective perception of unethical behaviour. The findings of the research indicated that an overwhelming majority of Malaysians, regardless of age, gender, ethnicity, academic qualification, sector and experience, are very clear on what conduct is deem as unethical, are against any form unethical conduct, acknowledge that it is wrong and perceived that such unethical conduct is on the rise in Malaysia. Further analysis on their frame of mind indicated that a majority of the respondents would follow instructions if it is ethical and consequently, would not engage in unethical even if instructed to do so. This research findings is crucial in understanding that a majority of Malaysian are against illegal and unethical conduct although some are forced to do so as the working culture dictates them to act as such, at no choice of their own.

CHAPTER 1.0 INTRODUCTION

1.1 INTRODUCTION

What are ethics and how do you define ethics? Ethics is a Greek word with a root word "ethos" and defined as a character, moral nature, habit, sentiments or a guiding belief of an individual, group or institution that is distinguishable from others. It is a branch of philosophy that studies values and customs of people and it encompasses concepts of right and wrong. This in turn is related to human conduct and moral decision making. The fact of the matter is we make decisions that has a close psychological relationship with each individual's frame of mind.

Many equate ethics with feelings, religion, legal compliance, compliance with the societal majority and even views of the society at a period of time. This is where the misconception on the definition of ethics becomes a pivotal point of an individual's understanding between what is right and what is wrong.

Ethics does not equate to feelings as feelings may deviate from what is ethical although from prior research, it has been evident that many people make "ethical" decisions based on their feelings. Neither are ethics tied to religion although religion advocates a certain high ethical standards. Ethics is not confined to an individual religious beliefs as ethics would be applicable to an atheist as much as it is to any individual with a devout religious belief, immaterial with regards to which religion they may profess to.

Neither does ethics means complying with the law as being unethical does not necessarily mean you are breaking the law. Likewise being ethical does not mean you abide by the law either. Whilst the law does incorporate ethical standards which the general populace would abide to but laws can also deviate from what is

considered ethical. It has been proven from the past that some laws like slavery, segregation, apartheid has been enforced and yet it is morally and ethically wrong.

Society can dictate what is ethical when a majority of them set an ethical standard but then again entire society can be ethically corrupt and thus these standards may deviate. Their ethical standards may change over time and changes in their views over time may not conform to uniformity as these views and ethical values may change over time as well.

Therefore, how do we define ethics? We can define ethics as standards that are well defined in terms of right and wrong as to what we should follow and do. This can be describe further in terms of rights, benefits, obligations, fairness and even specific virtues. In the context of business standards, knowing that any form of bribery, leaking of confidential information, price collusion, any form of dishonest statements, representation, information, taking advantage of one's position to one's own benefit regardless of the loss to the corporation, organization or even to their country is an unethical behaviour and this runs contrary to their moral and ethical values.

Ethical standards must encompass good virtues such as honesty, righteousness, loyalty, rights whether it be right of life, freedom, privacy or injury and are supported by well founded and consistent principles. Development of these virtues and continuously evaluating our ethical belief whilst striving to ensure we live up to the ethical standards that we set for ourselves are critical when it comes making decisions on behalf of the organizations, company or country that we represent. Corporate crimes or white collar crimes has been on the rise over the past few decades in Malaysia. Edwin Sutherland defined white collar crime " as crimes committed by person of high social status and respectability in the course of his occupation". It is an undeniable fact that white collar crimes are often neglected or

overlooked as it involves some form of financial gain and in most circumstances through non violent, non physical means rather than conventional crimes through violence and possibly includes loss of lives.

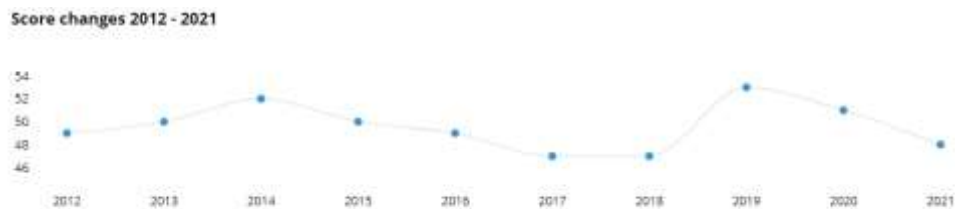
White collar crimes, corporate crimes or crimes of the powerful committed by middle and upper class seems to be dominating the headlines in Malaysia every day. According to Department of Statistics Malaysia ([Department of Statistics Malaysia Official Portal \(dosm.gov.my\)](http://Department of Statistics Malaysia Official Portal (dosm.gov.my))), Malaysian Anti Corruption Commission (MACC) has recorded an increase of cases by 24.7% from 2018 (833 cases) to 2019(1039 cases) . Number of arrest have also increased within the same period from 998 in 2018 to 1,135 in 2019. The number of cases investigated year after year are consistently on the rise with a high percentage of 55.71% of those arrested being public officials.

Type of offences	Investigation paper			Arrest		
	2018	2019	YoY (%)	2018	2019	YoY (%)
Accepting bribery	267	374	40.1	394	448	13.7
Giving bribery	94	98	4.3	124	222	79.0
False claims	260	285	9.6	232	315	35.8
Misuse position	105	125	17.9	93	70	-24.7
Other offences	106	157	48.1	51	46	-9.8
Total	833	1,039	24.7	894	1,101	23.2

A.1 DOSM/MACC INCREASE IN CASES

In fact , majority of high profile cases that were prosecuted in court and the ones currently proceeding in the High Court over the past 10 years are almost all related to some form of bribery, embezzlement, misappropriation of funds, fraud, theft or some form of manipulation. However, majority of these cases did not end up with the defendants being found guilty and charged. Regardless of the facts that seems to be staggeringly clear of guilt of such crimes, many are acquitted. In almost all instances, it involves also high profile personalities, Government officials, business or company owners at CEO or MD level, involving millions and even billions of

ringgit. These white collar crimes erodes and corrodes ethics and value in a society and thus leads to degradation of Malaysia in the eyes of the world. Such degradation can be seen in the Transparency International 2020, where Malaysia's Corruption Perception Index ranks 57th out of 180 countries and a score of 51 out of 100%.



A.2 MALAYSIA'S CORRUPTION PERCEPTION INDEX

Malaysia fell 7 rungs from 51st place in 2019 to 57th place in 2020, indicating that corruption has worsened. 71% of people think government corruption is a big problem and 13% of public service users paid a bribe in the previous 12 months(<https://www.transparency.org/en/countries/malaysia>). On the 25th January 2022, Transparency International has issued the 2021 rating which is even more depressing as far as perception of corruption in Malaysia. Malaysia has fallen another 5 rungs to 62nd place out of 180 countries in 2021. Malaysia scored 48% compared to previous year which was 51%.

Our closest neighbour, Singapore, on the other hand is ranked no 3 in 2020 in their CPI. These are tell-tale signs which indicate Malaysia is heading in the wrong direction. The global perception just based on this corruption ranking alone is detrimental to how Malaysia is viewed. Singapore is the only Asian country in the top 10 country with a score of 85 along with Norway and Sweden. Denmark, Finland and New Zealand were top performers with 88% score.

Malaysia's score at 48% was just slightly above the global average which is 43% making Malaysia one of the 23 countries that has declined in 2021. Many countries

made commitments on paper to stamped out corruption, but the results have shown that no significant progress has been made to eradicate corruption in the last decade or so. After the announcement of the Corruption Perception Index, MACC responded that they will take a serious note of Malaysia's score and position. However, MACC themselves have been embroiled in some form of misconduct with the many recent cases. The latest case reported in January 2022, of Tan Sri Azam Baki himself, as the Chief of MACC allegedly purchasing millions of shares in two public listed companies in 2015. A recent case in January 2022 as well was tied to a Senior MACC officer for criminal breach of trust involving RM29.01 million has been charged at the sessions court. Another case involving MACC officers who were allegedly involved in a gang robbery reported in December 2021. These cases raised serious doubts and questions as to the capacity of MACC in curbing corruption.

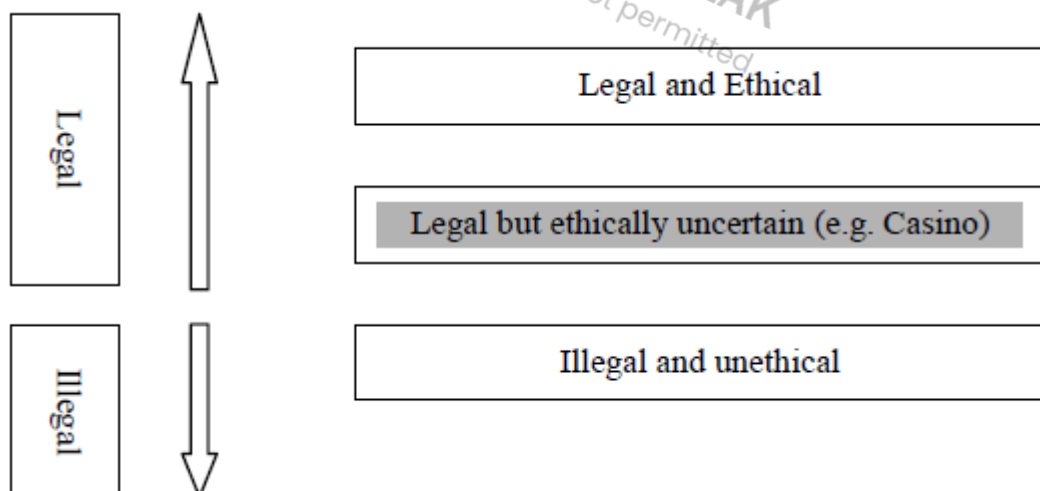
Most of these crimes are committed because there are opportunities to do so and the potential rewards and gains far outweighs the risks and consequences even when they are fully aware of the illegality of such conducts. In the last 2 decades alone, white collar crimes cases have tripled with criminal breach of trust, cheating and misappropriation of funds forming the bulk of cases. Therefore, ethics and integrity are key components for companies moving towards good corporate governance structure and implementing controls, checks and balances. Corruption has a detrimental effect on Malaysia and its economy as it undermines the rule of law, weakens the trust of investors and public institutions and challenges democratic principals.

In a survey done by KPMG in 2013, they have found that 89% of survey respondents felt fraud, bribery and corruption has increased over the years. 71% actually feels that bribery and corruption is part of doing business and 64% believed

that you cannot do business without bribery in Malaysia. Most common unethical behaviour at the workplace is management conflict of interest which carries 71%, unauthorised use of corporate assets at 38% and finally 33% indicate unauthorised disclosure of confidential and sensitive information. Basically, this survey shows and supports and validates the data from Transparency International and in a way justifies why Malaysia is slipping further and further away down the rungs of corruption.

In 2010, Malaysian Government initiate the Government Transformation Program (GTP) aimed at fighting corruption as part of the National Key Results Area (NKRA). Despite many initiatives put forward, implemented and enforced, it does not seem to have a positive effect on fighting corporate crimes in general as we have seen earlier that the figures are increasing instead of decreasing.

Another controversy that has been raging in Malaysia has been the issue of legality in the eyes of the law. The boundaries between legal and ethical seems to present us with the difficulty in determining legal compliance as certain acts and abuses can be legal and yet entirely unethical.



A.3. Adapted from Carroll and Buchholz, 2003

Business ethics are fundamental aspects of an organization and can be defined as the moral principles that act as a guideline as to how the business is conducted and its transactions. Likewise, the same principles and guidelines that individuals used to conduct themselves in a manner acceptable by society in both personal and professional setting can be applicable for how a business is conducted as well. Acting in an ethical manner means determining what is right and what is wrong. Basic standards for determining what is right and wrong exist globally and what is considered as unethical in terms of business practices. There are numerous unethical business practices such as abuse, bribery, corruption, discrimination, environmental degradation, dishonesty and others.

Some unethical business practices can be clear cut, between right and wrong, unethical or otherwise can be clearly determined. In some countries, corruption may be rampant and they lack stringent business laws. Companies who use these legal loopholes to their advantage further exacerbate this unethical situation.

Some companies bribe government officials to obtain approvals, support for their business. A corrupt company is very likely to conduct their business in an unethical manner.

In addition, some business practices may not be so clear, such as a relationship between a supplier and a vendor during negotiations of a contract. The supplier would provide a top tier hotel accommodations, with all benefits provided and maybe some extras ensuring all the vendor's needs and wants are complied with at all costs fully paid by supplier. Whilst, it may seem to be perfectly legal or at least, it is not seem as illegal but it may be close to bribery and may lead to unethical business conduct. The vendor may be obliged to provide the supplier with a price break at the expense of getting the best deal for his own company. Such a situation is common in the business world and to some extent many would actually say that is

how business is done. The question is, at which point were the ethical lines crossed? Does the provision of such benefits affect the final outcome of the discussions or negotiations?

For most companies, the priority is to maximise sales and increase profits, sometimes at whatever costs, implications, ethical or otherwise. When ethics are vague, the border lines between legal and illegal are not clear, and company priority is solely to make money, then it would be easy to understand why we have so many corporate and white collar crimes. Even when sometimes the costs of corporate crimes and white collar crimes can be high, there are still individuals and even companies that are willing to take the risks. Multi national companies may operate in countries where bribery, corruption and scandals are a regular affair, making it neither illegal nor unethical, as this is normal practice for the business to move forward.

The development of unethical business strategy in an organization may be caused by several reasons such as:

- Failure of organizations to make a consensus on the objective for doing business
- During strategy development process, a person with knowledge of ethics has not been involved or included.
- Ethics are not recognized as a competitive advantage during strategy development phase.
- During company policy making phase, ethics are not part of the requirement. Only legal requirements are considered.
- Organizations do not employ any specific person who is responsible for ethics in the organization.
- Organizations do not have specific positions on ethics.

Internationally, even many large companies have been guilty of unethical business conduct. Examples, such as Nestle during their infant milk marketing in Africa by dishonest marketing and lying, Union Carbide a US owned company release poisonous gases near Bhopal in India killing thousands of locals, tainted milk scandal by the China dairy industry, Sanlu Group, due to melamine contamination that killed many young children. There are many more examples of such unethical conduct.

In Malaysia, it has been found that from recent corporate scandals, there is a strong relationship between weak corporate governance and bribery, fraud as well as corruption. The purpose of this research paper is to explore the role of ethics in Malaysian corporate governance and white collar crimes. This research examines the perceptions of Malaysians of all races on their perceptions of unethical business practices when doing business in Malaysia. It will list down all types of unethical practices and also attempt to understand differing level of perceptions of what each individual feels as unethical whether in general, in their business dealings or as a personal view. It will also attempt to examine, at which point, it becomes unethical and whether, frame of mind, play a role in the decision making process. This may perhaps reduce the potentiality of any form of opportunistic situation for such crimes to be committed.

Data from semi structured interviews, informal conversations and online questionnaires shall be conducted to obtain the numbers for this research. The research will also attempt to study the level of commitment at various levels of the business circle and determine whether the organizations are serious in instilling ethical values, professionalism and integrity within the workplace.

This research will also look into the awareness level of Malaysian Code of Business Ethics and if they play any significant role in upholding ethics in the day to day

business in Malaysia. The research should provide guidelines for good corporate governance practices. It may also offer the following contribution: identifying and understanding unethical business conduct and thus instilling ethics in how corporations should conduct their business.

'The fate of humanity is entirely dependent upon its moral development.' – Albert Einstein(undated).

According to Albert Einstein, a heavy emphasis has been placed on morals as he placed fate of humanity as a whole is dependent on the development of morals. Morals and ethics are closely linked as by definition, according to Charles Colson said, "Morality describes what is, whereas Ethics describes what ought to be".

Fundamentally, morals refer to a set of rules defining what is considered to be right or wrong and accepted without questions. Ethics refers to the "moral character of an individual". The Greeks believed that it includes an emphasis on an individual's character as well as national character of a citizen as a component of a greater community.

Over the last two decades, the term "business ethics" has received considerable attention by both academics and business communities as a way of addressing increased unethical conducts in corporate governance. Business ethics is "the subjective assessments by a given individual with respect to sets of premises that make up various business philosophies" (Preble & Reichel, 1988). Business ethics safeguard public and private interest in the absence of prudent regulations and effective market forces. Also, business ethics protects owners' interest, reduces agency conflicts and increases investors' confidence. However, in emerging economies, we are often faced with regulatory loopholes and weak market forces that actually encourages and incentivize managers to disregard ethical values and

their social responsibilities of a business as long as they are able to build their empires.

The economic environment and their effect on corporate governance has been a longstanding issue. This has given birth to corporate governance initiatives with the sole objective of instilling ethics in how corporate governance should behave. However, of late over the last 2 decades or so, it has been clear that the number of cases of corporate scandals have been on the increase.

This is not just within Malaysia, but globally an increase in the number of corporate malpractice and mismanagement has been noticeably evident. Enron, Worldcom, Charles Ponzi's Ponzi Scheme, Bernie Madoff version of Hedge fund Ponzi scheme, Wirecard Financial scandal, 2008 Global Financial Scandals are just the tip of the iceberg whereas there are countless numbers of scandals involving some form of unethical business practices. Even a global and reputable company such as Siemens have not been spared of such scandals.

The global scandal of 1MDB has rocked Malaysia, and has put Malaysia on the world map for the wrong reasons. The effects of such scandals may be felt and burdened by generations to come. Whilst it cannot be pin down to a single causal factor for such a widespread and increased number of cases, it may be arguably true to say that instilling ethics would be crucial in ensuring such corporate misgovernance are in checked.

1.2 BACKGROUND

Even prior to 1MDB, Malaysia has been rocked by many financial scandals which to an extent is unbelievable for a small developing country such as Malaysia to be embroiled in such major scandals. To name a few, the BMF scandal in 1980s which was a RM2.5 billion collapse, the Maminco scandal which caused debts of RM1.5 billion, Perwaja Steel scandal which resulted in RM10 billion losses, DTC scandals which caused a RM1.5 billion losses, the Pan-Electric Industries which caused both stock exchange in Malaysia and Singapore to collapse with losses of S\$480m, Bank Negara FOREX scandal resulting in RM30 billion losses and finally the MAS financial scandal resulting in losses of RM9.4 billion.

In “ Key Drivers for Good Corporate Governance” it is stated that when corporate cultures instill large incentives for or acceptance of unethical behavior, legal controls alone prove insufficient (Dallas 2003). Such a situation not only allows for unethical business conduct and practices but it actually encourages and allows for it to happen.

That would explain why regardless of numerous laws and regulations, corporate crimes are on the rise. The corporate culture in itself is actually actively promoting unethical business conducts. Ethical risk to the company would involve items such as failure to have high ethical standards across the business and obtain contracts via unethical means (Cooke 1991).

Would good corporate governance which states unambiguously that they have zero tolerance to any form of unethical conduct, path a way in negating or reducing the financial scandals that has been the plaque of Malaysian business conduct? Would ethical values in corporate governance prevent such scandals and corporate malfeasance if the parties that have been entrusted with the responsibility of carrying out their duties behave ethically and professionally? It would be

undoubtedly true as when faced with any unethical business conduct and practices, if that individual has been instilled with ethical values and virtues with a fixed frame of mind then that individual would move towards rejecting any form of unethical conduct.

