

Things that Influence Employees' Desire to Carry Out Whistleblowing (Study of Indonesian Bank Employees)

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Abstract. *The objectives of this study are (1) to analyze the influence of knowledge on the intention of Bank Indonesia employees to engage in whistleblowing, and (2) to analyze the role of perceived organizational protection in moderating the influence of knowledge on the intention of Bank Indonesia employees to engage in whistleblowing. This study employs an explanatory research design with an associative nature. The research sample consists of 160 respondents. Data collection was conducted using questionnaires, and data analysis was performed using SmartPLS. The research results indicate that (1) knowledge does not have a significant influence on the intention to engage in whistleblowing; this means that the level of understanding Bank Indonesia employees have regarding violation reporting mechanisms does not necessarily drive their desire to engage in whistleblowing. (2) Perceived organizational protection has a positive and significant influence on the intention to engage in whistleblowing; this means that assurances of adequate protection increase employees' courage to expose misconduct. Furthermore, organizational protection was proven to strengthen the influence of knowledge on the intention to engage in whistleblowing. This implies that employees who understand how to report violations are more likely to take action if they feel the organization is capable of protecting them from intimidation.*

Keywords: *Bank Indonesia Employees; Whistleblowing.*

1. Introduction

The integrity of Bank Indonesia (BI) is the primary foundation of national economic stability. As the monetary, banking, and payment system authority, BI holds the highest mandate to maintain the stability of the Rupiah and ensure smooth transactions. Due to its central role, the highest integrity is absolutely essential. Even minor violations, if left unchecked, can have a systemic impact, undermining public trust, disrupting banking stability, and triggering potential fraud.

The potential for fraud by Bank Indonesia (BI) employees, including abuse of office, is a serious risk that could disrupt the stability of the financial system and undermine public confidence. Therefore Whistleblowing is necessary to detect early violations that could potentially damage an institution's reputation. As a concrete example, Bank Indonesia implemented a firm policy through the Whistleblowing System at Bank Indonesia (WBS-BI) in 2015.

Whistleblowing System Bank Indonesia (WBS-BI) is an official complaint system for reporting alleged violations by Bank Indonesia employees, including PKWT and *outsourcing*. According to the Regulation of the Board of Governors of Bank Indonesia Number 17/6/PDG/2015 concerning the Bank Indonesia Whistleblowing System, one of the reports that cannot be followed up with an examination is a report that does not contain complete information regarding the name of the reporter.(Bank Indonesia, 2015). The WBS-BI guarantees the confidentiality of reporters' identities and provides protection for BI employees from sanctions resulting from submitted reports (Bank Indonesia, 2024). The gap phenomenon observed by researchers indicates an increase in the number of complaints in the WBS-BI, however, many of the reports ultimately cannot be processed further because they do not meet the requirements.

Table Number of Complaint Reports and Follow-Up

Year	Incoming Report	Report has been reviewed		Report Not Followed Up (Not Eligible)	
		f	%	f	%
2022	96	26	27.1	70	72.9
2023	114	37	32.5	77	67.5

2024	130	43	33.1	87	66.9
2025	158	55	34.8	103	65.2
Total	498	161	32.3	337	67.7

Source: (<http://www.bi.go.id/wbsbi>)

Based on table above, it shows an increase in the frequency of reports entered into the whistleblowing system each year, this indicates active participation from reporters to reveal fraud and/or potential crimes committed by Bank Indonesia officials/employees. However, on the other hand, the high number of reports that do not meet the requirements for examination also indicates that there is an indication that the reporting facilities used are still considered difficult to use or are considered to not guarantee the confidentiality of the reporter or even provide less protection for the reporter, considering that some reporters are suspected to be in a dilemma, so they are less brave to inform their identity.

