

Developing Ethical Accounting Students through Incorporating Islamic Ethics into Accounting Curriculum: The Educator's Perspectives

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Abstract

The aim of this study is to examine the significant of Islamic ethics in the development of ethical accounting graduates through accounting educator's perspectives. This paper used a survey questionnaire to collect data from accounting educators from eight public universities in Malaysia. Survey items were developed based on Islamic ethics instrument adapted from AAOIFI Code of Ethics for Accountants and Auditors (1998), and Accounting Ethical Development model (Fisher et al., 2005). The findings provide evidence that accounting educators have similar consensus that Islamic ethics principles were acceptable and important to be incorporate in accounting curriculum in order to generate ethical future accountants. Further, respondent encourage accounting educators to integrate Islamic ethics in their teaching and learning process. Overall, the findings of the study are expected to provide a guideline for the university administrator to enhance the improvement of accounting curriculum.

Keywords: Islamic Ethics, Accounting, Education, Ethical Student, Educator

Introduction

The ultimate objective of ethics concern on rules governing the ordering of values and beliefs and understanding of the consequences of particular courses and action (Ahmad, 2014). Ethics is defined as the system that refers to the rightness and wrongness and doing the right things in life (Malone, 2006). According to Abdul Rahman (2010) ethics relate to morals and reflect on ethical behaviour indicates a philosophical reflection on moral beliefs and practices. Currently, ethics has become a high debating issue in accounting education due to increasing cases of fraud and unethical practice among accounting professionals (PricewaterhouseCoopers, 2003). This crisis highlights the need for a credibility profession and demonstrates that accounting body need to regain the public trust (Maisarah, Porter & Woodbine, 2009). This is because accounting profession and accountants specifically play an important role to the public by promoting a high degree of integrity and accountability (Mc Phail & Walters, 2009; Abdul Rahman, 2010; Ahmad, 2015).

Due to the implication of ethical issues, accounting scholars have expressed concern over the effectiveness of accounting education to contribute towards the ethical development of accounting student (Adkins and Radtke, 2004). Accounting education was also being questioned for the failure of accounting educator to include and integrate ethics in accounting curriculum (Pricewaterhouse Coopers, 2003). Further, the commitment among accounting educators towards incorporating ethics into accounting curriculum are also being questioned (Gunz, Gunz and McCutcheon, 2002). Mc Phail & Walters, (2009) indicated that accounting curriculum lack in emphasizing students to respond ethically in accounting profession. Several studies found that accountants show low moral standards, seem to lack the ethical skills and the competencies to critically evaluate the current set of rights and values in a broader economic context (Mc Phail & Walters, 2009; Gunz, Gunz and McCutcheon, 2002).

Moreover, previous study found that conventional accounting ethical resources have been undermined and lack the ability to produce ethical accountant (Abdul Rahman, 2010; Armstrong et al., 2003; Fisher et al., 2005). Accounting educators viewed the incidents of corporate scandal that happened in accounting profession as a wakeup call to realise the need of instilling good values to the students as well as the contributions of accounting to the society and the user of financial reporting (Mirza and Baydoun, 2000; Conroy and Emerson, 2004; Ahmad, Ahmed & Wan Mustaffa, 2017). Therefore, there is an urgent need and renewed attention to re-examine the accounting curriculum that produces future accountants who appear to be lack of ethical skills and moral standard (Abdul Rahman, 2003; 2010 Mc Phail & Walters, 2009). In this respect, Sulaiman & Willet (2001) highlighted that recent research has shown an emerging concern with the relationship between Islam and accounting profession whereby religion can influence the development of ethical accountant's. It is argued that religious systems shaped human ethical behaviour and provide the source of moral principles that may have significant influence on accounting practices (Keating & Frumkin, 2001; Basri & Abdul Khalid, 2012). Based on the issues discussed, this study aims to analyze the educator's perspectives in developing an ethical accounting graduates through incorporating Islamic ethics and values in accounting curriculum.

Background of Study

Ethics in Islamic perspectives derived from three sources namely; *Al Quran*, *Sunnah* and *Qiyas* (Triwuyuno, 2011; Siwar and Hossain, 2009; Zaid, 2004). This ethical concept established as a guideline to conduct Islamic life and behaviour (Beekun and Badawi, 2005; Ahmad, 2014). Kamali (2007) stated that the objective of *Sharia* law is to regulate every aspect of human activities in order to establish justice in human life. Therefore, accounting in Islamic perspectives must be based on Islamic ethical values (Djuitaningsih, 2013, Ahmad, 2017). The concept of Islamic ethics was also well explained by Naqvi (2003), noted that Islamic ethics in Islam is based on *Aqidah* (belief and faith to Allah), *Ibadah* (worship) and *Akhlaq* (good moral and ethics) and embracing the *Taqwa* and *Iman* (God Consciousness) to Allah (swt). As Allah (swt) says in Al-Quran in Chapter 51 verses 56 "*I have only created....men that they may serve me*".