In his book, *Ethical Imperative*, John Dalla Costa states that Ethics in business is becoming a defining issue of our time, affecting corporate profits and credibility, as well as sustainability of global economy. From price-fixing to bribery to toxic-waste dumping, companies around the world are engaging in unethical practices and chalking them up to the cost of doing business. Under most circumstances, it is thought that unethical behavior is a result of poor character, bad people do bad things, but this statement is inadequate as research have found that many people are capable of behaving in profoundly unethical ways. Not only are they capable of it but without realizing it, they do it all the time(Kellaris et al, 1991). It is not the character that makes one unethical, but instead the situation and frame of mind they are in..

There can be two frames of mind, a business frame which cognitively activates one set of goals to be competent while ethical frame triggers other goals (Tenbrunsel and Messick,2004). Once one frame and goals takes precedence , the other frame and its goal will fade from view. In essence, this would place high criticality of placing the ethical frame prominently at the forefront of the individual frame of mind at all times. This will ensure that ethical frame of mind takes precedence consistently and perpetually at all levels of corporate governance involving business negotiations, contracts, etc.

In this case, Business Ethics are a set of principles, a certain standard of conduct preside over and governs the behaviour of individuals attached to the organizations that they represent. Business Ethics plays a crucial role in the course of performing

their duties and responsibilities whilst ensuring as well as maintaining balance between doing the right thing, maximising profits, upholding the interest of the organization at all times without any form of self-interest.

Such a conduct, if prevalent within the circle of corporate governance would surely bring about positive changes within the organization and the country as a whole.

The financial scandals highlighted earlier has a profound effect on Malaysia's economy and creates a ripple effect across the board. It directly and indirectly affects each and everyone of us, as the multiplier effects will have an impact on every Malaysian.

For example, due to a financial scandal or other forms of financial mismanagement, Malaysia lost RM1 billion from its sovereign fund. To manage these losses, the Government of the day has to take critical steps in the budget management, development projects and expenditures. Generally, these leads to cuts in budgets and Government development projects, this will result in less workforce needed and thus unemployment rises. Higher unemployment results in less taxes, which further effects the government coffers. Unemployment also means less expenditures per household. Many will be facing financial hardships and may result in higher crime rates as people get more desperate, more loan defaults, more house owner facing foreclosure or repossession of cars due to loan default eventually leading to them declaring bankruptcy. These may in turn affects Malaysia's economic performance, making investors less prone to making Malaysia as the preferred option for investment due to low trust deficit. It creates an economic chain reaction that if left uncontrolled may lead to a catastrophic economic meltdown resulting in the downfall of a country.

Even existing Multi National Companies(MNC) may reconsider their future investment plan as they may lose confidence as Malaysia's economy falters,

Corruption Perception worsens, development of infra structure and related essentials are reduced.

In the last few years alone we have seen several MNC moving to our neighbours , like Singapore, Indonesia, Vietnam and Thailand and setting up huge investments plans and manufacturing plants there in preference of our neighbours rather than Malaysia.

Therefore, does good corporate governance and business ethics have a role to play in the long run for the sustenance of organisations and the country in general? Obviously so, as business ethics have gained a lot of momentum and importance in the global corporate world. Corporate governance is about doing business ethically, conducting their business in a fair and, transparent manner and taking accountability and responsibility for the high standards of decorum the corporate world should discharge their obligations.

An individual with excellent attributes of Business Ethics representing the organization will not accept any form of second grade offers and negotiation deals in return for personal gains as this runs contrary to his ethics. His commitment and integrity to his business ethics will not allow him to accept any form of perceived losses for short term personal gains, neither will it accept any adverse impacts in environmental, social, ecological framework or any potential negative effects in whatever form or manner

This research is beneficial to all levels of corporate governance as this will identify the prevalent frame of mind and singled out unethical conduct and thus they may avoid these situations in the future.

1.3 PROBLEM STATEMENT

This research is to investigate the perception, frame of mind and awareness level of ethics amongst all Malaysians and to study whether education, work experience and work category can be a potential determinant factor on unethical conduct and business practices

Unethical behaviour in corporate governance have had a major impact globally and Malaysia as well. There has been a major increase in corporate crimes or white collar crimes over the years, and this can be very alarming as they value of such crimes have amounted to billions of losses to the country. To address the issues, this research attempts to investigate the perception, frame of mind and Awareness level of unethical business conduct and practices in relation to education level, work experience and work category.

It will attempt to understand how certain factors can be a potential determinant factor on personnel entrusted with the responsibility and tasks of each process of corporate governance. By understanding that they have a high ethical, moral and sense of righteousness instilled in their work culture, this may have an impact on the actions needed to further inculcate such positive values and at the same time to counter the negative values.

1.4 MALAYSIAN BUSINESS CODE OF ETHICS

The Malaysian Business Code of Ethics is based on the religions, philosophical and cultural values of Malaysian. It was undertaken by national Consumer's Protection Consultative Council and Ministry of Domestic Trade and Consumer Affairs to develop self regulation among traders in Malaysia. There are 6 code of ethics put forward by the Malaysian Business Code of Ethics. They are:

Honesty in Business Dealing

The tendency of a businessperson towards honesty including the intent and declaration of the business transaction as well as in his thoughts, action and speech.

Responsible Towards Customers, Society and Environment

Responsible towards the customers, society and the environment for every action and decision made.

Geniality Towards Fellow Humans

Compassionate and respectful towards other humans, courteous and generous with mutual cooperation. Actions and decisions taken must take into account the interest of all parties and not solely on the interest of the trader.

Moderation In Business Dealing

Adopt a humble, reserved, modest, moderate, charitable approach and be frugal in all areas of life.

Fair Treatment of Customers

There should not be double standards and actions taken must not benefit one party only, equitable treatment irrespective of race, class or status and is not selective of any one side more than the other should be practiced.

Zeal in Making the Business a Success

Execute something with tenacity, diligence and patience, as well as never giving up, having the courage to take risks and ready to put the utmost efforts to achieve the goals.

The question still stands whether these code of ethics are mere words that does not have any value or bearing on the actual business environment. The intention was to self regulate. Have they not even begin to comprehend that self regulation in an open society, more often than not have a higher failure rate than a success rate?

Does this have any meaning or even effective to promote ethics? How much awareness are people in corporate governance with regards to this code? Are there any enforcements? If none, how will ever be viewed as relevant? What are repercussions and consequences for violating such code? How severe are actions taken against those who are unethical that may act as a deterrence for others? If none again, then would it be fair to consider that these code of ethics are just lip service? A beautifully crafted and worded code of ethics that has no value whatsoever in the real world ?

The research will also attempt to study awareness level and the relevancy of the Code of Ethics with regards to their business dealings on a day to day basis.

1.5 RESEARCH FOCUS

This research will focus on each individual's perception of what is defined as unethical conduct and will hope to identify differences (subjective understanding that differentiates one person to another on what is viewed as unethical conduct) interpretation of what is individually perceived as unethical conduct. Whether it is perceived as a problem, whether such conduct has increased and if laws that are in place are sufficient, whether such unethical conduct is necessary for business.

1.6 RESEARCH OBJECTIVES

The primary objective of this study is to identify the differing level and perception of Malaysians involve in business and those in corporate governance. This study suggests several research objectives to be attained as follows:

RO1: To investigate the perception of Malaysians on unethical business practices

RO2: To investigate the potential variables such as gender, education/position in corporate governance, whether longer working experience have any effect on the perception, whether frame of mind may determine the differing levels of perception

1.7 RESEARCH QUESTIONS

The research will investigate the following :

1. Whether gender or race have any effect on their perception of what is considered unethical.
2. Whether work experience level have any effect on their perception of what is considered unethical .
3. Whether frame of mind influences or has an effect on the individual when making decisions.

1.8 RESEARCH AIMS

The research aim will focus on the perception of unethical conducts in business practices in Malaysian corporate governance and will explore whether certain factors has a direct effect on perception and actions of unethical conduct.

1.9 SIGNIFICANCE OF THE STUDY

Corporate crimes and white collar crimes have resulted in billions of losses to the government of Malaysia. In addition, the global perception index indicate that Malaysia is seen as more and more corrupt. The significance of the study will assist to investigate the prevalence of unethical business conduct and practices as well as the perception among Malaysians. This which will be significant as:

- It will assist the Malaysian government in understanding the general consensus of Malaysians with regards to unethical business practices.
- It will provide some insight on whether perceptions based on gender, age, education, work experience, position and whether such characteristics has any bearing on perception of unethical business conduct and practices
- It will help the Malaysian Government in formulating policies and procedures with regards to the Malaysian Business Code of Ethics.
- It will provide an awareness on the effect of peer pressure, company pressure to perform, management attitude towards an employee which may prompt them to engage in unethical practices.

1.10 THE ORGANISATION OF THE STUDY

This research has been broken into seven chapters . The first chapter will cover the background of study, the problem statement, research aims, research objectives, research questions, focus, significance of the study and finally the organization of the study itself. The second chapter will consist of the literature review, theoretical foundation, empirical research, proposed conceptual framework, hypothesis development and a summary of the chapter.

The third chapter will elaborate on the research design process, the research design, sampling size and procedures, how the data collection phase is conducted, operationalisation and measurement, data analysis techniques and a summary of chapter 3. The fourth chapter will be data presentation and analysis.

The fifth chapter are the research findings.

CHAPTER 2.0 LITERATURE REVIEW

2.1 INTRODUCTION

Research into prior research articles and studies on Business Ethics are not voluminous but there seem to be a growing trend on the subject of ethics, impact, cause and the direct results of such conduct. Although extensive research has been done on ethics as the primary subject matter, however the research seems to be focused largely on certain particular position within the corporate world or a specific industry. Extensive research on the role of a specific function within a firm i.e marketing managers in relation to ethical abuse and documented various ethical problems confronting marketing managers. He also study the extent of code of ethics addressing the major problems as well.(Chonko,1985). This research has again was done based on data on American Another research on ethical perceptions as a comparative study but focused on the construction industry in Malaysia(Kang et al, 2011). The study consists of investigation specifically into contractors and designers and tabulate the frequency and seriousness for contractors and designers respectively. Further significant research was done on factors or motivations behind unethical behaviour (Boes,Adam 2015) and correlates unethical behaviour with personal moral values and standards, managers who are pressured by superiors, company environment/culture etc. Middle Managers more often than not are forced into some form of unethical conduct or even illegal activities as they have received specific instructions or strong organization pressures to actually commit such unethical conducts((Badaraco and Webb 1995).

Other aspects of unethical behaviour as a result of peer pressure or peer influence has been researched as well which in turn plays a major role in individuals getting involved in same or similar activities(O'Fallon and Butterfield,2012). The more they see their peers engaging in unethical activities, the more likely that they will also be

doing so. Other research have concentrated on the basis of end results as the measure of employee performance without considering whether it is ethical or otherwise. That end result is then tied to employee salary and benefits which puts the employee in a precarious position and usually forces them to achieve the goals set by the company even if it involves some form of unethical behaviour. (Haron, Ismail and Razak 2011) This is related to the frame of mind that has been set by the management or by the company culture such that, as many top management are either directly involved or are putting pressure on the lower management, it is expected and required for them to be involved in unethical business conducts in order to perform.

Another research investigated the factors stimulating corporate crimes and in specific looks at fraudulent activities in Malaysia and studies the effects of such crimes through the perception of existing and potential investors. Whilst it identifies financial benefits due to inadequate cash security as one of the key factors for such widespread and increased number of cases for such crimes, it also identifies poor supervision and lack of internal auditing as a reason that such activities tend to increase. (Puah, Voon and Entebang, 2015). A study on the role of Business ethics and corporate governance in the success of a business attempts to provide justifications for ethics to be a reason for business success (Anuradha Tyagi, 2014). Whilst the study provides justification for ethics to be of significance in corporate governance, providing various potentials gains and benefits for an organization to be incorporating ethics in its corporate citizenship, the study failed to address the increase number of corporate crimes.

A paper exploring the role of ethics in corporate governance by interviewing and collecting all the data and opinions from 13 selected experts who were involved in Malaysian corporate governance. (Othman, Zaleha et al, 2012). The paper explores

ethics as a pre-requisite for a successful corporate governance and states that ethics is an affiliate of corporate governance. This study is relevant in a sense that it emphasises the role of ethics and the significance of ethics in corporate governance but the opinions and data are restricted to opinions of 13 experts and not the public. Moreover the experts were involved in governmental positions, so it is unlikely for opinions to differ as the basic qualities being a government servant would dictate their opinions.

KPMG in their 2013 research and study on Malaysian fraud, bribery and corruption survey was able to identify that majority of those committing some form of fraud, bribery and corruption were males with 83% , with the age group of 26 to 40 years old representing 58% and typically has been with the organization for less than 5 years accounting for 72%.

Various other research and studies has been done on ethics, role of ethics, and some have done extensive research on different types of unethical conducts, frequencies, involvement locally or internationally.

2.2 THEORETICAL FOUNDATION

Ethics deals with morality and how it shapes behaviour. Different branches of the study of ethics takes into account our views of morality , where it is derived and how it shapes our lives. Ethical principles takes into account the principle of beneficence, principle of least harm, respect for autonomy and lastly principle of justice. Beneficence basically is guiding the decision make to do what is right and good. Second principle of least harm covers a situation where none of the choices seem beneficial and in such cases, the decision maker proceeds to evaluate a decision which is deem as least harmful to the least number of people. Respect for autonomy provides an avenue for individuals to be autonomous, which means they

can make decisions based on what apply to their lives. Finally, the last ethical principle deals with justice. This principle states that the decision must be fair to all parties that are involved.

There are four main branches with regards to theories on ethics. The four are deontology(duty), utilitarianism, rights and virtues. Each of these theories examines our ethical behaviour in different ways. Ethical theories provide a portion of the foundation in decision making because these theories represent the viewpoints from how each individuals justify and seek guidance when they make a certain decision. Each theory categorises a different point in terms of decision making and decision rule. It is imperative to understand that in ethical decision making , different individuals may come to a decision in a differently, whilst using the same information and even same decision rule.

Theory of Deontology states that when we make ethical decisions, it is based upon our duties and obligations. That means that when we make a certain decision, our belief in fulfilling our duties and responsibilities will drive the decision and how we act in different situations. However, as our duties and responsibilities differ, it would not be possible to know what drives an individual to a particular decision.

Theory of Utilitarianism is of the view that making a decision should benefit the most people that is optimum for everyone that is involved. The theory have two sides . Whilst one says the decisions are based on helping others and another says decision are based on fairness.

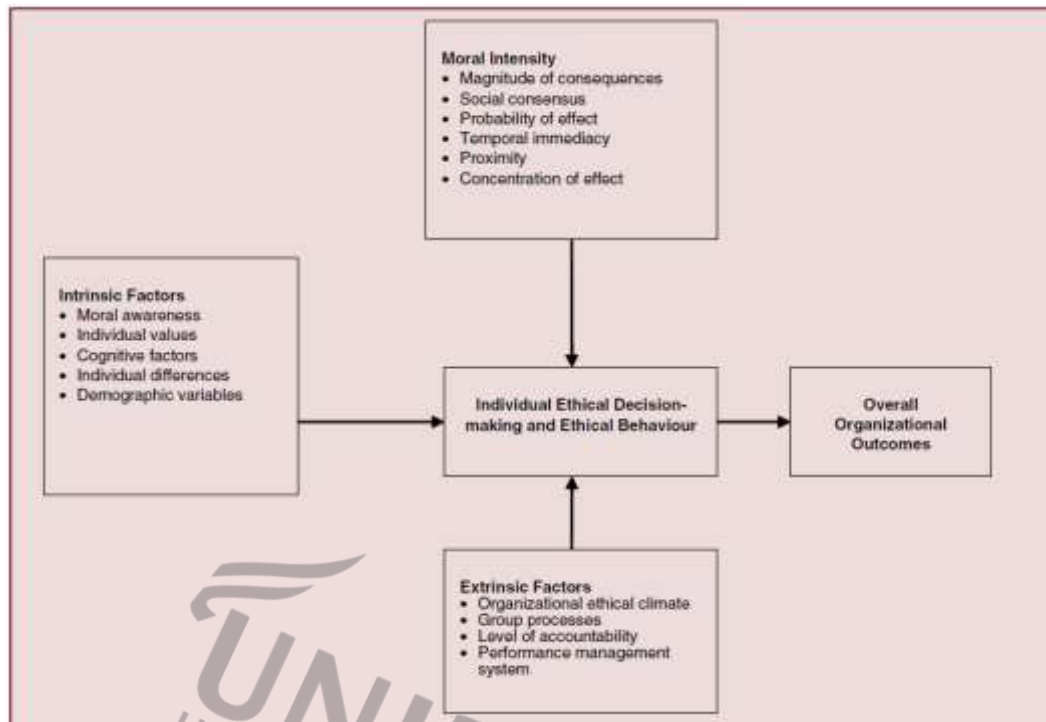
Theory of Rights states that decisions are based on the rights of their society. The majority of that society will drive the decisions. These may include rights enshrined in the constitution and in the laws of the country.

The final theory is the Virtue theory, is when we can examine a person's decision is based on their character and morality. How a person lives their life can explain an ethical decision based on virtue.

All the four theories fall under two categories which is either consequential or non-consequential. Consequential ethics is driven by the outcome. As such, the result of the situation plays a vital role in the decision. Utilitarianism would be regarded as the under these categories as the end justify the means. Likewise, in many corporate crimes and cases involving fraud and corruption, the gains are almost on all instances would be some form of financial or a form of benefits financially. The consequence of such action justify the actions and the decisions which is obviously a financial gain. This is in full realisation and consciousness that the act in itself is either unethical or illegal or both. This is also a belief that it is acceptable to do as doing so will allow you to achieve what you want. The virtue theory also falls under the consequential ethics as one's reputation will be affected by one's decision. The consequence of one's decision will have a direct impact on one's reputation. Non-consequential categorises decisions not on result but on values and beliefs that they hold deeply. The decisions made would be based on what that person's belief rather than what would happen if the decision was made as such. Theory of Deontology and Rights both would fall under this category. This is because they hold their duties and responsibilities as a firm belief of what is important. Likewise for theory of rights and virtues, what the society dictates as rights would be held priority over other factor.

Sunil Kumar and MP Ganesh stated in their research, Ethics in Organizations: The case for Tata Steel, proposed that as per below table, ethical decision making is influenced by various factors. It can be classified into 3 categories namely first

category is Intrinsic Variables, second category is Extrinsic variables and third category is Moral Intensity variables.



A.4 ETHICAL DECISION MAKING AND BEHAVIOUR IN ORGANIZATION: A CONTINGENCY FRAMEWORK

Category 1 - Intrinsic factors

For the first category, Intrinsic factors, the theory states that these are factors which forms part of the individual as a behaviour or attitude. These factors consists of 5 key elements , i.e Moral awareness, individual values, cognitive factors, individual differences and demographics.

Moral awareness with regards to an issue related to ethics is a crucial step in decision making that plays a role in ethical choices and behaviour. Moral awareness is a individualised and personalised code by which that person is bounded to. Lack of awareness of this code in ethics will generally result in self

interested behaviour where managerial decision making may be driven by choices other than ethics.

Individual values have a very strong influence in the decision making and choices that are made by Managers. The values will manifest themselves as interests and motives which determine one's behaviour. The bigger the difference between values and organization's ethical values, the higher the contradiction, and thus becomes a deciding factor in the consequences or either complying or non compliance. Under most circumstances, individual values have a bigger impact on decision making than the organization's ethical standard.

