Global Financial Accounting Journal, Vol. 08, No. 01, April 2024
ISSN: 2655-836X
https://journal.uib.ac.id/index.php/gfa

Research Paper

LINKING ETHICAL AWARENESS TO TRANSPARENCY: THE MEDIATING EFFECT OF ETHICAL DECISION-MAKING

Widijaya[1*], Ariyanto Richard Pratama[2]

[1,2]Universitas Internasional Batam
* Corresponding author: widijaya.tan@uib.ac.id

ABSTRACT

This study aims to determine the impact of ethical awareness and ethical decision-making on transparency. The population in this study comprises employees working in public accounting firms and tax consulting firms in Batam City. The data collection method employed a Likert scale questionnaire. The data analysis methods used multiple linear regression with the SPSS 22 program (Statistical Package for the Social Sciences). The results indicated that ethical awareness has a significant positive effect on ethical decision-making. Both ethical awareness and ethical decision-making have a significant positive effect on transparency.

Keywords: Ethical Awareness, Ethical Decision Making, Transparency

JEL code: G22, M42

Article History Received : April 2024 Revised : Mei 2024 Accepted : Juli 2024	DOI : http://dx.doi.org/10.37253/gfa.v8i1.9394 Web : https://journal.uib.ac.id/index.php/gfa/issue/view/113
Citation Widijaya & Pratama, A. R. (2024). Ethical awareness, ethical decision making, and transparancy. *Global Financial Accounting Journal, 8*(1), 53-64. doi: http://dx.doi.org/10.37253/gfa.v8i1.9394	

INTRODUCTION

Efforts towards transparency aim to make reliable information available, providing clarity, insight, and effectiveness while eliminating obscurity and secrecy. In addition to complete transparency, different levels of transparency are required. For instance, information may be only partially published, unclear, or not published at all. These variations can significantly impact the quality and quantity of information available (Albu & Flyverbom, 2019). Transparency is a critical requirement in company financial reports. Some companies, at times, intentionally omit material information, leading investors to make incorrect decisions. For instance, the collapse of the renowned company Enron was due to the absence of material information, causing investors to incur substantial losses. Verification is necessary to ensure that financial reports are free from misstatements and have been prepared in accordance with the accounting standards applicable in Indonesia. A professional accountant or auditor must possess ethical sensitivity as it influences their behavior in making ethical decisions, thereby fostering public trust in the professional accounting profession (Muslichah, Wiyarni, & Maria, 2017).

A high professional commitment from an auditor or accountant will influence the decision not to approve materially misstated financial reports, as auditors and accountants are aware that this could harm their profession (Hendi & Sitorus, 2023). On the other hand, a low professional commitment from an auditor or accountant may influence the approval of materially misstated financial reports due to the prioritization of client desires over compliance with professional responsibilities (Lord & DeZoort, 2001). An auditor's moral choice will shape the ethical attitude of the entire audit function, which will then determine the level of objectivity of the internal audit function (Jachi & Yona, 2019). This suggests that an auditor's ethical awareness can directly impact the objectivity of a company's financial reports.

The transparency of financial reports is closely tied to the ethics of an accountant or auditor. The accuracy of the numbers in financial reports must be ensured, and they must be free from manipulation or the interests of company management, such as attracting potential investors. Regardless of the results of the prepared financial report, an accountant is required to make decisions based on their ethical awareness, without considering personal or management interests. This means that financial reports must be presented transparently to benefit internal and external parties in making appropriate decisions (Türegün, 2018). A professional accountant must possess ethical sensitivity as it influences their behavior in making ethical decisions, thereby fostering public trust in the professional accounting profession (Muslichah *et al*., 2017). Accountants and auditors, as preparers and examiners of financial reports, are committed to upholding proper ethics. This commitment ensures that any deviations from accounting standards can be corrected, resulting in financial reports that comply with the accounting standards in Indonesia.

