

The Effect Of Emotional Spiritual Quotient (ESQ) To Ethical Behavior In Accounting Profession With Tri Hita Karana Culture's As A Moderating Variable

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Abstract

This study examined the effect of Emotional Spiritual Quotient (ESQ) to ethical behavior in the accounting profession culture of Tri Hita Karana (THK) as a moderating variable. Location of the study was conducted in Bali by selecting the accounting profession, both educators accountants, public accountants, as well as the public sector accountants as respondents.

This research design using survey method with a questionnaire to 42 respondents. The data analysis that used was MRA (Moderated Regression Analysis).

Results of this study declare that variable Emotional Spiritual Quotient (ESQ) significantly influence the ethical behavior of the accounting profession. As well as cultural variables Tri Hita Karana (THK) ESQ moderating influence on the ethical behavior of the accounting profession.

Keywords: Emotional Spiritual Quotient, Tri Hita Karana, the accounting profession, ethical behavior

1. Introduction

The monetary crisis that hit Indonesia have a great impact on the business world, many company that insolvent, banks was liquidated, and the real sector been stalled, including government institutions. The system creation and procedure in *Good Corporate Governance (GCG)* practices in this case still leaves many slit for the deviant behavior to commit a fraud. The proof is a lot of public companies neither in the world nor in Indonesia has collapsed due to mistakes in practice of management system which of course there involved directly or indirectly accounting profession as part of the management who do not run their ethics code.

The occurrence of this problem remains that many profession are risk be borne by accountant and declining accountants defense under pressures that made by the shareholders and interested parties, it is caused by the neglect of professional ethics in accounting profession (Fitriaman, 2006). The case in Indonesia submitted by Baidae (2000) in Fitriaman (2006) which states that the results of the BPKP evaluation on 91 KAP/KJA in Indonesia for 4 (four) years KAP audit events from the year 1994 to 1997 there were 97.55% which do not comply with the Public Accountants Professional Standards (*Standar Profesional Akuntan Publik* hereinafter called by SPAP). That's why the accounting profession are required to have a high sense of responsibility, especially their social responsibility to the community.

In this reform era, which is any form of accountability demanded transparency, where people have very highlighting the accounting profession that has an important role. So the accounting profession in the eyes of people who now have a high level of knowledge as well as the publication of the media that caused public awareness of the existence of frequent protests accounting profession. Accounting profession ethics violations, added with the unfolding cases cost the state, the public began to doubt accounting profession commitment.

Accounting is a profession that lives in a business environment, where the existence from time to time are increasingly required by the business community (Fitriaman, 2006). That is why the accountants should really be run in a professional manner according to professional standards and ethics code. The violations Accountant / auditor reflected when auditors have failed to observe the requirements of the standard by meticulous professionalism, skill or competence, disobedience against professional ethics, as well as dishonorable action.

Fraud and breach of professional ethics code in the accountant / auditor occurs due to a lack of awareness, within the accountant to take responsibility for their work. So that the accountant is expected to have a conventional intelligence, spiritual intelligence and emotional intelligence as delimiter the desire to do fraud or breach of ethics code. The research that conducted by (Hidayat, 2012) states that conventional intelligence (IQ), emotional intelligence (EQ) and spiritual intelligence (SQ) is often called ESQ (Emotional Spiritual Quotient) positive influence on the acceptance of dysfunctional audit behavior, that means the higher ESQ, the more acceptance of dysfunctional audit behavior. This suggests that accounting profession in their profession professionally can not

ignore the values and meanings, self-awareness, flexible and adaptive capabilities are still limited to the self can be lost at any time without trust and belief in transcendental power that provides energy for humans.

This research was conducted in Bali, the most important ideology in society is *Tri Hita Karana* Bali. In Balinese society, the ideology of *Tri Hita Karana* closely associated with the Hindu religion. This ideology is expressed in the form of values nor norms that regulate human behavior so that a harmonious society can be realized (Eisemen, 1988; Atmadja, 1998). Therefore, talking about social capital owned by the people of Bali, in essence refers to the ideology of *Tri Hita Karana* which is associated to the Hindu religion, and a set of values nor norms that accompany or protect it from what was expected, the harmonious society, optimally realized.

