

Assessment of Professional Ethics' Practice among Professional Accountants in the Nigerian Public Sector

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ABSTRACT: High profile corruption and fraud in public sector with which accountants have been associated as auditors, executives and directors have prompted searching questions to be asked as to the integrity of the professional accountants engaged particularly in public services. Consequently, the study aim to assess the practice of professional ethics among professional Accountants in Nigerian public service. The study use purposively sampling techniques to select chartered Accountant of Institute of Chartered Accountants (ICAN) and Association Of National Accountant of Nigeria (ANAN) in the ministry of Finance, particularly the office of the Accountant General and auditor General of the Federation. The Kolmogorov-Smirnov and the Shapiro-Wilk tests were used to determine the normality of the data. One sample t test was employed to assess the application of professional ethics among professional Accountants, while Mann-Whitney U test was employed in testing whether significant difference exists between the perception of ICAN and ANAN member as well as between professional Accountants and Auditors. The results of statistical tests show that there is no significant difference in the application of professional ethics among the professionals implying that professional Accountants in the public sector comply with the professional ethics of the professional bodies in their official dealing and that cadre of the professionals does not influence the application of professional ethics. Therefore, the study recommends that the government should provide financial support to an ordinarily Accountant to become member of a reputable professional bodies and to encourage the professional to further intensify efforts on high level compliance with professionals ethics.

KEY WORDS: Ethics, Accountants, Auditors, Public Sector, Nigeria

1.0 INTRODUCTION

Scandals involving public officials have captured world attention and the public are debating on the accelerating level of corruption and unprofessional behaviour in government (Tivelli & Masini, 2007). The root cause was the gradual but ultimately complete collapse of ethical behavior across the sectors of the economy. Once a sector of the economy became unmoored from its ethical base, the sectors were free to behave in ways detrimental to the achievement of set objectives. For instance, what happened to Enron Company and their auditors, Arthur Anderson, was not due to the default of the international accounting criteria or auditing criteria, but the problem falls in the ethics of the profession itself (Al-Qashi, 2005). Unethical practices kill and neutralize organizational values and consequently relegate the organizational objectives to the background. Every citizen suffers from it including those living outside the country (Dukor, 2015). Davis

(2009) observed that increasingly governments all over the world are recognizing that ethics is not just an issue for others but necessary tool for them to clean up their own doorstep, often in the aftermath of revelations about the alleged unethical behavior of both civil servants and politicians in order to ensure fair and honest behavior of individuals and organizations acting in the public domain. This has influence International organizations such as the World Bank to take a strong interest in ethics and have become a key concern to the European Union because the result of distrust by citizens on the public sector was apathy to democratic activity. This has impacted negatively upon the economic performance of many Organisations for Economic Co-operation and Development (OECD) countries (Davis, 2009).

In Nigeria, many institutions has been established to enforce the ethical codes such as codes of conduct bureau, courts, EFCC, ICPC, ICAN, ANAN etc but the more the institutions, the more the growth of

unethical behaviours. The governance in Nigeria's public sector becomes more problematic and ethically tasking as a result of endemic corruption. The lack of an effective ethical organizational framework to coordinate the civil servants has astronomically worsened unethical practices in public services (Scott, 2004). Unethical and corrupt practices are sources of negative image to a government which is even worse than corruption.

Evidence has shown that noncompliance with the professional ethics has led to various forms of fraud and corruption which has heavily harm the economy, lower investment levels and reduce public finances. Damages done to public institutions and their budgets by fraud and corruption were enormous ranging from financial loss to reduction of organizational performance, reputation, credibility and public confidence. Consequently, the level of relationship of ethical requirements to ethical behavior is central to criticisms over the past 30 years because the profession has claimed to be both moral and ethical in their dealings but this assertion has been questioned in the public sectors.

However, the above circumstances lead to the formulation of the following research questions.

- i. Are professional accountants in the Nigerian public sector complying with the professional ethics?
- ii. Is there any difference in perception between professional auditors and accountants in the Nigerian public sector with regard to level of compliance with professional ethics?
- iii. Is there disparity in perception between ANAN and ICAN professional member with regard to compliance with the professional ethics?
- iv. Are there challenges affecting the professional ethics practices in the Nigerian public services?

These research hypotheses were developed for the study

H₁: The public sector professional accountants are not complying significantly with the professional ethics.

H₂: There is no significance difference in the perception of professional auditor and accountants in the level of compliance with professional ethics

H₃: The perception of ANAN and ICAN professional accountant do not significantly differs on the practice of professional ethics in the Nigerian public sector.

