EFFECT OF THE MORAL INDIVIDUAL FACTORS ON MORAL BEHAVIOR DEVELOPMENT IN ACCOUNTING PROFESSION

Dr. Mohammad Reza Nikbakht1*, Dr. Mohammad Reza Mehregan2, Dr. Hossein Safari3, Javad Masoudi4

1Faculty of Management, University of Tehran, Iran, 2Faculty of Management, University of Tehran, Iran, 3Faculty of Management, University of Tehran, Iran, 4Kish International Campus, University of Tehran, *(Corresponding author):Mnikbakht@ut.ac.ir

Abstract

Accounting Moral is a collection of characteristics that will enable an accountant to choose the best intent as regards of professional and spiritual criterions. The notability difference of accounting profession is accepting duty toward society and having high degree of honesty. The research aim is investigating moral individual factors (virtue and self-control) in the accounting profession. This research is application oriented as regards of its aim and is descriptive-measuring based on its data. Research statistic population includes accounting faculties, CFOs, CPAs, PhD and graduate accounting students in Iran. Information gathering instrument is a questionnaire and data have been analyzed by use of Spearman correlation coefficient and model of structural equations. Research findings represent that moral individual factors (virtue and self-control) in moral behavior development in accounting have sequentially 37 and 42 percent effects on moral behavior betterment in accounting. So, it can be concluded that accounting profession requires a model that could lead to objectives of professional betterment in the field. Therefore, it is necessary to codify an educational program in this base to increase moral awareness and to develop ethical knowledge all the planners in the country by universities and professional associations.

JEL classification: C91

Keywords: Accounting Moral, Education, Virtue, Moral Behavior betterment, Professional Self control

1. INTRODUCTION

Increases of accountants’ roles, as regards of wide spreading of markets in the world and financial enormous scandals, have caused that compliance with professional ethics to be important and to be considered in the corporations. Most people believe that accountants and auditors are the active participants in this base and the main culprits for financial crises are the accountants who haven’t done their duties correctly. (Lari Dasht Bayaz and et.al. 2013:2). For the reason of these difficulties, it can be indicated to governmental defective provisions and regulations and legislations of professional associations. Some critics believe that deficiency or lack of government supervision have caused these corruptions. Hajazi & MesriPoor (2012: 139), in their research concluded that educations of professional moral regulation in B.A duration will have no effect on professional moral criteria observance improvement of accounting students.

Why should an accountant have knowledge about moral base? Duska R.F. Duska B. (2003), answered: at first, individual moral believes may be insufficient. Secondly, in some situations because of different moral doctrine, determination of an activity that should be done may be encountered by difficulty, (Saghai & et.al 2010: 8). Findings of done research by Saghai & et.al (2010:16), “Education of Accounting Moral in B.A Duration”, indicated that introducing of professional moral lesson is necessary and its subjects would not be covered by other lessons.
Changes and new advances in technology have great effects on new commercial world. Accountants are among individuals who have main roles in the different aspects of these changes and advances. In process of any development, accountants’ professional knowledge and expertise should be alongside with professional moral values, to create and improve commercial affairs. Consideration of professional behavior and code of professional ethics are necessary factors for the accountants. So, every individual who is active in this profession should pass necessary and sufficient moral educational durations to represent his moral capacities in the suitable situations to exhibit his abilities and profession to society and to increase his profession reputation, (Rafiei, 2007:15).

Anderson was Enron Corporation external auditor in 1980s and was chosen as an internal auditor for the corporation in the middle of 1980s. He received a noticeable reward for his mutual role (both independent and internal auditor), (Sarlak, 2008:76). This event and its similar events indicate that sensitivity toward moral behavior and moral development are necessary in accounting profession and it is necessary more awareness should be done to prevent loss of credibility of the accounting profession by various groups associated with the accounting profession. So, it is needed to codify an educational program in this base to increase moral awareness and to develop all accounting programmers’ knowledge in the country by universities and professional communities, (Mahdavi, 2010:36).

Based on the mentioned subjects, studying and investigating of different researches about moral individual factors on moral behavior betterment in accounting profession, importance and place of this subject can be understood. This importance represents that not only an accountant should have sufficient domination on his profession, but also he (she) should consider some moral doctrine. The research aim is investigating moral individual factors (virtue and self-control) in the accounting profession to exhibit effective solutions based on the received analyses.

2. THEORETICAL BASES AND RESEARCH BACKGROUND

Golden rule is a moral origin that indicates the two following subjects:

1- An individual should behave in such a way that he likes to be behaved by others, (the positive mode of the rule).

2- An individual shouldn’t behaves in such a way that he doesn’t likes to be behaved by others, (the negative mode of the rule) and it is sometimes called “silvern rule”.

The positive mode of the rule will cause an individual plays a good activity and the negative mode of the rule will cause an individual plays no bad activity, (Eslami, 2007:5).

3. DEFINITIONS

**Behavior:** Oxford dictionary defines behavior as: the way that a person acts, conduct and method of reacting meet that a person will show in the different situations.

**Moral:** In Amid’s dictionary, moral has been defined as society accepted normal which indicates correctness or incorrectness of individual behavior. Theoretician as Mabry believed that moral means correct behavior and its study. Moral doctrines are rules for correct behaviors, (Mabry, 1993:200). Some of other theoreticians believed that moral is an individual definition of a thing which is good or correct, (Thorne, 2001:342). Moral word points to an aspect of human experience which includes access to the intentions and aims that exhibit unbiased judges for correctness and incorrectness of human behavior, it also consists of values that should be initialized in time of individual, political and social decision making, (Setayesh, 2012:19).

**Moral Doctrine:** moral view of each person with its category including individual moral principle and professional moral principle will be more understood. Reflected individual moral principle is public expectations of each person in each situation. While professional moral principle has been imposed on
individuals in professional situations and includes needed behavior frameworks of professional methods such as; accounting, medical, law and engineering, (Yunanda & Majid, 2011: 128).