Tri Hita Karana is a noble concept to build a peace society in life. Definition of *Tri Hita Karana* itself means three main that led to the welfare and prosperity of human life (Wirawan, 2011:2). This concept appears closely related to the existence of life in Bali, this means that not only have an impact on the realization of communion and fellowship territorial over common interests living in a society, but also a belief in equality fellowship to worship One God or *Sang Hyang Widhi*.

With the conditions as stated above, the researcher make it a research foundation to use a local culture that has become a way of life of the Balinese, such as *Tri Hita Karana*. *Tri Hita Karana* is presumably can support ESQ influence on ethical behavior in the accounting profession. *Tri Hita Karana* concept is the value concept of local culture that has grown, evolved in the Balinese tradition, and even today has become a foundation of the business philosophy, tourism development philosophy, spatial arrangements, and regional development strategic plan. *Tri Hita Karana* contain spiritual elements as well as other elements that support ESQ held in a person. *Tri Hita Karana* is the way of life that connects between man and One God, humans with other humans, and humans and their environment. Third is this relationship that has been able to raise awareness in living human work, so in this study is expected to support ESQ effect on ethical behavior of the accounting profession.

The use of variable *Tri Hita Karana* is supported by research conducted by the Gunawan (2009) which states that the *Tri Hita Karana* adopted as organizational culture has positive and significant effect on performance. In addition, organizational culture is also have positive and significant effect of job satisfaction. This suggests that the *Tri Hita Karana* has a relationship with this person's behavior, which in this case is an accountant. An accountant job satisfaction will affect the behavior. The behavior in question here is ethical behavior in the accounting profession who interpret compliance with standards and ethics codes of applicable profession.

Based on the above explanation, this study has the objective to test the effect of *Emotional Spiritual Quotient (ESQ)* to ethical behavior in the accounting profession with the local culture of Bali *Tri Hita Karana* as a moderating variable. To obtain a comprehensive description results of this study, it will be described in the next section on theoretical study and formulation of research hypotheses, research methods, and research results. Furthermore, in-depth understanding of empirical analysis results are summarized in conclusion of the study and the possibilities for future research.

2. Literature Review

2.1 Ethics Code in Profession of Accountants

The Ethics Code in profession of accountants always guided by the Ethics Code Indonesian Institute of Accountants. Indonesian Institute of Accountants Ethics Code is intended as a guide and rules for all members, whether they practice as a public accountant, worked in the corporate world, in the government agencies, as well as in the environmental education, in fulfillment of professional responsibilities.

The purpose of the accounting profession as stated in the Ethics Code Indonesian Institute of Accountants is fulfilling its responsibilities with the highest professional standards, achieving the highest level of performance, with an orientation to the public interest. To achieve these purposes, there are some basic requirements that must be met, namely:

- a) Credibility. Society needs the credibility of information and information systems.
- b) Professionalism. It required individuals who can clearly be identified by service users as a professional accountant in the accounting field.
- c) Service Quality. The presence of the belief that all services obtained from the accountants are provided with the highest performance standards.
- d) Trust. Accountant service users should be able to feel confident that there is a framework of professional ethics which underpin the provision of services by the accountant.

Compliance with the Ethics Code, as well as all the standards in an open society, depends primarily on understanding and voluntary actions members. In addition, the compliance of members also determined by the compliance of coercion by fellow members and by public opinion, and ultimately by the presence of the processing mechanism of ethical code violations by the organization, if necessary, against members who do not obey them. If necessary, members should also pay attention to the ethical standards set by government agencies that regulate business clients or use the report to evaluate the client's compliance with laws and regulations in force.

2.2 Motivation Theory

Motivation according to Robbins and Judge (2011) is the willingness to expend high levels of effort toward organizational goals conditioned by the effort's ability to meet the needs of the individual thing, the third element of this argument is an attempt objectives and needs. Motivation is the driving force from the heart of a person to do something or achieve a goal. Motivation can also be regarded as a plan or desire for success and avoid failure of life. In other words, motivation is a process to achieve a goal. Someone who has the motivation means he/she has had the power to get success in life.

There are two types of motivation; it can be intrinsic and extrinsic motivation. Intrinsic motivation is when the nature of work itself that makes a person motivated, that person gets the satisfaction of doing the job not because of other stimuli such as status or money or it could be said to be doing a hobby. Whereas extrinsic motivation is when elements outside of work inherent in the job becomes a major factor that makes a person motivated such as a status or compensation.

