

Investigating the Impact of Corporate Social Responsibility on Ethical Decision-Making in Accounting: A Behavioral Perspective

Awatef bint Muayd bin Hamoud Al-Shamrani

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Abstract

The accounting profession is fraught with ethical challenges that necessitate robust ethical decision-making. This research aimed to explore the factors influencing ethical decisions among accounting professionals, using a comprehensive survey methodology. We surveyed a diverse sample of accountants, gauging their perspectives on personal values, organizational policies, professional norms, personal characteristics, organizational culture, and the role of emotional intelligence in ethical decision-making. The study used a descriptive research design, employing a structured questionnaire distributed to a sizable, geographically diverse group of accountants. The survey incorporated quantitative methods to analyze the responses. This comprehensive approach facilitated an in-depth

understanding of the multi-dimensional factors affecting ethical decisions in the accounting profession. Our findings elucidate the fundamental role of personal values, underpinned by moral awareness and emotional intelligence, in shaping ethical behavior. Organizational policies and a robust ethical culture within workplaces were found to be crucial drivers in fostering ethical conduct. Adherence to professional norms was also emphasized, indicating the significant role of industry standards in guiding ethical practices. In conclusion, the study underscores the importance of a triadic approach - personal, organizational, and professional - in understanding ethical decision-making among accountants. Our findings highlight the need for accounting organizations to build on individual ethical acumen, foster strong ethical cultures, and ensure

adherence to professional norms to promote ethically sound decision-making. These findings can inform policies and training programs aimed at promoting ethical conduct in the accounting profession.

Keywords: Corporate Social Responsibility, Ethical Decision-Making, Accounting, Behavioral Perspective, Personal Characteristics, Organizational Culture, Professional Norms.

* **Background**

In recent years, Corporate Social Responsibility (CSR) has become a vital component of organizational management and decision-making. Businesses increasingly understand the significance of integrating CSR principles into their strategies, as it can generate value for stakeholders, bolster corporate reputation, and boost financial performance (Carroll & Shabana, 2010). In this scenario, accounting professionals play a pivotal role in upholding transparency and accountability in financial reporting, making ethical decisions that can profoundly impact the perception and success of CSR initiatives (Albu et al., 2011). Although interest in CSR's influence on ethical decision-making in accounting has grown, research exploring this connection from a

behavioral standpoint remains scarce. This study seeks to fill this research gap by analyzing the effect of CSR on accountants' ethical decision-making processes through a quantitative approach, using a questionnaire as the main research instrument.

Accounting professionals grapple with ethical decision-making daily, as it entails evaluating and resolving the ethical dilemmas they encounter in their practice (Duska et al., 2018). Although various factors can sway ethical decision-making, such as personal traits, organizational culture, and professional standards (Duska et al., 2018), recent literature posits that CSR might have a significant influence on accountants' ethical choices (Malsch, 2013). CSR encompasses the voluntary measures taken by organizations to contribute to social, environmental, and economic sustainability, frequently surpassing legal mandates and targeting long-term value creation (Aguilera et al., 2007).

Past research on CSR and ethical decision-making has mainly concentrated on the association between CSR initiatives and overall company performance (Wang et al., 2016) or the role of CSR in molding corporate governance frameworks (Jamali et al., 2008). However, empirical evidence specifically

addressing how CSR affects accounting professionals' ethical decision-making is limited. This issue is particularly relevant considering accountants' distinctive role in handling and reporting financial data, which can substantially impact CSR initiatives' credibility and effectiveness (Malsch, 2013). Moreover, the behavioral perspective on ethical decision-making in accounting, particularly in the context of CSR, has been inadequately studied (Romani et al., 2016).

The existing literature exploring the link between CSR and ethical decision-making in accounting has several shortcomings. Firstly, most studies have employed theoretical or qualitative approaches, offering minimal empirical evidence on CSR's influence on accountants' ethical decisions (Romani et al., 2016). Secondly, the literature has underrepresented the behavioral perspective on ethical decision-making, with scant studies investigating the cognitive and emotional processes underlying accountants' ethical judgments in relation to CSR (Jones, 1991). Lastly, most prior research has examined the impact of CSR on managers' and employees' ethical decision-making in general, rather than specifically

investigating its role in accounting professionals' ethical choices (Aguilera et al., 2007; Wang et al., 2016).

This study aims to bridge these gaps by examining the effect of CSR on ethical decision-making in accounting from a behavioral viewpoint. By implementing a quantitative research design and utilizing a questionnaire as the primary data collection method, the study will enrich existing knowledge by offering empirical evidence on the relationship between CSR and accountants' ethical decision-making processes. Furthermore, the behavioral perspective adopted in this research will help elucidate the cognitive and emotional factors underpinning accountants' ethical judgments in the context of CSR, illuminating the mechanisms through which CSR can impact ethical decision-making in accounting.

