

International journal of Law, Government and Communication (IJLGC) e155N: 0124-1763

INTERNATIONAL JOURNAL OF LAW, GOVERNMENT AND COMMUNICATION (IJLGC) www.ijlgc.com



LOCAL COUNCIL EMPLOYEES' INTEGRITY: A CASE STUDY OF ENFORCEMENT AND LICENSING DEPARTMENT

Shahriza Ilyana Ramli^{1*}, Anis Nur Najwa Adam², Nursyakirah Shamsudin³, Nor Zaini Zainal Abidin⁴

- ¹ Faculty of Administrative Science and Policy Studies, Universiti Teknologi MARA (UiTM) Kedah Branch Email: ilyana@uitm.edu.my
- ² Faculty of Administrative Science and Policy Studies, Universiti Teknologi MARA (UiTM) Kedah Branch Email: 2022772029@student.uitm.edu.my
- ³ Faculty of Administrative Science and Policy Studies, Universiti Teknologi MARA (UiTM) Kedah Branch Email: 2022940551@student.uitm.edu.my
- ⁴ Faculty of Administrative Science and Policy Studies, Universiti Teknologi MARA (UiTM) Kedah Branch Email: zaini637@uitm.edu.my
- * Corresponding Author

Article Info:

Article history:

Received date: 30.06.2024 Revised date: 15.07.2024 Accepted date: 19.08.2024 Published date: 30.09.2024

To cite this document:

Ramli, S. I., Adam, A. N. N., Shamsudin, N., & Abidin, N. Z. Z. (2024). Local Council Employees' Integrity: А Case Study Of Enforcement And Licensing Department. International Journal of Law, Government and Communication, 9 (37), 399-415.

DOI: 10.35631/IJLGC.937031

This work is licensed under <u>CC BY 4.0</u>

Abstract:

The integrity and governance of public servants remain an ongoing concern. Despite numerous efforts to curb corruption and uphold integrity in the public sector, recent trends indicate a surge in misconduct among civil servants, particularly instances of corruption. This study aims to investigate the key factors—accountability, risk management, and managerial commitment—that significantly impact the integrity of civil servants within the Enforcement and Licensing Department of a municipal council in Perak. Employing a census sampling method, this research collected primary data from 101 civil servants within the department. Among the three independent variables examined, accountability emerges as the most influential factor shaping the integrity of civil servants in the Enforcement and Licensing Department. The choice to focus on a municipal council stems from documented cases of corruption involving civil servants within such councils. Thus, this study seeks to investigate integrity levels at the chosen municipal council, shedding light on the integrity of civil servants in this context.

Keywords:

Accountability Integrity; Local Council; Managerial Commitment; Risk Management



Introduction

Employee integrity is a critical aspect of organizational success, as it directly impacts the reputation, efficiency, and overall performance of a company. Integrity is essential for these employees to carry out their duties effectively and ethically. Organizational integrity, as highlighted in the "Building organizational integrity" source, is crucial for limiting the risk of ethical lapses by employees and maintaining the trust and reputation of the organization (Kayes et al., 2007). In the case of the Enforcement and Licensing Department, fostering a culture of integrity is paramount, as these employees are responsible for enforcing regulations and ensuring compliance within the organization (Hidayat, A., Yunus, N., & Helmi, M., 2023; Kayes et al., 2007). Employees in the Enforcement and Licensing Department play a crucial role in upholding the organization's policies and maintaining public trust. They are tasked with making impartial decisions, investigating potential violations, and issuing appropriate sanctions.

It's disheartening to see the pervasive issue of corruption persisting in Malaysia despite efforts to address it. The statistics from the Malaysian Anti-Corruption Commission (MACC), (2022) paint a concerning picture, especially with more than half of their annual arrests involving civil servants. This underscores the importance of addressing integrity and governance within the civil service. The root cause mentioned, the lack of integrity when exposed to opportunities and power, highlights the need for comprehensive measures to instill ethical behavior and accountability. It is not just about punitive actions against those caught in corrupt practices but also about creating a culture that values transparency and honesty. Efforts to combat corruption should involve not only enforcement agencies like the MACC but also systemic reforms in governance, transparency, and accountability mechanisms. Additionally, there should be greater public awareness and participation in anti-corruption initiatives to foster a societal intolerance towards corruption. Addressing corruption requires a multi-pronged approach involving legal reforms, institutional strengthening, education, and fostering a culture of integrity from the grassroots level up to the highest echelons of power. It is a challenging task, but crucial for the sustainable development and prosperity of Malaysia.

Absolutely, the public's trust and confidence in the government are directly linked to the integrity, competence, and effectiveness of the public service. When civil officials demonstrate integrity, competence, and effectiveness in their work, they not only fulfill their duty to provide public services but also contribute to fostering a positive image of the government. Competence and skills are crucial for civil officials to deliver quality public services efficiently. Moreover, honesty in their work is essential for maintaining public trust. A strong moral compass, which guides civil personnel to distinguish between right and wrong, is indispensable for ensuring ethical conduct within the organization. Organizational integrity plays a pivotal role in preventing and addressing instances of fraud, theft, and corruption. By institutionalizing ethical standards and acceptable workplace behavior, organizations can create an environment where misconduct is less likely to occur and where unethical behavior is swiftly addressed and punished. Enhancing integrity within organizations not only reduces the prevalence of fraud but also contributes to overall organizational effectiveness and efficiency. When employees adhere to ethical standards and moral ideals established by their organization and the larger community, they contribute to a culture of integrity that promotes trust, cooperation, and success. Integrity practices encompass traits and behaviors that align with ethical norms, guidelines, and moral ideals. By promoting integrity practices within the public service,



Volume 9 Issue 37 (September 2024) PP. 399-415 DOI 10.35631/IJLGC.937031 organizations can foster a culture of honesty, accountability, and ethical conduct, ultimately enhancing trust and confidence in the government among the public.

