

THE INFLUENCE OF EMPLOYEE DISCRETION ON THE RATIONALIZATION OF UNETHICAL BEHAVIOR IN LAND ADMINISTRATION

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Received: 02/06/2026 | Revised : 11/06/2026 | Accepted: 23/06/2026 | Published :08/07/2026

Abstract

Land administration services frequently face integrity challenges due to the high discretionary power required by frontline officials. This study aims to investigate the influence of employee discretion on the rationalization of unethical behavior and the moderating role of public service motivation. A cross-sectional survey was conducted among two hundred and ninety-two civil servants and contract workers in regional land administration offices. Data were collected using vignette-based scenarios to mitigate social desirability bias and analyzed using partial least squares structural equation modeling. The findings reveal that increased discretionary power significantly heightens the propensity of employees to cognitively justify unethical actions. Conversely, intrinsic motivation to serve the public significantly reduces this tendency. Crucially, the analysis confirms that motivation acts as a quasi-moderator; it effectively buffers and weakens the negative impact of operational discretion on ethical rationalization. The study also uncovered an adversarial posture toward oversight bodies, which emerged as the most dominant neutralization technique among officials. Furthermore, significant differences in ethical resilience were observed between permanently tenured staff and contract workers. Cultivating intrinsic public values is essential to prevent operational flexibility from mutating into systemic corruption. Institutional integrity requires continuous ethical socialization alongside robust accountability frameworks.

Keywords: employee discretion; public service motivation; unethical behavior rationalization; administrative corruption; street level bureaucracy; ethical socialization.

INTRODUCTION

Public service acts as the fundamental manifestation of the state's legitimacy in the lives of its citizens. Within the framework of modern good governance, bureaucratic apparatuses are mandated to deliver services that are responsive, equitable, transparent, and legally certain. In Indonesia, the quality of this service is highly dependent on the moral integrity and professionalism of civil servants. However, empirical reality reveals that the public bureaucracy remains entrenched in destructive corruption pathologies. In this context, the agrarian and land administration sector, managed by the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency (ATR/BPN), occupies a strategic yet highly vulnerable position. Data from the Ombudsman of the Republic of Indonesia and the Corruption Eradication Commission (KPK) consistently highlight the land sector as a primary locus of public complaints, characterized by systematized informal fees and administrative irregularities. This situation is particularly acute in provinces like West Papua, where remote geographic conditions, the legal vulnerability of customary (*ulayat*) land tenure, and substantial administrative backlogs create an environment that demands both high accountability and complex discretionary decision-making from officials.

The prevailing integrity crisis in the land sector is not merely a result of institutional failure but is deeply rooted in the behavior of "street-level bureaucrats"—a concept pioneered by Michael Lipsky (1980). These frontline officials, when faced with incomplete formal procedures, chronic resource shortages, and ambiguous role expectations, inherently possess significant discretionary power. In the absence of rigorous calibration, this discretion often mutates into a fertile ground for corruption. This phenomenon can be comprehensively explained through the Fraud Triangle Theory, which posits that unethical behavior occurs when pressure, opportunity, and rationalization converge. Among these elements, rationalization—the cognitive mechanism allowing individuals to justify their

actions while maintaining a positive self-concept—is critical. Using the Neutralization Theory proposed by Sykes & Matza (1957), it becomes evident that bureaucrats do not always see themselves as corrupt; rather, they utilize linguistic and cognitive strategies, such as denying responsibility or condemning the condemners, to neutralize their conscience and normalize administrative deviance. Despite the pervasive nature of this issue, the theoretical discourse in public administration remains divided. At the heart of the debate is the tension between the necessity of discretion for pragmatic problem-solving and its potential for abuse. Some scholars argue that discretion is an essential tool for human-centered service, whereas others emphasize its role in facilitating rent-seeking behavior. Within the study of Behavioral Public Administration, there is a growing consensus that structural and mechanical controls (hard systems) are insufficient to ensure integrity. The critical missing link in ensuring ethical compliance is the psychological and motivational profile of the bureaucrat. Public Service Motivation (PSM), defined as an individual's predisposition to respond to motives grounded in public institutions, is increasingly recognized as a key determinant of ethical behavior. PSM is not merely an interest in public service but a normative commitment to social welfare and the public interest, which theoretically should act as a self-regulating power against the temptation of material gain.

The discourse surrounding PSM has matured significantly over the last three decades, moving from a US-centric conceptualization to a globally validated, multidimensional construct. Studies have consistently shown that high levels of PSM are correlated with altruistic behavior, organizational citizenship, and a higher threshold for ethical decision-making. Researchers have explored how PSM can mitigate corruptibility and encourage whistleblowing. However, while existing literature has established the direct effect of PSM on ethical outcomes, the mechanisms through which PSM interacts with structural variables like bureaucratic discretion remain under-researched. Specifically, there is limited empirical evidence regarding how PSM moderates the process by which discretionary power is converted into the rationalization of unethical behavior. While previous studies have hinted at this relationship, many have failed to find significant results, often due to methodological limitations—such as the use of simple regression models or single-item measures that are prone to measurement error.

