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Ethical Ideology and its influence on dysfunctional PMS behaviour

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Abstract

Many previous researchers have found that differences in ethical ideology would influence individuals reasoning about moral issues. To date, relatively little research has addressed this proposition in terms of dysfunctional PMS behaviour (DPMSB). In the present study, the level of information manipulation (which is one form of DPMSB) practices in the banking industry in Malaysia, as well as the relationship between ethical ideology and the 'questionable' behaviour of DPMSB are investigated. Using a sample of 108 bankers, our results suggest that though ethically questionable, DMPSB is moderately practiced by the bankers and there is a significant relationship between the bankers' ethical ideology and their DPMSB. However, all detected relationships were in contrast to the previous findings. Discussion, limitation of the research, as well as future research concluded the paper.

Key words: dysfunctional behaviour, performance measurement system, ethical ideology, relativism, idealism

Introduction

The issue of dysfunctional behaviour (DB), specifically unintended consequences of the implementation of performance measurement system (PMS) has received much attention ever since it was raised by Argyris (1953). Despite the interest and concern regarding this negative outcome which is also believed to affect the effectiveness of PMS, not many researchers have embarked into the exploration to unearth the root of this problem (Soobaroyen, 2007). Though abundance of research have been conducted towards the betterment of PMS, mostly has solely concentrated on the technical aspects (Drongelen, & Fisscher, 2003; Vakkuri, & Meklin, 2006), while ignoring the behavioural aspects. The paucity of research is not surprising, though, considering the delicate nature and complexity of the issue. Gaming behaviour, metric manipulations, or management myopia are difficult to identify because it is typically hidden from the researcher (Courty, & Marschke, 2008; Soobaroyen, 2007). Gaining honest responses also proves difficult besides the difficulty to determine, measure and predict actual behaviour in real

life (Hirst, 1983; Merchant, 1990). Unfortunately, the issue remains important, hence, needs further probe and investigation.

PMS was historically developed as a means of monitoring and maintaining organizational control for monitoring performance, identifying areas in need of attentions, enhancing motivation, improving communication and strengthening accountability (Waggoner, Neely, & Kennerly, 1999). However, it also has its dark side. As PMS is expected to facilitate the monitoring of the employees' behaviour (Martinez, 2005; Nanni, Dixon, & Vollman, 1990; Otley, 1999; Waggoner et al., 1999), it is expected to keep 'watchful eyes' on all employees (Argyris, 1953). However, as human will become sceptical when 'watched' and measured, there remains a motive to paint a better picture of their performance evaluation reports (Argyris, 1953, 1990; Flamholtz, 1996; Jaworski, & Young, 1992; Soobaroyen, 2007). Eventually, it would lead to attempts of DB by *"... manipulating elements of an established control system for his own purposes,"* (Jaworski & Young, 1992, p.18). Somehow, Argyris (1990) and Flamholtz (1996) had anticipated such behaviours in response to any controls and process system that act as managers' defence mechanisms to cover up or disguise failures, or to avoid threats and embarrassment. Onsi (1973) discovered majority of managers, especially those of high performers, were willing to engage in DB to hedge themselves against uncertainty which could exist in both good and bad times with full cooperation from their subordinates.

Unfortunately, such practices can have very dysfunctional effects. Since top management and other managers also rely on these fabricated reports to take decisions and actions, misguided decisions could be made that would lead to wrongly allocating resources, poor products pricing, and poor investment decisions, resulting to sub-optimal performance of the whole organization (Argyris, 1990; Jaworski, & Young, 1992; Soobaroyen, 2007). In the business world, dysfunctional PMS behaviour (hereafter, DPMSB), especially the manipulation of information or performance measures, has become part of acceptable practices that is even encouraged by the top management (Argyris, 1990; Flamholtz, 1996).