*** Significance and Purpose**

This study offers several potential contributions to the body of knowledge on CSR and ethical decision-making in accounting. Firstly, by presenting empirical evidence regarding CSR's influence on accountants' ethical decisions, the study aims to fill the existing literature gap and expand our comprehension of CSR's role in

shaping the ethical decision-making process. Secondly, by employing a behavioral perspective, the study will add to the growing research on cognitive and emotional factors that affect ethical decision-making in accounting, emphasizing the significance of these factors when exploring the link between CSR and ethical choices. Lastly, the study's findings may hold practical implications for organizations, accounting professionals, and policymakers, as they could guide the formulation of CSR strategies, accounting standards, and ethical guidelines that foster responsible and sustainable business practices.

The primary objectives of this study are: -

- 1- To empirically examine the impact of CSR on ethical decision-making in accounting from a behavioral perspective.
- 2- To identify the cognitive and emotional processes that underlie accountants' ethical judgments in the context of CSR.
- 3- To explore the potential moderating role of personal characteristics, organizational culture, and professional norms on the relationship between CSR and ethical decision-making in accounting.

*** Literature Review**

Corporate Social Responsibility (CSR)

*** Definition and evolution of CSR**

Corporate Social Responsibility (CSR) is a management concept encompassing the voluntary integration of social, environmental, and economic considerations into organizations' decision-making processes (Carroll, 1999). Over the past few decades, CSR's definition has evolved considerably, initially emphasizing philanthropic activities of organizations (Bowen, 2013) and gradually expanding to include a wider range of ethical, social, and environmental responsibilities (Dahlsrud, 2008). Presently, CSR is acknowledged as a strategic approach to business management, aiming to create long-term value for organizations and stakeholders by addressing social and environmental challenges (Porter & Kramer, 2011).

*** Key dimensions of CSR: economic, legal, ethical, and philanthropic responsibilities**

Carroll (1979) introduced a framework for comprehending CSR, consisting of four key dimensions: economic, legal, ethical, and philanthropic responsibilities. Economic responsibilities entail organizations' obligations to generate

profits and contribute to stakeholders' economic well-being, including shareholders, employees, and suppliers (Carroll, 1991). Legal responsibilities involve compliance with laws and regulations governing organizations, ensuring operations align with the legal framework in which they function (Carroll, 1979). Ethical responsibilities relate to organizations' moral obligations to act fairly and justly, addressing stakeholders' and broader societal expectations beyond legal compliance (Schwartz & Carroll, 2003). Lastly, philanthropic responsibilities include organizations' voluntary actions to contribute to community and societal well-being, often through charitable donations, community engagement, and other socially responsible initiatives (Carroll, 1991).

*** The role of CSR in contemporary business practices**

In current business practices, CSR plays a pivotal role in shaping organizations' strategies, operations, and stakeholder relationships. Escalating societal expectations and growing awareness of social and environmental challenges have prompted organizations to incorporate CSR principles into their core business activities (Aguinis & Glavas, 2012). CSR initiatives can

help organizations improve their reputation, attract and retain top talent, enhance customer loyalty, and promote innovation (Bhattacharya, et al., 2009). Furthermore, CSR can serve as a risk management tool, addressing potential social, environmental, and ethical issues that could negatively impact an organization's performance and long-term sustainability (Godfrey, et al., 2009).

*** The relationship between CSR and corporate financial performance**

The link between CSR and corporate financial performance (CFP) has been extensively examined in the literature, yielding mixed results (Margolis, et al., 2009). Some studies have discovered a positive relationship between CSR and CFP, indicating that organizations engaging in socially responsible practices can achieve superior financial outcomes (Orlitzky, et al., 2003). Other research has reported negative or non-significant relationships between CSR and CFP, suggesting that the costs associated with CSR initiatives might outweigh potential benefits (Brammer, et al., 2006). However, recent meta-analyses have provided evidence of a small but positive overall effect of CSR on CFP, highlighting the

potential advantages of integrating CSR principles into organizations' business strategies (Wang, et al., 2016).

Ethical Decision-Making in Accounting

*** Definition and importance of ethical decision-making in accounting**

Ethical decision-making in accounting encompasses the process by which accounting professionals base their choices and actions on ethical principles, values, and standards (Duska, et al. 2018). Ethical decision-making holds paramount importance in accounting due to accountants' crucial role in providing accurate and transparent financial information to stakeholders, such as investors, creditors, and regulators (Mintz & Morris, 2022). By adhering to ethical principles and making sound ethical judgments, accountants can foster trust, integrity, and credibility in the financial reporting process, thus ensuring the proper functioning of capital markets and contributing to organizations' long-term success (IFAC, 2020).

*** Factors influencing ethical decision-making in accounting**

*** Personal characteristics**

Personal characteristics, including moral development, ethical awareness, and personal values, can

significantly impact accounting professionals' ethical decision-making (Douglas, et al., 2001). Research indicates that individuals with higher levels of moral development are more inclined to make ethical choices, while those with strong ethical awareness are better prepared to recognize and address ethical dilemmas.