Cognitive factors also have a significant role in behaviour of humans proven by many research that studies extensively the role of cognitive moral development and self efficacy on ethical behaviour and ethical decision making. Cognitive moral development can be broken into three sequential phases of development . The pre-conventional, conventional and post conventional(principled). This dictates the stages of development from a purely self interest decision making (pre-conventional) to decisions that are based on following rules and procedures (conventional) and finally when decisions are directed by internalized principles and the orientation towards high morality dictates any decision making process (post conventional).

Individual differences is the multiple faceted perspective is also a key factor in decision making. Individuals with a high ambition have been found to be significantly having lower ethical profile than others (Roozen,Depelsmacker and Bostyn,2001). Basically, that would mean that an individual with high ambitions tends to be more unethical in their decision making process. This is simply because their high ambitions tend to overshadow the ethical aspects. Their sole interest would be

focusing on achieving their goals and ambitions, regardless of how it is achieved, ethical or otherwise.

Individual variables such as gender, their education level, work experience as well as their designation are related to decision making process. This area is where my current research is focussing upon. Previous research(Weeks et al,1999;Singhapakdi,Vitell and Kraft,1996) have indicated that females are more predisposed to ethical situations than males while other research have had no correlation between the two. Other research have found that females tend to enter into an employment with a higher expectation of ethics, higher ethically oriented than males. Other studies have also shown that females are also more willing to participate in whistle blowing than their counterpart male colleagues(Sims and Keenan,1998). Previous research (Roozen,Depelsmacker and Bostyn,2001) have also indicated that younger employees, with a lower income bracket are more ethical than older, higher income bracket and more experience personnel. This is again another area where my research will focus upon and will attempt to analyse the data and investigate whether this is also true for Malaysians.

Category 2 - Extrinsic Factors

The second category is extrinsic factors. These are factors that are externally defined, societal, organizational or communal based which has a major role in ethical decision making process. It consists of organizational ethical climate, organizational group processes, level of accountability and performance management system.

Organizational ethical climate is defined as the perceptions that is shared by a number of individuals in a group and what is deem or accepted as ethically correct behaviour inclusive of how it is to be handled. It has both characteristics of an organization's formal and informal policies and the individual ethical value of

management personnel. The key contributing factors to organizational ethical climate would be ethical code of conduct of the organization and the supervisory influence.(Wotruba, Chonko and Loe,2001). Ethical climate is a moderating variable for various relationship that is powerful because it can either directly or indirectly impart pressure in the form of either reinforcements or as role models among employees. Formal corporate ethical code of conduct is very useful in creating a positive ethical climate in any organization according to Weaver, Trevino and Colhram, 1999.Code of ethics contribute significantly towards institutionalizing ethics in organization.

The second factor in extrinsic category is organizational group processes. It would be generally be true in most organization, the direct supervisor, Manager have immense amount of control over the subordinates behaviour and wellbeing(Wimbush ,1999). Especially in traditional organization structure and highly bureaucratic ones such as governmental bodies or government linked companies. It has also been found that supervisory influence is found to be highly effective in comparison to any other organizational variables. This is where my research has also put a focus upon with regards to the frame of mind.

If as stated above that supervisory influence is highly effective in an organization and has immense power over the subordinates behaviour and wellbeing, then it would also be true that supervisory influence will also have a profound effect on the subordinates frame of mind. In this case, the frame of mind can be either directly and actively encouraging unethical behaviour in managing the business or it may be directly and actively oppose any unethical behaviour and conduct.

The third factor in extrinsic category is accountability whereby it can also be a significant factor in decision making and behaviour(Beu and Buckley,2001). Accountability can be defined as the action of either justifying or defending one's

behaviour to an audience that has both the authority of either reward or sanction. The perception is contingent upon the audience evaluation of such conduct to be deemed as positive reaction (reward) or negative reaction(sanction) . This is key requirement in any organization where the actions of any individual may either be an adverse effect to the company or otherwise. Under both circumstance that individual must be held accountable and both options of reward and sanctions are aptly and justifiably executed.

The fourth factor is performance management system whereby output oriented instigates short term orientation among managers. When financial rewards or benefits such as bonuses and increments are tied to the evaluation of the performance, these situations tend to create an environment where managers would ignore ethical concerns for as long as the output is achieved whenever such dilemmas are faced. In many organizations, there is a lack of balance between processes and output, performance and ethical values and in general, the consequence of such imbalance would be to achieve financial rewards with whatever means.

Finally the fifth factor in extrinsic category is overall organizational outcome where expectations of behaviour is consistent with ethical and responsible manner of how one would conduct himself. This has been an issue which has gain increasing attention over the last decade. Ethical practice does not necessary lead to an immediate outcome and tangible results, it is by no means a sure method of achieving measurable results but it is necessary for sustainability.

Category 3 -Moral Intensity

The third category is moral intensity which has magnitude of consequence, social consensus, probability of effect, temporal immediacy, proximity and finally concentration of effect.

Magnitude of consequence is the manner in which decisions are made based on result of serious consequence rather than modest ones, when faced with a moral dilemma. Social consensus is the level of social agreement the higher the social consensus the probability of making ethical decisions is also high. Probability of effect is the consequence of unethical conduct to be detected and to actually cause harm. In some countries, the chances of getting caught is so low, the legal process maybe so time consuming, or a myriad of other factors provide an assurance that the unethical conduct will not cause any form of harm or negative consequence. Temporal immediacy is the measurement of length of time between what the benefits are and what the consequence could be. If the benefits are quick and the consequence are time consuming, then possibility of going ahead with unethical conduct is high. Proximity is the degree of connection for the people whether social, cultural, psychological or physical with the act of unethical conduct itself. Concentration of effect is the consequence of the unethical conduct onto either a smaller or larger group. The larger the group , the lower the chance of the unethical conduct to proceed.

The three categories above are directly related to an individual ethical decision making and ethical behaviour and in turn will be a key determinant in overall organization outcomes.

2.3 EMPIRICAL RESEARCH

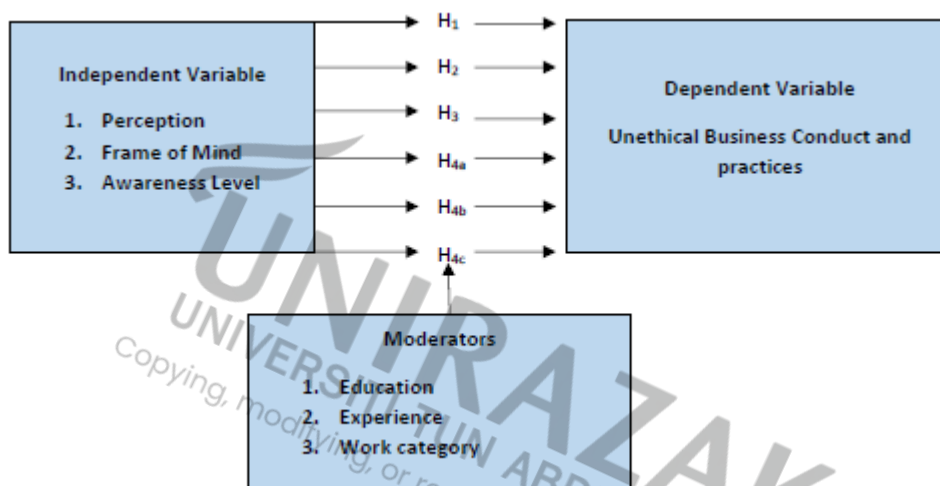
For the purpose of this study, quantitative research methods shall be done to gather the needed data either by survey research, causal-comparative research and where required a one on one interview will be conducted.

- i) Survey research will consist of all Malaysians male and female, whether working or fresh graduates, regardless of race. This will be through distributed questionnaire and generally will be sent out to willing participants via an online link through multiple channels such as emails, whatsapps and any other suitable mediums.
- ii) Causal –Comparative research will be based on comparison and will be use to find the cause effect relationship between the variables and moderators. The gender, race, age, experience level will be measured as a response to unethical business conduct and practices.
- iii) One on one interview will be on selected individuals who are not interested to do online but are knowledgeable in business structures or may be too pre occupied to be going through interview questions. Some higher management maybe more suitable for this type of research.

The main source for empirical research shall be from books, articles, official websites, journals, and any other academics work published by scholars and researchers. This is to ensure that the information and the data presented are valid and have been researched previously.

2.4 PROPOSED CONCEPTUAL FRAMEWORK

The primary objective of the research is to identify the perception level of Malaysians of unethical business of involve in business and those in corporate governance. Another two factor that has also been included in the independent variable are understanding how a certain frame of mind and awareness level can influence the decision making process. The key moderators of education level, experience and work category will set a baseline of whether these factors have any impact of the perception and the decisions that they make.



A.5 Proposed Conceptual Framework

Based on the conceptual framework above, the research will attempt to identify firstly ,whether perception, frame of mind and awareness level has any impact on decision making process with regards to unethical business practices. This will determine whether such factors has any direct impact on their decision making process to the organization and how such decisions are made in relation to potentially leading to unethical business practices. The moderators are education, work experience and work category. It will analyse the perception of individuals based on their education level, working experience and work category. It will also

attempt to study and correlate whether education level, experience and work category level has any impact on their perception of what is categorized as unethical business practices.

This research will also attempt to understand how the individual will react and how their perception will change based on a certain frame of mind. In this case, we will put the individual through a two pronged process of their perception on unethical business practices and how they would react if the company management/CEO/Immediate supervisor insists on either they proceed a certain tasks using ethical means or unethical means.

This will determine their reaction and possibly also understand how individuals may not agree to it principally as they may feel that it is unethical but are forced to do so due to the frame of mind that has been set by the higher management.

2.5 HYPOTHESIS DEVELOPMENT

In this research, the following hypothesis has been developed based on conceptual framework detailed out in section 2.4.

H₁: Perception has a significant impact on unethical conduct and practices

H₂: Frame of mind has a significant impact on unethical conduct and practices

H₃: Awareness has a significant impact on unethical conduct and practices

H_{4a}: education level moderates perception, frame of mind and awareness of unethical conduct and practices

H_{4b}: experience moderates perception, frame of mind and awareness of unethical conduct and practices

H_{4c}: work category moderates perception, frame of mind and awareness of unethical conduct and practices

2.6 SUMMARY OF CHAPTER 2

Chapter 2 has identified gaps in previous studies, the basis of the research, identified potential causes, background, the expected outcomes for such unethical business conduct and practices and also discuss the conceptual framework for the research. Based on the framework, the hypothesis has been developed and further elaboration on the methodology shall be discussed in Chapter 3.



CHAPTER 3.0 RESEARCH METHODOLOGY

3.1 INTRODUCTION

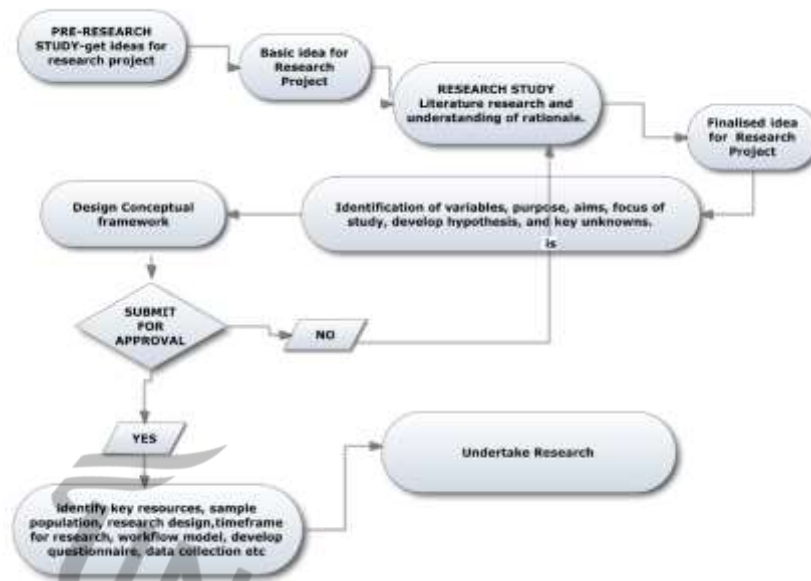
This chapter will explain and detailed out the method adopted for the purpose of this research and its findings. It will cover various components in research such as research design, study population and sampling procedures, it will clarify the data collection methods, operationalisation and measurement and various other techniques shall be discussed. The study purpose shall be causal research as the study will be looking at the cause of the problem. It shall be of minimal interference as the questionnaires and interviews will be done on a non contrived setting with natural environment. This research strategy shall be action research as it is undertaken to initiate a change process in organization. The problem is identified and the research intends to gather data to provide a tentative solution. It shall be a quantitative research using descriptive method (based on existing) and correlational as the study will explore the variable relationship. The data shall be primary as this is obtained first hand form individuals through response received via online questionnaires and any potentially situations where an interview is required . This chapter shall outline the methodology to be used in order to derive the findings.

3.2 RESEARCH DESIGN

The research design process starts with a pre research study to get ideas for the research project, once a basic idea of the research project is obtained, then proceed to do a more detailed research study . This consists of going through all related research done worldwide and also within Malaysia. Prepare a literature review and identify all key factors and understand the rationale. Finalised idea and begin identifying variables, hypothesis, draw up purpose, aims, focus and any key

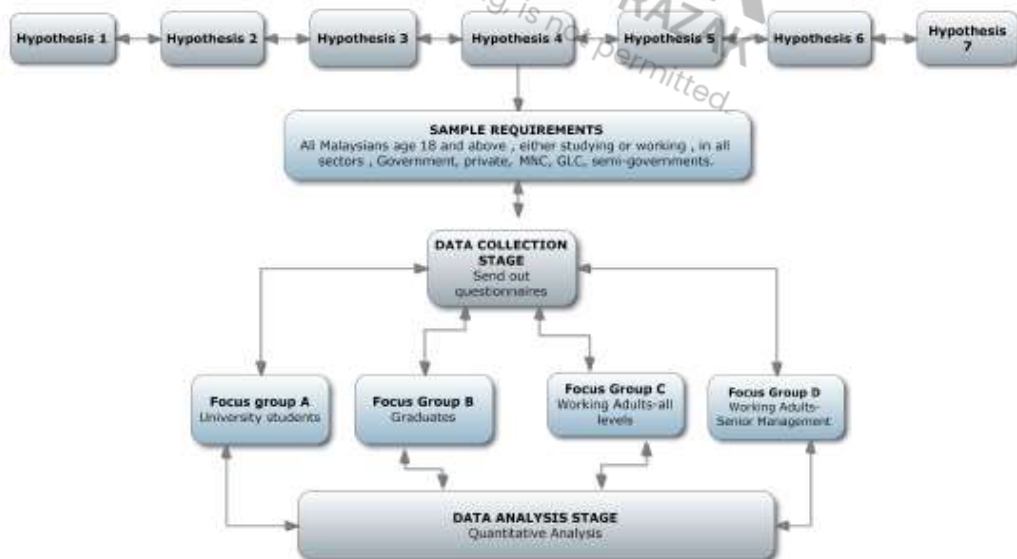
unknowns. With all information, design a conceptual framework for submission and approval. Upon approval, proceed to research proposal stage .

Research Process flow is as below diagram:



A.6 Research Design Process Flow.

The research design shall be quantitative with data collected from primary source of survey respondents of the structured questionnaires.



A.7 Research design by stages

3.3 STUDY POPULATION AND SAMPLING PROCEDURES

Study population will consists of all Malaysians age 18 and above, either studying or working, in all sectors whether it be government, private companies, multi national companies, Government linked companies or semi government from all races and background. There shall be four sets of focus groups. Focus group A shall be University students who are still in universities and colleges. Focus Group B would be Graduates who may or may not be working just as yet with minimal years of working experience (below 3 years). Focus group C are working adults who have more than 3 years of working experience to any number of years at all levels. Focus Group D are Senior Management level who may have a number of people working under them, company owners, shareholders, partners etc.

3.4 DATA COLLECTION METHOD

The data for the research shall be collected through online questionnaires, interviews and any other suitable method which may vary due to respondents nature or preference. The data shall then be analysed, tabulated and presented in graphs , charts and any other means for ease in understanding the data obtained. The research will then attempt to study the data further and identify any further information needed, shortcomings and gaps in the data obtained.

3.5 OPERATIONALISATION AND MEASUREMENT

The development of the conceptual framework in Chapter 2.4 has detailed out the independent variables, mediating variables and dependent variable. This study will analyse the perceptions of respondents on each of the independent variable and will attempt to correlate the effects of the moderating variable to the dependent variable. Each moderating variable is expected to affect the views and perceptions of the respondent either positively or negatively towards the dependent variable. As

the questions will be centred on their views and not on any personal experience or specific incidents, it is expected that the respondents will be more open towards providing their personal views on each variable.

This would allow the study to be completed within the scheduled time frame with appropriate measurement and the intended data shall be collected, measured and tabulated. Data analysis software to be used shall be SPSS and Excel and further data analysis techniques shall be using the regression model, ANOVA or any other suitable method to be identified once the data collections stage has been completed.

3.5.1 INDEPENDENT VARIABLES

The independent variables are all the variables that has been listed in chapter 2.4 in which respondents shall have a specific view or outlook towards each of the independent variable as to how they perceive it. These independent variable shall study the perception of five unethical conduct are bribery, leaking confidential information, price collusion, dishonesty, rent seekers, frame of mind and awareness level. The questionnaire will focus on perceptions, frame of mind and awareness of respondents on each of the variable above. The primary factor here is how perceptions, frame of mind and awareness may differ between one moderating variable to another. The data obtained from respondents is expected to show how the moderating variables affect the individual perceptions, frame of mind and awareness level.

3.5.2 MODERATING VARIABLES

The moderating variable are education, work experience and work category. The data obtained from respondents will be able to indicate whether education, experience and work category is expected to have a

more tolerant or stringent view towards unethical business practices / corporate crimes.

3.5.3 DEPENDENT VARIABLE

There is only one dependent variable that is unethical business conduct and practices. The data collected from respondents will either positively or negatively influence the impact upon unethical business conduct and practices.

3.6 DATA ANALYSIS TECHNIQUES

3.6.1 DESCRIPTIVE ANALYSIS TECHNIQUES

The data to be gathered in this study must ensure that the population sample is representative of all genders, age group, education level, work experience, position of all Malaysians within the stipulated conditions. This is critical as the data must have wide reach over the population sample to be of any significance in interpreting the responses. Then the data will be presented in a more effective manner using charts, graphs, tables or any other methods suitable for presenting it in order to be understood.

3.6.2 CORRELATIONAL ANALYSIS TECHNIQUES

The data shall also be analysed on a correlational techniques as we will be looking at the relationship between the variables i.e independent variables, dependent variables and how moderators will have an effect directly or indirectly on the outcome.

3.7 MERIT OF THE RESEARCH AND PROPOSED CONTRIBUTION TO MALAYSIA

The research is expected to provide valuable data and information with regards to the moderating factors that may either encourage or discourage unethical business conduct and practices. These data can then be used for further determination on the potential outcome of the personnel that has been identified for a certain position that may be considered critical to the organization in terms of their long term plans, potential growth, high value projects and many other areas where ethics may have a crucial role in ensuring that the organization best interest are always at the forefront at every level and every stage of the process.

The study can be used by the Malaysian Code of Business Conduct where it may assist them in closing any potential gaps in the policies and objectives.