Making the decision to become a whistleblower is not easy, as it is influenced by various factors, one of the main ones being knowledge. Knowledge is a fundamental factor influencing an employee's intention to whistleblow. Employees who have in-depth knowledge of the whistleblowing system, such as reporting methods, available channels (internal/external), and confidentiality guarantees, will feel safer and more confident (Yulianti & Subandi, 2023). Without this knowledge, employees are often confused about who to report to, leading to fear of retaliation and ultimately choosing to remain silent (Kusumayanti et al., 2022). The higher an employee's level of knowledge regarding mechanisms, policies, and types of violations, the greater their intention to report fraud, in line with an increased awareness of moral and professional responsibility (Hadli, Saraswati & Atmini, 2023).

2. Research Methods

The type of research used in this study is explanatory research, which is associative in nature, aiming to determine the relationship between two or more variables (Sugiyono, 2012). This study aims to explain hypothesis testing with the intention of confirming or strengthening the hypothesis, with the hope that this will ultimately strengthen the theory used as a basis. In this case, the aim is to examine factors that influence employees' willingness to whistleblow.

3. Results and Discussion

3.1. Respondent Characteristics Description

An overview of the research subjects is presented based on demographic data collected through the distribution of questionnaires conducted on June 15-29 to 160 BI employees.

Table Respondent Characteristics

Characteristics	Information	Frequency	Percentage
Gender	Man	123	76.9
	Woman	37	23.1
Total		160	100%
Age	25 – 35 years old	45	28.1
	36 – 45 years old	75	46.9
	>45 years	40	25.0
Total		160	100%
Education	Diploma (DI/DIII/DIV)	17	10.6
	Bachelor degree	88	55.0
	Bachelor's Degree	55	34.4
Total		160	100%
Years of service	15 years	20	12.5
	6 – 10 years	52	32.5
	11 – 15 years	59	36.9
	16 – 20 years	24	15.0

	>20 years	5	3.1
Total		160	100%

Based on table above, it shows that 76.9% of BI employees are male. This means that The banking sector or financial institutions often have demands for mobility, flexible working hours, or certain field assignments that have historically or culturally been filled more by men. Age characteristics show that 46.9% of BI employees are aged 36-45 years. This shows that High professional maturity and optimal work productivity. This age range represents the workforce at its peak, combining emotional stability, extensive experience, and mature managerial skills to support strategic decision-making.

Educational characteristics show that as many as 55%BI employees with a Bachelor's degree education. This reflects BI's stringent recruitment standards (such as the PCPM pathway) to ensure human resources possess adequate analytical capacity and technical competence to support the stability of the national financial system. Furthermore, the characteristics of tenure indicate that 36.9%BI employees with 11 – 15 years of service. This is a phase where employees have gone through various cycles of economic challenges and institutional transformation. They possess a deep operational understanding, thus being considered at the peak of their performance and mastery of their field of work.

a. Variable Description

To provide a comprehensive overview of the variables in this study, data descriptions are presented based on the average (mean) scores of the indicators that make up each variable: knowledge, perception of organizational protection, and intention to whistleblow. The description of each variable is as follows:

b. Description of Knowledge Variables

Table Description of Knowledge Variables

Code	Indicator	STS	TS	CS	S	SS	Mean	Criteria
PG1	Understanding reporting mechanisms	0	6	17	68	69	4.25	Tall
PG2	Identify the type of violation	0	6	11	60	83	4.38	Tall

PG3	Protection policy	0	7	14	76	63	4.22	Tall
PG4	Follow-up reporting	0	5	9	61	85	4.41	Tall
PG5	Goals and participation	0	6	11	56	87	4.40	Tall
Average							4.33	Tall

Based on table BI employees' whistleblowing knowledge is high, with an average score of 4.33, indicating respondents' level of agreement with the questionnaire. Respondents' responses regarding reporting follow-up (mean 4.41) were the highest indicator, indicating that employees understand that any report supported by sufficient evidence will be processed. Furthermore, protection policies (mean 4.22), despite being the lowest indicator in this variable, still scored high. This indicates that employees are aware of the guarantee of confidentiality for whistleblowers.