The urgency to address this gap is amplified by the shifting legal landscape in Indonesia, particularly following the Constitutional Court's recent ruling which seeks to prioritize administrative recovery (*primum remedium*) over criminalization for administrative errors (Mahkamah Konstitusi Republik Indonesia, 2026). While intended to protect bureaucrats from over-deterrence, this ruling inadvertently creates a wider "discretionary space" that could be exploited by those looking to rationalize delays or informal fees as minor administrative oversights. Consequently, it is imperative to move beyond the traditional focus on extrinsic incentives and external oversight. We must investigate whether fostering intrinsic public service values—the "moral buffer"—can neutralize the cognitive mechanisms that allow officials to rationalize misconduct. The literature suggests that PSM functions as a cognitive moral buffer, enabling bureaucrats to maintain their ethical equilibrium even under high-pressure, resource-scarce environments.

Previous specific studies, such as those by Kwon (2014), have attempted to model the interaction between motivation and discretion on corruption. However, these studies often treated intrinsic motivation as a simple linear predictor, failing to capture its role as a moderator that actively changes the relationship between discretion and unethical rationalization. Furthermore, many studies have focused on the final outcome of corruption rather than the psychological process of rationalization itself. By focusing on the conversion process—how a civil servant mentally justifies bypassing a procedure—this study fills a crucial gap in our understanding of administrative deviance. The existing literature is composed of three clusters: the role of PSM in moral resilience, the mechanics of neutralization in bureaucracy, and the specific vulnerability of land administration. This research is the first to structurally integrate these three clusters into a unified model, positing that when measured as a comprehensive, multidimensional latent construct, PSM will significantly weaken the positive relationship between discretion and rationalization.

The novelty of this study lies in its shift from a direct-effect model to a moderating-effect model using Partial Least Squares Structural Equation Modeling (PLS-SEM) on a robust sample of 292 civil servants and contract workers. By utilizing micro-vignettes to measure rationalization, the research captures the nuances of administrative deviance in the specific, high-stakes environment of West Papua's land office. This study not only advances the theoretical framework of Behavioral Public Administration but also provides evidence-based recommendations for the Ministry of Agrarian Affairs and Spatial Planning. It serves as a diagnostic tool for leadership to move beyond punitive measures and toward a management of change that focuses on nurturing the intrinsic values of its workforce. Furthermore, the dual-track employment system in Indonesia's frontline bureaucracy introduces potential disparities in ethical socialization between tenured civil servants (PNS) and fixed-term contract workers (PPPK). Consequently, this study also seeks to explore whether these differing depths of institutional training create heterogeneous

vulnerabilities to the rationalization of misconduct when navigating discretionary power. Therefore, the primary objective of this research is to investigate the influence of employee discretion on the rationalization of unethical behavior, with employee motivation as a moderating variable and tenure as a control variable. By rigorously testing this structural model, this study seeks to demonstrate that discretionary power is not inherently corruptive; rather, its impact is conditional upon the internal moral landscape of the bureaucrat. Ultimately, this research aims to redefine how public organizations in Indonesia approach integrity reform—shifting the focus from purely structural controls to a more sustainable, value-based approach that empowers bureaucrats to utilize their discretion for the public good, rather than as a vehicle for systemic rationalization.

LITERATURE REVIEW

a. Bureaucratic Discretion, Rationalization of Deviance, and Public Service Motivation

The operational realities of frontline bureaucracy dictate that policies formulated at the central level cannot anticipate every field contingency. Lipsky (1980)'s foundational theory of street-level bureaucracy posits that frontline workers inherently wield significant discretionary power due to ambiguous role expectations and chronic resource limitations. While discretion is theoretically intended to foster responsive and human-centered public service, its actual execution sparks intense academic debate. Optimistic perspectives argue that discretion allows bureaucrats to employ empathy and innovate beyond rigid protocols to assist citizens (Keiser & Miller, 2020; Yuan et al., 2022).

Conversely, critical studies highlight that within environments plagued by complex regulations—such as the agrarian sector—discretion frequently devolves into a structural vulnerability. Zhang et al. (2019) emphasize that work-related opportunities, synonymous with discretionary latitude, significantly heighten bureaucratic corruptibility. In land administration, this is exacerbated by profound information asymmetries, the complexity of customary (*ulayat*) land laws, and the monopolistic nature of state services, which naturally facilitate delaying tactics and petty corruption (Banda, 2019; Mushinge et al., 2026; Salawu, 2025; Syaifullah et al., 2022).