There are many cases of financial report transparency issues in Indonesia. One such case involves a well-known airline, PT. Garuda Indonesia Tbk. Garuda Indonesia reported a net loss of US$ 175.028 million. This contradicts the data from the previously released financial report, which recorded a profit of US$ 809,846. This problem arises when income recognition does not comply with the regulations of financial accounting standards (Sugianto, 2019). A similar case also occurred with PT. Hanson International Tbk (MYRX). Hanson International was proven to have modified the presentation of its 2016 financial report regarding ready-to-build plots worth IDR 732 billion, which resulted in a sharp increase in Hanson International's income. PT. Hanson International Tbk (MYRX) was legally proven to have violated PSAK 44 concerning Accounting for Real Estate Activities because it was unable to prove the Sale and Purchase Agreement (PPJB), one of the criteria for recognizing sales revenue (Idris, 2020). The cases of PT. Garuda Indonesia Tbk and PT. Hanson International Tbk serve as examples of the importance of transparency in company financial reports in providing information regarding the company's financial condition. Transparency in a company's financial reports can be achieved by increasing ethical awareness and ethical decision-making.

This research aims to explore the impact of ethical awareness, ethical decisions, and transparency. There is currently minimal research on ethical awareness and transparency, which has piqued the author's interest in conducting this study. The author hopes that this research will foster increased awareness among all parties about the importance of transparency in producing reliable and relevant information. Transparency can be defined as the unobstructed flow of information, free from stakeholder interests, making it a crucial pillar in corporate governance (Jachi & Yona, 2019). The transparency of a company's financial reports serves as a benchmark for the extent to which a company fulfills its social responsibility. More frequent and continuous disclosure of information suggests that a company's information environment has better social responsibility compared to companies with less frequent and less continuous information disclosure (Edi & Yopie, 2019; Jo & Kim, 2007). The disclosure of transparent financial reports is crucial because it allows investors and other users of financial reports to evaluate a company's financial position. This transparency can facilitate better decision-making and build public trust in the company (Türegün, 2018).

Transparency can act as a two-way mirror, in that what a company discloses in its financial reports can influence the actions taken by stakeholders and shareholders. Transparency can also play a pivotal role in boosting company performance by increasing employee contributions. Transparent reports result in fewer surprises following the publication of financial reports, which can motivate employees to strive for the company's future success (Abdullah *et al*, 2015). Full transparency is not always possible or desirable in certain situations, as it can violate privacy, make employees subjective, or reveal trade secrets. Therefore, the level of transparency required varies. From an organizational perspective, transparency is related to the sharing of information and the perceived quality of the shared information. Transparency presents a challenge because it is a prerequisite for achieving moral awareness. It prevents other parties from assessing various decision outcomes necessary for moral motivation, thereby affecting moral actions such as accountability and trust (Lehner *et al*, 2022).

Ethical decisions can be defined as decisions that are morally valid and widely accepted, even though the concept of ethical/moral can be challenging to define with certainty (Schwartz, 2016). Ethical decisions can also be understood as decisions made by individuals in situations of moral conflict (Muslichah *et al*., 2017). The importance of ethical decisions lies in their ability to discern right from wrong in a given situation, leading to consequences that may either harm or benefit others (Wawo *et al* , 2015).

Ethical assessment is a crucial component in ethical decision-making as it is required to address various ethical issues that emerge, such as those related to culture, organization, and individual characteristics. If the decision-maker can recognize the ethical problem, it must be promptly addressed, evaluated, and resolved through available alternatives. The ultimate goal is for the decision to be officially accepted by law and morally by the broader community (Wawo *et al*., 2015; Yopie & Robin, 2023).

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Ethical Awareness

Ethical awareness is the attitude of some individuals in recognizing situations that can cause moral mistakes or harm individuals and entities (Gok *et al*., 2017). An action is considered ethical if it aligns with desired goals. The ideal of awareness guides individuals to act in the most ethically acceptable manner. If an action contradicts these goals, it risks being unethical. Individuals often feel unprepared to handle the ethical challenges they encounter in practice, which can lead to moral distress and burnout. Therefore, developing ethical awareness is crucial as part of a broader set of ethical competency skills (Milliken, 2018).

Ethical awareness can be identified when an individual encounters ethical problems and evaluates the influence of the situation (Uyar & Özer, 2011). Ethical awareness can be linked to a person's values, as individual values reflect the most basic characteristics and serve as the foundation of individual attitudes and behavior (Fritzsche, 1995). These values can provide a basis

for making specific decisions, and thus, they tend to significantly influence ethical decision-making behavior (Fritzsche, 1995). Moral and emotional intensity can also serve as a measure of a person's ethical awareness, as they assist in dealing with ethical dilemmas. Emotions that arise during an ethical dilemma, such as feelings of anger or fear, can also influence a decision (Latan, Jabbour, & Jabbour, 2017).
H_1: Ethical awareness has a significant positive effect on ethical decisions.