**Moral Science:** moral science expresses good behavior which means everything that should happen and it is looking for principles and doctrine that will be followed by welfare, goodness and happiness for humans. Otherwise, moral science studies good and bad characteristics, honorable and non-honorable behavior, (Bayat, 2008: 55).

**Professional Moral:** professional moral is a knowledge that codifies suitable and correct behavior in each profession neatly and exhibits practical and applied guidelines to codify limitations and borders of responsibilities. In the otherwise, professional moral are admirable methods and orders that are used in a profession (Bayat. 2008: 55). GharaMaleki (2016), defines professional moral as a collection of doctrine and standards of human behavior which determines individual behavior in groups, in fact professional moral is a rational thought process which its aim is vindicating this factor that in an organization which and when values should be kept and published.

**DEVELOPMENT OF MORAL BEHAVIOR IN ACCOUNTING PROFESSION**

Salman Panah & Taleb Nia (1393: 89) believes that professional moral behavior is a vital element in profession formation. Moral behavior emphasizes on this point that quality in accounting not only relate to technical and professional knowledge of this profession but also accounting quality should include accountants’ moral behaviors. Michelle Foucault was a thoughtful thinker with new views in individual moral. He believed that moral was taken optionally from individual mind and was not reflection of defined rules and doctrine for the individual. He believed that beautiful moral view has given his place to moral rule and legislation, orders that had been caused by rules and doctrine. Foucault believed that these orders were not valuable and would not be known as moral. In fact, Foucault believed that there was a different between moral provisions and moral act and he was a fan of moral act, Lari Dasht Bayaz & et.al (2013:4). Moral aim is deducting of behavioral doctrine that will help individuals to choose among different alternatives of act. Moral behavior practically is what is accepted as “good” and “correct” in contrast to “bad” or “incorrect” in a social base.

**APPROACHES OF RATIONAL DECISION MAKING AND ITS TYPES**

Methods of decision making sometimes are above standards and legislations of accounting professional code of ethics. Most of the decisions are made based on the situation that has no background for their decision making. There have been introduced moral considerations for theoretic different approaches and each of them has its own special characteristic. Several approaches have been existed for behavior description and moral branches during years. An individual of expressive approach with accountants’ observations may gain a new insight for moral known approaches such as; Utilitarianism Approach, Pragmatism Approach and Religion Approach, (Keller & et.al. 2007:300). Some of the descriptions have been introduced as follow:

**Utilitarianism Approach (Utilitarian Origin)**

Totally, utilitarian origin can be summarized as: a correct act from moral view is an act that maximizes pure of social utilities. Hossein Zadeh (2012) described this origin as: based on utilitarian origin an act is correct while it creates the best welfare for individuals. In the otherwise, not only my person happiness and benefit are important and valuable, but also other person happiness and benefit that have related to my act are important and valuable. Based on utilitarianism approach, public utilities are in higher level than personal utilities, (Dellaportas & Davenport, 2008:1081).

**Pragmatism Approach**

In the pragmatism (egoism) approach, it is necessary that utility should be known just for the decision maker and this orientation is ultimately easier, so pragmatism can be a moral approach that people will use ultimately. In pragmatism system, there are much potential for differences of utilities. It is assumed that corporations maximize their profits by minimizing their costs. An accountant has individual motivations to gain maximized profit because treatment state of account can effect on gaining profit, (Keller & et.al. 2007: 301). Egoism philosophy like utilitarian philosophy concentrates on conclusions of an act but
egoism philosophy preferences individual long term utilities in contrast to utilitarian philosophy, (Jabari & et.al. 2010:49).

**Religion Approach**

Theological moral is dependent on God guidance and it is a collection of correct and incorrect standards, so the source of theological moral is God. God is providing moral direction by Holy Books and Prophets` Miracles. Religion has vast bases and it provides society for moral and internal justification of most of the moral acts such as; exhibition of securement working situations, employments` treatments and conservation of existence situation, (Keller & et.al. 2007:302). Obligatory concepts or “must and mustn’t” are philosophical concepts and they represent real and essential relationship between human optional act and continuous conclusions on it. So, this function is an effect that the act has to arrive human to real completeness and the need to understand the relationship between human actions and ultimate perfection, revelation and wisdom and conscience, (Mahdavi & et.al. 2010:38).

**MORAL DECISION MAKING**

Moral decision making is using moral doctrine and balances to evaluate truth and correctness of a decision and behavior, (Hasas Yeganeh, 2013:54). In accounting of moral behavior, one subjective view (not a collection of rules) includes all aspects of correct behavior versus incorrect behavior, (Khozin & Mohammedi, 2015:140). When a decision is made about a subject in these days, both decision maker and most of other individuals inside and outside of the corporation will be affected by the decision. In the new world several models have been introduced to understand moral decisions. Moral behavior model of James Rest is one these models.

**MORAL BEHAVIOR MODEL OF JAMES REST**

Rest introduced four dimensional models in regards of moral growth theory of Kleberg in 1986. Rest model has been one of the most famous models about moral behavior. Four dimensional models of rests are based on the basic hypothesis from rational base of moral judgment procedure. Dimensional Four model of rest is trying to answer this Question; “Which process should as regards of our psychology be assumed as a moral behavior happens?” Rest argues that four levels are required to indicate moral behavior:

First level: people should understand that the condition (situation) has moral dimension (moral awareness).

Second level: people should indicate their moral judges about the condition (moral judgment).

Third level: people should situate their moral values versus reciprocal values (moral motivation).

Fourth level: people should do moral acts (moral behavior).

