

The Examination on the Industry 4.0 Of the Dispositional Affect in Accountant's Ethical Lapses' Behavior

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Abstract

Finance and accounting are an area that are many unethical activities could be happen especially in this fourth industrial revolution today. In this study, we analyze the impact among the dispositional affect (positive affect and negative affect), gender, age, educational background, work experience to ethical lapses behavior. Dispositional affect is divided into four states which are the enthusiastic, the happiness, the frustration, and the fear. We find that dispositional affect, age, education background, work experience and gender are not significantly influencing the ethical lapses behavior. Enthusiastic and happy people will try to avoid doing ethical lapses even from their superior's behest because they have genuinely positive achieve goals and noble expectations into their job. Negative affect of frustration and fear also have no significant influence on the ethical lapses' behavior. The ambiguity of situations that tend to be uncertain and unpredictable can cause anxiety in other psychological cases. The frustration and fear make people tend to aware and protect themselves from bad consequence of ethical lapses. Other than variable educational background, age, work experience, negative affect of frustrated and negative affect of fear have highly significant correlation. The implications from this study for practice and research are also provided.

Keywords: Dispositional Affection, Ethical Lapses Behavior

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1. INTRODUCTION

The advances in information technologies and artificial intelligence are combining with the advances in other sciences create breathtaking synergies, recognized as the Fourth Industrial Revolution (www.weforum.org, 2016). No technology is neutral, and the powers of the Fourth Industrial Revolution certainly are not. It has brought us to the enormous dilemmas including ethical issue. We need a new set of codified ethics to become the global norm. We should put much emphasis on ethics as we put on fashionable terms (www.europeanbusinessreview.eu, 2017). Under the banner of industry 4.0, things play more significant roles in the Internet of Things, the automation, the cyber-physical system, and the Artificial Intelligence (AI). All of which

affect human, in making ethical judgements. Further, industry 4.0 thrives on the basis of knowledge such as economy and accounting area. The economy grows on the ground of accessibility, quality and quantity of information, this is ethical lapses issue (www.thejakartapost.com, 2019). More specially, the financial sector, identified as the main cause of the global economic crisis in 2008, has been accused of ethical lapses. The policy makers and the academics alike are interested in better understanding and avoiding unethical behavior in the financial services industry (Clouse, Giacalone, Olsen, & Patelli, 2017). Accounting activities such as personal investigation in auditing, preparing tax documents and calculation, and compliance work need more than 80% accountant's judgement which is ethical decision take major part on it (Sumarna, 2020). One of the worst problems facing society today is the continued separation of business and ethics, especially since growing unethical business practices have a profound impact on individuals and society as a whole (Culiberg & Mihelič, 2017). While problems in the ethical decision making, in the financial industry have been addressed at macro levels, through legal or regulatory mechanisms, the literature on wrongful ethical decisions in finance has not seen many significant explorations that integrated the mainstream, the individual level ethics literature (Clouse et al., 2017). Prior research has begun to identify certain factors that may contribute to unethical including social obedience pressure, the organizational and professional commitment, personal characteristics, including an area holding significant clarity to pressure from superiors is dispositional affect (Lowe & Reckers, 2012).

This study trying to make several contributions and implications in ethical behavioral research, which is already increasing on the accounting discipline starting in 1992 (Bernardi, Melton, Roberts, & Bean, 2008). We examine how specific disposition affects state (positive affect and negative affect) could be influence the ethical pressures of their superiors. This study extends prior research by adding gender, age, educational background and work experience that encourage ethical lapses, because individual characteristics contribute to the ethical/ unethical behaviors (Chen & Tang, 2013). We also examine affective states (enthusiasm, happiness, frustration, and fear) for more detail rather than prior research to ethical lapses.

