

## **ABSTRACT**

The objective of this experimental research is to examine the change of whistleblowing intention in manipulated horizontal equity condition and horizontal inequity condition. The participants of this experiment are undergraduate students of accounting department of Universitas Muhammadiyah Yogyakarta. The total number of participants are 151 participants who are divided into 5 cells (4 treated cells and 1 cell as control group). The result shows that treated employee in favorable condition by increasing salary is significantly decrease the whistleblowing intention. It proves that whistleblowing intention is more decreasing when horizontal equity is restored through a salary increase for the individual than when it is restored through a salary decrease for his peers. However, treated employee in unfavorable condition by decreasing salary employee is not significantly increasing whistleblowing intention. It proves that whistleblowing intention is not much greater through a salary decrease for the individual than when it is introduced through a salary increase for his peers.

Keyword: horizontal equity, horizontal inequity, whistleblowing intention