

Ethics in accounting: A dire necessity for practicing accountants in Bangladesh

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Abstract

The study aims to critically examine the determinants of accounting ethics by practicing accountants as well as professional accountants working in Bangladesh. In addition, the study identifies the major factors affecting the ethical behavior of accountants. Using a 5-point Likert scale, the study collects primary data from a total sample of 110 respondents consisting both academicians and practitioners. The results revealed that there is a significant variation in the opinions regarding ethics between accounting academicians and practitioners. The majorities of the academicians have a high positive attitude toward professional ethics and perceive the afraid of creator, responsibility, accountability, objectivity, integrity, confidentiality and patience as the important determinants of accounting ethics. On the other hand, the practitioners view accountability, responsibility, transparency brotherhood, truthfulness, mutual trust, objectivity and integrity as the crucial determinants of ethics. However, both groups emphasized an ethical code of conduct, individual factors, moral development, personal value, environmental influence, peer influences, life experiences, and situational factors for accounting ethics. The findings of the study provide valuable insights to academicians, accounting practitioners, and policymakers in improving the code of professional ethics in Bangladesh.

Keywords Ethical code of conduct, Professional ethics, Professional accountants, Accounting education

Paper type Research paper

1. Introduction

Professional ethics refers to some set of principles, morality and obligations that are to be followed by any person of any profession whether accounting, auditing, management, marketing, finance, engineering, legal practicing, and medical practicing etc. The professional ethics of accounting is an important issue directly relating to the integrity of the profession and its ability to secure public trust. Incorporating ethical issues in accounting practice is perceived as becoming increasingly important in the present time because of the fact that accounting performs the functions of identifying and recording business transactions, posting and summarizing



ledger accounts, preparation of financial statements and analysis of financial statements, thereby generating information and this information sent to the interested users for decision making and evaluating the financial condition of the organizations. Ethics and high morality are in high demand today, especially in American corporation and especially within the accounting profession, (Sulaiman, 2007). There are very limited courses offered in ethics, however, ethical education should be a required course in university (Uddin, Khan, Uddin, & Solaiman, 2015) and a prerequisite course for new employees for all the accounting and audit firms.

Ethics in accounting and accounting education is of utmost importance in the corporate firms of Bangladesh. This is because of the fact that manipulation of books of accounts, embezzlement of cash through frauds, and preparation of fraudulent financial statements and reports are rampant in almost all the corporate firms (Ahmad, Khan, Abdullah, & Rashid, 2017; Chowdhury, Othman, Khan, & Sulaiman, 2020) operating in the country. All these malpractices have been possible due to the low ethical values of the accountants and auditors. Most of the practicing accountants and auditors are devoid of ethics or have very poor ethical values. As a result, thousands of financial scandals related to accounting practice have been occurring in the country. For example, the recent corruption that occurred in Sonali Bank at the Rupasi Bangladesh branch, cash embezzlement and money laundering by the top officials of Destiny Group and Sonali Bank, the recent financial crash in the capital market by lowering the share price of most of the enlisted companies, and so on. It is said that the practicing accountants and CA firms are partly responsible for the collapse of these companies and the like. The accountants' and auditors' behaviors have been unethical and immoral. Experts suggested that if these accountants and auditors would have high ethical values, such types of corporate accounting scandals could be avoided. Moreover, there have been very limited arrangements for training on accounting ethics in CA firms and professional institutions. In addition, there is a maximum one course or one chapter has been incorporated into the Syllabus of BBA, MBA, CA, and CMA. All these negative situations have motivated the researchers to undertake a comprehensive study on the urgent need for ethics in accounting and proper education in accounting ethics.

The main objective of the study is to critically determine the factors of ethics in accounting by the practicing accountants as well as professional accountants working in some selected organizations operating in Bangladesh. In addition, the study contributes to the existing literature by following ways. Firstly, the study explores the necessity of professional ethics in the accounting profession and accounting education in the context of

Bangladesh. Secondly, the study identifies the major principles of professional ethics to be applied in accounting practices. Thirdly, the study recognizes the major factors affecting the ethical behavior of the account's personnel of an organization. Fourthly, the study assesses attitudes and creates awareness of the respondents toward professional ethics. Finally, the study puts necessary recommendations for policymakers to improve the guidelines of professional ethics for accountants.