2. LITERATURE REVIEW

2.1. Ethical Lapses

Ethics consists of knowing what we ought to do and such knowledge can be taught (Chen & Tang, 2013). Ethical lapses behavior tends to thrive with the convergence of destructive leaders and susceptible followers interacting in a contributing environment (Lowe & Reckers, 2012). Contingency framework of ethics specifying that individual (knowledge, values), social (significant others) and organizational (opportunity, rewards, punishment) situational elements could affect an individual's response to an ethical lapses (Granitz & Loewy, 2007). Organizational practices reinforce the ethical norms of a work environment and encourage ethical decision making. Rewards and sanctions reflects in endorsing ethical behavior (Dalton & Radtke, 2013).

2.2. Gender

Gender divided into male and female. Male participants have higher concerns about career advancement and at least twice as likely to engage in unfair practices

(ethical lapses) as their female (Chen & Tang, 2013). The ethics training may have limited effects for female students but no effect for male students (Ritter, 2006). Gender has been found to be significantly related to ethical outcomes, with some research showing that females are more ethically aware than males (Clouse et al., 2017).

H1: Males is positively related to ethical lapses, but not for females.

2.3. Age

The age group differences are primarily in relation to the freedom, ambitious, and capability. The lower age groups emphasizes these values more than the older age groups. The middle group age group tended to place greater emphasis on the true-friendship and higher priority in the personal life rather than in standard professional field. The youngest age group responsible to the command (leader) because they are in 'comfortable life' priority rating (Cyriac & Dharmaraj, 1994).

H2: The youngest age is positively related to ethical lapses.

2.4. Educational Background

The character developments is complete prior to one's college years is supplemented with the evidence that implicit in a business education is an education in unethical behavior. Ethical lapses or an absence of ethical values exists implicitly and it is transmitted in all business classes. Indeed, the business students in some cases tend to be more unethical after completion of their degree than before. It is reasonable to argue that the ideas transmitted in business courses such as the ruthless nature of our competitive economy and the focus on outcomes (especially economic) throughout business history has made it impossible to undo the damage with a superficial response such as those that occur in the attempts of many business programs to integrate ethics into the curriculum (Ritter, 2006). Some wonder the business curriculum has contributed to unethical behavior or failed to decrease it (Richards, Gilbert, & Harris, 2002). The top business schools not only fail to improve the moral character of students but also weaken ethical behavior. The business students see cheating as more acceptable or necessary in order to get ahead (McCabe & Butterfield, 2006).

H3: Higher Educational Background is positively related to ethical lapses.

2.5. Work Experience

From prior research, found that among professional values those with fewer years of experience placed greater emphasis on 'a comfortable life' while those with longer experience showed significantly higher rating of the value 'clean'. This could be the indication of an emerging pattern among the new generation for more comforts and better quality of life (Cyriac & Dharmaraj, 1994). The 'a comfortable life' associated with safe position and low risk level of work.

H4: Fewer years of work experience is positively related to ethical lapses.

2.6. Affective States

The effect on human reason and behavior represents, one of those enduring questions that has fascinated philosophers, writers, and scientist since antiquity. It is all the more surprising that for most of their brief history, neither organizational psychology nor social psychology have shown much interest in affective phenomena. The resulting classification of psychology's subject matter is still with us today, with affect remaining the most neglected "faculty" until the last quarter of the 20th century (Forgas & George, 2001).

Affective states that comprise moods, emotions, and evaluations have a long research history in the psychology and cognition literature. Until recently, this aspect of human behavior has been overlooked by accounting researchers (Chung, Cohen, & Monroe, 2008). Affective states were most often grouped based on their positive or negative valence. Positive affect is associated with (but not limited to) such active self-descriptive adjectives as enthusiastic, excited, inspired and also such passive adjectives as happy, content, pleased, satisfied (Lowe & Reckers, 2012). Individuals who have high levels of happiness (a passive positive-affective state) fit the role of a colluder. These are individuals who are happy (many being highly, and arguably significantly over-paid) and prone to rationalize that things will work out for the best for others as well as for themselves. Their ambitions enable them to set ethics aside and be complicit in fraud to further their own interests. In addition, their passive tendencies may cause them to be somewhat weak and to lack the strength and determination to attain leadership positions on their own. That is, they owe their happiness to a guardian/leader; they are more than willing to be "coat-riders". As subordinates, these individuals seek to ingratiate themselves with their leaders and welcome opportunities to exhibit their loyalty. Individuals in a happy state are generally motivated to do what is necessary to maintain this state (Chung et al., 2008).