H₄: There is no significant challenges affecting the practice of professional ethics in the Nigerian public services

2.0 LITERATURE REVIEW

This section is structured into three dimensional issues of conceptual, theoretical and empirical

2.1 Conceptual issues

2.1.1 Ethics and Profession

The word 'Ethics' is derived from the Ancient Greek word 'ethikos' means customs and habits. It covers the analysis and employment of concepts such as right and wrong, good and evil and do's and don'ts (Saeed, 2007). Ethics is defined as the branches of philosophy concerns value regarding human behavior pertaining to the rightness and wrongness of actions and to the goodness and badness of the intent and consequences of such actions (Asif, 2010 and ACCA, 2014). Ethics can be defined broadly as a set of moral principles or values. Each of us has such a set of values, although we may or may not have considered them explicitly. Philosophers, religious organizations and other groups have defined ethics in various ways as an ideal set of moral principles or values such as laws and regulations, religious doctrine, codes of business, ethics for professional and industry groups and codes of

conduct within individual organizations (Kabir, 2009). In other words, ethics is the set of moral standards for judging whether something is right or wrong (Gitman & McDaniel, 2002). It has been found that there exists an overlap between ethics and the law. Nevertheless ethics and law are not equivalent. The law can be seen as the minimum acceptable standards of behaviour and many ethical issues are not explicitly covered by law (Larsson, 2006).

Saeed (2007) explains that a profession in an occupation requires extensive training and mastery of specialized knowledge and usually has a professional association, ethical code and process of certification or licensing such as Engineering, Medicine, Social Work, Teaching, Law, Finance, Military, Nursing, Accountancy etc. Each of these professions holds to a specific code of ethics and members are almost universally required to swear some form of oath to uphold those ethics, therefore 'professing' to a higher standard of accountability. Each of these professions also provides and requires extensive training in the meaning, value and importance of its particular oath in practice of that profession.

Acting in the public interest involves having regard to the legitimate interests of clients and others who rely upon the objectivity and integrity of the professional to support the propriety and orderly functioning of an entity which can only be achieved with existence of good professional conduct (Institute of Chartered Accountant in England and Wales (ICAEW). The professional conduct represents a set of ethical rules and virtues which are binding to all the individuals and groups who work in the society through the performance of their duties (Al qtaish, Baker & Othman, 2014). The importance of professional conducts by professionals is to perform their profession fully with sincerity, objectivity and integrity lies on the organizers of the profession to legislate laws, regulations and principles guiding the professional conduct.

The society places even higher expectations on professionals. People need to have confidence in the quality of the complex services provided by professionals. Ethics in accountancy profession are invaluable to accounting professionals and to those who rely on their services such as clients, credit grantors, governments, taxation authorities, employees, investors, the business and financial community. These users perceive the professional accountants as highly competent, reliable, objective and neutral people. Professional accountants therefore, must not only be well qualified but also possess a high degree of professional integrity. The professional ethical codes call for their members to maintain a level of self-discipline that goes beyond the requirements of laws and regulations (Thunaibat, 2010).

2.1.2 Need for Professional Ethics for Professional Accountants

Each of the major professional association for accountants has a code of ethics. Now as the business and financial world is adopting international accounting and auditing standards, it is becoming more necessary to adhere to certain Code of ethics prescribed by international and national accountancy bodies. A code of ethics is often a formal statement of the organization's values on certain ethical and social issues relating to the profession and practice of the professional knowledge. This also includes the principles and procedures for specific ethical situations. Regardless of the role of accountants, it is mandatory to adhere specifically to professional code of ethics applicable to their profession (IFAC, 2015).

Asif (2010) discuss the reasons why ethics is so much important in accounting and auditing profession. He highlighted the following reasons:

- i. Professional accountants have a responsibility to consider the public interest and maintain the reputation of the accounting profession (ICAEW, 2009 and 2010).

ii. Professional accountants give an independent view on a range of issues on behalf of clients. They often have access to confidential and sensitive information (ICAEW, 2009 and 2010).

iii. The professional sees himself or herself as responsible to the customer; the mission is to solve the problem of the customer, to create the value that the customer requires. If that value is not created, if problem is not solved, the professional has not done his or her job (Kabir, 2009).

iv. Technically, the professional accountants should carry out professional services in accordance with the relevant technical and professional standards. This must be compatible with the requirements of integrity, objectivity and in the case of professional accountants in public practice, independence (Kabir, 2009).

Mehran, Masoud, Abbas & Mohammad (2014) asserts that ethics is require in the accounting profession due to fraud, misappropriation of assets, neglectation of internal controls to abuse, forcing subordinates to record transactions incorrectly, collusion with the auditor for non-disclosure of financial irregularities, Use of improper accounting practices, Disclosure of confidential information of the employer competitors and failure to provide adequate storage for inventory and depreciation expense recorded.

2.1.3 Professional Code of Ethics for Accountants

ACCA (2014) opine that Professional ethics is about profession obligation to the public. Every professional accountancy body has issued a code of conduct and code of ethics for its members and student members (ICAN, 2014). The board saddled with responsibility of issuing professional ethics for accountants is 'The International Ethics Standards Board for Accountants (IESBA)' located within the International Federation of Accountants (IFAC). The IFAC is a federation of all accountancy bodies throughout the world. All the major

international and national associations like ACCA, AICPA, ICMA, ICAP, IASB, ICAN, ANAN etc are member of the organizations. The mission of IFAC, as set out in its constitution, is "the worldwide development and enhancement of an accountancy profession with harmonized standards, able to provide services of consistently high quality in the public interest" (IFAC, 2015).

