


**LOW-LEVEL BANK MANAGERS: FACTORS THAT AFFECT ETHICAL DECISION-
MAKING (THE INDONESIAN CASE)**

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 31 March 2023</p> <p>Accepted 26 June 2023</p>	<p>Purpose: To find out the factors that influence ethical decision-making in low-level bank managers</p>
<p>Keywords:</p> <p>Lending; Ethical Decision; A Low-level Managers Bank.</p> <div data-bbox="172 920 475 1160" style="text-align: center;">  </div>	<p>Theoretical framework: Research findings emphasized that the theory of McCosh in 1999 is certainly still relevant to use if the perception of the ethical meaning is not more to the application of ethics in the standard operating procedure is true but more to the fulfillment of a lending activity that really.</p> <p>Design/methodology/approach: The study also took a step with a positivistic epistemological approach in the process of answering research questions by following the deductive logic of parts and phenomena and their relationships; The research strategy used in the completion of this study was to use confirmation data analysis (CFA) of this research conducted with a single cross-sectional.</p> <p>Findings: The results of the research with the use of analysis of confirmatory factor (CFA) indicate that when a lending activity takes place, ethical ideology, financial attitudes, and financial ethics give a guarantee that the manager will be able to make an ethical decision.</p> <p>Research, Practical & Social implications: We suggest a future research agenda and highlight the contribution a low-level bank manager makes in making ethical decisions</p> <p>Originality/value: The results show that ethical ideology, financial attitudes, and financial ethics have a significant influence on ethical decisions in lending activities by low-level bank managers, and financial ethics have a significant role in mediating the effect of ethical ideology and financial attitudes on ethical decisions, in lending activities by lower-level bank managers.</p> <p>Doi: https://doi.org/10.26668/businessreview/2023.v8i7.2618</p>

**GERENTES BANCÁRIOS DE BAIXO ESCALÃO: FATORES QUE AFETAM A TOMADA DE
DECISÕES ÉTICAS (O CASO DA INDONÉSIA)**

RESUMO

Objetivo: Descobrir os fatores que influenciam a tomada de decisões éticas em gerentes bancários de baixo escalão

Estrutura teórica: Os resultados da pesquisa enfatizaram que a teoria de McCosh, de 1999, certamente ainda é relevante para uso se a percepção do significado ético não estiver mais relacionada à aplicação da ética no

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procedimento operacional padrão, mas mais ao cumprimento de uma atividade de empréstimo que realmente seja verdadeira.

Projeto/metodologia/abordagem: O estudo também adotou uma abordagem epistemológica positivista no processo de responder às perguntas da pesquisa seguindo a lógica dedutiva de partes e fenômenos e suas relações; a estratégia de pesquisa usada na conclusão desse estudo foi usar a análise de dados de confirmação (CFA) dessa pesquisa realizada com um único corte transversal.

Conclusões: Os resultados da pesquisa com o uso da análise de fator confirmatório (CFA) indicam que, quando ocorre uma atividade de empréstimo, a ideologia ética, as atitudes financeiras e a ética financeira garantem que o gerente será capaz de tomar uma decisão ética.

Implicações sociais, práticas e de pesquisa: Sugerimos uma agenda de pesquisas futuras e destacamos a contribuição de um gerente de banco de baixo escalão na tomada de decisões éticas.

Originalidade/valor: Os resultados mostram que a ideologia ética, as atitudes financeiras e a ética financeira têm uma influência significativa sobre as decisões éticas nas atividades de empréstimo dos gerentes bancários de baixo escalão, e a ética financeira tem um papel significativo na mediação do efeito da ideologia ética e das atitudes financeiras sobre as decisões éticas nas atividades de empréstimo dos gerentes bancários de baixo escalão.

Palavras-chave: Empréstimo, Decisão Ética, um Banco com Gerentes de Baixo Escalão.

DIRECTIVOS BANCARIOS DE BAJO NIVEL: FACTORES QUE AFECTAN A LA TOMA DE DECISIONES ÉTICAS (EL CASO DE INDONESIA)

RESUMEN

Objetivo: Averiguar los factores que influyen en la toma de decisiones éticas de los directivos bancarios de bajo rango.

Marco teórico: Los resultados de la investigación pusieron de relieve que la teoría de McCosh de 1999 sigue siendo ciertamente pertinente para su uso si la percepción de la importancia ética ya no está relacionada con la aplicación de la ética en el procedimiento operativo estándar, sino más bien con el cumplimiento de una actividad crediticia que es realmente cierta.