c. Description of Organizational Protection Perception Variable

Table Description of Organizational Protection Perceptions

Code	Indicator	STS	TS	CS	S	SS	Mean	Criteria
PPO1	Guarantee of confidentiality of the reporter's identity (confidentiality/anonymity)	0	8	7	79	66	4.27	Tall
PPO2	Protection from retaliation (non-retaliation policy)	0	2	18	76	64	4.26	Tall
PPO3	Clear protection policy (policy strength)	0	6	15	73	66	4.24	Tall
PPO4	Follow-up response (responsiveness)	0	8	9	69	74	4.31	Tall
Average							4.27	Tall

Based on table BI employees' perception of organizational protection is high, with an average score of 4.27, indicating respondents' level of agreement with the questionnaire. Respondents' responses regarding follow-up responses (responsiveness) (mean 4.31) are the highest indicator, meaning employees believe that reports will be followed up objectively. Furthermore, clear protection policies (policy strength) (mean 4.24), although the lowest indicator in this variable, still rank high. This means employees believe that BI guarantees whistleblowers from the risk of being ostracized by colleagues and superiors.

3.2. Description of Variables of Interest in Whistleblowing

Table Description of Interest in Whistleblowing

Code	Indicator	STS	TS	CS	S	SS	Mean	Criteria
MMW1	Intention	0	8	9	59	84	4.37	Tall
MMW2	Desire	0	7	7	64	82	4.38	Tall
MMW3	Attitude	0	6	12	70	72	4.30	Tall
MMW4	Subjective norms	0	5	9	69	77	4.36	Tall
MMW5	Perceived behavioral control	0	6	25	75	54	4.11	Tall
Average							4.30	Tall

Based on table BI employees' interest in whistleblowing is high, with an average score of 4.30, indicating respondents' level of agreement with the questionnaire. Respondents' responses regarding desire (mean 4.38) were the highest indicator, indicating employees have a strong desire to report fraud that occurs in the workplace. Furthermore, perceived behavioral control (mean 4.11), although the lowest indicator in this variable, remains in the high category. This indicates employees are confident in their ability to gather sufficient evidence to report violations.

3.3. Partial Least Squares Structural Equation Modeling (PLS-SEM) Analysis

a. Outer Model Testing

In accordance with the variance-based Structural Equation Modeling (SEM) method used in this study, the first stage of data analysis is evaluating the measurement model (outer model). This analysis is conducted to determine the specific relationship between the latent variables and their constituent indicators, ensuring the model is suitable for testing the hypothesis.

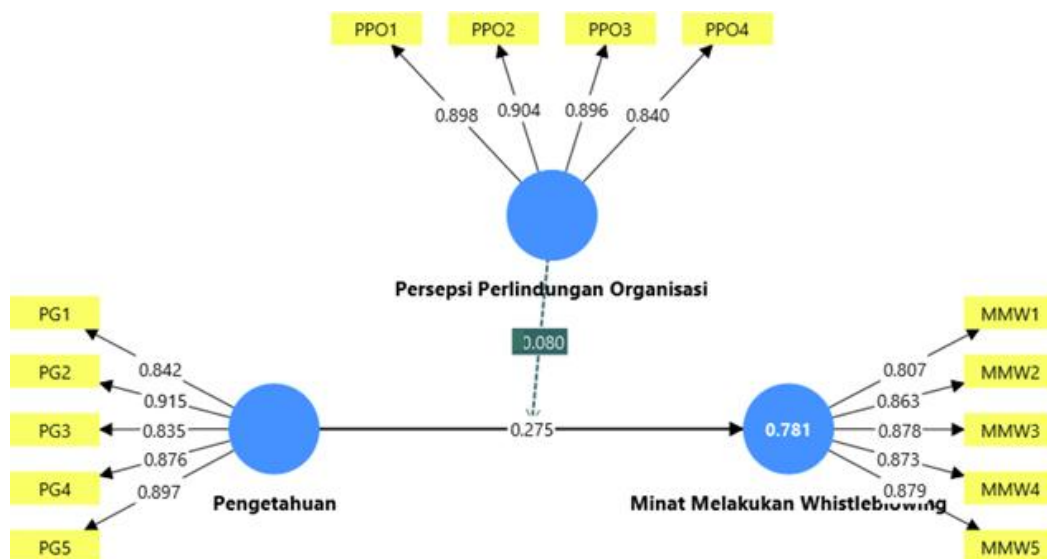


Figure Outer Model

Based on the image above, the results of the measurement model parameter testing can be described, including convergent validity, discriminant validity, composite reliability, and Cronbach's alpha, as follows:

