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The Influence of Personality Traits on Unethical Behavior Tendencies of Business Campus Students in Makassar

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ABSTRACT

There have been significant improvements regarding the issue of cheating and fraud in the business world. Campuses, as institutions that provide prospective workers, are currently in the spotlight concerning the quality of graduates. Competence is not the only aspect that campuses need to pay attention to; their influence on students' character development and ethical behavior plays an important role. This research aims to determine whether student personality influences students' tendencies to engage in unethical behavior. A quantitative approach was used, testing the relationships between variables. A total of 113 respondents from various business campuses in Makassar participated in this study. Data analysis in stage one, using regression testing, shows that four variables significantly influence ethical behavior. In the second stage of moderation regression testing, the results indicate that only the conscientiousness variable is not moderated by peer support, while the other variables are supported. This demonstrates that peer support plays a crucial role in strengthening and changing the negative relationship between the Big Five personality traits and ethical behavior into a positive one. Social influence theory explains how peer support influences students' personal relationships and their intentions regarding unethical behavior. Future research could further test these findings using samples on a national scale.

ABSTRAK

Kata Kunci:

Big 5
Personality;
Ethical
Behavior; Peer
Support; Social
Influence;
Moderate

Terjadi peningkatan yang signifikan terkait isu kecurangan dan fraud pada dunia bisnis. Kampus sebagai salah satu institusi yang menyediakan para calon pekerja saat ini telah banyak menjadi sorotan terkait kualitas lulusan. Kompetensi menjadi bukanlah satu-satunya hal yang perlu diperhatikan kampus, pengaruhnya terhadap pengembangan karakter dan perilaku etis mahasiswa memainkan peran penting. Penelitian ini bertujuan untuk mengetahui apakah keperibadian mahasiswa memiliki pengaruh terhadap kecenderungan mahasiswa melakukan perilaku tidak etis. Penelitian ini menggunakan pendekatan kuantitatif dengan pengujian antar variabel. Sebanyak 113 responden dari berbagai kampus bisnis di Makassar dianalisis lebih lanjut dalam penelitian ini. Analisis data pada tahap 1 yaitu pengujian regresi menunjukkan 4 variabel memiliki pengaruh signifikan terhadap perilaku etis. Pada tahap kedua pengujian regresi moderasi menunjukkan hanya variabel kehati-hatian yang tidak dimoderasi oleh dukungan sejawat, selebihnya terdukung. Hal ini kemudian menunjukkan bahwa peran dukungan sejawat memainkan peran penting dalam memperkuat dan mengubah hubungan yang negarif menjadi positif antara Big 5 personality dan dukungan sejawat. Teori pengaruh sosial menjelaskan bagaimana peran dukungan rekan sejawat mempengaruhi hubungan keperibadian mahasiswa terhadap niat mereka terkait perilaku tidak etis. Penelitian selanjutnya juga dapat menguji temuan ini dengan menggunakan sampel dalam skala nasional.

INTRODUCTION

The numerous instances of fraud and scandals in the business world have led to increased scrutiny of business schools and their graduates. Given the prevalence of these scandals, business schools are being urged to place greater emphasis on business ethics and social responsibility (Eury & Treviño, 2019). Higher education, as the sector where individuals receive their education and focus on specific areas of interest, also affects students' ethical behaviour. An increasingly frequent question, which has garnered significant media attention, concerns the unethical behaviour of entrepreneurs, employees, and government officials (Štimac et al., 2019).

Several previous studies indicate that individuals who engage in unethical behaviour in their educational institutions are likely to continue such behaviour in their workplaces (Ballantine et al., 2014). Other research supports this finding by suggesting that the tendency to cheat can develop from childhood, based on the belief that cheating is acceptable because everyone else is doing it (Dewi & Dewi, 2018). In Indonesia, according to Association of Certified Fraud Examiners Indonesia (2019) survey involving 239 respondents, the most common type of fraud was corruption, accounting for 64.4% of cases. The second most common type of fraud was the misuse of state or company assets, at 28.9%, followed by financial statement fraud, at 6.7%.

Several studies have linked personality variables with fraudulent behavior (Wibowo et al., 2011; Giluk & Postlethwaite, 2015; Wang et al., 2022; Kokkinos & Antoniadou, 2023). Specifically, the "Big Five Personality" framework has emerged as one of the most widely accepted frameworks for measuring personality, particularly in organizational contexts (Simha & Parboteeah, 2020). The Big Five Personality traits include neuroticism, extraversion, openness to experience, agreeableness, and conscientiousness. This personality model is considered influential not only in corporate contexts but also in the tendency of business school students to engage in unethical behaviour (Poropat, 2009).