Islamic ethical framework is based on nature and recognizes an integrated way of life in individual public and private life (Uddin, 2003; Naqvi, 2003; Bhatia, 2004). Therefore, Islam emphasizes the need of good ethics and morality in accounting practices and business activity. Another concept that accountants have to fulfil is the concept of *taklif*

(accountability). *Taklif* means each individual is accountable for his/her action and inactions on the day of judgement. In terms of accountability, Muslims believe that they will be responsible for what they do in this world and hereafter (Uddin, 2003). As Allah (swt) says in *Al-Quran* in Chapter 4 verses 86 '*Allah takes careful account of all things*'.

The concept of *taklif* in Islam gives rise to a broader concept of accountability than in conventional accounting ethics (Baydoun and Willet, 1997). According to Abdul Rahman (2013), *taklif* is differentiated from the conventional accounting ethics by insisting that in Islam, each accountant is responsible for his own behaviour and perform their duties diligently that benefits themselves and the society. It means that accountability in Islam, Muslims believe that they will be responsible and accountable to God for what they do in this world and hereafter (Uddin, 2003). Moreover, the ultimate owner in this world and hereafter is Allah (swt) the Almighty. If they fail to perform their duties, shows that they have violated the purpose of their existence as vicegerent (*Khalifah*) (Hameed, 2000).

At the same time, Islamic ethical principles provide a framework to accountants to fulfil their responsibilities in line with Islamic teachings. Dellaportas et al., (2006) highlighted that in Islam, accountants are expected to feel accountable for others in the community. More importantly, accountants have to act as a trustee of Allah (swt) wealth and resources that require them as a guardian of the environment and economic activities. Recent research has shown a growing need for accounting profession to have a solid framework that incorporate both conventional and moral aspect effectively (Triyuwono, 2001; Hameed, 2000; Bhatia, 2004). In Islamic accounting practices, the framework should be based on Islamic law (*Sharia*) and the core structure is the Islamic moral values and ethics (Ahmad, 2017). Islam influences the way of life of Muslims in every aspect of their lives. Important to note that ethics in Islam emphasizes social implications of accounting transaction to the user of accounting information and thereby serves the interest of Muslim users relating to financial reporting.

Islamic Ethical Principles

The ethical code for Muslim accountants and auditors was first developed by Accounting and Auditing Organizations for Islamic Financial Institution (AAOIFI), a body establish in 1998 and responsible for developing, issuing and review accounting standards for international Islamic finance industry. One of AAOIFI effort among others is to develop a code of ethical conduct according to Islamic law and rules for Muslim employee, accountants and auditors (Abdul Rahman, 2010). The ethical principles in Islam will be the moral filter to motivate human beings to abide with these values (Rice, 1999). The AAOIFI Code of Ethics for Accountants and Auditor present an ethical framework for accountants derived from Islamic law or *Sharia* which source from *Al-Qur'an*, *Sunnah*, *Ijmaa* and *Qiyaas*. Indeed, the professional codes of ethical conduct help to develop and motivate Muslim accountant and auditor awareness of ethical issues and to comply with the code as a mean of obeying Islamic rules and law.

AAOIFI's professional code of conduct consists of *Sharia* foundations of Islamic accounting principles, namely; integrity, accountability to Allah, Allah-fearing, sincerity, piety, righteousness and vicegerent as the guidelines to Muslim accountants and auditors in their professional practice. Codes of ethics for Muslim accountants and auditors are established with a mandate for accountants to adhere to Islamic *Sharia* rules and law when performing his/her duties. Unlike conventional ethics, Islamic ethics guide accountants to be responsible

and accountable for all of their deed as they are vicegerent of God. They have to answer to God in hereafter.

The objectives of this ethical guidance are to generate ethical young generation that contribute to accounting profession with high integrity and accountability (Ahmed, 2012). This is also to ensure the quality, reliability and accuracy of accounting data and information presented in the financial report (Abu-Tapanjeh, 2009; Adel et al., 2013). The Islamic ethical principles help as a moral filter to generate accountants' ethical awareness involved in their professional work and refrain from malpractice that forbidden by Allah (swt) the Al-Mighty (Djuitaningsih, 2013; Ahmad, Ahmed & Wan Mustaffa, 2017). Thus, emphasizing on the development of an ethical accounting student should be given a priority through the education systems by educators and must based from religious framework to generate an ethical accountants' (Abdul Rahman, 2003; Basri and Khalid, 2012; Baydoun and Willet, 1997; Conroy and Emerson, 2004; Hameed, 2000). Following are the discussion on six ethical principles as a guiding rule for Muslim accountants and auditors to perform and practice their professional duties (Abdul Rahman, 2013).

Principle of Trustfulness (*Amaanah*)

The concept of *amaanah* (trust) means human beings are trustee of God's resources. As indicated by Beekun and Badawi (2005), the wealth and resources that man has taken upon him is part of man trusteeship and has the responsibility to fulfil. Allah (swt) says *"Every soul will be (held) in pledge for its deeds"*. In Islam, trust is one of the fundamental ethical principles that need to adhere by Muslims and greatly emphasize in *Al-Qur'an* and *Hadith* (Muhammed et al., 2010). Trust is an important divine value of Islam that shows the obligations of true Muslims faith in Allah (Ali and Ali, 2007). Truthfulness needs Muslim to be truthful in their dealings in all aspects of activities. Allah says: *"If ye are on a journey, and cannot find a scribe, a pledge with possession (may serve the purpose). And if one of you deposits a thing on trust with another let the trustee (faithfully) discharge his trust, and let him fear his Lord. Conceal not evidence; for whoever conceals it, his heart is tainted with sin. And Allah knows all that ye do."* (*Al-Qur'an*, 2: 283).