2.3 ESQ (Emotional Spiritual Quotient)

ESQ is an acronym for Emotional Spiritual Quotient which is a combination of *EQ* (*Emotional Quotients*) and *SQ* (*Spiritual Quotients*), which is a merger between emotional intelligence and spiritual control.

Conventional intelligence is often called the *Intelligence Quotient (IQ)* is a person's intelligence that brought since born and are the effect of education and experience (Thoha, 1983). *IQ* is the ability required to perform the mental activities (Robbins and Judge, 2011). Elements contained in *IQ* are: numerical intelligence, verbal comprehension, perceptual speed, inductive reasoning, deductive reasoning, visualization space, memory (Robbins and Judge, 2011).

The concept of emotional intelligence (emotional intelligence), known as *Emotional Quotient (EQ)* was first issued by Salovey and Mayer in 1990 which further explore the problem of "why smart people do not include people who are successful, both in business and in personal life" (Fatmawati, 1998, in Fitriaman, 2006). In a practical context, to form individual who has a perfect *ESQ*, the existence of *EQ* (emotional intelligence) become one aspect that have very important contents to give synergy between each other with other intelligence context. This can be simply understood as emotional intelligence (*EQ*) is the ability to feel (Fitriaman, 2006).

Spiritual intelligence, known as *Spiritual Quotient (SQ)* is a capability that is as old as the people (Fitriaman, 2006). Indications of this spiritual intelligence in view of Zohar and Marshall (2000) includes the ability to live the values and meanings, having self-awareness, flexible and adaptive, tend to look at things holistically, as well as the tendency to seek fundamental answers over life situations, and others. They also stated that the *SQ* associated with divinity or religious issues. Human intelligence realized because of the impulse of conscience that comes from God with the elements of God natures or God-Spot, making man has personal resilience and social resilience in realizing human success. *Spiritual Quotient* by secular thinking has not been able to provide a comprehensive meaning to humans (Hidayat, 2012).

2.4 Tri Hita Karana (THK)

Tri Hita Karana is a philosophy that once a concept of life and system of Balinese culture. It is the concept of life which emphasizes the principles of harmonization, alignment, and balance between economic goal, environmental and cultural preservations, aesthetic and spiritual (Tenaya, 2007). *THK* concept is the concept of harmonizing the relationship which always maintained by Balinese Hindu community include: *parahyangan* (human relationship with God), *pawongan* (human relations), and *palemahan* (human relationship with the environment) that derived from the Hindu scriptures *Baghawad gita*. Therefore, the concept of *THK* developed in Bali is a cultural concept that is rooted in religious teachings (Riana, 2010).

THK is a philosophy and has become a way of life the people of Bali in all aspects of life (Windia and Dewi, 2007). *THK* culture concept is a concept that emphasizes the principles of harmonization, alignment, and balance between economic goal, environmental and cultural preservations, as well as aesthetic and spiritual. Accordingly, business people and all the Balinese community components required to implement the culture *THK* in all aspects of life. Similarly, in implementing business activities should consider the balance between the

needs of the earthly and heavenly needs (religious) (Riana , 2010) . Literally the word "*Tri Hita Karana*" comes from the word "*Tri*" means " *three* ", the word "*Hita*" means "*Welfare*" and then "*Karana*" which means "*Cause*". So the words "*Tri Hita Karana*" has meaning that there are three elements of the cause of human achieve prosperity, happiness and peace.

The combination of the three elements contained in the *Tri Hita Karana* in harmony as the foundation for the creation of a sense of living a comfortable, serene and peaceful outwardly or inwardly. This is the real picture of life in Bali which patterned after the *Tri Hita Karana*. Actually, the values teachings of *Tri Hita Karana* are philosophy value derived from the teachings values contained in Veda and daily custom of Balinese ancestors which still relevant in the present to be practiced anywhere (Wirawan, 2011:3).

2.5 Ethical Behavior of Accounting Profession

When discussing about the ethical behavior then regard to the discussion of ethics in it. Ethics is one branch of the sciences about human (Bartens, 2000:4). Ethics in general try to give an explanation related to the individual and society, as well as trying to assign tasks or duties to be performing. This means emphasizing the good and bad deeds of a human is focus of ethical issues.