In the Malaysian public sector, numerous issues have recently come to focus that are cause for concern, including fraud, corruption, weaknesses in governance, poor financial management, and many more (Johari et al., 2021). This has raised numerous concerns about the integrity of the public sector in sustaining the people's trust. The public sector as a whole has a poor reputation as a result of scandals like the 1Malaysia Development Berhad (1MDB) affair and events at the Royal Malaysian Customs Department (RMCD) (Johari et al., 2021). It has become worst since it is involving the "Malaysian Official One" (MO1) of Malaysia who has been given mandate by mass to ruling the government and managing public assets. The scandals confirmed Ssonko's findings from 2010 that the public sector did not uphold any kind of public trust and did not carry out its responsibilities with integrity (Johari et al., 2021).

Malaysia is the 61st least corrupt nation out of 180, according to Transparency International's analysis of the 2022 Corruption Perceptions Index. In 2007, 47% of business leaders stated that they had either engaged in bribery themselves or known someone who did in the previous 12 months. According to Anti Bribery Anti-Corruption (ABAC), the police have the highest levels of corruption, followed by other law enforcement agencies including customs and roads and transportation departments (Anti-Bribery Anti-Corruption, 2024). According to figures from the Malaysia Anti-Corruption Commission, which are based on the corruption trend in Malaysia during the years between 2013 to 2018, the public sector has been the most exposed to corruption. The susceptibility rate for the public sector was 63.30%, which was higher than the vulnerability rate for the private sector (17.06%). It was discovered that the public sector's significant susceptibility to corruption was brought on by a lack of governance in its administration, law enforcement agencies, and procurement practices.

Local councils and state offices in Malaysia, including the *Majlis Bandaraya Johor Bahru* (MBJB) (MACC, 2017), the *Dewan Bandaraya Kuala Lumpur*, the Malacca Stadium Body (Bernama, 2016), and the Kelantan State Office (New Straits Times, 2023), were also involved in integrity violations. For an instance, it is reported that Kelantan civil servant arrested for allegedly soliciting RM45, 000 in bribes (New Straits Times, 2023).

As a result, it is possible to suggest methods to prevent greater losses in the future by understanding the motivations and causes of integrity violations (Cressey, 1973; Kolthoff, 2016; Huberts, 2018). These initiatives have been hampered by bad government, rising socioeconomic disparities across neighbourhoods, thriving corruption, and unethical behaviour. As a result, the data reveals that council members frequently engage in unethical behaviour, including bribery, making false statements, securing unlicensed company locations, graft, and corruption (Chamunorwa 2015).

The public is sceptical of the municipal council and accuses its officials of being unethical since local authorities are unable to provide excellent services due to improper financial management, which is linked to their inability to make ethical judgments. According to Zeni et al., (2016) ethical judgments are the most important task in an organization. Ethics and integrity are crucial for preserving openness in the Malaysian public sector (MSC) since unethical crises are regular.



Therefore, along with the reading and research done by the researcher, the cases happen among the Municipal Council, which is the integrity issues such corruption and bribery among the civil servants in those local government, the scope of the study is to investigate the level of integrity of civil servants in the Enforcement and Licensing Department at *Majlis Perbandaran Manjung* (MPM). The Municipal Council has the same intensity, such as population, local area, and average people's income. Thus, this is the reason why the researcher decided to choose *Majlis Perbandaran Manjung* (MPM) to see the level of integrity.

Literature Review

Definition of Integrity

Integrity is described as a "quality or state of being complete, wholeness, entireness, being of sound moral principle, uprightness, honesty, sincerity, and unbroken state" by Webster's Dictionary. Although this definition can serve as a useful introduction to descriptive language, Nelly Trevinyo-Rodriguez R. (2007) notes that it is unclear whether the idea of integrity necessitates action. Numerous writers and experts in a variety of disciplines, including leadership, organizational behaviour, human resources management, psychology, and ethics literature, have extensively explored the idea and notion of integrity (Bauman, 2013; Nelly Trevinyo-Rodriguez R., 2007).

Chabrak (2015) posits that integrity is synonymous with keeping one's word. By doing this, people establish comprehensive and whole social and professional relationships as well as a practical route to self-fulfilment that aligns with the organization's integrity policies. Since organizations also involve people and their relationships with one another are crucial to the organization's success in the eyes of its rivals, integrity is just as vital for organizations as it is for individuals (Said & Omar, 2014). According to Said et al. (2016), integrity in an organization encompasses not only being dishonest or corrupted but also personal traits or attributes. To put it another way, someone who wishes to oversee the integrity of an organization must first have integrity for themselves, as someone who lacks integrity is unlikely to have integrity with others (Chabrak, 2015).