Through the concept of *Amaanah*, accountants are trustee of the company resources. Therefore, Muslim accountants' should have high degree of honesty and respect of the confidentiality of information. Accountants' are refrains from using company confidential information for their own advantage (Adel and Mustafa, 2013). The wealth of the company that is entrusted to accountants' should be spend moderately in line with *Sharia* rules and principles and should be only in permitted and halal business activities (Ali and Ali, 2007; Naqvi, 2003; Parvez, 2000). *Amaanah* comes with the concept of stewardship and responsibility. Prophet Muhammad (pbuh) himself was known to be called as The *Al Ameen* (trustees) (Mirza and Baydoun, 2000). Allah says: *"Oh believers! Fear Allah, and say the right thing."* (*Al-Qur'an*, 33:70).

Similarly, Adel and Mustafa (2013) argued that as a trustee, accountants' is responsible to manage the organization sources and do their best to create income to their shareholders but also create benefit to the community. An *Amaanah* accountants' will be trustworthy and trustful in his/her accounting practices and will not discriminate in any form, and to refrain from doing destruction, as man will be accountable to Allah for all his/her deed

(Ahmad, 2012). As an example, as the representatives of a company, an *Amaanah* accountant's will disclose whatever financial implications and business activities which can affect public lives and responsible for safeguarding shareholders assets.

Muslim accountants' must ensure that the company must engage only in halal activities and conducted in ethical manner for the love of God. As Allah (swt) says "*Then shall anyone who has done an atom's weight of good shall see it and anyone who has done an atom's weight of evil, shall see it (Al-Qur'an, 99:7-8)*". Accountants' are also refrains from engaging in activities that may jeopardise integrity, objectivity and independence (Abdul Rahman, 2003). Prophet Muhammad (pbuh) stated the importance of *Amaanah* in transaction, "*God will bless the transaction in which the buyer and the seller are unambiguous and frank and have goodwill for each other.*"

Principle of Integrity

Islam is not solely a religion but integrate every aspect of activities as part of Muslim life. Therefore, integrity as part of Islamic ideology is highly relevant in shaping Muslims life and conduct. The principle of integrity in Islamic point of view encompasses a person moral integrity based on religiosity and supreme accountability to Allah (swt). The integrity principle guide as a code of conduct requires accountants' to be competent in their professional work (Naqvi, 2003). The presence of integrity principle in accountants' code of conduct strengthens accountants' to work diligently and improve organizational performance and innovation. Thus, because of the accountant's integrity and faith in God, he/she will provide professional duty with the best service he could.

Principle of Vicegerency (*Khalifah*)

The principle of vicegerent or *Khalifah* means that the ultimate authority of obedient of human being is to Allah (swt). Mans are considered to be trustee or vicegerent of God in this world (Beekun and Badawi, 2005). Thus, as *Khalifah* every action a Muslim's does is to be accordance with God's wishes. Allah (swt) says in Al-Baqarah, "*...I will create a vicegerent on earth...*" (Al-Qur'an, 2: 30). Allah (swt) is the real owner of the universe. Man is only a vicegerent to manage Allah resources and will be accountable for the way they acquired and used it (Abdul Rahman, 2013).

As emphasized by Beekun and Badawi (2005), mans should not forget their role as God's steward on earth. They are encouraged to use the wealth and resources that God had provided them but use does not imply abuse (Al Qur'an, 59:24). Thus, to fulfil their role as God's trustee, mans should emulate Prophet Muhammad (pbuh) as the role model and follow Prophet *akhlq* or model of behaviour. Vicegerent or *Khalifah* principle implies that the interaction and relationship of human being are based on justice, accountability and trust (Parvez, 2000). As a *Khalifah*, accountants' should be sincere, honest and truthful in his/her accounting practice (Ahmad, 2012). As accountants, the vicegerent principle needs them to perform their professional duties by following Allah (swt) commandments and avoiding His prohibitions. Therefore, the act of accountant's through productive work and adhere the requirement of Islamic teaching may be regarded as an act of worship to God's and might be tremendous intrinsic motivator to perform better in his/her professional work.

Principles Accountability before Allah (swt)

Accountability principle encompasses Muslim accountant's priority of accountability to Allah (swt) over accountability to others. Accountant's as vicegerent or *Khalifah* is accountable to Allah (swt) first and foremost, then the society, profession and client (Abdul Rahman, 2013). Accountants' should observe all of his/her action and will be personally accountable to all his/her deed in this world. Hence, in performing their professional duties, accountants' are accountable to ensure all business transaction and activities are complies with *Sharia* law and principles and prepare financial report truthfully and honestly with adequate information. Furthermore, Muslim accountants' is responsible to verify the religious legitimacy of all financial and business transaction and constantly conscious of Allah's surveillance in seeking His satisfaction. Allah (swt) says in *Surah Maryam* verses 93-95, *"Not one of the beings in the heaven and the earth but must come to the Most Gracious as a servant. He does take an account of them (all), and hath numbered them (all) exactly. And every one of them will come to Him singly on the Day of Judgment"*.