H5: Individual with high level of enthusiasm are predicted related to ethical lapses.

H6: Individual with high level of happiness are predicted related to ethical lapses.

Negative affection is typified by feelings of anger (an active state) or anxiety, frustration/depression, or fear (passive states) (Lowe & Reckers, 2012). The negative affect states of anger and fear consistently lead to directionally opposite behaviors in many contexts (Druckman & McDermott, 2008). Different negative affective states drove different judgments because the negative affect construct indeed consist of several distinct states. Fear led to pessimistic judgments and anger resulted in optimistic judgments. Fear was anchored in a belief of lack of control of the future, while the negative but active state of anger was anchored in a belief of some considerable control of the future (Lerner, 2000). Individual with a passive negative affective state are likely to feel anxious from uncertainty and believe that they have little control of the future (Druckman & McDermott, 2008). Leaders having these destructive behaviors are not driven by any notion of social responsibility or commitment to employees. To achieve their objectives, they demand conformity and/or collusion among their followers because they make decisions that are ruthlessly in their own interests rather than in the interests of their employees. This leads to a work environment characterized by conflict, lack of fairness, high levels of organizational constraints, low job satisfaction, and higher workloads. It is also these

types of destructive leaders that may be the most likely to initiate implicit or explicit requests to employees to engage in unethical behavior (Lowe & Reckers, 2012).

H7: Individual with high level of frustration are predicted and related to ethical lapses.

H8: Individual with high level of fear are predicted and related to ethical lapses.

3. METHODOLOGY

Although it is not possible to measure people's unethical behaviors directly (except in laboratory experiments), people are willing to provide accurate information answering a computer-administered questionnaire (Schoorman & Mayer, 2008). Participants consisted of 89 persons which have been working on the accounting professional experience (including students who have fulltime job). This study use random sampling. The instrument consisted of the PANAS schedule (see Appendix) and ten ethical lapses scenarios adapted with industry 4.0 condition. As our research focuses on the ethics, we choose a realistic methodology which is well suited for this study, we use ANCOVA analysis.

3.1. Ethical Lapses Scenarios in Accounting Area

The scenarios were constructed based on accounting ethical situations on revolution industry 4.0 scope from business professionals encounter in the workplace. In these accounting ethical lapses scenarios, participants were asked by their superiors to perform certain actions that have ethical consequences. Participants responded to each scenario using five-point scales. Higher scores reflect an intention to do ethical lapses (strongest unethical behavior). Factor analysis was performed on these ten accounting ethical scenarios to determine if they reflected a similar underlying ethical superior/subordinate dilemma (Lowe & Reckers, 2012). The five points scale are 1= Strong disagree to ethical lapses to 5 = Strongly agree to ethical lapses.

3.2. Positive Affect Negative Affect (PANAS) Schedule

The positive affect negative affect schedule (PANAS) is a psychometric scale developed to measure the independent constructs of positive and negative affective state categories. This scale has been shown to be internally consistent, reliable and stable over time. Participant responses to the PANAS scale were factor-analyzed using principal components analysis to determine the degree of correspondence between scale questions and the positive and negative affect factors (Lowe & Reckers, 2012). The scale requires respondents to indicate their feelings on five-point scales are 1= Very slightly or not at all to 5 = Extremely. The modified PANAS schedule consists of 14 adjectives related to positive affect and 18 adjectives of negative affect. Total for PANAS schedule were 32 adjectives which is ten positive attributes loaded into Enthusiastic, four positive attributes loaded into Happiness, 12 negative attributes loaded into Frustrated, and six negative attributes loaded into Fear.

