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# Role of Integrity in the Success of Freelancing and Entrepreneurship: A Conceptual Review

Rosman Bin Md Yusoff<sup>1</sup>, Abdul Ghafoor Kazi<sup>2\*</sup>, Muzammil Muhammad Khan Arisar<sup>3</sup>, Farhan Jamil<sup>4</sup>, Sanil S. Hishan<sup>5</sup>

<sup>1</sup>Faculty of Science Technology and Human Development, Universiti Tun Hussein Onn Malaysia, Malaysia, <sup>2</sup>Faculty of Science Technology and Human Development, Universiti Tun Hussein Onn Malaysia, Malaysia, <sup>3</sup>Shaheed Zulfiqar Ali Bhutto Institute of Science and Technology, Hyderabad, Pakistan, <sup>4</sup>Faculty of Management, Universiti Teknologi Malaysia, Skudai, Johor, Malaysia, <sup>5</sup>Faculty of Management, Universiti Teknologi Malaysia, Skudai, Johor, Malaysia. \*Email: [gw140041@siswa.uthm.edu.my](mailto:gw140041@siswa.uthm.edu.my)

### ABSTRACT

This study reveals the detailed conceptualization of integrity, ethics, freelancing, entrepreneurship, and role of integrity in the success of freelance and entrepreneurship. The paper is supported through conceptual review of an existing literature. It is found that integrity and ethics are well thought of similar but theoretically they are different; integrity is wholeness, pure, moral, and consistent characteristics; whilst the principles or set of rules within which one works are called ethics; a freelancer works on contract basis, is responsible for own-skill development, risks, commitments, business development, and maintenance of integrity in self, profession, and business; however, an entrepreneur is person who establishes a business with innovation, risk-taking and proactiveness. Current study found that the integrity is a core element for the success of any business whether it is freelancing or entrepreneurship; to main the integrity in business is an equal responsibility of both the employees and management. Furthermore, as the global culture is diverse in nature, some countries are liberal, some are under religious influence, and others are mixed cultured. Thus, the parameters for ethics and integrity may be different contextually, geographically, sociologically, and temporally. In order to further understand and determine such parameters an empirical research may be performed in future.

**Keywords:** Business Ethics, Business Success, Entrepreneurship, Freelancing, Integrity

**JEL Classifications:** J10, M10

## 1. INTRODUCTION

In the field of business some terms are used interchangeably believing that they are similar, such as integrity and ethics; if someone in business cheat, fraud, or misrepresent information then sometime said that "it has no integrity" or sometimes said that "it has no ethics." Most of the syllabus in business schools focuses more upon, how to establish business and earn profit? Less is focused upon integrity and ethics. Hundreds and thousands of businesses are newly established daily in this world, causing increased competition and challenges to survive in the market. Sometime one has to compromise on integrity and sometime on ethics in order to survive or prosper. This practice is unacceptable for a long-term reputation and survival of business. The students

of business should be taught and have realization with the importance of integrity and ethics; managers, and all staff in the firm/organization must be well aware and watchful of integrity and ethics in it. The businesses those do not maintain integrity and ethics in their environment and operations; sooner or later they lose their reputation, trust in the market, and leads towards loss and finally shutdown. Ethics is the code of conduct that is followed in daily life while integrity is set of characteristics in a person and achieved while acting ethically.

The other terms used interchangeably are Freelancer and Entrepreneur, sometime they are even combined as one word "freelance entrepreneurship." There are many Freelancer who call themselves entrepreneurs (Gandia, 2012). The roles and

responsibilities of both are different. A freelance business cannot operate without an active participation of a freelancer; he/she performs most of the business functions and delivers services. The entrepreneur establishes a business venture with innovation, proactiveness, and taking risk; resources land, labor, equipment, and inventory are hired/purchased and manipulated to earn profit. Afterward as the business starts its operation smoothly; the entrepreneur may plan to establish another business. Sometime in freelance business with increase in number of clients a freelancer needs to hire more space, people, and equipment for business. If this continues for longer period this business may be said as small business. Freelancing sometime serves as the foundation of entrepreneurship.