The IESBA Code sets out the ethical requirements for professional accountants and states that any member body of IFAC (such as ICAN) or any individual firm of accountants may not apply ethical standards that are less strict than those in the IESBA Code. The IESBA Code therefore establishes a minimum world-wide code of ethical conduct for accountants (IFAC, 2015 and ACCA, 2014). The IESBA Code is divided into three parts: General principles and application of the code; Guidelines for accountants in public practice and Guidelines for accountants in business. IFAC (2015) and IESBA (2015) code of ethics for professional accountants on General Fundamental Principles has prescribed five (5) fundamental principles which member shall comply with and this establishes the fundamental ethical principles that apply to all members as well as guidance on the threats and safeguards relating to those fundamental principles.

i. Integrity: A professional accountant should be straightforward and honest in all professional and business relationships.

ii. Objectivity: A professional accountant should not allow bias, conflict of interest or undue influence of others to override professional or business judgments.

iii. Professional Competence and Due Care: A professional accountant has a continuing duty to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional service based on current developments in practice, legislation and techniques.

iv. Confidentiality: A professional accountant should respect the confidentiality of information acquired as a result of professional and business relationships and should not disclose any such information to third parties without proper and specific authority unless there is a legal or professional right or duty to disclose.

v. Professional Behaviour: A professional accountant should comply with relevant laws and regulations and should avoid any action that discredits the profession.

According to IESAB (2015), AAT (2014) and Asif (2010), it may be possible that the circumstances in which members operate give rise to specific threats to compliance with the fundamental principles. These threats may include self-interest threats; self-review threats; advocacy threats; familiarity threats and intimidation threats. AAT (2014) and Asif (2010) assert safeguards are actions or other measures that may eliminate threats or reduce them to an acceptable level. These fall into safeguards created by the profession, legislation or regulation and safeguards in the work environment.

The part B of the Code illustrates how the conceptual framework is to be applied and is not intended to be, nor should they be interpreted as, an exhaustive list of all circumstances experienced by a member in practice that may create threats to compliance with the fundamental principles. Therefore, it is not sufficient for a member in practice merely to comply with the examples presented; rather, the framework must be applied to the particular circumstances faced.

The areas cover by this section includes the Professional Appointment; Conflicts of Interest; Second Opinions; Fees and Other Types of Remuneration; Marketing Professional Services; Gifts and Hospitality; Custody of Client Assets; Objectivity and Independence of assurance engagements.

Finally, part C of the *Code* illustrates how the conceptual framework contained in Part A is to be

applied in specific situations relevant to members in business. Investors, creditors, employers and other sectors of the business community, as well as governments and the public at large, all may rely on the work of members in business. Some of those circumstances include: Threats and safeguards; Conflicts of interest; Preparation and reporting of information; Financial interests, compensation and incentives linked to financial reporting and decision-making and Inducements through Receiving offers and Making offers.

2.2. Theoretical Background

Based on the literature reviews, theory of institution and theory of profession are adopted for the study.

2.2.1 Theory of Institution

Institutional theory is not really a coherent system of rules. It is rather a collection of ideas that together form a, somewhat consistent, perspective of the mechanisms supporting and restricting social behaviour for an excellent attempt to integrate different institutional perspectives into a single analytic framework (Scott 2001). The institutional perspective is adopted for research within disciplines as diverse as economics, political science, sociology, and business studies (Johansson 2002).

Since the 1970s public administration institutions as a research domain has increasingly opened up to contributions from other social sciences such as history, political science and sociology of organizations. Potentially the most important impediment to a more central position for institutionalism is that the term means so many things to different scholars, and that some of the alternative approaches are not only different but even contradictory (Hall and Taylor, 1996; Kato, 1995). If one adopts some versions of the institutional approach he or she may have very different empirical evidence, and make very different predictions about behavior, than if one were doing research using another version (Peters, 2000).

Different new schools of thought have emerged in academic circles. Institutional theory is a label that oversimplifies the fact that such schools are not exactly alike: they do not share the same agenda. It has become less normative and more empirical, considering institutions as dependent variables as well as autonomous actors (Thoenig, 2011). Institutional theorists believe that institutions not only offer and constrain behavioral alternatives, but they also, up to a certain extent model individual preferences (March & Olsen, 1995). This means that institutions, directly and indirectly determine the motives guiding individual behavior but these can be achieved in different ways/approaches which collectively include normative institutionalism, rational choice institutionalism, historical institutionalism, sociological institutionalism, new institutionalism, and local order or actor institutionalism.

However, this study adopts the rational choice approach. The rational choice institutionalism is that institutions are arrangements of rules and incentives, and the members of the institutions behave in response to those basic components of institutional structure (Peters, 2000). The preferences of the members are not modified by their membership in the institution. In the rational choice approach, institutions are conceptualized as exogenous to the values of the individuals functioning within them. This statement means that it is assumed that individual values will not be altered by involvement with the institution (Peters, 2000). Behavior will change in response to the assortment of opportunities and constraints presented by the structure, but the values that condition behavior are assumed to be unaffected by the institution (Lawton & Macaulay, 2009). In Nigeria, there are several institutions such as ICPC, EFCC, Public Complaints Commission, NAFDAC, ANAN, ICAN etc. that work differently in ensuring high standards of behavior in public service and position. These institutions are supposed to affect and influence the behavior of individuals

working in the public service. However, from the rational choice approach, the values of the individuals are not altered by the institution.