Principles of Sincerity, Piety (taqwa) and Righteousness

Islamic *Sharia* has a clear ethical guidelines concerning the day-to-day financial activities are conducted in transparent manner. The sincerity principle requires accountants' to perform duties sincerely for Allah (swt) without subject to external influences such as to gain certain rewards or pressures due to their obedient to Allah (swt). *"...making your devotion sincere such as He created you in the beginning, so shall ye return."* (*Al-Qur'an, Al-A'raf: 29*). Muhammad et al., (2010) indicates that the concept of sincerity means the quality of being sincere, honesty, good deed and freedom from false pretence. Sincere in performing duties can benefit the profession by contributing to high productivity and efficiency in accountant professional work.

In additions, Malone (2006) believed that sincerity discourage manipulations of others and enhance co-operations and trust. Therefore, Islam emphasizes the importance of sincerity in life and requires accountants to work with sincerity in their professions and become a form of worship to Allah (swt). Meanwhile the principle of piety means fear to Allah (swt) by adhering Allah's commandments and evades His prohibitions in any situations accountant's have to face. Piety to Allah (swt) will be the moral filter to accountant's from doing evil deeds and leads to perform good deeds or righteous action. Allah (swt) says in *Surah Al-Hasyr* verse 18, *"...Fear Allah, and let every soul look to what (provision) he has sent to forth for the morrow. Yea, fear Allah: for Allah is well acquainted with (all) that ye do"*. While righteousness principle need accountants' to provide high quality professional works appropriately in accordance with *Sharia* rules and principles. Accountants' should strives perfection in performing professional duty in the possible manner. Allah says in chapter 5 verses 9; *"To those who believe and to deeds of righteousness hath Allah promised forgiveness and a great reward"*. Therefore, accountants' should enjoin in the establishment of righteousness while dealing in business and financial transactions.

Principles of Professional Competence and Diligence (Fatanah)

According to Islam, accountants' must have professional competency with sufficient knowledge of *Sharia* laws related to financial transactions. Accountants' must be sincere in performing his/her duties and intelligent to make right decision in seeking Allah's satisfaction (Abdul Rahman, 2003). They are refrain from agreeing to perform a professional duties if they

have no sufficient knowledge or not competent to perform (Abdul Rahman, 2013). Moreover, professional competence in Islam needs accountants' to provide high quality work and can perform his/her duties diligently as intended by *Sharia* rules and principles. The desire to gain Allah's (swt) satisfaction can be an intrinsic motivator for accountants' in performing productive and high quality work. Thus, it is really important for Muslim accountants' to pay special attention to professional competence.

Methodology

This is a quantitative research method and used survey to collect data. This study focuses on accounting educators from eight Malaysian public universities as the research sample. The list of universities and relevant accounting educators which fulfils the criteria was acquired from the universities website. The questionnaire was sent to all accounting educator's identified but only 195 educators responded to the questionnaire. Survey items were developed based on Islamic ethics instrument adapted from AAOIFI Code of Ethics for Accountants and Auditors (1998), and Accounting Ethical Development model (Fisher et al., 2005). Respondents are required to response to the best answer based on 5-point Likert Scale (1=strongly disagree to 5=strongly agree). Descriptive analysis was used to gain insight into respondents profile and inferential analysis was used to test all hypotheses and answering research question. Non-parametric statistics makes inferences about the parameter of the population distributions and test of relationships between variables by comparing their median rather than mean (Pallant, 2013). The Cronbach's alpha coefficients models was conducted to test the reliability of the items and value ranging from 0.718 to 0.871, generally indicates good scales and meet the significant level of validity.

Data Analysis and Findings

Profile of Respondents

Demographic profiles of respondents in this study were shown in Table 4.1. Among 195 respondents, 30.3 percent were male and 69.7 percent were female. Majority of accounting educators were in the age group of 40-50 years which encompassed of 48.2 percent and 37.9 percent of the respondents were in the age group of 30-39 years, 10.3 percent respondents were more than 50 years and 3.6 percent were less than 30 years. In terms of working experience, more than half, with 52.8 percent of respondents have working experience in their institutions between 11-15 years, 23.6 percent have working experience between 16-20 years and about 13.8 percent of accounting educators works more than 20 years and 9.8 percent have work less than 10 years.

The respondents position in this study were commonly senior lecturer of 48.2 percent, which had the highest percentage of response; 22.1 percent were lecturer, 15.4 percent were associate professor, 11.8 percent were assistant professor, 1.0 percent was professor and the balance was academic fellow. All accounting educators were well qualified and highly educated people. In terms of the institutions where they perform, mostly the respondents came from UiTM (University Technology Mara) and UUM (University Utara Malaysia) which are accounted approximately 25.6 and 25.1 percent respectively. About 11.8 percent and 11.3 percent participants came from UPM (University Putra Malaysia) and IIUM (International Islamic University Malaysia) and other institutions have less than 10 percent of response rate.

