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Ethical Dimensions in Responsible Professionalism and Accounting Procedures in Kenya: A Critical Analysis of Theory and Practice

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Abstract

This paper presents the concepts of transparency, rights and responsibleness in management accounting through an examination of ethical theories and their application to managerial challenges which typically confront management accountants in Kenya and in other countries. The main research drivers were focused on the transparency, clear reporting standards, accountability and responsible professionalism. The literature review employed various theories such as: Virtue Theory, Utilitarian Theory, and Kantian Theory. Of course, these approaches are considered in relation to the accounting implications.

Purpose: The main purpose of the paper was to investigate the role of ethical dimensions in Kenyan management accounting trends.

Methodology and Research design: The paper employed a case research design. A survey of the selected study population from Central and Nairobi Provinces of Kenya was carried out by the use of questionnaires through focus group discussions. The sample size of this research was estimated at 150 participants.

Findings: The findings suggest that the current management accounting is weak and should therefore employ ethical consideration to reengineer itself.

Conclusion: This study is focused on the ethical considerations in management accounting in Kenya. Taken as a whole, our findings suggest that, there are some impediments associated with the current management accounting and thus ethical consideration could help revamp the whole system.

Keywords: Ethical dimensions, management accounting, Theories and principles, Kantian theory, virtue ethics, Utilitarian Principle, Professionalism

1.0 Introduction

The need for responsible accounting procedures and practices in Kenya is not subject to debate. While various accounting bodies have been formed in Kenya for instance, the Institute of Certified Public Accountants of Kenya (ICPAK), to train, nurture and regulate the conduct of accountants practicing in Kenya, much effort is still required (Polo 2008). There is need to ensure that ethical accounting remains to be a primary practice among all practicing accountants in Kenya. This will be a requisite to prudent and responsible financial managers both in public and private institutions. Well-known scandals in Kenyan public institutions as well as private based institutions coupled with alleged unethical acts have aroused the conscious of the public and stakeholders as to the moral decline and unethical posture of public accountants unveil a decline in moral reasoning and ethical standards of public accountants (Gichure 1997). The result of unethical conduct among public accountants has necessitated a change in the manner of responsibility for improving the quality of the accounting profession (Harrington & Moussalli 2005).

It has often been suggested by some that the expression business ethics employs contradictory terms because business seeks to optimize or maximize gains from its operations while ethics implies a very different basis for business practices. However, although the more cynically minded would seriously subscribe to this view, there has been a very dramatic upturn in an interest in ethical considerations by business leaders and professional business organizations partly as a result of the demands of societies which have had to bear the cost of spectacular corporate collapses and the unscrupulous business activities of a minority of business practitioners (Gomez 1999). Ethical lapses among public accountants have necessitated a revision of the accounting profession (Rest 2002). Interestingly, professionals working as accounting majors are faced with new challenges within the profession as a result of the debacles of large corporations (Swift 2002). The challenges are in ethics, educational requirements, and professional responsibility with the profession of accountancy (Fatt 1995). Organizational cultures and environment pose a good opportunity for accountants to exploit the loopholes in reporting and financial management.

Though all finance and accounting departments are expected to foster the growth of ethical education and embracement in an organization, they are often faced with stiff resistance from the top level management units and the nature of political performance in any economy (Fisher & Lovell 2009). Ethical considerations are becoming increasingly important to finance and accounting departments in all industries (Vickers 2005). A tension often exists between a company's financial goals and strategies to improve profits, while ethical considerations with right-behavior concerns is not given much emphasis and attention.

This research which is ethical in nature of approach is an exploration of responsible accounting procedures and practices in Kenya and any other country where financial management takes place. This process should involve citizens, who might be employees and customers that are of high caliber to fight temptations of conducting unfair and unscrupulous business engagements. With the use of ethical theories and principles (Gichure 1997; Gomez 1999), accounting process in Kenya can be turned into green practice where both professional ethics and personal ethics prevail. Good accounting and financial management practices should identify areas of potential ethics pitfalls, and address them ahead of time so employees know what practices to avoid.