2. Literature review

Accountants are working in a world of constant change, where corporate failures, commercial misconduct, regulatory failure, and natural calamities are common. Professional accountants are said to have played a role in the failure of many companies all over the world, including Enron, WorldCom, and Global Crossing in the United States, Parmalat in Italy, One-Tel in Australia, Almanakhah Market in Kuwait, and the Yemeni National Commercial Bank in Yemen. Accountants are responsible for those failure because their job is to detect errors and frauds and ensure that financial information, such as the balance sheet and income statement, is prepared according to accounting standards (Martin, 2007). It may be argued that accountants need a full understanding of the potential consequences of professional and managerial decisions, as well as an understanding of the pressures that persons participating in the decision-making process may face in adhering to and sustaining ethical standards (Ahadiat & Mackie, 1993; Burks, 2006; Mohammed, 2008). In this regard, professional accountants have a responsibility to protect stakeholders by providing fair and unbiased financial statement assessments, since if they do not, stakeholders may be unable to reach a legitimate conclusion and thus make the best option possible.

Through the preparation of financial reports, accountants' actions have an impact on the general public. Professional accountants are expected to be highly skilled, reliable, and objective by users of financial reports, particularly decision-makers. Accounting professionals must not only be highly qualified but also have a high level of professional integrity (Burks, 2006; Mohammed, 2008). As a result, accountant ethics are critical because the primary duty of accountants is to supply users with meaningful information (Rahman, 2003). From recent studies on Yemen, (Alkebsi, 2010; Alshami, 2010) concluded that an ethical code of behavior for Yemen professionals is essential. This is because they won't be able to make the best selection if they do not have access to dependable, accurate, and trustworthy accounting data (Alaidaros, 2010; Ibrahim, 2010; Mustafa, 2010). Furthermore, customers believe they have no legal recourse for accountants' mistakes because there is no

professional code of conduct that spells out the consequences of any violation (Bageneed, 2010; Bendool, 2010). In order to join the Gulf Union, the Yemeni government is attempting to meet a number of conditions and terms imposed by Arab Gulf countries (YACPA, 2010). One of the conditions that must be met is the creation of an ethical code of conduct for professional accountants (Alkebsi, 2010; Alshami, 2010).

According to several experts, the AICPA Code of ethics fails to address specific challenges in accounting and fails to achieve ethical awareness among practitioners who are required to follow the Code. Bakar, Maisarah and Ainun (2003) conducted a study in Malaysia and discovered that the By-Laws had no substantial influence on the practitioners' actions and behavior since most of them are unaware of the law. This suggests that the current code of conduct is failing to raise ethical awareness among practitioners. The findings strongly suggested the necessity for a revised set of comprehensive and ideal rules that may ensure their enforceability in guiding professional practices toward ethical professional conduct. It is possible to infer that a code of ethics (Carroll, 1998) is not the greatest strategy to improve ethical behavior unless it is formed based on appropriate policy and ethical code to avoid unethical issues from recurring.

More importantly, moral thinking has been regarded as the foundation of ethics and ethical behavior (Jackling, Cooper, Leung, & Dellaportas, 2007). Ethics is more than just following the rules; it involves moral reasoning. Kohlberg (1969), who proposed the idea of cognitive moral reasoning and development, is the most well-known work in the field of moral reasoning (Jackling, Cooper, Leung, & Dellaportas, 2007). Kohlberg's theory is concerned with the process of making decisions and why people make decisions. Higher degrees of moral reasoning, on average, reflect higher levels of ethical behavior.

The work by Rahman (2003), "Ethics in Accounting Education Contribution of the Islamic Principles of Maslahah," is important to mention. In creating accounting ethics, the study proposes that accounting education should focus on religious development and values. The research also claims that an Islamic perspective and ethics viewpoint can help in the development of a more humane and ethical accountant.