Diseño/metodología/enfoque: El estudio también adoptó un enfoque epistemológico positivista en el proceso de responder a las preguntas de la investigación siguiendo la lógica deductiva de las partes y los fenómenos y sus relaciones; la estrategia de investigación utilizada para completar este estudio fue utilizar el análisis confirmatorio de datos (AFD) de esta investigación realizada con una única área transversal.

Conclusiones: los resultados de la investigación mediante el análisis factorial confirmatorio (AFC) indican que, cuando se produce una actividad de préstamo, la ideología ética, las actitudes financieras y la ética financiera garantizan que el gestor podrá tomar una decisión ética.

Implicaciones sociales, prácticas y de investigación: Sugerimos una futura agenda de investigación y destacamos la contribución de un directivo bancario de bajo nivel en la toma de decisiones éticas.

Originalidad/valor: Los resultados muestran que la ideología ética, las actitudes financieras y la ética financiera tienen una influencia significativa en las decisiones éticas en las actividades de préstamo de los gestores bancarios de bajo nivel, y la ética financiera tiene un papel significativo en la mediación del efecto de la ideología ética y las actitudes financieras en las decisiones éticas en las actividades de préstamo de los gestores bancarios de bajo nivel.

Palabras clave: Préstamos, Toma de Decisiones Éticas, un Banco con Directivos Bancarios de Bajo Rango.

INTRODUCTION

The bank was formed initially to be the vanguard in carrying out an ethical order derived from religious teachings. Such ethical orders mean that banks have rights and access to regulate financing activities essentially done for communities in need of assistance (McCosh, 1999). Therefore, banks must normatively have an ethical guideline as one of the bases for decision-making, whether financial decisions in the form of investment, lending, funding, or other types of decisions; these types of ethical decisions in lending activities are an exciting part to review

because they are the essential part of a bank. Still, sometimes these types of decisions are not considered even forgotten; ethical decision-making in each activity must essentially meet several aspects, such as utility aspects, rights aspects, aspects of justice, and aspects of care (Ebert et al., 2011; Griffin & Ebert, 2013).

Ethics in banks is crucial because it will serve as a stabilizer in every decision-making. Russo (2016) also said that the role of ethics in decision-making would minimize conflict of interest, supporting the statement. Seglin (2000) stressed that if the decision taken in each activity considers ethics and profit factors, the bank will gain a good reputation. Supporting empirical evidence was obtained from research conducted by Howe et al. (1994), Johnson & Cox (2004), and Al Dabbas, M. M. N. (2023), where their research explained that the ethical aspect should be a consideration of managers in the decision-making process to minimize unethical practices and make growth an investment. Another problem when ethics in decision-making activities are not considered is the need for more public trust to conduct financial activities in the institution (Feldblum, 1990, Asrun, A. M. 2023).

Other empirical evidence from research conducted by Forsyth (1992), Gibbs (1977), Stead (1990), Steinmann & Scherer (1998), Trevino (1986), and Wulanditya, P. et al. (2023) said that if ethics are involved in influencing decision-making in each activity or about the whistleblowing decision, then it can minimize new problems that may arise in the future due to the impact of such decision-making. Other factors such as ideological, personal emotion, attitudes, and knowledge of ethics (moral reasoning, moral emotion, and moral choice) will also have an impact if they are involved for consideration in the decision-making process in each activity (Baumeister et al., 2007).

Financial ethics issues will occur in the bank because the bank has a product of financing activities; this activity certainly involves many things ranging from actors, resources, and decision-making, so there will be various obstacles such as conflicts of interest in management, unauthorized use of corporate assets, conducting personal business during business hours, falsification of documents, leaking company secrets, sexuality to constraints that make the company's reputation bad (Logan, 2000; Morrison et al., 1995). Comer & Sekerka (2018), in their empirical study, reinforced that their research found that nearly 1.459 cases related to ethical issues in all types of companies, where most were third-party complaints to management, regulatory violations, fraud by top managers or CEOs, and mismanagement, even the operation of companies using unstandardized tools or products.

The subject of low-level managers in banks becomes attractive to research because ethical and unethical actions will start at this level if left to levels above them, with a more massive and uncontrolled level of ethical misconduct. Besides, low-level managers are the most critical unit in the financing activities of managers of this type will act as the first decision-makers in the organization (Van Rooij et al., 2011; VanSandt, 2003). On this level, psychological pressures such as pressure from "the boss" will always arise because the boss must continuously monitor the achievement of profit-oriented targets; the subsequent pressure comes from the family because they also have a strong responsibility for the unethical actions of the manager in the office, this becomes counterproductive from the theory put forward by McCosh (1999) in his theory study of financial ethic that banks play a role in carrying out ethical orders to help others rather than help banks meet their targets, the logic of which banks should be proactive, and should be fraud thinking (Gazali, S., & Lumbaa, M. (2023).