3.8 SUMMARY OF CHAPTER 3

Chapter 3 covered all the sections on research methodology, the population sample, the research design, research design process, research design flow, sample population, analysis techniques data collection and data analysis.

CHAPTER 4.0 DATA PRESENTATION AND ANALYSIS

4.0 DATA PRESENTATION AND ANALYSIS

In this chapter, I will discuss the data and the information that was obtained from the data collection which will be analysed based on feedback received. This will then be further presented in tables, charts and graphs for the ease in understanding the data and information provided by respondents. Section 4.1 will provide a brief summary of the questionnaire distribution methods, questionnaire response rate (comparison between the number of questionnaires distributed and the final response received). Section 4.2 will provide a summary and discuss key points obtained with regards to the respondent's demographic characteristics. Section 4.3 will discuss on some of the missing data received from the questionnaires receive, potentially addressing some reasons why the data was missing and how it was managed. Section 4.4 will identify the outliers and will study the data collected based on the normality.

Section 4.5 will provide valuable insights based on descriptive analysis of the data collected. It will provide a detailed description of each of the covering aspects of the frequency, the value in percentages and overall tendency of the respondents as a majority. In some instances it will also provide an explanation on the respondents that seem to be sitting on the fence or those who are against the flow of the majority, and the probable reasons why they may be doing so. Bearing in mind that most respondents are close acquaintance that have a close relationship in one way or another, certain aspects were discussed by phone calls and messages which were not included in the data collection.

Section 4.6 will be discussed on the reliability test using Cronbach Alpha method. Section 4.7 analyses the data using Pearson's Coefficient Test. Section 4.8 will use

multiple regression test to analyse the data, 4.9 is hypothesis testing and Section 4.10 will be the conclusion on the data analyse.

4.1 QUESTIONNAIRE RESPONSE RATE

A total of about 325 questionnaires was sent out through various means such as emails, whatsapps, and other means of online messaging system. Out of 320, only 130 responded within the stipulated time frame before it was officially closed. This indicated a 40% response rate which is less than half and fairly low. As there were 4 target groups , distribution was made fairly evenly to all 4 groups but the respondents tend to fall mainly in the target group of those over 45 years old. There were less responses received from the other 3 groups.

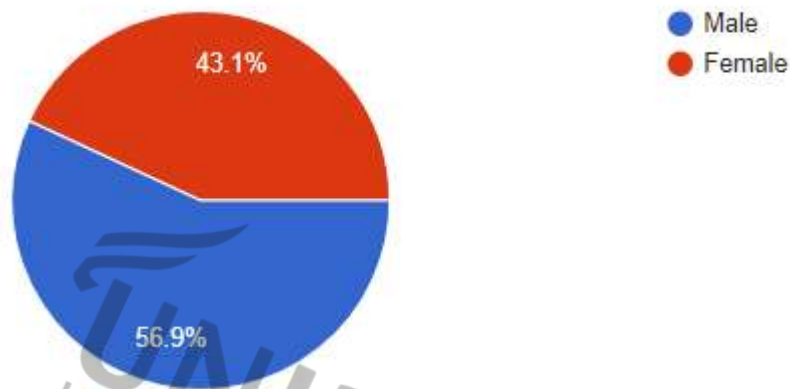


4.2 RESPONDENTS DEMOGRAPHIC CHARACTERISTICS

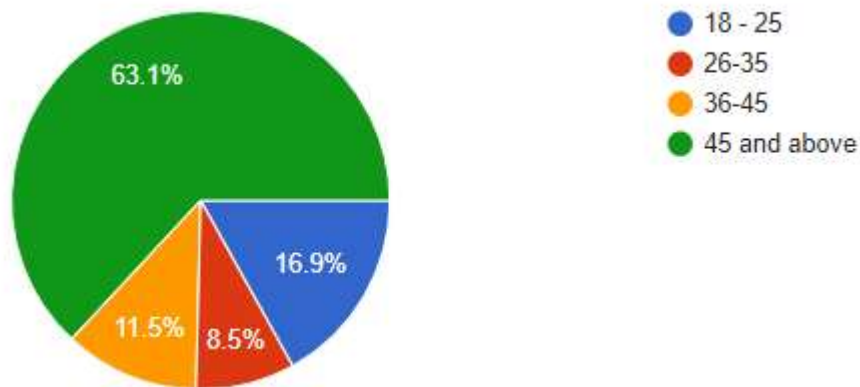
Demographics Characteristics	Frequency	Percentage (%)
Gender		
Female	56	43.1
Male	74	56.9
Age		
18-25	22	16.9
26-35	11	8.5
36-45	15	11.5
45 and above	82	63.1
Race		
Malay	72	55.4
Chinese	22	16.9
Indian	17	13.1
Bumiputra Sabah and Sarawak	15	11.5
Others	4	3.1
Education		
SPM	14	10.8
STPM/Diploma/ Foundation	27	20.8
Degree	62	47.7
Masters	27	20.8
PHD	0	0
Work Category		
Not working	26	20
Private Sector	59	45.4
Government Sector	19	14.6
Government Link Companies	7	5.4
Multi National Companies	5	3.8
Retired	14	10.8
Position		
Director/CEO/Shareholders	24	18.5
Senior Management/GM/HOD	14	10.8
Management/ manager of a division	22	16.9
Supervisory level	15	11.5
Technician/Sales and Marketing execs	23	17.7
not working	32	24.6
Work Experience		
not yet working	14	10.8
0 to 3 years	10	7.7
4 to 10 years	10	7.7
11 to 15 years	9	6.9
more than 16 years	87	66.9

Table 4.0 – Respondents Demographics

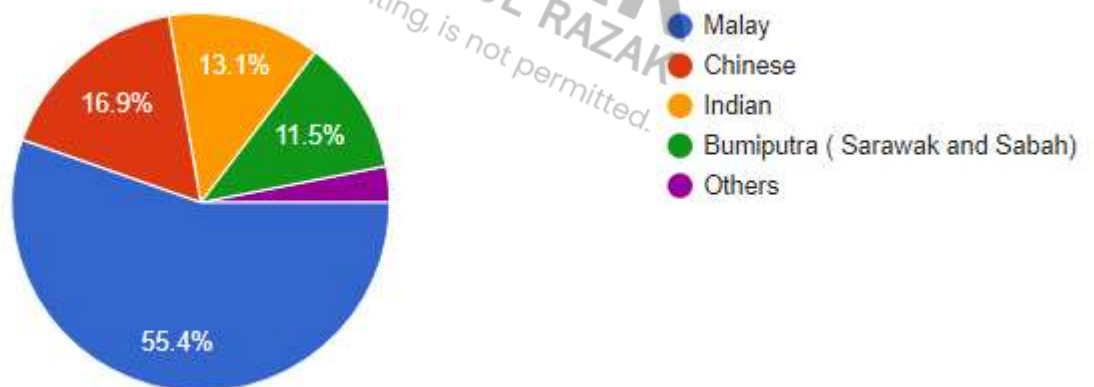
Table 4.0 above shows the demographics of all the 130 respondents that participated in the research questionnaire. Out of 130 respondents, 56(43.1%) were females whereas 74 (56.9%) of them were males. Although, males formed the majority but the difference is only 18 respondents (13.8%) which is not such a huge gap.



The next set of demographics is on the age group which indicates that majority of them 82 (63.1%) are above 45 years old. The second largest group that responded were between 18 to 25 years of age which came 16.9% . These groups were largely those at the university students, just graduated or within the first 2 to 3 years of working life.

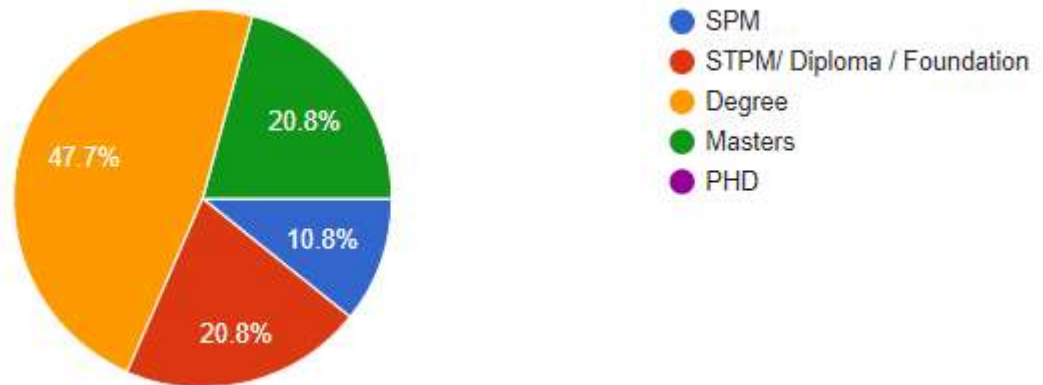


Subsequent demographics characteristics was on racial composition of the respondents. Slightly more than half of the respondents were Malays with 72 respondents (55.4%) making them a large majority of respondents. Chinese make up 22 respondents (16.9%) and Indians make up about 17 respondents (13.1%). The Sarawak and Sabah Bumiputras came at 11.5% with 15 respondents and a small percentage of 3.1% were others.

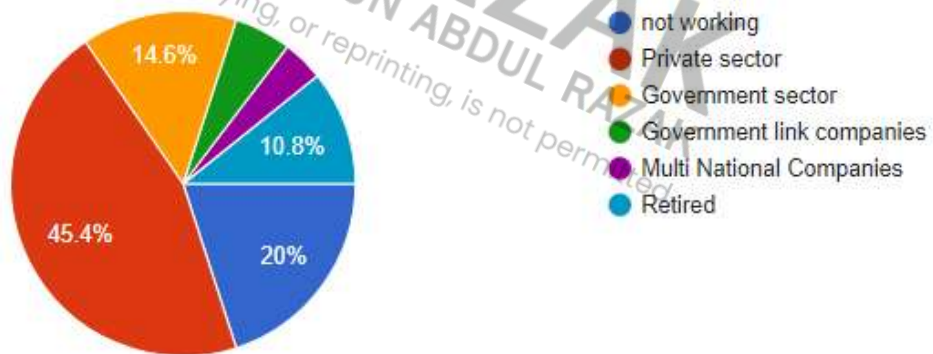


The next set of demographics is on education whereby majority of respondents are degree holders with 62 respondents(47.7%). The next two groups for Masters and

STPM/Diploma/Foundation forming the 2nd and 3rd largest group are equal at 27 respondents (20.8%)



In terms of work category, majority of the respondents are from private sector with 59 respondents(45.4%) and second in line at 26 respondents (20%) are those who are not working as they are university students or some who are in between jobs. The government sector comes at third place with 19 respondents(14.6%)

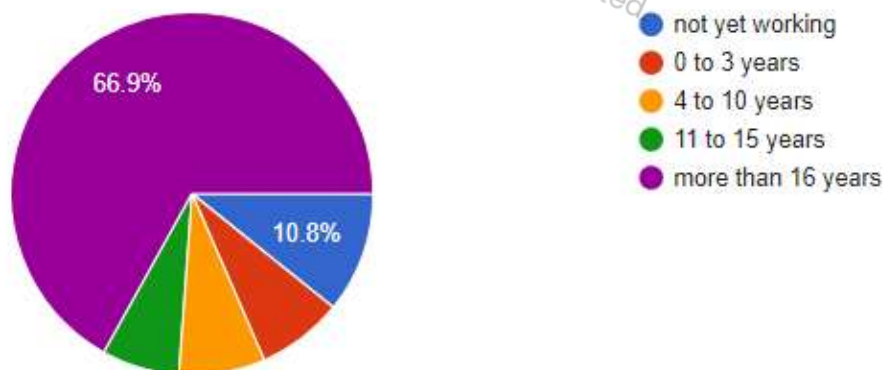


In terms of position, the number of respondents who were not working totalled 32 respondents (24.6%) as the highest number of respondents. The second highest majority of 24 respondents falling into the Director/CEO/Shareholder/etc category totalling at 18.5%. This was followed closely at 17.7% for technician level/Sales and

Marketing/Admin/Clerical/any level with 23 respondents. Management level is at 4th place with 22 respondents (16.9%)



The last demographics is on work experience whereby the vast majority i.e. 87 respondents have more than 16 years experience representing 66.9%. This shows that majority of respondents are experienced in each of the respective fields and are well aware of the nature of business regardless of being in private, government, GLCs sectors.



4.3 MISSING DATA MANAGEMENT

There has been instances where data has been found to be missing from the final excel table after the questionnaire was closed. This is quantified as system missing values. These values are absent from the data and may be caused by the respondents reluctance to answer certain specific questions. Although, only a small number of such data 0.6% were found (35 out of 5,769 data count) these missing data were shown as periods in data view. This may have an effect on the analysis as it may be shown as missing each time we run a test.

An observation would be removed from the data file if the missing data exceeded 15% but in this case did not apply. SPSS may requires missing data remedied by a mean value replacement. Hair et al. (2016) suggested the indicator variable's missing value is replaced with the mean of indicator's valid values.

In this case, the missing data is 0.6%, hence all missing data were replaced with neutral(which is a 3 on a Likert scale). This replacement did not affect the final outcome of the respondents and the data final outcome is preserved.

4.4 OUTLIERS

There are several outliers identified in individual groups of the data collected, this will be discussed separately on each of the data groups based on perception 1 to perception 7 in Section 4.5.2 to Section 4.5.8.

4.5 DESCRIPTIVE ANALYSIS

4.5.1 Frequencies Statistics - Demographics

		A2 :Gender	A3 :Age	A4 :Race	A5 :Education	A6 : Work category	A7 :Position	A8 : Work experience
N	Valid	130	130	130	130	130	130	130
	Missing	0	0	0	0	0	0	0

Mean	1.57	3.21	3.22	2.05	4.18	3.33	3.66
Median	2.00	4.00	4.00	2.00	5.00	3.00	4.00
Mode	2	4	4	1	5	3	4
Std. Deviation	.497	1.166	1.127	1.193	1.406	1.727	1.023
Variance	.247	1.360	1.271	1.424	1.976	2.983	1.047
Skewness	-.283	-	-.798	.660	-.881	.236	-1.438
		1.070					
Std. Error of Skewness	.212	.212	.212	.212	.212	.212	.212
Kurtosis	-1.950	-.530	-.672	-1.152	-.303	-1.187	1.507
Std. Error of Kurtosis	.422	.422	.422	.422	.422	.422	.422
Sum	204	417	418	266	543	433	476

Table 4.1 – Demographics Statistics

Analysing the data above for Skewness and Kurtosis, according to Ian (2000) in “Chapter 4: Analysing the Data”, the standard error of “Skewness” and “Kurtosis” falls within the range of -2 to +2 considered as not seriously interrupted. (Price, 2000). In this case, the data above shows skewness -1.438 to 0.660, and for Kurtosis it lies between -1.950 to 1.507, which both falls within the acceptable levels of normality analysis.

A2 :Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	56	43.1	43.1	43.1
	Male	74	56.9	56.9	100.0
	Total	130	100.0	100.0	

A3 :Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 - 25	22	16.9	16.9	16.9
	26-35	11	8.5	8.5	25.4
	36-45	15	11.5	11.5	36.9
	45 and above	82	63.1	63.1	100.0
	Total	130	100.0	100.0	

A4 :Race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bumiputra (Sarawak and Sabah)	15	11.5	11.5	11.5
	Chinese	22	16.9	16.9	28.5
	Indian	17	13.1	13.1	41.5
	Malay	72	55.4	55.4	96.9
	Others	4	3.1	3.1	100.0
	Total	130	100.0	100.0	

A5 :Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Degree	62	47.7	47.7	47.7
	Masters	27	20.8	20.8	68.5
	SPM	14	10.8	10.8	79.2
	STPM/ Diploma / Foundation	27	20.8	20.8	100.0
	Total	130	100.0	100.0	

A6 :Work category

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Government link companies	7	5.4	5.4	5.4
	Government sector	19	14.6	14.6	20.0
	Multi National Companies	5	3.8	3.8	23.8
	not working	26	20.0	20.0	43.8
	Private sector	59	45.4	45.4	89.2
	Retired	14	10.8	10.8	100.0
	Total	130	100.0	100.0	

A7 :Position

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Director/CEO/Shareholder/etc	24	18.5	18.5	18.5

Management -Manager of a divison/etc	22	16.9	16.9	35.4
not working	32	24.6	24.6	60.0
Senior Management, GM/Head of Department/etc	14	10.8	10.8	70.8
Supervisory level - any supervisory capacity level.	15	11.5	11.5	82.3
Technician/Sales and Marketing Executives/Admin/Clerical/any level	23	17.7	17.7	100.0
Total	130	100.0	100.0	

A8 :Work experience

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0 to 3 years	10	7.7	7.7	7.7
11 to 15 years	9	6.9	6.9	14.6
4 to 10 years	10	7.7	7.7	22.3
more than 16 years	87	66.9	66.9	89.2
not yet working	14	10.8	10.8	100.0
Total	130	100.0	100.0	

4.5.2 Frequencies Statistics Summary – Perception 1 (Would you agree that the following conduct is unethical and wrong?)

Statistics

	UC1 Bribery	UC2: Leak confidential Information	UC3 Price fixing	UC4 Rent seek/ cable/ abuse/ power cronyism	UC5 Dishonesty
N	Valid 130	130	130	130	130
	Missing 0	0	0	0	0
Mean	4.70	4.67	4.35	4.56	4.68
Median	5.00	5.00	5.00	5.00	5.00
Mode	5	5	5	5	5
Std. Deviation	.823	.781	.897	.797	.778
Variance	.677	.611	.804	.636	.605
Skewness	-3.379	-3.104	-1.484	-2.395	-2.994

Std. Error of Skewness	.212	.212	.212	.212	.212
Kurtosis	11.684	10.666	2.109	6.599	9.373
Std. Error of Kurtosis	.422	.422	.422	.422	.422

Table 4.2 – Frequencies Statistics Perception 1

In the summary table above, out of 130 respondents, the mean is highest at 4.7 and lowest is 4.35 which indicates a very high proportion are placed in between agree to strongly agree. The median is at 5.00 which is where majority of respondents.

The mode is also at 5.00 which suggest a very strong perception/opinion that the majority of respondents agree that the conduct in question is unethical and wrong.

Standard deviation measures the dispersion of a dataset relative to its mean . In this case our mean between 4.35 to 4.7 and standard deviation is 0.778 and 0.823. This means that majority of the respondents fall closely within the range mentioned above .

The skewness on all perception 1 is at negative , ranging from -1.484 to -3.379 indicating a negative skewed or left skewed. Majority of the data distribution lies on the right side of the mean, while the lower ranging values will be on the left side of the curve. Coincidentally, this also provides me with the information that the direction of outliers, which is on the left side of the curve in the tail.

The Kurtosis is high on UC1, UC2, UC4 and UC5 (6.599 to 11.684) and is more than 3, indicating that the data contains extreme values , it means that there are more data points that will lie along with the tails This also means that the higher Kurtosis indicate a fatter tail and longer distribution i.e Leptokurtic distribution and left skewed. The extreme values are representing the perception of majority of respondents whereby UC1, UC2, UC4 and UC5 are all very strongly agreed that the conduct is unethical

The mean and Kurtosis on UC3 (price fixing) seems to be lowest at 2.109 which indicates that the perception on price fixing being an unethical conduct and wrong is lowest. The perception is therefore, in comparison with the other four unethical conduct, UC3 is viewed as least unethical.

