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# Whistleblowing in a Bureaucratic-Heavy Organization Does it work?

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ABSTRACT

*This study explores how employees in bureaucratic organizations interpret the possibility of speaking up about fraud risks. Drawing on institutional theory, this study examines how institutional signals, bureaucratic procedures, and everyday administrative practices shape employees' interpretations of irregularities and reporting behavior. We used a qualitative approach with semi-structured interviews with eight employees working in local government organizations in East Java. The findings indicate that procedural compliance, hierarchical communication, peer norms, and legitimacy considerations influence employees' interpretation of fraud-related concerns and evaluation of whether reporting represents an appropriate administrative action. This adds a more contextual and process-based understanding to studies that often focus solely on personal factors. The study highlights that employees frequently engage in informal sensemaking with colleagues before considering formal disclosure. This extends the existing work by showing how silence or action is collectively produced through shared interpretations. Moreover, layered procedures and distributed responsibilities shape perceptions of oversight within the organization. Thus, this study contributes to the literature by demonstrating how institutional environments structure whistle-blowing behavior in bureaucratic organizations. Practically, the findings highlight the importance of leadership signals and organizational culture in strengthening the responsible voice regarding fraud risk.*

ABSTRAK

*Penelitian ini mengeksplorasi bagaimana pegawai birokratis menafsirkan risiko kecurangan. Dengan menggunakan perspektif teori institusional, penelitian ini mengkaji bagaimana institusional, prosedur birokrasi, dan praktik administratif sehari-hari membentuk cara pegawai menafsirkan ketidakwajaran/kecurangan. Penelitian ini menggunakan pendekatan kualitatif melalui wawancara semi-terstruktur yang dilakukan terhadap delapan pegawai yang bekerja di organisasi pemerintah daerah di Jawa Timur. Hasil penelitian menunjukkan bahwa kepatuhan terhadap prosedur, komunikasi hierarkis, norma rekan kerja, serta pertimbangan legitimasi memengaruhi cara pegawai memahami kekhawatiran terkait kecurangan dan menilai apakah pelaporan merupakan tindakan administratif yang tepat. Ini menambahkan pemahaman yang lebih kontekstual dan berbasis proses terhadap studi yang sering kali hanya berfokus pada faktor personal. Pada dasarnya, studi ini menyoroti bahwa pegawai sering melakukan proses pemaknaan informal bersama rekan kerja sebelum mempertimbangkan pelaporan secara formal. Ini memperluas penelitian yang sudah ada dengan menunjukkan bagaimana diam atau melakukan sesuatu terbentuk secara kolektif melalui interpretasi yang dibangun bersama. Selain itu, prosedur yang berlapis dan distribusi tanggung jawab juga membentuk persepsi mengenai mekanisme pengawasan dalam organisasi. Jadi, secara teoretis, penelitian ini menunjukkan bagaimana lingkungan institusional membentuk perilaku whistleblowing dalam organisasi birokratis. Secara praktis, temuan ini menekankan pentingnya sinyal kepemimpinan dan budaya organisasi dalam memperkuat keberanian pegawai untuk menyuarakan kekhawatiran secara bertanggung jawab terkait risiko kecurangan.*

## 1. INTRODUCTION

Fraud risk represents a continuing governance challenge in public sector organizations, particularly in bureaucratic administrative systems that manage complex decision-making processes (Maulidi et al., 2024; Maulidi and Ali, 2025). Reports from the Association of Certified Fraud Examiners (ACFE, 2024) highlight that internal disclosures

from employees remain among the most effective mechanisms for detecting fraud and organizational misconduct (ACFE, 2024). Employees working within administrative systems often observe documentation flows, procedural routines, and decision processes that may reveal irregular practices. Therefore, employee voice and whistleblowing have received growing attention as important components of organizational accountability and ethical governance (Morrison, 2023; Chen and Treviño, 2023). Through such voice behavior, employees provide information about operational practices that may otherwise remain embedded in routine administrative activities (Friedrich and Quick, 2024).

Despite the recognized importance of employee reporting, many employees show hesitation in raising concerns about potential misconduct (Maulidi et al., 2025). Prior studies emphasize that employees evaluate multiple organizational conditions before speaking up, including perceived organizational support, leadership commitment to integrity, and protection for whistleblowers (Kang, 2023; Batolas et al., 2023; Park et al., 2024). Research in organizational behavior also shows that psychological safety and perceptions of procedural justice encourage employees to express concerns about organizational wrongdoing (Ugaddan and Park, 2019; Kang and Lee, 2025). These studies provide valuable insights into the organizational factors associated with whistleblowing behavior. At the same time, much of this literature emphasizes individual motivations, leadership behavior, or ethical climate. This orientation creates an opportunity to broaden scholarly understanding by examining how bureaucratic administrative structures shape the interpretation of reporting behavior within public organizations.

This issue becomes particularly relevant in public administration contexts, where bureaucratic structures organize administrative work through formal hierarchies, specialized roles, and procedural rules (Egeberg and Stigen, 2021; Knill et al., 2019). Such arrangements provide coordination and accountability across organizational units. At the same time, these structural arrangements shape employees' interpretation of their responsibilities and evaluation of administrative outcomes. Scholars in public administration emphasize that organizational roles, authority structures, and procedural expectations influence how bureaucrats understand their responsibilities within administrative systems (Egeberg and Stigen, 2021; Rivera and Knox, 2023). Within bureaucratic environments, employees frequently rely on procedural compliance and hierarchical oversight to guide their everyday actions. These dynamics create an important empirical opportunity to examine how bureaucratic administrative systems shape employees' interpretation of potential fraud risk and their responses to such situations.

In addition, research on whistle-blowing indicates that employees frequently consider interpersonal relationships when evaluating whether to raise concerns about wrongdoing (Taylor, 2018; Lowe and Reckers, 2024). Raising concerns about administrative practices may be interpreted as questioning colleagues' work or challenging the supervisory authority. These relational considerations influence employees' evaluations of the appropriateness of speaking up in organizational settings. Another dimension that has received increasing scholarly attention is institutional legitimacy in public administration. This perspective highlights how whistle-blowing extends beyond interpersonal concerns and connects with broader expectations that shape organizational behavior.

Public organizations operate in environments characterized by expectations of transparency, accountability, and public trust (Lægreid and Rykkja, 2022). Institutional theory explains that organizations pursue legitimacy by demonstrating adherence to accepted norms of responsible governance (DiMaggio and Powell, 1983; Glynn and D'Aunno, 2023). Within this context, employees remain attentive to how organizational actions may influence institutional credibility.