2.2.2 Theory of Profession

While there is no agreed definition of a profession, the Australian Council of Professions (ACP) defines it as a disciplined group of individuals who adhere to high ethical standards and uphold themselves to, and are accepted by, the public as possessing special knowledge and skills in a widely recognised, organized body of learning derived from education and training at a high level, and who are prepared to exercise this knowledge and these skills in the interest of others (Australian Competition and Consumer Commission (ACCC), 2011). There are many categories of traditional professions such as doctors, pharmacists, lawyers, architects and engineers.

Acknowledged as a leading researcher on the Theory of Profession, Abbott (1988) suggests three potential rights for a profession to claim jurisdiction: within the legal framework, through public opinion and in the workplace. He defines a profession's social structure as including groups, controls and worksites that work cohesively to create an improved professional model. This structure influences professions in the following ways: The more organized a profession, the more effective the claim of jurisdiction; Organization into a single, identifiable association is a pre-requisite to any public/legal claim of jurisdiction; Level of formality of organizational structure may provide advantage/flexibility in workplace competition and highly organized, resilient internal structures.

Fournier (1999), in describing the profession of accounting, presents a model of professionalism as a disciplinary logic that includes criteria of legitimacy, public good, social welfare, as well as professional competence based on knowledge, conduct and control. Theory of Profession provides an analytical lens with which to

understand the characteristics, attributes and structure of any profession.

In an accounting context, the Theory of Profession is described as the power and reputation granted by society to the profession in terms of protecting public interest where professionals acquire a body of knowledge, which is connected to the major needs and values of the social and accounting system (Pollock & Amernic, 1981). Professions are expected to commit their services to the interest of the public rather than the interests of their clients or self-interest (Pollock & Amernic, 1981). Therefore, accounting professionals are regarded as a mechanism to protect public interest as they are required to act above and beyond material incentives (Larson, 1977). In the context of this study, the Theory of Profession provides a useful framework for identifying the functions and attributes of the profession (Canning & O'Dwyer, 2001), which is consistent with the necessary requirements and qualifications to work in the field of accountancy. They present the Theory of Profession framework under five attributes that contribute to accounting 'professionalism' and ultimately, the protection of public interest. These attributes are test of competence; further study and relevant training; a register of qualified members; enforcement of a high standard of professional conduct and organisation within a specific occupation (Candilis, 2009; Gaffikin, 2009 and Kranacher, Riley, & Wells, 2011)

2.3 Empirical Evidences

Asif (2010) conducts study on Ethics in Auditing and Ethical Studies in different Accounting Bodies. The study discusses the various ethical dilemmas, threats, safeguard and steps of avoiding ethical threats in selecting auditing engagement. This was achieved through the explanation of concepts of ethics and studies of degrees of ethical studies in various public accountants' bodies around the world. To fulfill the requirement of the study data are collected mainly from different books, study materials and journals on ethics and auditing. IFAC Code of Conduct for professional accountant and websites of the various professional bodies around

the world. The study found clearly that all the accounting bodies are maintaining high level of ethical studies for their candidates. The study therefore recommends that practitioners should observe the code of ethics and maintain their independence while certifying and expressing opinion on the financial statements because accounting profession has important public responsibilities.

Al Qtaish, Baker & Othman (2014) investigate the ethical rules of auditing and the impact of compliance with the ethical rules on auditing quality. The study developed questionnaire with 37 questions distributed to a sample of (59) auditors practitioners of the audit profession but (54) were recovered and were analysis using one sample t-test and regression analysis. The study found that there is a high degree of commitment to the auditors professional ethics on the quality of the audit. The study recommends that supervisory authorities and the Organization for the audit profession hold training courses, workshops and seminars on auditing standards and rules of ethics of the audit profession to further strengthened the compliance.

Casimir, Izueke & Nzekwe (2014) examine the imperatives of good ethical conduct in the conduct of government business in Nigeria. Using institutional theory suggests that moral contradictions in institutional behavior expectation from the public deepen daily. The perceived lack of an effective ethical organizational framework to coordinate the activities of various institutions has astronomically worsened unethical practices such as corruption in the Nigerian public service. The study conclude that the behavioral and errant departure of civil servants and Nigeria's public service from the core human values that ensure transparent private and public conduct of individuals have resulted in underperformance and underdevelopment and in order to move towards good ethical conduct in government and reduce corruption, it strongly recommend the integration of theistic humanism and core African values in both individual and public conduct of civil servants in Nigeria. A more realistic

African traditional approach to ethical restraint of public servants from indulging in corrupt behavior by subjecting them to customary oath taking based upon the theistic values of fear of sin against mother earth should be employed.