However, in the case of DPMSB, not all dysfunctional acts can be read as unethical and some are even encouraged by the top management (Merchant, & Manzoni, 1989), as the those who commit the offence might have strong ethical reasons to behave in such a manner. Some researchers argued that DPMSB is conducted with good intention (Argyris, 1953, 1990; Flamholtz, 1996) even if the outcome might not be positive. Hence, the decision whether or not to engage in DPMSB is very much influenced by a person's morality. One factor proposed that may explain the differences in ethical judgment/behaviour is an individual's ethical ideology which has been proposed by Forsyth (1980). Ethical ideology is a set of beliefs, attitudes, and values that may offer guidance to individuals when making judgments about ethical issues.

Forsyth (1980) postulated that ethical ideology can be parsimoniously described by two dimensions: relativism and idealism. Relativism, describes the extent to which individuals reject the universal moral rules or principles. Highly relativistic individuals do not believe in moral

absolutes, but rather, they believe that right or wrong of an action should be situationally determined. Since situations are in fact differ, so one must weigh each circumstance when making decisions as no moral principle can govern every situation. Therefore, ethical decision makings are made based on their personal moral values (Forsyth, 1992). The second dimension, idealism, refers to one's inherent interest and concern for the welfare of others while acknowledging moral absolutes. High idealism believes that it is universally wrong to harm others and one can always avoid harming others even in cases of situational urgency. As such, idealists optimistically assume that by engaging in moral actions, desirable outcomes may result. However, those who are low in idealism believe that moral action may not always result to desirable outcomes, and sometimes it is necessary to harm others so as to produce the greatest good for the greatest number of affected people (Forsyth, 1992).

Hence the purpose of this study is to extend the empirical study of the relationship between ethical ideology and 'questionable' behaviour of DPMSB. This study also intends to investigate the level of information manipulation practices, one type of DPMSB, in the banking industry in Malaysia as not many studies had tried to do so. The following section briefly reviews relevant literature regarding ethical ideology and ethical judgment/behaviour and provides the rationale for the proposed relationship between the two constructs.

Literature Review and hypotheses development

Ethical ideology (EI) and dysfunctional PMS behaviour (DPMSB)

As an individual enters into an organization with his own characters, his ethical ideology (EI) will impact his ethical belief and determine what they believe to be right or wrong, which will subsequently explain their moral choice and differences in ethical judgment (Barnett, Bass, & Brown, 1994). Henle, Giacalone, and Jurkiewicz (2005) defined EI as *"a system of ethics used to make moral judgments, which offers guidelines for judging and resolving behaviour that may be ethically questionable"* (p. 219). As such, given the same information, two persons who are in agreement over political or religious issue, might reach opposite conclusion regarding a moral judgment. As one proposed cognition under cognitive dissonance theory (Rudolph, 2006), personal EI has been proven to give considerable impact regarding when and how an individual decides to engage in DPMSB (Forsyth, 1992; Henle et al., 2005). DPMSB, like information manipulation, involves ethically questionable activities, and might sometimes be considered as a cushion in the case of a hard fall, and there might be a possibility that these kinds of behaviour can, in fact, be considered as a norm to protect the employees from unexpected events (Van der Stede, 2000), and as such, ethical. Hence, judging whether to engage in it varies as a function of a person's EI (Barnett et al., 1994; Barnett, Bass, Brown, & Hebert, 1998; Davis, Andersen, & Curtis, 2001; Forsyth, & Berger, 1982; Henle et al., 2005). As such, behaviour engaged would mirror the personal EI adopted, making it a potential predictor of DPMSB.