1.1 Problem statement

The rise of finance and accounting professionals in Kenya has given rise to a number of unethical business practices that violates codes of conduct. For instance when transactions involving finances are not executed in a transparent manner, then parties involved in the transactions may have away to embezzle or divert some of the resources to personal gain. (Huang 2008). According to Gray et al (1997), transparency, clear reporting standards, accountability and responsible professionalism have a positive implication on accounting processes in any organization and could thus result into increased performance and delivery. This is not possible without employing ethical theories and principles (Gichure 1997) which form the basis and foundations of ethical organizations. The research will have implications for effective and efficient accounting and financial management in Kenya and other countries thus fostering dedication and freewill drives between organizations, stakeholders and customers.

1.2 Objectives

The research consisted of the general objectives as well as specific objectives

1.2.1 General objective

To determine the extent with which responsible professionalism and accounting procedures prevails in the financial and resource management in Kenya.

1.2.2 Specific objectives

(i) To investigate the extent with which responsible professionalism is practiced by accountants in Kenya.

(ii) To identify the degree of accountability that accounting professionals hold in their actions.

(iii) To identify the extent with which transparency exists in the accounting processes in Kenya.

(iv) To investigate the degree with which clarity in reporting is exercised in Kenya.

1.2.3 Hypotheses formulation

For the purpose of this research, the following hypotheses were formulated.

$H_{1:}$ If there is responsible professionalism by accountants, then the accounting systems will be green and responsible.

$H_{2:}$ With respect to accountability for actions, organizational competitiveness is maintained.

$H_{3:}$ When an organization takes an initiative to ensure that the accounting processes are transparent enough, its growth and competitive advantage is maintained.

$H_{4:}$ The sustained reliability of accounting processes in an organization will depend on how clear its reporting standards are regulated.

1.3 Literature review

1.3.1 Overview

The ethical approaches to accounting profession are diverse (Swift 2001), so one of the interests of this study is to depict different ethical arguments for the management of resources in the organization by accountants before making what the most viable proposal for the present and future times. The focus of this chapter was centered on responsible accounting and ethics as well as on theories such as: Virtue Theory, Utilitarian Theory, and Kantian Theory. Of course, these approaches are considered in relation to the accounting implications.

1.3.2 Ethical responsibility in accounting practices

According to Cohen & Pant (1991) firms should be responsible for the practices of their employees, to the extent of this responsibility and how they could effectively translate such responsibilities, if any, into practice. Its accounting processes should solely focus on espousing the moral (and sometimes legal) connotations of the concept of responsibility (Polo 2008) and what it means to be held responsible while relating these to accounting practices. In their research, the Graffikin & Lindawat (2005) attempted to set limits to responsibility in accounting profession by introducing the concepts of corporate control, transparency and corporate grouping as critical factors such as fairness.

Drawing from the works of other academics (Harrington & Moussalli 2005) characterizes accountability in both broad and narrow sense. Broadly speaking, he describes accountability as "... the requirement or duty to provide an account or justification for one's actions to whomever one is answerable". In a narrow sense, Swift talks of accountability as "... being pertinent to contractual arrangements only... where accountability is not contractually bound there can be no act of accountability".

Furthermore, borrowing from a later work of Gray et al (1997), Swift (2001) notes that "... essentially accountability is about the provision of information between two parties where the one is accountable, explains or justifies actions to the one to whom the account is owed". This form of accountability underlies principal-agent relationship, which is central to the firm as an economic and legal entity (Esmond-Kiger 2004). Despite the presence of semantic variations within the notion of accountability, the duty to account appears to convey a central meaning. The duty to account connotes institution of rights and obligations and as such, should be able to hurt if violated (Harrington & Moussalli 2005).

1.3.2 1The need for Professional judgment as opposed to personal judgment

According to Schwartz & Davis (1981), the norms that shape the behavior of individuals and groups in an organization are determined on the basis of organizational culture. A presupposition of this research was that the underlying ethical decision-making characteristics inherent in the organizational culture of the accounting profession point to professional judgment rather than personal judgment as the appropriate decision-making approach to use in resolving accounting ethics dilemmas in accordance with the professions Code. These ethical decision-making characteristics relate to an individual’s

(a) Ethics system, (b) ethics application perspective, (c) moral reasoning perspective, and

(d) Level of moral reasoning.