Based on Rest view, break in each of the above level will cause immoral act, (Armstrong, 2003:2). Picture 1 indicates four dimensional model of Rest as follow:

<table>
<thead>
<tr>
<th>Table 1. Four Dimensional Model of Rest- 1986</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Level</td>
</tr>
<tr>
<td>Second Level</td>
</tr>
<tr>
<td>Third Level</td>
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<tr>
<td>Fourth Level</td>
</tr>
<tr>
<td>Moral Awareness</td>
</tr>
<tr>
<td>Moral Judgement</td>
</tr>
<tr>
<td>Moral Motivation</td>
</tr>
<tr>
<td>Moral Behavior</td>
</tr>
</tbody>
</table>

**A) Moral Awareness**

It means identification ability of a moral subject to interpret situations and to understand effective condition of one special act on others, (Abas Zadeeh & Moeini Zadeh, 2013: 6). In the otherwise, moral sensitivity is awareness of this topic of how different situations attend individuals. This step includes individual understanding of a moral topic in a situation or recognition of a relative moral rule and standard to the happened subject.
B) Moral Judgment

This step points to one ideal moral judgment for a dilemma. This step includes a judgment about which accountant’s action is considerable based on a moral concept, (Yi-Hui-Yi, 2007:47). Kleber found that moral logical awareness will be higher by individual growth and he evaluated this function valuably positive.

C) Moral Motivation

Moral motivation has been introduced as a degree of commitment based on moral function. Moral intention interface moral judgments on the one hand and ethical behavior on the other. Moral argument advisedly will not end to mapping of suitable intend of moral behavior, however; we can’t always trust on moral observers with hidden and non- appeared considerations, (Jabari & et.al. 2010:50).

D) Moral Behavior

Moral character means performance of moral act and it includes insistence on moral duty, braveness, conquest on weak points such as; tiredness, temptation and behavior to access moral aim, (Lari Dasht Bayaz & et.al. 2013:4). One of the effective factors on moral behavior is individual control center (such as; fair conscience, virtual intention or justice friendship). Individuals, who’s their control centers are internal, can see their behavior relation and it conclusions with more possibility, so they accept their behavior responsibilities with more possibility and based on their moral judgments, they can act on correctness of a behavior, (Rest, 1986: 6).

Rest believes that a mixture of moral sensitivity, moral judgment, moral motivation and moral character will cause moral act and performance, so there is a complex relationship between moral judgment and moral behavior and more development will not lonely guarantee moral behavior.

PROFESSIONAL CODE OF ETHICS

Professional code of ethics is used as accountants` guidelines and an example of correct behavior in this profession. Although, some of the researchers doubt on efficiency of professional code of ethics, several accounting associations have considered the “professional code of ethics” as a more suitable guideline for professional accountants, (Royaei & et.al. 2089:89).

Moral source, which is usually referred to in accounting profession, is moral codes of professional code of ethics in accounting. Investigations of these codes are important because concepts, doctrine and rules in different codes of behavior represent the view of the profession from what should be done by behavior. Moreover, moral is expressed in formal and informal ways such as professional publications and news agencies, (Everett & et.al. 2005:419). In code of ethics of International Federation of Accountants, professional behavior is expressed as: necessity observance of rules and provisions and avoidance of the acts that may hurt the profession’ reputation. Acts that have undesirable effects on the profession fame, (Arbab Solaimani, 2014: 28). The importance of professional code of ethics is because of the limitations that it codifies for immoral behavior and the guidelines that professional code of ethics exhibits for the situations with vagueness such as clear codification of moral values that have not been introduced before or they have not been precise, (Salman & Taleb Nia, 2013:89). Accounting profession is formed to exhibit precise and real image of organization financial performance. In the introduction of professional code of ethics of Audit Organization is pointed to this subject that accounting profession has high validity and reliability because of the services that it exhibits. Continuation of the mentioned validity and reliability and its amplification will depend on thoughts and performances of profession’s members to its moral and behavioral criterions, (Modares & Rafiei, 2008:8).

The question that is investigated in the research is whether some factors such as; virtue and self-control in accounting effect on moral behavior development or not?

SELF-CONTROL IN ACCOUNTING

Self-controlling is an internal care that accountants perform their devolved duties based on it and prohibit from non-normal behaviors and behaviors against professional behavior legislation. Professional moral investigates moral subjects and questions, doctrine and moral values of a professional system and it is a
supervisor on voluntary acts of professionals in their professional activities. Accounting moral like moral in each other professional system should reflect internal norms of profession and sensitivity of moral commitment by its professionals, however; accounting moral shouldn’t be reflection of external and official cares and supervisions by government in the form of must and mustn’t that are imposed, compiled or mentioned to them, (Faraestekhah, 2006:16). Accounting profession situation has been damaged in the world during the recent years, some of these damages are because of accounting scandals which eradicate self-consciousness in the profession (for example; Enron and World Come) and the other parts of the mentioned damages are because of self-controlling and autonomous discomforts in the profession while some people think that self-controlling is lack of any controls and provisions. If individuals who are in high level of organization structure indicate lower level of their moral growth, they will be master while they are responsible for their self-control. So, how this behavior can effect on self-controlling? Professions autonomous and self-controlling have been investigated by Mitchell & et.al. (1994, 1998) in attention to inexistence of fines against busy corporations in accounting inadequacies. Mitchell & et.al (1994) in their research found that while most of the auditing institutes with different sizes have been investigated, 45 percent of the corporations have been punished and no auditing partner of a profession has been forbidden. They found that self-controlling and self-control is an ineffective defense in contrast to misuse of power and a profession should be independent from provision subject, (Bampton & et.al. 2013: 555).