Reviews of literature suggested that one's EI does have an important impact on ethical sensitivity, ethical judgement and ethical behaviour. It has been discovered to have influenced deviant workplace behaviour (Henle et al., 2005), earning management (Greenfield, Norman, & Wier, 2008), and ethical judgment and moral behaviour (Barnett et al., 1994; Bass, Barnett, & Brown, 1998; Fernando, Dharmage, & Almeida, 2008; Forsyth, 1992; Forsyth, & Berger, 1982; Marques, & Azevedo-Pereira, 2009). Majority of the findings revealed that differences in EI, along the dimension of idealism to relativism, would be significantly associated with differences in individual's ethical judgement and moral behaviour. Douglas and Wier (2000) noted that relativists were less sensitive to identify ethical tones as compared to idealists. Employees higher in relativism and lower in idealism were more likely to engage in deviant behaviour towards their organization (Barnett et al., 1998; Bruns, & Merchant, 1990; Greenfield et al., 2008; Henle et al., 2005).

In this study, it is expected that employees higher in idealism will try to uphold the values, rules and principles in their daily pursuit, hence avoiding manipulation of information at any opportunity, as compared to a relativistic employee who would be more open to exceptions, and in exploring alternatives of actions even if standards and guidelines are readily available to guide their behaviour. Idealists are more concerned with the welfare of others, and would try to maximize the desirable outcomes of a decision by strictly following the universal moral rules and principles, in contrast to the relativists who tend to reject universal moral codes as they strongly believe that ethics should be situationally determined. Hence, they would avoid manipulating information as it might not only hurt their organization financially, but may leave negative consequences for other employees or consumers. This argument leads to the hypotheses:

H1(a): *Idealism is negatively correlated with dysfunctional behaviour.*

H1(b): *Relativism is positively correlated with dysfunctional behaviour.*

When the two dimensions are dichotomized and crossed, the 2 x 2 classification of ethical ideologies was yielded (Forsyth, 1980) as depicted in Figure 1. Four ethical stances that might be adopted by individuals in making ethical decision emerged, namely situationism, absolutism, subjectivism and exceptionism. Forsyth (1980) explained that whether a person espouses idealistic or non-idealistic values, and whether they believe that moral values are universal or relative, would determine the group that he/she belongs to.

	High Relativism	**Low Relativism**
High Idealism	**Situationist** Rejects universal moral rules; advocates individualistic analysis of each act in each situation; Idealistic skeptic	**Absolutist** Believes that the best possible outcome can always be achieved through conformity to moral rules; Deontologist
Low idealism	**Subjectivist** Appraisals based on personal values and perspective; does not believe in moral	**Exceptionist** Moral absolutes guide judgments, but pragmatically open to exceptions to these

	absolutes; Ethical egoist	standards; Rule utilitarian

Note: Adapted from Forsyth (1980, p. 176) and Forsyth (1992)

Figure 1: Taxonomy of personal ethical ideology

Previous studies discovered that absolutist judged ethical issues more harshly than others in their ethical judgment (Barnett et al., 1998; Bass et al., 1998), and were the most strict in making moral judgment (Barnett et al., 1994; Marques, & Azevedo-Pereira, 2009). On the other hand, subjectivists are discovered to be the most lenient among the four groups (Barnett et al., 1994; Marques, & Azevedo-Pereira, 2009). In examining their relationship with DB, Vitell, Lumpkin and Rawwas (1991) discovered that subjectivists were more likely of the opinion that unethical or even illegal behaviors were ethical. The same finding was also discovered by Rawwas (1996) who replicated Vitell's et al. study. Although these studies did not directly examine the relationship between ethical ideology and unethical behaviours, but conclusion can be drawn that individuals higher (lower) in relativism and lower (higher) in idealism should be less (more) likely to perceive DB as unethical and thus are more (less) likely to engage in these behaviours. Based on these arguments, it can be concluded that different ethical taxonomy will have different impact of DPMSB, thus leading to the next hypothesis:

H2: *The bankers' dysfunctional PMS behaviour is influenced by their different ethical taxonomy espoused.*

Methodology

Subjects

Using stratified random sampling, a total of 700 questionnaires were mailed to the selected branch bank managers, assistant managers and executives at eight local commercial banks in Malaysia, which have a total of 1871 branches scattered all over Malaysia. This article reports the findings from the completed responses generated from the first mail out and only serves as a preliminary report of a bigger study. About 108 usable responses were recorded after putting aside 27 incomplete responses. 68.5% of the respondents are male; 65.7% are Malay, 26.9% Chinese; and 68.5% are Muslim and 16.9% Buddhist. Respondents are classified into six age groups (27.8% 45–49 years, 23.1% 40–44 years, 21.3% 35–39 years, 16.7% 50–54 years, 8.4% 25–34 years, 2.8% 55–59 years). Majority of them (61.1%) have been working for more than 15 years and 48.1% are reported to hold discretionary power in running their respective branches.