According to Geisler (1990), all ethical systems can be viewed as either deontological (duty-centered) or teleological (end-centered). Adams et al. (1995) identified rule deontology (a deontological ethics system) and utilitarianism (a teleological ethics system) as the prevailing ethics systems advocated for the accounting profession in previous accounting ethics studies. Riahi-Belkaoui (1992) emphasized the importance of a deontological view of ethics for the accounting profession. A deontological view of ethics is characteristic of professional judgment rather than personal judgment because it emphasizes an individual's duty or obligation to comply with the norms and standards of the profession.

An individual's ethics application perspective is either holistic (a characteristic of professional judgment) or individualistic (a characteristic of personal judgment). For purposes of this research, holistic is defined as an ethics application perspective that is based on the norms and values of the accounting profession, while an individualistic perspective is one that is based on an individual's personal value system. According to Epstein & Spalding (1993) as well as Fatt (1995), decision making relative to the resolution of accounting ethics dilemmas is appropriately based on the shared norms of the profession. Their contention supports a holistic ethics application perspective, which is characteristic of professional judgment rather than personal judgment.

Hunter (1991) identified two competing moral visions (orthodox and progressive) that relate to the two ethical systems (deontological and teleological) discussed. The orthodox view is a moral reasoning perspective that defines moral authority in terms of an external transcendent force; while the progressive view is a moral reasoning perspective that defines moral authority internally as conditional, relative, and ever changing based on an individual's experience and circumstances. Orthodox moral reasoning perspective with its emphasis on external authority is characteristic of professional judgment (emphasis on the profession's norms for decision making) rather than personal judgment.

According to Fisher & Sweeney (1998), moral reasoning ability in the accounting profession has been predominantly measured in prior studies using the Defining Issues Test (DIT) (Rest 1993) which emphasizes a post-conventional level of moral reasoning. Post-conventional reasoning is a level of reasoning where an internal orientation exists in which ethical decisions are made apart from group authority or norms and in accordance with self-chosen ethical principles (Green & Webber 1997).

Post-conventional reasoning is based on an individual's personal value system and is characteristic of personal judgment. However, Gaa (1992) and Lampe & Finn (1992) indicated that individuals in the accounting profession predominantly use conventional reasoning in resolving accounting ethics dilemmas. In conventional reasoning, an external orientation exists in which ethical decisions are made in accordance with group norms and in accordance with the rules of law (Green & Webber 1997). Conventional reasoning, with its emphasis on group norms, is characteristic of professional judgment.

The above identification of the underlying ethical decision-making characteristics inherent in the organizational culture of the accounting profession supports (a) a deontological (duty-centered) ethics system, (b) a holistic ethics application perspective, (c) an orthodox moral reasoning perspective, and (d) a conventional level of moral reasoning. All of these ethical decision-making characteristics are associated with professional judgment rather than personal judgment. In addition, studies by Adams et al (1995) and McCarthy (1993) have indicated that professional judgment rather than personal judgment is appropriate for resolving ethical dilemmas in the accounting profession.

1.3.2.2. The application of ethical theories and principles in responsible accounting procedures

1.3.2.2.1 Virtue theory and responsible accountability in business

A substantive reflections on the notion of moral responsibility date back to the ancient Greek philosophers, especially Aristotle. In Nicomachean Ethics, Aristotle considered the criteria for moral agency to include the capacity for rational choice and deliberation (Gomez 2002). A responsible act is a voluntary act. Therefore, an agent is praiseworthy or blameworthy depending on his or her voluntary acts and disposition of character traits. For an act to qualify as a voluntary act, the agent must be both in full control of his or her action and must be rationally cognizant of the consequences of his or her action. Involuntary acts are thus those acts for which the agent should not be held responsible, either because they are executed out of ignorance, external coercion or to avoid a greater evil (Swift 2002). Rest (2002) exposes that corporative excellence is a form of human excellence, because it is produced by the people that believe in what they are doing. He also assures that the organizational success and personal satisfaction require of abundant doses of those four virtues. Finally, he mentions that the basic virtues proposed by Aristotle that allow people to work together in a good way are: Courage, temperance, liberality, magnificence, pride, good temper, cordiality, truthfulness, justice, astuteness. Virtue is not something that is done; it is more like a way of being.