Mehran, Masoud, Abbas & Mohammad (2014) write an essay on Professional Ethics in Accounting and Auditing. They assert that Ethics is a subject that is inclusive to all aspects of human life. The paper describe moral and ethical paradigms and professional ethics and the history of ethics is referenced in the following basic features and elements of ethics; ethical decision-making models, standing ethics and its role in advancement, professional growth and development, professional ethics and ethical guidelines in accounting and auditing.

3.0 SECTION THREE: METHODOLOGY

3.1 Research Design

The study adopts survey research design method which involves the use of questionnaire survey technique that requires rigorous research planning, execution and often involves testing of hypothesis or answering research questions. This technique was adopted because of its advantages over other methods in terms of relatively high population and the generalizability of the sample selected to the population (Pallant, 2007).

3.2 Population and Sampling Techniques

A survey research design was used. The justification for the use of survey research for this study according to Asika (2004) is that convenience with which the survey can be conducted and inferences for larger population can be made from the result.

All the Accountants and Auditors in the office Accountant general and Auditor general of federation are the population of this study. The study adopts a purposive sampling technique to select all chartered and certified Accountants, who belong to a recognized professional body by IFAC, because they

were expected to apply professional ethics in all their official dealings. Out of the population of 3,827, 1,127 were professionals representing 30% of the targeted population. The sample is even more than the sample size specified by Krejcie and Morgan (1970) which affirm that appropriate sample size for population of 3,500 is 346. The detail is as follow in table 1:

S/N	RESPONDENTS	POPULATION	SAMPLE SIZE	
			ICAN	ANAN
1	Auditor General Office	1,573	85	356
2	Accountant General Office	2,254	157	529
	TOTAL	3,827	242	885

Source: Author's review

This study focuses on primary data which was obtained through the use of carefully worded questionnaire administered on all the professional chartered accountants of ANAN and ICAN in Accountant General Office and Auditor general office.

Consequently, a total of One thousand, one hundred and twenty seven (1,127) questionnaires were administered but only seven hundred and Eight five (785) were returned constituting about 70% response rate. The high reduction in response rate is not a surprise because more than 40% of their staffers were in all the state of federation which time does not allow the study to cover. However, the response rate obtain perhaps be attributed to the fact that the researcher is also a member and the questionnaires were delivered by hands.

3.3 Data analysis and Reporting

Descriptive and inferential statistical techniques were used to analyze the data collected. The descriptive statistics include mean, maximum, minimum and standard deviation which measures the level of dispersion of mean distribution were used to provide a snap shot of the variables in the study. While kurtosis, skewness, Kolmogorov-Smirnov and the

Shapiro-Wilk tests were used to determine the normality of the data. In addition, independent sample t test, a parametric test will be used to test for data that does not violate the assumptions of parametric test while an equivalent non-parametric test, Mann-Whitney U test, will be used to test data that violate the normal distribution assumptions (Field, 2006).

4.0 SECTION FOUR

4.1 Presentation of Data and Description Statistics

4.1.1 Socio-demographic Characteristics of Respondents

The demographic characteristic of the respondents were presented in table 4

Table 2: Demographic Characteristics of Respondents

S/N	CHARACTERISTICS	FREQUENCY & PERCENTAGE %	
1	AGE OF RESPONDENT below 30 years 30-35 years 36-40 year 41-45 years 46 years & above	F	%
		0	0.0
		193	24.6
		379	48.4
		80	10.2
		<u>132</u>	<u>16.8</u>
		785	100%
2	GENDER: Male Female	529	67.4
		256	32.6
		785	100%
4	MANAGEMENT LEVEL: Top Middle Lower	124	15.7
		620	79.0
		<u>41</u>	<u>5.2</u>
		785	100%
5	YEARS OF WORKING EXPERIENCE: 5-10 years 11-15 years 15-20 years 21 years & above		
		546	69.5
		41	5.2
		82	10.5
		<u>116</u>	<u>14.8</u>
		785	100%
6	HIGHEST QUALIFICATION NCE/ND HND/BSC M.Sc/MBA	0	0.0
		662	84.3
		<u>123</u>	<u>15.7</u>
		785	100%
6	PROFESSIONAL STATUS ANAN ICAN	628	80.0
		<u>157</u>	<u>20.0</u>
		785	100%
	CADRE OF RESPONDENTS ACCOUNTANTS AUDITORS	434	55.3
		<u>351</u>	<u>44.7</u>
		785	100%

Source: Authors' Survey, 2014

The survey result shown in Table 2 revealed that all the professional Accountants and Auditors were above the age groups of 30 and 74.7% was between the age group of 30-40 years while 41 years above represent the balance of 25.3%. It is clear indication

that professional in the Nigerian public sector were in their active year of service and will result to better achievement of state goal and objectives. The survey also showed that 69.5% of the respondents were male while 30.5% were female. On the distribution of the management level of respondents, 15.7%, 79.0% and 5.2% were Top, Middle and Lower management respectively. The result implies that most of the professional accountants were still in operational management level where all the statutory financial activities are carried out. In addition, the survey indicates that respondents with working experience between 5-10 years were 69.5% while 11-15 years, 15-20 years and above 21 years working experience constitute 5.2%, 10.5% and 14.8% respectively. This implies that more than half of the respondents (85.1%) have a current working experience. The survey also revealed that most of the respondents have a sound formal education as 90% above of the respondents have first degree and possess a reputable professional qualification. It is obvious that the Accountant will be much higher than the Auditor, consequently, the result reveal that 55.3% are Accountants while 44.7% represent the professional auditors in the state public services. This implies that accountants do embrace professional body than the auditors. Overall, the result of the survey indicates that the respondents have the versatile requisite requirement to provide the required answers to the questionnaire.