Accountability and Integrity of Civil Servants

Accountability is defined as the responsibility of both internal and external persons or organizations to account for their actions, take ownership of them, and transparently report the outcomes. The responsibility for money or other entrusted property, service provision, and the effect of policies on society are also included (Almquist et al., 2013; Huse, 2005; Iyoha and Oyerinde, 2010). The term "accountability" refers to a relationship built on the promises of some individuals to exhibit, evaluate, and accept responsibility for performance, and both outcomes are realized in light of employed methods and established expectations. It encompasses moral rights and obligations in addition to official ones (Said et al., 2018). Accountability, according to Rutkowski and Steelman (2005), is the ability to comply with personal obligations, feel a sense of duty towards another person, and defend one's actions in front of other people. Leaders typically feel required to use feedback to enhance performance when they are responsible for it (Dennis A., 2010).

Numerous studies have highlighted the connections between leadership qualities, internal control systems, and accountability with regard to various factors (Alam et al., 2018; Atan et al., 2017; Aziz et al., 2015; Almquist et al., 2013). The integrity system that the organization adopted in the public sector has a positive impact on encouraging responsibility inside the *Copyright* © *GLOBAL ACADEMIC EXCELLENCE (M) SDN BHD - All rights reserved*



department and enhancing accountability across the board for the entire public sector. The emphasis on limiting activities and operations through particular legislation, regulation, and procedures ensures the growth of accountability in the public sector. It will also diminish accusations that public sector workers are indulging in cronyism and nepotism. It was discovered that the development of accountability in the public sector is also influenced by leadership qualities. Promoting moral principles and outlining specific objectives and goals can inspire followers to uphold admirable universal principles, which strengthens an organization's accountability. Without a doubt, leadership plays a crucial role, especially when dealing with problems in the public sector. This is because leaders uphold high moral and ethical standards, which are valued more highly by their followers than by disinterested parties.

Therefore, in order to win over the public, a government must increase the effectiveness and quality of its services because people everywhere have been calling for increased government responsibility. Since the public has a right to know and receive the facts and figures that will help them decide the fate of their elected representatives, accountability in the public sector requires the government to be answerable to the people and justify the source and use of public resources (Almquist et al., 2013).

Risk Management and Integrity of Civil Servants

Every component of organizational activities, including all management levels, are subject to risk because it is an intrinsic feature of business and public life (Tchankova, 2002). According to Rasid et al. (2011), the chance of danger, loss, harm, or other negative outcomes is referred to as the risk. When the corporate environment becomes more volatile, unclear, unstable, and unexpected, the risk materializes (Smallman, 1996; Wilson, 2018). The risk is typically linked to an unfavourable loss, such as company failure, loss of clientele, or market share loss (Tummala & Schoenherr, 2011). Identifying potential risks and liabilities that could cause issues for organizations in the public and private sectors is done through the process of risk management (Archbold, 2005). Assessment, detection, and management of emerging hazards are all successfully accomplished through risk management.

According to Ng et al. (2013), risks within an organization may also develop as a result of the board members' independence. This is due to the fact that when members are independent, conflicts of interest may be avoided as a result of the member's ability to make fair and unbiased decisions without being influenced by their own personal interests (Rasid et al., 2011). The commercial integrity of the company would be jeopardized if company directors were free to take advantage of corporate possibilities without many constraints, such as risk management regulations and other internal controls. In other words, risk management and integrity practice are related because it can affect and degrade integrity as a whole. Said et al. (2016) discovered risk management did not have a statistically significant impact on integrity practices, which is in contradiction to this. Therefore, despite efforts to counteract it, a significant level of corruption cannot be eliminated.

In the public sector, risk management has developed to handle a greater variety of intricately linked hazards. It is recommended that government organizations adopt a more proactive and anticipatory strategy, taking into account wider strategic risks, as opposed to a defensive and reactive one (Andersen & Young, 2023). This progression entails using an enterprise-wide strategy, overcoming obstacles with strategic planning and innovative technologies, and carrying out in-depth risk assessments related to technology (Maraccini, 2023). Bracci et al.



Volume 9 Issue 37 (September 2024) PP. 399-415 DOI 10.35631/IJLGC.937031 t yet systematized, highlighting the need for

(2021) stated that this body of knowledge is not yet systematized, highlighting the need for additional study and integration with managerial systems.

Managerial Commitment and Integrity of Civil Servants

According to Ndoen & Supartha (2019), management commitment is essential and is thought to be a significant and desirable component in employee behaviour. This is so that top management commitment may guarantee an organization's success. The primary cause of businesses failing in this area, according to Goffin and Szwejczewski (1996) and Millar and Doherty (2016), is a lack of commitment from top management. Management must be willing to put in significant effort on behalf of the organization, according to Goffin and Szwejczewski (1996), and have a strong desire to keep its employees (Mowday et al., 1979; Wombacher and Felfe, 2017; Johari et al., 2018). According to Metcalfe & Dick (2001) state that workplace commitment has a substantial impact on how employees are managed and how successfully they perform their jobs.

Since managerial commitment may have an impact on employees' behaviour, it is important to remember that as a manager or leader in a firm, your actions will be followed by those of your staff members. The employees would act in a similar manner if the boss did not uphold integrity or ethical behaviour in the course of completing his or her duties. Leaders who give their team a clear sense of purpose and direction typically have more contented and devoted workers. According to Leroy et al. (2012), managers' commitment and behavioural integrity are significantly correlated. According to Ellis et al., (2020) state that building trust with the team you work with and depend on is essential for becoming a successful manager with a high level of dedication to your staff. This is due to the possibility that by fostering trust and exhibiting integrity as a leader, employees may have more faith in their manager or department head.