Measures

Instead of employing a Likert-scale in eliciting opinions as normally used in social science survey research, this study adopts a rather new scale known as Ruler-Option scale (RO Scale). RO scale was introduced by Yusoff and Janor (2012) in their attempt to overcome the

shortcomings of Likert-scale. They contended that Likert-scale lacks measurement unit and does not conform to the requirements of any of the three measurement theories to warrant it quantitative. Data from Likert scale is argued as undoubtedly ordinal especially when there is no clear definition of the operation given to describe how respondents should choose a number on the scale. Besides, they argued that without unit of magnitude, Likert data are not fit to be numerical. Therefore, this study employed the new RO scale in an attempt to elicit a more accurate value that represents belief, opinions or attitudes. RO scale is shown in Figure 2.

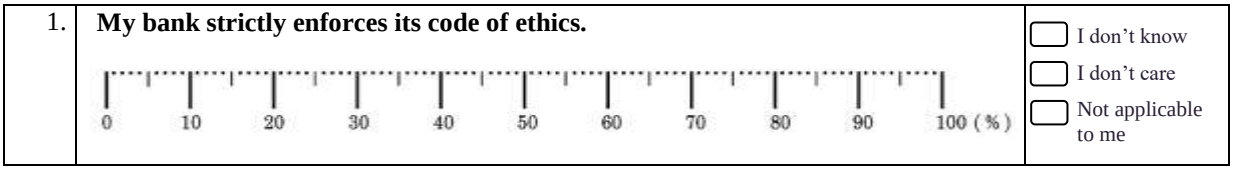

Figure 2: Sample of Ruler-Option scale

Respondents can either put a mark (|) anywhere on the ruler OR tick (/) any one of the three options. A mark on 0% indicates no agreement at all, that is based on their experiences, on every occasion that they could recall, they totally disagree with the statement. 100% indicates full agreement, indicating that based on their experiences, on every occasion that they could recall, they fully agree with the statement. If they do not know, do not care or the statement is not applicable to them, they may just tick one of the options. This gives them a more diverse choice that can better describe their feeling, attitude or perceptions.

Dysfunctional PMS behaviour is measured using a six-item instrument. Four items were adapted from Soobaroyen (2007) who had earlier adapted from Jaworski and Young (1992), while another two items were adapted from Merchant (1990). Each items starts with *"In my bank, it is a common practice to…".* Sample item is *"… emphasize data that reflects favourably upon us when presenting information to upper level management".* Soobaroyen's instrument showed high reliability of 0.82, while Merchant did not report any alpha value. Cronbach's alpha in the present study was 0.948.

Idealism and relativism. In this study, Karande, Rao and Singhapakdi's (2002) adoption of Forsyth's (1980) ethics position questionnaire (EPQ) was used to measure the levels of idealism and relativism. The original EPQ consists of twenty items, with ten items for each dimension. Karande et al. (2002) then discarded some items, leaving only eight items concerning relativism and seven for idealism, with Cronbach's alpha ranged from 0.81 to 0.89. However, in this study, some adaptations have been made to the items after it had gone through a series of pre-testing. A few more items have been discarded as they are ambiguous and not really pertaining to the local environment. Finally, idealism is measured using five items, (for e.g, *"If an action could harm an innocent other, then it should not be done, irrespective of the benefits to be gained."*) and four items measured relativism (for e.g, "*What is right or wrong varies from one society to another."*).