4.1.2 Descriptive Statistics

Table 3 present the descriptive statistic with respect to the mean, Maximum, minimum, standard deviation, skewness and kurtosis of the data.

Table 3: Descriptive Statistics of the Data

VARIABLES	N	Minimum	Maximum	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic
INTERIGTY	785	4	5	4.75	.435
HONESTY	785	2	5	4.14	.659
OBJECTIVITY	785	4	5	4.55	.499
CONFIDENTIAL OF INFORMATION	785	4	5	4.44	.498
PROFESSIONAL BEHAVIOUR	785	4	5	4.39	.489
PROFESSIONAL COMPETENCE	785	3	5	4.14	.574
MISLEAD INFORMATION	785	1	5	3.92	1.131

Source: Author's Computation

Table 3 shows the minimum and maximum of the scores obtained from the questionnaire and the score obtained were within the boundary of likert scale in the questionnaire. The mean results of the professional ethics and the threat among chartered Accountants is above average for all respondents while the mean for principle of ethic shows the highest compare to other fundamental principles. The mean on the use of government property reveal the highest average mean for the identified threats to professionals in the public sector while the mean for inducement was not only among the lowest but also reveal the highest standard deviation of 1.22 implying that it constitutes the highest threats to the application of professional ethics in public sector.

Kolmogorov-Smirnov and the Shapiro-Wilk tests was used to determine if the sample came from a normally distributed population. This became expedient in order to determine the appropriate statistical tests to use for the significant of the differences in the perception. The results of the tests were presented in table 4.

Table 4: Result of Data Distribution Normality Test

VARIABLES	N	Kolmogorov-Smirnov ^a		Shapiro-Wilk	
		Statistic	Sig.	Statistic	Sig.
INTERIGTY	785	.467	.000	.540	.000
HONESTY	785	.365	.000	.641	.000
OBJECTIVITY	785	.365	.000	.633	.000
CONFIDENTIAL OF INFORMATION	785	.371	.000	.632	.000
PROFESSIONAL BEHAVIOUR	785	.398	.000	.619	.000
PROFESSIONAL COMPETENCE	785	.352	.000	.744	.000
MISLEAD INFORMATION	785	.319	.000	.786	.000
INSUFFICIENT EXPERTISE	785	.325	.000	.784	.000
INDUCEMENT	785	.322	.000	.789	.000
USE OF GOVERNMENT PROPERTY	785	.311	.000	.759	.000
SECOND OPINION	785	.372	.000	.769	.000

Source: Author's Computation.

Table 4 presents the results of the Kolmogorov-Smirnov Test and Shapiro-Wilk normality test of distribution for the variables on the professional ethic and the threats. Normality assumption is assumed if the significant level is greater than 5% level of significant. Independent sample t test will be used to test the variables that do not violate the assumption

of parametric test. While Man-Whitney U test will be used to test the variables if otherwise. The result in table 4 reveals that the level of significant for both Kolmogorov-Smirnov and Shapiro-Wilk test is less than 5%. This implies that the data from the variables are not normally distributed and consequently, Man-Whitney U test is used to test for the differences in the professional ethics practices between Professional Accountants and Auditor and the ICAN and ANAN members in public services.

4.2 Restatement of Hypothesis and Discussion of Findings**Hypothesis One**

H_{01} : The public sector professional accountants are not complying significantly with the professional ethics.

Table 5. One-Sample Test on the professional ethics practice in Public Sector

VARIABLES	N	Mean	Std. Deviation	T Statistic	Sig. (2-tailed)
INTERIGTY	785	4.75	.435	70.138	.000
HONEST	785	4.14	.659	30.128	.000
OBJECTIVITY	785	4.55	.499	54.210	.000
CONFIDENTIAL	785	4.44	.498	50.641	.000
PROFESSIONAL BEHAVIOUR	785	4.39	.489	49.690	.000
PROFESSIONAL COMPETENCE	785	4.14	.574	34.606	.000

Source: Authors' computation

Table 5 show the result of the one sample t-test on the professional ethics practices in public sector. The result shows that the mean of all the fundamental principles apply by professionals Accountants is higher than 3.0. This implies that all professional Accountants comply with professional codes of ethic in all their business and official dealings. This is evidence with the lowest mean score of 4.14 with a p-value of 0.000 which indicates a significance level of 1%.

Since the population mean shows a mean score of above 3.0, the null hypothesis was rejected and restated that public sector professional

Accountants are complying with professional ethics in their official dealings.