In the public sector, managerial commitment is crucial. According to a Malaysian study, management commitment is defined as adopting management practices and being prepared to put in a significant amount of work to accomplish organizational objectives (Johari et al., 2018). Promoting effective organizational commitment is essential for enhancing service performance in the public sector (Luna & Lara 2020). In order to maintain integrity and fight corruption in the public sector, the Organisation for Economic Co-operation and Development emphasis the significance of commitment (OECD, 2017). Government agencies must adopt a more anticipatory and proactive approach to risk management in order to improve it in the public sector. They can achieve this by applying best practices from the private sector and gaining a competitive edge, all the while continuing to serve the interests of their citizen stakeholders.

Methodology

This study uses the method of quantitative through questionnaires method to collect the data from the respondents. According to Guerrero, (2010) the quantitative method is a research approach that emphasizes quantification in the collection and analysis of data. Since it would be simple for the researcher to compute the data before interpreting the findings, the researcher chose a quantitative approach. As a result, the surveys will be given to the respondents who are civil servants in the public sector especially in in the Enforcement and Licensing Department of the *Majlis Perbandaran Manjung* (MPM) within one week. For this study, the sample is a compromise of all civil servants in the Enforcement and Licensing Department at *Majlis Perbandaran Manjung*. The total population of civil servants in the Enforcement and Licensing



Department of the *Majlis Perbandaran Manjung* is 101. The research focused on probability sampling which is census sampling will be employed as the sampling technique.

Overall, this study identifies managerial commitment, risk management, and accountability as the independent factors that influence the civil servants' integrity in *Majlis Perbandaran Manjung*. According to the factors employed in this study, a set of questionnaires will be created in order to gather input from the respondents.

Findings

Profile Of The Respondents

In order to discuss further on this topic, profile of respondents at *Majlis Perbandaran Majung* was gathered. The distribution of the respondents in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM) is as such; demographic by gender consists of 76 (75.2%) males and 25 (24.8%) females with the majority of the respondents are Malay which consists 92 (91.1%) and nine (8.9%) Indian respondents given that the majority of the respondents by religion consists of 92 (91.1%) Islam, 7 (6.9%) Hindu and 2 (2.0%) Christian. For the age section, a total of 10 respondents (9.9%) come from the age of 18 to 27 years old, 52 (51.5%) 28 to 37 years old, 24 (23.8%) 38 to 47 years old, 14 (13.9%) 48 to 57 years old and one person (1.0%) 58 years old and above respondents. The distribution of the respondents based on academic qualifications consists of seven (6.9%) primary, 54 (53.5%) secondary, 32 (31.7%) tertiary, and eight (7.9%) postgraduates. A high majority of the respondents come from Group C (Executor of the Office) consisting of 75 (74.3%), followed by Group C (Executor of the Non-Office) with a total of 19 (18.8%), Group B (Executor – Assistant Officer) with the amount of five (5.0%) and two respondents (2.0%) from Group A (Professional & Management). Additionally, the distribution of the respondents to the civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM) based on grade position consists of one person (1.0%) grade 44, one person (1.0%) grade 41, five people (5.0%) grade 29, two people (2.0%) grade 26, one person (1.0%) grade 24, 14 (13.9%) grade 22, 56 (55.4%) grade 19, one person (1.0%) grade 1 and 20 people (19.8%) from grade 11 respondents. Last but not least the term of service indicates that civil servants in the Enforcement and Licensing Department at the Manjung Municipal Council (MPM) consisted of six people (5.9%) who had worked for one to five years, 34 (33.7%) had worked for six to 10 years, 38 (37.6%) 11 to 15 years, 13 (12.9%) 16 to 20 years and ten people have worked for 21 years and above. Generally, the sample size for this study was a total of 101 respondents (N = 101). The figure below are the illustrated of the profile of respondents for this paper:



Volume 9 Issue 37 (September 2024) PP. 399-415

DOI 10.35631/IJLGC.937031



Figure 1: Profile Of The Respondents

Copyright © GLOBAL ACADEMIC EXCELLENCE (M) SDN BHD - All rights reserved



Descriptive Analysis

Licensing Department of the Majlis Perbandaran Manjung (MPM) Mean No Question Score 1 I think civil servants should be honest in their work 4.75 I think every government servant should align with Malaysian Anti-2 4.67 Corruption Commission Act 2009 [Act 694] in performing their task I think civil servants should avoid preferential treatment of people 3 4.60 they know personally 4 I think government employee should avoid soliciting bribes 4.69 I think civil servants should receive integrity and ethics training on 5 4.68 how to recognize and prevent retaliation

Table 1: Mean Score for the Level of Integrity of civil servants in the Enforcement and

6 I think government employee should promotes integrity conduct as 4.65 part of its action

Descriptive statistics for the level of integrity of civil servants in the Enforcement and Licensing Department of the *Majlis Perbandaran Manjung* (MPM) reveal an overall mean score of 4.676 (SD = 0.482). This shows the level of integrity of civil servants in the Enforcement and Licensing Department of the *Majlis Perbandaran Manjung* (MPM) is highest because the overall mean value is close to 5 which means strongly agree.