Ethical Decision Making

Ethical decisions are a form of assessment of an individual who faces an ethical dilemma and how to evaluate the ethical problem by considering existing alternatives through understanding the context of acceptable moral standards (Zakaria & Lajis, 2012). Ethical decisions involve the process a person undergoes when facing an ethical dilemma, to make an evaluation that is morally right or wrong (Uyar & Özer, 2011).

The ethical decision-making process, based on Holmes' Meta-Model, includes several stages. The first stage is Moral Awareness, which arises when an individual feels that something is wrong in a particular situation. This stage may involve strong emotions or physiological responses to situations that contain ethical conflicts. The next stage is Moral Consideration, where potential choices and possible outcomes are evaluated. This is followed by the Moral Intention stage, where an individual decides on their intention to act. The final stage is Moral Action, which is the result of the individual's decision to act (Lincoln & Holmes, 2008). Ethical decision-making recognizes an intuitive proposition, which suggests that the higher the penalty for unethical behavior, the lower the likelihood of compromising moral principles, and vice versa. This can lead to bankruptcy and financial difficulties if the company's financial statements are manipulated (Shafer, 2002). The ethical decisions made by certified public accountants to enhance transparency are inseparable from the accountant's desire to avoid certain errors and protect their profession's reputation (Türegün, 2018).
H_2: Ethical decisions have a significant positive effect on the disclosure of transparency.

Transparency

Transparency can be defined as the freedom of financial reports from intentional or unintentional misrepresentation or omission of material facts that can influence the decisions of readers of financial statements (Shafer, 2002). There are three dimensions of transparency, namely: Conceptualization: This dimension questions whether transparency is understood as a way of disclosing information or as a social process. Conditions: This dimension considers if the requirements of transparency include the quality, quantity, and relevance of information, or if they encompass broader communication, interpretation, and negotiation processes. Consequences: This dimension examines whether the results of transparency are assessed in terms of effectiveness or as surprising complications (Albu & Flyverbom, 2019).

Transparency is associated with welfare and public interest in the market, necessitating ethical awareness to produce transparent financial reports for the benefit of all parties (Türegün, 2018). Accountants and auditors are also required to have heightened ethical awareness to avoid unwanted risks from the financial reports they produce (Abdullah *et al*., 2015). An individual's emotions, such as anger or fear, can play a significant role in disclosing a mistake due to risks, such as the impact on other people's lives or personal and professional dimensions. A negative mood can be linked to an individual's low intention to report errors to superiors or the organization (Curtis, 2006).
H_3: Ethical awareness directly has a significant positive effect on the disclosure of transparency.

Indirect Ethical Awareness and Transparency

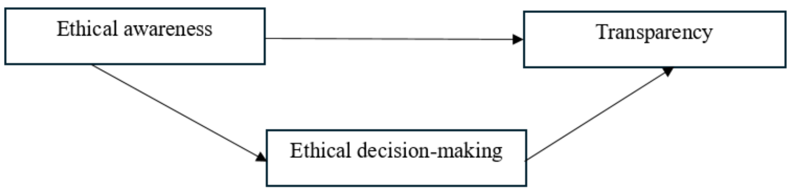
An individual with ethical awareness will make ethical decisions, and these decisions can lead to the creation of transparent financial reports (Türegün, 2018). Ethical decisions are improved

when balanced with high moral intensity, influencing the intention to report errors. The higher an individual's moral intensity, the greater their ethical decision-making capacity, which influences the intention to report wrongdoing (Latan *et al.*, 2017).
H_4: Ethical awareness indirectly has a significant positive effect on the disclosure of transparency.

RESEARCH METHODOLOGY

This research is quantitative in nature and falls under the category of causal-comparative research, as it aims to identify the cause-and-effect relationship between the independent and dependent variables (Sugiyono, 2012). The dependent variables in this study are ethical decisions and financial report transparency, while the independent variables are ethical awareness and ethical decisions.

Figure 1. Research Model



The data for this research, obtained through questionnaires, is primary in nature. These questionnaires will be distributed to potential respondents via online surveys and in-person interactions. The sampling method employed is snowball sampling, which was chosen due to the possibility of using a third party for wider questionnaire distribution.

The population of this study comprises all employees working at the Public Accounting Office and Tax Consultant Office in Batam City, totaling 128 respondents. The questionnaire, adopted from (Türegün, 2018) research, consists of 30 questions divided into three sections: ethical awareness, ethical decision-making, and transparency, with 10 questions in each section.