Frequency Table – Perception 1A

**UC1 : Would you agree that the following conduct is unethical and wrong?
Bribery**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	3.1	3.1	3.1
	Disagree	1	.8	.8	3.8
	Neutral	3	2.3	2.3	6.2
	Agree	14	10.8	10.8	16.9
	Strongly Agree	108	83.1	83.1	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 1B

**UC2 : Would you agree that the following conduct is unethical and wrong?
Leak Confidential Information**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	2.3	2.3	2.3
	Disagree	1	.8	.8	3.1
	Neutral	4	3.1	3.1	6.2
	Agree	20	15.4	15.4	21.5
	Strongly Agree	102	78.5	78.5	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 1C

UC3 : Would you agree that the following conduct is unethical and wrong? Price Fixing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.5	1.5	1.5
	Disagree	3	2.3	2.3	3.8
	Neutral	16	12.3	12.3	16.2
	Agree	35	26.9	26.9	43.1
	Strongly Agree	74	56.9	56.9	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 1D

UC4 : Would you agree that the following conduct is unethical and wrong? Rent seeking/cable/power abuse/cronyism

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.5	1.5	1.5
	Disagree	3	2.3	2.3	3.8
	Neutral	4	3.1	3.1	6.9
	Agree	32	24.6	24.6	31.5
	Strongly Agree	89	68.5	68.5	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 1E

UC5 : Would you agree that the following conduct is unethical and wrong? Dishonesty

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.5	1.5	1.5
	Disagree	3	2.3	2.3	3.8
	Neutral	4	3.1	3.1	6.9
	Agree	16	12.3	12.3	19.2
	Strongly Agree	105	80.8	80.8	100.0
	Total	130	100.0	100.0	

A. Would you agree that the following conduct is unethical and wrong?



4.5.3 Frequencies Statistics Summary – Perception 2 (Would you agree that the following conduct is a problem in Malaysia?)

Statistics

	UC6 : Bribery	UC7: Leak Confidential Information	UC8 : Price Fixing	UC: Rent seeking/cable/ power abuse/ cronyism	UC10 : Dishonesty
N	Valid 130	130	130	130	130
	Missing 0	0	0	0	0
Mean	4.69	4.58	4.45	4.65	4.61
Median	5.00	5.00	5.00	5.00	5.00
Mode	5	5	5	5	5
Std. Deviation	.582	.668	.768	.595	.641
Variance	.339	.446	.590	.354	.411
Skewness	-1.992	-1.504	-1.484	-1.705	-1.578
Std. Error of Skewness	.212	.212	.212	.212	.212
Kurtosis	4.052	1.574	2.582	2.936	2.038
Std. Error of Kurtosis	.422	.422	.422	.422	.422

Table 4.3 – Frequencies Statistics Perception 2

In the summary table above for Perception 2, out of 130 respondents, the mean is highest at 4.69 and lowest is 4.45 which indicates a very high proportion are placed in between agree to strongly agree. The median is at 5.00 which is where majority of respondents. The mode is also at 5.00 which suggest a very strong

perception/opinion that the majority of respondents agree that the conduct in question is a problem in Malaysia.

Standard deviation measures the dispersion of a dataset relative to its mean. In this case our mean between 4.45 to 4.69 and standard deviation is 0.582 and 0.768. This means that majority of the respondents fall closely within the range mentioned above.

The skewness on all perception 2 is at negative, ranging from -1.484 to -1.992 indicating a negative skewed or left skewed. Majority of the data distribution lies on the right side of the mean, while the lower ranging values will be on the left side of the curve.

The Kurtosis is high on UC6 (perception of bribery being a problem in Malaysia) which is at 4.052. The rest UC7, UC8, UC9 and UC10 have values ranging from 1.574 to 2.936 which is less than three which means low presence of extreme values compared to normal distribution. Lesser data points will lie along the tail. That indicates that majority of respondents perceived bribery as a major problem and the other 4 unethical conduct is lesser of a problem in comparison to bribery.

The mean and Kurtosis on UC 8 (price fixing) seems to be higher at 2.582 when compared to perception 1. It seems like although the perception that price fixing is lesser when evaluated on unethical conduct, majority of respondents still do see it as a problem in Malaysia. This also means that the lower Kurtosis for four of the data cases indicate a shorter distribution in comparison to normal distribution i.e. Platykurtic distribution. Its tails are thinner and has a shorter distribution in comparison to normal distribution.

Frequency Table- Perception 2A

UC6 : Would you agree that the following conduct is a problem in Malaysia? Bribery

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	.8	.8	.8
	Neutral	5	3.8	3.8	4.6
	Agree	27	20.8	20.8	25.4
	Strongly Agree	97	74.6	74.6	100.0
	Total	130	100.0	100.0	

Frequency Table- Perception 2B

UC7 : Would you agree that the following conduct is a problem in Malaysia? Leak Confidential Information

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	.8	.8	.8
	Neutral	10	7.7	7.7	8.5
	Agree	31	23.8	23.8	32.3
	Strongly Agree	88	67.7	67.7	100.0
	Total	130	100.0	100.0	

Frequency Table- Perception 2C

UC8 : Would you agree that the following conduct is a problem in Malaysia? Price Fixing.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.8	.8	.8
	Disagree	1	.8	.8	1.5
	Neutral	13	10.0	10.0	11.5
	Agree	39	30.0	30.0	41.5
	Strongly Agree	76	58.5	58.5	100.0
	Total	130	100.0	100.0	

Frequency Table- Perception 2D

**UC9 : Would you agree that the following conduct is a problem in Malaysia?
Rent seeking/cable/power abuse/cronyism**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	.8	.8	.8
	Neutral	5	3.8	3.8	4.6
	Agree	33	25.4	25.4	30.0
	Strongly Agree	91	70.0	70.0	100.0
	Total	130	100.0	100.0	

Frequency Table- Perception 2E

**UC10 : Would you agree that the following conduct is a problem in Malaysia?
Dishonesty**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	.8	.8	.8
	Neutral	8	6.2	6.2	6.9
	Agree	32	24.6	24.6	31.5
	Strongly Agree	89	68.5	68.5	100.0
	Total	130	100.0	100.0	

B. Would you agree that the following conduct is a problem in Malaysia?



4.5.4 Frequencies Statistics Summary - Perception 3. (Would you agree that criminal cases involving the following unethical conduct has increased in Malaysia?)

	UC11 :Bribery	UC12 :leak Confidential Information	UC13 : Price Fixing	UC14: rent seeking/cable/ power abuse/cronyism	UC15 :Dishonesty
N	Valid 130	130	130	130	130
	Missing 0	0	0	0	0
Mean	4.61	4.42	4.21	4.43	4.51
Median	5.00	5.00	4.00	5.00	5.00
Mode	5	5	5	5	5
Std. Deviation	.653	.725	.794	.693	.662
Variance	.426	.525	.631	.480	.438
Skewness	-1.596	-.969	-.579	-.956	-1.007
Std. Error of Skewness	.212	.212	.212	.212	.212
Kurtosis	1.960	.031	-.616	.253	-.139
Std. Error of Kurtosis	.422	.422	.422	.422	.422

Table 4.4 – Frequencies Statistics Perception 3

In the summary table above for Perception 3, out of 130 respondents, the mean is highest at 4.61 and lowest is 4.21 which indicates a very high proportion are placed in between agree to strongly agree. The median is at 5.00 which is where majority of respondents. The mode is also at 5.00 which suggest a very strong

perception/opinion that the majority of respondents agree that the unethical conduct has increased in Malaysia.

Standard deviation measures the dispersion of a dataset relative to its mean . In this case our mean between 4.21 to 4.61 and standard deviation is 0.653 and 0.794. This means that majority of the respondents fall closely within the range mentioned above .

The skewness on all perception 3 is at negative , ranging from -0.579 to -1.596 indicating a negative skewed or left skewed. Majority of the data distribution lies on the right side of the mean, while the lower ranging values will be on the left side of the curve. However, it is worth noting that skewness for perception 3 is lower than perception 1 and 2 .

The Kurtosis is high on UC11 (perception of bribery related criminal cases is on the rise in Malaysia) which is at 1.960. The rest UC12, UC13, UC14 and UC15 have values ranging from -0.139 to 0.31 which is less than three which means low presence of extreme values compared to normal distribution. Lesser data points will lie along the tail. That indicate that majority of respondents perceived bribery related cases being on the rise and the other 4 unethical conduct is less in comparison to bribery.

The mean and Kurtosis on UC11 (bribery) seems to be highest at 1.960 when compared to UC12,UC13,UC14 and UC15. The perception is that majority of respondents feel that bribery related criminal cases are on the rise in Malaysia compared to other forms of unethical conduct. This also means that the lower Kurtosis for four of the data case indicate a shorter distribution in comparison to normal distribution i.e Platykurtic distribution. Its tails are thinner and has a shorter distribution in comparison to normal distribution.

Frequency Table – Perception 3A

UC11 : Would you agree that criminal cases involving the following unethical conduct has increased in Malaysia? Bribery

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	.8	.8	.8
	Neutral	9	6.9	6.9	7.7
	Agree	30	23.1	23.1	30.8
	Strongly Agree	90	69.2	69.2	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 3B

UC12 : Would you agree that criminal cases involving the following unethical conduct has increased in Malaysia? Leak Confidential Information

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	.8	.8	.8
	Neutral	15	11.5	11.5	12.3
	Agree	42	32.3	32.3	44.6
	Strongly Agree	72	55.4	55.4	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 3C

UC13 : Would you agree that criminal cases involving the following unethical conduct has increased in Malaysia? Price fixing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	2	1.5	1.5	1.5
	Neutral	24	18.5	18.5	20.0
	Agree	49	37.7	37.7	57.7
	Strongly Agree	55	42.3	42.3	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 3D

UC14 : Would you agree that criminal cases involving the following unethical conduct has increased in Malaysia? Rent seeking/cable/power abuse/cronyism

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	.8	.8	.8
	Neutral	12	9.2	9.2	10.0
	Agree	47	36.2	36.2	46.2
	Strongly Agree	70	53.8	53.8	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 3E

UC15 : Would you agree that criminal cases involving the following unethical conduct has increased in Malaysia? Dishonesty

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Neutral	12	9.2	9.2	9.2
	Agree	40	30.8	30.8	40.0
	Strongly Agree	78	60.0	60.0	100.0
	Total	130	100.0	100.0	

C. Would you agree that criminal cases involving the following conduct has increased in Malaysia?



4.5.5 Frequencies Statistics Summary - Perception 4. (The conduct below is necessary to do business in Malaysia. Do you agree?)

Statistics

		UC16 :Bribery	UC17 :Leak Confidential Information	UC18 :Price Fixing	UC19 :Rent seeking/cable /power abuse/cronyism	UC20 :Dishonesty
N	Valid	130	130	130	130	130
	Missing	0	0	0	0	0
Mean		2.87	2.86	3.03	3.07	2.86
Median		3.00	3.00	3.00	3.00	3.00
Mode		1	3	4	1 ^a	1
Std. Deviation		1.481	1.374	1.300	1.474	1.402
Variance		2.192	1.888	1.689	2.173	1.965
Skewness		.025	.071	-.101	-.121	.079
Std. Error of Skewness		.212	.212	.212	.212	.212
Kurtosis		-1.453	-1.177	-1.078	-1.382	-1.250
Std. Error of Kurtosis		.422	.422	.422	.422	.422

a. Multiple modes exist. The smallest value is shown

Table 4.5 – Frequencies Statistics Perception 4

The response for perception 4 is very interesting as we have a varied and spread out response. In the summary table above for Perception 4, out of 130 respondents, the mean is almost at the middle between 2.86 and 3.03 which indicates a very high proportion are placed in between neutral to disagree. The median is at 3.00 which is where majority of respondents. The mode is at a mix of between 1, 3 and 4 which suggest that the majority of respondents disagree that the unethical conduct is necessary to do business in Malaysia. This set of data is different compared to the rest of the perception on unethical conduct as there are several factors that varies and have an effect on the respondent's perception.

Standard deviation measures the dispersion of a dataset relative to its mean. In this case our mean between 2.86 to 3.03 and standard deviation is 1.300 to 1.481. This means that there is a wide varied response from strongly agree to strongly disagree. The response seem to be dependent on the perception that is taken by age group whereby the first age group of 18-25 have a majority that responded with such an unethical conduct is not necessary or should not be necessary. The oldest age group of 45 and above, seem to have a substantial number of respondents that agree that such an unethical conduct is necessary to do business in Malaysia because of the prevailing culture in the business community. This may be due form their personal past experiences of dealing with various agencies that may have triggered a perception that such conduct is necessary. They may not agree with such unethical conduct but are incline to do so because the culture is widespread and for their business to prosper, it is a matter of no choice.

The skewness on all perception 4 is at positive except for UC18(price fixing) and UC19(rent seeking), ranging from -0.101 to 0.79 indicating an almost symmetric distribution as it is a little over 0.5. Majority of the data distribution lies on both sides the mean. This would result in an almost normal distribution curve.

The Kurtosis value is fairly close for all variable from UC16 to UC20 which is between -1.078 and - 1.453 which is less than three and means low presence of extreme values compared to normal distribution. Lesser data points will lie along the tail.

Frequency Table – Perception 4A

UC16 : The conduct below is necessary to do business in Malaysia. Do you agree? Bribery

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	36	27.7	27.7	27.7
	Disagree	21	16.2	16.2	43.8
	Neutral	19	14.6	14.6	58.5
	Agree	32	24.6	24.6	83.1
	Strongly Agree	22	16.9	16.9	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 4B

UC17 : The conduct below is necessary to do business in Malaysia. Do you agree? Leak Confidential Information

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	30	23.1	23.1	23.1
	Disagree	22	16.9	16.9	40.0
	Neutral	34	26.2	26.2	66.2
	Agree	24	18.5	18.5	84.6
	Strongly Agree	20	15.4	15.4	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 4C

UC18 : The conduct below is necessary to do business in Malaysia. Do you agree? Price Fixing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	21	16.2	16.2	16.2
	Disagree	25	19.2	19.2	35.4
	Neutral	32	24.6	24.6	60.0
	Agree	33	25.4	25.4	85.4
	Strongly Agree	19	14.6	14.6	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 4D

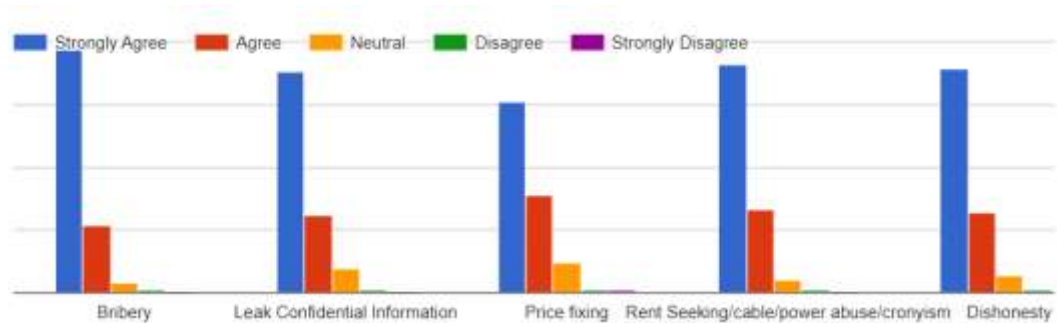
UC19 : The conduct below is necessary to do business in Malaysia. Do you agree? Rent Seeking/cable/power abuse/cronyism

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	29	22.3	22.3	22.3
	Disagree	20	15.4	15.4	37.7
	Neutral	23	17.7	17.7	55.4
	Agree	29	22.3	22.3	77.7
	Strongly Agree	29	22.3	22.3	100.0
Total		130	100.0	100.0	

Frequency Table – Perception 4E

UC20 : The conduct below is necessary to do business in Malaysia. Do you agree? Dishonesty

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	31	23.8	23.8	23.8
	Disagree	23	17.7	17.7	41.5
	Neutral	30	23.1	23.1	64.6
	Agree	25	19.2	19.2	83.8
	Strongly Agree	21	16.2	16.2	100.0
Total		130	100.0	100.0	



4.5.6 Frequencies Statistics Summary - Perception 5. (Do you think current laws and regulations is not enough to curb the following conduct.)

		Statistics				
		UC21 Bribery	UC22 leak Confidential Information	UC23 Price fixing	UC24 Rent seeking/cable / power abuse/cronyism	UC25 :Dishonesty
N	Valid	130	130	130	130	130
	Missing	0	0	0	0	0
Mean		3.98	3.98	3.88	3.95	3.95
Median		4.00	4.00	4.00	4.00	4.00
Mode		5	5	5	5	5
Std. Deviation		1.204	1.134	1.125	1.154	1.120
Variance		1.449	1.287	1.266	1.331	1.254
Skewness		-1.065	-.941	-.765	-.985	-.918
Std. Error of Skewness		.212	.212	.212	.212	.212
Kurtosis		.211	.044	-.191	.239	.079
Std. Error of Kurtosis		.422	.422	.422	.422	.422

Table 4.6 – Frequencies Statistics Perception 5

In the summary table above for Perception 5, out of 130 respondents, the mean is highest at 3.98 and lowest is 3.88 which indicates a very high proportion are placed between agree to strongly agree. The median is at 4.00 which is where majority of respondents. The mode is at 5.00 which suggest a very strong perception/opinion that the majority of respondents agree that the current laws and regulation is not enough to curb unethical conduct. However, it is noticeable that that there are also a small number of respondents who disagrees or strongly disagrees to the statement and feels that Malaysia has enough laws and regulations to curb such unethical conduct.

What is even more interesting are the respondents who disagree are lawyers and industry professionals with more than 16 years experience. Their perception is that Malaysia has more than enough laws to curb, prevent, discourage, punish any person that has been found to be involved in unethical conduct. Rather, their perception is that enforcement is lacking, action is slow or none at all, and the different levels of justice that is meted out based on societal structure and level of status within the society. The laws and regulations are more than sufficient to bring any wrongdoers to justice and ensure it acts as a preventive measure when it is seen to be carried out without fear or favour. However, it is not the case and hence their perception is that we do not need more laws but we need more enforcement and action (or rather speed of action).

Standard deviation measures the dispersion of a dataset relative to its mean. In this case our mean between 3.88 to 3.98 and standard deviation is 1.125 and 1.204. This means that majority of the respondents fall closely within the range mentioned above.

The skewness on all perception 5 is at negative, ranging from -0.765 to -1.065 indicating a negative skewed or left skewed. Majority of the data distribution lies on the right side of the mean, while the lower ranging values will be on the left side of the curve.

The Kurtosis is fairly low on all UC20 to UC25 with values ranging from -0.191 to 0.239 which is less than three which means low presence of extreme values compared to normal distribution. Lesser data points will lie along the tail. This also means that the lower Kurtosis for all of the data case indicate a shorter distribution in comparison to normal distribution i.e. Platykurtic distribution. Its tails are thinner and has a shorter distribution in comparison to normal distribution.

The perception is that majority of respondents feel that the current laws and regulations are insufficient to curb unethical conduct with median values at 4.00 and mode at 5.00.