These terms need further exploration and understanding its importance in business. Hence, the overall objective of this paper is set to explore the role of integrity in the success of freelancing and entrepreneurship. For this purpose detailed literature is reviewed to understand the integrity; ethic; difference between integrity and ethics; freelancing; entrepreneurship; and how integrity is core element for the success of freelancing and entrepreneurship?

## 2. LITERATURE REVIEW

The reviewing of secondary data (existing literature) relating to research topic is an essential initial step and foundation to understand a research project (Baker, 2000); therefore, a detailed literature is reviewed and afterwards the elements of current study are elucidated.

### 2.1. Notion of the Integrity

The word “integrity” is a derivative of Latin term “*integritas*,” which means something in its complete state. Integrity can be produced and maintained through the unification of various characteristics. We often add word integrity to mention the qualities of a person or object or an action for example, “a person of integrity,” “the deeds of an integrity,” “the integrity of a car and its interior design” (Banik, 2010). “Integrity is a personal choice, an uncompromising and predictably consistent commitment to honor moral, spiritual, and artistic values and principles” (Killinger, 2010). If a person is a serial killer, he/she is consistent in an action and may also have codes of conduct; but his action is not ethical and lacking integrity. The integrity has three core types (1) professional integrity, (2) personal integrity, and (3) moral integrity.

#### 2.1.1. Professional integrity

One may speak of the integrity of a wilderness region or an ecosystem, a database, a defense system, a work of art, and so on. The term integrity of objects refers to the wholeness, intactness or purity of a thing-meanings that are sometimes carried over when it is applied to people. Integrity is also attributed to various parts or aspects of a person’s life. Cox et al. (2001) have mentioned that professionalism, artistic, and intellectuality are few attributes of integrity. Furthermore, integrity that lies at the very heart of leadership and everything a person do or say, is the reflection of his/her inner self. If a person is a serial

killer, he/she is consistent in an action and may also have codes of conduct; but his action is not ethical and lacking integrity.

#### 2.1.2. Personal integrity

Personal integrity mentions that whether someone is trustable or untrustable, designs works correctly, and tries hard to avoid short-comings. If one is negligent and does errors repeatedly; that one is an incompetent and has lack of professional integrity (Schindler, 2011).

#### 2.1.3. Moral integrity

While the term “integrity” is used in relation to people and actions, it is ‘moral integrity’ that is meant. In the context of public life, integrity is often presented as the opposite of corruption (Banik, 2010). Moral integrity pertains to the moral commitments and values of the agent and requires a normative constraint such as reasonability or objective accuracy.

## 2.2. Conceptualization of the Ethics

Ethics in Latin called “*Ethicus*” and “*Ethikos*” in Greek. The term Ethics is derived from the word *ethos* that means manner or character, norms, morals principles or set of values and ideals present in an individual, in a group, or in the society at large about what conduct ought to be. Ethics may be defined as some standardized form of conduct which may be used to determine what is good or bad, right or wrong, true or false, what is just or unjust, proper or improper, what fair or unfair and what should be done or what should not be done (Banik, 2010).

Ethics is a code of conduct for daily life. Ethical act is a product of one’s decisions; it deals with the questions of whether these actions are right or wrong. Ethical actions are the product of individual decisions. Ethical behavior within a company is a direct result of the actions and decisions of the company’s employees. The management and individuals’ ethical or unethical decisions represents that organization is acting ethically or unethically. When a company uses false advertising, cheats customers, pollutes the environment, treats employees poorly, or misleads investors by presenting false financial statements; members of management and other employees have made a conscious decision to act unethically (Needles et al., 1999). Banik describes that business success is ensured when there is will, way, effort and ethics; further elaborating ethics he says that ethics is composed of truthfulness, transparency, righteousness, and morality (Banik, 2010). Morality is pertinent in two ways, firstly, it provides privilege to entrepreneur in the market at a long; secondly, morality gives a system to internal check, this promotes rational thinking and power of decisions taking. Business schools need to empower students’ internalized code of ethics towards the development of more socially future managers and leaders (Karassavidou and Glaveli, 2006).