**Commitment**

Mutual relationship of society and profession that requires on the one hand, providing professional services to the society and on the other hand, provide employment services for these providers, therefore this relationship should include the criteria that had to be careful the two sides are aware of each other's rights. The governed system on each profession is a mixture of codified rules and provisions of inside and outside of the profession. Rules and provisions are codified in inside or imposed completely from outside of the profession in few societies. So, it should be a balance between these two groups of rules and provisions based on the society need to the profession and its reputation, (Sarlak, 2008:73). Accountants should consider intention and attention of moral view and ability of doing an act to perform moral and professional commitments. Moral contention happens in accounting when accountants address with these opposite duties is a personality issue, (Stephen & Smith, 2009:8). Based on the previous studies it seems that self-controlling procedure of accounting profession is more about damage control through protection of accountants’ profession fame and not about protection of public utilities. In the otherwise, self-controlling will be ineffective while institutions are acting toward the best utilities of their members and not toward utilities of public, (Davenport & Dellaportas, 2008:1092). Sociological studies in accounting profession have been based on this approach that this profession has been based on one checklist of characteristics or key criterions which concentrate on difference of accounting profession from other professions. In this characteristic it is imagined that accounting profession run and its continuance on service performance is not for its utilities, and are dependent on utilities of public. Based on this approach, profession has been created because of the human’s real need. Profession social commitment has been created to give service to people equally with their profession advancement and gradation. Instead of this improved situation, profession members will be agreed on protection of public utilities in all factors of act performance, so in the heart of this profession, there is a commitment to service and protection of public utilities, (Davenport & Dellaportas, 2008:1081).

**Job Conscience**

Doctors have duties to be cared of patients but this aim may be endangered by sending the patients to their private drug stores and hospitals by doctors. Moreover, drug producers try to attract doctors’ attentions to prescribe the drugs they produce and they provide doctors with free drug production, free food and free journey to access their aims. Doctors don’t want to confess that the opposites of utilities effect on their judges. While their subsistence depends on opposites of utilities of other and prescription of the services that they have done. So, we deduce that doctors’ suggestions are biased because of the opposites of utilities, (Moore & et.al. 2006:10). One of the considerable characteristics of spiritual process in job place in the opposite utilities is that opposites can help individual to create corruptions in their work places unconsciously. This subject can describe why citizens let the creation of the opposites of utilities. In
accounting course, the models of independent auditor, researchers believe that independent subject is that whether an auditor decides to do an auditing unbiased or he will not collude with managers, (Moore & et.al. 2006:16). Self-controlling is one of the considerable characteristics of independent auditing profession. If trust to a profession is annihilated because of continuous crises of ignoring public utilities, people may not protect self-controlling anymore and may ask developed provisions by government, (Davenport & Dellaportas, 2009:15). Self-controlling process indicates that professional association ask their members to continue their educations by advanced studies that will aware member of information about changes in the rules that may happen in that profession or industry. One education in moral can provide moral analyses of students, development of essential skills to recognize and analyze moral subjects in accounting, (Kisielnicki, 2008:5).

**Discipline**

Self-controlling is a privilege that awarded to professional accountancy, just as long as the society in relation to its regulatory processes, trusts the profession. Continuous of scandals have cast doubt on the ability of the accounting profession effectiveness, (Askary & Olynyk, 2006:5). Members of the accounting profession are possibly will have less unethical behavior and more control over personal interests versus public interest if they know reprimanded, fined or removed from membership, (Askary & Olynyk, 2006:57). After Sarbanes Oxley Rule, investigation of coworkers’ self-controlling has been replaced by independent investigation and supervision of public accounting board in accounting corporations. Self-controlling critics believe that investigation program of coworkers’ self-controlling has no validity, (Hillary & Lennox, 2005:211). Sarbanes Oxley Rule constituted Public Company Accounting Oversight Board because of concerns about that self-controlling of accounting profession that couldn’t protect investors from bad quality of auditing. One of the duties of Public Company Accounting Oversight Board is performing independent investigations of auditing institutes (Hillary & Lennox, 2005:212). Public Company Accounting Oversight Board has been created as one main components of Sarbanes Oxley Rule. For many years, before Sarbanes Oxley Rule, accounting profession had known self-controlling as one point of pride and honor. After viewing this negligence in accounting, the U.A Government found that this profession couldn’t do supervision of self-controlling and a new act was needed by government. Before that American Institute of Certificated Public Accounting (AICPA) was responsible to create and perform code of professional ethics about auditing behavior and standards. Creation of Public Company Accounting Oversight Board recaptured more privileges of self-controlling from AICPA. Finally, Securities and Exchange Commission Controls Public Company Accounting Oversight Board, (Laughlin 2009:13).

**VIRTUE**

Virtue means appearing of religious lessons in professional behavior such as; respecting religious doctrine and effect on moral behavior. Virtue means “self-protection and righteous”.

Virtue is internal disincentive powers which is created in human essence and protect him from doing delict acts. The root of all moral goodness is virtue and the root of all evilness is lack of virtue. Each individual has duty of auditing his acts and don’t pass his life in unconsciousness and neglect he should know that he will be audited one day. Religious belief (religious ideology) is dealing with individual judgment of correctness and incorrectness. Therefore, it is reasonable, in particular to theorize that "there is a significant relationship between religiosity and moral judgment", (Siu et al., 2000: 239). Siu et al. (243: 2000) add that several studies conducted in relation to business ethics and religious belief and with the general conclusion that: the relation is real. A requirement condition but not sufficient for a moral code to be effective on a decision is that it will change individual believes, (Lere & et.al.2003:367). Virtue is an important subject of moral value which forces human to do their duties far away from any deviations and depicts while no other moral value has been ordered by God such as virtue. This moral important characteristic, which is the result of trust and belief to God, is the only way of human completeness that has amazing effect on behavior and human cooperation with each other, (Salehi & Sadeghi, 2011:14).

Hasas Yeganeh & et.al. (2016) concluded that the existence of meaningful difference between auditors’ mind and act was result of belief to moral discussions in the individual mind and ability of its use in act
and development of rules and provisions without considering auditors’ moral growth would not be enough.

Sepasi & Hasani (2015: 34) concluded that religious social norms were bringing a mechanism to decrease representative opposition. And while external supervision on corporation was less, the norms were mechanism to supervise on reporting behavior of corporations. So, religious belief level of managers was one of the ways that could have evaluation for corporations. This research conclusion indicated that religious believes and religious levels of managers could play important roles in their decision making.

Keller, Smith & Smith (2007), in their research investigated the future auditors’ moral standards based on the moral models that best described personal decisions. Their research findings indicated that religious doctrine played basic role in the formation of moral standards for most of the students.