Frequency Table – Perception 5A

UC21 Do you think current laws and regulations is not enough to curb the following conduct? Bribery

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	8	6.2	6.2	6.2
	Disagree	9	6.9	6.9	13.1
	Neutral	20	15.4	15.4	28.5
	Agree	34	26.2	26.2	54.6
	Strongly Agree	59	45.4	45.4	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 5B

UC22 : Do you think current laws and regulations is not enough to curb the following conduct? Leak Confidential Information

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	3.8	3.8	3.8
	Disagree	10	7.7	7.7	11.5
	Neutral	24	18.5	18.5	30.0
	Agree	34	26.2	26.2	56.2
	Strongly Agree	57	43.8	43.8	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 5C

UC23 : Do you think current laws and regulations is not enough to curb the following conduct? Price fixing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	3.8	3.8	3.8
	Disagree	10	7.7	7.7	11.5
	Neutral	30	23.1	23.1	34.6
	Agree	35	26.9	26.9	61.5

Strongly Agree	50	38.5	38.5	100.0
Total	130	100.0	100.0	

Frequency Table – Perception 5D

UC24 Do you think current laws and regulations is not enough to curb the following conduct? Rent seeking/cable/power abuse/cronyism.

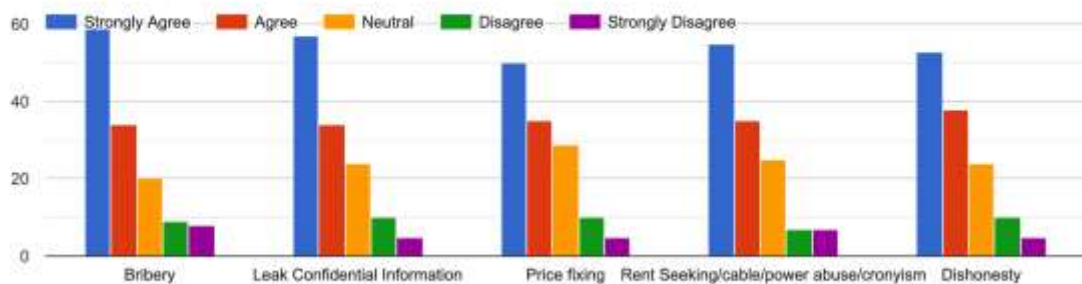
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	5.4	5.4	5.4
	Disagree	7	5.4	5.4	10.8
	Neutral	26	20.0	20.0	30.8
	Agree	35	26.9	26.9	57.7
	Strongly Agree	55	42.3	42.3	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 5E

UC25 : Do you think current laws and regulations is not enough to curb the following conduct? Dishonesty

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	3.8	3.8	3.8
	Disagree	10	7.7	7.7	11.5
	Neutral	24	18.5	18.5	30.0
	Agree	38	29.2	29.2	59.2
	Strongly Agree	53	40.8	40.8	100.0
	Total	130	100.0	100.0	

E.Do you think current laws and regulations is not enough to curb the following conduct?



4.5.7 Frequencies Statistics Summary - Perception 6 (Do you agree that many cases in the headlines involved in corporate crimes are due to the following unethical conduct?)

		Statistics				
		UC26 :Bribery	UC27 :Leak Confidential Information	UC28 Price fixing	UC29 Rent seeking/cable/ power abuse /cronyism	UC30 :Dishonesty
N	Valid	130	130	130	130	130
	Missing	0	0	0	0	0
Mean		4.57	4.35	4.20	4.32	4.45
Median		5.00	4.50	4.00	5.00	5.00
Mode		5	5	5	5	5
Std. Deviation		.646	.725	.839	.817	.768
Variance		.418	.525	.704	.667	.590
Skewness		-1.225	-.655	-.554	-1.076	-1.484
Std. Error of Skewness		.212	.212	.212	.212	.212
Kurtosis		.337	-.835	-.920	1.022	2.582
Std. Error of Kurtosis		.422	.422	.422	.422	.422

Table 4.7 – Frequencies Statistics Perception 6

In the summary table above for Perception 6, out of 130 respondents, the mean is highest at 4.57 and lowest is 4.20 which indicates a very high proportion are placed in between agree to strongly agree. The median is at 5.00 which is where majority of respondents are placed. The mode is also at 5.00 which suggest a very strong perception/opinion that the majority of respondents agree that many cases in the headlines involved corporates crimes caused by either one of the unethical conduct. Standard deviation measures the dispersion of a dataset relative to its mean. In this case our mean between 4.20 to 4.57 and standard deviation is 0.646 and

0.839. This means that majority of the respondents fall closely within the range mentioned above .

The skewness on all perception 6 is all negative , ranging from -0.554 to -1.484 indicating a negative skewed or left skewed. Majority of the data distribution lies on the right side of the mean, while the lower ranging values will be on the left side of the curve.

The Kurtosis is high on UC30 (perception of dishonesty related criminal cases in the headlines in Malaysia) which is at 2.582. The rest UC26, UC27, UC28 and UC29 have values ranging from --0.920 to 1.022 which is less than three and means low presence of extreme values compared to normal distribution. Lesser data points will lie along the tail.

The mean for UC26 (bribery) seems to be highest at 4.57 when compared to UC12,UC13,UC14 and UC15. The perception is that majority of respondents feel that current cases in Malaysia that are in the headlines are bribery related criminal cases compared to other forms of unethical conduct.

Frequency Table – Perception 6A

UC26 : Do you agree that many cases in the headlines involved in corporate crimes are due to the following unethical conduct?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Neutral	11	8.5	8.5	8.5
	Agree	34	26.2	26.2	34.6
	Strongly Agree	85	65.4	65.4	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 6B

UC27 : Do you agree that many cases in the headlines involved in corporate crimes are due to the following unethical conduct?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Neutral	19	14.6	14.6	14.6
	Agree	46	35.4	35.4	50.0
	Strongly Agree	65	50.0	50.0	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 6C

UC28 : Do you agree that many cases in the headlines involved in corporate crimes are due to the following unethical conduct?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	2	1.5	1.5	1.5
	Neutral	29	22.3	22.3	23.8
	Agree	40	30.8	30.8	54.6
	Strongly Agree	59	45.4	45.4	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 6D

UC29 : Do you agree that many cases in the headlines involved in corporate crimes are due to the following unethical conduct?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.8	.8	.8
	Disagree	1	.8	.8	1.5
	Neutral	20	15.4	15.4	16.9
	Agree	42	32.3	32.3	49.2
	Strongly Agree	66	50.8	50.8	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 6E

UC30 : Do you agree that many cases in the headlines involved in corporate crimes are due to the following unethical conduct?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.8	.8	.8
	Disagree	1	.8	.8	1.5
	Neutral	13	10.0	10.0	11.5
	Agree	39	30.0	30.0	41.5
	Strongly Agree	76	58.5	58.5	100.0
	Total	130	100.0	100.0	

F. Do you agree that many current cases in the headlines involved in corporate crimes are due to the following unethical conduct?



4.5.8 Frequencies Statistics Summary - Perception 7 (Do you agree that Malaysia requires a much harsher, stiffer punishment to control corporate crimes listed below?)

		Statistics				
		UC31 : Bribery	UC32 :Leak Confidential Information	UC33 :price fixing	UC34 : rent seeking/cable /power abuse/cronyism	UC35 : Dishonesty
N	Valid	130	130	130	130	130
	Missing	0	0	0	0	0
Mean		4.56	4.43	4.40	4.41	4.46
Median		5.00	5.00	5.00	5.00	5.00
Mode		5	5	5	5	5
Std. Deviation		.747	.825	.774	.832	.799
Variance		.558	.681	.598	.693	.638
Skewness		-1.913	-1.624	-1.241	-1.544	-1.773
Std. Error of Skewness		.212	.212	.212	.212	.212
Kurtosis		3.482	2.695	1.131	2.388	3.527
Std. Error of Kurtosis		.422	.422	.422	.422	.422

Table 4.8 – Frequencies Statistics Perception 7

Frequency Table – Perception 7A

UC31 : Do you agree that Malaysia requires a much harsher, stiffer punishment to control corporate crimes listed below?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	3.8	3.8	3.8
	Neutral	5	3.8	3.8	7.7
	Agree	32	24.6	24.6	32.3
	Strongly Agree	88	67.7	67.7	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 7B

UC32 : Do you agree that Malaysia requires a much harsher, stiffer punishment to control corporate crimes listed below?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.8	.8	.8
	Disagree	4	3.1	3.1	3.8
	Neutral	10	7.7	7.7	11.5
	Agree	38	29.2	29.2	40.8
	Strongly Agree	77	59.2	59.2	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 7C

UC33 : Do you agree that Malaysia requires a much harsher, stiffer punishment to control corporate crimes listed below?)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	3.1	3.1	3.1
	Neutral	11	8.5	8.5	11.5
	Agree	44	33.8	33.8	45.4
	Strongly Agree	71	54.6	54.6	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 7D

UC34 : Do you agree that Malaysia requires a much harsher, stiffer punishment to control corporate crimes listed below?)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.8	.8	.8
	Disagree	4	3.1	3.1	3.8
	Neutral	11	8.5	8.5	12.3
	Agree	39	30.0	30.0	42.3
	Strongly Agree	75	57.7	57.7	100.0
	Total	130	100.0	100.0	

Frequency Table – Perception 7E

UC35 :G. Do you agree that Malaysia requires a much harsher, stiffer punishment to control corporate crimes listed below?)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.8	.8	.8
	Disagree	4	3.1	3.1	3.8
	Neutral	7	5.4	5.4	9.2
	Agree	40	30.8	30.8	40.0
	Strongly Agree	78	60.0	60.0	100.0
	Total	130	100.0	100.0	

G.Do you agree that Malaysia requires a much harsher, stiffer punishment to control corporate crimes listed below?



4.5.9 Frequencies Statistics Summary – Frame of Mind

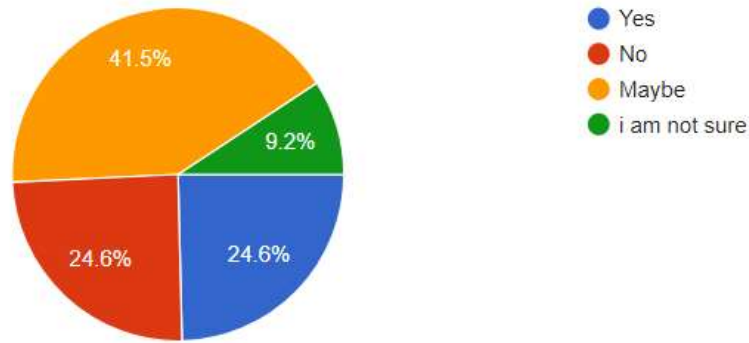
		Statistics						
		Frame of Mind 1	Frame of Mind 2	Frame of Mind 3	Frame of Mind 4	Frame of Mind 5	Frame of Mind 6	Frame of Mind 7
N	Valid	130	130	130	130	130	130	130
	Missing	0	0	0	0	0	0	0
Mean		2.66	2.87	2.98	3.62	3.52	3.13	3.20
Median		3.00	3.00	3.00	4.00	1.00	1.00	3.00
Mode		3	4	3	4	1	1	4
Std. Deviation		1.104	1.130	.984	.927	.908	1.059	.927
Variance		1.218	1.277	.968	.859	.825	1.122	.859
Skewness		-.418	-.622	-.697	-2.303	1.653	.742	-1.063
Std. Error of Skewness		.212	.212	.212	.212	.212	.212	.212
Kurtosis		-1.157	-1.008	-.501	3.743	1.348	-.913	.311
Std. Error of Kurtosis		.422	.422	.422	.422	.422	.422	.422

Table 4.9 – Frequencies Statistics Frame of Mind

Frequency Table – Frame of Mind 1

FoM 1 :Do you think that employees who engage in unethical conduct in securing contracts or sales are generally more appreciated by the company?

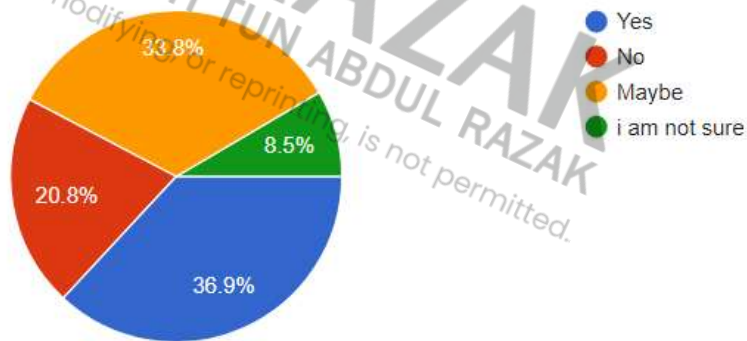
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	32	24.6	24.6	24.6
	I am not sure	12	9.2	9.2	33.8
	Maybe	54	41.5	41.5	75.4
	Yes	32	24.6	24.6	100.0
	Total	130	100.0	100.0	



Frequency Table – Frame of Mind 2

FoM2: Do you think that employees who engage in unethical conduct in securing contracts or sales are generally seen as more successful?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	27	20.8	20.8	20.8
	I am not sure	11	8.5	8.5	29.2
	Maybe	44	33.8	33.8	63.1
	Yes	48	36.9	36.9	100.0
	Total	130	100.0	100.0	

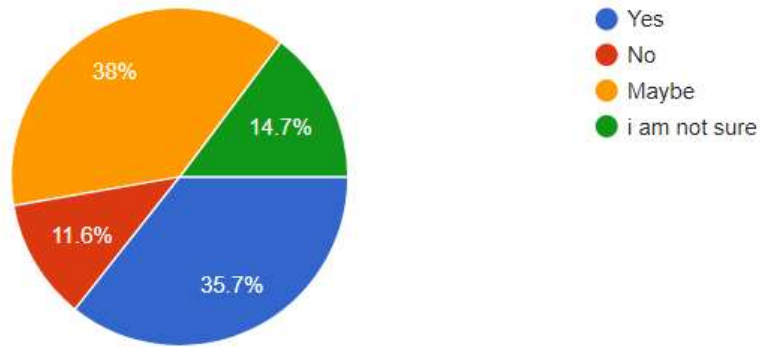


Frequency Table – Frame of Mind 3

FoM3 : Do you think some companies actually encourage their staff to engage in unethical conduct to secure a contract or business?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	15	11.5	11.5	11.5
	I am not sure	19	14.6	14.6	26.2
	Maybe	50	38.5	38.5	64.6

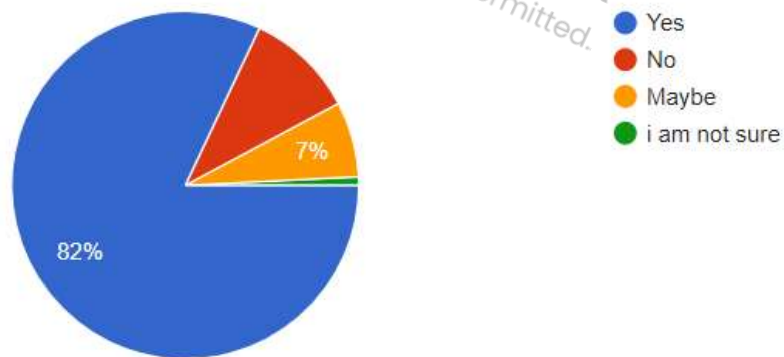
Yes	46	35.4	35.4	100.0
Total	130	100.0	100.0	



Frequency Table – Frame of Mind 4

FoM4 : If your CEO , Manager or immediate Supervisor specifically gives instruction for you to do business ethically meaning everything must be legal and done in correct manner , would you follow his instructions?

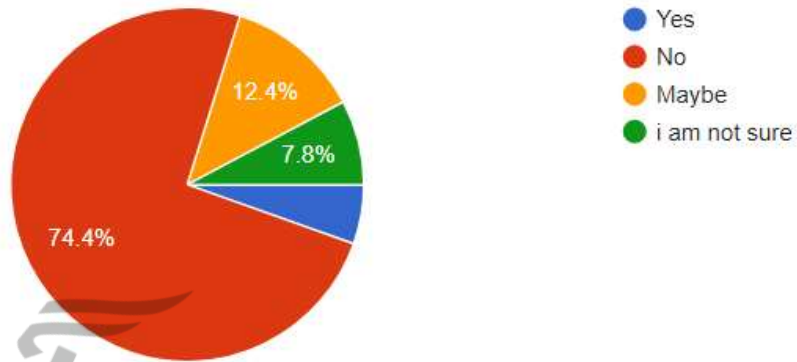
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	13	10.0	10.0	10.0
	I am not sure	1	.8	.8	10.8
	Maybe	9	6.9	6.9	17.7
	Yes	107	82.3	82.3	100.0
Total		130	100.0	100.0	



Frequency Table – Frame of Mind 5

FoM5 :If your CEO, Manager or immediate supervisor specifically gives you instructions to do something unethical, illegal or wrong to secure a business or risk losing your job, would you follow his instruction?

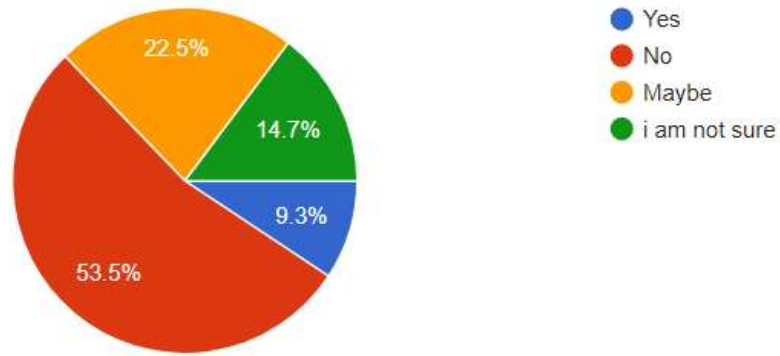
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	97	74.6	74.6	74.6
	I am not sure	10	7.7	7.7	82.3
	Maybe	16	12.3	12.3	94.6
	Yes	7	5.4	5.4	100.0
	Total	130	100.0	100.0	



Frequency Table – Frame of Mind 6

FoM6 :If you saw unethical, illegal, immoral, business conduct and practices such as bribery, price collusion/price fixing, dishonesty, abuse, fraud, discrimination at your workplace, would you keep quiet, just concentrate on your own work and ignore such activities?