Understanding how individual and contextual factors influence ethical behaviour has been the focus of several studies (Giluk & Postlethwaite, 2015). Factors such as gender, age, ability, and personality have been detected to have relationships with unethical behaviour. Morality and ethics issues have become increasingly significant in business organizations. An organization's ability to cultivate ethical behaviour among its employees can be a primary resource that is difficult for competitors to replicate. Many researchers suggest that personality traits affect ethical behavior to some extent because

they are always subject to situational influences (Jamaludin & Mehon, 2020). Ethical dilemmas arise when there is no clear answer regarding what is "right" or "wrong" in a given situation. Although dilemmas are seen as problems in an individual's life or in the business activities of an institution, they are still useful tools for helping individuals or institutions consider their approaches to ethical questions (Stimac et al., 2019).

Over the past few decades, the Big Five model has established itself as the dominant personality model (Simha & Parboteeah, 2020). Neuroticism describes individuals who tend to experience negative emotional states such as anxiety, guilt, insecurity, and self-pity. Their moods tend to be unstable, and their behavior impulsive. Individuals with high neuroticism are more likely to view difficult tasks and exams as threats rather than challenges and may be easily overwhelmed by demands (Giluk & Postlethwaite, 2015). As a result, there is a tendency to resort to cheating (unethical behavior) as a way to achieve desired outcomes. Extraversion refers to individuals who enjoy being in social situations. They are characterized by warmth, positive affect, high energy, assertiveness, and sociability. The thrill-seeking aspect of extraversion provides a strong reason to link this trait with cheating behavior (Giluk & Postlethwaite, 2015). Openness to experience involves individuals who actively seek new experiences and tend to be very reflective and thoughtful about the ideas they encounter (Giluk & Postlethwaite, 2015). Agreeableness is related to how individuals approach interpersonal relationships, with agreeable individuals being pleasant, warm, trusting, and concerned for others' well-being (Giluk & Postlethwaite, 2015).

Conscientiousness is the tendency to plan, organize, be goal-directed, delay gratification, and adhere to norms and rules. Conscientiousness consistently predicts academic and job performance positively (Giluk & Postlethwaite, 2015). Additionally, the negative influence of four personality traits on students' unethical behavior suggests that highly conscientious students are better prepared to face academic challenges, reducing the likelihood of unethical actions due to better initial preparation. Bratton & Strittmatter's research found that students who frequently cheated and behaved unethically in college were more likely to engage in unethical behavior in their workplaces (Bratton & Strittmatter, 2013). Other research indicates that an individual's unethical behavior can be influenced by peers at work or in educational settings (Pascual-Ezama et al., 2015).

Empirical findings regarding the impact of the Big Five personality model on academic dishonesty show diverse and inconsistent influences on unethical behavior outcomes (Giluk & Postlethwaite, 2015). Explaining these inconsistencies is essential. This study offers the peer influence approach as a moderating variable in existing relationships. Individuals with similar age, status, or abilities are considered peers. They can be classmates, friends, acquaintances, colleagues, or siblings, playing a significant role in our social and emotional development and influencing our desire to be like them.

Using the social influence theory perspective, which explains that individual behavior and decisions are often influenced by their social interactions, including peers, becomes crucial.

Peers are defined as social models most similar to oneself, from whom people learn behaviors and attitudes, significantly impacting ethical decision-making (Ruiz-Palomino et al., 2019). Peer influence plays an important role through social influence and group norms. When students are in environments where peers uphold ethics, they tend to follow those norms, even if their personalities are more prone to unethical behavior. Thus, peer influence functions as either a reinforcement or a deterrent to students' natural tendencies based on their personalities, demonstrating that social dynamics play a significant role in moderating behavior.

Based on this analysis, we explore how the Big Five personality framework and peer influence determine unethical behavior among business school students in Makassar. This research question is essential as it provides insights into ethical behavior, particularly the tendency for unethical behavior among students. It also adds knowledge about the influence of personality traits in determining the tendency for unethical behavior among business school students. Positive contributions to curriculum design and company recruitment processes, particularly concerning prospective employees' unethical behavior, are expected to offer practical suggestions for business schools to develop teaching programs and curricula that promote ethical behavior among students. This study also contributes empirically to the literature on how unethical behavior can be influenced by personality traits and the moderating role of peers in the relationship between personality and students' unethical behavior.