Despite the structural opportunities provided by discretion, unethical behavior does not manifest spontaneously; it requires psychological justification. According to the Fraud Triangle Theory, rationalization acts as the critical cognitive catalyst that converts pressure and opportunity into actual deviance (Cressey, 1953; Free, 2015). Grounded in the Neutralization Theory developed by Sykes & Matza (1957), scholars argue that bureaucrats do not inherently view themselves as corrupt. Instead, they employ cognitive defense mechanisms—such as denying responsibility, denying injury, or condemning the condemners—to temporarily silence their moral conscience (Hoekstra et al., 2026).

Recent literature reveals that these rationalization processes are highly insidious because they normalize administrative deviance into routine operational practices (Anand et al., 2004; Mulder & van Dijk, 2020). In the context of Indonesian land services, for instance, illicit fees or procedural bypasses are often rationalized as "operational support" or a pragmatic "necessity" to overcome systemic backlogs, thereby shielding the perpetrator's positive self-concept from moral guilt (Kasiyanto & Jatmikowati, 2023).

If discretion provides the opportunity and neutralization provides the justification, the critical determinant of ethical compliance lies in the bureaucrat's motivational profile. Public Service Motivation (PSM), defined as a predisposition to respond to motives uniquely grounded in public institutions (Perry & Wise, 1990; Kim et al., 2013), has emerged as a central construct in Behavioral Public Administration. However, the literature is sharply divided regarding its impact on ethical behavior, creating a significant theoretical controversy.

The dominant "bright side" paradigm posits that high PSM acts as an intrinsic self-regulating mechanism. Empirical studies utilizing experimental and survey designs have robustly demonstrated that PSM correlates with lower corruptibility, decreased willingness to accept bribes, and increased ethical decision-making (De Waele et al., 2021; Gans-Morse et al., 2022; Im & Lee, 2012; Lee & Park, 2025). Furthermore, PSM has been shown to actively dismantle unethical pro-organizational behavior (UPB), effectively undermining the "corrupt solidarity" often found in bureaucratic units (Hussain & Siddiquee, 2025).

In stark contrast, a growing body of critical literature warns of the "dark side" of PSM. Scholars such as Schott & Ritz (2018) and Ripoll & Schott (2024) argue that highly motivated individuals might exploit their public service ethos to justify rule-bending. Under the guise of "noble cause corruption" or "pro-social rule-breaking," bureaucrats may rationalize bypassing standard operating procedures if they believe their actions ultimately serve a greater public good (Grima & Naim, 2025; Morrison, 2006). This discrepancy in the literature underscores a fundamental debate: Does PSM universally deter unethical behavior, or does its valency depend on the specific nature of the deviance being committed?

b. Research Gaps and the Current Study's Contribution

While the independent effects of discretion and PSM on bureaucratic behavior have been extensively documented, the structural interaction between these variables remains profoundly underexplored. A seminal attempt to model this interaction was conducted by Kwon (2014), who found that while extrinsic motivation moderated the discretion-corruption relationship, intrinsic motivation (PSM) failed to yield a statistically significant moderating effect. A critical evaluation of Kwon's study reveals methodological weaknesses, primarily the reliance on single-item measures and ordinary least squares (OLS) regression, which are highly susceptible to measurement error. Furthermore, existing research overwhelmingly focuses on the final behavioral outcome (e.g., actual corruption or bribery), largely neglecting the cognitive precursor—the *rationalization* process—where the moral battle is initially fought and decided.

This study aims to address these significant gaps in the literature by shifting the analytical focus from final behavioral outcomes to the psychological mechanism of rationalization. By positioning PSM as a multidimensional latent construct evaluated through Partial Least Squares Structural Equation Modeling (PLS-SEM), this research systematically investigates whether public service values can function as a *quasi-moderator*—a cognitive moral buffer that disrupts the conversion of discretionary latitude into the justification of self-serving deviance. In doing so, this study not only reconciles the conflicting paradigms surrounding PSM but also provides a nuanced, evidence-based understanding of ethical resilience among frontline land administrators navigating complex, high-discretion environments.

METHOD

This study employs a quantitative research design with an explanatory approach. The selection of an explanatory design is driven by the necessity to examine the causal relationships between variables, specifically to measure the influence of employee discretion on the rationalization of unethical behavior and to assess the moderating role of Public Service Motivation (PSM) within the context of the Regional Office of the National Land Agency (BPN) in West Papua Province. The study utilizes a cross-sectional survey design, where data collection was conducted at a specific point in time to provide a snapshot of the perceptions and attitudes of civil servants (PNS/CPNS) and contract workers (PPPK). This design allows for the rigorous testing of hypotheses regarding human behavior in a bureaucratic environment.

a. Population and Sampling

The research defines its population as the entire body of civil servants (PNS) and fixed-term contract workers (PPPK) employed across 11 work units within the Kanwil BPN of West Papua Province. Consistent with the goal of achieving high representativeness and minimizing sampling error, this research adopts a census approach (Total Sampling), targeting the entire population. According to the latest administrative data, the initial target population (N) consisted of 394 individuals.