1..3.2.2.2 Utilitarian Theory and benevolence in business

John Stuart Mill argued that moral philosophers have left a train of unconvincing and incompatible theories that can be coherently unified by a single standard of beneficence that allows us to decide objectively what is right and wrong (Mill 1969). The principle of utility, or the "greatest happiness" principle, he declares the basic foundation of morals: Actions are right in proportion to their promotion of happiness, and wrong as they produce the reverse (Gomez 2002; Fisher & Lovell 2009). This is a straightforward, and potentially very demanding, principle of beneficence: That action or practice is right (when compared with any alternative action or practice) if it leads to the greatest possible balance of beneficial consequences or to the least possible balance of bad consequences. Mill (1969) also holds that the concepts of duty, obligation, and right are subordinated to, and determined by, that which maximizes benefits and minimizes harmful outcomes. The principle of utility is presented by Mill as an absolute or preeminent principle—thus making beneficence the one and only supreme principle of ethics. It justifies all subordinate rules and is not simply one among a number of prima facie principles.

1.3.2.2.3 Kant's Theory and responsible accountability

The Kantian idea of moral responsibility also stems from the conception of person as a moral agent. A moral agent or person is not only rational or capable of rational choice, but is one whose action is informed by a sense of duty (Ellington 1994). The sense of duty is codified in universal law principles, which Kant referred to as categorical imperatives (Gomez 2002, pg 18). Therefore, a responsible or right action is not necessarily one that maximizes utility, but one that follows moral principles, which are capable of becoming universal moral laws (Cohen & Pant 1991).

Ellington (1994) acknowledged that actions resulting from desires cannot be free. Freedom is to be found only in rational action. Moreover, whatever is demanded by reason must be demanded of all rational beings; hence, rational action cannot be based on a single individual's personal desires, but must be action in accordance with something that he can will to be a universal law (Fatt 1995). Kant's most distinctive contribution to ethics was his insistence that our actions possess moral worth only when we do our duty for its own sake. He first introduced this idea as something accepted by our common moral consciousness and only then tried to show that it is an essential element of any rational morality.

Kant's ethics is based on his distinction between hypothetical and categorical imperatives. He called any action based on desires a hypothetical imperative, meaning by this that it is a command of reason that applies only if we desire the goal. For example, "Be honest, so that people will think well of you!" is an imperative that applies only if you want people to think well of you. Because nothing else but reason is left to determine the content of the moral law, the only form this law can take is the universal principle of reason (Polo 2008; Gomez 1999). Thus the supreme formal principle of Kant's ethics is: "Act only on that maxim through which you can at the same time will that it should become a universal law." His ethics is a deontology. In other words, the rightness of an action depends on whether it accords with a rule irrespective of its consequences (Ellington 1994).

1.4. Chapter Three: Research Methodology

1.4.1 Introduction

This chapter describes the proposed research design, data collection and the techniques for data analysis that was used.

1.4.2 Research Design

The study was modeled on a case study design. Kothari (1990) defines a case study as a powerful form of qualitative analysis and involves careful and complete observation of a social unit be it a person, family, cultural group or an entire community and/or institution.

By using case studies, researchers were able to probe, collect data and explain phenomena more deeply and exhaustively

1.4.2.1 Data collection procedure

A brief invitation and introduction to this research was provided to participants before they started filling out the questionnaires. If they accepted the invitation, questionnaires were handed out to them.

Otherwise, they did not receive any questionnaires. After 30 minutes, the completed, anonymous questionnaires were directly collected by the researchers.