Table 1. Dispositional Positive Affect (PA) Negative Affect (NA) Schedule (PANAS)

Positive Affect (PA)	Interested, Excited, Strong, Determined, Happy, Pleased, Content, Optimistic, Enthusiastic, Proud, Alert, Inspired, Attentive, Active
Negative Affect (NA)	Afraid, Distressed, Upset, Guilty, Scared, Hostile, Worried, Depressed, Frustrated, Angry, Nervous, Irritable, Ashamed, Disgusted, Unhappy, Disappointed, Embarrassed, Jittery

Gender is coded into 1= Male and 2= Female. Age in years old is coded into 1= 17-25 years, 2= 26-35 years, 3= 36-45 years, and 4= >45 years. Educational Background is respondent's last degree of education background which is coded into 1= High School, 2= Postgraduate, 3= S2 Master, and 4= college student (accounting student which have part-time/ full-time job after collage). Work Experience in total years of working is coded into 1= 0-3 years, 2= 3-5 years, and 3= >5 years.

4. RESULT AND DISCUSSION

Using the online questionnaire, we received 89 answers that we could evaluate. Respondents provided scores that reflected the trend of possibility to ethical lapses behavior. The overall mean response to ten ethical lapses scenario was 2,3303 (on 1-5 scale). In this result show that 89 respondents include category which indicated they would either probably not or absolutely not agree to do dispositional ethical lapses behavior. But these ethical lapses tendency result score have ambiguity interpretation because score 2 on scale related to "I probably would not agree to do this" and score 3 on scale related to "I uncertain". With 19.7% of participants indicated that they would either probably or absolutely agree to do dispositional ethical lapses, with the range being from 9% to 43.8% depending on the individual ethical lapses' scenario. Our study also indicates that 56.4% of participants that they would probably not or absolutely not agree to do ethical lapses demands of their superior with the range being from 31.5% to 79.8%.

Table 2. Descriptive Statistics for Ethical Lapses

Scenario	Mean	SD	%*	% **
1	1.9888	1.30117	14.6	73
2	1.6966	1.14221	10.1	79.8
3	2.0000	1.04447	9	67.4
4	2.4607	1.24368	24.7	52.8
5	1.9551	1.13728	10.1	75.2
6	2.3820	1.14322	15.7	47.2
7	3.2022	1.19829	43.8	31.5
8	2.8090	1.15676	28.1	33.7
9	2.7528	1.22735	24.7	39.3
10	2.0562	1.22808	15.8	64
Mean	2.3303	1.18225	19.7	56.4

* Percentage of participants who are indicated that they would either probably (score 4) or absolutely (score 5) agree to do the Dispositional Ethical Lapses behavior

** Percentage of participants who are indicated that they would either probably not (score 2) or absolutely not (score 1) agree to do the Dispositional Ethical Lapses behavior

The means, standard deviations, and correlations among the variables in this study are presented in Table 3. Inspection of the correlation matrix reveals that the correlations are all in the expected direction.

Table 3. Tolerance, VIF and Pearson Product Correlation Matrix

Variable (Hypotheses)	Tolerance	VIF	1	2	3	4	5	6	7	8
Gender (1)	.843	1.186	1							
Age (2)	.317	3.159	-.118 .272	1						
Educational Background (3)	.494	2.022	.006 .956	-.393* 000	1					
Work Experience (4)	.343	2.917	.008 .943	.578* .000	- .503* .000	1				
PA Enthusiastic (5)	.932	1.073	.013 .902	-.084 .435	.155 .148	.028 .796	1			
PA Happy (6)	.922	1.084	.015 .937	-.156 .418	.168 .383	-.129 .505	-.062 .749	1		
NA Frustrated (7)	.653	1.531	.162 .402	.133 .491	-.248 .194	.024 .902	.048 .803	-.121 .260	1	
NA Fear (8)	.595	1.682	.093 .632	.338 .073	-.261 .172	.131 .499	.008 .967	.096 .370	.638* .000	1

*correlation is significant at the .01 level (2-tailed)

The 2-tailed significance value for age, educational background, work experience, negative effect of frustrated and negative effect of fear are .000 which is $<.05$, means that their correlation is highly significant, not just a function of random sampling error.