Conclusions of the research done by Salehi (2016), indicated that auditor commitment to integration and truth, auditor commitment to professional behavior in auditing profession and auditor professional performance had positive meaningful effect on auditing quality. While professional moral consideration have effect on auditing quality, it is necessary that governed organizations on auditing profession should have more attention to auditing moral aspects.

Salman Panah & Taleb Nia (2013) investigated effective factors on auditors` moral judgment in their research. The research statistic population included 182 employed individuals in the institutes that were organization members, 761 partner employed individual in the institutes that were society members, 257 employed individuals in auditing institutes and 467 unemployed individuals. Research findings indicated that professional behavior legislation of CPAs effected on auditors` moral judgment.

Modares & Rafiei (2008), in their research found that auditors` answers, M.A accounting students` answers and Ph.D. students` answers were thoughtful to lack of performance guarantee of professional behavior and supervision of CPAs in Iran. They expressed that if these two groups didn’t fell continuous and effective supervision on their behavior, moral values will wane severely.

Hasas Yaganeh (2011:62) concluded that in attention to the positive effect of professional behavior legislation on auditing judgment, importance of one unit as professional behavior legislation would be necessary in B.A duration and students should be acquainted with profession subjects and would be aware of society expectations. An important role that a moral code has for an organization is having an effect on decision making.

Sullivan (2004), concluded that the effects of educations such as; deep acquaintance with mentioned contents in professional behavior legislation of auditors’ communities would increase students’ uses of professional judgment in solution of accounting moral problems. Based on the results of this research, accounting masters should prepare the students to be accounting future leaders and they should consider doctrine and rules of professional code of conduct more severely.

Evidence from studies of Lere & et.al. (2003:365) indicated that apparently moral codes had no considerable effect on decision making.

4. RESEARCH CONCEPTUAL MODEL

This research has three variables such as; virtue, self-control and development of ethical behavior. Chart 1 represents the research conceptual model:
RESEARCH QUESTIONS

Based on the mentioned theoretical bases about relationships between virtues, self-control the development of ethical behavior, two questions will be introduced:

1- How is the effect of virtue on the development of ethical behavior in accounting profession?
2- How is the effect of self-control on the development of ethical behavior in accounting profession?

RESEARCH METHODOLOGY

The research method is measuring-analytic. The research statistic population includes experts and specialists in accounting area such as; accounting faculty members, auditors, accountants and senior managers with a focus on corporate finance and accounting professors. 384 individuals have been chosen as the research sample, based on Kerjesi and Morgan Table. Instrument of data gathering is a questionnaire designed by the researcher. At first, a superficial validity questionnaire was given to seven members of accounting board and experts and a final questionnaire was corrected based on their ideas. The received gathered ideas of these individuals indicate that the questionnaire owned suitable superficial and conceptual validity. Then Cronbach Alfa coefficient has been calculated to clarify correlation of each locution (gap) with total score. Conclusions of this coefficient indicate that self-control is 0/914 and virtue is 0/879. It shows that the questionnaire has owned desirable stability. Finally, data and model analyses have been done by Spearman Correlation Coefficient, Linear Regression, and Structural Equations by use of SPSS and Amos software.

TEST OF DATA NORMALITY

To investigate normality distribution of questionnaire variables Kolumo Goroof-Smirnoff Test has been used. Zero hypotheses in this test is normality test of variable distribution. If meaningfulness level of test is less than 0/05, zero hypotheses will be rejected and it can be concluded that data distribution of considered variable is not normal. If meaningfulness level of test is more than 0/05, zero hypotheses will not be rejected and it can be concluded that data have normal distribution.

Table 1. Conclusions of Kolumo Goroof-Smirnoff Test to investigate data following of normal distribution

<table>
<thead>
<tr>
<th>Variable</th>
<th>number</th>
<th>average</th>
<th>Standard deviation</th>
<th>Statistic amount of z</th>
<th>Meaningfulness level</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-control</td>
<td>384</td>
<td>3/2181</td>
<td>0/91484</td>
<td>0/141</td>
<td>0/000</td>
<td>abnormal</td>
</tr>
</tbody>
</table>
As indicated in Table 1, the result of data analysis shows that the meaningfulness level of Kolumo Goroof-Smirnoff Test for all research variables is less than 0.05, zero hypothesis will not be accepted and investigating variable distribution is not normal.

**Investigation the Effect of Self-control Variable on the Development of Ethical Behavior in accounting profession**

Based on the inexistence of normality of variables, Spearman correlation coefficient is used to investigate the relationship between virtue and the development of ethical behavior in accounting profession. The research conclusions of this test have been indicated in Table 2 as follows:

**Table 2. Spearman correlation coefficient relationship between Self-control and ethical behavior in accounting profession**

<table>
<thead>
<tr>
<th>Relationship between self-control and development of ethical behavior</th>
<th>Spearman correlation coefficient</th>
<th>F=281/288</th>
<th>R=0.663</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meaningfulness level of F=0.000</td>
<td>F=281/288</td>
<td>R=0.651</td>
<td></td>
</tr>
<tr>
<td>R²(determination coefficient)=0/424</td>
<td>R=0.651</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on the received meaningfulness level of data analysis which is 0.000 and its comparison with the amount of justified error 0.05 (p<0.05), it can be said by 95 percent certainty that there is a meaningful relationship between self-control and development of ethical behavior in accounting profession. Moreover, the received correlation coefficient is 0.663, this relationship is positive. So, this research hypothesis is accepted.