1.4.2.2 Items and measurement

The questionnaire items was developed, rephrased and selected to suit the context of the study and to represent the variables in the research. The researcher developed four (4) research drivers with twelve (12) research variables for study. A five-point Likert scale, with anchors ranging from "strongly disagree" to "strongly agree", will be used for all questions. Pre-testing of the items and their measurement will be conducted by going through the results of the focus groups (employees) and by asking the auditors, accounting and finance managers in the selected companies. All developed items will be relevantly matched to the effects, critical role and benefits of ethical drivers in management accounting, with respect to responsible professionalism, accountability, transparency and clarity in reporting standards. The research items and variables have been presented in table 1 in the appendices section below.

1.4.3 Sampling and Demographics

Selecting a sample is a very important step for a positivistic study. Hussey & Hussey (1997) noted that the sample should be unbiased and large enough to satisfy the needs of the research. It is impossible to survey the entire population of a particular study because of limited funding and time. 80 employees (accountants) from 30 different companies based in Central and Nairobi Provinces of Kenya were chosen as participants. Similarly 70 managers from the same 30 companies (both public and private) were also chosen to help in data sourcing, because of the overall effects of ethical considerations to accounting departments.

1.4.4 Sample selection

A complex process is normally involved in determining the sample size for a survey. If a sample size is small, the results may not properly represent the entire population. If the sample size is large, the survey may not be able to be carried out due to cost and time restraints. The sample size of this research was estimated at 150 participants.

1.4.5 Data analysis method

The information was analyzed and evaluated to determine their usefulness, consistency, credibility and adequacy. Quantitative data was be analyzed by using descriptive statistics and other standard quantitative methods (Kontio, Lehtola & Bragge 2004). To analyze our data we employed descriptive Analysis models. To get a perspective of the four research drivers that gather the 12 variables, Descriptive statistics was employed using SPSS analysis tools. Data collected from the survey was entered into the statistical package, SPSS (statistical package for social science) for analysis, discussion and presentation of the results in this research.

1.5 Results and findings

One hundred and forty nine hand delivered survey accesses were recorded during the designated survey collection period. This represents 45% of all accounting managers practicing in Central and Nairobi Provinces of Kenya. None of the surveys were found to contain no responses or respondent duplicated survey attempts and thus none was neglected. We noted that not all participants provided responses to all the survey questions.

1.5.1 Respondent's Frequency based on variables of accounting management drivers

The frequency demographic and respondents characteristics are summarized in table 2 in the appendices section below. The analysis of the data involved a purely descriptive analysis, which had frequency, percentage, cumulative percentage and the means of central tendencies which included mean, median and standard deviation (Table 2). Below is a description of what the data gathered from the survey regarding each of the variables of the research driver.

1.5.2 Responsible professionalism

The driver had variables labeled V_1 to $V_{3.}$ With regards to V_1 .it was noted to have mean score 3.57, median of 4.00 and standard deviation 1.108. V_2: noted a mean score 3.73 median of 4.00, and standard deviation 1.155. V_3: the variable came out with a mean score 3.43, median 3.00 and standard deviation 0.934. The driver of responsible professionalism remains to be a significant dimension in the accounting process. This confirms the hypothesis $H_{1:}$ $H_{1:}$ If there is responsible professionalism by accountants, then the accounting systems will be green and responsible. Though the hypothesis was confirmed, respondents proposed on the need of adopting ethical applications in the accounting processes, where responsibility prevails.

1.5.2.1 Accountability

The driver had its variables labeled as V_4 to V_6. V_4: had a mean score: 3.85 and, median of 4.00 and, standard deviation: 0.857. V_5: noted to have a mean score 3.65, median of 4.00 and standard deviation 0.999. V_6: was observed to have a mean score 3.57, median of 4.00 and standard deviation 1.006. In order to have efficiency and effectiveness in an organization, there should be accountability for actions among the concerned parties in the accounting processes. This confirms the hypothesis $H_{2:}$ $H_{2:}$ With respect to accountability for actions, organizational competitiveness is maintained.