This is essential for an entrepreneur to have a strong foundation of ethical practice in business, especially while dealing with employees, investors, competitors and customers. This is globally proven fact the entrepreneurial venture cannot last longer without a strong ethical foundation (Banik, 2010).

### 2.3. Integrity versus Ethics

Integrity and ethics are most often mixed while defined but they have some differences. Integrity is an individual's characteristic for example as an individual everyone has "personal integrity," as a professional such as doctors, engineers, lawyers, and researchers etc., have their "professional integrity," and organizations have to maintain their "business integrity." A set of principles and rules within which people work is called "Ethics." Integrity in oneself, professional and within business can be achieved or maintained with working ethically (Schindler, 2011). Ratna Tata a successful businessman and a chairman of a group of companies in India, strongly believe that there should not be any compromise upon ethics. In ethics, many people regard integrity as truthfulness and honesty in one's action; hypocrisy is opposite of integrity. Additionally, (Banik, 2010) mentions that mission, values, leadership, management, Peer group, procedures, ethics training, rules, codes of ethics, rewards, sanctions, religion and ethics are factors those influence the ethical environment of an organization. Schindler (2011) shares a person's story from one of the organizations he served in; there was one who before moving to another organization; published his colleague's work in IEEE journal under his own name, showing his new affiliation, and without attributing his colleague; this is showed complete lack of both the personal and professional integrity. Such people may not exhale in their career in long run.

### 2.4. The Concept of Freelancing

Arthur and DeFillippi had put great efforts in 1990s to prosper the boundary-less career. Arthur and Rousseau (1996) have described that job opportunities beyond the single employment setting are referred as boundary-less career. In the mid of 1990, Arthur et al., mention a strong link between boundary-less and intelligent enterprise career concepts; they mentioned that intelligent careers are required for the creation of an intelligent enterprise, and that this is built upon the principles from the boundary-less career concept (Arthur et al., 1995).

Moreover, (Marler et al., 2002) shares that a new type of independent workers is rising; they are boundary-less temporary workers. The difference between boundary-less temporary worker and traditional temps is their choice for temporary work and their competitive level of skill and experience.

Additionally, Freelancers are also known as independent contractors; they work at their own, have short-term contractual commitments, and have clients rather than employees. These independent contractors work as doctors and computer programmers, maids, farm workers and etc., Freelancing provides various advantages such as flexible schedule, place of choice to work, independence, variety in work and tax benefits; it also have some disadvantages for example have no retirement and medical coverage, disability may cause lose of income, risk in business dealings, and payment of self-employment taxes (Kazi et al., 2014).

Presently, academicians use them freelancer to mention own-account worker in profession such media and creative work,

radio and television (Saundry et al., 2007), public relations (Tench et al., 2002). Own-workers in various professional are described differently such as in itinerants in information technology (IT), and consultants or contractors (Barley and Kunda, 2004; Barley and Kunda, 2006). The self-employed workers are referred as freelancers; they are their own boss, bids for projects in open market for examples independent consultants and contractor (Stephen and Lisa, 2005). The freelancers possess various characteristics such as a portfolio of success, self-starter, work independently, marketing skill to promote own and the business, ability to perform multiple roles within business (e.g., accountant, clerk, payroll), a risk taker, can survive without steady pay checks, do not need for retirement benefits, have strong personal and professional network, innovation, problem solving, and most important have excellent oral and written communication skills.

### 2.5. Conceptualization of an Entrepreneurship

The entrepreneur is one who establishes a business through utilizing his ideas, hires other professional to work for business, purchases others businesses, and earns profit through selling these products in market. Generally, freelancing serves as a foundation of Entrepreneurship (Kazi et al., 2014). Entrepreneurs are the organizer of an economic venture, they own, manage, and are risk takers such business venture is called entrepreneurship. Covin and Slevin (1991) mention that entrepreneurial orientation has three dimensional functional orientations i.e., innovation, risk-taking, and proactiveness; these are acts to promote creativity, flexibility, and risk-taking ability.