Data collection was facilitated through an online questionnaire distributed via Google Forms from May 12 to May 31, 2026. A total of 319 responses were received, representing a response rate of 80.96%. Following a rigorous data cleaning protocol, responses were excluded if they indicated careless responding—defined by a standard deviation of less than 0.5—or displayed straight-lining patterns, as outlined by Meade & Craig (2012) and DeSimone et al. (2015). Consequently, the final analyzed sample consisted of 292 valid responses (149 PNS and 143 PPPK), providing a robust dataset for structural equation modeling (SEM).

b. Operationalization of Variables

The variables in this study were operationalized based on established theoretical frameworks to ensure construct validity and reliability:

- 1 Employee Discretion (Independent Variable - X): Adopting the definition from Lipsky (1980), discretion is operationalized as work autonomy. We utilize the Work Design Questionnaire (WDQ) developed by Morgeson & Humphrey (2006). This variable is measured across three sub-dimensions: Work Scheduling Autonomy (WSA), Decision-Making Autonomy (DMA), and Work Methods Autonomy (WMA).
- 2 Public Service Motivation (Moderating Variable - M): PSM is measured using the multidimensional scale validated by Kim et al. (2013). This instrument captures four core dimensions: Self-Sacrifice (SS), Commitment to Public Values (CPV), Compassion (COM), and Attraction to Public Service (APS).
- 3 Rationalization of Unethical Behavior (Dependent Variable - Y): This construct is measured using an instrument based on vignette scenarios derived from Sykes & Matza (1957) Neutralization Theory. Five distinct neutralization techniques are operationalized: Denial of Responsibility (DR), Denial of Injury

(DI), Denial of Victim (DV), Condemnation of the Condemners (CC), and Appeal to Higher Loyalties (AHL).

c. Data Collection Strategy: The *Vignette* Method

A primary challenge in ethical research is the social desirability bias, where respondents tend to report socially acceptable behaviors rather than their true attitudes. To mitigate this, the study utilizes the Micro-*Vignette* method. Respondents were presented with 10 short, fictional scenarios (*vignettes*) describing common ethical dilemmas within land administration, such as processing incomplete files to meet targets or accepting small tokens of appreciation. Respondents were asked to rate the degree of "acceptability" of these actions. This indirect method allows for a more honest reflection of how officials perceive and rationalize rule-bending or unethical conduct, as the focus is shifted to a third-party scenario rather than the respondent's own actions.

d. Pilot Study and Instrument Validation

Prior to the main data collection, a pilot test was conducted on May 12, 2026, involving 15 employees at the Regional Office of BPN West Papua. The pilot study served two functions: assessing the instrument's clarity and establishing initial psychometric properties. Results indicated that while most items were valid, three items in the PSM scale and three items in the Rationalization scale required revision due to low item-total correlation. Based on this, adjustments were made to the phrasing of items M1, M2, Y1, Y5, and Y6 to better align with the actual context of land administration in West Papua.

e. Data Analysis Procedures

The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) via SmartPLS 4 software. PLS-SEM was selected over covariance-based SEM (CB-SEM) due to its superior capability in handling non-normal data and its efficacy in modeling complex interaction effects, which is essential for testing the moderation hypothesis (H3).

- Composite Score Approach and Normalization: Following the "Composite Score Approach," item responses were aggregated into total scores for each construct. These scores were subsequently transformed into Z-scores (standardized scores with mean=0 and standard deviation=1). This transformation is crucial for two reasons: (1) it eliminates multicollinearity issues inherent in the multiplicative interaction term ($M*X$) required for moderation analysis, and (2) it allows the resulting path coefficients to be interpreted in standardized deviation units, providing a clearer understanding of effect sizes.
- Structural Equation Modeling: The inner model (structural model) was evaluated using a 5,000-subsample bootstrap procedure to ensure the stability of parameter estimates and the robustness of the standard errors.
- Significance Testing: Hypotheses were tested using path coefficients (β) and bias-corrected and accelerated (BCa) confidence intervals. A path coefficient was considered significant if the p-value was < 0.05 and the confidence interval did not include zero.
- Supplementary Analysis: Beyond the main model, Multi-Group Analysis (MGA) was employed to explore potential differences between PNS and PPPK subgroups, utilizing the PLS-MGA approach as suggested by Henseler et al. (2009). Furthermore, common method bias was monitored using Harman's Single Factor Test and Variance Inflation Factor (VIF) assessments to ensure that observed relationships were not artifacts of the measurement method.