The studies reviewed so far are mostly related to ethics in accounting education. The importance of ethics in Islam has also been focused on in these studies. But all the studies are international and relate to foreign contexts. No study is based on the Bangladesh context. But, the existing scenario of financial corruption mainly related to accounting aspects as

highlighted in the statement of the problem calls for an in-depth study on ethics in accounting and accounting education in the context of Bangladesh. Therefore, the major research issues covered in this study are: the application of major principles of ethics in accounting practices, the necessity of ethics in accounting and accounting education in Bangladesh, the awareness and attitude of respondents towards professional ethics and identifying major factors affecting ethical behavior of the accounts and audit personnel of the organizations.

3. Methodology

This study is a combination of both desk research and empirical survey. During the course of desk research, the requisite secondary data and information were gathered by researchers from the relevant journals research articles and papers, PhD. and M. Phil. theses and relevant websites. The empirical research has involved the collection of the requisite primary data with the help of a structured questionnaire prepared in light of the objectives of the study. For collecting the primary data, a sample size of 110 was selected which is shown in Table 1.

While selecting the target population of sample units, random sampling has been used. But in the selection of respondents, purposive sampling has been followed because of easy and smooth access to reliable data and information. The collected primary data were processed using relevant statistical technique namely weighted average score (WAS) wherever applicable. After processing the data, the final report in the present form has been prepared for the use of the readers, prospective researchers, policymakers and others.

Table 1. Demographic profile of the respondents

Institutions	Total Population	Target Population	No. of Respondents
Private Commercial Banks (Local)	31	10	20 10 Accountants 10 Internal Auditors
Financial Institutions	12	05	10 5 Accountants
5 Internal Auditors			
C A Firms (Dhaka)	164	20	40 40 Professional Accountants
University Teachers (Accounting), Public	22 *	10	20
University Teachers (Accounting), Private	53	10	20
Total	287	55	110

*Universities where only Business Programs is introduced.

4. Results

The main findings of the study have been discussed under the following sub-headings:

4.1. Awareness and attitude of respondents towards professional ethics

Persons engaged in any profession whether accounting, auditing, market analysis, financial analysis, legal advising etc. should follow ethics either conventional or Islamic or both. Therefore, the professional persons should be aware of professional ethics like competence, objectivity, integrity, responsibilities and accountability, confidentiality etc. To this end, our respondents were enquired of awareness of professional ethics. Side by side with awareness, they were also inquired of their attitude about professional ethics. Their responses have been shown in Table 2.

Table 2. Response as to awareness & attitudes towards professional ethics

Specific aspect	Academicians group	Practitioner group
Awareness:		
Average	15 (37.5%)	20 (28.6%)
More than average	05 (12.5%)	15 (21.4%)
Fully	20 (50%)	35 (50%)
Total	40 (100%)	70 (100%)
Attitudes:		
Average positive	15 (37.5%)	15 (21.4%)
More than average positive	05 (12.5%)	25 (35.6%)
Highly positive	20 (50%)	30 (43%)
Total	40 (100%)	70 (100%)

Source: Data have been compiled by the researchers based on field survey.

Table 2 reveals that 50% respondents of academicians group have been fully aware 37.5% respondents have been average aware and 12.5% have been more than average aware as regards professional ethics. Again, the table also reveals that 50% respondents of practitioners group have been fully aware, 28.6% have been average aware and 21.4% have been more than average aware as regards professional ethics. As regards attitudes regarding professional ethics, it is revealed that 43% respondents of practitioners group have highly positive attitude, 35.6% have been more than average positive attitude and 21.4% have average positive attitudes towards professional ethics. Again 50% respondents of academicians group have highly positive attitude, 37.5% have average positive attitudes and 12.5% have

been more than average positive attitudes about professional ethics.

From the above analyses, it can be said that the majority (50%) of the respondents of both the academicians and practitioners' groups have full awareness and high positive attitudes towards professional ethics. But from the view point of ideal situation, all the respondents of both the groups should have full awareness and high positive attitude towards professional ethics.

4.2. Principles of ethics applied in accounting & auditing professions in Bangladesh

What are the principles that the investor and consumer expect from their accountant, and what their accountant is expected to follow? In their simplest forms they are principles of integrity, objectivity and confidentiality, as well as competence and obligation standards. Integrity implies that the professional is to be mindful and honest regarding their obligation to which they are working for. Objectivity refers to impartial review and the absence of conflict of interest when performing the tasks set out for them. Being independent in correspondence with integrity and objectivity is crucial in ethical conduct. Confidentiality is an automatic expectation and should be carried out with respect to the entity which the professional is employed by.