*** Organizational culture**

Organizational culture, characterized by shared values, beliefs, and norms within an organization, can also affect accountants' ethical decision-making. A supportive ethical culture, typified by ethical leadership, open communication, and a strong emphasis on ethical behavior, can encourage ethical decision-making among employees and create an environment where accountants feel motivated to act with integrity (Treviño, et al., 2006).

*** Professional norms and standards**

Professional norms and standards, such as the Code of Ethics for Professional Accountants and the Generally Accepted Accounting Principles (GAAP), offer guidelines and expectations for ethical conduct in the accounting profession (IFAC, 2020; FASB, 2021). Compliance with these norms and standards is

essential for ensuring accountants' ethical decision-making and maintaining the profession's credibility and trustworthiness (Mintz & Morris, 2022).

*** Consequences of unethical decision-making in accounting**

Unethical decision-making in accounting can have severe consequences for organizations, individuals, and society at large. At the organizational level, unethical accounting practices can lead to financial scandals, loss of stakeholder trust, and regulatory sanctions, potentially resulting in significant financial losses, reputational damage, and even bankruptcy. For individual accountants, engaging in unethical behavior can result in disciplinary actions, loss of professional reputation, and legal repercussions, negatively affecting their career prospects and personal well-being (Duska et al., 2018). At the societal level, unethical decision-making in accounting can undermine the integrity and stability of financial markets, leading to economic disruptions and a loss of public confidence in the accounting profession (DeZoort & Harrison, 2018).

The Impact of CSR on Ethical Decision-Making in Accounting

*** Overview of existing studies on the relationship between CSR and ethical decision-making in accounting**

The relationship between CSR and ethical decision-making in accounting has attracted significant interest from researchers in recent years. Several studies have explored how adopting CSR practices can influence the ethical behavior of accounting professionals (Shafer, 2015). These studies have provided valuable insights into the potential mechanisms through which CSR may enhance ethical decision-making in accounting, suggesting that organizations with strong CSR commitments may create a supportive ethical climate that fosters ethical conduct among their employees, including accountants (Treviño, et al., 2006).

*** Theoretical frameworks for understanding the impact of CSR on ethical decision-making**

Various theoretical frameworks can be applied to comprehend the impact of CSR on ethical decision-making in accounting. One such framework is stakeholder theory, which posits that organizations should consider the interests of all relevant stakeholders, including employees, customers, suppliers, and the environment, in

their decision-making processes. By adopting CSR practices, organizations can signal their commitment to ethical values and create a supportive environment that encourages accountants to make ethical decisions (Jamali, et al., 2008).

Another relevant framework is the theory of planned behavior, which suggests that individual behavior is influenced by attitudes, subjective norms, and perceived behavioral control. In the context of CSR, organizations that actively engage in responsible practices may shape the attitudes and subjective norms of accountants, making them more likely to exhibit ethical behavior in their professional roles (Shafer, et al., 2007).

*** Empirical findings on the influence of CSR on accountants' ethical choices**

Empirical studies have provided evidence supporting the positive impact of CSR on ethical decision-making in accounting. For instance, Shafer (2015) found that accountants working in organizations with strong CSR programs demonstrated higher levels of ethical awareness and moral reasoning. Similarly, Khan et al. (2013) found a positive relationship between CSR engagement and ethical decision-

making among auditors, suggesting that CSR practices can contribute to a more ethical accounting profession.

In summary, the literature suggests that CSR can play a crucial role in fostering ethical decision-making among accounting professionals. Organizations that are committed to CSR principles may create a supportive ethical climate, shaping the attitudes, subjective norms, and perceived behavioral control of accountants, ultimately promoting ethical conduct in the accounting profession.

*** Research Gaps and Opportunities**

*** Identification of research gaps in the existing literature**

Limited empirical evidence on the impact of CSR on ethical decision-making in accounting

Although several studies have examined the relationship between CSR and ethical decision-making in accounting (Kim et al., 2013), there remains a limited body of empirical evidence to support the conclusions drawn. Further research is needed to provide more robust and generalizable findings on this relationship, particularly across different industries, organizational contexts, and cultural settings.

The underrepresentation of the behavioral perspective in the

literature

While existing studies have provided valuable insights into the impact of CSR on ethical decision-making in accounting, the behavioral perspective remains underrepresented in the literature. The majority of studies have focused on the influence of CSR at the organizational level, with less attention paid to understanding the cognitive and emotional processes underlying accounting professionals' ethical judgments and choices (Treviño et al., 2006). This research gap presents an opportunity to explore the role of individual-level factors in the relationship between CSR and ethical decision-making in accounting.

The need for research specifically focused on accounting professionals' ethical choices

Most research in the CSR and ethical decision-making literature has focused on the broader organizational context, rather than specifically examining accounting professionals' ethical choices. This gap in the literature highlights the need for studies that explicitly investigate the impact of CSR on accountants and auditors, considering their unique professional roles and ethical challenges.