However, much of the existing literature continues to explain whistleblowing through personal judgments and social relationships (Kang, 2023), leaving the role of legitimacy less clearly developed. This means that current studies provide a limited understanding of how employees connect fraud reporting with concerns about how the organization is perceived in the public sphere (Kang and Lee, 2025; Kang, 2023). Consequently, there is a need to explore how legitimacy considerations shape employees' interpretations of and responses to wrongdoing in public organizations. In other words, empirical studies exploring how legitimacy considerations shape employees' interpretations of fraud-related reporting remain relatively limited.

Building on these considerations, the present study examines how employees in bureaucratic organizations interpret the possibility of speaking up about fraud risks. This study focused on three interrelated questions.

RQ1: How do institutional signals within bureaucratic organizations shape employees' interpretations of speaking up about fraud risk?

RQ2: How do bureaucratic procedures and administrative routines influence employees' understanding of their responsibilities in identifying irregular practices?
RQ3: How do employees interpret and evaluate potential fraud risks encountered in everyday bureaucratic work before they formalize their concerns?

## 2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

### *2.1 Bureaucratic Structures and Organizational Behavior*

Bureaucratic structures play a central role in shaping how public organizations operate and how administrative actors carry out their responsibilities. Early organizational perspectives emphasize that formal hierarchy, specialized roles, and procedural rules provide the backbone of administrative coordination in government institutions (Egeberg and Stigen, 2021). Within such structures, authority flows through defined positions, and decisions often follow standardized processes that guide everyday administrative work.

Scholars in public administration emphasize that organizational positions strongly influence how bureaucrats interpret their roles and responsibilities. For instance, structural arrangements determine access to information, decision authority, and interactions with political leadership (Egeberg and Stigen, 2021). Therefore, employees operate within a framework where authority and expectations derive from the organizational structure rather than solely from individual preferences or professional values.

Research on bureaucratic behavior also demonstrates that institutional context and organizational roles interact with personal characteristics to shape administrative actions (Knill et al., 2019). Bureaucrats' decisions frequently reflect a combination of structural constraints, professional norms, and individual attitudes that develop within an organizational environment (Egeberg and Stigen, 2021). These insights indicate that bureaucratic behavior extends beyond the individual's motivations. This reflects the institutional context in which administrative actors interpret their responsibilities and navigate organizational expectations. Bureaucratic systems often encourage legalistic orientations that emphasize strict adherence to rules and procedures.

As suggested in some related studies in public administration, bureaucratic legalism influences attitudes toward innovation and discretion within the public sector (Lapuente and Suzuki, 2020). Rivera and Knox (2023) explain that a strong orientation toward rules and formal procedures can encourage administrative actors to prioritize procedural correctness and regulatory compliance in their everyday work. Thus, understanding these dynamics is relevant for the current study on fraud risk and whistleblowing. We agree with Pardo et al. (2024) and Lee (2020) that the decision to raise concerns about organizational wrongdoing emerges within the institutional environment created by bureaucratic structures and administrative norms.

### *2.2 Institutional Pressures and Organizational Practices*

According to some scholars, institutional theory provides a valuable perspective for understanding how bureaucratic organizations develop shared behavioral patterns (Glynn and D'aunno, 2023; Bouilloud et al., 2020). Institutions operate through formal regulations, professional norms, and cultural expectations that guide their organizational conduct. In public administration, institutional pressures influence how agencies design procedures, allocate responsibilities, and manage accountability systems (Lægreid & Rykkja, 2022; Pudjono et al., 2026). Such pressures create expectations of transparency, procedural integrity, and compliance with public regulations.

Moreover, Peeters (2020) argues that institutional expectations influence how employees interpret rules and steer organizational processes. Administrative systems require individuals to develop practical knowledge that allows them to understand regulations, procedures, and bureaucratic communication. Scholars refer to this capacity as administrative literacy, which enables individuals to interpret formal requirements and effectively navigate bureaucratic environments (Döring, 2021).

Within public organizations, such literacy is an important component of everyday administrative practice. Employees rely on shared understandings of procedures, documentation, and reporting systems to perform their roles effectively (Peeters 2020). In other words, in settings where rules and documentation guide most administrative activities, employees often evaluate their actions based on established procedures. For the present study, this insight is particularly relevant for understanding how people inside bureaucratic organizations approach the issue of fraud risk. The ability to recognize procedural expectations and reporting pathways may shape employees' perceptions of raising concerns within their organizational environment.

### *2.3 Whistleblowing and Employee Voice in Organizations*

Employee voice plays an essential role in identifying internal problems within organizations, particularly those related to ethical misconduct and fraud risk. Contemporary research in organizational behavior highlights that voice represents a mechanism through which employees express concerns, share suggestions, and raise awareness about problematic practices inside institutions (Morrison, 2023; Maulidi, 2016). Voice behavior provides organizations with valuable insights from individuals who directly observe operational processes and decision-making. Chen and Treviño (2023) argue that ethical voice, including whistle-blowing, represents a specific form of employee communication in which individuals report practices that violate legal or ethical standards.

Studies of public organizations indicate that institutional support, perceived protection, and ethical leadership create conditions that make reporting misconduct more acceptable and legitimate in the workplace (Kang 2023). These factors signal to employees that the organization values integrity and takes ethical concerns seriously. In such settings, whistle-blowing is less associated with personal risk and more closely connected to professional responsibility (see also Pardo et al., 2024).

The manner in which organizations respond after a disclosure is equally important. Ugaddan and Park (2019) mentioned that constructive responses from leaders help reinforce perceptions of procedural justice. This also indicates that ethical concerns receive fair consideration, which strengthens trust in institutional processes and organizational performance (Kang and Lee, 2025). Building on these insights, the present study directs attention to how such supportive conditions operate within bureaucratic environments characterized by dense rules, hierarchies, and formalized procedures. This perspective helps the current study extend existing research by examining whether these institutional dynamics enable or constrain employees who consider speaking up about fraud risk in bureaucratic organizations.

### *2.4 Fraud Risk and Accountability in Public Organizations*

Within the public sector, fraud risk management increasingly relies on analytical tools, governance frameworks, and organizational culture that promote transparency and accountability. This point is evidenced by research on fraud analytics, which highlights how public institutions employ data-driven monitoring techniques to identify unusual patterns in financial transactions and administrative processes (Alfian et al., 2023). At the same time, governance frameworks emphasize the role of organizational culture and political pressures in shaping financial integrity within government institutions (Safkaur et al., 2025). Despite these formal control mechanisms, internal reporting from employees remains an essential component of fraud detection. Organizational studies also emphasize that whistleblowing provides unique insights into misconduct that often remains invisible to formal auditing systems (Friedrich and Quick, 2024). Consequently, employee participation in reporting irregular practices continues to represent a vital element in maintaining accountability and safeguarding public resources (see also ACFE, 2024, for practical evidence).