Table 4.1

Respondents' Demographic Characteristics

Individual characteristic	Classification	Frequency	Percentage
Gender	Male	59	30.3
	Female	136	69.7
Age	Less than 30	7	3.6
	30-39 years	74	37.9
	40-50 years	94	48.2
	More than 50 years	20	10.3
Working Experience	Less than 5 years	5	2.6
	6-10 years	14	7.2
	11-15 years	103	52.8
	16-20 years	46	23.6
	More than 20 years	27	13.8
University	UM (Universiti Malaya)	11	5.6
	USM (Universiti Sains Malaysia)	5	2.6
	UKM (Universiti Kebangsaan Malaysia)	17	8.7
	UPM (Universiti Putra Malaysia)	23	11.8
	UiTM (Universiti Teknologi Mara)	50	25.6
	IIUM (International Islamic University Malaysia)	22	11.3
	UUM (Universiti Utara Malaysia)	49	25.1
	UPSI (Universiti Pendidikan Sultan Idris)	18	9.2
Position	Professor	2	1.0
	Associate Professor	30	15.4
	Assistant Professor	23	11.8
	Academic Fellow	3	1.5
	Senior Lecturer	94	48.2
	Lecturer	43	22.1

Acceptability of Islamic Ethics

Mann-Whitney U test was used to compares medians of the two groups and evaluate whether the ranks for the two groups differ significantly (Pallant, 2007). As shown in Table 4.2, there are significant difference scores between male and female across the acceptability level of Islamic Ethics Principles (IEP) and Generate Ethical Accounting Student (EAS). A *Mann-Whitney U* test revealed a significant difference in Islamic Ethics Principles levels of males and females $U = 3066$, $z = -2.96$, $p = .003$; and Generate Ethical Accounting Students level of males and females $U = 3158$, $z = -2.38$, $p = .017$. Furthermore, the results demonstrate that female group scored relatively higher than male on IEP and EAS.

Table 4.2 (Mann Whitney U Test) Gender

	Gender	N	Mean Rank	Sum of Ranks	Mann Whitney U	Z	Asymp. Sig (2-tailed)
Sharia Foundation	Male	59	89.65	5289.50	3519.500	-1.546	.122
	Female	136	101.62	13820.50			
	Total	195					
Islamic Ethics Principles	Male	59	81.97	4836.00	3066.000	-2.957	.003
	Female	136	104.96	14274.00			
	Total	195					
Generate Ethical Accounting Student	Male	59	83.53	4928.00	3158.000	-2.378	.017
	Female	136	104.28	14182.00			
	Total	195					

*The Mann Whitney U Test revealed statistically significant differences between male and female in terms of Islamic Ethics Principles (IEP), and Generate Ethical Accounting Student (EAS) but revealed no statistically significant differences in Sharia Foundation of Islamic Ethics.

Kruskal-Wallis Test

The next step in the analysis was to explore the differences of demographic variable; namely university, positions, education level, age and working experience groups on Sharia Foundation, Islamic Ethics Principle and Generate Ethical Accounting Student constructs. Kruskal-Wallis H Test was used to compare the educator's perception on these variables for each constructs.

University

Table 4.3 revealed a slightly statistically significant difference in *Sharia* Foundation level across 8 difference university groups ($p=.037$), and UPSI recorded a higher median score than the other university. Table 4.4 showed that UPSI recorded a highest mean rank than the other seven university, (*Mean Rank=127.78*) for *Sharia* Foundation. There are no significant differences in the level of Islamic Ethics Principles and Generate Ethical Accounting Student scores.

Table 4.3 (Kruskal Wallis Test) University	Sharia Foundation of Islamic Ethics	Islamic Ethics Principles	Generate Ethical Accounting Student
Chi-Square	14.904	13.382	8.492
df	7	7	7
Asymp. Sig.	.037	.063	.291

Table 4.4

(Kruskal Wallis Test) University

	University	N	Mean Rank
Sharia Foundation	Universiti Malaya	11	78.50
	Universiti Sains Malaysia	5	123.00
	Universiti Kebangsaan Malaysia	17	75.56
	Universiti Putra Malaysia	23	102.30
	Universiti Teknologi Mara	50	102.32
	Universiti Islam Antarabangsa Malaysia	22	85.70
	Universiti Utara Malaysia	49	95.77
	Universiti Pendidikan Sultan Idris	18	127.78
	Total	195	
Islamic Ethics Principles	Universiti Malaya	11	126.64
	Universiti Sains Malaysia	5	137.00
	Universiti Kebangsaan Malaysia	17	70.85
	Universiti Putra Malaysia	23	95.50
	Universiti Teknologi Mara	50	100.24
	Universiti Islam Antarabangsa Malaysia	22	87.09
	Universiti Utara Malaysia	49	97.90
	Universiti Pendidikan Sultan Idris	18	105.89
	Total	195	
Generate Ethical Accounting Student	Universiti Malaya	11	114.77
	Universiti Sains Malaysia	5	109.50
	Universiti Kebangsaan Malaysia	17	96.97
	Universiti Putra Malaysia	23	120.17
	Universiti Teknologi Mara	50	91.62
	Universiti Islam Antarabangsa Malaysia	22	79.86
	Universiti Utara Malaysia	49	94.23
	Universiti Pendidikan Sultan Idris	18	107.33
	Total	195	