The questionnaire uses a 5-point Likert scale ranging from (1) strongly disagree to (5) strongly agree. The responses will be summed and converted to reflect the level of each independent and dependent variable. The data analysis method in this research is multiple linear regression, conducted using the SPSS 22 (Statistical Package for the Social Sciences) program.

Table 1. Research Questionnaire

No	Questions
	Transparency
1	Transparency is very important at my company.
2	In my company, the transparency of financial reports can be manipulated easily.
3	I believe that my company's financial reports are fully transparent.
4	My company creates a culture of transparency.
5	My company cares more about profits than creating moral responsibility.
6	Trust is based on transparent financial reports.
7	Financial reports in my company are made by internal accountants.
8	The financial reports in my company are prepared by an external accountant.
9	I know the consequences of poor quality financial reports produced through unethical practices.
10	Financial report transparency can be manipulated easily in other companies.

	Ethical awareness
1	At my company, accountants have many opportunities to engage in unethical practices.
2	Outside my company, accountants have many opportunities to engage in unethical practices.
3	Generally, accountants understand the code of ethics.
4	The accountant at my company engages in unethical practices.
5	Accountants outside my company usually engage in unethical practices.
6	In my company, less successful accountants usually engage in unethical practices compared to successful accountants.
7	At my company, accountants are aware that unethical behaviour will not be tolerated.
8	In my company, accountants who engage in unethical practices for personal gain will be immediately reprimanded.
9	In my company, accountants who carry out unethical practices for the benefit of the company will be immediately reprimanded.
10	Accountants are aware of the sanctions and penalties for unethical behaviour.
	Ethical decisions
1	I determine what is the right thing to do when I am unsure what to do.
2	I asked what the correct action would be if something went wrong.
3	I will correct the report myself if I find any errors or manipulation of the report.
4	I will not tell anyone if I find any errors or manipulation of the report.
5	I will fulfill management's wishes for something that I think is unethical.
6	I will engage in unethical practices, if I can avoid punishment and sanctions.
7	I will report any violations that occur.
8	I sometimes have to compromise/agree with ethical violations, to be successful in my company.
9	I learned to make ethical decisions from my family.
10	I learned to make ethical decisions from training/lessons.

Source: Türegün (2018)

A total of 140 questionnaires were successfully distributed, either through online surveys or in person, with 128 questionnaires receiving responses from respondents. The data was processed using the SPSS program, revealing 17 outlier data points. These outliers were removed, leaving 111 data points ready for further analysis. The tests to be conducted include descriptive statistical testing, data quality testing (validity and reliability tests), classical assumption testing (normality, multicollinearity, and heteroscedasticity assumptions), and hypothesis testing (t-test, F test, and coefficient of determination test).

The validity test results show that there are 5 invalid questions. A question will be declared valid if the Pearson correlation value exceeds the minimum Pearson correlation value requirement, namely 0.3, and the significance value is below 0.05. The reliability test results show that all variables are reliable with Cronbach's alpha values greater than 0.6. The results of the normality test show that the residuals are normally distributed with the residual value of the model having a significance greater than 0.05.

The results of the multicollinearity test show a VIF value < 10, which means there is no correlation or strong relationship between the independent variables so the non-multicollinearity assumption is met. The results of the heteroscedasticity test have a significance value greater than 0.05, so they meet the requirements of not containing heteroscedasticity.

The results of the independent F test of ethical awareness on the dependent variable of ethical decisions have a significance value of less than 0.05. It can be said that the independent variable of ethical awareness simultaneously has a significant effect on the dependent variable of ethical decisions. The independent variables ethical awareness and ethical decisions on the dependent variable transparency have a significance value of less than 0.05. It can be said that the independent variables ethical awareness and ethical decisions simultaneously have a significant effect on the dependent variable transparency.

RESULTS AND DISCUSSION

The majority of respondents, 68 in total (61.3%), held a bachelor's degree, while 29 respondents (26.1%) had a high school education. The majority of respondents were men, accounting for 58 respondents (52.3%). Most of the respondents, 104 in total (93.7%), were under 30 years of age. In terms of work experience, 97 respondents (87.4%) had between 0-5 years of experience, and 8 respondents (7.2%) had between 5-10 years of experience.