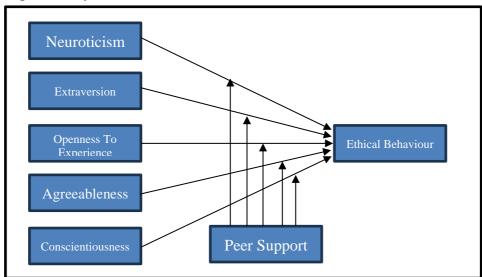


Figure 1. Conceptual Framework

Figure 1 is the research framework used for this research. The research framework describes the relationship between the big 5 personalities and the ethical behavior of

business campus students. Furthermore, using the perspective of social influence theory as a moderator of the relationship between Big 5 personality and ethical behavior.

METHOD

The approach used in this research is quantitative with an explanatory type, aiming to explain the relationship between the independent and dependent variables by testing hypotheses using data collected through surveys. Data collection via surveys helps researchers gather information that is then compared within subsets to identify differences or similarities (Pascual-Ezama et al., 2015). The sample selection for this study employed a non-probability sampling technique, specifically purposive sampling, where respondents were chosen based on certain criteria (Blumberg et al., 2014). The criteria for selecting respondents were that they must be active students in a business school/campus and have completed a course in Business Ethics, ensuring they possess an understanding of business ethics. The study initially received data from 115 respondents, but after initial screening, only 113 business school students in Makassar were selected for further analysis using SPSS.

The operationalization of the Big Five personality variables was adopted from (Larsen & Buss, 2021). Additionally, the peer support moderation variable was adopted from (Sekartaji et al., 2020), and ethical behavior was adopted from (Rua et al., 2024). All variables were measured using a 5-point Likert scale ranging from strongly disagree to strongly agree. Validity testing was conducted using Pearson correlation tests, and reliability was assessed by examining the Cronbach's alpha values for each variable. Hypothesis testing in this study utilized simple and multiple regression analysis. Furthermore, the research also employed moderated regression analysis (MRA) to analyse the data comprehensively (Igartua & Hayes, 2021).

In summary, the research followed a systematic quantitative approach: collecting data through surveys, selecting a purposive sample, operationalizing variables, and conducting validity and reliability tests. This was followed by hypothesis testing using regression analysis techniques, including MRA, to thoroughly investigate the relationships between the Big Five personality traits, peer support, and ethical behaviour among business students.

RESULT AND DISCUSSION

The data analysis of the relationship between the Big Five personality traits and unethical behaviour among students was conducted using SPSS. Additionally, Moderated Regression Analysis (MRA) was performed utilizing SPSS software. Based on the model summary Table 1 provided, it can be explained that the correlation (R) is 0.530, indicating a moderate relationship. The coefficient of determination (R Square) is 0.280, which

means that the Big Five personality traits and peer support variables can explain 28% of the variance in the dependent variable, ethical behaviour.

Table 1. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.530a	.280	.240	261.707

a Predictors: (Constant), Peer_Support_Z1, neouroticism_X1, agreeableness_X4, OTE_X3, conscientiousness_X5, extraversion_X2

This research was then carried out in 2 steps where in step 1 a simple regression test was carried out and in step 2 a moderated regression test was carried out. The results can be seen in more detail in table 2 and table 3.

Table 2. Result of Regression

Hypotheses	Variables Independent		Variable Dependent	t- value	SE β	Results
Step 1						
H1a	Neuroticism	\rightarrow		-3.48	-0.306**	Supported
H2a	Extraversion	\rightarrow		2.35	0.215*	Supported
НЗа	Openness To Experience	\rightarrow	Ethical Behaviour	-0.03	-0.003	Not Supported
H4a	Agreeableness	\rightarrow		1.99	0.185*	Supported
H5a	Conscientiousness	\rightarrow		3.95	0.345***	Supported

Note: *p<0.05, **p<0.01, ***p<0.001

The table 2 above presents the results of regression testing on the influence of the Big Five personality traits on the ethical behaviour of business students in Makassar. The independent variables in this study are the five personality traits: neuroticism, extraversion, openness to experience, agreeableness, and conscientiousness. The dependent variable is ethical behaviour, with the results indicating the t-values, standard errors (SE), beta coefficients (β), and significance levels for each hypothesis.