Some authors as for example Garrison and Noreen (2002), Hanafi and Sallam (1995), Haley (1965), Beekun, (1997) have identified a number of the principles of ethics to be followed by the persons of any profession.

Table 3. Opinions of the respondents regarding importance of principles of ethics:

SL	Specific principles	Academicians group		Practitioner group	
		WAS	Rank	WAS	Rank
1	Afraid of Allah	4.13	11	4.14	12.5
2	Confidentiality	4.38	4	4.21	10.5
3	Truthfulness	4.00	12	4.36	4
4	Mutual Trust	4.38	4	4.29	7.5
5	Sincerity	4.25	8.5	4.36	4
6	Brotherhood	3.88	14.5	4.14	12.5
7	Justice	4.25	8.5	4.43	1.5
8	Accountability	4.63	1.5	4.29	7.5
9	Responsibility	4.63	1.5	4.36	4
10	Transparence	4.25	8.5	4.43	1.5
11	Patience	4.50	3	4.21	10.5
12	Piety	4.25	8.5	3.93	15.5
13	Balance	3.88	14.5	4.07	14.5
14	Mutual consultation	3.88	14.5	3.93	15.5
15	Objectivity & independence	3.88	14.5	4.07	14.5
16	Integrity	4.38	5	4.29	7.5

Source: Data have been compiled by the researchers based on field survey.

These were placed before our respondents to rate their importance on the basis of 5-point Likert Scale. Their responses have been tabulated above.

Table 3 depicts that as per the opinions of the selected Academicians as regards the importance of principles of ethics, the principle namely “Responsibility” and “Accountability”, occupies the first rank with WAS of 4.63 in the 5-point Likert Scales followed by the principle “Patience” with WAS of 4.5; the principles “Confidentiality”, “Mutual trust” and “Integrity” with WAS of 4.38 each; the principles “Sincerity”, “Justice”, “Transparency” and “Piety” with WAS of 4.25 each and so on. Whereas, as per the views of the selected practitioners, the principles of ethics viz. “Justice” and “Transparency” occupy the 1st rank in terms of the importance with WAS of 4.43 each, followed by the principles of “Truthfulness”, “Sincerity” and “Responsibility” with WAS of 4.36 each; the principles “Mutual trust”, “Accountability”, “integrity” and “Objectivity” with WAS of 4.29 each; the principles “Confidentiality” and “Patience” with WAS of 4.21 each; the principles “Afraid of Allah” and “Brotherhood” with WAS of 4.14 each and so on.

The result also pointed out some deviations between the opinions of the academicians and practitioners as regards the importance of the principles of ethics. As for example, the academicians have emphasized the principles “Responsibility” and “Accountability”, as the top most ones; whereas practitioners have emphasized the principles “Justice” and “Transparency” as the top most ones and so on. Moreover, from the opinions of the academicians out of total 16 principles, 12 principles have been found very important since their WAS has been over 4.00 in the 5-point Likert Scaling. Whereas, from the view point of practitioners out of total 16 principles, 14 principles have been found very important since their WAS has been over 4.00.

4.3. Assessment of necessity of ethics in accounting and auditing practices

In order to assess the need of ethics in accounting and auditing practices in the context of Bangladesh our respondents were asked to give their valued opinions on this issue. The following Table 4 presents the relevant responses.

Table 4. Necessity of ethics in accounting and auditing practices

Specific aspect	Academics group	Practitioner group
Necessity:		
Average essential	10 (25%)	15 (21.4%)
More than average essential	15 (37.5%)	20 (28.6%)
Highly essential	15 (37.5%)	35 (50%)
Total	40 (100%)	70 (100%)
Desirability:		
Average desirable	12 (30%)	15 (21.4%)
More than average desirable	10 (25%)	25 (35.6%)
Highly desirable	18 (45%)	30 (43%)
Total	40 (100%)	70 (100%)

Source: Data have been compiled by the researchers based on field survey.