Table 2. Demographic

	Frequency	**Percentage**
Education		
Senior High School	29	26,1%
Diploma	6	5,4%
Bachelor	68	61,3%
Master	7	6,3%
Doctor	1	0,9%
Total	**111**	**100%**
Gender		
Man	58	52,3%
Woman	53	47,7%
Total	**111**	**100%**
Age		
<30 years	104	93,7%
30-40 years	5	4,5%
41-50 years	2	1,8%
>50 years	0	0
Total	**111**	**100%**
Work Experience		
0-5 years	97	87,4%
5-10 years	8	7,2%
11-15 years	1	0,9%
16-20 years	2	1,8%
Lebih dari 20 years	3	2,7%
Total	**111**	**100%**

Source: Research Data Proceed (2023)

Table 3 indicates that, on average, respondents possess a relatively high level of ethical awareness, which can influence ethical decision-making. Accountants with high ethical judgment can foster a higher level of transparency. Respondents also revealed that high ethical awareness can directly influence the level of transparency. The standard deviation of ethical awareness, ethical decisions, and transparency does not indicate significant data variations.

Tabel 3. Statistic Descriptive

	N	Min	Max	Average	Standard Deviation
Ethical Awareness	111	1	5	33,261	0,41114
Ethical Decision Making	111	1	5	30,039	0,41425
Transparency	111	1	5	35,901	0,36818

Source: Research Data Proceed (2023)

The results of testing the influence of the independent variable on the dependent variable show that ethical awareness has a significant positive effect on both ethical decisions and transparency (sig. <0.05). Additionally, ethical decisions have a significant positive effect on transparency (sig. <0.05). Hypothesis 1 is accepted with a coefficient value of 0.156 and a significance value of 0.020, indicating that ethical awareness has a significant positive influence on ethical decisions. Ethical awareness influences a person's decision-making due to the mediation of non-rational factors such as emotions, which form a pro-social or anti-social attitude, thereby influencing a person's decisions (Latan *et al*., 2017). Other research also suggests that individuals experiencing fear tend to perceive ethical problems in a way that avoids risks or fears of behaving unethically, leading these individuals to choose alternatives that promote ethical behaviour in decision-making (Singh, Garg, Govind, & Vitell, 2016). The results of this study are consistent with previous research conducted by (Singh *et al*., 2016; Haines *et al*., 2008; Yetmar and Eastman, 2000; Jeffrey *et al*., 1996; Robertson and Ross, 2013; Muslichah *et al*., 2017; Zakaria and Lajis, 2012; Modarres and Rafiee, 2011; Shawver and Miller, 2015; Türegün, 2018; Karakoc, 2016; Holmes *et al*., 2012; Shafer *et al*., 2001; Steenhaut and Kenhove, 2006; Liu, 2013; Woodbine *et al*., 2011; Uyar and Özer, 2011; Fritzsche, 1995; Fritzsche and Oz, 2007; Cherry and Fraedrich, 2000; Pflugrath *et al*., 2007; and Schwartz, 2016).

Hypothesis 2 is accepted with a coefficient value of 0.210 and a significance value of 0.030, indicating that ethical decisions have a significant positive influence on transparency. Unethical decision-making by accountants, influenced by compliance pressures and peers in the same profession, can lead an accountant to believe that many others are doing the same thing, or make the accountant feel that their performance is lacking in some way. This can result in the accountant being willing to sign off on a report that is materially misstated (Lord & DeZoort, 2001). Other research also reveals that ethical decisions, stemming from the effect of an accountant's ethical awareness, will provide full awareness for accountants to produce transparent reports and enhance the transparency of information in these reports (Türegün, 2018). The results of this study are consistent with previous research conducted by (Latan *et al*., 2017; Lord and DeZoort, 2001; Türegün, 2018; Emerson *et al*., 2007; and Greenfield *et al*., 2008).

Hypothesis 3 is accepted with a coefficient value of 0.330 and a significance value of 0.000, indicating that ethical awareness has a significant positive influence on transparency. An auditor may overlook an error in a report that is considered immaterial when assessing subjective accounting estimates, due to the belief that there will be no perceived loss and it will not impact report users (Shafer, 2002). Other research also suggests that companies have incentives to engage in stakeholder management by fulfilling their social responsibilities. This can be achieved through the presentation of informative financial reports and full disclosure, as full disclosure of a report is a reflection of socially responsible behaviour (Jo & Kim, 2007). The results of this study are consistent with previous research conducted by (Jachi and Yona, 2019; Abdullah *et al*., 2015; Latan *et al*., 2017; Gok *et al*., 2017; Shafer, 2002; Lord and DeZoort, 2001; Türegün, 2018; Jo and Kim, 2007; and Curtis, 2006).