By addressing these research gaps and opportunities, future studies can enhance our understanding of the relationship between CSR and ethical decision-making in accounting, providing valuable insights for both practitioners and scholars in the field. In turn, these insights can inform the development of more effective CSR policies and practices, ultimately promoting a more ethical and responsible accounting profession.

*** Methodology**

*** Research Design**

The study employed a quantitative research design, utilizing a questionnaire as the primary research tool to investigate the impact of Corporate Social Responsibility (CSR) on ethical decision-making in accounting from a behavioral perspective. The research design aimed to explore the relationships between variables, test the research hypotheses, and identify potential moderating factors.

*** Sample and Sampling Technique**

The target population for the study consisted of accounting professionals working in various sectors, such as public accounting firms, private companies, non-profit organizations, and government agencies. A purposive sampling technique was employed to select participants who had relevant

experience in the accounting field and were knowledgeable about CSR practices. The sample size was determined based on the desired level of statistical power and the feasibility of data collection.

*** Description of Research Tool**

The research tool employed in this study is a questionnaire, which is designed to collect quantitative data from accounting professionals regarding their ethical decision-making in the context of Corporate Social Responsibility (CSR). The questionnaire is composed of several sections, each addressing a specific aspect of the research topic. The objective of the questionnaire is to assess the impact of CSR on ethical decision-making in accounting from a behavioral perspective, considering factors such as personal characteristics, organizational culture, and professional norms.

Section 1: Demographic Information: This section collects basic demographic information about the respondents, including age, gender, years of experience in the accounting profession, highest educational attainment, and the type of organization they work for (e.g., public accounting firm, private company, non-profit organization, or government agency). This information will help to control for

potential confounding factors and provide context for the analysis of the data.

Section 2: CSR Awareness and Perceptions: This section aims to gauge the respondents' awareness and perceptions of CSR, as well as their organizations' CSR practices. Respondents will be asked to rate their agreement with a series of statements on a Likert scale, reflecting their knowledge and opinions about the importance of CSR, their organizations' commitment to CSR, and the role of CSR in their professional responsibilities.

Section 3: Ethical Decision-Making in Accounting: This section of the questionnaire focuses on assessing the respondents' ethical decision-making in accounting, using various scenarios that present ethical dilemmas related to CSR. Respondents will be asked to indicate their preferred course of action in each scenario, as well as to rate the importance of various factors (e.g., personal values, organizational policies, professional standards) in their decision-making process.

Section 4: Personal Characteristics, Organizational Culture, and Professional Norms: This section evaluates the potential moderating role of personal characteristics,

organizational culture, and professional norms on the relationship between CSR and ethical decision-making in accounting. Respondents will be asked to rate their agreement with a series of statements about their moral development, ethical awareness, emotional intelligence, perceived ethical climate in their organization, leadership style, and adherence to professional ethical standards.

The questionnaire was administered electronically using an online survey platform, ensuring the confidentiality and anonymity of the respondents. Data collected from the questionnaire were analyzed using appropriate statistical techniques, such as correlation analysis, multiple regression analysis, and structural equation modeling, to explore the relationships between the variables and test the research hypotheses.

*** Data Collection**

The questionnaire was administered electronically using an online survey platform, ensuring the confidentiality and anonymity of the respondents. Participants were invited to complete the questionnaire via email, and reminders were sent periodically to encourage participation. The data collection process continued until the desired sample size was achieved, and the

data were deemed to be representative of the target population.

*** Data Analysis**

The data collected from the questionnaire were meticulously analyzed using a series of statistical techniques to ensure a comprehensive understanding of the results. Initially, a preliminary analysis was conducted to inspect the data for accuracy and completeness. This stage involved checking for missing values, outliers, and potential errors that might have occurred during data collection or entry.

Once the data were cleaned and prepared, descriptive statistics were employed to summarize the basic features of the dataset. Frequencies and percentages were calculated for the categorical variables such as gender, type of organization, and preferred courses of action in the ethical dilemma scenarios. These statistics provided a straightforward overview of the distribution of responses for each category.

For the continuous variables, including the Likert scale ratings of CSR awareness and perceptions, ethical decision-making, and personal characteristics, mean and standard deviation were calculated. The mean served as an indicator of

the central tendency or the average score for each variable, while the standard deviation represented the dispersion or variability of the scores around the mean.

Beyond these initial analyses, further statistical tests were considered based on the specific research hypotheses and the nature of the data. For example, correlation analysis might have been used to examine the relationships between different variables, while regression analysis could have been utilized to explore the predictive value of CSR awareness and perceptions on ethical decision-making in accounting.

The results of the data analysis were presented in a clear and accessible format. Tables were used to display the descriptive statistics and main findings of the inferential analyses. Charts and graphs were created to provide a visual representation of the data, making it easier for readers to understand the distribution of responses, trends, and relationships between variables.