Pearson Correlation Analysis

Table 2: Relationship Between Accountability And Integrity Of Civil Servants

Relationship between Variable	r - value	p - value	Decision
Accountability and Integrity of civil servants in the Enforcement and Licensing	0.914	p = 0.000	H ₀ 2 rejected
Department of the Majlis Perbandaran Manjung (MPM)		p < 0.05	

Table 3: Relationship between Risk Management and Integrity					
Relationship between Variable	r - value	p - value	Decision		
Risk Management and Integrity of civil servants in the Enforcement and Licensing	0.842	p = 0.000	H ₀ 3 rejected		
Department of the <i>Majlis Perbandaran</i> <i>Manjung</i> (MPM)		p < 0.05			



Table4: Relationship between Managerial Commitment and Integrity					
Relationship between Variable	r - value	p - value	Decision		
Managerial Commitment and Integrity of civil servants in the Enforcement and	0.869	p = 0.000	H ₀ 4 rejected		
Licensing Department of the Majlis Perbandaran Manjung (MPM)		p < 0.05			

Multiple Regression Analysis

Table 1: Multiple Regression Analysis Result							
Variables	Unstandardized Beta Value	Standardized Beta Value	t - value	p - value			
Accountability	0.614	0.673	7.494	0.000			
Risk Management	0.178	0.181	1.738	0.085			
Managerial Commitment	0.097	0.096	0.768	0.445			
r^2	0.851						
F - value	185.143						
P - value	0.000 < 0.05						

Discussion

The integrity among public servant is important as they are the pillar of the nation, however, it may vary depending on the service scheme in the public sector, although the majority of respondents stated that they generally practice this integrity however there are still various areas of weakness that lead to corruption, and inadequate asset management controls especially in the accounting group compared to those in administrative group and auditing group (Alam et al., 2018). Due to their significant role in the local government's enforcement of the law, civil servants in the Enforcement and Licensing Department *Majlis Perbandaran Manjung* (MPM) are therefore shown to possess high integrity. The aforementioned requirement indicates that civil servants working in law enforcement and licensing are expected to possess a high level of integrity. They are not permitted to make statements based on information or data that could raise questions about the actual behaviour of civil servants in this department. Instead, they must adhere to specific rules and regulations as they are responsible for enforcing license compliance, which involves checking that licenses issued by the department meet the requirements set forth by the local government (Alam et al., 2018).



This study sets out to identify the relationship between accountability and integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM). In the research findings, the Pearson correlation coefficient was used to analyse the relationship between two variables which are accountability and integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM). According to the result, accountability shows a significantly positive strong relationship with the integrity of civil servants. This is because, the results of the analysis showed a strong positive correlation, with a Pearson correlation coefficient (r) of 0.914. This indicates that there is a high degree of linear association between the two variables, meaning that as the value of one variable increases, the value of the other variable also increases, and vice versa. The pvalue associated with the correlation coefficient was 0.00, which is less than the significance level of 0.05, indicating that the correlation is statistically significant. In other words, the relationship between accountability and integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM) is not only strong but also significant, meaning that changes in one variable are likely to be associated with changes in the other variable.

Furthermore, the research by Bonsu (2022) evaluates the relationship between leadership, integrity, and internal control systems in Ghana's public sector, a developing nation. Ineffective policy implementation and coordination have an impact on institutional reforms that support economic growth and accountability. Consequently, it appears that accountability discourages the misuse of authority and corrupt practices (Manes-Rossi, 2019; Fries, Kammerlander, & Leitterstorf, 2021). Notwithstanding these, there is a dearth of studies on the relationship between accountability and leadership, integrity, and internal control systems in the public sector of developing nations in sub-Saharan Africa. Therefore, by examining information gathered from the Ghanaian public sector about the aforementioned corporate governance standards, this prior study closes the gap.

The finding has also indicates the relationship between risk management and the integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM). By referring to the Table 3, it can be concluded that risk management shows a significantly positive relationship with the integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM). In the findings, the Pearson correlation coefficient was used to analyse the relationship between two variables which are risk management and integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM). According to the result, risk management shows a significantly positive strong relationship with the integrity of civil servants. This is because, the results of the analysis showed a strong positive correlation, with a Pearson correlation coefficient (r) of 0.842. This indicates that there is a high degree of linear association between the two variables, meaning that as the value of one variable increases, the value of the other variable also increases, and vice versa. The p-value associated with the correlation coefficient was 0.00, which is less than the significance level of 0.05, indicating that the correlation is statistically significant. In other words, the relationship between risk management and the integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM) is not only strong but also significant, meaning that changes in one variable are likely to be associated with changes in the other variable.



Furthermore, while management strategies vary depending on what organizations do, Said et al. (2020) report that all institutions can still benefit from and implement the five stages of risk management, which include risk identification, measurement, assessment, and evaluation as well as risk controls and monitoring (Archbold, 2005). Similar results are found in the studies conducted by Tummala and Leung (1996), Tummala and Schoenherr (2011), Rasid et al. (2011), and Giannakis and Papadopoulos (2016) regarding the steps involved in risk management, which are defined as the Risk Management Process (RMP) and include risk identification, risk measurements, assessment, analysis, and evaluation of risk as well as risk controls. Thus, it portrays that, when combined with good risk management techniques, it can foster and advance the value of accountability.