### *2.5 Theoretical framework*

We apply institutional theory developed by DiMaggio and Powell (1983) to understand how organizational environments influence employees' willingness to raise concerns about fraud risk. Institutional theory explains how organizations operate within systems of rules, norms, and expectations that gradually shape the patterns of behavior among organizational members (DiMaggio and Powell, 1983). These institutional arrangements create shared understandings about appropriate conduct, acceptable communication, and legitimate organizational practices (Loyens and Vandekerckhove, 2018). In public sector settings, where formal procedures and regulatory oversight remain central features of governance (Okafor et al., 2020), institutional pressures strongly influence how individuals interpret their responsibilities and evaluate possible courses of action.

From this perspective, employees' decisions to speak up about potential fraud risks cannot be explained solely by individual motivation or ethical awareness (Friedrich and Park, 2019; Friedrich and Quick, 2024). Instead, such decisions emerge from a broader institutional context that structures the everyday administrative work (Kang, 2023). In this situation, organizational rules, reporting channels, and professional norms can signal how employees are expected to respond to irregular practices. These signals influence whether raising concerns about fraud appears to be a legitimate administrative responsibility or an action that may disrupt established organizational routines.

Institutional theory also highlights the importance of legitimacy in shaping organizational actions (DiMaggio and Powell, 1983). DiMaggio and Powell (1983) emphasized that organizations seek

legitimacy by demonstrating adherence to widely accepted norms of accountability, transparency, and integrity. In a systematic review conducted by Kang (2023), internal reporting mechanisms or whistleblowing systems often represent institutional responses designed to reinforce these expectations.

In public organizations, employees observe how procedures are implemented, how leaders respond to issues, and how colleagues react to potential concerns; these experiences shape whether reporting is seen as an appropriate and credible action (Morrison, 2023; Friedrich and Quick, 2024). In this sense, legitimacy is continuously constructed through routine interactions and administrative processes. Consequently, the decision to raise concerns about fraud risk reflects how employees interpret these institutional signals, including whether reporting aligns with the expectations of responsible conduct and how it may influence the organization's credibility in the public sphere (Glynn and D'aunno, 2023).

Thus, through these mechanisms, organizations communicate their commitment to ethical conduct and responsible governance. Simultaneously, the effectiveness of such mechanisms depends on how employees interpret and engage with them in practice. If organizational norms encourage open communication and responsible reporting, whistleblowing may function as a routine component of institutional accountability. Conversely, if institutional signals emphasize hierarchy and procedural caution, employees may interpret the act of speaking up in more uncertain terms.

From an institutional theory lens, these variations reflect how organizational environments shape shared meanings about appropriate conduct and acceptable forms of communication (DiMaggio and Powell, 1983; Glynn and D'aunno, 2023). Employees do not respond to reporting mechanisms uniformly because their interpretations develop through everyday exposure to routines, authority structures, and peer interactions within the organization (Egeberg and Stigen, 2021; Peeters, 2020). In this process, institutional signals embedded in procedures, leadership behavior, and workplace norms guide employees in making sense of whether raising concerns fits with the expected practices (Loyens and Vandekerckhove, 2018).

Building on this reasoning, the present study views whistleblowing about fraud risk as a form of institutionally embedded behavior. Employees interpret fraud-related concerns using institutional frameworks that guide their organizational lives. Bureaucratic rules, accountability systems, and organizational norms shape the environment in which individuals evaluate whether raising concerns is an appropriate administrative action. Through these processes, the evaluation of whether to raise concerns becomes closely tied to how institutional conditions are experienced in the everyday organizational life.

Therefore, institutional theory in the current study is appropriate for providing an analytical foundation for examining how bureaucratic organizations construct the conditions that influence the employee voice and internal reporting related to fraud risk.

## 3. RESEARCH METHOD

### *3.1 Research Methods*

This study employed a qualitative research design. As mentioned above, it aimed to explore how employees in bureaucratic organizations perceive the challenges of speaking up about fraud risk. Some scholars have mentioned that a qualitative approach is appropriate because the study aims to understand participants' experiences, perceptions, and interpretations (Tomaszewski et al., 2020), particularly regarding whistleblowing within organizational contexts. We expect that such an approach allows researchers to capture complex organizational dynamics, including power relations, bureaucratic norms, and institutional expectations that shape employees' willingness to report concerns (Power, 2013). Therefore, by focusing on participants' narratives, this study seeks to uncover how organizational structures and cultural factors influence decisions to remain silent or raise concerns about potential fraud risk.

### *3.2 Data Collection and Research Procedure*

Data were collected through semi-structured interviews with public sector employees. Semi-structured interviews allow researchers to explore participants' experiences while maintaining the flexibility to probe emerging themes during the conversation (Campbell et al., 2013). The interview questions focused on participants' perceptions of fraud risk reporting, organizational responses to employee concerns, and factors that may encourage or discourage employees from speaking up. Interviews were conducted individually to ensure confidentiality and allow the informants to share their views openly. Each interview lasted approximately 30–60 min.

The research procedure followed several stages to ensure systematic and rigorous data collection and analysis. First, the researchers developed an interview protocol based on the

study's research objective, which was to explore how employees perceive the challenges of speaking up about fraud risk within bureaucratic organizations. The interview guide included open-ended questions designed to encourage participants to share their experiences and perceptions regarding organizational responses to reporting concerns, hierarchical dynamics, and factors influencing employees' willingness to speak up.

Prior to data collection, the interview questions were reviewed and refined to ensure clarity and relevance to the research focus of this study. During the interviews, the participants were encouraged to describe their experiences and views in their own words, while the researcher used probing questions to explore the emerging issues in greater depth. All interviews were conducted in a confidential setting to ensure that the participants felt comfortable discussing sensitive organizational issues related to fraud risk reporting.

Before commencing each interview, the participants were informed that their involvement in the study was entirely voluntary. The researcher clearly explained the purpose and context of the study, namely to understand how employees in bureaucratic organizations interpret and respond to situations related to administrative processes and potential irregularities. The informants were assured that their perspectives would be treated with confidentiality and used solely for academic purposes. We informed them that the data are not shared with any individuals or parties. Participants were also given the opportunity to ask questions and to decline participation or withdraw at any point without any consequences. Only after the participants indicated their willingness to participate did the researcher proceed with the interview process.

### *3.3 Sampling Criteria*

This study was conducted in a local government in East Java. Participants were selected using purposive sampling to ensure that they had relevant knowledge and experience related to organizational governance and fraud risk reporting in bureaucratic settings. Specifically, participants were selected based on three criteria: (1) involvement in administrative processes or decision-making activities, (2) familiarity with organizational procedures, internal control systems, or accountability mechanisms, and (3) work experience that enabled them to observe situations involving potential irregularities. These criteria ensured that the data were drawn from individuals who could provide informed and experience-based insights into how fraud risk is interpreted within the organization.