Position

Referring to table 4.5, result demonstrate a significant difference in Islamic Ethics Principles level ($p=.006$) across the accounting educators position. There are insignificant difference in *Sharia* Foundation scores and Generate Ethical Accounting Student scores. Professor,

associate professor, assistant professor and senior lecturer recorded a higher median score ($Md = 70.00$) than the other two position, which academic fellow ($Md = 63.00$) and lecturer ($Md = 69.00$) for Islamic Ethics Principles. Comparing of the Mean Ranks across the three set of variables, it appears that assistant professor group had the highest ranking for all of the construct, (Sharia Foundation, *Mean Rank*=117.07; Islamic ethics Principles, *Mean Rank*=126; Ethical Accounting Student, *Mean Rank*= 104.17).

Table 4.5 (Kruskal Wallis Test) Position	Sharia Foundation of Islamic Ethics	Islamic Ethics Principles	Generate Ethical Accounting Student
Chi-Square	11.010	16.370	5.938
df	5	5	5
Asymp. Sig.	.051	.006	.312

Table 4.6
(Kruskal Wallis Test) Ranks of Position

	Position	N	Mean Rank
Sharia Foundation	Professor	2	91.75
	Associate Professor	30	98.47
	Assistant Professor	23	117.07
	Academic Fellow	3	47.17
	Senior Lecturer	94	90.02
	Lecturer	43	108.76
	Total	195	
Islamic Ethics Principles	Professor	2	137.00
	Associate Professor	30	95.82
	Assistant Professor	23	126.00
	Academic Fellow	3	31.67
	Senior Lecturer	94	98.65
	Lecturer	43	85.93
	Total	195	
Generate Ethical Accounting Student	Professor	2	26.25
	Associate Professor	30	93.37
	Assistant Profesor	23	104.17
	Academic Fellow	3	52.83
	Senior Lecturer	94	100.64
	Lecturer	43	98.64
	Total	195	

Education Level

The result of the *Kruskal-Wallis* test in table 4.7 showed that there was a significant difference in Islamic Ethics Principles ($p=0.001$) scores across the educational level of accounting educators. There are no significant differences in the level of *Sharia* Foundation and Generate Ethical Accounting Student scores. Postdoctoral and Phd groups recorded a higher median score ($Md=70.00$) than the master group ($Md=68.00$) in Islamic Ethics Principles constructs. Comparing of the Mean Ranks across the variables, it appears that postdoctoral group had the highest ranking for the entire construct except *Sharia* Foundation, (Islamic ethics Principles, *Mean Rank*= 124.94; Ethical Accounting Student, *Mean Rank*= 108.19).

Table 4.7

(Kruskal Wallis Test) Education Level

	Sharia Foundation of Islamic Ethics	Islamic Ethics Principles	Generate Ethical Accounting Student
Chi-Square	2.587	14.569	.898
df	2	2	2
Asymp. Sig.	.274	.001	.638

Table 4.8

(Kruskal Wallis Test) Ranks of Education Level

	Education Level	N	Mean Rank
Sharia Foundation	Postdoctoral	8	98.63
	PhD	142	101.26
	Masters	45	87.60
	Total	195	
Islamic Ethics Principles	Postdoctoral	8	124.94
	PhD	142	104.00
	Masters	45	74.28
	Total	195	
Generate Ethical Accounting	Postdoctoral	8	108.19
	PhD	142	95.75
	Masters	45	103.30
	Total	195	

Age

Table 4.9 presents the *Kruskal-Wallis* test by age revealed no significant difference in the three variables. Meanwhile, Mean Ranks across the three set variables appears that the age group of 'less than 30' had the highest ranking for Islamic Ethics Principles (*Mean Rank* = 137.00). The age group of 'more than 50 years' had the highest ranking for *Sharia* Foundation (*Mean Rank* = 108.60). Finally the age group of '30-39 years' had the highest ranking for Generate Ethical Accountant (*Mean Rank* = 105.86).

Table 4.9

(Kruskal Wallis Test) Age

	Sharia Foundation of Islamic Ethics	Islamic Ethics Principles	Generate Ethical Accounting Student
Chi-Square	1.172	6.149	2.846
df	3	3	3
Asymp. Sig.	.760	.105	.416

Table 4.10

(Kruskal Wallis Test) Ranks of Age

	Age	N	Mean Rank
Sharia Foundation	Less than 30	7	101.29
	30-39 years	74	97.95
	40-50 years	94	95.54
	More than 50 years	20	108.60
	Total	195	
Islamic Ethics Principles	Less than 30	7	137.00
	30-39 years	74	101.34
	40-50 years	94	91.79
	More than 50 years	20	101.18
	Total	195	
Generate Ethical Accounting Student	Less than 30	7	101.21
	30-39 years	74	105.86
	40-50 years	94	91.29
	More than 50 years	20	99.33
	Total	195	