1.5.2.2 Transparency

The driver had important variables labeled V_7 to V_9. V_7: For this variable the median score is 3.55, median of 4.00 and the standard deviation is 1.101. $V_{8;}$ noticed a mean score 3.03, median of 3.00 and standard deviation 1.133. V_9 had a mean score 3.86, median of 4.00 and standard deviation 0.956. The result of the study shows that the transparency has a crucial impact on facilitating effectiveness in accounting profession. For instance, some focus groups (managers) reported that transparency is not consistent in the accounting practices in Kenya. In response to the driver we confirm the hypothesis $H_{3:}$ $H_{3:}$ When an organization takes an initiative to ensure that the accounting processes are transparent enough, its growth and competitive advantage is maintained.

1.5.2.3 Clarity in reporting standards

As noted from the responses of demographics in the research, the driver had variables labeled V_{10} to $V_{12.}$ V_{10}: From the analysis, this variable had a mean score of 3.37, median of 4.000 and standard deviation of 1.059. V_{11}: scooped a mean score was of 2.77, median of 2.50 and standard deviation 1.233. V_{12}: The analysis of the data gave rise to a mean score 3.18, median of 3.00 and standard deviation1.156. The respondents from the suppliers reported that some companies would not practice clarity in reporting. Under the drivers of clarity in reporting standards, $H_{4:}$ $H_{4:}$ The sustained reliability of accounting processes in an organization will depend on how clear its reporting standards are regulated. The descriptive analysis supported this hypothesis.

1.6 Discussions and Recommendations

1.6.1 Discussions

As noted in the literature review and the research findings, achieving efficiency and effectiveness in the accounting system in Kenya lies squarely on the moral and ethical nature of the participants. The accounting processes should solely focus on espousing the moral (and sometimes legal) connotations of the concept of responsibility (Polo 2008) and what it means to be held responsible while relating these to accounting practices.

Similarly, organizational cultures and the mode of financial management should be revised to establish new and effective approaches to accounting systems so as to shape the behavior and attitudes of their accountants and financial managers. According to Fisher & Sweeney (1998), the norms that shape the behavior of individuals and groups in an organization are determined on the basis of organizational culture. A presupposition of this research was that the underlying ethical decision-making characteristics inherent in the organizational culture of the accounting profession point to professional judgment rather than personal judgment as the appropriate decision-making approach to use in resolving accounting ethics dilemmas in accordance with the professions code.

Accounting professional institutions such as ICPAK can help all accountants understand ethical dilemmas using behavioural role modelling, ethical games, personal reflection, and moral dilemma discussions (Frankel 1989). These institutions can provide employee training on how to diagnose potentially problematic situations. This type of training could be Code of ethics and provide clear definitions of wrong-doing (Harrington & Moussalli 2005). These institutions can provide general training (employee growth) on how to apply ethical frameworks to resolve problems (Polo 2008). For example, accountants and finance managers could be taught how to apply universal moral principles to ethical problems at work (Forgaty 1995).

In most organizations, the largest ethical issue in the accounting process is the potential for conflict of interest (Gomez 2002). Employees who transact on behalf of their organizations from individuals or companies with whom they have a personal or familial relationship leave, the organization open to fraud at the worst or overpayment for the items or services transacted for at least. A good accounting management policy should outline what constitutes a conflict of interest, and forbid accounting system where a conflict exists. This would lead to ethical accounting where accountability and transparency prevails.

1.6.2 Recommendations

From the findings of the responses of the focus groups and the discussion of the research, the following recommendations were formulated based on the ethical theories and principles.

(i)In virtue ethics, integrity is a main issue for accounting and financial management and shows up in the discussions about responsible agents in the financial and resource management, who are able to make rational decisions to depict their ethical and moral nature in the conduct. It is therefore relative that an elaborative list of virtues be set and applied in the management of accounting practices in Kenya. Integrate ethical theories and principles into existing accounting and financial management systems.

(ii) Kantian theory also has implications for management accounting in Kenya. Kant argues that everyone has a duty to be beneficent, i.e. to be helpful to others according to one's means, and without hoping for any form of personal gain thereby. With this, there should be ethical accounting where responsibility is the order of the day.

(iii) Kantian ethics also proposes the need of moral agents. A moral agent or person is not only rational or capable of rational choice, but is one whose action is informed by a sense of duty. Therefore the participants of the accounting systems have an obligation to be accountable and transparent to each other and should always ensure that their practices and procedures are ethical enough.