Eight informants were willing to participate in this study. Of the eight participants, five were men and three were women. The informants had diverse educational backgrounds, with most holding at least a bachelor's degree and several having completed postgraduate studies. In terms of organizational roles, the participants included administrative staff, supervisory personnel, and managerial-level employees. Their professional experience in bureaucratic organizations ranged from approximately five to more than 15 years.

Even though many employees met the criteria, we did not select all of them at once. We started with a small number of participants involved in administrative work, procedures, or supervision. After each interview, we reviewed the answers and assessed the new insights gained. Based on this, we decided who to approach next. Importantly, we selected participants who could provide different views based on their roles and experiences. We continued this process step by step. After several interviews, we began to hear similar answers, and no new ideas emerged. At that point, we stopped adding more participants. This is how we arrived at eight participants. The number was sufficient because their responses already showed clear and repeated patterns about how employees understand and respond to fraud risk in their daily work.

### *3.4 Data Analysis*

The data analysis followed a thematic analysis process to systematically identify patterns in how employees interpret speaking up about fraud risk within bureaucratic organizations. This approach allowed the researchers to explore how organizational signals, administrative routines, and employees' interpretations of irregularities emerged across the interview narratives. The analysis began with data familiarization. During this stage, particular attention was given to how the participants described procedural routines, interactions with supervisors and colleagues, and situations in which administrative irregularities were observed (Campbell et al., 2013). This initial reading helped the researchers recognize recurring ideas related to procedural compliance, hierarchical authority, and employees' cautious interpretation of potential problems.

After familiarization, the researchers conducted an initial coding process (Campbell et al., 2013; Mero-Jaffe 2011). Meaningful segments of text were labeled with descriptive codes that captured key ideas expressed by the informants. For instance, statements describing reliance on official systems and documentation were coded as procedural

compliance, whereas comments describing how employees observed managerial reactions were coded as leadership signals. Other codes captured peer influence, reliance on multiple administrative approvals, and employees' hesitance in interpreting irregular practices. These early codes helped organize the data into manageable, analytical units.

The next stage involved grouping related codes into broader thematic categories through a constant comparison of the statements given by the informants (Campbell et al., 2013). Through this process, patterns began to emerge regarding how institutional and bureaucratic environments shape employees' behavior. For example, codes related to formal reporting mechanisms, leadership behavior, peer expectations, and perceptions of reporting legitimacy were grouped into themes describing institutional signals that shape speaking up.

Other clusters of codes highlighted how everyday bureaucratic practices, including hierarchical communication, administrative literacy, and layered procedures, shape employees' understanding of responsibility within organizational processes. Additional themes captured how employees interpreted potential fraud risks, including recognizing irregular practices, engaging in informal sensemaking with colleagues, and cautiously formalizing concerns.

To validate our coding processes, thematic development was conducted through an iterative and reflexive process that continuously moved between the raw data, initial codes, and emerging themes to confirm the consistency and interpretive accuracy (Campbell et al., 2013). Each theme was reviewed against the full dataset to ensure that it meaningfully represented participants' accounts and that sufficient evidence supported each category. In addition, data saturation logic was used as an analytical benchmark, where coding and theme development continued until no new conceptual insights emerged.

## 4. DATA ANALYSIS

### 4.1 Institutional Signals that Shape Speaking Up

#### *4.1.1 Formal Reporting Channels*

Our informants explained that formal reporting channels exist in the organization and are widely understood as the legitimate way to communicate concerns.

However, employees' everyday experiences suggest a more complex dynamic. In routine practice, formal reporting channels are often embedded within administrative routines that emphasize procedural correctness over the active questioning of organizational practices. Employees tend to focus on completing documentation and following procedural steps, which gradually frames reporting as a technical and administrative task. One informant described this situation as follows:

> *"Everything must go through the official system, so people focus on completing the process. They do not question it."* (IN3)

Another participant explained how institutionalized procedural compliance shapes employees' cognitive framing of correctness: From an institutional theory perspective (DiMaggio and Powell, 1983), the emphasis on "complete documents" and "following the procedure" indicates that legitimacy is derived primarily from adherence to formalized rules.

> *"If the procedure is followed and the documents are complete, people usually assume the process is already correct."* (IN7)

Similarly, one participant expressed the following:

> *"Employees feel that as long as the paperwork is done properly, the responsibility is already fulfilled."* (IN5)

These narratives suggest that routine compliance with administrative procedures creates an environment in which completing the process becomes more important than critically examining its content or purpose. This dynamic also reinforces cognitive closure, where employees rely on institutional signals (e.g., documentation and procedural adherence) to reduce uncertainty rather than engaging in deeper evaluative judgment processes.

#### *4.1.2 Leadership Signals*

According to Morrison (2023), leadership behavior also sends important signals regarding how employees interpret the act of speaking up. Friedrich and Quick (2024) mention that supervisors emphasize the importance of maintaining organizational order and procedural stability in everyday administrative work.

Although such an emphasis contributes to efficient coordination, it also shapes how employees interpret their roles within the bureaucratic system. Staff members often perceive that maintaining smooth organizational operations takes priority over raising issues that could disrupt routine procedures. One of the participants explained this perception.

> *"Managers usually focus on making sure the work runs smoothly, so employees try to avoid creating additional problems."* (IN4)

Other informants noted that employees often interpret silence as a safer and more appropriate response in routine bureaucratic practice.

> *"If everything seems to run normally, people*

*prefer not to raise questions." (IN6)*

*"Employees observe how leaders react to issues, and they try to act in ways that maintain harmony." (IN2)*

These accounts indicate that employees often interpret silence as a safe and appropriate response within routine bureaucratic practice. In this sense, leadership responses to issues become interpretive cues that guide employees' assessments of appropriate conduct.

***4.1.3 Peer Norms***

In bureaucratic settings, everyday conversations with peers often reinforce shared assumptions regarding the functioning of administrative systems. Through these interactions, employees develop a collective understanding that established procedures contain safeguards that can identify irregularities.

Our informants frequently described how colleagues relied on the assumption that procedural steps already served as mechanisms of verification. In daily work situations, employees observed documents moving through multiple administrative stages, each accompanied by signatures, approvals, and technical checks. This experience created an implicit expectation that earlier stages of the process had already ensured procedural correctness.