4.1. Hypotheses Result

The first hypothesis predict that male respondents would be more acquiescent to their superior's directives and be complicity in ethical lapses behavior. The independent sample t-test results indicate that gender is not significant influence to ethical lapses behavior, male either female have no difference effect to ethical lapses ($F = 1.170$; $\alpha = 0,493 > 0,05$). These result reject H1. This result is inconsistent with previous research Valentine & Rittenburg (2007) showed that women had higher intentions to act ethically than did the men. Other previous study showed that females tend to have a higher Machiavellian than males. Machiavellian describes an individual that has an immoral reputation for dealing with others to accomplish his/her own objectives and for manipulating others for his/her own purpose (Rayburn & Rayburn, 1996). Even though the study shows that males (mean index 2,4115) have tendency to do the ethical lapses higher than females (mean index 2,2968) with relatively small variance index 0,1147 (see Table 4). There is a shifting to the equality of gender. It makes male and female have the same orientation in their works especially dealing with the dispositional performance. Male and female have the same big tendency to do the ethical lapses.

Table 4. Dispositional Ethical Lapses and Gender

Male	
Sample Size	26
Sample Mean	2.4115
Sample Standard Deviation	.62246
Standard Error Mean	.12208
Female	
Sample Size	63
Sample Mean	2.2968
Sample Standard Deviation	.74876
Standard Error Mean	.09433
Two Tailed Test	
t-test Statistic	.689
p-Value	.493

Hypothesis two predict that the youngest age would be more acquiesce to their superior's directives and be complicit in ethical lapses behavior. The One-Way ANOVA results indicates that the main effect for age is not significant ($F = 1,530$; $\alpha = 0,213 > 0,050$). These results reject H2. This study is consistent with previous research Mujtaba, Cavico, & Sungkhawan (2014) that government employees in Thailand who are 26 years of age or older are at the same level of moral development. This result shows that >45 years level (mean index 3,1667) have highest tendency to do the ethical lapses behavior than other level. Mean index for 17-25 years level is 2,2763; 26-35 years level is 2,3500; and 36-45 years level is 2,3667 (see Table 5). Employee in mature age (more than 45 years old) have many going concern demand in their life, so make them will do everything to be success and play safe in workplace, even if they should do ethical lapses.

Table 5. Dispositional Ethical Lapses and Age

17 - 25 years old	
Sample Size	59
Sample Mean	2.2763
Sample Standard Deviation	.68237
Standard Error Mean	.08884
26 – 35 years old	
Sample Size	18
Sample Mean	2.3500
Sample Standard Deviation	.90440
Standard Error Mean	.21317
36 – 45 years old	
Sample Size	9
Sample Mean	2.3667
Sample Standard Deviation	.43012
Standard Error Mean	.14337
> 45 years old	
Sample Size	3
Sample Mean	3.1667
Sample Standard Deviation	.05774

Standard Error Mean	.03333
Two Tailed Test	
F Statistic	1.530
p-Value	.213

Hypothesis three predict that more higher educational background would be more acquiesce to their superior's directives and be complicity in ethical lapses behavior. The One Way Anova results indicate that the main effect for educational background not significant ($F = 1.253$; $\alpha = 0,296 > 0,050$). These results reject H3. This study is consistent with previous research (Mujtaba et al., 2014) that educational variable were not statistically significant to moral maturity employee. The study shows that the lowest level of educational background which is high school (mean index 2.7833) have highest tendency to do the ethical lapses in dispositional affect than other level of education. Mean index for postgraduate level is 2,4273; master level is 2.4214; and collage student level is 2.2431 (see Table 6). Perhaps employees with high schools education have few ideas so that it is easy to do ethical lapses ordered by their superiors.