Working Experience

Table 4.11 represents a statistically significant difference in Islamic Ethics Principles level across working experience among accounting educators ($p=.017$). There are no significant differences in the level of *Sharia* Foundation and Generate Ethical Accounting Student scores. Working experience for 'less than 5 years', '6-10 years', '11-15 years' and 'more than 20 years' recorded a higher median score ($Md = 70.00$) than the '16-20 years' group ($Md = 69.00$). Further, table 4.12 also reports the Mean Ranks for each one of the three attributions, and can be seen that the academician with working experience '6-10 years' had the highest ranking for *Sharia* Foundation ($Mean Rank=123.75$). Academician with working experience 'less than 5 years' had the highest ranking for Islamic Ethics Principles ($Mean Rank = 137.00$) and Generate Ethical Accountant ($Mean Rank = 109.50$).

Table 4.11

(Kruskal Wallis Test) Working Experience

	Sharia Foundation of Islamic Ethics	Islamic Ethics Principles	Generate Ethical Accounting Student
Chi-Square	6.699	12.109	1.828
df	4	4	4
Asymp. Sig.	.153	.017	.767

Table 4.12

(Kruskal Wallis Test) Ranks of Working Experience

	Working Experience	N	Mean Rank
Sharia Foundation	Less than 5 years	5	123.00
	6-10 years	14	123.75
	11-15 years	103	97.00
	16-20 years	46	88.74
	More than 20 years	27	99.59
	Total	195	
Islamic Ethics Principles	Less than 5 years	5	137.00
	6-10 years	14	107.07
	11-15 years	103	104.69
	16-20 years	46	79.46
	More than 20 years	27	92.13
	Total	195	
Generate Ethical Accounting Student	Less than 5 years	5	109.50
	6-10 years	14	101.46
	11-15 years	103	101.69
	16-20 years	46	89.89
	More than 20 years	27	93.81
	Total	195	

Relationship between Islamic Ethics Principles and Ethical Accounting Students

Referring to table 4.13, it provides means, standard deviations and correlations between Islamic Ethics Principles and the development of Ethical Accounting Students. The findings from the analysis demonstrate that the correlations were less than 0.50 indicated that there are positive but slightly small correlations between variables. Thus, it demonstrated that there was a linear relationship between Islamic Ethics and ethical accounting students.

Table 4.13

Means, standard deviations and correlation coefficients

	Mean	Std. Deviation	1	2
1. Principles of Islamic ethics	4.04	3.421	-	.039
2. Ethical Accounting Students	4.02	4.078	.039	-

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Discussion

The results demonstrated that there were differences of some demographic variables on the acceptability of *Sharia* foundation (SF), Islamic ethics principles (IEP), and ethical accounting students (EAS). Findings revealed that there were significant differences in the scores between male and female across the acceptability level of Islamic Ethics Principles (EIP) and Ethical Accounting Student (EAS). Results revealed that female group scored relatively higher than male on IEP and EAS may suggest that women appear to emphasize more on virtue and value such as honesty, trust and accountability in developing young accounting students.

Further, finding revealed significant difference in *Sharia* Foundation level across eight university groups, namely USM, UPM, UiTM, UUM, UKM, UTM, UM and UPSI scored higher than other Malaysian universities. The finding that UPSI scored higher on SF than other universities is startling. In recent year, UPSI is one of Malaysian younger university that concentrated on teacher education and curriculum. UPSI also emphasize on the development of holistic graduates that in balance between technical skills and soft skills. This may suggest that accounting educators started to realize the important of Islamic ethics on moral development of accounting students and the fact that the student will be an educator at school and college one day. This realization motivated accounting educators to ponder their role in community (Ali & Ali, 2007). Thus, acceptability of SF may be seen as a sign of new positive thinking on their teaching role and contribution to society.

Next, results demonstrate significant differences in IEP across accounting education positions. The professors (including associate and assistant professors) and senior lecturers scored relatively higher than the other two positions on IEP. This may indicate that professors and senior lecturers are more aware on the meaning of Islamic ethics and emphasize on the Islamic principles that represent virtue and good values in accounting education. The result of educational level among accounting educators revealed that there were statistically significant difference in IEP. Postdoctoral and PhD groups scored higher than the other counterparts in IEP constructs. This may suggest that postdoctoral and PhD groups emphasis on the important of Islamic ethics in the profession. The fact that academicians with PhD scored higher may suggest they are more concern to institutional commitment, focusing on successful achievement of task and supporting their institutional goal for society benefit. Finally, findings demonstrate significant difference in working experience variables on IEP. Working experience between 5 years to 15 years scored higher than other counterparts may suggest that accounting educators that have working experience less than 15 years have strong consensus and acceptability on some of Islamic ethics principles.