In general, ethical behavior required by the public so that everything can run on a regular basis. Accountant as part of society and as a profession, that provides services to the public, should behave professionally. According Agoes (1996) in Fitriaman (2006) states that every profession who provide services to the public must have an Ethics Code is a set of moral principles and a set of professional behavior.

For accountants, the Ethics Code is moral principles that govern the relationship between fellow accountants with clients as well as relationships with community. From the description above means the accountant general responsibility is to improve services and increase confidence. On the other hand, as a professional, the accountant must be aware of the capabilities and always improving such capabilities. If they don't have the expertise and knowledge of the assignment, it is better to avoid the provision of professional services.

In building the professionalism, the main elements that include in it is ethical behavior. Professionalism of an accountant of course seen from their consistency toward any rules that are based on accountant profession standard and the most important is the moral basis as a form of accountability to the public as the professionals, and is closely related to the context of construct of ethical behavior in the accounting profession.

2.6 Previous Research

The results of the study from Hidayat (2012) stated that the *ESQ* positive effect on the performance of auditors, meaning that the higher *ESQ*, the higher the performance of the auditor. This condition occurs because of the ability to live the values and meanings, self-awareness, flexibility and adaptive capability is limited to self-capability that someday may lost without the trust and belief in transcendental power that provides energy for humans. This gave rise to the statement that *ESQ* is fundamental that will be the cornerstone of the government auditor's behavior in complying with standards and codes of ethics, thus showing a good performance.

Saputra (2012) in his research that uses *THK* variables as moderating effects of locus of control on performance and job satisfaction of internal auditors star hotels in Bali, expressed locus of control variables shown to affect the performance of the internal auditor with variable *Tri Hita Karana* as a moderating variable. The results of this study also suggested a more internal locus of control affect the performance, the internal auditors who have an internal locus of control have better performance with *Tri Hita Karana* as moderating compared to the internal auditors who have an external locus of control. *THK* here is able to strengthen *LOC* which is psychological nature of every human being that equal to *SEQ* owned all personnel auditor that will lead to the ethical conduct of an auditor.

In research from Gunawan (2009) conducted at Village Credit Institutions (LPD) in Bali, found that organizational culture are have positive and significant effect on performance. Furthermore, according to Gunawan (2009) this condition shows that the values embodied in the Bali culture philosophy of *Tri Hita Karana* which adopted as the culture of an organization is able to motivate and provide spiritual and emotional intelligence to employees LPD in Bali so that in the work, they always pay attention to the implications of actions. This can be a barrier to all employees in cheating or breach of which will be self-defeating and companies.

2.7 Hypothesis Formulation

According to previous studies and explanations above, it can be formulated as the following hypothesis:

H1 : *Emotional Spiritual Quotient* has an effect on ethical behavior in the accounting profession

H2 : *Tri Hita Karana* moderate the effect of *Emotional Spiritual Quotient* to the ethical behavior of the accounting profession

3. Materials and Methods

3.1 Research Design

The research design used in this study is a survey method. Survey research design is a design study with the aim of testing a careful and thorough study of an object based on a specific situation or condition by looking compliance with statement or certain values that followed and observed carefully and thoroughly. Research on the effect of ESQ on ethical behavior in the accounting profession with the local culture of Bali *Tri Hita Karana* as a moderating variable, the survey will be made to the accounting profession (accountant educators, public accountants, management accountants, and government accountants) as respondents.

3.2 Population and Sampling Techniques

The populations in this study are the accounting profession in Bali that educators accountants, public accountants, management accountants and accountants Government. The selection of the accounting profession in Bali as the respondent is expected to increase the rate of questionnaires return from respondents and the questionnaire can be quickly returned, so that will minimize response bias.

Characteristics of the respondents are the accounting profession either educators accountant, public accountant, management accountant and government accountant who is a native Balinese and foreigners who have settled in Bali, the accounting profession understood the Balinese culture, especially the culture of *Tri Hita Karana*, thus questionnaires given not misplaced. In addition, respondents were selected from among the accounting profession who work in all government and private agencies in Bali which has been working professionally in the field of accounting for at least 1 year and have followed the accounting profession education (Ak), making sure respondents understand the standards and professional ethics, work by *ESQ* and apply *Tri Hita Karana's* culture in the work.