Table 4 reveals that 37.5 percent and 35 percent of the respondents belonging to academics group and practitioner's group respectively opined in favor of "Highly essentials of the ethics in accounting. Again, 37.5 percent of the academicians and 28.6 percent of the practitioners have viewed in favor of "More than average essential" of the ethics in accounting. The rest 25 percent of the academicians and 21.4 percent of the practitioners have recognized the necessity of accounting ethics as the average essential. Again, in respect of the desirability of the respondents regarding accounting ethics, it is reported that 45 percent of the academicians and 43 percent of the practitioners have high desirability; 25 percent of the academicians and 35.6 percent of the practitioners and 30 percent of academicians and 21.3 percent of the practitioners have more than averagely desirability and average desirability respectively for accounting ethics. From these analyses, it can be said that both the groups of the respondents viz. academicians and practitioners have either partially or fully recognized the necessity and desirability of the ethics in accounting.

4.4. Assessment of need of ethics in accounting education

Ethics and high morality are in high demand today even among corporate Bangladesh, and specifically within the accounting profession. There are also no courses offered on ethics, however ethical education should be a required course in university and a prerequisite to new employment for all accounting firms. The need for an accounting ethics course is also very apparent in how much destructive attention financial catastrophes attract to the profession. The recent big company accounting scandals all brought negative publicity to

the accounting field. The burden of the economic failures in today's society must be placed somewhere, and many people look at accountants as an outlet to place that burden.

"Education in ethical and professional responsibilities" in the area of professional accounting refers to a cognitive program that offers aspiring professional accountants a structure of professional values, ethics, and behaviours for using best expertise and acting ethically in the best interest of the public and the profession (Young & Annisette, 2009: 94). Lack of these components led to the massive accounting crises and frauds in the international corporate sectors. Financial firms, publicly traded companies, and private enterprises have either being declared distressed or have totally closed down as a result of cases of fraud, fabrication, and purposeful exaggerations of companies' accounts as well as other professional misconduct (Arefeen, Mohyuddin, & Khan, 2020; Bakre, 2007; Uddin, Khan, & Mohammad, 2015). The credibility of financial statements and transparency has been destroyed by the demise of large corporations like Enron, WorldCom, Global Crossing, and Parmalat in the United States and Parmalat in Italy. Such situations could, in part, have a negative impact on a nation's economy as well as society at large (Ahmad, Khan, Abdullah, & Rashid, 2017), if a severe unemployment and poverty problem are major problems. In addition, fraudulent activity has had a disastrous impact on investors and the money markets. People assumed that such occurred as a result of the accountants' unethical and morally repugnant actions. The public's perception of a lack of integrity poses a serious danger to the accounting profession.

In order to assess the need of ethics in accounting education, our respondents were given few statements to give their valued opinions. Their responses were shown in Table 5.

Table 5. Opinions of respondents as to need of education in accounting ethics.

Sl. No.	Specific statements	Academicians group				Practitioner group			
		Average Agreed	Moderately Agreed	Slightly Agreed	WAS	Average Agreed	Moderately Agreed	Slightly Agreed	WAS
1.	Incorporating ethics in accounting education is the demand of the day.	10	10	20	4.25	15	25	30	4.21
2.	Research in accounting ethics is highly essentials.	10	10	20	4.25	20	25	25	4.07
3.	A course on accounting ethics needs to be incorporated.	5	15	20	4.38	10	20	40	4.43
4.	Experienced and trained resource personnel need to be available at university level.	15	10	15	4.00	15	25	30	4.21
5.	Debate on ethics in accounting education needs to start on values and not on code of professional conduct.	8	16	16	4.20	10	30	30	4.23

Source: Data have been compiled by the researchers based on field survey.