Table 6. Dispositional Ethical Lapses and Educational Background

High School	
Sample Size	6
Sample Mean	2.7833
Sample Standard Deviation	.69402
Standard Error Mean	.28333
Postgraduate	
Sample Size	11
Sample Mean	2.4273
Sample Standard Deviation	.62784
Standard Error Mean	.18930
Master	
Sample Size	14
Sample Mean	2.4214
Sample Standard Deviation	.90908
Standard Error Mean	.24296
Collage student	
Sample Size	58
Sample Mean	2.2431
Sample Standard Deviation	.67150
Standard Error Mean	.08817
Two Tailed Test	
F Statistic	1.253
p-Value	.296

Hypothesis four predict that fewer years of work would be more acquiesce to their superior's directives and be complicity in ethical lapses behavior. The One Way ANOVA results indicate that the main effect for work experience is not significant ($F = 0,267$; $\alpha = 0,766 > 0,050$). These results reject H4. The study shows that the longest total work experience which is more than 5 years (mean index 2,4000) have highest tendency to do the ethical lapses behavior than other level. Mean index for 0-3 years

of total work experience is 2,3373 and 3-5 years of total work experience is 2,1778 (see Table 7). Employee which have more than 5 years of work experience may have a lot of consideration in deciding to do ethical lapses.

Table 7. Dispositional Ethical Lapses and Work Experience

0 – 3 years	
Sample Size	67
Sample Mean	2.3373
Sample Standard Deviation	.74261
Standard Error Mean	.09072
3 – 5 years	
Sample Size	9
Sample Mean	2.1778
Sample Standard Deviation	.63004
Standard Error Mean	.21001
>5 years	
Sample Size	13
Sample Mean	2.4000
Sample Standard Deviation	.63509
Standard Error Mean	.17614
Two Tailed Test	
F Statistic	.267
p-Value	.766

Hypothesis five states that “Individuals with high level enthusiastic are predicted related to ethical lapses”. Table 8 shows the result of the study and there are not significant (t-test = -1.446 and p-value = .161 > .05). These results reject H5. The positive affect of enthusiastic does not significant influence ethical lapses behavior. Enthusiastic people have abundant of feeling passionate to life, knowledge and work. They do everything with a good attitude and good energy. They get satisfaction from what they do because they enjoy life. Enthusiastic person is very responsible and also have fun at work and everything they do. They will refuse and feel uncomfortable working in a high environment with ethical lapses. Therefore, they will try to avoid doing ethical lapses even from their superior’s behest. In some cases, enthusiastic person will quit from their work because they are unhappy in the workplace with severe level of lapses.

Hypothesis six states that “Individual with high level of happiness are predicted related to ethical lapses”. Table 8 shows the result of the study and there are not significant (t test = .544 and p-value = .592 > .05). These results reject H6. The positive affect of happiness does not influence the ethical lapses behavior. According to cognitive psychologist Daniel Kahneman (winner of the 2002 Nobel Prize in Economics), that happiness and satisfaction are distinct. Happiness is a momentary experience that arises spontaneously and is fleeting. Meanwhile, satisfaction is a long-term feeling that built over time and based on achieving goals and building the kind of life you admire. So individual with high level of happiness may have reasons to disobey the superior’s order, because they have genuinely positive achieve goals and expectations in their job.

Hypothesis seven states that “Individual with high level of frustration are predicted related to ethical lapses”. Table 8 shows the result of the study and there are not significant (t test = .598 and p-value = .556 > .05). These results reject H7. Individual with high level of frustration will not to do their superior’s ethical lapses order. In everyday situations, people obey orders because they want to get rewards and to avoid the negative consequences of disobeying. People obey even when they are required to violate their own good values or commit ethical lapses. Insubordination is the act of willfully disobeying an order from superior. Refusing to perform do ethical lapses is not insubordination. When in frustration level, people have more sensitive or adaptive response to threats and to defend their feeling in the workplace including to disobey to superior’s behest which is involve ethical lapses.