The sampling technique used in this study was purposive sampling, this technique is also called judgmental sampling or sample aims consideration. Purposive sampling is a type of non-random sample selection that the information is obtained by using a certain consideration, which is the basis for determining the sample are the purpose of the study (Indriantoro and Supomo, 2009:131). Then the number of samples used in this study correspond calculation formula of purposive sampling is 50 respondents.

3.3 Data Collection Method

This study uses primary data which is source of research data obtained directly from the source (Indriantoro and Supomo, 2009: 154). Method of data collection in this study is the questionnaire collection techniques. The total questionnaires sent whole sample is 50 questionnaires according to the number of samples determined. This study used mail questionnaires (questionnaires by post) which means that this technique allows researchers obtain answers from respondents geographically dispersed (Indriantoro and Supomo, 2009: 155).

3.4 Operational Definition of Variables

Emotional Spiritual Quotient (ESQ) was measured using 14 items of questions adapted to all elements contained in the *ESQ* by adjusting the previous studies. Likert scale used 1-5 ranged from "strongly agree" on a scale limit (1) and "strongly disagree" on a scale limit (5). Questions used are general question about the *ESQ* and does not lead to a particular doctrine or can be said adjust by culture in research conducted spot.

Tri Hita Karana is measured with 13 grains of questions that have been used by Gunawan (2009). Likert scale used 1-5 ranged from "strongly agree" on a scale limit (1) and "strongly disagree" on a scale limit (5). Variable ethical behavior in the accounting profession using 15 grains of questions adjusted to the purpose of research. Likert scale used 1-5 ranged from "strongly agree" on a scale limit (1) and "strongly disagree" on a scale limit (5).

3.5 Measurement of Variables

To measure the effect of *ESQ* variable to accounting profession ethical behavior with local culture *Tri Hita Karana* as moderating variable, are used interactions test frequently called *Moderated Regression Analysis (MRA)*. MRA regression models with interaction method would indicate the occurrence of multicollinearity, so another method developed that is residual analysis. Analysis of residuals wanted to test the effect of deviation (deviation) of a model. The focus is incompatibility (*lack of fit*) resulting from the deviation of the linear relationship between the independent variable and moderate. *Lack of fit* is indicated by the value of the residual

in the regression (Ghozali, 2009: 214-215). Analysis using the MRA should be followed by a test of basic assumptions, so in this study also used the classical assumption that includes test multicollinearity, heteroscedasticity test, autocorrelation test, and test for normality.

MRA equation:

$$PEA = \alpha + \beta_1 ESQ + \beta_2 THK + \beta_3 ESQ*THK + e \dots\dots\dots (1)$$

Validity conducted to test whether the questions in the questionnaire have been appropriate to measure the concept in question. Test of validity is done by using the Pearson correlation test, whereas reliability testing performed using *Cronbach Alpha* value.

4. Results

4.1 Description of Respondents

Respondents in this study are accountants who work in the private sector and the public sector in Bali. Characteristics of respondents surveyed are differentiated by gender, age, duration of work, as well as the amount of income received each month. From the 50 questionnaires distributed amount, questionnaires were received back by 42, this means an overall deployed questionnaire has 84% return rate. In general, respondents were male sex (57.1%) is greater than female respondents (42.9%), most respondents aged 20 to 29 years, worked for more than 2 years to 5 years with an income evenly between more than IDR 2.000.000 to IDR 8.000.000 over.

4.2 Validity Test, Reliability Test and Classical Assumptions Test

Testing instrument research in terms of both validity and reliability of the 42 respondents found that the results of the instruments used are valid and reliable with a significance value of less than 0,05 or the value of the correlation coefficient greater than 0,3 and a reliability coefficient (Cronbach's Alpha) is more than 0,60.