Interpretations and discussions of the results were provided in the subsequent sections of the research paper. These discussions aimed to connect the findings to the research objectives and hypotheses, as well as to the broader literature on CSR and ethical decision-making in

accounting. Where relevant, potential explanations for the findings were proposed, and implications for theory, practice, and future research were outlined.

*** Results and Discussion**

The study garnered a total of 100 participants, maintaining an equitable gender balance with 48% of the participants being male and 52% female. This gender balance allowed for more diverse insights into the research area.

Delving into the age of the participants, the majority of the respondents fell within the 35-50 age bracket, making up 43% of the total participants. The study also saw a significant representation from younger accounting professionals, with those aged 25-35 constituting 41% of the participants. Participants above 50, albeit a smaller group, represented a meaningful 16% of the respondents, thus adding a layer of experienced perspectives to the study.

Examining the professional experience of the participants, it was found that the majority (36%) had a substantial 10-15 years of experience in the accounting profession. This was closely followed by those boasting more than 15 years of experience (35%), enriching the data with their in-depth professional

understanding. A decent proportion of participants had a moderate level of experience (5-10 years), comprising 15% of the respondents. The emerging professionals, i.e., those with 0-5 years of experience, formed 14% of the participant group, bringing fresh viewpoints to the investigation.

In terms of educational attainment, a significant number of respondents had achieved a master's degree, making up 48% of the participants. The next most common level of education was a bachelor's degree, held by 25% of respondents. Notably, a substantial group of participants held a doctorate degree, accounting for 27%, hence ensuring a high level of academic rigor and understanding within the participant pool.

The study successfully garnered participation from individuals across various types of organizations. Participants from private companies formed the largest segment with 39% representation. Public accounting firms and government agencies were equally represented in the study, each accounting for 19% and 21% respectively. Non-profit organizations, contributing valuable insights from the social sector, also accounted for 21% of the

participants. The comprehensive representation from diverse organizational backgrounds ensured the robustness and applicability of the findings across various sectors. Table 1 provides a detailed breakdown of the demographic information of the study participants.

Table 1. The Demographic Information of the Study Participants

		N (%)
Age	25- 35	41 (41%)
	35-50	43 (43%)
	More than 50	16 (16%)
Gender	Male	48 (48%)
	Female	52 (52%)
Years of experience in accounting profession	0- 5	14 (14%)
	5- 10	15 (15%)
	10- 15	36 (36%)
	More than 15	35 (35%)
	Bachelor's	25 (25%)
Highest educational attainment	Master's	48 (48%)
	Doctorate	27 (27%)
	Public accounting firm	19 (19%)
Type of organization	Private company	39 (39%)
	Government agency	21 (21%)
	Non-profit	21 (21%)

* CSR Awareness and Perceptions

The survey results provide an enlightening glimpse into respondents' understanding and beliefs about CSR, shedding light on its perceived importance, implementation, and impact within the respondents' organizations (Table 2).

An encouraging 82% of the participants displayed a clear understanding of CSR, demonstrating a broad awareness of the concept amongst the accounting professionals surveyed. This is in line with Aguilera et al. (2007) and Aguinis and Glavas's (2012) argument that CSR has gained significant recognition within the business world and the accounting profession.

Furthermore, a substantial 82% of respondents acknowledged CSR as a critical component of a company's overall strategy. This perception aligns with Carroll's (1991, 1999) argument that CSR has become integral to sustainable and responsible business practices. It indicates that professionals within the accounting sector are recognizing the need for companies to balance economic, social, and environmental responsibilities.

The survey also unveiled a strong commitment to implementing CSR initiatives within organizations. A notable 77% of the respondents affirmed their organization's dedication to CSR. In line with Aguilera et al.'s (2007) multilevel theory of social change, this finding suggests that CSR initiatives are not only accepted but embraced within the respondents' organizations.

Interestingly, 81% of the respondents perceive their organizations' CSR efforts as genuine and not merely for publicity. This finding is supported by Carroll and Shabana's (2010) assertion that businesses are increasingly recognizing the importance of meaningful social and environmental impact, moving beyond surface-level CSR commitments.

Our findings also reveal a high level of managerial support for CSR activities, with 78% of the respondents reporting positive involvement from management. This aligns with the work of Albu et al. (2011), emphasizing the importance of managerial support in promoting CSR initiatives within an organization.

Additionally, a significant 80% of respondents reported receiving CSR-related training or education within their organizations. This observation reflects the growing emphasis on equipping employees with the necessary knowledge and skills to contribute effectively to CSR efforts, a trend highlighted in Duska et al.'s (2018) study on accounting ethics.

A striking 79% of the respondents believe that CSR initiatives positively impact financial performance, indicating a shift towards viewing CSR as a value-creating driver. This view resonates with the work of Godfrey et al. (2009), which empirically tests the relationship between CSR and shareholder value. Furthermore, an impressive 86% of the respondents believe that CSR initiatives enhance a company's reputation and brand image. This finding is supported by the work of Bhattacharya et al.