The findings is confirmed by the theory of profession which emphasis that individuals in a disciplined group of profession must adhere to high ethical standards and uphold themselves to the public as possessing special knowledge and skills to be exercised in the interest of others (Australian Competition and Consumer Commission (ACCC), 2011). The finding of the study also shows that the members of the professional bodies behave in response to those basic requirements of the profession as stipulated in the rational choice institutional theory. The theory affirms that institutions are conceptualized as exogenous to the values of the individuals functioning within them in order to achieve the stated goal and objectives (Peters, 2000). The result is also in line with the conclusion of Al Qtaish, Baker & Othman (2014) who assert that there is a high degree of commitment to the professional ethics which make the degree of influence of commitment to professional ethics on the quality of the audit uneven. The independence of the auditor came in first, while the auditor's straightening and integrity is the second and the third is characterized with efficiency of the auditor, commitment to professional conduct is the fourth, then the auditor's commitment to the confidentiality of information. Asif (2010) support this with evidence that the professional accounting bodies have provide adequate ethical studies to the professional and therefore, it is the duty of the members to implement these studies in their practical dealings in order to ensure accountability and reliability of their outputs.

Hypothesis Two

H_{02} : There is no significance difference in the perception of professional auditor and accountants in the level of compliance with the professional ethics

Table 6: Result of Mann-Whitney U test for differences between professional accountant and auditor in professional ethics practices in public sector

VARIABLES	PROFESIONAL S	N	Mean Rank	Median Rank	Mann-Whitney U	Z STATISTIC	Sig.
INTERIGTV	ACCOUNTANT	434	153.11	5.00	2686.00	-0.111	0.912
	AUDITOR	351	151.37	5.00			
HONESTY	ACCOUNTANT	434	153.31	4.00	2628.50	-0.296	0.765
	AUDITOR	351	148.34	4.00			
OBJECTIVITY	ACCOUNTANT	434	153.22	5.00	2655.50	-0.192	0.848
	AUDITOR	351	149.76	5.00			
CONFIDENTIALITY OF INFORMATION	ACCOUNTANT	434	153.22	4.00	2654.50	-0.195	0.845
	AUDITOR	351	149.71	4.00			
PROFESSIONAL BEHAVIOUR	ACCOUNTANT	434	153.22	4.00	2654.00	-0.200	0.841
	AUDITOR	351	149.68	4.00			
PROFESSIONAL COMPETENCE	ACCOUNTANT	434	153.29	4.00	2633.00	-0.268	0.788
	AUDITOR	351	148.58	4.00			

Source: Author's Computation.

Table 6 shows the result of the Mann-Whitney U test. Analysis of the data reveals generally that the professional ethics practices is not differ between the Accountants and Auditors in the public sector regardless of the slight differences observed in the mean rank of the professionals. The median of all the fundamental principles employed by the professional are the same for both Accountants and Auditors while the Mann-Whitney U statistics, z statistics and significant level are as follow: Integrity ($U=2686$, $Z=-0.111$ and $\text{sig} = 0.912$); Honesty ($U=2628.5$, $Z=-0.296$ and $\text{sig} = 0.765$); Objectivity ($U=2655.5$, $Z=-0.192$ and $\text{sig} = 0.848$); Confidentiality of Information ($U=2686$, $Z=-0.195$ and $\text{sig} = 0.845$); Professional behaviour ($U=2654.0$, $Z=-0.200$ and $\text{sig} = 0.841$) and Professional Competence ($U=2633.0$, $Z=-0.268$ and $\text{sig} = 0.788$). Therefore, the study accepts the null hypothesis which states that there are no significance differences in the professional ethics practices among Accountants and Auditors in Nigeria public services.

It can be deduced that the Accountants and Auditors were professionals and must comply with rules and regulations of their professional body regardless of duties and responsibility assigned because the profession's social structure includes groups, controls and worksites that work cohesively to create an improved professional model as proclaimed in the theory of profession. This shows that

professionals behave in a disciplinary logic that includes criteria of legitimacy, public good, social welfare, as well as professional competence based on knowledge, conduct and control (Fournier, 1999). Therefore, being a professional implies commitment to services to the interest of public rather than personal interest (Pollock & Amernic, 1981).

Hypothesis Three

H₀₃: The disparity between ANAN and ICAN professional member in compliance with the professional ethics is not significant.

For the third hypothesis, Mann-Whitney U test was also conducted to compare the differences in the professional ethics practices by ANAN and ICAN members in public sector.

Table 7: Result of Mann-Whitney U test for disparity between ANAN and ICAN professional member in compliance with the professional

VARIABLES	PROFESSIONALS	N	Mean Rank	Median Rank	Mann-Whitney U	Z STATISTIC	Sig.
INTERIGTY	ANAN	628	161.50	5.00	5368.00	-4.474	0.360
	ICAN	157	119.00	5.00			
HONESTY	ANAN	628	160.25	4.00	5673.30	-3.603	0.110
	ICAN	157	124.00	4.00			
OBJECTIVITY	ANAN	628	153.88	5.00	7228.50	-1.402	0.608
	ICAN	157	149.50	5.00			
CONFIDENTIALITY OF INFORMATION	ANAN	628	159.88	4.00	5764.50	-3.165	0.402
	ICAN	157	125.50	4.00			
PROFESSIONAL BEHAVIOUR	ANAN	628	157.88	4.00	6252.50	-2.285	0.122
	ICAN	157	133.50	4.00			
PROFESSIONAL COMPETENCE	ANAN	628	165.82	4.00	4313.00	-6.041	0.410
	ICAN	157	101.70	4.00			

Source: Author's Computation.