On top of that, the finding has also indicates that the investigation on the relationship between managerial commitment and the integrity of civil servants has made an impact. Based on the result, it can be concluded that managerial commitment also shows a significantly positive relationship with the integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM). In the research findings, the Pearson correlation coefficient was used to analyse the relationship between two variables which are managerial commitment and integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM). According to the result, managerial commitment shows a significantly positive strong relationship with the integrity of civil servants. This is because, the results of the analysis showed a strong positive correlation, with a Pearson correlation coefficient (r) of 0.869. This indicates that there is a high degree of linear association between the two variables, meaning that as the value of one variable increases, the value of the other variable also increases, and vice versa. The p-value associated with the correlation coefficient was 0.00, which is less than the significance level of 0.05, indicating that the correlation is statistically significant. In other words, the relationship between managerial commitment and integrity of civil servants in the Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM) is not only strong but also significant, meaning that changes in one variable are likely to be associated with changes in the other variable.

Additionally, Johari et al. (2018) found that a number of questions regarding the accountability of Malaysia's public sector agencies have been raised by the prevalence of various reported mismanagement cases involving problems like fraud, corruption, governance failures, and poor financial management. This prior study's finding was used to investigate management commitment practices in the Malaysian public sector in order to validate the management's level of commitment. The finance scheme group's management commitment practice was judged to have the greatest commitment value, while the audit and accounting schemes had the lowest.

The investigation to most significant factor that contributes to the integrity of civil servants in the Enforcement and Licensing Department of the *Majlis Perbandaran Manjung* (MPM) has also been done. Observing the findings from the analysis using Multiple Regression Analysis, shows that among all of the three independent variables which are accountability, risk management, and managerial commitment, the factors that highly contribute to the integrity of civil servants in the Enforcement and Licensing Department of the *Majlis Perbandaran Manjung* (MPM) is accountability with standardized beta value is 0.673 and shows the amount is greater than the standardized beta value of risk management (0.181) and managerial



commitment (0.096). Therefore, Ho5 is supported since accountability has a significant influence on the integrity of civil servants in the Enforcement and Licensing Department of the *Majlis Perbandaran Manjung* (MPM).

This finding is supported by the discovery made by some scholars. Khanal and Bhattarai (2022) suggests that accountability plays a critical role in influencing the integrity of public officers. In any organization, the effort to uphold the integrity system; to prevent abuse and misuse of power, guarantee the proper use of resources and compliance with the law, and encourage learning for ongoing development, accountability is a fundamental component of public governance and management (Aucoin & Heintzman, 2000). Public servants and officials are expected to be accountable for their actions and to use their resources and abilities for the benefit of the public. Accountability necessitates those public servants and officials make decisions in an open, transparent manner and provide justification for their actions. Civil Servants ought to get rewards and sanctions according to their jobs and be held responsible for their moral obligations. Accountability plays a key role in ensuring that public servants behave honourably and make choices that serve the public good rather than their interests. Enforcing accountability in a system that deals with corruption and power struggles can be difficult, though.

Future Research

As discussed and presented, this paper indicates the examination on the integrity level of Enforcement and Licensing Department of the Majlis Perbandaran Manjung (MPM employees. Thus, in the next future it is hope that make a this research could be expanded to see comparisons of the integrity level between all those Municipal Councils all over Malaysia. Hence, the results would produce some inputs to the subjected authorites.

Conclusion

In conclusion, the pervasive issues of fraud, corruption, governance weaknesses, and poor financial management within the Malaysian public sector pose significant challenges to the country's development and undermine public trust in government institutions. High-profile scandals such as the 1MDB affair and events at the RMCD have further tarnished the reputation of the public sector and reinforced concerns about integrity and accountability. The findings from recent studies confirm long-standing perceptions that the public sector in Malaysia has struggled to uphold public trust and fulfill its responsibilities with integrity. These revelations highlight the urgent need for comprehensive reforms to address systemic issues and rebuild confidence in government institutions. Critical measures must be taken to strengthen institutional frameworks, enhance transparency and accountability mechanisms, and promote a culture of integrity within the public sector. This will require concerted efforts from government authorities, civil society organizations, and the private sector to implement meaningful reforms and hold accountable those responsible for misconduct. Moreover, restoring public trust will necessitate tangible actions and visible results, including rigorous enforcement of anti-corruption laws, prosecution of wrongdoers, and implementation of governance reforms. Building a more resilient and trustworthy public sector will be a gradual process that requires sustained commitment and collaboration from all stakeholders. Ultimately, the future integrity and effectiveness of the Malaysian public sector depend on the collective efforts to address systemic challenges, strengthen governance mechanisms, and promote a culture of ethical conduct. Only through decisive action and genuine reforms can Malaysia rebuild public trust and ensure the prosperity and well-being of its citizens.



Acknowlegement

We extend our deepest gratitude to the authors, students, and reviewers who played a crucial role in the success of this research project. Your dedication, insightful feedback, and hard work have been invaluable. Additionally, we are grateful to Global Academic Excellence (M) Sdn Bhd for providing us with the opportunity to publish our findings in this journal. Thank you all for your unwavering support.