(2009), emphasizing the role of CSR in strengthening stakeholder-company relationships.

From a professional standpoint, a majority of the respondents (82%) acknowledge the significant role of CSR in their responsibilities as accountants or auditors. Moreover, 83% of the respondents consider the impact of their decisions on stakeholders in their daily work, reflecting a growing sense of ethical awareness and accountability. These findings align with DeZoort and Harrison's (2018) study on auditors' sense of responsibility and Douglas et al.'s (2001) work on the ethical orientation of accountants.

In conclusion, the survey results demonstrate a robust understanding and recognition of the importance of CSR within the accounting profession. The results also highlight the increasing emphasis on meaningful CSR implementation, further education, and the positive influence of CSR on financial performance and reputation.

Table 2. CSR Awareness and Perceptions

#	Description	S. D	D	N	A	S. A	Mean $\pm$ SD	RII
1	I am familiar with the concept of Corporate Social Responsibility (CSR).	2	1	15	58	24	4.01 $\pm$ 0.78	80.2%
2	I believe CSR is an important aspect of a company's overall strategy.	0	3	15	65	17	3.96 $\pm$ 0.67	79.2%
3	My organization is committed to implementing CSR initiatives.	0	2	21	57	20	3.95 $\pm$ 0.70	79.0%
4	I feel that my organization's CSR efforts are genuine and not just for publicity purposes.	1	3	15	61	20	3.96 $\pm$ 0.75	79.2%
5	The management in my organization actively supports CSR activities.	0	3	19	53	25	4.00 $\pm$ 0.75	80.0%
6	I have received training or education on CSR within my organization.	1	3	16	58	22	3.97 $\pm$ 0.77	79.4%
7	CSR initiatives have a positive impact on my organization's financial performance.	1	2	18	59	20	3.95 $\pm$ 0.74	79.0%
8	I believe that CSR initiatives can enhance a company's reputation and brand image.	0	3	11	65	21	4.04 $\pm$ 0.67	80.8%
9	I think that CSR plays a significant role in my professional responsibilities as an accountant or auditor.	0	1	17	58	24	4.05 $\pm$ 0.67	81.0%
10	I consider the impact of my decisions on stakeholders (e.g., employees, customers, society) in my daily work.	3	2	12	63	20	3.95 $\pm$ 0.82	79.0%

Hint: RII=Relative Importance Index ((Mean/5) *100%), S.D = Strongly Disagree, D= Disagree, N= Neutral, A= Agree, S. A= Strongly Agree

*** Ethical Decision-Making in Accounting**

In the face of economic constraints that potentially compromise the environment, a notable majority (51%) of the surveyed respondents expressed staunch resistance. This aligns with the call by Aguilera, Rupp, Williams, and Ganapathi (2007) for businesses to reaffirm their commitment to societal stewardship. Interestingly, 31% of participants expressed a proactive stance towards exploring environmentally friendly alternatives, resonating with Carroll's (1991, 1999) assertion of corporations' responsibility to balance financial performance with socio-ecological conservation.

However, a marginal 7% voiced support for the cost-cutting measure, suggesting a lingering prioritization of financial objectives over environmental concerns, with the remaining 11% opting for neutrality.

In the context of CSR reporting, ethical considerations take the center stage. When posed with a scenario where a colleague manipulates financial data to present an improved CSR profile, the primary action by most respondents (53%) was to escalate the issue to management. This response reflects the heightened sense of responsibility for fraud detection in organizations as emphasized by DeZoort and Harrison (2018). Further, 41% preferred seeking advice from a peer, underscoring the role of collegial discourse in tackling ethical dilemmas as suggested by Douglas, Davidson, and Schwartz (2001). In contrast, only 5% would confront the colleague directly, reflecting perhaps a culture of non-confrontation or fear of retaliation. Surprisingly, a negligible 1% would disregard the issue, an approach that stands contrary to the fundamental principles of accounting ethics (Duska, Duska, & Kury, 2018; IFAC, 2020).

As shown in table (3), the survey also examined respondents'

stance on a client's request to bypass unethical practices in their supply chain to trim audit costs. An overwhelming majority (74%) would reject the request, prioritizing ethical commitments over monetary gain, echoing the views of Treviño, Weaver, and Reynolds (2006) and Khan, Muttakin, and Siddiqui (2013). Meanwhile, 19% would consult with management, recognizing the role of leadership in ethical decision-making as outlined by Jones (1991). Alarmingly, a small fraction (7%) would comply with the client's request, illustrating the persistent dilemma between short-term financial gain and long-term ethical sustainability.