The first hypothesis (H1a) posits that neuroticism negatively influences ethical behaviour. The results support this hypothesis, showing a significant negative effect with a t-value of -3.48 and a beta coefficient of -0.306 (p<0.01). The second hypothesis (H2a) suggests that extraversion positively influences ethical behaviour, which is also supported by the data (t-value 2.35, β 0.215, p<0.05). However, the third hypothesis (H3a), which proposed that openness to experience positively influences ethical behaviour, was not supported, as indicated by a non-significant t-value of -0.03 and a beta coefficient of -0.003.

The fourth hypothesis (H4a) asserts that agreeableness positively influences ethical behaviour. This hypothesis is supported, with a t-value of 1.99 and a beta coefficient of 0.185 (p<0.05). Lastly, the fifth hypothesis (H5a) indicates that conscientiousness has a positive influence on ethical behaviour, which is strongly

supported by the results, showing a highly significant t-value of 3.95 and a beta coefficient of 0.345 (p<0.001). Overall, the findings suggest that neuroticism negatively affects ethical behaviour, while extraversion, agreeableness, and conscientiousness positively influence it. Openness to experience, however, does not show a significant impact on ethical behaviour in this study.

Table 3. Results of the moderating effects of peer support.

Hypotheses	Variables With Moderation		Variable Dependent	t- value	β	Results
Step 2						
H1b	Neuroticism*Peer Support	\rightarrow		2.456	0.662*	Supported
H2b	Extraversion*Peer Support	\rightarrow		2.138	0.497*	Supported
НЗЬ	Openness To Experience*Peer Support	\rightarrow	Ethical Behaviour	2.193	0.510*	Supported
H4b	Agreeableness*Peer Support	\rightarrow		2.758	1.123**	Supported
H5b	Conscientiousness*Peer Support	\rightarrow		1.364	0.424	Not Supported
Note: *p<0.05	5, **p<0.01, ***p<0.001					

The table 3 above presents the results of hypothesis testing involving the moderation of peer support on the influence of the Big Five personality traits on the ethical behaviour of business students in Makassar. The dependent variable in this study is ethical behaviour, with t-values and beta coefficients (β) indicating the significance of the influence of each hypothesis. The results show that eight out of ten proposed hypotheses were statistically supported, with several results being significant at various levels of significance.

The first hypothesis (H1b) states that peer support moderates the relationship between neuroticism and ethical behavior, with the results showing that the influence of neuroticism becomes positive and significant with the presence of peer support (t-value 2.456, $\beta 0.662$). The second (H2b) and third (H3b) hypotheses show similar results, where peer support enhances the influence of extraversion (t-value 2.138, β 0.497) and openness to experience (t-value 2.193, β 0.510) on ethical behavior. The fourth hypothesis (H4b) found that peer support significantly strengthens the influence of agreeableness on ethical behavior (t-value 2.758, β 1.123), indicating a highly significant relationship.

However, the fifth hypothesis (H5b) was not supported, indicating that peer support does not significantly affect the relationship between conscientiousness and ethical behavior (t-value 1.364, \beta 0.424). This suggests that while peer support plays an important role in moderating the influence of several personality dimensions on ethical behavior, this influence does not apply to all personality dimensions. In conclusion, this study highlights the importance of peer support in influencing the relationship between personality and ethical behavior, particularly in the context of neuroticism, extraversion,

openness to experience, and agreeableness, while the influence of conscientiousness requires further research.

CONCLUSION

The findings of this research provide new understanding regarding the role of peer support in strengthening and changing the direction of the influence of the variables in this study related to the Big Five personalities on the ethical behaviour of business campus students in Makassar. The hypothesis offered was also statistically supported, although not all test results showed support for the hypothesis. Eight of the ten hypotheses proposed were confirmed statistically.

Companies and policymakers can consider the results of this research, where students' personalities influence their ethical behaviour and peer support plays an important role. The focus of this research is to examine students' tendencies to engage in unethical behaviour based on their personality. These findings also address some of the inconsistencies in the results of the influence of personality on students' ethical behaviour, while peers serve as the explanatory variable for why inconsistencies in results occur. Peers not only strengthen or enhance the relationship between personality and ethical behaviour but can also change the direction of negative influence to positive.

The variables explained in this study are limited to the Big Five personalities and ethical behaviour in student settings. Future research can examine it more comprehensively and not only focus on the intensity of unethical behaviour but also continue to actual behaviour (moderation and mediation). This research only focuses on business students in Makassar; future studies could be conducted with a wider population, including all of Indonesia.

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