1. Convergent Validity

The convergent validity test aims to determine the extent to which each indicator in the study correlates with its latent variable or the construct it measures. The convergent validity of the measurement model is assessed based on the outer loading value (the correlation between items and construct scores) and the Average Variance Extracted (AVE) value. The expected outer loading value is >0.70 , and the AVE value that meets the standard is >0.50 .

Table Outer Loading Evaluation

Variables	Indicator	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics	P values
Interest in Whistleblowing	MMW1	0.807	0.804	0.045	18,117	0.000
	MMW2	0.863	0.860	0.041	20,920	0.000
	MMW3	0.878	0.875	0.031	28,493	0.000
	MMW4	0.873	0.872	0.029	30,194	0.000
	MMW5	0.879	0.876	0.036	24,700	0.000
Knowledge	PG1	0.842	0.839	0.040	21,211	0.000
	PG2	0.915	0.913	0.021	42,632	0.000
	PG3	0.835	0.831	0.044	19,173	0.000
	PG4	0.876	0.873	0.031	27,840	0.000
	PG5	0.897	0.896	0.024	37,826	0.000
Perception of Organizational Protection	PPO1	0.898	0.896	0.027	32,863	0.000
	PPO2	0.904	0.903	0.022	40,407	0.000
	PPO3	0.896	0.893	0.028	31,808	0.000
	PPO4	0.840	0.839	0.038	21,846	0.000

Based on the results of the outer loading test, all research indicators had loading factor values above 0.70. This indicates that each indicator has a strong correlation and is able to represent its latent variable well, thus meeting the requirements for convergent validity.

Table Evaluation of Average Variance Extracted (AVE)

No	Variables	AVE	Information
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1	Interest in Whistleblowing	0.741	Valid
2	Knowledge	0.763	Valid
3	Perception of Organizational Protection	0.783	Valid

Convergent validity evaluation using the Average Variance Extracted (AVE) value demonstrated results that met validity requirements. All constructs had an AVE value > 0.50. This indicates that all indicators in this study have good convergent validity, where the latent variables are able to explain more than half of the average variance of the constituent indicators.

2. Discriminant Validity

This test is conducted to determine the extent to which an indicator uniquely measures its own construct and does not measure other constructs. Evaluation is performed by examining the cross-loading value, where the indicator's correlation with its original construct must be greater than its correlation with other constructs. The following are the results of the cross-loading test in this study.

Table Cross Loading Evaluation

	Variables		
	Interest in Whistleblowing	Knowledge	Perception of Organizational Protection
MMW1	0.807	0.683	0.704
MMW2	0.863	0.745	0.768
MMW3	0.878	0.742	0.742
MMW4	0.873	0.778	0.771
MMW5	0.879	0.721	0.745

	Variables		
	Interest in Whistleblowing	Knowledge	Perception of Organizational Protection
PG1	0.659	0.842	0.708
PG2	0.791	0.915	0.845
PG3	0.700	0.835	0.824
PG4	0.769	0.876	0.789
PG5	0.794	0.897	0.858
PPO1	0.759	0.827	0.898
PPO2	0.763	0.826	0.904
PPO3	0.729	0.840	0.896
PPO4	0.811	0.774	0.840

Based on the cross-loading test results in Table, it can be seen that the correlation value of each indicator with its own latent variable is much higher than its correlation with other latent variables. All indicators of the knowledge, perception of organizational protection, and intention to whistleblowing variables have loading values above 0.70 and are consistently greater than their cross-loading values with other constructs. This indicates that all constructs in the research model have good discriminant validity.