Innovativeness is an implementation of creative or novel solutions to address the needs and problems in firm's business operation. The level of innovativeness determines the depth and impact of the innovation upon the firm's business, its strategic goal and environmental requirements (Kwak et al., 2013). Risk-taking describes as the person's willingness to utilize resources into opportunities having chances of failure. It also involves making a decision in uncertain situations with have incomplete information about relevant internal or external factors. Hult et al. (2004) describe risk-taking as the most important dimension for innovation in the organizational climate.

Proactiveness is the capability to take the initiative in the timely moment. Dimitratos et al. (2004); Kwak et al. (2013) defined that proactiveness is to perceive into future and is firms' ability to exhale into new emerging market through anticipating and taking initiative to pursuing new opportunities.

### 2.6. Integrity in Success of Freelancing and Entrepreneurship

Everyone in an organization is responsible for their own professional integrity and business integrity apart from it is a freelancing or an entrepreneurship. When one becomes a manager, he/she should be observant of the integrity within organization. Integrity is can be earned over time through consistent competence and ethical behavior; it may also be lost easily, thus everyone in the organization must be vigilant to maintain it (Schindler, 2011). Many businesses have collapsed due to unethical practices whereas some remain the leaders in the

market; the reason for their success is that they have strong base upon ethical practice and strict control over quality of product or service (Banik, 2010). The ethical organization breeds ethical behavior (Schindler, 2011), if someone's business lacks integrity then his/her professional integrity is doubtful; nobody can have confidence in his/her professional integrity unless he/she have personal integrity. Cox et al. (2003) describes professionalism as the moral conduct according to accepted code of ethics. A moral competence is a process of continuous reflexive sense-making; this may involve re-evaluation and withdrawal from traditional held principles and ideals (Walker, 2007). This type of integrity may easily be applied to integrity in professional life and especially focusing upon capacity. Applied to professional life, this version of integrity entails practitioners being committed to sets of professional ideals/principles, which may go beyond extant professional norms.

In 2005, a group of research-oriented universities in the United Kingdom introduced a code of conduct for "research integrity," addressing matters such as an intellectual property rights, falsification of results, and plagiarism; this code was designed to prove their professionalism (Davis, 2005).

### 3. METHODOLOGY

This study is based upon a detailed literature review using secondary data sources those included books, encyclopedia, journal article, magazines, and theses. It is essential that a researcher should check the content validity of its research which is a non-statistical process of systematic inspection of the contents of study (Marnat, 2010); this determines that whether the contents are covering overall elements of study. In order to do so, firstly, literature was reviewed thoroughly; afterwards, review of relevant elements was done. The details of literature review performed can be seen in Table 1 which shows that 121 secondary data sources were studied while 30 were utilized in this study.

### 4. DISCUSSION AND CONCLUSION

The literature review reveals that the integrity is wholeness, pure, moral, and consistent characteristics; ethics is an inseparable element of a business and considered as a code of conduct; freelancer is a person, who get jobs as contract and is responsible for own-skill development, risks, commitments, business development, and maintenance of integrity in self, profession, and business. Any form of business it is whether freelancer or an entrepreneurship, the success in it is consist of will, way, effort, and ethics. Integrity is

said to be when one act ethically and morally. Furthermore, ethics is combination of truthfulness, transparency, and moral. From the literature review it is also revealed that institutions, businessmen, philosophers are agreed that, if an opportunity exists in the business which have maintained its integrity and ethical values then that business will lead towards success.

The discussion concludes that the integrity is a core element for the success of a business whether freelancing or entrepreneurship; both the employees and management in the business are responsible to maintain its integrity. Furthermore, the parameter for integrity and ethics may be different in various part of world due to its diversity within cultures. Thus in order to further understand and explore such parameters it is recommended that in future an empirical research may be performed.

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**Table 1: Details of literature review**

Document type	# Reviewed	# Utilized for this study
Book	7	5
Encyclopedia	4	1
Journal article	100	22
Magazine article	8	1
Thesis	2	1
Total	121	30

- Boundaryless and traditional contingent employees: Worlds apart. *Journal of Organizational Behavior*, 23(4), 425-453.
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