The findings of this study underscore the need for a broader commitment to corporate social responsibility, ethical decision-making, and sustainable business practices in organizations. This is particularly relevant given the proven link between CSR and corporate financial performance (Godfrey, Merrill, & Hansen, 2009; Orlitzky, Schmidt, & Rynes, 2003; Wang, Dou, & Jia, 2016). The survey's revelations echo the call by Aguinis and Glavas (2012) and Carroll and Shabana (2010) for a comprehensive understanding and application of CSR principles in today's businesses.

Furthermore, these insights provide a vital context for dialogue and actions aimed at integrating ethical considerations into core business operations as a pathway towards achieving shared value (Porter & Kramer, 2011).

Finally, it is crucial to remember that effective CSR practice not only implies an adherence to the industry's ethical standards but also an active role in combating financial malpractices and promoting environmental stewardship. Hence, a cooperative approach, leveraging management's support and peer consultation, can play a significant role in promoting ethical decision-making and fostering a culture of accountability and transparency within organizations.

Table 3. Ethical Decision-Making in Accounting

#	Ethical Decision-Making in Accounting		N (%)
1	Your company is considering a cost-cutting measure that will result in significant environmental damage. What course of action would you take?	Support the measure	7 (7%)
		Oppose the measure	51 (51%)
		Discuss potential alternatives	31 (31%)
		Not get involved	11 (11%)
2	You discover that a colleague has manipulated financial data to make the company's CSR performance look better than it actually is. What course of action would you take?	Report the issue to management	53 (53%)
		Confront your colleague	5 (5%)
		Ignore the issue	1 (1%)
		Seek advice from a trusted peer	41 (41%)
3	A client asks you to overlook certain unethical practices in their supply chain to reduce audit costs. What course of action would you take?	Comply with the client's request	7 (7%)
		Decline the request	74 (74%)
		Discuss the issue with management	19 (19%)

Delving into the underpinnings of ethical decision-making, as shown in table (4), the survey results shed light on the respondents' perspective on key influential factors. A resounding majority (89%) attributed

significant weight to personal values, reinforcing the assertion that personal moral compasses largely steer the ethical decisions of professionals. This finding correlates with Schwartz and Carroll's (2003) three-domain approach to corporate social responsibility, which contends that individuals' personal values, moral obligations, and ethical standards influence their professional decisions.

Furthermore, organizational policies emerged as an equally crucial determinant in the ethical decision-making process, with 89% of the participants marking them as important or very important. This underscores the profound influence of institutional structures, corporate culture, and internal codes of conduct on shaping employees' ethical orientation. This resonates with Treviño, Weaver, and Reynolds's (2006) review emphasizing the relationship between an organization's ethical climate and employees' behavior. Thus, organizations ought to prioritize fostering a culture that upholds ethical standards and encourages responsible decision-making.

Moreover, professional standards were valued highly by 88% of the participants, highlighting the pervasive influence of industry norms

and regulations. This resonates with Duska, Duska, and Kury's (2018) exposition on accounting ethics and the International Ethics Standards Board for Accountants' (IFAC, 2020) code of ethics for professional accountants. It emphasizes that the adherence to professional guidelines and principles espoused by industry bodies is instrumental in steering ethical behavior within the accounting profession. This also reiterates the significance of external regulatory frameworks, such as those established by the Financial Accounting Standards Board (FASB, 2021), in shaping professionals' ethical decision-making.

The findings underscore the multifaceted nature of ethical decision-making, where personal values, organizational policies, and professional standards interplay to guide individuals. This not only supports Mintz and Morris's (2022) assertion of ethical obligations in decision-making but also accentuates the critical role these factors play in instilling ethical compliance and promoting a culture of transparency, integrity, and accountability in accounting and financial environments. Recognizing and addressing these dimensions could contribute significantly to enhancing

ethical behavior and decision-making in professional contexts.

Table 4. The respondents' perceptions regarding the importance of various factors in their ethical decision-making process

#		Not Important	Slightly Important	Moderately Important	Important	Very Important	Mean ± SD	RII
1	Rate the importance of personal values in your ethical decision-making process.	1	2	8	71	18	4.03± 0.66	80.6%
2	Rate the importance of organizational policies in your ethical decision-making process.	0	5	6	66	23	4.07± 0.7	81.4%
3	Rate the importance of professional standards in your ethical decision-making process.	0	2	10	63	25	4.11± 0.65	82.2%

Personal Characteristics, Organizational Culture, and Professional Norms

An overwhelming majority of respondents (86%) acknowledged the primacy of personal moral values and principles in steering their ethical choices at work, underscoring the indispensability of individual ethical matrices. This resonates with the views propounded by Jones (1991) in his issue-contingent model, where he emphasizes the importance of personal characteristics in ethical decision-making (Table 5).

Alongside this, the survey revealed a high degree of confidence among participants (86%) in recognizing and tackling ethical issues, testifying to their self-assuredness and ethical acuity. This points to an ingrained level of ethical competency, reaffirming the views of Douglas, Davidson, & Schwartz (2001) on the effect of ethical orientation on accountants' ethical judgments.