**Investigation the Effect of Virtue Variable on the Development of Ethical Behavior in Accounting Profession**

Based on the inexistence of normality of variables, Spearman correlation coefficient is used to investigate the relationship between virtue and the development of ethical behavior in accounting profession. The research conclusions of this test have been indicated in Table 3 as follows:

**Table 3. Spearman correlation coefficient relationship between Virtue and Development of Ethical Behavior in Accounting Profession**

<table>
<thead>
<tr>
<th>Relationship between virtue and development of ethical behavior</th>
<th>Spearman correlation coefficient</th>
<th>F=471/958</th>
<th>R=0.729</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meaningfulness level of F=0.000</td>
<td>F=471/958</td>
<td>R=0.743</td>
<td></td>
</tr>
<tr>
<td>R²(determination coefficient)=0.553</td>
<td>R=0.743</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on the received meaningfulness level of data analysis which is 0.000 and its comparison with the amount of justified error 0.05 (p<0.05), it can be said by 95 percent certainty that there is a meaningful relationship between virtue and development of ethical behavior in accounting profession. Moreover, the received correlation coefficient is 0.729, this relationship is positive. So, this research hypothesis is accepted.

**Modeling of Structural Equations and Test of Research Hypotheses**

Totally, research hypotheses have been tested by finding model technique of structural equations and AMOS 23 software. To access research aim, at first data normality test has been performed. Then, validity factoring analysis has been done for each of the questionnaire. Finally, relative model of research questions has been fulfilled.
In this study questionnaire has been used to gather data, so by use of valid factoring analysis of total structure research questionnaires have been evaluated validly conceptual.

Measuring model represents factoring loads of observed (factor) variables for each latent variable. Power of relationship between factor (hidden variable) and observed variable indicates by factoring load. Factoring load is an amount between 0 and 1. If a factoring load is less than 0/3, weak relationship will be considered and factoring load between 0/3 and 0/6 will be average and bigger than 0/6 will be very desirable.

In validating factoring analysis attention to model fitness is very important. Common fitness indicators in measuring models for the research latent variables have been exhibited below. Among the fitness indicators if ratio of Kay-Du to freedom degree is less than 2, model will own more suitable fitness. RMSEA indicator will be desirable if it is less than 0/05. Other indicators will be more desirable if they are nearer to 1.

In following relative picture of these analyses and results of factoring analysis will be exhibited. It should be mentioned that relationship between errors in picture has taken model fitness higher. These relationships have been exhibited based on correction indicator in AMOS software. While there is a higher correction indicator for a relationship, adding of that relationship in the model will cause bettering of that fitness continuously.

**Exploratory Factoring Analysis of Self-control variable**

Received conclusions of KMO-Bartlett have been indicated in table 4. Based on the conclusions levels of validating factoring analysis can be done on data. Mount of more than 0/6 of KMO statistic is a reason of sampling efficiency and certainty level of 0/000 for the test of Bartlett Test load indicates suitability of factoring model. Amount of calculated KMO of self-control variable is 0/705 (more than 0/6), so indicated calculations are efficiencies of sampling.

<table>
<thead>
<tr>
<th>Table 4. Conclusions of KMO-Bartlett Test of self-control variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficiency criterion of KMO sampling</td>
</tr>
<tr>
<td>Test of Bartlett</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

*Source: Author*

In the next level, recognition the numbers of latent factors will be done. In table 5 determination of latent factor numbers has been exhibited in term of special amounts. Column of the first special amounts is indication of the research latent factor numbers and numbers of total special amount are higher than 1 that indicates latent factors. So, column of special amounts of self-control variable will introduce a factor with special amount of higher than 1. So, suggesting factoring structure will have one factor.

<table>
<thead>
<tr>
<th>Table 5. Total variance explained of latent factor of self-control variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
</tbody>
</table>

*Extraction Method: Principal Component Analysis.*

*Source: Author*

<table>
<thead>
<tr>
<th>Table 6. Reproduce correlation matrix based on factoring loads of self-control variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questions</td>
</tr>
<tr>
<td>1- The policy of self-control leads to sluggishness and dysfunction in the accounting profession.</td>
</tr>
<tr>
<td>2- Self-controlling has effective roles in the recent</td>
</tr>
</tbody>
</table>
Chart 2 represents measuring model of self-control latent variable in the condition of standard estimation. Factoring loads of the model in the condition of standard estimation indicates amount of each effect of the variables or locutions in the description and specification variance of variable of main factor scores. In the otherwise, indicated factoring load is amount of correlation of each locution with latent variable.

**Chart 2: Measuring model of self-control variable in standard and substandard estimation conditions**

In this research to investigate suitable model, the relative indicators to the exhibited model fitness have been used in Table 7. Estimation conclusions (model practice) represent the suitability of the model, so received model is validated.

**Table 7. Indicators of the measuring model practice of self-control variable**

<table>
<thead>
<tr>
<th>Indicator title</th>
<th>Amount</th>
<th>Desirable amplitude</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kay Squared</td>
<td>$\frac{x^2}{df}$</td>
<td>2/949</td>
<td>$0 &lt; \frac{x^2}{df} &lt; 5$</td>
</tr>
<tr>
<td>Average error root of approximation squares</td>
<td>RMSEA</td>
<td>0/071</td>
<td>RMSEA $&lt; 0.05$</td>
</tr>
<tr>
<td>Average root of remained squares</td>
<td>RMR</td>
<td>0/016</td>
<td>RMR $\geq 0$</td>
</tr>
<tr>
<td>Goodness of practice</td>
<td>GFI</td>
<td>0/99</td>
<td>GFI $&gt; 0.9$</td>
</tr>
<tr>
<td>Goodness indicator of corrected practice</td>
<td>AGFI</td>
<td>0/96</td>
<td>AGFI $&gt; 0.85$</td>
</tr>
<tr>
<td>Normed practice indicator (Bent leer- Bont)</td>
<td>NFI</td>
<td>0/99</td>
<td>NFI $&gt; 0.90$</td>
</tr>
<tr>
<td>Accommodation practice indicator</td>
<td>CFI</td>
<td>0/99</td>
<td>CFI $&gt; 0.90$</td>
</tr>
<tr>
<td>Increasing practice indicator</td>
<td>IFI</td>
<td>0/99</td>
<td>IFI $&gt; 0.90$</td>
</tr>
</tbody>
</table>

Source: Author

$\frac{x^2}{df}$ : In making model of structural equations, Chi square is a traditional method to evaluate total fitness of model. Based on the statistic, the zero hypotheses is that model has totally fitness with statistic population data. Statistically, when $\frac{x^2}{df}$ is meaningful, this hypothesis will be rejected and represents
that the considered model hasn’t own total fitness and will be rejected. To reject zero hypotheses \( \frac{\chi^2}{df} \) is used, too. While this ratio amount is less than 5, zero hypothesis will be accepted, in the otherwise model has fitted with statistic society data. While amount of \( \frac{\chi^2}{df} \) calculated of service quality structures is zero, it will represent zero hypothesis validity of zero hypothesis and model total practice with statistic population of data, (it should be mentioned that this model is saturation kind). GFI and AGFI: are two fitness indicators and GFI is adjusted fitness indicator and AGFI is absolute fit. Amounts of these indicators should be between zero and 1. Bigger amount than 0/9 represents model acceptable fitness.