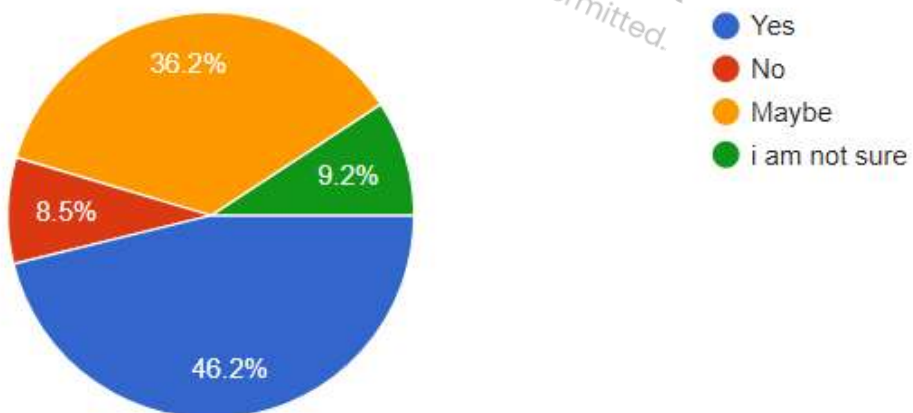
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	70	53.8	53.8	53.8
	I am not sure	19	14.6	14.6	68.5
	Maybe	29	22.3	22.3	90.8
	Yes	12	9.2	9.2	100.0
	Total	130	100.0	100.0	



Frequency Table – Frame of Mind 7

FoM7 :If you saw unethical, illegal, immoral, business conduct and practices such as bribery, price collusion/price fixing, dishonesty, abuse, fraud, discrimination at your workplace, would you expose such activity and partake in whistle blowing (expose it to relevant government authorities)?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	11	8.5	8.5	8.5
	I am not sure	12	9.2	9.2	17.7
	Maybe	47	36.2	36.2	53.8
	Yes	60	46.2	46.2	100.0
	Total	130	100.0	100.0	



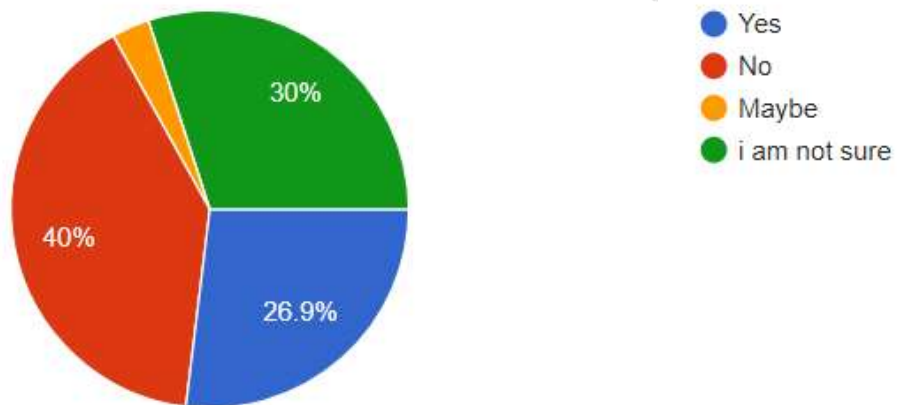
4.5.10 Frequencies Statistics Summary – Awareness level

		Statistics		
		Awareness1	Awareness2	Awareness3
N	Valid	130	130	130
	Missing	0	0	0
Std. Deviation		1.221	.969	.880
Variance		1.491	.939	.775
Skewness		.579	.029	.186
Std. Error of Skewness		.212	.212	.212
Kurtosis		-1.271	-1.199	-.745
Std. Error of Kurtosis		.422	.422	.422

Frequency Table

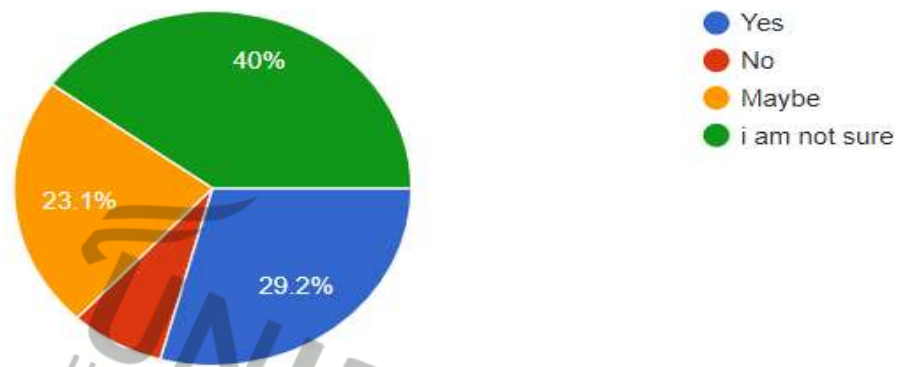
Awareness Level 1 : Are you aware that Malaysia Domestic and Trade Affairs have introduced Malaysian Business Code of ethics in 2015?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	52	40.0	40.0	40.0
	I am not sure	39	30.0	30.0	70.0
	Maybe	4	3.1	3.1	73.1
	Yes	35	26.9	26.9	100.0
	Total	130	100.0	100.0	



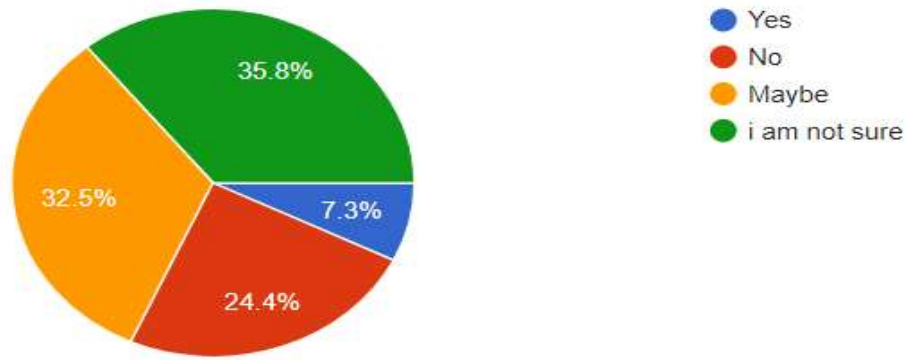
Awareness Level 2 : In your opinion , are the Business Code of Ethics introduce by the Ministry relevant?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	10	7.7	7.7	7.7
	I am not sure	52	40.0	40.0	47.7
	Maybe	30	23.1	23.1	70.8
	Yes	38	29.2	29.2	100.0
	Total	130	100.0	100.0	



Awareness Level 3 : If yes, do you think that companies are abiding to the code?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	30	23.1	23.1	23.1
	I am not sure	51	39.2	39.2	62.3
	Maybe	40	30.8	30.8	93.1
	Yes	9	6.9	6.9	100.0
	Total	130	100.0	100.0	



4.6 RELIABILITY TEST

Cronbach Alpha is a reliability test to measure the internal consistency i.e. reliability of the Questionnaire when utilising the SPSS software for analysis. It measures how closely related a set of items are as a group. It is most commonly used when the questionnaire is developed using multiple Likert scale statements and therefore to determine if the scale is reliable or not. The lower the Cronbach Alpha Coefficient, means the questions are either not related or low reliability whilst a higher Cronbach Alpha Coefficient means a closely related and high reliability.

The first set of test carried out was on individual set of 5 questions each on each independent variable (bribery, leaking confidential information, price collusion/price fixing, rent seeking/power abuse/using cables, dishonesty).

Case Processing Summary

		N	%
Cases	Valid	130	100.0
	Excluded ^a	0	.0
	Total	130	100.0

The result below is a list of Cronbach's Alpha based on 7 sets individual evaluation of 5 independent variable.

Reliability Statistics

Cronbach's Alpha	No of Items
.930	5
.900	5
.903	5
.969	5
.972	5
.905	5
.969	5

The lowest Alpha Coefficient is the second set of questions which is at 0.900 and the highest Alpha Coefficient is 0.972 for the fifth set of questions. The other 5 sets falls in between and are generally not far off.

What can be deduced here is that all the 7 set of questions have a high reliability since any reliability coefficient above 0.700 is acceptable. A reliability coefficient above 0.800 is considered relatively high . Since all the Reliability Alpha coefficient is above 0.900, it is clear that the questions has a high reliability and are very closely related.

A second set of Cronbach's Alpha analysis was done on all 35 questions and the Reliability Alpha Coefficient is 0.930 which is a clear indication and reaffirms the earlier individual analysis, that all the 35 questions are very closely related and have a high reliability.

Case Processing Summary

		N	%
Cases	Valid	130	100.0
	Excluded ^a	0	.0
	Total	130	100.0

Reliability Statistics

Cronbach's Alpha	N of Items
.930	35

4.7 PEARSON'S CORRELATION COEFFICIENT TEST

A cross reference on all independent variables for each 5 perception of unethical conduct was analysed using Pearson's correlation coefficient. Correlation can have a value within -1 and +1. Positive 1 or closest to it signifies a strong correlation and a negative 1 or closest to it signifies a weak correlation. The positive or negative sign of the correlation coefficient indicates the direction of the relationship, while the magnitude of the correlation (how close it is to -1 or +1) indicates the strength of the relationship.

- -1 : perfectly negative linear relationship
- 0 : no relationship
- +1 : perfectly positive linear relationship

The strength can be assessed by these general guidelines :

- $.1 < |r| < .3$... small / weak correlation
- $.3 < |r| < .5$... medium / moderate correlation
- $.5 < |r|$ large / strong correlation

Pearson Correlation/ Bayes Factor Inference on Pairwise Correlations – Bribery

		UC1	UC6	UC11	UC16 :	UC21	UC26	UC31
UC1	Pearson Correlation	1	.470	.313	-.077	.024	.222	.137
	Bayes Factor		.000	.020	9.867	13.870	.587	4.283
N		130	130	130	130	130	130	130

Table 4.11 Pearson Correlation Cross Reference -Bribery

The perception on all unethical conduct related to bribery has been found to be from moderate to weak correlation with UC16 a negative correlation. This is explainable as UC16 is analysing the perception of respondents on whether such unethical is necessary to do business in Malaysia and a number of respondents feel this is (or this should not) be the case .

Pearson Correlation/Bayes Factor Inference on Pairwise Correlation- Leak Confidential info

		UC2	UC7	UC12 :	UC17	UC22	UC27	UC32 :
UC2	Pearson Correlation	1	.507	.318	-.043	.003	.222	.247
	Bayes Factor		.000	.017	12.803	14.391	.580	.267
N		130	130	130	130	130	130	130

Table 4.12 Pearson Correlation Cross Reference –Leak Confidential Information

Pearson Correlation/Bayes Factor Inference on Pairwise Correlation- Price Fixing

		UC3	UC8 :	UC13 :	UC18	UC23	UC28 _B	UC33
UC3	Pearson Correlation	1	.568	.310	-.109	.241	.225	.096
	Bayes Factor		.000	.024	6.719	.326	.536	7.985
	N	130	130	130	130	130	130	130

Table 4.13 Pearson Correlation Cross Reference Price Fixing

Bayes Factor Inference on Pairwise Correlation- rent seeking/cable/power abuse/cronyism

		UC4	UC9 :	UC14	UC19	UC24	UC29	UC34
UC4	Pearson Correlation	1	.487	.232	-.073	.028	.178	.155
	Bayes Factor		.000	.423	10.264	13.680	1.850	3.094
	N	130	130	130	130	130	130	130

a. Bayes factor: Null versus alternative hypothesis.

Table 4.14 Pearson Correlation Cross Reference – rent seeking/cable/power abuse/cronyism

Pearson Correlation/Bayes Factor Inference on Pairwise Correlation- Dishonesty

		UC5	UC10	UC15	UC20	UC25 :	UC30	UC35
UC5	Pearson Correlation	1	.434	.313	-.055	.072	.224	.249
	Bayes Factor		.000	.020	11.913	10.334	.542	.250
	N	130	130	130	130	130	130	130

a. Bayes factor: Null versus alternative hypothesis.

Table 4.15 Pearson Correlation Cross Reference – Dishonesty

4.8 MULTIPLE REGRESSION TEST

Table 4.16 below shows that the R square is at 0.231. Table below 4.16 is a summary for multiple regression analysis for unethical conduct and business practices. There is a significant relationship between the independent variable (unethical conduct and frame of mind) and the dependent variable which is at 0.03 and 0.00 respectively. There was no significant relationship between awareness and dependent variable as the figure is above 0.05.

On the ANOVA one way Table 4.17, the F statistic value is 12.600 and the significance p value is 0.00 which shows that it is significant.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.480 ^a	.231	.212	1.789

a. Predictors: (Constant), SUM_Frame of Mind, SUM_Awareness, SUM_UC

Multiple Regression Table - Coefficients^a

Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-3.200	1.712		-1.870	.064
SUM_Awareness	-.005	.072	-.006	-.076	.940
SUM_UC	.028	.009	.246	3.061	.003
SUM_Frame of Mind	.355	.075	.373	4.709	.000

a. Dependent Variable: SUM_DV

Table 4.16 Multiple Regression Table

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	121.010	3	40.337	12.600	.000^b
	Residual	403.367	126	3.201		
	Total	524.377	129			

a. Dependent Variable: SUM_DV

b. Predictors: (Constant), SUM_FrameofMind, SUM_Awareness, SUM_UC

Table 4.17 ANOVA table

4.9 HYPOTHESIS TESTING

The hypothesis proposed were:

H₁: perception has a significant impact on unethical conduct and practices

H₂: frame of mind has a significant impact on unethical conduct and practices

H₃: awareness has a significant impact on unethical conduct and practices

H_{4a}: education level moderates perception, frame of mind and awareness of unethical conduct and practices

H_{4b}: experience moderates perception, frame of mind and awareness of unethical conduct and practices

H_{4c}: work category moderates perception, frame of mind and awareness of unethical conduct and practices

Hypothesis testing was done using Pearson Product-Moment Correlation Coefficients Test. It measures the degree of relationship between all the variables.

The correlation will be represented by a number between +1 to -1. A positive number indicate a positive relationship and a negative figure indicate a negative relationship. A score of +1 is interpreted as a perfectly positive relationship and 0

indicate no relationship between the variables. From the table below, when the variable correlates with itself, it will score a perfect +1 score at all times.

The test involves correlating the sum each independent variable (IV1 Perception, IV2 Frame of Mind and IV3 Awareness Level) and the sum of dependent variable (DV). The result is tabled below:

Correlations

		SUM IV1 PERCEPTIO N	SUM IV2 FRAME OF MIND	SUM IV3 AWARENES S	SUMDV
SUMIV1PERCEPTIO N	Pearson Correlation	1	.164	-.178*	.308**
	Sig. (2-tailed)		.063	.043	.000
	N	130	130	130	130
SUMIV2FRAMEOFMI ND	Pearson Correlation	.164	1	-.068	.414**
	Sig. (2-tailed)	.063		.441	.000
	N	130	130	130	130
SUMIV2AWARENES S	Pearson Correlation	-.178*	-.068	1	-.075
	Sig. (2-tailed)	.043	.441		.394
	N	130	130	130	130
SUMDV	Pearson Correlation	.308**	.414**	-.075	1
	Sig. (2-tailed)	.000	.000	.394	
	N	130	130	130	130

*. Correlation is significant at the 0.05 level (2-tailed).

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4.18 Correlation SumIV Sum DV

Evaluation of the results indicate showed that there is a positive relationship on 2 of the independent variables i.e IV1 Perception and IV2 Frame of Mind .There is a strong correlation at 0.414 between IV2, frame of mind and DV, dependent variable. The correlation is significant at 0.05 level (2 tailed).

There is also a strong but lower correlation at 0.308 between IV1 at 0.05 level (2 tailed). However for IV3, Awareness level, there has been no significant correlation at -0.75. This indicates that there is a significant impact of perception and frame of mind on Malaysians whereas awareness level does not have any impact at all on the unethical conduct and practices.

Hypothesis 4_a Test - Education

		Sum of Squares	df	Mean Square	F	Sig.
SUMIV1PERCEPTION	Between Groups	616.950	3	205.650	.646	.587
	Within Groups	40083.519	126	318.123		
	Total	40700.469	129			
SUMIV2FRAMEOFMIND	Between Groups	11.239	3	3.746	.833	.478
	Within Groups	566.984	126	4.500		
	Total	578.223	129			
SUMIV2AWARENESS	Between Groups	5.166	3	1.722	.344	.794
	Within Groups	630.865	126	5.007		
	Total	636.031	129			
SUMDV	Between Groups	31.366	3	10.455	2.672	.050
	Within Groups	493.011	126	3.913		
	Total	524.377	129			

Table 4.19 Hypothesis Test 4a Test - Education

Hypothesis 4_b Test – Work Experience

		Sum of Squares	df	Mean Square	F	Sig.
SUMIV1PERCEPTION	Between Groups	728.883	4	182.221	.570	.685
	Within Groups	39971.586	125	319.773		
	Total	40700.469	129			
SUMIV2FRAMEOFMIND	Between Groups	59.202	4	14.801	3.565	.009
	Within Groups	519.021	125	4.152		
	Total	578.223	129			
SUMIV2AWARENESS	Between Groups	46.725	4	11.681	2.478	.047
	Within Groups	589.306	125	4.714		
	Total	636.031	129			

SUMDV	Between Groups	31.872	4	7.968	2.022	.095
	Within Groups	492.504	125	3.940		
	Total	524.377	129			

Table 4.20 4_b Test – Work Experience

Hypothesis 4_c Test – Work Category

		Sum of Squares	df	Mean Square	F	Sig.
SUMIV1PERCEPTION	Between Groups	2007.916	5	401.583	1.287	.274
	Within Groups	38692.554	124	312.037		
	Total	40700.469	129			
SUMIV2FRAMEOFMIND	Between Groups	24.425	5	4.885	1.094	.367
	Within Groups	553.798	124	4.466		
	Total	578.223	129			
SUMIV2AWARENESS	Between Groups	48.673	5	9.735	2.055	.076
	Within Groups	587.358	124	4.737		
	Total	636.031	129			
SUMDV	Between Groups	47.685	5	9.537	2.481	.035
	Within Groups	476.692	124	3.844		
	Total	524.377	129			

Table 4.21 4_c Test – Work Category

The final table of hypothesis testing is as follows:

Hypothesis	Statement	Findings	Results
H ₁	perception has a significant impact on unethical business conduct and practices.	p=0.00; p< 0.05	Hypothesis is accepted
H ₂	frame of mind has a significant impact on unethical business conduct and practices	p=0.00; p<0.05	Hypothesis is accepted
H ₃	awareness has a significant impact on unethical business conduct and practices	p=-.075;p>0.05	Hypothesis is rejected
H _{4a}	education level moderates perception, frame of mind and awareness of unethical conduct and practices	p=0.05 ;p<0.05	Hypothesis is accepted
H _{4b}	Work experience moderates perception, frame of mind and awareness of unethical conduct and practices	p=0.009;p<0.05	Hypothesis is accepted
H _{4c}	work category moderates perception, frame of mind and awareness of unethical conduct and practices	p=0.035;p<0.05	Hypothesis is accepted

4.10 SUMMARY

Chapter four has covered all the data collected from the respondents and provided additional information on the response rate, individual details on demographics characteristics, missing data management, descriptive analysis on the independent variables as well as presenting the data in easy to understand graphs and charts, Cronbach Alpha analysis/reliability test, Pearson coefficient and hypothesis testing.

In conclusion, the descriptive analysis has provided a detailed insight on the respondents demographics, responses and the perception on all 7 subsections on perception and it has been found that in most circumstances there is a strong correlation between the independent variables when evaluated on Cronbach Alpha method reliability test. All the figures from Cronbach Alpha were above 0.9. However, when a separate cross reference is done on Pearson Correlation Coefficient on specifically related independent variables, it was found to have several areas where the correlation is weak or moderate based on Pearson correlation coefficient. The cross reference involved the same unethical conduct which was spread across perception 1 to perception 7.

CHAPTER 5.0 CONCLUSION, IMPLICATIONS AND LIMITATIONS

5.0 CONCLUSION, IMPLICATIONS AND LIMITATIONS.

This chapter covers the research conclusion, any implications of the research as well as any limitations faced throughout the research period.

5.1 RESPONSE TO RESEARCH QUESTIONS

The subject of Ethics seems to be an avoided topic of open discussion and research. Some just declined and apologised. As mentioned in section 4.1, the response rate is 40% with 325 questionnaires sent out by various means with only 130 respondents within 14 days when the questionnaire was closed. A number of respondents did contact and provide feedback saying that this is a sensitive subject and were hesitant to provide information and their feedback on the issues.