3. Reliability

Once declared valid, the measurement model is tested for reliability to ensure the indicators produce consistent results. A construct is considered reliable if it meets Composite Reliability (>0.7) and Cronbach's Alpha (>0.60) standards.

Table Composite Reliability and Cronbach Alpha

Variables	Composite Reliability	Cronbach Alpha	Information
Interest in Whistleblowing	0.914	0.912	Reliable
Knowledge	0.926	0.922	Reliable
Perception of Organizational Protection	0.908	0.907	Reliable

Based on the reliability test results presented in Table, it can be seen that the Cronbach's Alpha value for all constructs is above 0.60 and the Composite Reliability value is above 0.70. This proves that the questionnaire instrument for each research variable has met the required reliability standards and is declared consistent.

a. Inner Model Testing

Structural model testing (inner model) is used to determine the level of significance of the relationships between constructs as described in the research hypothesis. The visualization of the inner model, along with the path coefficient values from data processing using SmartPLS, can be seen in the following figure:

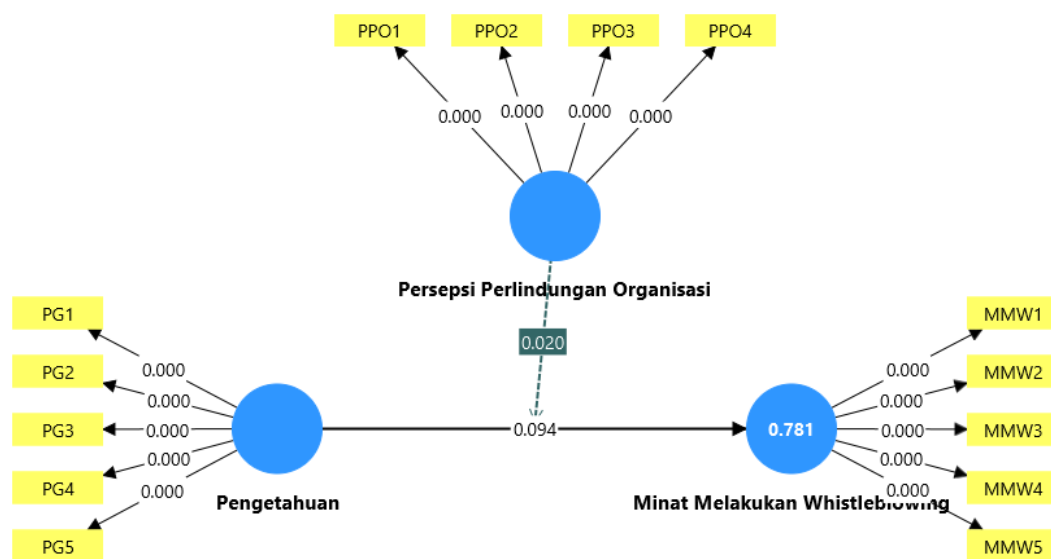


Figure Inner Model

Evaluation of the inner model in this study includes testing the path coefficient (path coefficient, t-test or p-value) to prove the hypothesis, coefficient of determination (R^2), effect size (F^2) and goodness of fit.

4. Conclusion

Based on the description and discussion in the previous chapters, several conclusions can be drawn as follows:

1. Knowledge does not have a significant influence on the interest in whistleblowing, meaning that the high or low level of understanding of BI employees regarding the mechanism for reporting violations does not necessarily encourage their desire to whistleblow.
2. Perceptions of organizational protection have a positive and significant impact on whistleblowing intentions, meaning that the assurance of good protection will increase employees' courage to expose fraud. Furthermore, organizational protection has been shown to strengthen the influence of knowledge on whistleblowing intentions. This means that employees who understand how to report will be more willing to act if they perceive the organization can protect them from intimidation.

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