Table 5 revealed that of a total number of five statements focusing the need of accounting ethics in Bangladesh, the statement 3 (a course on accounting ethics) has secured the first rank with WAS of 4.38 followed by the statement 1 (Incorporating ethics in accounting education is the demand of the day) and 2 (Research in accounting ethics is highly essentials) with WAS of 4.25 each, statement 5 (Debate on ethics in accounting education needs to start on values and not on code of professional conduct) with WAS of 4.20 and statement 4 (Experienced and trained resource personnel need to be available at university level) with WAS of 4.00 as opined by the academicians. All these statements and extents of agreement of the academicians with the five statements signify the urgent need of education in accounting ethics in the selected organizations. Again, as viewed by the practitioners group it is revealed that of the five statements focusing the need of accounting ethics in Bangladesh; the statement 3 (a course on accounting ethics) has obtained the first rank with WAS of 4.43 followed by the statement 5 (Debate on ethics in accounting education needs to start on values and not on code of professional conduct) with WAS of 4.23; statement 1 (Incorporating ethics in accounting education is the demand of the day) and statement 4 (Experienced and trained resource personnel need to be available at university level) with WAS of 4.21 each and the statement 2

(Research in accounting ethics is highly essentials) with WAS of 4.07. All the extents of agreements of the practitioners' group with the five statements embodied in table-4 signify the urgent need of accounting ethics education in Bangladesh.

4.5. Factors affecting ethical behavior of the accounts and audit personnel of the organizations

The relevant authors as for example Beatichamp and Bowie (1979), Becker and Fritzche (1987), Brown (1999), Ram, Khoso, Jamali, & Shaikh (2011), Walsh, (2007), Brien, (1998), have identified some factors that affect the ethical behaviors of the accountants and auditors while working in any organization of any type (Khan, Toy, & Siddique, 2010). All these factors were placed before the selected respondents of the two groups namely academicians and practitioners in order to rate their importance on these factors. Their responses have been tabulated below:

Table 6: Importance of factors affecting ethical behavior of the accountants and auditors

SL	Specific statements	Academicians group		Practitioner group	
		WAS	Rank	WAS	Rank
1	Organizational Factors	3.75	10th	4.14	8.5
2	Individual Factors	4.63	2nd	4.21	6
3	Moral Development	4.38	3.5	4.35	2nd
4	Personal Value	4.38	3.5	4.14	8.5
5	Personality	4.13	7.5	4.29	4.0
6	Family Influences	3.50	11	4.29	4.0
7	Environmental Influences	4.25	5.5	4.29	4.0
8	Peer Influences	4.00	9.0	4.14	8.5
9	Life Experience	4.13	7.5	4.14	8.5
10	Situational Factors	4.25	5.5	3.50	11
11	Ethical Code of Conduct	4.75	1st	4.36	1st
WAS per factor		4.20		4.17	

Source: Data have been compiled by the researchers based on field survey.

Table 6 portrays that the factor viz. "Ethical code of conduct" has been emphasized as the top most important one affecting ethical behaviors of the practicing accountants and auditors of the selected organizations according to their opinions of both the academicians and practitioners' group. As per the opinions of the academicians, the second ranking factor has been the "Individual factors" with WAS of 4.63 in the 5 point Likert scale followed by

the factors “Moral development” and “Personnel value” with WAS of 4.38 each; the factors “Environmental influences”, “Situational factors” with WAS of 4.25 each; the factors “Personality” and “Life experience” with WAS of 4.03 each; the factor “peer influence” with WAS of 4.00, the “organizational” factor with WAS of 3.75 and lastly the factor “Family influence” with WAS of 3.5. Whereas as per the views of the practitioners; the second ranking factor has been “Moral development” with WAS of 4.35 followed by the factors “Family influence”, “Personality” and “Environmental influences” with WAS of 4.29 each; the factor “Individual factors” with WAS of 4.21; the “Organizational factor”, “peer influence” “Life experience” and “Personnel value” with WAS of 4.14 each and lastly the factor “Situational factors” with WAS of 3.5. From these analyses, it can be said that all the eleven factors mentioned in Table 5 excepting the factors “Organizational factor” and “Family influence” as opined by the academicians and excepting the factor “Situational factors” as opined by the practitioners have been regarded as the very important ones since their WAS has been more than 4 out of 5. Lastly, comparing the opinions of the academicians and practitioners it is found that the academicians have put more importance to all the factors than the practitioners, since WAS per factor of academicians group seems to be more (4.20) than that of practitioners (4.17).

