

## Investigating the Effect of Management Accountants' Characteristics on Ethical Decision-Making about Social Obligations<sup>1</sup>

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Research Paper

### INTRODUCTION

In recent decades, one of the fundamental factors that has attracted the attention of many researchers in the field of finance and accounting is the ethical decisions of accountants and the factors that influence them. Unethical methods of behavior in organizations are a serious risk to the health of the organization and employees, which leads to the imposition of large social and economic costs on organizations. Ethical decision-making includes the process that people use to determine whether an action or decision is good or bad and whether an issue is right or wrong. In other words, ethics in the profession is a set of judgments and behaviors by regulations and standards and is bound by values and norms. Due to the nature of their performance in the organization, management accountants are often making all kinds of decisions, and being bound by laws and standards, norms and human values is influential in their decision-making. Therefore, any decisions and judgments made by them will have different consequences and results. Management accountants are expected to provide correct, complete, and reliable reports and responsibly fulfill their professional role in fulfilling social obligations (Hosseinpour et al., 1400). Research shows that social obligations have the greatest impact on ethical decision-making in general and specifically for management accountants. In addition, belief in social obligations has also been associated with moral judgment. Therefore, the sum of these results shows that this professional characteristic is the most important characteristic to strengthen the moral judgment of management accountants (Thomas, 2018). A lot of research

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has been done on the influence of competencies, characteristics, and influencing factors on the work quality of management accountants at the world level, but this part of accounting science has not been given much attention in Iran and not much research has been done on it. Given the above, in this research, an attempt is made to evaluate the effect of management accountants' characteristics on the ethical decision-making made by management accountants about social obligations; in this way, a possible answer can be identified to improve and improve the professional behavior in the society of management accountants in Iran.

#### **MATERIALS AND METHODS**

In this research, a survey method has been used to investigate the relationship between the independent variables and the dependent variable. Survey research is the regular collection of information about individuals and groups through interviews (face-to-face), and mail (non-face-to-face) to obtain data directly and interpret the results through statistics in a survey, it is possible to generalize the findings to The entire statistical population should be collected from the statistical sample. Thus, the researcher tested the respondents and collected the information using a questionnaire that has a set of standardized (closed) and open questions. According to the above materials, since there is little information about this issue and on the other hand, it is necessary to consider the opinions of experts about the effect of management accountants' characteristics on ethical decision-making about social obligations, therefore, a five-choice Likert questionnaire was designed. and has been used, which measure opinions in one place. The mentioned questionnaire consists of two parts: the first part is related to the characteristics of management accountants on ethical decision-making about the social obligations of companies, in which the Likert scale is used, and the second part is related to the survey of people who They have completed the questionnaire. A questionnaire has been used to measure the variable attributes of management accountants, from the point of view of people working in the profession of financial management, certified accountant, and management accounting. The completers of each questionnaire have evaluated the status of their company regarding the indicators of the influence of management accountants' characteristics on ethical decision-making about social obligations, and this questionnaire is a scorecard that the respondent answers about the characteristics of accountants in his company.

#### **RESULTS AND DISCUSSION**

The main purpose of this research is to investigate the effect of management accountants' characteristics on ethical decision-making about social obligations. The sample was selected from among 250 people

working in the profession of financial management, certified accountant, and management accounting in Khuzestan Steel Company in 1401 who are related to the subject studied as a sample by simple random sampling method. In this research, ethical decision-making is the dependent variable, and the attributes of management accountants (professional independence, professional dependence, self-monitoring, professional commitment, knowledge and expertise, honesty in behavior, inherent fairness, and moral justice) as independent research variables and social commitments to The title is the modifier variable. The research data was designed and used from a 5-choice questionnaire, which measures the opinions in one place. The mentioned questionnaire is composed of two parts, in the first part is related to the main variables of the research, i.e. ethical decision-making and the characteristics of management accountants, in which the Likert scale is used, and the second part is related to the opinion of the people who completed the questionnaire. Also, to check the validity of the designed questionnaire, it was applied in the opinion of several professors. Cronbach's alpha test was used to measure the reliability of the questionnaire. Then, PLS3, Amose24, and Spss24 software were used for the final analysis and finally, it led to the confirmation or rejection of the research hypotheses using the results of the respective software.

## **CONCLUSION**

In general, the findings of the research hypotheses test indicate that ethical decision-making with a positive path coefficient has been confirmed at a confidence level of 95%, and this means that in parallel with the increase in social obligations (moderating effect with a positive path coefficient), the relationship Between the attributes of management accountants and ethical decision-making (which is a positive relationship), it increases and leads to the improvement of ethical decision-making. That is, no matter how much the ethical characteristics of management accountants are improved, it will improve their ethical judgment and decision-making. The findings of this research show the understanding of how and why the professionalism of management accountants about social obligations leads to an increase in professional decisions and judgments. Belief in social obligations is one of the most important characteristics of professionalism to promote ethical decision-making. Therefore, integrating the characteristics of management accountants plays an important role in expanding and relying on the management accounting profession in ethical judgments and decisions. Past research shows that the professional environment influences ethical behavior, even when it contradicts the individual's ethical standards. Considering that the findings show the need to pay more attention to the growth and development of moral virtues by the responsible institutions in the accounting profession,

on this basis, the responsibility of the legislative and supervisory institutions such as the Society of Official Accountants of Iran, the Audit Organization and the Stock Exchange Organization to promote The more moral virtues among the professional societies of the country and especially the establishment of a platform for the more accurate implementation of the code of professional behavior by valuing and paying more attention to the code of professional behavior in terms of changing these approaches and also creating motivation for more correct judgment and decision making by Accountants are felt more.

**Keywords:** Characteristics of Management Accountants, Ethical Decision-Making, Social Obligations, Independence and Professional Dependence, Self-Monitoring.

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