"*People usually assume that if something passes through the system, it must already be correct.*" (IN8)

This comment reflects how employees interpret bureaucratic processes as inherently self-correcting. The repeated experience of documents passing through several procedural stages creates confidence in the system, reducing the perceived need for additional scrutiny at later stages. Rather than evaluating every detail independently, employees rely on the assumption that earlier administrative actors have fulfilled their responsibilities. A similar perspective emerged in another interview.

"*Colleagues often say that the process has already been checked by someone else.*" (IN1)

Here, responsibility is implicitly transferred across the organizational chains. Employees interpret prior approvals as evidence that verification has already occurred. Another informant described how the presence of multiple approvals further strengthened collective confidence:

"*If several people have approved something, employees feel confident that everything is fine.*" (IN4)

These narratives demonstrate how peer norms sustain confidence in administrative procedures and reinforce a collective interpretation that the system itself functions as a safeguard. Through everyday interactions, employees gradually internalize the idea that irregularities are unlikely to pass through multiple levels of verification. This shared belief reduces the likelihood that individuals will independently question administrative outcomes, as doing so would imply doubt regarding the collective functioning of the bureaucratic system.

***4.1.4 Legitimacy of Reporting***

Beyond procedural trust, employees evaluate whether raising concerns about irregularities is socially and organizationally legitimate (Thomas, 2020). In bureaucratic environments, speaking up about potential problems may be interpreted as questioning the competence or diligence of colleagues and supervisors.

The informants below described the delicate balance between professional responsibility and interpersonal considerations in the workplace. Although employees recognize the importance of organizational integrity, they remain aware that reporting concerns can generate unintended social consequences within hierarchical and collaborative environments.

"*People worry that raising issues might look like they are questioning others' work.*" (IN3)

The above statement highlights how reporting behavior is embedded within the social structure of the organization. Raising concerns about administrative decisions can easily be interpreted as criticism directed towards colleagues who previously handled the same documents or processes. As a result, employees may hesitate to voice suspicions that could create interpersonal discomfort.

Moreover, another informant emphasized the tendency to prioritize procedural continuity:

"*Employees prefer to follow the system rather than challenge it.*" (IN7)

This comment illustrates how bureaucratic environments encourage behavioral patterns that prioritize procedural stability. In such contexts, silence may appear to be a pragmatic choice that preserves organizational harmony and stability. This indicates the presence of coercive and normative institutional pressures, where adherence to formal procedures is reinforced by compliance, predictability, and organizational order expectations.

Further observations highlight the importance of collegial relationships in shaping these decisions.

"*Maintaining good working relationships is*

*very important, so people try to avoid creating tension."* (IN6)

The above quote supports prior studies on how workplace relationships become an important consideration in employees' decisions about speaking up (Taylor, 2018). Bureaucratic work often relies on cooperation among colleagues across departments and hierarchies. Therefore, employees remain attentive to the potential social consequences of actions that might create conflict or distrust within these networks.

**4.2 Bureaucratic Procedures and Administrative Experience**

***4.2.1 Hierarchical Communication***

Informants described how employees rely on supervisors to perform evaluative functions in the administrative chain.

"*Usually, the supervisor is responsible for checking everything."* (IN5)

This remark also illustrates how hierarchical authority is associated with evaluation responsibility. Employees interpret the supervisor's position as carrying the primary obligation to identify potential problems. Consequently, lower-level staff may view their role as ensuring procedural completion rather than critically reviewing the decisions. This can contribute to de-responsibilization at the operational level, where vigilance is externalized upward, and the detection of irregularities becomes dependent on supervisory intervention.

Another informant described how managerial approval influences employees' interpretations of administrative results.

"*If the manager approves something, employees assume it has already been considered carefully."* (IN2)

Therefore, managerial endorsement functions as a powerful institutional signal. Once a decision receives formal approval from a higher authority, it gains an aura of legitimacy within an organization. Employees interpret this approval as evidence that the issue has already been appropriately considered. A similar dynamic is apparent in the following comment:

"*People rely on their leaders to identify problems in the process."* (IN7)

This statement highlights how hierarchical communication structures shape expectations regarding oversight. Such reliance reinforces a top-down institutional logic of control, in which employees defer evaluative judgement to leaders as part of a normalized organizational practice. Employees often perceive leaders as guardians of procedural integrity, which encourages reliance on authority structures rather than independent evaluations.

Collectively, this section demonstrates how hierarchical communication reinforces the idea that the responsibility for detecting irregularities rests primarily with those in supervisory positions. Although this structure clarifies authority within the organization, it may also reduce the likelihood that employees at lower levels actively question administrative outcomes.

***4.2.2 Administrative Literacy***

According to Döring (2021), administrative literacy plays a significant role in shaping employees' experiences of bureaucratic routines. Employees become highly familiar with procedural rules, documentation requirements, and workflow systems. This experience allows them to navigate complex administrative environments efficiently and perform tasks in accordance with institutional expectations (Döring, 2021).

The following quotes illustrate how employees gradually develop practical knowledge about how bureaucratic systems operate. This knowledge includes understanding where documents should be submitted, how approvals are obtained, and how procedural requirements can be satisfied. For instance, one of our participants described their practical expertise.

"*Experienced staff know how to complete the paperwork correctly."* (IN3)

This illustrates how administrative competence is closely tied to the ability to manage documentation. Employees gain confidence through repeated engagement with procedural tasks, reinforcing the importance of technical accuracy in bureaucratic work. Another informant highlighted how procedural familiarity improved efficiency.

"*People learn how to follow procedures efficiently."* (IN6)

"*If the system works properly, problems should already be detected."* (IN2)

These employees internalized the logic of administrative workflows. Tasks that initially appear complex gradually become routine, allowing the staff to perform their duties smoothly within the established system. A further comment emphasized the centrality of procedural compliance:

"*The main focus is making sure all administrative requirements are satisfied."* (IN5)

It can be argued that professional competence within bureaucratic organizations often revolves around ensuring that formal requirements are fulfilled. These insights are supported by scholars

who argue that administrative literacy encourages mastery of procedural routines (Döring and Madsen, 2022). In such environments, the primary goal of administrative work becomes ensuring that processes function smoothly, which may leave limited space for questioning broader organizational practices.

#### *4.2.3 Layers of Procedure*

Although the layered structure strengthens traceability and formal accountability (Althaus and O'Faircheallaigh, 2022), it also shapes employees' interpretation of their responsibilities within the administrative process.

The following quotes illustrate how procedural layering influences employees' expectations regarding oversight: The movement of documents through multiple levels of approval generates a sense that verification has already taken place earlier in the process. Therefore, employees tend to treat procedural progression as evidence that appropriate checks have been performed.