Testing for Hypothesis 4 cannot be carried out because it does not meet the requirements for testing intervening variables. One of these requirements is that the coefficient of influence between the independent and dependent variables in the third regression must be smaller than in the first regression. However, the data testing results show that the coefficient in the third regression is greater than in the first regression. Therefore, the testing of intervening variables cannot be continued.

Table 4. t-test

Independent Variables	**Unstandardized Coeficient**	**t**	**Sig.**
	B		
Ethical Awareness -> Ethical Decision Making	0,156	2,361	0,020
Ethical Decision Making -> Transparency	0,210	2,201	0,030
Ethical Awareness -> Transparency	0,330	5,412	0,000

Source: Research Data Proceed (2023)

The purpose of testing the coefficient of determination is to ascertain the extent of influence that the independent variables within the research model can exert on the dependent variable. The outcomes of the coefficient of determination test can be viewed in the following table.

Table 5. Coefficient of Determination

Model	**Coefficient of Determination (Adjusted R²)**
Ethical Awareness -> Ethical Decision Making	0,040
Ethical Decision Making -> Transparency	0,034
Ethical Awareness -> Transparency	0,205

Source: Research Data Proceed (2023)

The results of testing the coefficient of determination reveal that ethical awareness of transparency has the highest value, at 0.205. This implies that ethical awareness can account for 20.5% of transparency, with the remaining 79.5% being explained by other variables not included in the model. Ethical awareness can account for 4% of ethical decisions, with the remaining 96% being explained by other variables. Meanwhile, ethical decisions can only account for 3.4% of transparency, with the remaining 96.6% being explained by other variables not included in the research model.

CONCLUSION AND SUGGESTION

This research aims to ascertain the influence of ethical awareness, ethical decisions, and transparency. The results demonstrate that ethical awareness significantly and positively influences both ethical decision-making and transparency. Additionally, ethical decision-making also exerts a significant positive impact on transparency. The findings indicate that emotions play a crucial role in addressing ethical issues, prompting individuals to make ethical decisions. This is attributed to the fact that an individual's emotions are fundamental characteristics shaping their attitudes and behaviour. Ethical decision-making suggests that individuals with commendable moral standards significantly contribute to enhancing the quality of financial report transparency. Ethical awareness also exerts a significant positive influence on transparency disclosure. This is observed in companies with incentives to engage in stakeholder management, as they typically undertake social responsibility by presenting informative and transparent financial reports.

The limitations of these studies are caused by several factors: journal references regarding the influence of ethical awareness on transparency are infrequently found and limited, as is the available sample data. This research was conducted by sampling employees who work at the Public Accounting Office and Tax Consultant Office in Batam City. Therefore, it may not reflect overall conclusions and could differ in other locations.

For future research regarding ethical awareness, ethical decisions, and transparency, it is recommended that researchers increase the supporting literature that is more suitable for each variable studied. This is due to the limited availability of appropriate supporting literature. It would also be beneficial to add research objects other than Public Accounting Firms and Tax Consultant Firms in Batam City, given the limited samples that can be collected. Enriching the study with other variables that influence ethical decisions and transparency could allow future research to more strongly explain the influence of independent and dependent variables.

REFERENCES

Abdullah, Z. I. B., Almsafir, M. K., and Al-Smadi, A. A.-M. 2015. Transparency and Reliability in Financial Statement: Do They Exist? Evidence from Malaysia. *Open Journal of Accounting*, *4*(4), 29–43.

Albu, O. B., & Flyverbom, M. (2019). Organizational Transparency: Conceptualizations, Conditions, and Consequences. Business & Society, 58(2), 268-297. https://doi.org/10.1177/0007650316659851

Cherry, J., & Fraedrich, J. (2000). Perceived risk, moral philosophy and marketing ethics: Mediating influences on sales managers' ethical decision-making. *Journal of Business Research*, *55*(12), 951–962. https://doi.org/10.1016/S0148-2963(00)00215-0

Curtis, M. B. 2006. Are audit-related ethical decisions dependent upon mood? *Journal of Business Ethics*, *68*(2), 191–209.