There are even more surprising findings that this pressure turns instantly into an excuse to take non-ethical actions together, like the non-ethical events that occur in one of the local banks that commit fraud together; the action starts from the application of a high microloan clause from a company. Since the bank has the maximum limit on receipt of credit clauses, evidence cases from several local banks in Indonesia show that the filing of clauses is broken down into several dozen clauses. More remarkably, dozens of them come from one village, worse this cheating is only discovered when the age of credit has been running long, surely it can be imagined that anyone involved there.

The above findings give the Author room to see the opportunity that there is confirmation of causality between ideology about ethics, financial attitudes, ethics in finance, and ethical decision-making, although much previous research has covered similar research such as that conducted by Albrecht (2008), Baumeister et al. (2007), Carreira et al. (2008), Collewaert & Fassin (2013), Fassin (1993, 2000), Feldblum (1990), Forsyth (1992), Gibbs (1977), Howe et al. (1994), Johnson (2007), Johnson & Cox (2004), Lim & Teo (1997), Muske & Winter (2004), Obalola (2010) and Stevens (2005).

Based on all of that, this research is expected to contribute to how to provide a way out or solution to the limitations that low-level bank managers will face in addressing ethical problems in lending activities, such as the first limitation, in the form of conditions in which low-level managers at the bank will be faced with a situation where a manager must realize the target work from lending activities, the results of the study can be a reference of the manager how to address it in terms of ethical ideology, financial ethics, and financial attitudes. The

second limitation is that in situations where the achievement of the target is not achieved, the manager will get a minus note from the top leadership, so there will be various threats in the form of mutation implementation even until the termination of employment. This puts managers in a difficult situation when making decisions; in this context, their decision-making will no longer consider ideology, financial stance, will no longer consider procedures in their activities, and will no longer consider ethics (Collewaert & Fassin, 2013; Fassin, 1993, 2000; Forsyth, 1980; Useem, 2000).

THEORETICAL FRAMEWORK

The Relationship Between Ethical Ideology and Ethical Decision

The ethical ideology within the individual directly will be considered when the individual conducts an assessment; the considerations that arise will undoubtedly affect the individual in the final consideration when they have to decide on the judgment. Ideology becomes a driver in which the quality of decisions will be formed, understanding it based on the syncing of several empirical studies conducted by Forsyth (1980, 1981), Ivashina & Scharfstein (2008), Schlenker & Forsyth (1977), Sedlak (1979) and Smith (2010) gave the Author space to make a confirmation of the causality relationship between ethical ideology and orientation and ethical financial decisions of low-level bank managers in Indonesia when conducting lending activities.

Hypothesis 1: Does Ethical ideology significantly influence ethical decisions in lending activities?

The Relationship Between Financial Attitudes and Ethical Decision

Ethical financial decision-making will be well realized if the manager has experienced several stages in the usual financial process activities found before and can deal with it (attitude) such as opinions Boatright (1999, 2010), Homann (2007) and Smith (2010) in his studies which revealed that basically, the success of an ethical decision in the financial field would be possible if the financial decision-maker has stability and control over his financial attitude and his knowledge of ethics. Bhala (2019), in his empirical, theoretical study of The Philosophical foundations of financial ethics, says that the foundation of ethics in finance is a moral philosophy based on morals that will lead us to the right attitude by applying moral norms to a financial activity. Therefore, it is crucial to see if it is ethical in finance to be considered in the

financial decision-making process (Al-Refiay, H. A. N., Abdulhussein, A. S., & Al-Shaikh, S. S. K. 2022).

Hypothesis 2: Do Financial attitudes significantly influence ethical decisions in lending activities?

The Relationship Between Financial Ethics and Ethical Decision

Ethical financial decision-making will be made if the individual understands the ethics in financial and other fields. An ethical decision in the financial field will be possible if the financial decision-maker knows ethics (Boatright, 1999, 2010; Homann, 2007). Besides, Howe et al. (1994) and Johnson & Cox (2004) state that managers should consider ethical aspects in the financial decision-making process to minimize unethical practices that will damage the financial industry, especially in matters of the company's reputation. Another problem when ethics in financial decision-making activities are not considered is the need for more public trust to conduct financial activities in the institution and an organization (Feldblum, 1990, Rimbano, D. 2021).