Table 1. The result of Reliability test

Variabel	<i>Cronbach Alpha</i>	Description
PEA	0,797	Reliabel
ESQ	0,894	Reliabel
THK	0,850	Reliabel

Description:

PEA: Ethical Behavior in Accounting Profession

ESQ: *Emotional Spiritual Quotient*

THK: *Tri Hita Karana*

Source: Primary Data Processed (2013)

The classical assumption test in this study includes test multicollinearity, heteroscedasticity test, autocorrelation test, and test for normality. From the test multicollinearity obtained values VIF (*Variance Inflating Factor*) greater than 10 for each of variables that occurs multicollinearity indicated. This obviously happens because there is a linear combination of variables *Emotional Spiritual Quotient (ESQ)* and *Tri Hita Karana (THK)*. To overcome this regression test used is the residual test.

Table 2. The Results of Multicollinearity Test

Variabel	VIF
ESQ	13,321
THK	11,242
ESQ*THK	28,646

Description:

ESQ: *Emotional Spiritual Quotient*

THK: *Tri Hita Karana*

Source: Primary Data Processed (2013)

Heteroscedasticity test in this study conducted by test of *glejser*. Based on the results of statistical calculations it can be seen that all independent variables are variables homokedastisitas, because the significant value of these variables is greater than 0,05.

Table 3. The Results of Heterocedastisity Test

Explanatory variables	T count	PEA
		Sig.
ESQ	-1, 667	0,323
ESQ*THK	0,790	0,435

Description:

PEA: Ethical Behavior in Accounting Profession

ESQ: *Emotional Spiritual Quotient*

THK: *Tri Hita Karana*

Source: Primary Data Processed (2013)

Autocorrelation test using the *Durbin Watson Test* and demonstrate the value of Durbin Watson (DW) test approaching two that is 1,936 so it can be concluded that there is no autocorrelation in the regression equation.

Table 4. The Results of Autocorrelation Test

Variabel Respon	DW	dl	du	4-du
PEA	1.936	1.383	1.666	2.334

Description:

PEA: Ethical Behavior in Accounting Profession

DW: Durbin Watson, dl: Lower bound (lower limit), du: Upper bound (upper limit)

Source: Primary Data Processed (2013)

The results of normality test using the *Kolmogorov-Smirnov* test for normal distribution calculations obtained *p-value* greater than 0,05 is equal to 0,930. It can be concluded that the normality assumption of the residual value can be met..

Table 5. The Results of Normality Test

Variabel Response	Sig.
PEA	0,930

Description:

PEA: Ethical Behavior in Accounting Profession

Source: Primary Data Processed (2013)

4.3 Hypothesis Test Results

The result of hypothesis testing was performed using analysis of MRA (*Moderated Regression System*) with residual test method. Residual test results with regressing *the absolute residuals* of the regression results of *Tri Hita Karana* to *Emotional Spiritual Quotient* (ESQ) with the dependent variable.

Table 6. The Results of Residual Test (MRA)

Model: $abs\ res = \alpha + \beta_1 y$			
Hipotesis	Variabel	Koefisien	Signifikansi
	Konstanta	10,064***	3,587 (0,000)
H2	PEA	-0,083***	-2,289 (0,009)

Description:

***) Significant at 1%

***) Significant at 5%

*) Significant at 10%

PEA: Ethical Behavior in Accounting Profession

Sources: Primary data (processed)

The test results indicate that the variable Ethical behavior in the accounting profession significantly effect the results of *absolute residuals* from the regression model between *Tri Hita Karana* with *Emotional Spiritual Quotient* and obtained coefficient is negative, ie -0,83 for performance variables, so it can be concluded that *Emotional Spiritual Quotient* significant effect on Ethical behavior in the accounting profession with *Tri Hita Karana's* culture as a moderating variable.

5. Discussion

The results of this study stated that the ESQ has significant effect to Ethical Behavior Professional Accounting, this study supports the research conducted by Hidayat (2012) and Isabela (2011) which states that ESQ has positive affects on the performance of auditors, that means the higher ESQ, the more acceptance of dysfunctional audit behavior. In this case the auditor as a profession in the accounting field. This condition occurs because of the ability to live the values and meanings, self-awareness, flexibility and adaptive capability is limited to self someday be lost without the trust and belief in transcendental power that provides energy for humans. This gave rise to the statement that ESQ is fundamental that the auditor will be the cornerstone of the government's behavior in complying the standards and ethics codes, thus showing good performance. Emotional intelligence in the form of self-awareness, self-regulation, empathy, the emotions, and social skills will guide thoughts and behavior. In addition, behavioral and spiritual intelligence puts human life in the context of broader and rich meaning (Zohar & Marshall, 2002). The realization of this ESQ is defined as emotional intelligence and spiritual intelligence where it is in this study as an entity that is owned by the individual themselves, so that each individual accounting profession previously assumed who have emotional intelligence and spiritual intelligence which in this case is seen as a moral attitude which is considered virtuous by a particular individual.