Respondents perceived that accountants' need to fulfil promises, honour agreements and accept the important of legitimacy principles where all professional duties must according to *Sharia* rules and principles. Majority of respondents encourage accounting educators to incorporated Islamic ethics in their teaching and learning process. The educators emphasized that Islamic ethics as important tool to instil moral development among accounting students. They believed that justice (*adala*) in performing task as one of the important principle to accountants. Further, being just in all his/her dealings, treated fairly and with equity is another characteristic of Muslim accountants' (Ladewi, 2014). Hence, accounting educators indicated that accountant's should have high degree of trustfulness, honesty, probity and respect of accounting information in preparing financial statement. Accountants must provide high quality of works in accordance with *Sharia* rules and Islamic ethics frameworks (Yunanda and Majid, 2011).

Nearly all respondents think that principles of sincerity and benevolence must be emphasized in accounting. Benevolence or *ihsan* is another important principle in Islamic ethics where accountants' should be patient and generous when carrying his/her duty. In particular, they promote the principles of diligent where accountants' should perform their duty diligently, properly and accountable to God first and foremost. Hence, it would seem that respondents perceived that accountants' are refrains from engaging in activities that may jeopardise integrity and objectivity. For example, through the teaching of Islamic ethics, accountant is refrains from using confidential information for unethical advantage or for his/her own benefits and interest.

Next, accounting educators believed that Islamic ethics principles (IEP) were acceptable and suitable in accounting education. They perceived that accountants' need to fulfil promises, honour agreements and accept the important of legitimacy principles which all professional duties must according to *Sharia* rules and principles. Further, accounting educator encouraged Islamic ethics to be incorporated by accounting educators in their teaching and learning process to develop ethical accounting students. They strongly believed that justice (*adala*) in performing task or duty as the most important principle to accountants'. Despite this, another characteristic of Muslim accountants' are being just in all his/her dealings, treated fairly and with equity to others.

Muslim accountants' should provide high quality of works in accordance with *Sharia* rules and comply with relevant standards as adopted by society. Accounting educators believed that accountants' is vicegerent of Allah and should have high integrity when performing their responsibility. From the teaching of Islam accountants' are refrains from engaging in activities that may jeopardise integrity and objectivity. They think that principles of sincere and benevolence must be emphasizes in accounting. Benevolence or *ihsan* is another important principle in Islamic ethics where accountant should be patient and generous when carrying his/her duty. Accounting educators whose value Islamic ethics tends to satisfied and put higher commitment to their jobs in university environment. This pattern of relationships is consistent with Islamic ethics principles that emphasis on great effort, sincere, trust, valuing time and kindness in engaging in institution activities.

It is possible to note that Islamic ethics being a strong motivator in influencing accounting educators to put forth great effort to help their institution succeed. The shared values that motivate the conduct of the employee influenced the pleasure of working, improvement of productivity, cooperation, team work and strengthened the organization economy and perseverance. These results show that giving fully commitment and carry out work to the best of their ability to the organization demonstrate an attachment to the Islamic teaching.

Conclusion

The issues of Islamic ethics are not something new in Malaysian education system as Muslim is the majority in Malaysia, thus attracted many discussion among Islamic scholars and academicians. There is also an increase of interest among accounting user regarding the relationship between religion and business and economic. Thus, the findings from the study can provide some insight regarding ethical education from Islamic perspectives. The research concluded that there are differences in demographics variables on the acceptability of Islamic ethics principles in accounting. The female group of accounting educator appear to emphasize more on virtue and value such as honesty, trust and accountability in developing young accounting students. Despite this, women score higher than man on Islamic ethics principles may indicate that women have come to understand the significant of Islamic ethics in education.

In addition, finding revealed that accounting educator started to realize the important of Islamic ethics on moral development of accounting students and the fact that there is the need to integrate ethics into education system. This realization motivated accounting educators to ponder their role in education system and making contribution to society. The study shows that accounting educator position do provide significant different in perceiving the important of IEP. The professors (including associate and assistant professors) and senior lecturers scored relatively higher than lecturer and tutor indicate that professors and senior lecturers are more aware on Islamic ethics meaning and emphasis on the Islamic principles that represent virtue and good values in accounting education.

However, the result of educational level among accounting educators revealed that postdoctoral and PhD groups scored higher than the other counterparts in Islamic ethics principles may suggest that postdoctoral and PhD groups more concern on the important of IEP in the profession. Accounting educator with working experience between 5 years to 25 years participate more on expressing ideas and positive involvement in their organization and have strong consensus and acceptability on some of Islamic ethics principles. Finally, accounting educators believed that Sharia Foundation (SF) as an acceptable framework as a guideline for the university administrator to enhance the improvement of accounting curriculum.

Contributions

This paper has several contributions to accounting disciplines specifically to the accounting faculty, accounting educators and the Islamic organization. The findings of the study suggest that the education system that emphasize on moral development of the students should consider integrating Islamic ethical framework in the curriculum. Thus, this paper promotes accounting faculty to adopt Islamic ethics principles in accounting curriculum to achieved

better generation of accounting graduates. In term of contribution to accounting educator, the study will give benefits directly and indirectly in understanding of the important of Islamic ethical principles in accounting education. Accounting educators then could enhance their knowledge through attending training, short course, seminar and carrying further research on Islamic ethics with then will encourage integration of Islamic ethics into the accounting courses. Finally, this study promotes that accounting professional body to consider the need of Muslims society to fulfil Sharia requirement in their accounting practice.

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