(iv) According to Utilitarian principle, an ethical consideration in management accounting, Kenya is wanting and relative. This is because many accountants and finance managers will seek to maximize their interests at the expense of the organizational financial success. Therefore, clear guidelines on ethical practices have to be established and incorporated in organizational culture and eventual practical management accounting approaches be established in organizations to be overseen by integrity and ethical committees.

1.6.3 Practical and Theoretical Implications of the research

Our research has implication for the accounting management by finance managers and accountants. It shows that a specific focus should be regarding on the challenges of accounting procedures and practices that finance managers and accountants have had to deal with. Even if this study emphasized many challenges, it did found the reason why clients have had to increase their turnover. This has been caused by unethical professionalism, lack of accountability and transparency in the accounting profession as well as lack of clarity in the reporting standards. Consequently, the case of finance managers and accountants, a specific focus should be put on ensuring that ethical considerations are adopted in the accounting approaches. The research has implications for social action in relation to the subject matter of accounting quality, effectiveness and efficiency. Our research also has implications for managerial accounting action in the sense that it will be always beneficial for our organization to let express different sensibilities and approach to problem-solving within the framework to promote participative management among finance managers and accountants.

1.6.4 Limitations and Future Research

In the context of accounting management and ethical considerations, additional research with large samples will be necessary to support the current findings and its validity. Additional research is required to generalize these findings to the finance managers and accountants employed specifically in the government institutions and the private sector. Also global level categories have to be included in the additional research to generalize the current research findings.

1.6.5 Conclusion

This study is focused on the responsible accounting practices and procedures in Kenya, with a critical analysis of the ethical considerations in accounting management.Taken as a whole, our findings suggest that, there are some impediments associated with the current financial and resource management and thus ethical consideration could help re-engineer the whole system. Even if these ethical principles are in multiple levels to develop and promote management accounting, it is imperative to study with more depth obstacles faced by finance managers and accountants in order to better understand the challenges they face and which can be eliminated if ethical consideration is adopted into management accounting to the development of their competencies and effective performance in general.

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Table 1: Research drivers and their variables

Table 1: Developed drivers for effective management accounting

Management driver	Research variable	Measurement
Responsible professionalism	V_1	I find the process of accounting in Kenya to be ethical
	V_2	All accountants are expected to be professional in their action

	V_3	I do find it quite unethical to be irresponsible in discharging professional acts
Accountability	V_4	All participants in the management accountability are always accountable for their actions
	V_5	Being accountable often leads to trustworthiness in the accounting process
	V_6	When finances and resources are handled in an accountable manner, both parties become satisfied
Transparency	V_7	No financial embezzlement is witnessed in Kenya.
	V_8	There are good policies to curb against corruption in Kenyan accounting process
	V_9	There is fairness and transparency in management accounting in Kenya
Clarity in reporting standards	V_{10}	Accountants in Kenya have tried to observe set standards and procedures
	V_{11}	Reports are always clear and presentable.
	V_{12}	Reporting process in Kenya is done on the basis of accounting principles

Table 2: Summary of descriptive analysis of Respondent's Frequency based on variables of management accounting drivers

Driver	Variable	Frequency	Percentage	Measures of Central Tendency		
				Mean	Median	STD Deviation
Ethical tendering	V_1 V_2 V_3	148 147 145	99.3 98.7 97.3	3.57 3.73 3.43	4.00 4.00 3.00	1.108 1.155 0.934
Accountability	V_4 V_5 V_6	137 136 137	91.9 91.3 91.9	3.85 3.65 3.57	4.00 4.00 4.00	0.857 0.999 1.006
Transparency	V_7 V_8 V_9	138 138 137	92.6 92.6 91.9	3.55 3.03 3.86	4.00 3.00 4.00	1.101 1.133 0.956
Fairness in awards	V_{10} V_{11} V_{12}	134 134 134	89.9 89.9 89.9	3.37 2.77 3.18	4.00 2.50 3.00	1.059 1.233 1.156