Dimensional fitness measurement which will appear in program output, it compares relative fitness indicators and represents that how much model fitness is more suitable than basic line model, in fact independent model. Abnormal fitness indicator (NFI) is in this group, if it amount is close to 1, it will represent good fitness of model. Another indicator of this group is CFI and its amount should be between zero and 1. If amount of CFI is close to 1, it will represent good fitness of model. Calculated amounts indicate validity of model fitness based on these three indicators.

**Measurement Model of Virtue Variable**

In this part factor structure of virtue variable will be investigated. To measure this variable, four locutions have been used, so SPSS 21 software has been used for the exploratory factor analysis on all measures. Mentioned factor analysis has been implemented by use of likelihood optimized method, variance method and special amounts bigger than 1. Table 8 represents received conclusions of KMO-Bartlett Test. Conclusions indicate that performance of factor analysis on data is permitted.

**Table 8. Conclusions of KMO-Bartlett Test of virtue**

<table>
<thead>
<tr>
<th>Efficiency criterion of KMO sampling</th>
<th>0/668</th>
</tr>
</thead>
<tbody>
<tr>
<td>Test of Bartlett Chi-Square</td>
<td>1384/895</td>
</tr>
<tr>
<td>Freedom degree</td>
<td>6</td>
</tr>
<tr>
<td>Meaningfulness level</td>
<td>0/000</td>
</tr>
</tbody>
</table>

*Source: Author*

In the next level, recognition the numbers of latent factors will be done. In table 9 determination of latent factor numbers has been exhibited in term of special amounts. So, suggesting factoring structure will have one factor.

**Table 9. Total variance explained of latent factor of virtue variable**

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total % of Variance</td>
<td>Cumulative %</td>
</tr>
<tr>
<td>1</td>
<td>2.701</td>
<td>67.513</td>
</tr>
<tr>
<td>2</td>
<td>0.780</td>
<td>19.488</td>
</tr>
<tr>
<td>3</td>
<td>0.495</td>
<td>12.366</td>
</tr>
<tr>
<td>4</td>
<td>0.025</td>
<td>0.632</td>
</tr>
</tbody>
</table>

*Extraction Method: Principal Component Analysis.*

*Source: Author*

**Table 10. Reproduce correlation matrix based on factoring loads of virtue variable**

<table>
<thead>
<tr>
<th>Questions</th>
<th>ID (Identification)</th>
<th>Factor loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>5- Accountants consider religious believes in the solution of moral subjects.</td>
<td>Q5</td>
<td>0/774</td>
</tr>
<tr>
<td>6- Individual moral believes are solutions for complex subjects.</td>
<td>Q6</td>
<td>0/621</td>
</tr>
<tr>
<td>7- accounting moral educations believe religious doctrine and orders</td>
<td>Q7</td>
<td>0/928</td>
</tr>
<tr>
<td>8- In the mind of accountants, attitude toward religious</td>
<td>Q8</td>
<td>0/924</td>
</tr>
</tbody>
</table>
After detection of latent virtue, be sure the likelihood relationship between these factors and observable variables are test. Diagram chart 3 represents measuring model of virtue latent variable in the condition of standard estimation.

![Diagram chart 3](image)

**Chart 3. Measuring model of virtue variable in standard and substandard estimation conditions**

In this research to investigate suitable model, the relative indicators to the exhibited model fitness have been used in table 11. Estimation conclusions (model practice) represent the suitability of the model, so received model is validated.

**Table 11. Indicators of the measuring model practice of virtue variable**

<table>
<thead>
<tr>
<th>Indicator title</th>
<th>amount</th>
<th>Desirable amplitude</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-square</td>
<td>0/007</td>
<td>$0 &lt; \frac{x^2}{df} &lt; 5$</td>
<td>Model validated</td>
</tr>
<tr>
<td>Average error root of approximation squares</td>
<td>0/000</td>
<td>RMSEA &lt; 0.05</td>
<td>Model validated</td>
</tr>
<tr>
<td>Average root of remained squares</td>
<td>0/000</td>
<td>RMR $\geq$ 0</td>
<td>Model validated</td>
</tr>
<tr>
<td>Goodness of practice</td>
<td>0/100</td>
<td>GFI $&gt; 0.9$</td>
<td>Model validated</td>
</tr>
<tr>
<td>Goodness indicator of corrected practice</td>
<td>1</td>
<td>AGFI $&gt; 0.85$</td>
<td>Model validated</td>
</tr>
<tr>
<td>Normed practice indicator (Bent leer-Bont)</td>
<td>1</td>
<td>NFI $&gt; 0.90$</td>
<td>Model validated</td>
</tr>
<tr>
<td>Accommodation practice indicator</td>
<td>1</td>
<td>CFI $&gt; 0.90$</td>
<td>Model validated</td>
</tr>
<tr>
<td>Increasing practice indicator</td>
<td>1</td>
<td>IFI $&gt; 0.90$</td>
<td>Model validated</td>
</tr>
</tbody>
</table>

*Source: Author*
As indicated in the above table, the Chi-squared amount for each variable has been desirable in amplitude limit that is acceptable. Average error root amount of approximation squared (RMSEA) for variable of virtue has been 0.080 while amount lower than 0.05 is more suitable. If amount of (RMSEA) indicator is closer to zero, sample will have better fitness. Amount of average roof of remained squares (RMR) should be equal or more than zero and in the investigation this function has happened, so indicator has good fitness. Indicators of goodness fitness, indicator of adjusted fitness goodness, indicator of normed fitness, indicator comparing fitness and indicator of increasing fitness have between 0/90 and 1. If the amounts of mentioned indicators are closer to 1, sample will have better fitness. Amounts of mentioned indicators are more than 0/90, so fitness is suitable.