They also state that if ethics are involved in influencing financial decision-making, then it can address new issues that may arise in the future due to the impact of financial decision-making (Forsyth, 1992; Gibbs, 1977; Gibbs, 2002; Stead et al., 1990; Steinmann & Scherer, 1998; Trevino, 1986). Other factors, such as personal emotion and knowledge of ethics (moral reasoning, moral emotion, and moral choice), will also have an impact if they are also considered in the financial decision-making process in each financial activity (Baumeister et al., 2007).

Hypothesis 3: Does Financial ethics significantly influence the ethical decision in lending activities?

The Relationship Between Ethical Ideology, Financial Ethics, and Ethical Decision

Ethical ideology and ethical orientation will be the primary basis of a person knowing ethics applied in various fields such as finance (Fichter, 2018; Forsyth, 1980, 1981; Heider, 1958; Jones & Gaultschi, 1988; Milgram, 1965; Shepard & Hartenian, 1991). Besides, one of the foundations of ethical financial decision-making is the ethical ideology and orientation within the individual (Forsyth, 1980, 1981; Harvey et al., 1978; Schlenker & Forsyth, 1977; Sedlak, 1979; Smith, 2010). The quality of the decision will be determined by other factors that support one of the knowledge of ethics in finance (Feldblum, 1990; Gibbs, 1977; Howe et

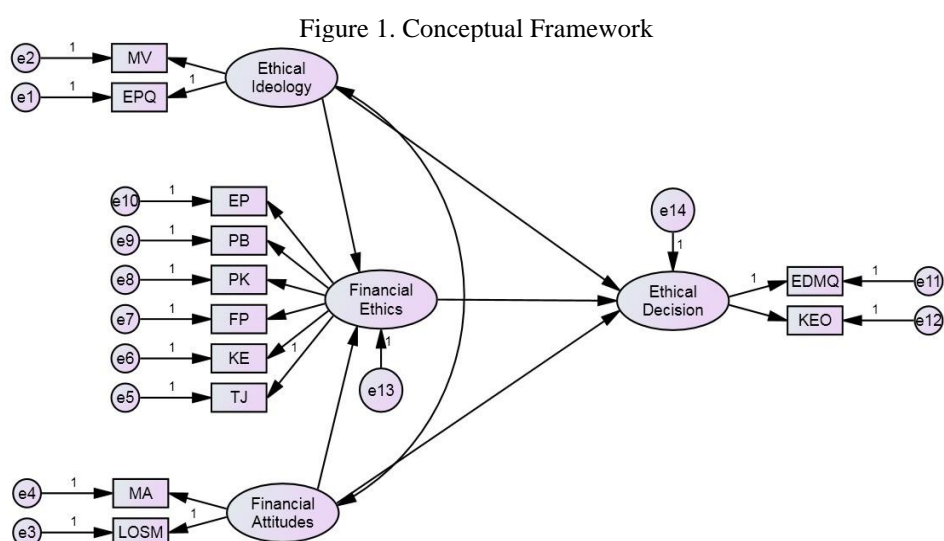
al., 1994; Johnson & Cox, 2004; Stead, 1990; Trevino, 1986). Therefore, it is crucial to see how the role of knowledge about ethics in finance in mediating the influence of ethical ideology and ethical orientation on ethical decision-making based on the shyness of some empirical studies. The author sees the opportunity to create a new model for confirmation and analyze the role of financial ethics in mediating the influence of ethical ideology and orientation variables on specific ethical finance decisions in the subject unit of low-level bank managers in Indonesia when conducting lending activities.

Hypothesis 4: Does Financial ethics has a role in mediating the effect of ethical ideology on ethical decisions in lending activities?

The Relationship Between Financial Attitudes, Financial Ethics, and Ethical Decision

An individual's attitude toward financial activities will be one of the advanced factors of a person having knowledge of ethics in finance because it is formed based on steady habits (Phaisuwat & Vongurai, 2016; Singh et al., 2016; Singhapakdi, 1996) because it is one of the basis for shaping an ethical financial decision (Bhala, 2019; Boatright, 1999, 2010; Homann, 2007) the quality of the decision will be determined by other factors that support one of the knowledge of ethics in finance (Baumeister et al., 2007; Feldblum, 1990; Gibbs, 1977; Howe et al., 1994; Johnson & Cox, 2004; Stead et al., 1990; Trevino, 1986). Therefore, essential to look at how the role of knowledge about ethics in finance in mediating the influence of individual attitudes in financial activities on financial decision-making is ethical.