Hypothesis eight states that “Individual with high level of fear are predicted related to ethical lapses”. Table 8 shows the result of the study and there are not significant (t test = 1.150 and p-value = .262 > .05). These results reject H8. Individual with high level of fear will not obey the superior’s ethical lapses behest. Fear can alter how a person thinks or reacts to situations because fear has the power to inhibit one’s rational way of thinking. Fear in human beings may occur in response to a certain stimulus occurring in the present or in anticipation or expectation of a future threat perceived as a risk to oneself. The fear response arises from the perception of avoiding the uncomforted feeling (such as feeling guilty do wrong things). The fear response serves survival by engendering appropriate behavioral responses. People develop specific fears as a result of learning by experiencing or watching something underhanded and foul task in workplace. Being scared may cause people to experience anticipatory fear of what will they do.

Table 8. Two-tailed Test

	Enthusiastic	Happy	Frustrated	Fear
t-test Statistic	-1.446	.544	.598	1.150
p-Value	.161	.592	.556	.262

5. CONCLUSIONS AND IMPLICATIONS

The costs associated with unethical behaviors in a business context is great. For example, the loss of credibility in the Olympic movement due to the 2002 Salt Lake City bribery scandal put millions of dollars in corporate sponsorships of the games at risk, with Johnson & Johnson backing away from an estimated \$30 million sponsorship and Enron’s bankruptcy. Even more tragically, the Ford Explorer/ Firestone Tire debacle demonstrated that unethical behavior is not only costly in terms of lost dollars, but can be devastating in terms of shattered and lost lives (McMahon & Harvey, 2007). In the progressively globalized economy and ever-increasing competition, managers and scholars need strong courage to face grand challenges in displaying virtuous integrity, character, and honesty and making ethical decisions. The compliance departments in most of these firms try to educate their employees about what they can and cannot do with respect to ethical issues. Employers should understand the ethical orientations of their employees and initiate the educative actions to align individual orientations with regulations and organizational codes. Employee’s ethical orientations can potentially impact their ethics-related decisions and may require monitoring from the very beginning of their employment. Universities and polytechnic need to create the business curriculum, a strong culture of making ethical decisions, invest in ethics education, support research on ethics. Developing, implementing, and supporting a code of ethics are

way for a corporation to focus employee attention on what is considered appropriate and ethical behavior. Although we cannot change people's unethical behavior overnight, repetition may reinforce and crystallize ethical values in their academic journey (Chen & Tang, 2013).

The results of this study have implications for financial firms. The positive (enthusiastic and happiness dispositional affect) and negative (frustration and fear dispositional affect) are good factors that can prevent ethical lapses occur from the behavior's side. Gender, age, educational background, work experience also not statistically significant factors for dispositional ethical lapses behavior's support. This study provided additional result for the notion that individual sex doesn't play the role in ethical reasoning, but the findings also indicate that being male or female might not necessarily affect each component or step of this dispositional ethical lapses. The limitation of this study is that students may not be revealing their true justifications for dispositional ethical lapses. In most cases, it does appear as if the students are just coming clean and telling the truth, however even if some students are not revealing the actual reasoning about their behavior.

Some business schools are responding by expanding their focus to ethics in their curriculum. The implications from this study to collage or university's curriculum may that students are completed with comprehensive knowledge of professional ethics especially in relation to the accounting workplace's environment which is entering challenges in the era of industry 4.0 and even forward to a newest incoming era namely industry 5.0 society.

Future researchers, therefore, should collect more data from the respondents to see how their scores compare with this finding. Cross-cultural studies encompassing more countries will enhance this knowledge as well. Further the research also could examine other variables such as major, perceived moral intensity factor, utilitarianism, rational self-interest, organizational factor, nationality, culture, religion, leadership style, information technology affect, etc.

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