> *"If something passes through several levels, people assume it has already been reviewed."* (IN1)

A similar perception was observed in another interview. This argument illustrates how formalization and procedural layering generate a "legitimacy illusion" of control in bureaucratic systems. In this sense, we see that the presence of multiple approval stages becomes an institutional signal that adequate scrutiny has already been conducted, regardless of whether substantive evaluation has taken place at each stage. In this sense, approval structures function as control mechanisms and symbolic reinforcements of trust in the system.

> *"The system requires many approvals, so employees believe that the checks have already happened."* (IN4)

In this context, the accumulation of approvals creates a symbolic representation of reliability. Each additional approval reinforces the impression that someone else has thoroughly evaluated the issue. Instead of encouraging repeated scrutiny, the presence of multiple signatures can reduce individuals' perceived need to independently question a decision.

Some informants emphasized the importance of procedural order. According to the quotes below, trust develops from the visible structure of the administrative system. Employees become accustomed to seeing documents follow a predictable route through the bureaucracy. This experience reinforces the belief that the procedural design itself functions as a safeguard against problems (Rabbi and Sabharwal, 2025).

> *"When documents move step by step, people trust the process."* (IN8)
>
> *"People believe the system already has enough controls."* (IN4)

All quotes in this section indicate that layered procedures may unintentionally weaken employees' motivation to voice concerns. Because accountability appears to be distributed across several actors, individuals often assume that someone else has already addressed potential issues. Consequently, routine procedural completion may replace critical evaluation, indirectly discouraging employees from initiating whistleblowing actions.

### 4.3 Interpreting Fraud Risk Inside Bureaucratic Work

#### *4.3.1 Recognizing Irregular Practices*

When asked about fraud risk, employees sometimes encounter situations in which administrative records appear incomplete, unusual, or inconsistent with expected procedures. However, recognizing such irregularities as potential fraud is not straightforward. Informants described how irregularities often appear embedded within technical administrative processes that make it difficult to determine whether they represent misconduct or merely procedural variation. One informant explained that irregularities often appear subtle rather than explicit.

> *"Sometimes something feels unusual in the documents, but it is not always clear whether it is a real problem or just an administrative issue."* (IN2)

Another participant described a similar experience as follows: This indicates how high procedural complexity within bureaucratic systems generates interpretive ambiguity, which, in turn, shapes how employees construct meaning around potential irregularities. Such ambiguity reinforces institutionalized uncertainty management, in which employees become cautious in labeling observed issues as problems because of the risk of misinterpretation within highly technical and administrative environments. Consequently, procedural complexity itself functions as a legitimizing mechanism for inaction, as uncertainty is resolved through deferral to established rules rather than through critical evaluation.

> *"In government work, there are many technical details. What looks like a mistake could simply be a misunderstanding of the procedure."* (IN5)

Within this concern, the complexity of bureaucratic procedures becomes a factor that moderates suspicion. Rather than immediately associating irregularities with wrongdoing,

employees interpret them within the broader technical environment of public administration. Further reflection reinforces this perspective.

> *"You may notice something odd, but people usually assume there is an explanation somewhere in the process."* (IN6)

This tendency to assume procedural explanations demonstrates how routine bureaucratic expectations shape the interpretation of irregularities. The assumption that processes generally function properly creates a cognitive bias toward normalization, where potential risks are initially treated as routine administrative anomalies rather than indicators of fraud.

#### *4.3.2 Informal Sensemaking*

When irregularities are noticed, employees rarely move directly to formal reporting mechanisms. Instead, they engage in informal sense-making processes through everyday conversations with colleagues. These discussions allow employees to collectively interpret ambiguous situations and assess whether a concern deserves further attention. One informant described how informal discussions often served as the first step in interpreting potential problems.

> *"Usually, we first talk with our colleagues. We try to understand whether the issue is serious or just part of the process."* (IN6)

This quote suggests that the interpretation of fraud risk is not purely an individual cognitive process but rather a socially constructed understanding developed through peer interaction. Another participant explained that employees prefer quiet clarification before considering formal escalation.

> *"If something seems unclear, people prefer to ask around quietly rather than report it immediately."* (IN3)

This behavior reflects the informal communication norms common in bureaucratic workplaces. Employees rely on peer discussions to verify their interpretations, share procedural knowledge, and assess the legitimacy of their concerns. Another participant expressed a similar opinion.

> *"Most of the time we try to understand the situation internally before thinking about escalation."* (IN7)

This statement reflects how employees engage in internal sense-making processes before activating formal reporting mechanisms. In this context, internal discussions function as a pre-institutional filtering stage, where employees assess whether an issue aligns with established procedural expectations or can be resolved within the routine understanding. This behavior also demonstrates the influence of institutionalized norms of discretion and containment, where individuals prefer to internally manage ambiguity.

#### *4.3.3 Formalizing Concerns*

Transforming informal concerns into formal reports represents a significant transition within bureaucratic organizations (Braams et al., 2024). The informants below emphasized that this step requires a high degree of certainty, as formal reporting is perceived as a serious administrative action with potential consequences: One informant explained the following:

> *"To report something formally, you need to be very sure about the problem."* (IN2)

This suggests that the threshold for formal reporting was relatively high. Employees feel responsible for ensuring that concerns are well-substantiated before initiating formal procedures. Another participant elaborated on this hesitation as follows:

> *"If the issue is not very clear, people hesitate to put it into a formal report."* (IN5)

Under this point, the requirement for clarity and evidence reinforces a cautious approach to reporting. This dynamic strengthens a conservative reporting culture in which only well-defined and easily justifiable issues are escalated, while early-stage or ambiguous indicators of irregularities remain unreported. Ambiguity, which is common in complex administrative environments, therefore, becomes a barrier to formal disclosure. A similar concern was also expressed by an informant who described the perceived consequences of formalizing concerns:

> *"Once something becomes a formal report, it creates administrative consequences, so people want to be careful."* (IN8)

This observation illustrates how the act of reporting transforms an issue from a routine administrative matter into an organizational event requiring a formal response. Consequently, employees often delay or avoid formal reporting unless the problem becomes sufficiently clear and significant to them.

#### *4.3.4 Institutional Legitimacy*

Another important theme emerging from the interviews concerns how employees interpret the broader implications of raising concerns about an organization's institutional legitimacy. Our informants emphasized that public institutions must maintain credibility, stability, and trust. Within this context, employees often become cautious about

actions that could potentially expose internal problems or create reputational risks for the organization.