Cronbach's alpha of 0.801 and 0.649 were obtained for idealism and relativism, respectively. Though the alpha value for relativism was less than the generally acceptable value of 0.7, but Kline (1999) proposed that values even below than 0.7 can be expected when dealing with psychological constructs due to the diversity of the constructs being measured.

Analysis

SPSS 19 was used to analyze the data. Before further analysis, normality test was conducted on the data set. DPMSB scale generated a measure of skewness of -.145 with kurtosis of -1.146, REL with a skewness of -.672 and kurtosis of -.389, and IDEAL with a skewness and kurtosis of -1.279 and 2.183, respectively. The first two variables satisfy the normality test with the measure of skewness fall within the range of -1 to 1 which indicates that data set does not depart from normality (Awang, 2012). IDEAL seems to slightly depart from normality with the score slightly above 1. However Mustapha (2009), based on a few previous studies, argues that data is also considered normal if the measure of skewness is within ±1.96 and measure of kurtosis is within ±3.00. Another researcher, Kline (2011) also claims that the rule of thumb for checking normality can be based on a measure of skewness between ±3.00 and measure of kurtosis between ±10.00. Therefore, based on these arguments, the variables used in this study are considered normally distributed, hence parametric test can be employed. Pearson correlation was used to examine the association between these variables and Analysis of Variance (ANOVA) was used to compare these between the categories of nominal variables. The statistical significance of the relevant associations was defined by using $p < 0.05$ cut off.

Results

The level of dysfunctional PMS behaviour

To answer the first research question on the level of dysfunctional behaviour among the Malaysian bankers, the mean values and standard deviation for every item eliciting the level of DPMSB were calculated. The total mean score for all six items is reported at 294.2 (with higher scores indicate more dysfunctional) with a standard deviation of 184.68. If 300 (50% of the possible score of 600) can be taken as a cut off point, then the mean value can be considered as below par. However, taking into consideration the high standard deviation and the range of minimum score of 0 to the maximum score of 600, the mean value of 294.2 should be not be taken at face value. This was also indicated by a rather high median score of 339.69. Respondents seemed to have diverse opinions on such behaviour, with some seemed to totally disagree with the behaviour, but some others viewed such behaviour as totally acceptable and make it their common practice.

For each item, mean values ranged from 39.89 to 54.83. Items (1), (3) and (4) were closely valued at 54 and seemed to be the highest scores. This can be interpreted that the bankers moderately agreed that it has become their common practice to emphasize data that reflects

favourably when presenting information to upper level management, place high importance on the branch's success in getting a generous budget or fund allocation, and present information that makes performance look better. However, they were less agreeable to the profits pulling practices. Detailed information can be seen in Table 1.

Table 1: DPMSB scale items, mean and standard deviation

No.	Items that start with: *"In my bank, it is a common practice to…"*	Mean	Standard deviation
1.	… emphasize data that reflects favourably when presenting information to upper level management	54.43	36.49
2.	… avoid being the bearer of bad news when presenting information to upper level management;	49.38	34.58
3.	… place high importance on the branch's success in getting a generous budget or fund allocation	54.83	36.47
4.	… present information that makes performance look better;	54.33	35.49
5.	… pull profits from future periods into the current period by deferring a needed expenditure;	39.89	31.71
6.	… pull profits from future periods into the current period by accelerating a sale;	41.34	32.25
Total		294.20	184.68

Correlation

To achieve the second objective concerning whether ethical ideology might affect dysfunctional behaviour, a correlation analysis was conducted. Descriptive statistic for relativism reported a mean score of 282.12 (range 45 to 400, with higher scores more relativistic) and 436.37 for idealism (range 180 – 500, with higher scores more idealistic). By comparing the mean values, the bankers seemed to be more idealistic in nature. Even the standard deviation for idealism (57) is much lower than relativism (70.39), indicating a more concerted ideology.