Hypothesis 5: Does Financial ethics has a role in mediating the effect of financial attitudes on ethical decisions in lending activities?



Source: Adoption from McCosh, 1999

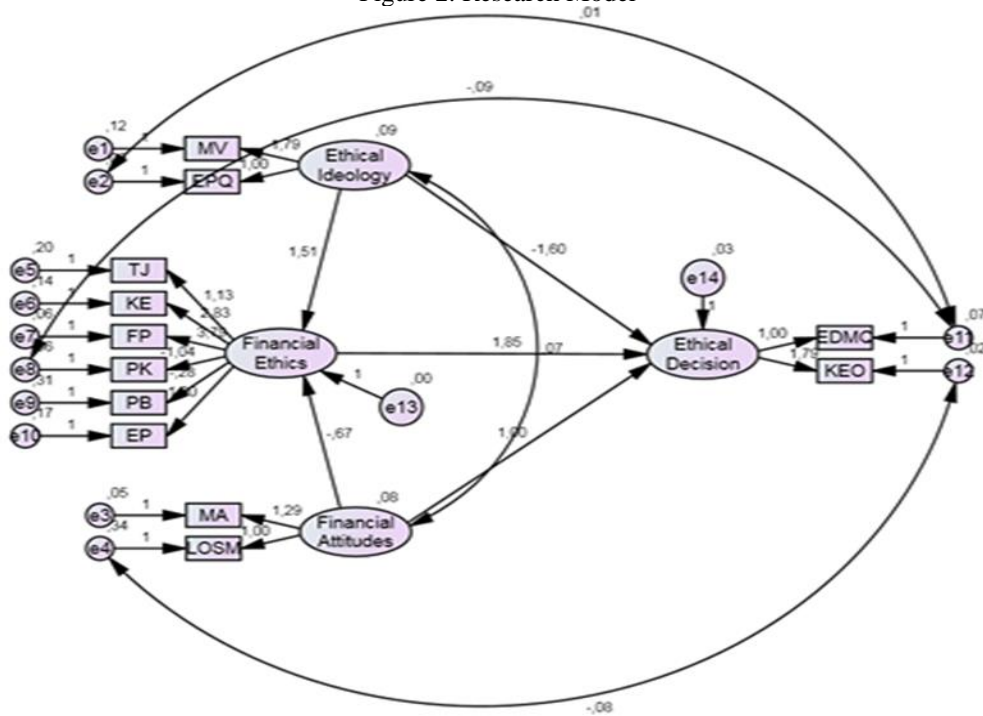
MV: My values. *EPQ*: Ethical position questionnaire. *EP*: Professionalism, Transparency, Accountability, Trust. *PB*: Unethical behavior that can be accepted from the organizational side of the bank. *PK*: Unethical behavior is acceptable in terms of personality. *FP*: Unethical decision-forming factors. *KE*: Individual Ethical Decision. *TJ*: Responsiveness. *MA*: Manager's attitudes. *LOSM*: Love scale of money. *EDMQ*: Ethical decision modifiers questionnaire

METHODOLOGY

The study also took a step with a positivistic epistemological approach in the process of answering research questions (Lyon et al., 2015). By following the deductive logic of parts and phenomena and their relationships, the research strategy used in the completion of this study was to use confirmation data analysis (*CFA*) of this research conducted with a single cross-sectional (Collis & Hussey, 2003; Hartono, 2004; Kline, 1998; Rubin & Babbie, 2012; Sarwono, 2006; Sarwono & Budiono, 2012; Rimbano D et al., 2022). The author spread the questionnaire online to 2.555 bank managers who are low-level managers in banks (branch heads, unit heads, financing managers) in Indonesian based on population mapping based on the approach of the number of bank offices with bank unit types with different types of banks using convenience sampling methods (Hermawan, 2005; Sekaran & Bougie, 2016), and of the 1.111 managers quizzed online qualified as many as 637 low-level bank managers. The measures are used to strengthen data analysis, confirm relationships between variables, and prove research hypotheses (Aczel, 1996; Hair et al., 2014; Hair Jr & Lukas, 2014; Mason & Lind, 1996, Rimbano D et al., 2022).