Based on the received conclusions and their comparisons with accepted amplitude, it can be asserted that all suitability indicators of the above model have been situated in the acceptable amplitude, so coordination of gathered data with the model is desirable. Finally, suitability of final model of moral individual factors of both variables is validated.

**RESEARCH STRUCTURAL MODEL**

![Chart 6: Research structural model with standard and substandard coefficients](chart)

**Fitness Indicators**

Fitness indicators of research total model have been shown in table 12 as follow:

<table>
<thead>
<tr>
<th>The model</th>
<th>X2/df</th>
<th>RMSEA</th>
<th>NFI</th>
<th>CFI</th>
<th>IFI</th>
<th>RFI</th>
<th>PRATIO</th>
<th>PNFI</th>
<th>PCFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accepted amount</td>
<td>&lt;2</td>
<td>&lt;0/05</td>
<td>&gt;0/9</td>
<td>&gt;0/9</td>
<td>&gt;0/9</td>
<td>&gt;0/9</td>
<td>&gt;0/50</td>
<td>&gt;0/50</td>
<td>&gt;0/50</td>
</tr>
<tr>
<td>Calculated amounts</td>
<td>217/993</td>
<td>0/753</td>
<td>0/568</td>
<td>0/567</td>
<td>0/569</td>
<td>0/297</td>
<td>0/333</td>
<td>0/189</td>
<td>0/189</td>
</tr>
</tbody>
</table>

*Source: Author*

Chi-square structural model ratio to freedom degree is 217/99 and is unsuitable. Indicators of comparing fitness are all lower than 90 percent and are unsuitable. RMSEA indicator is higher than 5 percent and is unsuitable. Thrifty indicators (economical) are all lower than 50 percent and are unsuitable, so there is a need to reformation in the model. By use of Amos reform indicators, the model will be reformed and there will be relationships between errors with the highest modification index.

**Research Modification Model**

Chart 7 and table 13 will show research modification model with substandard coefficient and research modification model with standard coefficient and total model estimations sequentially.
As indicated in table 13, independent variables (self-control and virtue) have 37 and 42 percent effects on development of moral behavior in accounting sequentially.

5. DISCUSSION

The research aim is importance specification and necessity of effect of moral individual factors (self-controlling- virtue) on moral behavior development in accounting to suggest effective policies and guidelines to increase attention to this subject based on analysis of the received conclusions. At first, spearman correlation has been calculated for relationship between research variables. Then, linear regression analysis has been done to determine more clear relationship and the effect of each variable.

Investigations of conclusions for the first question indicate that there is positive meaningful relationship between virtue and development of accounting professional behavior. Previous studies indicate to the similar conclusions. Conclusions of the research by Mahdavi & Ali Poor (2009) indicated that virtue role was very important in financial mangers` decisions. Research findings by Keller & et.al. (2007), represented religious bias would cause differences in standards. Moreover, research findings by Hasan GholiPour and et.al. (2010) showed that religious view had effect on Students` moral views. MacGuire `s findings (2012), indicated that virtue was a mechanism to decrease costs of corporation different views while other outside supervisions were less.

Investigations of conclusions for the second question indicate that there is positive meaningful relationship between self-controlling and development of accounting professional behavior. Previous studies indicate to the similar conclusions. Research done by Salman Panah (2012) indicated that professional behavior legislation of Iran certified public accountants was a guideline to specify and solve moral subjects. Research by Hasas Yeganeh & Maghsoudi (2010) represented that achievements of each profession were provisions of each profession and its performance by members. Unfortunately, accounting profession involvers couldn`t provide users` expectations of profession internal and external uses of accounting services. This research is in contrast with Velayutham`s research (2003), which represented that professional behavior legislation from emphasis on moral responsibility tended toward emphasis on specialty professional characteristics of accounting. Finally, Modares & Rafiei (2007), in their research showed that while people trusted auditors relatively, but they knew supervisions of responsible institutes were insufficient and non-transparence.
6. CONCLUSIONS

In the research, the researchers tried to investigate the effect of moral individual factors such as; self-controlling and virtue on moral behavior development in accounting profession and tried to create essential base for moral behavior development. Based on the research results and acceptance of effect of the factors, it is expected that professional institutes try to empower accountants’ individual factors and increase moral behavior development in accounting profession. Answerers believe that accountants will consider religious believes in their decisions. They know moral believes as the solutions for complicated subjects and problems and accountants who have religious approaches will believe on religious doctrine and orders. Moreover, answerers know that self-controlling is the most negative effect of financial scandals. They assert that self-controlling politics are not only against public beneficiaries but also they are laziness and hypothyroidism (less working) in accounting profession. It is suggested that different institutes, organizations and corporations should consider professional knowledge of demanders and their religious bases while they want to employ individuals in their financial expertise. Moreover, they should consider professional behavior to exhibit suitable programs for accountants` educations by their associations.

RESEARCH SUGGESTIONS

Recognition of effective factors on professional behavior changes by use of educational instruments.

Research to be done to exhibit moral education before entering to a profession by accounting professional associations.

LIMITATIONS

In the researches that questionnaires are used, answers may not be correlated with real performance and they may change in real situations of performance method of each individual. So, extensions should be done cautiously. And no individual factors have been considered in the research as; experience, sexuality, culture, age, geographical regions, and kind of educational degrees. These factors can have random effect on the research conclusions.
REFERENCES