This systematic methodology ensures that the findings—specifically the identification of PSM as a quasi moderator—are supported by robust statistical procedures and tailored to the unique behavioral complexities of frontline bureaucratic service

RESULTS AND DISCUSSION

1. Result

This section details the empirical findings derived from the analysis of data collected from 292 valid respondents, comprising civil servants (PNS) and government employees with work agreements (PPPK) within the Regional Office of the National Land Agency (BPN) of West Papua Province. The data analysis utilized the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach, processed via SmartPLS 4, following a rigorous two-stage evaluation process consisting of the measurement model (outer model) and the structural model (inner model).

a. Demographic Characteristics and Descriptive Statistics

The survey yielded a total of 292 valid responses (a 74.11% response rate). The demographic profile of the respondents is summarized in Table 1. The data reveals a balanced distribution regarding employment status, with PNS/CPNS (51.03%) and PPPK (48.97%) representing the primary workforce segments. The majority of respondents fall within the 30–39 age bracket (61.99%), hold a bachelor’s or diploma degree (65.41%), and possess a tenure of 6–10 years (54.45%).

Table 1. Demographic Characteristics of Respondents

Demographic Variable	Category	Frequency (f)	Percentage (%)
Employment Status	Civil Servants (PNS/CPNS)	149	51.03
	Contract Workers (PPPK)	143	48.97
Gender	Male	161	55.14
	Female	131	44.86
Age	< 30 years	76	26.03
	30 - 39 years	181	61.99
	40 - 49 years	29	9.93
	≥ 50 years	6	2.05
Education	High School/Diploma (D1-D3)	81	27.74
	Bachelor (S1/D4)	191	65.41
	Master/Doctoral (S2/S3)	20	6.85
Work Tenure	< 2 years	28	9,59
	2 - 5 years	43	14,73
	6 - 10 years	159	54,45
	11 - 20 years	49	16,78
	> 20 years	13	4,45

Source: Primary Data, 2026

Descriptive analysis of the latent constructs (Table 2) indicates that respondents perceive a moderate level of Employee Discretion (Mean = 2.963). In contrast, Public Service Motivation (M) scored in the high category (Mean = 4.074), while the Rationalization of Unethical Behavior (Y) scored in the low category (Mean = 2.221).

Table 2. Descriptive Statistics of Research Constructs

Construct	Mean	SD	Category
Employee Discretion (X)	2.963	1.130	Moderate
Public Service Motivation (M)	4.074	0.830	High
Unethical Behavior Rationalization (Y)	2.221	0.710	Low

Source: Primary Data, 2026

b. Model Evaluation (Outer Model)

The measurement model was evaluated based on convergent validity and reliability. The sub-dimensions of each construct exhibited outer loadings above the 0.708 threshold, and all Average Variance Extracted (AVE) values exceeded 0.50, confirming convergent validity. Furthermore, the Composite Reliability (rho_c) for all sub-dimensions was above 0.70, indicating high internal consistency. Discriminant validity was assessed via the Heterotrait-Monotrait Ratio (HTMT), with all pairs yielding values below 0.850, confirming that the constructs are empirically distinct.

c. Structural Model and Hypothesis Testing

The logical flow of the influence between these variables can be represented through the following conceptual framework diagram:

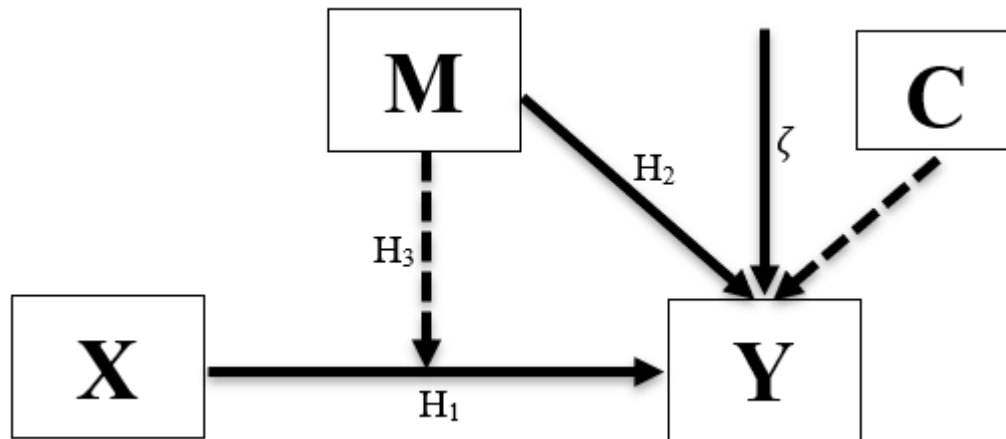


Figure 1. Research Conceptual Framework

Source: Primary Data, 2026

Explanation:

- Y : Rationalization of Employee Unethical Behavior
- X : Employee Discretion
- M : Employee Motivation
- C : Employee's Work Tenure
- ζ : Other factors that affect Y but are beyond the scope of this study
- : Direct Direction of Influence
- > : Moderating and Controlling Variables Influence

The structural model was assessed through path coefficients, t-statistics, and p-values (Table 3). The model fit was confirmed with an SRMR value of 0.065 for the saturated model.

