The importance of Ethics and Ethical Leadership in Public Sector Accountants

F. Hajipoor¹ and E. Barzegar (Ph. D.)²

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Abstract

Introduction: The future of accounting depends on the leaders and ethical leadership of professional accountants. Therefore, it is necessary for the leaders to guide accountants towards honest behavior by explaining and clarifying the importance of ethical standards. Obviously, by doing so, the accounting profession can continue its historic role in fair economic growth and the success and welfare of nations. This will come true when accountants are committed to ethical principles. Therefore, this study examines the ethical leadership model and its impact on the effectiveness of the leader in accounting.

Method: This study is a descriptive survey. The statistical community sample included the staff of Shiraz University of Medical Sciences, Shiraz Public Hospitals, Shiraz Medical Science Faculty and Shiraz Municipality. Data was gathered by means of questionnaires and analyzed by structured equation modeling method.

Results: The results indicated that the staff’s perception of the leader’s ethics had positive and significant effect on leadership effectiveness. Also, staff expectancy and preference for ethical leadership did not moderate the relationship between perceiving leader’s ethical behavior and leader effectiveness.

Conclusion: If leaders have ethical behavior, they will be considered as more efficient leaders in the eyes of their superiors and subordinates. Ethical leadership plays an important role in predicting and explaining the effectiveness of the leader. Establishing a relationship between ethical leadership behaviors and leader effectiveness may motivate companies and accounting professionals to pay more attention to ethical leadership behaviors.

Keywords: Ethics, Ethical Leadership, Leader Effectiveness, Public Sector Accountants.

¹ M. A. in Accounting, Shiraz Branch, Islamic Azad University, Shiraz, Iran (Email: elham_hajipoor67@yahoo.com)
² Assistant Professor, Department of Accounting, Shiraz Branch, Islamic Azad University, Shiraz, Iran (Corresponding author; Email: barzegar@iaushiraz.ac.ir)