RESULTS AND DISCUSSION

Figure 2. Research Model



Source: Primary Data Processing, 2022

Ethical Ideology has a Significant Influence on Ethical Decision in Lending Activities

Table 1. Relationship (Ethical Ideology and Ethical Decision)

			Estimate	SE.	CR.	P	Label
Ethical_Decision	<---	Ethical_Ideology	-1.601	0.681	-2.353	0.019	par_12
EPQ	<---	Ethical_Ideology	1.000				
MV	<---	Ethical_Ideology	1.791	0.208	8.600	0.000	par_1
EDMQ	<---	Ethical_Decision	1.000				
KEO	<---	Ethical_Decision	1.787	0.158	11.319	0.000	par_8

Level sig: 2 tailed 0.05

t table: 2.109

Source: Primary Data Processing, 2022

The ethical ideology is formed based on ethical values ingrained in him and his knowledge of ethical science and its application; those things will help him form an ethical ideology that will then give him an understanding of how to form an ethical decision because the establishment of ethical decisions itself is not separated from ethical values and codes as well as previous experience, especially in the preparation of lending in banks.

The findings in this study suggest that the influence of ethical ideology on ethical decisions is dominated by the relationship between the ethics position questionnaire/EPQ

indicators and ethics decision modifiers questionnaire/EDMQ indicators (figure 2). The findings emphasize that an ethical decision will be able to be formed and can be modified if the manager has an understanding of the placement of precise ethical positions when acting.

The form can be seen from the events that have been found in the field, namely managers who understand ethical studies in a lending activity will be able to help themselves from an ethical decision; ethical studies are obtained from the patterns of habits that they do such as having morning meetings every day and discussing ethical things what they did before, ethical decisions will indeed be made through ethical ideology but in this study have not been able to uncover a detailed study of whether ethical decisions are formed indeed because of the ethical ideology circled by regulations or indeed from within the manager himself.

Ethical measures such as helping customers qualify for loans, assisting customers in the presentation of financial statements and assisting customers in collateral assessments, returning names, and other similar things are things that can be categorized as ethical actions arise that arise from understanding ethical ideology. However, sometimes this is still in the gray area; we do not know if the manager is indeed helpful or if the manager just wants to meet the work target.

Financial Attitudes have a Significant Influence on Ethical Decision in Lending Activities

Table 2. Relationship (Financial Attitudes and Ethical Decisions)

			Estimate	SE.	CR.	P	Label
Ethical_Decision	<---	Financial_Attitudes	1.000				
LOSM	<---	Financial_Attitudes	1.000				
MA	<---	Financial_Attitudes	1.286	0.357	3,606	0.000	par_2
EDMQ	<---	Ethical_Decision	1.000				
KEO	<---	Ethical_Decision	1.787	0.158	11,319	0.000	par_8

Level sig: 2 tailed 0.05
t table: 2.109

Source: Primary Data Processing, 2022

Attitudes will always be a trend because the discussion of attitudes will only run out if the change in attitude stops; essentially, any form of our learning about attitude will return to a conclusion, whether appropriate or inappropriate, if appropriate and if not appropriately corrected. One of the things that always remains to discuss is the attitude of finance and why financial attitudes become the core because the formation of financial attitudes will lead to decision-making.

The tests in this study wanted to prove a confirmation causality between financial attitudes and more specific decision-making, in this case, ethical decisions. This is proven to be true (table 2) that financial attitudes will also influence the formation of an ethical decision in lending activity in a bank, the financial attitude, in this case, is shown how the pattern of the manager's habits of activity both himself as a person and himself as a manager (managers attitude) and based on his attitude towards money (love scale of money).

The findings in the study explain that the causality between financial attitudes towards ethical decisions is dominated by the relationship between the love scale of money/*LOSM* and previous ethical decisions in my organization/*KEO*; the relationship explains that the scale of the manager's attitude towards money will form an ethical decision that is sustainable, this feels counter-produce usually, people who hinder themselves against money will usually be unethical, but that is not the case with this model. Although an in-depth review of whether ethical actions are correct in quality or just a formality alone still needs to be reviewed in-depth with a more appropriate approach.

The hardest thing to measure is the attitude because the attitude will be fickle, the attitude of the manager will certainly depend on the fundamental attitude that exists in him. The Indonesian likes to say this "*tabiat*" and his attitude towards money because, for the developing world, money is everything, but not for religious people (although this can be debated). When a financing clause is executed, then the most dominant process is the role of attitude. Attitude will be the main steering wheel, in this case, the financial attitudes of a manager, then ethical decisions will be formed if a manager has matured in terms of financial attitudes, such as the manager's confidence in conducting an assessment of both the assessment of the purpose of the loan submitted, the assessment of the loan collateral, and the assessment of the estimated smooth installment.