Table 3. Results of Hypothesis Testing

Hypothesis	Path	β	T-Stat
H1	Employee Discretion → Unethical Behavior Rationalization	0.130	2.069
H2	Public Service Motivation → Unethical Behavior Rationalization	-0.167	2.509
H3	PSM × Employee Discretion → Unethical Behavior Rationalization	-0.147	2.055

Source: SmartPLS Output (2026)

The analysis provides support for all three hypotheses.

- H1: The path coefficient of +0.130 ($p = 0.039$) demonstrates that Employee Discretion significantly and positively predicts the Rationalization of Unethical Behavior, confirming that broader discretionary power increases the tendency for cognitive justification of unethical acts.
- H2: Public Service Motivation significantly and negatively predicts Rationalization ($\beta = -0.167$, $p = 0.012$), indicating that higher levels of PSM effectively decrease the propensity to rationalize misconduct.
- H3: The interaction term ($M \times X$) was significant and negative ($\beta = -0.147$, $p = 0.040$). This confirms that PSM serves as a quasi moderator that buffers the negative effects of discretion on rationalization.

d. Exploratory Analysis: The "Condemn the Condemners" Anomaly

An interesting descriptive finding emerged from the rationalization construct (Y). Although the aggregate rationalization score was low, the "Condemnation of the Condemners" dimension (the practice of blaming external overseers like the Ombudsman or internal inspectors) recorded the highest mean (2.839) among all five rationalization techniques. Specifically, item Y7 (Mean = 3.116, Category: Moderate) suggests that a significant portion of respondents perceive oversight institutions as lacking an understanding of the technical challenges faced in West Papua.

Furthermore, a Multi-Group Analysis (MGA) comparing PNS and PPPK revealed significant differences. The path from Discretion to Rationalization was significant for PPPK ($\gamma = +0.256$, $p = 0.002$) but non-significant for PNS

($\gamma = -0.004$, $p = 0.970$). The difference between groups ($\Delta\beta = -0.260$) was statistically significant ($p = 0.040$). This finding suggests that the moderating influence of ethical socialization—historically more intensive for PNS through the Latsar program—may lead to varying degrees of susceptibility to the negative effects of discretion between the two groups.

The overall model explains approximately 3.9% of the variance in rationalization ($R^2 = 0.0388$). While the effect sizes (f^2) of the variables were categorized as small according to Cohen (1988), they remain statistically robust and provide meaningful evidence of the psychological mechanisms driving administrative deviance in the regional BPN office.

2. Discussion

The empirical evidence generated in this study provides a critical advancement in the field of Behavioral Public Administration by unravelling the psychological mechanisms that govern frontline bureaucratic behavior within land administration. By situating the analysis at the intersection of structural autonomy and individual ethical resilience, this research demonstrates that the cognitive process of rationalizing unethical behavior is not an isolated pathology, but rather a complex outcome of interacting systemic and motivational forces. The findings collectively construct a cohesive narrative: while discretionary latitude provides the necessary structural space for administrative deviance, Public Service Motivation (PSM) serves as an active cognitive shield that disrupts the justification of such misconduct.

a. The Double-Edged Sword of Bureaucratic Discretion in Agrarian Governance

The confirmation that employee discretion significantly increases the propensity to rationalize unethical behavior validates the inherent risks associated with street-level bureaucracy, as originally conceptualized by Lipsky (1980). In the context of land administration in West Papua—an environment characterized by geographical isolation, complex customary (ulayat) land disputes, and rigid operational targets like the Systematic Land Registration Program (PTSL)—discretion is an undeniable operational necessity. Frontline bureaucrats are frequently confronted with a policy implementation gap where formal positive law clashes with dynamic realities on the ground, forcing them to exercise procedural latitude (Syaifullah et al., 2022).

However, this study argues that discretion acts as a double-edged sword. When left unchecked by stringent accountability mechanisms, the freedom to bypass formal procedures or interpret ambiguous rules creates a cognitive vacuum. Bureaucrats fill this vacuum by deploying neutralization techniques, effectively convincing themselves that rule-bending is an acceptable response to systemic constraints. This finding aligns with Zhang et al. (2019), who posited that work-related opportunities, synonymous with discretionary latitude, significantly shape bureaucratic corruptibility. In the specific sector of land governance, this vulnerability is amplified. As highlighted by Mushinge et al. (2026), land administration is globally susceptible to corruption due to profound information asymmetry and the monopolistic power held by state officials. Furthermore, Banda (2019) and Salawu (2025) demonstrate that ambiguous service timelines and procedural complexities naturally trigger delaying tactics and informal compromises. Without robust oversight, this discretionary space normalizes administrative deviance, transforming illicit fees into perceived operational necessities (Kasiyanto & Jatmikowati, 2023). Consequently, the root cause of administrative deviance does not lie in the existence of discretion itself, but in its utilization within an environment that inadvertently normalizes ethical compromises.