5. Discussions

The major research issues covered in this study are the application of major principles of ethics in accounting practices, the necessity of ethics in accounting and accounting education in Bangladesh, the awareness and attitude of respondents toward professional ethics and identifying major factors affecting ethical behavior of the accounts and audit personnel of the organizations. The main findings of the study are: i) more than 50 percent of the selected academicians have been fully aware of professional ethics however, the awareness of most of the practitioners (about 80 percent) has been prominent, ii) as regards attitudes of the respondents about professional ethics, a majority of the academicians have a high positive attitude whereas, attitudes of the vast majority of the practitioners have been highly positive, iii) as regards the principles of ethics applicable in the accounting and auditing profession, the ethics namely afraid of creator, responsibility, accountability, objectivity, integrity, confidentiality and patience have been regarded as the important principles by academicians. Whereas, the ethics, accountability, responsibility, transparency brotherhood,

truthfulness, mutual trust, objectivity and integrity have been regarded as highly important according to the practitioners, iv) the great majority of the respondents of both the groups have mentioned that the development of ethics in accounting theory is highly desirable in the selected organizations, v) the greater portion of the respondents of both the groups have opined that incorporating ethics in accounting education and research in accounting ethics is highly essential in the context of Bangladesh, vi) as regards the factors affecting ethical behavior in the selected organizations; it is reported that the great majority of the respondents of both groups have attached very high importance to the factors namely ethical code of conduct, individual factors, moral development, personal value, environmental influence, peer influences, life experiences, and situational factors.

Maintaining competence and fulfilling one's obligation to the highest standards not only enforces the ethical codes set by professional organizations but enables the accounting professional to establish their reputation as trustworthy and reliable, which can prove beneficial in such a competitive career market. Consumers, investors and companies continue to recover from the blow of the negative exposure to unethical behaviors and actions of those who claimed an ethical code within the last decade. It is with these ethical codes that the professional carries out with due care that will continue to restore faith and balance in the much-needed and ever-growing profession of accounting. Another need for an ethics course comes from a common stereotype of accountants. The stereotype is that accountants are known to simply follow the rules, or do just enough to meet the basic criteria. To correct ethical dilemmas, it is required to go above and beyond the norm to investigate and solve uncertainties. A class in the area of ethics could help prepare and motivate new accountants to become more proactive when evaluating a possible unethical or fraudulent scenario. Clients will feel a greater sense of security with a proactive accountant, and ultimately bring more profit to the profession.

6. Conclusion

The present study has focused on awareness and attitudes of the respondents regarding professional ethics, importance of the principles of ethics to the respondents, assessment of necessity of ethics in accounting profession, assessment of need of ethics in accounting education and factors affecting ethical behaviors of the respondents. The study portrays that only the simple majorities (50%) of the respondents of both the academicians and practitioners' group have full awareness and high positive attitudes towards

professional ethics. The remaining respondents have either average or more than average awareness and positive attitudes. The study further reveals that all the respondents have attached utmost importance to the principles of ethics. They have either partially or fully recognized the necessity of ethics in accounting profession and education. It has been pointed out earlier these financial corruptions through manipulation of accounts, frauds in accounts, fraudulent financial statements and reports are prevalent at an alarming rate in most of corporate firms operating in the country. All these corruptions have been partly possible due to unethical and immoral behaviors of the accountants and auditors. In such negative situations, the necessity of incorporating ethics in accounting and auditing practices and education is the urgent need of the day.

The findings of the study may be helpful to the academicians and researchers while conducting further study in the area of accounting ethics. The findings of the study have several implications to the practicing accountants, auditors, university teachers, researchers, policy makers and lastly the government at large. The practicing accountants and auditors may across the findings of the study useful in performing their jobs more sincerely, honestly and effectively. The academicians may also get the findings useful in preparing the proper course curriculum on ethics in the context of accounting profession and accounting education considering further studies on such a vital issue relating to social and moral values. The policy makers may also get the finding useful while formulating policies on ethical code of conduct and accounting education incorporating ethics. Particularly, the relevant authority of the selected organizations may also get the findings of the study useful while modifying the code of ethics. Moreover, the practitioners' viz. practicing accountants and auditors may come across the findings of the study useful while performing their professional jobs more effectively.

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