Edi, E., & Yopie, S. (2019). Management Capability To Produce Quality Earning. Jurnal Reviu Akuntansi dan Keuangan, 9(1), 75-84.

Emerson, T. L. N., Conroy, S. J., & Stanley, C. W. (2007). Ethical attitudes of accountants: Recent evidence from a practitioners' survey. *Journal of Business Ethics*, *71*(1), 73–87. https://doi.org/10.1007/s10551-006-9125-2

Fritzsche, D. J. 1995. Personal values : Potential keys to ethical decision making. *Journal of Business Ethics*, 909–922.

Fritzsche, D. J., & Oz, E. (2007). Personal values' influence on the ethical dimension of decision making. *Journal of Business Ethics*, *75*(4), 335–343. https://doi.org/10.1007/s10551-006-9256-5

Gok, K., Sumanth, J. J., Bommer, W. H., Demirtas, O., Arslan, A., Eberhard, J., Ozdemir, A. I., & Yigit, A. (2017). You May Not Reap What You Sow: How Employees' Moral Awareness Minimizes Ethical Leadership's Positive Impact on Workplace Deviance. *Journal of Business Ethics*, *146*(2), 257–277. https://doi.org/10.1007/s10551-017-3655-7

Greenfield, A. C., Norman, C. S., & Wier, B. (2008). The effect of ethical orientation and professional commitment on earnings management behavior. *Journal of Business Ethics*, *83*(3), 419–434. https://doi.org/10.1007/s10551-007-9629-4

Hendi, H., & Sitorus, R. (2023). An Empirical Research on Audit Report Timeliness. Jurnal Akuntansi dan Keuangan, 25(1), 39-53.

Haines, R., Street, M. D., & Haines, D. (2008). The influence of perceived importance of an ethical issue on moral judgment, moral obligation, and moral intent. *Journal of Business Ethics*,

81(2), 387–399. https://doi.org/10.1007/s10551-007-9502-5
Holmes, K., Marriott, L., & Randal, J. (2012). *Ethics and experiments in accounting: A contribution to the debate on measuring ethical behaviour*. *Unit 07*, 1–5.
Idris, M. (2020, January 15). *Jejak Hitam PT Hanson International, Manipulasi Laporan Keuangan 2016 Halaman all - Kompas.com*. https://money.kompas.com/read/2020/01/15/160600526/jejak-hitam-pt-hanson-international-manipulasi-laporan-keuangan-2016?page=all
Jachi, M., and Yona, L. 2019. *The Impact of Ethics & Objectivity of Internal Audit Personnel on Transparency & Accountability Case of Zimbabwe Local Authorities*. *11*(12), 183–189.
Jeffrey, C., Weatherholt, N., & Lo, S. (1996). Ethical development, professional commitment and rule observance attitudes: A study of auditors in Taiwan. *International Journal of Accounting*, *31*(3), 365–379. https://doi.org/10.1016/s0020-7063(96)90025-4
Jo, H., and Kim, Y. 2007. Ethics and disclosure: A study of the financial performance of firms in the seasoned equity offerings market. *Journal of Business Ethics*, *80*(4), 855–878.
Karakoc, E. Y. (2016). The Relationship among Ethical Ideologies, Ethical Sensitivity and Attitude of Business Students towards Accounting. *International Journal of Academic Research in Business and Social Sciences*, *6*(4), 72–85. https://doi.org/10.6007/ijarbss/v6-i4/2080
Latan, H., Jabbour, C. J. C., and Jabbour, A. B. L. de S. 2017. *Ethical Awareness, Ethical Judgment, and Whistleblowing: A Moderated Mediation Analysis*. (August), 1–414.
Lehner, O. M., Ittonen, K., Silvola, H., Ström, E., & Wührleitner, A. (2022). Artificial intelligence based decision-making in accounting and auditing: ethical challenges and normative thinking. *Accounting, Auditing & Accountability Journal*, *35*(9), 109-135.
Lincoln, S.H., & Holmes, E.K. (2008). A Need to Know: An Ethical Decision-Making Model for Research Administrators. *The journal of research administration, 39*, 41-47.
Liu, M. (2013). Effect of guanxi and ethical orientations on Chinese auditors' ethical reasoning. *Managerial Auditing Journal*, *28*(9), 815–837. https://doi.org/10.1108/MAJ-01-2013-0801
Lord, A. T., and DeZoort, F. T. 2001. The impact of commitment and moral reasoning on auditors' responses to social influence pressure. *Accounting, Organizations and Society*, *26*(3), 215–235.
Milliken, A. (2018). Ethical Awareness: What It Is and Why It Matters. OJIN: The Online Journal of Issues in Nursing. DOI: 10.3912/OJIN.Vol23No01Man01
Modarres, A., & Rafiee, A. (2011). Influencing factors on the ethical decision making of Iranian accountants. *Social Responsibility Journal*, *7*(1), 136–144. https://doi.org/10.1108/17471111111114594
Muslichah, Wiyarni, and Maria, E. 2017. The Effect of Ethical Sensitivity on Ethical Decision Making With Religiosity as Moderating Variable. *International Review of Management and Marketing*, *7*(5), 86–92.
Pflugrath, G., Martinov-Bennie, N., & Chen, L. (2007). The impact of codes of ethics and experience on auditor judgments. *Managerial Auditing Journal*, *22*(6), 566–589. https://doi.org/10.1108/02686900710759389
Robertson, D. C., & Ross, W. T. J. (2013). *Decision-Making Processes on Ethical Issues : The Impact of a Social Contract Perspective Author (s): Diana C . Robertson and William T . Ross , Jr . Published by : Philosophy Documentation Center Stable URL : http://www.jstor.org/stable/3857354* . *5*(2), 213–240.
Schwartz, M. S. 2016. Ethical Decision-Making Theory: An Integrated Approach. *Journal of Business Ethics*, *139*(4), 755–776.
Shafer, W. E. 2002. Effects of materiality, risk, and ethical perceptions on fraudulent reporting by financial executives. *Journal of Business Ethics*, *38*(3), 243–262.
Shafer, W. E., Morris, R. E., & Ketchand, A. A. (2001). *Effects of personal values on auditors' ethical decisions*. *Unit 07*, 1–5.
Shawver, T. J., & Miller, W. F. (2015). Moral Intensity Revisited: Measuring the Benefit of