b. Public Service Motivation as the Primary Moral Buffer

Conversely, the study establishes that Public Service Motivation acts as a formidable deterrent against the rationalization of unethical behavior. This reinforces the classical "bright side" of the PSM framework pioneered by Perry & Wise (1990), which argues that an internalized commitment to public values inherently suppresses opportunistic behaviors. The negative correlation found in this study supports a wealth of recent empirical evidence showing that intrinsic motivation effectively reduces corruptibility. For instance, multi-site experimental studies indicate that high PSM heavily suppresses the willingness of officials to accept bribes and guides more ethical decision-making following anti-corruption interventions (De Waele et al., 2021; Gans-Morse et al., 2022; Lee & Park, 2025). Furthermore, highly motivated public servants possess stronger self-regulating power, allowing them to resist material temptations even in resource-scarce environments (Im & Lee, 2012).

To reconcile this with recent literature highlighting the "dark side" of PSM—where highly motivated individuals might rationalize "pro-social rule-breaking" or engage in "noble cause corruption" as suggested by Grima & Naim (2025), and Schott & Ritz (2018)—it is crucial to delineate the nature of the deviance measured. The vignettes utilized in this study primarily assessed self-serving unethical behaviors, such as accepting informal fees,

delaying services, and demonstrating discriminatory practices. For these explicitly self-serving infractions, the moral mechanics of PSM strictly align with the public interest. A bureaucrat with high PSM experiences profound cognitive dissonance when contemplating self-serving deviance. Thus, a strong public service ethos functions as a high-importance attitude that decisively resolves this dissonance by rejecting the rationalization entirely. Moreover, Hussain & Siddiquee (2025) found that PSM is critical in dismantling unethical pro-organizational behavior, further cementing its role in neutralizing "corrupt solidarity" within government agencies.

c. The Quasi-Moderating Role of PSM: Redefining Discretion

The most profound theoretical contribution of this research lies in the confirmation of the interaction effect, wherein PSM acts as a quasi-moderator that significantly buffers the detrimental impact of discretion on rationalization. This finding directly challenges and refines the conclusions drawn by Kwon (2014), who previously found that intrinsic motivation failed to significantly moderate the relationship between discretion and actual corrupt behavior. The divergence in these findings can be explained by the dependent variable in question. While Kwon measured the final behavioral outcome of corruption, this study measures rationalization, which is a cognitive precursor located much closer to an individual's value system.

By intervening at the psychological justification stage, PSM operates precisely as a mechanism of moral engagement that prevents the initial conceptualization of deviance. For highly motivated employees, an expansion of discretionary power does not translate into a heightened propensity for unethical rationalization. Instead, discretion is utilized strictly for service innovation—such as finding legal ways to assist indigenous communities lacking formal documents—rather than as a tool to manipulate legal loopholes.

d. The Irrelevance of Tenure in Ethical Vulnerability

Reinforcing the focus on psychological variables, this study found that tenure, utilized as a control variable, has no significant effect on the rationalization of unethical behavior. This finding effectively dismantles the traditional assumption that senior officials naturally possess higher ethical maturity or, conversely, that newer employees are inherently more idealistic. The non-significance of tenure suggests that ethical vulnerability in land administration is driven predominantly by the contemporary organizational ethical climate and present intrinsic motivation, rather than the length of service (Sulitzeanu-Kenan et al., 2022). Consequently, integrity building initiatives, such as the Integrity Zone (*Zona Integritas*) program, must be administered continuously across all tiers of seniority rather than being restricted solely to new recruits.

e. Cognitive Resistance: The "Condemnation of the Condemners" Anomaly

Beyond the primary hypotheses, the exploratory findings uncover critical nuances regarding bureaucratic culture. Despite the overall low tendency to rationalize misconduct, the "Condemnation of the Condemners" emerged as the most dominant neutralization technique. Respondents exhibited a notable willingness to justify administrative delays or procedural bypasses by blaming external oversight bodies, such as the Ombudsman or the internal Inspectorate, accusing them of failing to understand the severe technical challenges faced in the field.