For many participants, the idea of organizational legitimacy was closely connected to how the institution appeared in the public's eyes. Employees therefore recognized that addressing internal problems is important, yet they also perceived that exposing such issues could generate negative attention toward the organization. This perception creates a sensitive tension between maintaining organizational reputation and raising internal concerns about possible irregularities (Loyens and Vandekerckhove, 2018). For example, the following quote expresses this point:

> *"When organizations deal with problems openly, it improves their credibility." (IN6)*
> *"It is not easy to raise concerns. Nothing needs to be reported. Otherwise, it is dangerous."* (IN7)

Although this quote acknowledges the value of transparency, it also reflects the awareness that organizational credibility can be affected by how internal problems become visible. These perspectives point to a condition of decoupling, where formal commitments to transparency coexist with informal norms that discourage the expression of concerns. Another participant reflected on the expectations placed on public organizations:

> "*Public institutions must show that they are willing to correct mistakes."* (IN3)

This statement illustrates that employees recognize the importance of institutional accountability. Simultaneously, it also shows that such accountability is often interpreted at the organizational level rather than at the level of individual action. A similar concern was raised in another interview:

> "*Handling reports properly helps maintain trust from the public."* (IN7)

This remark highlights how employees connect internal reporting processes to an organization's broader legitimacy. Maintaining public trust is a central concern, and employees are attentive to actions that could influence an organization's image.

This section suggests that considerations of institutional legitimacy may indirectly discourage employees from speaking up about potential fraud risks. Because public organizations rely heavily on credibility and trust, employees may hesitate to initiate disclosures that could be interpreted as exposing institutional weaknesses. Instead, they may rely on existing organizational structures to address potential issues internally. Consequently, concerns about protecting institutional reputation can unintentionally reinforce silence within bureaucratic environments, even among employees who recognize the importance of integrity and accountability.

## 5. DISCUSSION

We discuss our research results in two sections: theoretical and practical implications of the study.

### *5.1 Theoretical implications*

This study aimed to understand whether employees in bureaucratic organizations could speak up about fraud risks and what organizational conditions influenced their willingness to do so. The findings suggest that speaking up about potential wrongdoing is not simply determined by individual awareness of fraud or personal ethical values. Instead, employees' decisions are strongly shaped by the institutional context in which they work, including hierarchical authority structures, relational expectations with colleagues and supervisors, and perceptions of how the organization manages its legitimacy in the public eye. These findings contribute to ongoing debates in public administration regarding organizational silence, whistleblowing behavior, and governance accountability in public institutions.

One of the central insights emerging from the findings is that bureaucratic structures may indirectly discourage employees from raising concerns about misconduct in the workplace. Public organizations are typically designed around layered decision-making systems in which responsibilities are distributed across several administrative levels. These arrangements are intended to strengthen oversight and ensure procedural accountability. However, the interviews indicated that these same structures may also diffuse individual responsibility for identifying and reporting irregularities. Employees often assume that oversight functions are embedded within formal procedures or supervisory roles. Consequently, when individuals encounter suspicious situations, they may believe that someone else within the organizational hierarchy is responsible for addressing the issue. This dynamic reflects classic discussions in public administration regarding the problem of responsibility within bureaucratic systems (Rivera and Knox, 2023). Individuals may perceive their role in safeguarding integrity as limited if accountability is distributed across multiple actors.

These findings extend prior research on organizational silence. Scholars have long argued that employees frequently withhold concerns if they

believe that speaking up will not produce meaningful outcomes or when their responsibility appears ambiguous (Morrison, 2014; Park et al., 2024). The present study shows how such perceptions emerge in bureaucratic contexts where formal procedures are already in place to manage ethical oversight. Rather than feeling empowered to intervene, employees may interpret their responsibilities as primarily complying with established processes. Thus, bureaucratic procedures can unintentionally create a psychological distance between employees and the ethical consequences of organizational decisions.

Another important pattern emerging from the findings concerns the role of relational loyalty within public organizations. Informants frequently described how interpersonal relationships influence decisions about whether to speak up. In many cases, reporting a concern about potential fraud was perceived as a relationally sensitive action that could disrupt workplace harmony or create tension with colleagues and supervisors. These concerns reflect the well-documented social risks associated with whistleblowing. These findings enrich existing scholarship on whistleblowing by highlighting the relational nature of whistleblowing decisions (Kang and Lee, 2025; Pardo et al., 2024). As suggested before, employees operate within networks of reciprocal relationships in which loyalty and cooperation are valued organizational norms. Thus, speaking up about misconduct may be interpreted as a potential violation of implicit relational expectations.

A further theoretical contribution of this study lies in demonstrating how bureaucratic organizations create what can be described as an institutionalized trust mechanism. Existing whistleblowing research commonly assumes that employees evaluate wrongdoing through individual ethical judgements, perceived organizational support, or psychological safety (Kang, 2023; Morrison, 2023; Chen and Treviño, 2023). The findings of this study show a different process. Employees frequently develop trust in administrative systems through repeated exposure to procedural routines, multiple approval stages, documentation requirements, and hierarchical verification processes. Consequently, trust becomes attached to the process itself rather than to the substantive evaluation of organizational outcomes. This finding extends institutional theory by suggesting that institutional arrangements do more than regulate behavior. They shape how organizational members construct assumptions about reliability and correctness (DiMaggio and Powell, 1983; Glynn and D'Aunno, 2023). Employees gradually come to believe that the existence of formal procedures signals that adequate scrutiny has already occurred. Consequently, vigilance becomes embedded within the system rather than within individual actors. This perspective enriches previous discussions on accountability and administrative burdens by illustrating how procedural confidence can unintentionally reduce critical questioning and independent monitoring among organizational members (Peeters, 2020; Döring, 2021; Lægreid and Rykkja, 2022). The study therefore introduces a more nuanced understanding of how institutional trust can simultaneously support organizational stability while weakening employees' motivation to challenge potentially problematic practices.

Moreover, we found that the organizational culture surrounding authority and hierarchy also shapes these dynamics. Informants suggested that questioning decisions or raising concerns could be interpreted as challenging authority or criticizing the organization. These perceptions support prior studies that hierarchical cultures often discourage employees from expressing dissent or raising uncomfortable issues (Batolas et al., 2023; Lowe and Reckers, 2024). In such environments, silence may gradually become normalized as part of everyday organizational behavior. Employees learn, often indirectly, that raising sensitive issues may not be welcomed, even when formal policies encourage transparency. Although these values support coordination and administrative consistency (Puni and Anlesinya, 2017), they may also discourage behaviors perceived as disruptive, including questioning decisions made by superiors. As a result, employees may choose caution over confrontation when encountering potential fraud risks.