Financial Ethics has a Significant Influence on Ethical Decision in Lending Activities

Table 3. Relationship (Financial Ethics and Ethical Decision)

			Estimate	SE.	CR.	P	Label
Ethical_Decision	<---	Financial_Ethics	1.848	0.590	3.135	0.002	par_13
EP	<---	Financial_Ethics	1.000				
PB	<---	Financial_Ethics	-0.276	0.169	-1.636	0.102	par_3
PK	<---	Financial_Ethics	-1.045	0.307	-3.399	0.000	par_4
FP	<---	Financial_Ethics	3.788	0.482	7.866	0.000	par_5
KE	<---	Financial_Ethics	2.826	0.370	7.645	0.000	par_6
TJ	<---	Financial_Ethics	1,131	0,190	5,943	0.000	par_7

			Estimate	SE.	CR.	P	Label
EDMQ	<---	Ethical_Decision	1,000				
KEO	<---	Ethical_Decision	1,787	0,158	11,319	0.000	par_8

Level sig: 2 tailed 0.05
 t table: 2.109

Source: Primary Data Processing, 2022

Testing in this study resulted in a clear causality that ethical decision-making in lending activities would be formed if the manager understood the ethical patterns in the prevailing economic environment (table 3) of financial ethics in question is the manager's understanding of both responsiveness issues, individual ethical decisions, unethical decision forming factors, unethical behavior is acceptable in terms of personal, unethical behavior that can be accepted from the organizational side of the bank, and ethical principles. Although the probability of unethical behavior that can be accepted from the organizational side of the bank is weak overall, the indicator represents.

Interesting findings occur in the causality between financial ethics and ethical decisions. Namely, the dominant relationship seen in unethical behavior indicators is acceptable in terms of personal with ethical decision modifiers questionnaire indicator (figure 2). The findings emphasize that a manager who understands non-ethical actions in a lending activity will significantly determine ethical decision-making patterns. If he acts correctly, then the modification of ethical decisions will be correct. If he acts wrongly, then the modification of ethical decisions will be wrong, and this is where the chances of honest mistakes can occur and are difficult to track because the preventive actions that may be taken rely solely on the honesty of the manager himself.

Ethics is not far from the implementation of the maturity of a person's religious understanding, say in finance such as financial ethics, good financial ethics will place the person not to commit corruption, misappropriation of funds, fraudulent acts, and other less ethical things, but those things are counterproductive when in financial activities, nevertheless financial ethics will be a stabilizer and have a dominant contribution when an ethical decision in lending activities will be taken, as managers feel "compassion" when the debtor needs a loan but has administrative limitations that can still be eased, then the manager takes a role to help the debtor (this action is indeed at risk of being abused), but indeed the dominant ethical action will be determined when no one sees it.

Financial Ethics has a Role in Mediating the Effect of Ethical Ideology on Ethical Decisions in Lending Activities

Table 4. Relationship (Financial Ethics and Ethical Ideology)

			Estimate	SE.	CR.	P	Label
Financial_Ethics	<---	Ethical_Ideology	1.508	0.295	5.110	0.000	par_10
Ethical_Decision	<---	Ethical_Ideology	-1.601	0.681	-2.353	0.019	par_12
Ethical_Decision	<---	Financial_Ethics	1.848	0.590	3.135	0.002	par_13
EPQ	<---	Ethical_Ideology	1.000				
MV	<---	Ethical_Ideology	1.791	0.208	8.600	0.000	par_1
EP	<---	Financial_Ethics	1.000				
PB	<---	Financial_Ethics	-0.276	0.169	-1.636	0.102	par_3
PK	<---	Financial_Ethics	-1.045	0.307	-3.399	0.000	par_4
FP	<---	Financial_Ethics	3.788	0.482	7.866	0.000	par_5
KE	<---	Financial_Ethics	2.826	0.370	7.645	0.000	par_6
TJ	<---	Financial_Ethics	1.131	0.190	5.943	0.000	par_7
EDMQ	<---	Ethical_Decision	1.000				
KEO	<---	Ethical_Decision	1.787	0.158	11.319	0.000	par_8

Level sig: 2 tailed 0.05
 t table: 2.109

Source: Primary Data Processing, 2022

When an ethical decision is taken that is influenced by the ethical ideology of the manager, then the large contribution of that influence can be based on an understanding of financial ethics in lending activities (table 4). All indicators in variables have a significant contribution to this mediation model. It can be said that the financial character of one can be seen from his expectations will do something that will arise with the precedence of the orientation of financial science; if the orientation is not clear, then the guess will miss, but if the orientation is clear then the guess will be precise or close to the right. This will lead to the word "ethics" because the character will be well-formed if forged with the ethical knowledge in him. Therefore, ethics will provide an essential role in finance, both conceptually and in the field of activity. A comprehensive ethical system is a totality of common laws specifically designed for the lives of individuals and social human beings with their material and spiritual dimensions to ensure the safety and success of humankind, so it is essential to look at the role of ethics in decision-making based on ethical, ideological considerations.