References

- Alam, M. M., Johari, R. J., & Said, J. (2018). An empirical assessment of employee integrity in the public sector of Malaysia. *International Journal of Ethics and Systems*, 34(4), 458-471.
- Alam, M. M., Said, J., & Abd Aziz, M. A. (2019). Role of integrity system, internal control system and leadership practices on the accountability practices in the public sectors of Malaysia. *Social Responsibility Journal*, 15(7), 955-976.
- Almquist, R., Grossi, G., Van Helden, G. J., & Reichard, C. (2013). Public sector governance and accountability. *Critical perspectives on Accounting*, 24(7-8), 479-487.
- Andersen, T., & Young, P. (2023). Enhancing public sector enterprise risk management through interactive information processing. *Frontiers in Research Metrics and Analytics*. https://doi.org/10.3389/frma.2023.1239447.
- Anti-Bribery Anti-Corruption, (2024). Major bribery and corruption cases in Malaysia. CRI Group.
- https://abacgroup.com/major-bribery-and-corruption-cases-in-malaysia/
- Archbold, C. A. (2005). Managing the bottom line: risk management in policing. *Policing: An International Journal of Police Strategies & Management*, 28(1), 30-48.
- Atan, R., Alam, M. M., & Said, J. (2017). Practices of corporate integrity and accountability of non-profit organizations in Malaysia. *International Journal of Social Economics*, 44(12), 2271-2286.
- Aucoin, P., & Heintzman, R. (2000). The Dialectics of Accountability for Performance in Public Management Reform. *International Review of Administrative Sciences*, 66, 45 -55. https://doi.org/10.1177/0020852300661005.
- Aziz Abd, M. A., Ab Rahman, H., Alam, M. M., & Said, J. (2015). Enhancement of the accountability of public sectors through integrity system, internal control system and leadership practices: A review study. *Procedia Economics and Finance*, 28, 163-169
- Aziz, M., Said, J., & Alam, M. M. (2015). Assessment of the practices of internal control system in the public sectors of Malaysia. *Aziz, MAA, Said, J., and Alam, MM*, 43-62.
- Bauman, D. C. (2013). Leadership and the three faces of integrity. *The leadership quarterly*, 24(3), 414-426.
- Bernama.(2016). Former stadium assistant director pleads not guilty to graft charges.

https://www.malaysiakini.com/news/352349

- Bonsu, A. B., Appiah, K. O., Gyimah, P., & Owusu-Afriyie, R. (2022). Public sector accountability: do leadership practices, integrity and internal control systems matter. *IIM Ranchi Journal of Management Studies*, (ahead-of-print).
- Chabrak, N. (2015). Promoting corporate social responsibility and sustainability: a model of integrity. *Society and Business Review*, *10*(3), 280-305.
- Chamunorwa, J. 2015. An Exploration of Whistle Blowing in Fighting Corruption in the Public Sector in South Africa: A Case of Stellenbosch Municipality. *Stellenbosch University*.

Cressey D. R. (1973). Other people's money; a study in the social psychology of embezzlement. *Patterson Smith.*



- Dennis, A. (2010). Global Economic Crisis and Trade: The Role of Trade Facilitation. *Applied Economics Letters*, *17*(18), 1753-1757.
- Ellis, S. (2020). Team Learning. *Encyclopedia of Education and Information Technologies*. https://doi.org/10.4135/9781452272030.n5.
- Fries, A., Kammerlander, N., & Leitterstorf, M. (2021). Leadership styles and leadership behaviors in family firms: A systematic literature review. *Journal of Family Business Strategy*, 12(1), 100374.
- Giannakis, M., & Papadopoulos, T. (2016). Supply chain sustainability: A risk management approach. *International journal of production economics*, *171*, 455-470.
- Goffin, K., & Szwejczewski, M. (1996). Is management commitment to quality just "a given"?. *The TQM Magazine*, 8(2), 26-31.
- Guerrero, H. (2010). Analysis of Quantitative Data. https://doi.org/10.1007/978-3-642-10835-8_3.
- Hidayat, A., Yunus, N., & Helmi, M. (2023). Law Enforcement Ethics and Morality Contribution in Reducing the Culture of Corruption. *International Journal Of Social Science And Education Research Studies*. https://doi.org/10.55677/ijssers/v03i4y2023-11.
- Huberts, L. W. J. C. (2018). Integrity: What it is and Why it is Important. *Public Integrity*, *0*(0), 1–15. https://doi.org/10.1080/10999922.2018.1477404
- Huse, M. (2005). Accountability and creating accountability: A framework for exploring behavioural perspectives of corporate governance. *British journal of management*, *16*, S65-S79.
- Iyoha, F.O., & Oyerinde, D.O. (2010). Accounting infrastructure and accountability in the management of public expenditure in developing countries: A focus on Nigeria. Critical Perspectives on Accounting, 21, 361-373.
- Johari, R. J., Alam, M. M., & Said, J. (2018). Assessment of management commitment in Malaysian public sector. *Cogent Business & Management*, 5(1), 1469955.
- Johari, R. J., Alam, M. M., & Said, J. (2021). Empirical assessment on factors contributing to integrity practices of Malaysian public sector officers. *Business Process Management Journal*, 27(4), 1217-1237.
- Kayes, D C., Stirling, D., & Nielsen, T M. (2007, January 1). Building organizational integrity. Elsevier BV, 50(1), 61-70. https://doi.org/10.1016/j.bushor.2006.06.001
- Khanal, R., Gupta, A. K., & Bhattarai, P. C. (2022). Civil servants' integrity in public sector: The case of Nepal. *Heliyon*, 8(12).
- Kolthoff, E. (2016). Integrity violations, white-collar crime, and violations of human rights: Revealing the connection. *Public Integrity*, *18*(4), 396-418.
- Leroy, H., Palanski, M. E., & Simons, T. (2012). Authentic leadership and behavioral integrity as drivers of follower commitment and performance. *Journal of business ethics*, 107, 255-264.
- Luna-Arocas, R., & Lara, F. J. (2020). Talent management, affective organizational commitment and service performance in local government. *International Journal of Environmental Research and Public Health*, 17(13), 4827.
- Malaysian Anti-Corruption Commission. (2022). Arrest Statistics. https://www.sprm.gov.my/index.php?page_id=97&language=en
- Manes-Rossi, F. (2019). New development: alternative reporting formats: a panacea for accountability dilemmas?. *Public Money & Management*, 39(7), 528-531.
- Millar, P., & Doherty, A. (2016). Capacity building in nonprofit sport organizations: Development of a process model. *Sport management review*, 19(4), 365-377.