Table 2: Pearson product-moment Correlations between measures of relativism, idealism and DPMSB

		Relativism	Idealism	DPMSB
Relativism	Pearson Correlation	1		
	Sig. (1-tailed)			
	N	108		
Idealism	Pearson Correlation	.299**	1	
	Sig. (1-tailed)	.001		
	N	108	108	
DPMSB	Pearson Correlation	-.243**	.068	1
	Sig. (1-tailed)	.006	.241	
	N	108	108	108

**. Correlation is significant at the 0.01 level (1-tailed).

To test H1(a) that idealism is negatively correlated with DPMSB among the bankers and H1(b) that relativism is positively correlated with DPMSB among the bankers, Pearson product-moment correlation coefficient was used. The result (Table 2) showed that idealism was not significantly correlated with DPMSB ($p > 0.05$), thus H1(a) was not supported. For H1(b), a significant relationship ($r = .243$) was detected between relativism and DPMSB with a $p < 0.01$. Though relativism is significantly correlated with DPMSB, but judging from its $r = .243$, it has only a rather weak relationship (Cohen, 1988). To determine how much variance these two variables share, coefficient of determination was calculated. As expected, relativism was found to only explain about 6% of the DPMSB. However, contrary to the hypothesized positive relationship, a negative relationship emerged. This indicates that the higher the level of relativism, the lower would be the level of DPMSB.

Analysis of variance (ANOVA)

To achieve the second objective concerning the possibility that each ethical taxonomy might differently impact DPMSB, samples were then categorized into one of the four taxonomies of ethical ideology. This categorization was based on their idealism and relativism scores using median splits which is consistent with previous research (Bass et al., 1998). Median scores on relativism was 290 (56.5% scored below the median) and idealism was 450 (50.9% scored below the median). Those scored above the median on both taxonomies were classified as situationists (n = 31). Those scoring above the median on relativism but below on idealism were subjectivists (n = 22), but classified as absolutists (n = 16) if scored below the median on relativism but above on the idealism. Lastly, those scored below the median on both taxonomies were classified as exceptionists (n = 39). Detail information is exhibited in Table 3.

Table 3: Descriptive statistic of four ethical taxonomies

Ethical ideology by taxonomy	Frequency	Percent	Mean
Absolutist	31	28.7	368.42
Exceptionist	16	14.8	308.26
Situationist	22	20.4	306.20
Subjectivist	39	36.1	198.39
Total	108	100.0	294.20

To facilitate the analysis of H2, a one-way Analysis of Variance (ANOVA) was conducted to explore the impact of different taxonomy on DPMSB. Surprisingly, absolutists reported the highest level of DPMSB at a mean value of 368.42. Exceptionists and situationists were at about

the same level. Subjectivists came out with the lowest mean value of 198.39, which was much lower than the other three groups. The results from the analysis (Table 4) indicate that different taxonomy has a significant effect on the DPMSB [$F(3, 104) = 3.13$, $p = 0.029$]. There was a statistically significant difference at the $p<.05$ level in DBE scores for the two ideology groups. As expected, post-hoc comparisons using the Tukey HSD test indicated that the mean score for absolutists was significantly different from subjectivists. However, situationists and exceptionists did not differ significantly from either group. In this study, the effect size calculated using eta squared was 0.08, which can be considered as moderate (Cohen, 1988).

Table 4: ANOVA result

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	302267.130	3	100755.710	3.131	.029
Within Groups	3347022.928	104	32182.913		
Total	3649290.057	107			

Discussion

It was quite worrisome when the bankers moderately admitted to DPMSB, specifically, the manipulation of information or measures used in the PMS in their respective banks. PMS has long been admitted as a backbone to the success of an organization. However, findings on its effectiveness have been mixed, but not many have tried to dig into the practices that may lead to it being ineffective. So, the finding in this study might contribute to the prevalence of such a case. An important factor to the less effective PMS might lie in the fact that its measures might have been commonly manipulated. Hence the banks might measure their performances against a non-idealistic standard, making the whole PMS process a less effective one.