### *5.2 Practical implications*

The findings suggest that strengthening whistle-blowing in bureaucratic organizations requires more than simply establishing formal reporting systems. Although many public institutions provide official channels for reporting misconduct, the results indicate that employees often interpret these mechanisms within a broader organizational environment shaped by hierarchy, procedural routines, and relational expectations. Consequently, public managers should pay closer attention to institutional signals surrounding these reporting systems. In this sense, leadership behavior plays a particularly important role in shaping these signals. For example, once managers consistently demonstrate that questioning procedures and raising concerns are legitimate professional

responsibilities, employees are more likely to interpret speaking up as part of normal administrative practice rather than as a disruptive act.

More concretely, organizations should integrate "mandatory reflection points" into routine workflows, where employees are required to briefly state whether anything unusual was observed before final approval is submitted. This makes critical attention a part of the system. In addition, organizations should simplify reporting categories into practical labels (e.g., "process concern," "data inconsistency," "approval irregularity") so that employees do not hesitate because of uncertainty about whether an issue is "serious enough" to report. Therefore, public organizations should complement formal whistleblowing systems with leadership practices that explicitly encourage constructive voices and responsible scrutiny of administrative processes.

Additionally, organizations should recognize that bureaucratic procedures can unintentionally discourage employees from raising concerns. The findings indicate that layered approval systems, strong procedural routines, and reliance on hierarchical oversight may create the perception that the responsibility for detecting irregularities lies elsewhere in the administrative chain. To address this issue, public institutions should emphasize shared responsibility for integrity across organizational levels. Training programs and internal communication strategies can reinforce the idea that identifying and discussing irregularities is not a disruption of the bureaucratic order but an essential component of professional accountability.

More practically, this can be translated into clear role-based integrity duties written into job descriptions, where every position (not only supervisors) includes a short statement such as "responsible for identifying and flagging process inconsistencies." In addition, organizations should introduce rotating "integrity focal roles" at the unit level, where one staff member is assigned each month to raise and track minor process concerns. This ensures that vigilance is distributed rather than concentrated at the top of the hierarchy.

Therefore, building organizational cultures that value critical reflection, transparency, and responsible dialogue can help ensure that employees view speaking up as a legitimate contribution to institutional integrity and public trust.

Additionally, organizations should recognize informal discussion networks as valuable organizational resources rather than treating whistleblowing solely as a formal reporting activity. Public institutions may benefit from creating structured forums, cross-unit dialogue sessions, or facilitated integrity discussions where employees can openly explore uncertainties surrounding administrative practices without immediately triggering formal investigations. Such mechanisms can help employees clarify concerns, share procedural knowledge, and develop confidence in their interpretations before deciding whether formal action is necessary. In addition, these forums may strengthen organizational learning by allowing minor concerns and procedural weaknesses to surface earlier. This creates opportunities for corrective action before issues escalate into more significant governance problems. As a result, organizations can develop a stronger culture of collective accountability while preserving the collaborative relationships that are highly valued within bureaucratic environments.

## 6. CONCLUSION, LIMITATIONS, AND SUGGESTION

This study shows that employees' willingness to speak up about fraud risk in bureaucratic organizations cannot be understood solely as an individual ethical decision. However, it must be interpreted within the broader institutional environment that shapes organizational behavior.

The findings suggest that hierarchical authority, rule-bound procedures, and concerns for organizational reputation collectively create institutional pressures that indirectly discourage employees from raising concerns, even when formal reporting mechanisms are in place. Most of the time, they follow formal procedures, trust documents, and assume that if something has passed many approval steps, it must already be correct. This creates a kind of "shared trust" in the system, where people feel less need to question things individually. Even when something feels a bit wrong, it is often interpreted as a normal administrative issue rather than something serious. In other words, the structure of bureaucracy itself slowly trains employees to prioritize following the process over critically questioning it.

From an institutional theory perspective, these dynamics illustrate how organizational norms, legitimacy concerns, and bureaucratic structures shape employees' perceptions of acceptable behavior and the risks associated with speaking up. Because of this, they usually prefer to talk quietly with peers first to make sense of the issue together before deciding anything. Only when something is very clear and certain do they feel comfortable turning it into a formal report, since formal

reporting is seen as a serious action with possible consequences. There is also a broader concern about the organization's image, especially in public institutions, where exposing problems may be seen as damaging trust. Consequently, whistleblowing in bureaucratic settings becomes embedded in a complex interplay between formal governance structures and informal institutional expectations. This indicates that whistleblowing emerges as a socially constructed process shaped by shared interpretations, peer interactions, and institutional expectations.

This study has several limitations. First, the study relies on a relatively small sample of eight participants from local government organizations in East Java, which may limit the generalizability of the findings to other bureaucratic contexts or sectors. Second, the qualitative interviews capture employees' perceptions and interpretations, which may be influenced by personal experiences or social desirability bias when discussing sensitive topics such as fraud risk and reporting behavior. Third, this study focuses primarily on employees' sense-making processes within bureaucratic structures and does not directly examine organizational outcomes or actual whistleblowing cases, which could provide deeper insights into how these interpretations translate into concrete actions. Fourth, the study does not include perspectives from higher-level decision-makers or policymakers, which limits the ability to fully understand how institutional signals are constructed and reinforced at the top of the organizational hierarchy. Fifth, the research is cross-sectional in nature, so it captures employees' interpretations at one point in time and does not explore how perceptions of reporting and fraud risk may evolve as organizational policies, leadership practices, or external pressures change over time.

Future studies could expand this research by involving a larger and more diverse sample across different governmental levels or sectors to compare how institutional environments shape employees' willingness to speak up about fraud risk in the public sector. Quantitative or mixed-method approaches may also help test and generalize the relationships between institutional signals, organizational culture, and reporting behavior identified in this study. Additionally, future research could explore the role of leadership practices, internal control systems, and formal whistleblowing mechanisms in encouraging responsible voices within bureaucratic organizations and examine how employees' interpretations evolve when fraud cases emerge.

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**Conflict of Interest**

I declare that I am free from conflicts of interest in this study, whether financial, professional, personal, or organizational membership, relationships with relevant entities, or personal beliefs related to the research topic.

**Use of Artificial Intelligence Technology**

In the preparation of this manuscript, the author used artificial intelligence (AI) tools (such as Grammarly) to assist with language refinement and editing of the text. All ideas, interpretations, analyses, and conclusions presented in this study are the sole responsibility of the authors.

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**APPENDIX:**
**SAMPLE INTERVIEW QUESTIONS**

1. How do you usually determine whether a process or document has been handled correctly?
2. In your experience, what does it mean for a process to be considered "proper" or "complete"?
3. To what extent do procedures and documentation help you feel confident that everything is in order?
4. What do employees usually do first when something seems unclear or unusual?
5. How do colleagues typically discuss or interpret these situations?
6. To what extent do workplace relationships influence employees' responses to potential issues?
7. Do employees feel that they have a personal responsibility to question processes, or is that seen as part of someone else's role?