This adversarial posture toward oversight institutions corroborates Hoekstra et al.'s findings on white-collar crime, where perpetrators actively discredit their evaluators to protect their moral self-concept. In the agrarian sector, which consistently ranks highest in public complaints to the Ombudsman, this indicates a systemic resistance to oversight. When a permissive culture takes root, external audits are perceived not as quality assurance mechanisms, but as institutional threats (Isaeva, 2025; Nainggolan, 2022). It implies that an over-reliance on punitive "hard systems" without cultivating a shared ethical understanding creates friction, leading to defensive administration rather than genuine integrity reform.

f. Asymmetry of Ethical Socialization: PNS versus PPPK

Furthermore, the significant heterogeneity observed between permanently tenured civil servants (PNS) and fixed-term contract workers (PPPK) regarding how discretion affects rationalization underscores the profound impact of organizational socialization. The data indicates that discretion heavily triggers rationalization among PPPK, while having no significant effect among PNS. Drawing upon Maanen & Schein (1977) theory of organizational socialization, this asymmetry is likely rooted in the contrasting pedagogical architectures of their ethical training.

PNS undergo intensive, institutionalized socialization through the Latsar program, forging a robust custodial role orientation and deep ethical internalization (Saks et al., 2007; Vandenabeele, 2011). In contrast, PPPK generally undergo individualized, self-paced online orientations (MOOCs). As Jimenez (2019) argues, the mere existence of formal codes of ethics is ineffective without deep moral internalization. The digital, self-paced nature of PPPK orientation may lack the pedagogical depth required to instill resilient ethical boundaries. This highlights an urgent

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managerial imperative to equalize ethical capacity-building across all employment statuses, particularly considering that contract workers wield equivalent discretionary power on the frontline of public service delivery.

Ultimately, these dynamics possess immediate relevance in light of recent legal developments, notably the Constitutional Court Ruling No. 66/PUU-XXIV/2026, which restricts the criminalization of administrative errors. By shifting the focus toward administrative recovery, this ruling de facto expands the safe discretionary space for bureaucrats. In an ecological landscape where formal legal threats are relaxed to accelerate service delivery, this study proves that an institution's final line of defense against systemic corruption is the psychological integrity of its workforce. Empowering street-level land bureaucrats with discretion will only yield innovative and empathetic public service if it is inextricably anchored to a highly cultivated Public Service Motivation.

CONCLUSION

This study empirically establishes that while discretionary latitude is an operational necessity for frontline bureaucrats, it simultaneously acts as a structural catalyst for the cognitive rationalization of unethical behavior. However, this research demonstrates that public service motivation functions as a vital cognitive moral buffer. High levels of intrinsic motivation not only directly suppress the tendency to justify self-serving misconduct but also effectively neutralize the detrimental impacts of expanded discretion. The primary theoretical contribution of this research lies in elevating public service motivation from a mere behavioral predictor to a quasi-moderator within the behavioral public administration framework.

Additionally, the identification of "condemning the condemners" as the dominant neutralization technique highlights an adversarial bureaucratic posture toward external and internal oversight institutions. The observed heterogeneity in rationalization tendencies between civil servants and contract workers further underscores the critical role of intensive, institutionalized ethical socialization. To advance this field, future research should adopt longitudinal or experimental designs to establish definitive causality and explore the boundaries of motivation's protective effects across different types of organizational deviance, such as pro-organizational unethical behavior. Furthermore, comparative studies across diverse public service sectors and geographical contexts are highly recommended to test the broader generalizability of this moderation model.

Based on the empirical findings and discussion, this study proposes several targeted recommendations for the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency (ATR/BPN), particularly the West Papua Regional Office, to mitigate administrative deviance:

1. **Equalization of Ethical Socialization:** Addressing the heterogeneous vulnerability between employment statuses, the Ministry must redesign the orientation program for contract workers (PPPK). The pedagogical architecture for PPPK should move beyond individualized, self-paced online modules (MOOCs) to incorporate intensive, institutionalized ethical socialization comparable to the civil servant *Latsar* program. This ensures that all frontline staff wielding discretionary power possess equally resilient ethical boundaries.
2. **Reframing Institutional Oversight:** To dismantle the dominant "condemning the condemners" neutralization technique, regional BPN leadership must actively shift the organizational culture regarding audits. External and internal oversight bodies (such as the Ombudsman and the Inspectorate) must be reframed and communicated to frontline staff as collaborative partners in service quality assurance, rather than punitive institutional threats. This paradigm shift is essential to eliminate the adversarial posture and defensive administration among employees.
3. **Continuous Value-Based Integrity Programs:** Given that tenure has no significant effect on ethical vulnerability, integrity maintenance initiatives—such as the Integrity Zone (*Zona Integritas*) program—must not be exclusively targeted at new recruits. Instead, these programs must be administered holistically and periodically across all tiers of seniority.
4. **Cultivating PSM as a Structural Defense:** Since Public Service Motivation acts as the primary moral buffer against the misuse of discretion, the agency's human resource management should shift from relying solely on rigid procedural compliance (hard systems) to cultivating intrinsic public values. Leadership should foster an environment where compassion and commitment to public values are actively recognized, ensuring that unavoidable field discretion is utilized for service innovation rather than self-serving rationalization.

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