One thing to bear in mind when discussing about DPMSB is the fact that it is indeed an unethical behaviour but it is not legally wrong. Therefore, it is unquestionably a wrong conduct, but has ironically been accepted as a common practice that is even encouraged by the top management. Measures manipulation has not only been admitted as hazardous to the PMS process, but also has been thought of as a saviour that provides cushion against a hard fall. Thus it makes DPMSB such a paradox issue. Hence, the finding that the DPMSB, despite being unethical, was admitted as quite prevalent in the banking industry is somewhat expected. Some bankers were not even aware that they were actually dealing with an unethical act, indicating that information or measures manipulation has indeed become part of their practices. This will of course be a flaw in any PMS design and implementation process that should warrant some cautionary notes to the top management.

The influence of idealism on the DPMSB was very limited, leading to the rejection of H1(a). This is not consistent with previous research that showed idealism significantly and

negatively related with ethical judgment (Barnett et al., 1994; Barnett et al., 1998) though Marques and Azevedo-Pereira (2009) did find the same insignificant relationship in their study of idealism and ethical judgment. On the other hand, the effect of relativism on DPMSB was somewhat surprising as a significant negative relationship emerged instead of the hypothesized positive one. It indicates that the higher the relativism, the lower the level of DPMSB. Contrary to the belief that relativists are more open to exceptions as they tend to judge the right or wrong based on situations, relativist bankers in this study seemed to be more cautious towards the DPMSB. Considering the paradox nature of DPMSB, this finding was somehow expected, as DPMSB can be considered as an act that its right or wrong is still debatable. Somehow, this finding refutes the generalized theory that relativists show higher tendency to behave unethically than idealists. No support was also found in the extant literature, thus this result should open new doors for further research.

A closer inspection was done to further understand this issue. As it turned out, subjectivists (those high on relativism, but low on idealism) reported the lowest score on DPMSB. On the contrary, absolutists (those high on idealism, but low on relativism) reported the highest level of DPMSB. On closer inspection, a pattern seemed to emerge. When relativism was high, the score of DPMSB seemed to be low, but dysfunctional behaviour tended to increase when idealism was high. This finding was in contrast to the previous research as previously discussed. However, Forsyth's (1992) proposition might justify this contrast finding. He posited that high idealism might have a higher tendency to engage in dysfunctional behaviour as idealists emphasize the need to achieve positive humanitarian consequences. Hence such acts are considered acceptable if they were meant to help others. This is especially true in the case of PMS. When managers strive to ensure their periodical results compare favourably with the predicted results, they may manipulate the related measures as they may genuinely feel that they are doing justice to their subordinates by reducing their job-related stress in meeting high targets set. It may also act as their defense mechanisms especially when the target sets are unreasonable or when there is a strong pressure to go beyond their assigned tasks as previously discussed.

Forsyth (1992) also posited that in situations where ethical issues are vague, or when actions are not considered as highly unethical, ethical ideology may not be an important predictor to explain differences in ethical judgment, or behaviour. In the case of DPMSB, though it is ethically wrong, but it has been accepted as part of a practice. Therefore the ethical issue is certainly vague and the action may not be regarded as unethical. This might somewhat explain the contrast findings in this study.

However, the generalizability of the finding is limited due to the sensitive nature of the issue that may result to underreporting as respondents might not give accurate account of their dysfunctional behaviour. Another limitation deals with the DPMSB scale. Due to the careful wordings so as to avoid non-response, items like "… emphasize data that reflects favourably when presenting information to upper level management" might be read as a perfectly normal

practice that is not at all dysfunction. Hence, respondents might not give an intended response which might distort the true picture. Though the items were adapted from previous research, but more transparent items that may evoke honest response intended by the researcher should be developed. Such an instrument would surely contribute to a more reliable response which would result to a more trustworthy finding.

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