Accounting Ethics Interventions. *Journal of Business Ethics*, *141*(3), 587–603. https://doi.org/10.1007/s10551-015-2711-4

Singh, J. J., Garg, N., Govind, R., and Vitell, S. J. 2016. Anger Strays, Fear Refrains: The Differential Effect of Negative Emotions on Consumers' Ethical Judgments. *Journal of Business Ethics*, *151*(1), 235–248.

Steenhaut, S., & Van Kenhove, P. (2006). An empirical investigation of the relationships among a consumer's personal values, ethical ideology and ethical beliefs. *Journal of Business Ethics*, *64*(2), 137–155. https://doi.org/10.1007/s10551-005-5905-3

Sugianto, D. (2019, July 26). *Kronologi Laporan Keuangan Garuda, Dari Untung Jadi "Buntung."* https://finance.detik.com/bursa-dan-valas/d-4640204/kronologi-laporan-keuangan-garuda-dari-untung-jadi-buntung

Sugiyono. 2012. *Metode Penelitian Bisnis*. Bandung: Alfabeta.

Türegün, N. 2018. We are IntechOpen , the world ' s leading publisher of Open Access books Built by scientists , for scientists TOP 1 %. *Intech*, *i*(tourism), 13.

Uyar, M., and Özer, G. 2011. *The ethical orientation and professional commitment : An empirical examination on Turkish accountants*. *5*(23), 10023–10037.

Wawo, A. B., Asni, N., and Nurnaluri, S. 2015. The influence of organizational culture, ethical awareness and experience to ethical judgments auditor through Professional commitment (Study at Inspectorate Sub-Province of Bombana). *The International Journal Of Engineering And Science (IJES)* ||, 2319–1805.

Woodbine, G., Fan, Y. H., & Scully, G. (2011). The ethical orientations of Chinese auditors and the effect on the judgements they make. *Asian Journal of Business Ethics*, *1*(2), 195–216. https://doi.org/10.1007/s13520-011-0001-5

Yetmar, S. A., & Eastman, K. K. (2000). Tax practitioners' ethical sensitivity: A model and empirical examination. *Journal of Business Ethics*, *26*(4), 271–288. https://doi.org/10.1023/A:1006294517573

Zakaria, M., & Lajis, N. M. (2012). Moral Philosophies Underlying Ethical Judgments. *International Journal of Marketing Studies*, *4*(2), 103–110. https://doi.org/10.5539/ijms.v4n2p103