There was an imminent fear that providing such information and feedback would be detrimental to their position, business, company they are working for or any other factors that could affect them negatively.

Whilst they fully understand the implications of unethical conduct and the negative role of each of those conduct with regards to the impact it has on Malaysian corporate governance, the unofficial feedback received from various quarters whether it be government employees, private sector employees, GLC's, Business owners are almost similar. This can be summed up by feedback such as the culture of unethical conduct is too deeply rooted for any positive change to happen. Some highlighted that responding to the questionnaire may have an impact on me personally or the company I am with or the company I run. Others indicated that this is how business is done and reiterated that you must understand that either "I joined them or I will be left out". Some even challenged and said, do you think you can

change anything by this research ? What good will it do when it starts from the top? What change do you expect to bring by highlighting these issues? This is open secret and a taboo subject, not to be spoken openly and various other challenges put forward by working professionals and businessmen

Some said outright that doing the right thing is not going to give them business, everyone is doing it. A number of respondents said they felt uncomfortable answering the questionnaire because they fear that they may get backlash for saying the right thing and a plethora of other reasons which resulted in their decline of providing response and thus a lower response rate.

The ones that did respond, however, were more passionate and were very critical of the state that Malaysia is currently in. They expressed various disappointment at how the system currently works and their desire for such system to be improvised or upheld.

Out of 130 respondents, 80 respondents had chosen to give further opinions on the questionnaire, shared some personal first hand experience, provided ideas and comments on the system's failure to act, take action, and punish those perpetrators and put them by behind bars. Many expressed disappointment that such unethical conduct is so widespread that it is a culture, and for some it is an accepted culture by many businesses and businessmen.

5.2 PEARSON COEFFICIENT TEST FINDINGS

Pearson coefficient test findings indicate that there is a correlation at 0.308 between IV1 perception and dependent variable. There is a strong correlation at 0.414 between IV2, frame of mind and DV, dependent variable. Both correlations are significant at 0.05 level (2 tailed).

However for IV3, Awareness level, there has been no significant correlation at -0.75. Therefore, in conclusion, after running Pearson correlation, it has been found that there is a significant impact of perception and frame of mind on Malaysians whereas awareness level does not have any impact at all on the unethical conduct and practices

5.3 MULTIPLE REGRESSION TEST FINDINGS

From the multiple regression test carried out between IV1 Perception, IV2 Frame of mind and IV3 Awareness Level, it has been found that there is a significant relationship between the independent variable IV1 perception and IV2 frame of mind and the dependent variable which is at 0.03 and 0.00 respectively. There is no significant relationship between IV3 awareness level and dependent variable as the figure is above 0.05.

5.4 LIMITATIONS

There were several limitations during the course the research was done. One of them was time factor which was 2 weeks from the time the questionnaire was approved and then issued out to when the research was closed for evaluation of data. As a result, sample size was still small even though I had achieved a higher target than 100 respondents. Another limitation was that, whilst most of the age group was above 45 which was from contemporaries, friends and colleagues, the other age groups were less represented. Although, the research did manage to get some representation from each group, it would have been a better representation if the number of respondents were equalized for each age group to get a better representation.

Due to the sensitive nature of the subject, the number of respondents were limited due to reasons covered in Section 4.

5.5 RESEARCH FINDINGS

To summarise the research findings based on the test method describe in Section 4.9, Section 5.2 and Section 5.3, there are 6 findings from the research and they are as follows:

RF1 - Perception has a significant relationship with unethical conduct and business practices in Malaysian corporate governance. This means that how an individual perception of bribery, leaking confidential information, price collusion or price fixing, rent seeking/using cables/power abuse/cronyism and dishonesty will act as a determinant factor in how they view unethical conduct and business practices. The higher the perception, the higher the ethical values and thus the lower potential of being involved in any form of unethical conduct.

RF2 - Frame of mind has a significant relationship with unethical conduct and business practices in Malaysian Corporate Governance. This means an individual Frame of mind can be affected by their society, surrounding work culture or office culture and this will also affect their decision making.

Frame of mind can be either a positive or negative state, and in this research, we are looking at the positive frame of mind. The more positive frame of mind is, the more stable they are, more inclined towards doing what is right or on the side of justice. They are less easily changed, swayed or influenced by their environment.

RF3 - Awareness Level of the Business Code of Ethics implemented by the government in 2015 has no relationship with unethical conduct and business practices in Malaysian Corporate Governance. The Code of Ethics introduced by the government has no relationship whatsoever. It has been found from the research that 40% of the respondents are not aware that such a code even exists. Another 30% indicated that they are not sure. In total 70% of the respondents are either not

aware or not sure such a code even exists. This is a profound evidence that the government has failed in educating the Malaysian public and in specific the business community of the existence and relevance of such codes. Moreover, the code has been in existence since 2015 which is a period of 22 years and yet it has no significant role in Malaysian business practices.

RF4 - Education has an impact on the relationship of perception, frame of mind to unethical business conduct and practices in Malaysian Corporate governance. In terms of perception, my research has found that the respondents with Master's have the highest level of perception followed closely by those in STPM/Diploma/Foundation. The frame of mind for those in the SPM category are highest with those having Masters come at a close second.

RF5 - Work Experience has an impact on the relationship of perception, frame of mind to unethical business conduct and practices in Malaysian Corporate governance. I have found that from my research, both perception and frame of mind is highest for those within the 4 to 10 years working experience category. After 10 years, there seems to be an apparent drop on both variable. We may infer from the data collected that prior to having a working life as in RF4, the perception and frame of mind may be attributed to their upbringing, family, social interaction which contribute to their sense of high level perception towards unethical conduct. These values seem to continue to increase for the first 10 years of their working life.

RF6 - Work category has an impact on the relationship of perception and frame of mind to unethical business conduct and practices in Malaysian Corporate governance. I have found from my research, those who are attached to Multi National companies have the highest level of perception. However, for frame of mind, those who are not working are highest with a very slim 0.009 advantage over those in Multi National Companies.

5.6 RECOMMENDATIONS

5.6.1 GENERAL RECOMMENDATIONS

It is recommended that more time be allocated for the research to be done and to gather a wide spectrum of respondents from all sections of the society. Further assurances need to be made to the respondents on their fear of any potential backlash to the questionnaire. Further education and awareness need to be done to the general populace that it is not wrong to point out and correct what is wrong with the system. It is absolutely necessary for the government of the day to be transparent and open about comments involving any negative conduct of the members of their government ruling party without any potential repercussions to the whistle blower or anyone who exposes any wrongdoing within the government. It is also recommended for the government of the day to further educate the public and themselves on the implications of unethical conduct from an early stage. This will ensure the positive values are instilled at a young age and this will become the basis of the attitude and habit as they transform into adults and be a positive influence in the society, company, government, family, organization where ever they may be.

5.6.2 RECOMMENDATIONS TO FUTURE RESEARCH

Recommendations for future research is that a larger number of respondents of all age group, race, education level, position, sector and work category be included in the survey with an even number of respondents in each individual group with greater emphasis on the education level, work experience and work category to get a better insight on their views and outlook toward life.

It is also recommended for the research to be included as part of the government initiative issued to all civil servants as well as ensure a large

proportion of private institutions especially the top management are involved so as to get a better feedback on the level of perception, frame of mind and awareness level of all government servants on unethical conduct and practices.

Further research on the potential causes of RF4 and RF 5 would give a better view of why such a situation occurs. Whilst the data collected may be representative of the sample population, whether this will be representative of a larger and wider population sample is not known. This can only be concluded with a study with a population sample exceeding 1500 respondents at the very least.

It is also recommended that employees in private sector, GLCs as well as business owners be provided with a mandatory course in Ethical Business and the questionnaire such as this is distributed during the course.

5.7 SUMMARY

In conclusion, it is worth noting that, almost in all instances Malaysians of each gender, every age group, race, sector, position, experience level rejects and are against any form of unethical conduct and business practices. Although, many do not wish to be involved with such ways and abhors the very concept of doing anything unethical, It is a matter of circumstances whereby some are push involuntarily into such forms of unethical conduct.

For RF4, we may infer from the data collected that those with a STPM/Foundation and Diploma level have excellent ethical values which may be from their upbringing, family, social interaction which contribute to their sense of high level perception towards unethical conduct. These positive values bring about their attitude of what is right.

At this stage , they may yet to experience dealing with working with a career, juggling family commitment and financial commitments or any other challenges that life has in store for them. That view seems to go through a change once they enter working life for a period of 10 years. Their level of perception and frame of mind may readjust to the reality that working life and all the challenges it brings. For those with a Master's Degree , their perception and frame of mind is highest as a majority of them are 45 years and above. At this stage of life, the financial rewards may no longer bring as much self gratification as it used to.

This is an example of the Easterlin Paradox whereby the returns of happiness versus success and financial rewards diminish over time. As they are get older and more educated , their perception and frame of mind tends to reinforce itself on another level, It would be apparent that their goals in life has changed from making as much money through whatever means available to perhaps a balanced lifestyle and differentiation of what is right becomes clearer.

For RF5, After 10 years of working life, the perception level and frame of mind changes and drops. There may be several reasons for such a situation and this may require further research to understand why this occurs. Potential cause for such a situation may be due to many underlying causes which we are yet to understand. Possibly, the level of perception and frame of mind changes after 10 years as they see others who are unethical and yet they are more successful and financially better off. They may realise that the positive values that they hold do not seem to be valued or appreciated. The work culture is as such that , they are a minority and their values are going against the tide as companies are more interested in results rather than how it is done. Their attitudes may change due to the environment and the set frame of mind by the companies or environment. Pressure mounts from both

the company and the financial commitments that they may have as they begin family life.

Another point is when such unethical conduct becomes a culture and they have no choice but to participate. In general, it would be apparent that with the right values instilled from a young age, many would choose to be ethical in their behaviour and conduct. Therefore such values must be inculcated to the young generation as soon as possible through education and over a period of time to ensure such values remain.

Whilst, majority of respondents are generally critical of unethical conduct, it would be fair to assume that they have little or no authority to stop, prevent, reduce such conduct and a lesser means to do something about. However, if education to the general public can be made consistently and regularly with repercussions over those who participate in unethical conduct is acknowledge and carried out, there could a wind of change in a decade or two.

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APPENDICES


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APPENDIX A



Our ref. : UNIRAZAK/GSB/01/1022/22
Date : 24 May 2022

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

Student Name : Jawahir Bin Kamarudin (M20711033)
Research Project Title : Perceptions of Unethical Conduct and Business Practices in Malaysian Corporate Governance

Please be informed that the above mentioned student is currently pursuing Master of Business Administration at the Graduate School of Business, Universiti Tun Abdul Razak, Malaysia. He has been a registered student since July 2020 semester. He is required to complete the above research project as a full requirement to the degree of Master of Business Administration Universiti Tun Abdul Razak.

As such, we would be most grateful if you could allow him to conduct a survey, collect, process and analyse data pertaining to his research area. The data obtained will be strictly used for academic purposes and respondents' anonymity ensured.

If you have enquiries with regard to the above, please do not hesitate to contact us at 03-2730 7081 or email at abdulrahman@unirazak.edu.my.

Thank you.

Yours sincerely,



Abdul Rahman Bin Omar Amiah
Deputy Dean (Operation)
Graduate School of Business
Universiti Tun Abdul Razak

cc: *Prof Dr Roland Xavier, Supervisor*

APPENDIX B


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Introduction: Research on Perception of unethical business practices in Malaysian Corporate Governance.

Assalamualaikum and greetings everyone!

My name is Jawahir Bin Kamarudin and i am a Final Year Student for Master of Business Administration , UniRazak Graduate School of Business. I am currently conducting a survey on the 'Perception of unethical business practices in Malaysian Corporate Governance.

The international Corruption Perception Index has seen Malaysia slip from 51st place in 2019 to 57th place in 2020 and the latest index issued on 25th January 2022 rated Malaysia as 62nd place for the year 2021. Malaysia is seen internationally as getting more corrupt, with many corporate crimes(white collar crimes) involving corruption, bribery, fraud, price collusion(cartel/price fixing), dishonesty, embezzlement, rent seekers (using political power/'cable'/inside network to get a contract) and as a result, many multi national companies have either decided to invest, set up or move to neighboring countries .This has a detrimental effect on Malaysia's economy as it undermines the rule of law, weakens the trust of investors and public institutions and challenges democratic principles.

In almost all instances, it involves also high profile personalities, Government officials, business or company owners at CEO or MD level, involving millions and even billions of ringgit. These white collar crimes erodes and corrodes ethics and value in a society and thus leads to degradation of Malaysia in the eyes of the world. Such degradation can be seen in the Transparency International's Corruption Perception Index from 2019 to 2021.

This research will attempt to study all Malaysians and their perception of unethical business practices in Malaysian Corporate governance.

This research is a mandatory requirement and forms part of our assignment for subject GRES5113:Research Methodology. Please answer all questions as truthfully as possible. All the answers gathered is confidential and strictly for academic purposes only.

Thank you so much for your time and participation.

* Required

1. Email *

Section 2: Demographics

2. Gender

Mark only one oval.

- Male
 Female

3. Age

Mark only one oval.

- 18 - 25
 26-35
 36-45
 45 and above

4. Race

Mark only one oval.

- Malay
 Chinese
 Indian
 Bumiputra (Sarawak and Sabah)
 Others

5. Education *

Mark only one oval.

- SPM
 STPM/ Diploma / Foundation
 Degree
 Masters
 PHD



6. Work category *

Mark only one oval.

- not working
- Private sector
- Government sector
- Government link companies
- Multi National Companies
- Retired

7. Position *

Mark only one oval.

- Director/CEO/Shareholder/etc
- Senior Management, GM/Head of Department/etc
- Management -Manager of a division/etc
- Supervisory level - any supervisory capacity level.
- Technician/Sales and Marketing Executives/Admin/Clerical/any level
- not working

8. Work experience *

Mark only one oval.

- not yet working
- 0 to 3 years
- 4 to 10 years
- 11 to 15 years
- more than 16 years

9. A.Would you agree that the following conduct is unethical and wrong?

Please select all that apply

Mark only one oval per row.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Bribery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leak Confidential Information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price fixing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rent seeking * using cable/power abuse/cronyism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dishonesty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

10. B.Would you agree that the following conduct is a problem in Malaysia?

Please select all that apply

Mark only one oval per row.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Bribery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leak Confidential Information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price fixing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rent Seeking * using cable/power abuse/cronyism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dishonesty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11. C.Would you agree that criminal cases involving the following conduct has increased in Malaysia?

Please select all that apply

Mark only one oval per row.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Bribery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leak Confidential Information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price fixing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rent Seeking * using cable/power abuse/cronyism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dishonesty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

12. D.The conduct below is necessary to do business in Malaysia. Do you agree?

Please select all that apply

Mark only one oval per row.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Bribery	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leak Confidential Information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price fixing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rent Seeking * using cable/power abuse/cronyism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dishonesty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

13. E. Do you think current laws and regulations is not enough to curb the following conduct?

Please select all that apply

Mark only one oval per row.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Bribery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leak Confidential Information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price fixing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rent Seeking * using cable/power abuse/cronyism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dishonesty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

14. F. Do you agree that many current cases in the headlines involved in corporate crimes are due to the following unethical conduct?

Please select all that apply

Mark only one oval per row.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Bribery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leak Confidential Information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price fixing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rent Seeking * using cable/power abuse/cronyism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dishonesty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

15. G. Do you agree that Malaysia requires a much harsher, stiffer punishment to control corporate crimes listed below?

Please select all that apply

Mark only one oval per row.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Bribery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leak Confidential Information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price fixing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rent Seeking * using cable/power abuse/cronyism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dishonesty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Section 4: Company and personal Commitment

16. A. Do you think that employees who engage in unethical conduct in securing contracts or sales are generally more appreciated by the company?

Mark only one oval.

- Yes
 No
 Maybe
 i am not sure

17. B. Do you think that employees who engage in unethical conduct in securing contracts or sales are generally seen as more successful?

Mark only one oval.

- Yes
 No
 Maybe
 i am not sure

18. C. Do you think some companies actually encourage their staff to engage in unethical conduct to secure a contract or business?

Mark only one oval.

- Yes
 No
 Maybe
 i am not sure

19. D. If your CEO, Manager or immediate Supervisor specifically gives instruction for you to do business ethically meaning everything must be legal and done in correct manner, would you follow his instructions?

Mark only one oval.

- Yes
 No
 Maybe
 i am not sure

20. E. If your CEO, Manager or immediate supervisor specifically gives you instructions to do something unethical, illegal or wrong to secure a business or risk losing your job, would you follow his instruction?

Mark only one oval.

- Yes
 No
 Maybe
 i am not sure

21. F.If you saw unethical, illegal, immoral, business conduct and practices such as bribery, price collusion/price fixing, dishonesty, abuse, fraud, discrimination at your workplace, would you keep quiet, just concentrate on your own work and ignore such activities?

Mark only one oval.

- Yes
 No
 Maybe
 i am not sure

22. G.If you saw unethical, illegal, immoral, business conduct and practices such as bribery, price collusion/price fixing, dishonesty, abuse, fraud, discrimination at your workplace, would you expose such activity and partake in whistle blowing (expose it to relevant government authorities)?

Mark only one oval.

- Yes
 No
 Maybe
 i am not sure

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Section 5: Malaysian Code of Ethics (Rukun Niaga)

23. A.Are you aware that Malaysia Domestic and Trade Affairs have introduced Malaysian Business Code of ethics in 2015?

Mark only one oval.

- Yes
 No
 Maybe
 i am not sure

24. B.In your opinion , are the Business Code of Ethics introduce by the Ministry relevant?

Mark only one oval.

- Yes
- No
- Maybe
- i am not sure

25. C.If yes, do you think that companies are abiding to the code?

Mark only one oval.

- Yes
- No
- Maybe
- i am not sure

Section 6 : Opinions

26. Do you have any other opinions on unethical practices, corruption, Malaysian government role, personal experience you would like to share?

APPENDIX C



Our Ref.: UNIRAZAK/GSB/02/2690/22
Date : 3 March 2022

Prof Dr Roland Xavier
Graduate School of Business
Universiti Tun Abdul Razak

Dear Prof Roland,

APPOINTMENT AS RESEARCH SUPERVISOR

We are pleased to appoint you as Supervisor for the following student:

Name	Program	Commencement Date
Jawahir Bin Kamarudin (M20711033)	MBA	March 2022 Semester

Attached herewith, please find a copy of 'Responsibilities of the Supervisor' for your kind attention. Please acknowledge receipt of this appointment by signing the acceptance note and return it to us.

Thank you.

Yours sincerely,



Prof Dr Benjamin Chan Yin Fah
Dean
Graduate School of Business
Universiti Tun Abdul Razak

APPENDIX D



TITLE OF PROJECT PAPER: PERCEPTIONS OF UNETHICAL CONDUCT AND BUSINESS PRACTICES IN MALAYSIAN CORPORATE GOVERNANCE.

NAME OF AUTHOR : Jawahir Bin Kamarudin (M20711033)

The undersigned certify that the above candidate has fulfilled the condition of the project paper prepared in partial fulfillment for the degree of Master of Business Administration.

SUPERVISOR

Signature : _____

Name : Professor Dr. Siri Roland Xavier

Date :

ENDORSED BY:

Signature : _____

Name: Professor Benjamin Chan Yit Fah

Dean, Graduate School of Business

Date:

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