Financial ethics has a recessive role when the manager has never experienced ethics experience before and never understood it, so when this happens, even though the manager has an excellent ethical ideology, this does not guarantee he will make an ethical decision, nor will

financial ethics have a dominant role this will ensure the manager takes an ethical decision based on ethical ideology.

Financial Ethics has a Role in Mediating the Effect of Financial Attitudes on Ethical Decisions in Lending Activities

Table 5. Relationship (Financial Ethics and Financial Attitudes)

			Estimate	SE.	CR.	P	Label
Financial_Ethics	<---	Financial_Attitudes	-0.675	0.289	-2.337	0.019	par_11
Ethical_Decision	<---	Financial_Attitudes	1.000				
Ethical_Decision	<---	Financial_Ethics	1.848	0.590	3.135	0.002	par_13
LOSM	<---	Financial_Attitudes	1.000				
MA	<---	Financial_Attitudes	1.286	0.357	3.606	0.000	par_2
EP	<---	Financial_Ethics	1.000				
PB	<---	Financial_Ethics	-0.276	0.169	-1.636	0.102	par_3
PK	<---	Financial_Ethics	-1.045	0.307	-3.399	0.000	par_4
FP	<---	Financial_Ethics	3.788	0.482	7.866	0.000	par_5
KE	<---	Financial_Ethics	2.826	0.370	7.645	0.000	par_6
TJ	<---	Financial_Ethics	1.131	0.190	5.943	0.000	par_7
EDMQ	<---	Ethical_Decision	1.000				
KEO	<---	Ethical_Decision	1.787	0.158	11.319	***	par_8

Level sig: 2 tailed 0.05
t table: 2.109

Source: Primary Data Processing, 2022

When an ethical decision is made, the manager's financial attitudes influence that, then the immense contribution of that influence can be based on an understanding of financial ethics in lending activities (table 5). All indicators in variables have a significant contribution to this mediation model; only indicators of unethical behavior that can be accepted from the organizational side of the bank/PB do not contribute.

Then, it can be said that applying ethics in finance can be divided into two forms; first, at the micro-level of this level classifying concepts and values about individual responsibilities and the behavior of roles in the organization, such as being a good businessman, diligence, and service; ethics of intra-organizational relationships; respectful treatment of customers; and individual decision-making.

Second, the application at this level of macros emphasizes concepts such as corporate moral duties concerning society; their obligation to act lawfully; their civil or social responsibilities and the role of business in society as a whole; and principles and policies governing the overall economic distribution and awards system. Precisely, ethics is a science

of morality, and ethics also means custom and customs; ethics has three positions, namely: (a) As a system of values, namely values and norms that become a handle for a person or a group in regulating his behavior; (b) Code of conduct; and (c) Moral philosophy, therefore, attitude will be formed from the basis of this ethics, and we must see the role of ethics in decision-making on its attitude, especially from the financial side.

Financial ethics has a recessive role when the manager has never experienced ethics experience before and has never understood it, so when this happens, even though the manager has matured financial attitudes, this does not guarantee he will make an ethical decision; if financial ethics has a dominant role, this will ensure the manager takes an ethical decision based on financial attitudes.

CONCLUSION

Ethical ideology, financial attitudes, and financial ethics significantly influence ethical decisions in lending activities by a low-level bank manager, and financial ethics has a significant role in mediating the effect of ethical ideology and financial attitudes on the ethical decisions in lending activities by a low-level manager's bank. Ethical decision-making is undoubtedly not separated from a manager's ability to make a business decision in general, this type of decision is indeed complimentary, but this is what distinguishes humans from lions, lions when making a decision based on only one factor. In contrast, humans do not because humans have the heart to feel the suffering of others and the sense that it is in others to help. This role only exists for the type of individual who can decide. In the future, the code of conduct governing lending activities will be made precisely and includes ethical elements, especially when making decisions.

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