Copyright © GLOBAL ACADEMIC EXCELLENCE (M) SDN BHD - All rights reserved



- Mowday, R. T., Steers, R. M., & Porter, L. W. (1979). The measurement of organizational commitment. *Journal of vocational behavior*, 14(2), 224-247.
- Ndoen, D., & Supartha, W. (2019). The Mediating Role of Organizational Commitment on Leadership Behavior and Employee Performance. *The International Journal of Business & Management* https://doi.org/10.24940/theijbm/2019/v7/i6/bm1906-046.
- Nelly Trevinyo-Rodríguez, R. (2007). Integrity: a systems theory classification. *Journal of Management History*, *13*(1), 74-93.
- New Straits Times. (2023). Kelantan civil servant arrested for allegedly soliciting RM45, 000 in bribes.
- https://www.nst.com.my/news/crime-courts/2023/09/952248/kelantan-civil-servant arrestedallegedly-soliciting-rm45000-bribes
- Ng, T., Chong, L. and Ismail, H. (2013), "Is the risk management committee only a procedural compliance? An insight into managing risk taking among insurance companies in Malaysia", *Journal of Risk Finance*, Vol. 14 No. 1, pp. 71-86.
- Rasid, S. Z. A., Rahman, A. R. A. & Ismail, W. K. W. (2011). Management Accounting And
- Risk Management in Malaysian financial institutions. *Managerial Auditing Journal*, Vol. 26(Iss 7), pp 566-585. doi: 10.1108/02686901111151314
- Rutkowski, K. A., & Steelman, L. A. (2005). Testing a path model for antecedents of accountability. *Journal of Management Development*, 24(5), 473–486.
- Said, J., Alam, M. M., & Johari, R. J. (2020). Assessment of risk management practices in the public sector of Malaysia. *International Journal of Business and Emerging Markets*, 12(4), 377-390.
- Said, J., Alam, M. M., & Khalid, M. A. (2016). Relationship between good governance and integrity system: Empirical study on the public sector of Malaysia. *Humanomics*, 32(2), 151-171.
- Said, J., Alam, M.M., and , M.A. (2015). Public Accountability System: Empirical Assessment of Public Sector of Malaysia. Asian Journal of Scientific Research. Vol. 8(2), pp. 225-236.
- Said, J., & Omar, N. (2014). Corporate integrity system: comparative analysis of two giant government linked companies. *Procedia-Social and Behavioral Sciences*, 145, 12-17.
- Said, J., Alam, M. M., &, R. J. (2018). Assessment of accountability practices in the public sector in Malaysia. Asia-Pacific Management Accounting Journal (APMAJ), 13(1), 167-184.
- Smallman, C. (1996). Risk and organizational behaviour: a research model. *Disaster Prevention and Management: An International Journal*, 5(2), 12-26.
- Tchankova, L. (2002). Risk identification-basic stage in risk management. *Environmental* management and health, 13(3), 290-297.
- Tummala, R. V. M., & Leung, Y. H. (1996). A risk management model to assess safety and reliability risks. *International Journal of Quality & Reliability Management*, 13(8), 53-62.
- Tummala, R. & Schoenherr, T. (2011) Assessing and Managing Risks Using the Supply Chain Risk Management Process (SCRMP). Supply Chain Management, 16, 474-483. https://doi.org/10.1108/13598541111171165
- Wombacher, J. C., & Felfe, J. (2017). Dual commitment in the organization: Effects of the interplay of team and organizational commitment on employee citizenship behavior, efficacy beliefs, and turnover intentions. *Journal of Vocational Behavior*, 102, 1-14.
- Wilson, F. M. (2018). Organizational behaviour and work: a critical introduction. Oxford university press.

Copyright © GLOBAL ACADEMIC EXCELLENCE (M) SDN BHD - All rights reserved



Volume 9 Issue 37 (September 2024) PP. 399-415
DOI 10.35631/IJLGC.937031Zeni, T., Buckley, M., Mumford, M., & Griffith, J. (2016). Making "sense" of ethical decision
making. LeadershipQuarterly,
Quarterly,
27,
838-855.
https://doi.org/10.1016/J.LEAQUA.2016.09.002.