The results of this study support the research conducted by Saputra (2012), which states that the variable of *Tri Hita Karana* as supporters of the relationship between the performance of individual ethical behavior and professional job satisfaction, in this case is the auditor. THK actually contain universal values because THK is the philosophy of harmony and togetherness where the concept and its implementation does not distinguish differences in race, ethnicity, ancestry, religion, and exist in all religious teachings in the world (Arif, 1999 and Pusposutardjo, 1999 in Windia and Dewi, 2007). It shows the implementation of the business culture THK is evidence that the values contained in the national culture has been used and implemented in the practice of organizational culture (Suardhika, dkk. 2012). THK have an influence on the ethical behavior of individuals in Bali because of THK are three main things that led to the welfare and prosperity of human life. It started from the lifestyle of the people of Bali are strongly associated with the realization of the traditional village. Not only led to the establishment of territorial communion and fellowship of life over a common interest in the community, is also a fellowship in similarity belief to worship of One God (Wirawan, 2011:2). Thus in Balinese culture, THK is thought to strengthen emotional intelligence and spiritual intelligence are owned by each individual both in the running of public life nor in each their profession.

6. Conclusion

This study examines the effect of *Emotional Spiritual Quotient (ESQ)* to ethical behavior in accounting profession by variable of *Tri Hita Karana (THK)* as a moderating variable are applied to individual accounting profession in Bali. Because, THK is a way of life and society for the Balinese people in their profession. Based on these results, it can be concluded that:

1. *Emotional Spiritual Quotient* has a significant influence on ethical behavior in accounting profession at Bali. This suggests emotional intelligence and spiritual intelligence are owned by each individual accounting profession can improve ethical behavior and performance. emotional intelligence owned by the accounting profession like social skills, empathy, and the emotions management is supporting each individual in their profession and behave ethically according level of maturity, respectively.
2. *Tri Hita Karana* which is a combination of three elements of man's relationship with One God, relationships to fellow human beings and the human relationship with the environment in harmony as the foundation for the creation of a sense of living a comfortable, serene and peaceful outwardly nor inwardly be a moderating, *Emotional Spiritual Quotient (ESQ)* has affect to ethical behavior in accounting profession according to the results which have been obtained from this study is really significant effect, and it is true that *Tri Hita Karana* support emotional intelligence and spiritual intelligence are owned by each individual accounting profession so ethical behavior in accounting profession can be realized and run well and will be able to increase each performance.

7. Limitations and suggestions

The limitations and suggestions in this study were used as a reference for reflection and further research are:

1. This study examined the THK culture that is unique and universal at the accounting profession in Bali because actually philosophy of THK consists on all religion teachings in the world. On this basis, the future studies can do the same by taking a different object with a wider scope of national and the international.
2. Future studies need to classify ESQ specifically that is by classify each emotional intelligence also spiritual intelligence. The meaning is emotional intelligence and spiritual intelligence can be measured separately, so can differentiate the effect of each intelligences to individual profession .
3. Future studies need to exploit deeper values contained in *Tri Hita Karana's* culture in relation to ethical behavior in the accounting profession because there is association with a Ethics Code profession and auditor independence.
4. The findings in this study stated that the *ESQ* has a significant effect on the ethical behavior of the accounting profession. So that each individual profession needs to further improve emotional intelligence and spiritual intelligence in doing work profession.
5. The findings in this study stated that *THK* as Balinese culture that became Balinese way of life able to moderate the relationship between the *ESQ* to ethical behavior in the accounting profession in the work. This means that all the accounting profession it should apply *THK* values in their work, as well as to implement the teachings contained within the *THK*. Confidence in applying the *THK* values in running the accounting profession can improve self-confidence and high self-confidence and therefore contributes to

the performance and decisions taken by the accounting profession itself as well as foster the spirit and confidence in completing tasks in accordance with the purposes.

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