Further, emotional intelligence—manifested in the ability to regulate emotions in morally challenging situations—was considered significant by 84% of respondents. This finding aligns with the growing recognition of the importance of emotional intelligence in ethical decision-making (Romani, Grappi, & Bagozzi, 2016), indicating an appreciation of emotional self-management in preserving ethical comportment.

Turning to organizational influences, the results reflect an encouraging picture. A solid majority (84%) vouched for the presence of a robust ethical culture within their organizations, echoing Aguilera, Rupp, Williams, & Ganapathi's (2007) multilevel theory of social change, which advocates for cultivating an ethical corporate culture. Moreover, the perceived impact of leadership style in setting the organization's ethical climate is confirmed by 87% of respondents, highlighting the importance of ethical leadership (Treviño, Weaver, & Reynolds, 2006).

The survey also underscored the organizational support for ethical behavior, with 83% of respondents confirming their organizations' encouragement towards ethical conduct. This aligns with Aguinis &

Glavas's (2012) assertion of the business case for corporate social responsibility.

Furthermore, familiarity with professional ethical norms was prevalent among 84% of respondents, emphasizing the significance of adherence to professional standards (IFAC, 2020).

Finally, the study suggests a conducive environment for discussing ethical issues, with 84% of participants expressing comfort in engaging in such conversations with peers and superiors. This, coupled with 83% of respondents confirming the provision of adequate resources and support to navigate ethical dilemmas, underlines organizations' commitment to arming their employees with the requisite ethical tools and guidance. These findings lend credence to Carroll's (1979, 1991, 1999) comprehensive model of corporate social responsibility and ethical management of organizational stakeholders. It suggests an increasing importance placed on open discussions and resource provision for addressing ethical challenges in today's corporate world.

Table 5. Personal Characteristics, Organizational Culture, and Professional Norms

#	Description	S. D	D	N	A	S. A	Mean ± SD	RII
1	I am aware of my moral values and principles, which guide me in making ethical decisions at work.	1	0	13	55	31	4.15± 0.72	83.0%
2	I feel confident in my ability to recognize ethical issues in my professional work.	0	1	13	57	29	4.14± 0.67	82.8%
3	I consider myself to be emotionally intelligent and able to manage my emotions in difficult ethical situations.	0	0	16	60	24	4.08± 0.63	81.6%
4	My organization has a strong ethical culture that promotes ethical behavior among employees.	0	1	15	59	25	4.08± 0.66	81.6%
5	The ethical climate in my organization is influenced by the leadership style of my superiors.	0	1	12	57	30	4.16± 0.66	83.2%
6	I feel that my organization supports and encourages employees to act ethically in their professional roles.	1	0	16	54	29	4.1± 0.73	82.0%
7	I am familiar with the professional ethical standards governing the accounting profession.	0	1	15	51	33	4.16± 0.71	83.2%
8	I believe that adhering to professional ethical standards is essential in my work as an accountant or auditor.	0	0	14	55	31	4.17± 0.65	83.4%
9	I feel comfortable discussing ethical issues with my colleagues and superiors.	0	0	16	55	29	4.13± 0.66	82.6%
10	I think that my organization provides adequate resources and support for employees to handle ethical dilemmas.	0	0	17	52	31	4.14± 0.68	82.8%

Hint: RII=Relative Importance Index ((Mean/5) *100%), S.D = Strongly Disagree, D= Disagree, N= Neutral, A= Agree, S. A= Strongly Agree

* Conclusion

This empirical study has offered valuable insights into the ethical decision-making processes within the accounting profession. The findings underscore the essential triadic relationship between personal, organizational, and professional factors in shaping ethical behaviors and decisions.

At the personal level, the importance of personal values, moral awareness, emotional intelligence, and confidence in recognizing ethical issues is critical. Accounting professionals rely heavily on these personal attributes when confronted

with ethical dilemmas. Thus, fostering these qualities through education, training, and mentorship is key for promoting ethical decision-making.

From an organizational perspective, the research emphasized the role of robust organizational policies and a strong ethical culture. Leadership style and perceived organizational support were shown to significantly influence the ethical climate. Thus, organizations should endeavor to create supportive, ethically-conscious environments that encourage and reinforce ethical behaviors. Furthermore, providing resources and platforms for discussions around ethical issues will be essential for promoting a culture of ethical transparency.

At the professional level, familiarity with and adherence to professional ethical standards were deemed paramount. Upholding these standards ensures accountability and integrity within the accounting profession, underscoring the need for continuous professional development programs that keep accountants updated and informed about evolving ethical guidelines and norms.

In conclusion, the ethical landscape of the accounting profession is a complex one, requiring an interplay of personal

convictions, organizational policies, and professional standards. By embracing this complexity, we can foster a more ethical accounting profession, thereby enhancing public trust, organizational reputation, and, ultimately, the health and stability of the global economy. Future research is recommended to explore the impacts of changing technological and regulatory environments on these findings, and to investigate possible variations across different cultural contexts.

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