The results of the Mann-Whitney U statistics, z statistics and significant level are Integrity (U=5368.00, Z=-4.474 and sig = 0.360); Honesty (U=5673.30, Z=-3.603 and sig = 0.110); Objectivity (U=7228.50, Z=-1.402 and sig = 0.608); Confidentiality of Information (U=5764.50, Z=-3.165 and sig = 0.402); Professional behaviour (U=6252.50, Z=-2.285 and sig = 0.122) and Professional Competence (U=4313.00, Z=-6.041 and

sig = 0.410). While the all the median rank are the same for both professional members. Since the P-values exceed the critical value (0.05), therefore, the study accepts the null hypothesis. This implies that there are no significance differences in the perception of ANAN and ICAN member in the application of professional ethics in public sector.

The findings was not a surprise because both ICAN and ANAN are member of International Federation of Accountants (IFAC) meanwhile the code of conduct used by the professional bodies is a replicate of International Federation of Accountants (IFAC) codes of ethics. Therefore, we should not expect significant differences between ICAN and ANAN members in the professional ethics practices in the public sector as also claimed by Candilis (2009) and Gaffikin (2009).

The theory of profession also assert that ethics is a subject that is inclusive to all aspects of human life especially professional and all the accounting bodies should maintain high level of ethical studies right from the training of the professional candidates. In addition, most of the courses offered during the training program by the professional bodies are related to ethics. Therefore, it will be difficult for any professional to act in a way contrarily to the ethics (Kranacher, Riley, & Wells, 2011)

Hypothesis Four

H₄: There is no challenges significantly affecting professional ethics practices in public services

Table 8. One-Sample Test on the challenges affecting professional ethics practices in public services

VARIABLES	N	Mean	Std. Deviation	T Statistic	Sig. (2-tailed)
MISLEAD INFORMATION	785	3.92	1.131	14.174	.000
INSUFFICIENT EXPERTISE	785	4.03	.747	24.143	.000
INDUCEMENT	785	3.77	1.219	11.036	.000
USE OF GOVERNMENT PROPERTY	785	4.35	.724	32.525	.000
SECOND OPINION	785	3.76	.765	17.284	.000

Source: Author's computation

Table 8 show the result of the one sample t-test on challenges affecting professional ethics practices in public services. The benchmark for decision rules for accepts or rejects the hypothesis rest on middle value (3) which stands for indifferences by the respondent. Since all the threats/challenges have a mean value higher than 3.0, the study conclude that the all the challenges hinder professional ethics practices in public services. Therefore, the null hypothesis is rejected as the population mean shows a mean score of above 3.0. This implies that professional Accountants regardless of professional bodies or schedule of duties face challenges which serve as threats to professional ethics practices in public services. This influence their business and official dealings in the office.

The findings is also in line with the ICAN (2014) which affirms that professionals will find it difficult to comply with professional ethics if threats are present and consequently, his work cannot be reply upon. The existence of these threats can be attributed to be the major reason why Professionals involve in financial malpractices.

5.0 SECTION FIVE**5.1 SUMMARY AND CONCLUSION**

Based on the overall results of this study, the professional Accountants in the public sector comply with the professional ethics in their official dealing. This implies that the schedule of duties and cadre of the professionals does not influence the professional ethics practices in public sector. All the professional bodies, that are members, must comply with the International Federation of Accountants (IFAC) codes of ethics. This perhaps reveals in the insignificant differences in the professional ethics practices among the professional Accountants in the public sector and that ethics is a subject that is inclusive to all aspects of human life. In addition, all the accounting bodies maintain high level of ethical studies right from the training of the professional candidates and all the courses offered during the professional training relate to ethics

Therefore, it will be difficult for any professional to act in a way contrarily to the ethics as confirmed by the findings of the study.

However, adherence alone to the Professional ethics cannot solve the problems of accounting scandals that occur around the world as a result of various challenges hinder professional ethics practices in public sector identified in the study. Apart from these, the review of institutional measures and codes of conduct puts in place to ensure high standard of behavior, using institutional theory suggests that moral contradictions by public office holders deepen daily. The perceived lack of an effective ethical organizational framework to coordinate the activities of various institutions has astronomically worsened unethical practices in public sector. This has resulted in underperformance of professionals and underdevelopment in the public sector.

5.2 Recommendations

In view of the above findings and for the public sector to benefits from professional ethics practices, the study provides the following recommendations.

- i. The government should provide financial support to Accountant to become member of a reputable professional body.
- ii. The government needs to encourage the professional to strengthen their compliance in professional ethics practices.
- iii. The professional bodies and government need to strengthen the sanctions to any erring member who commit or aid in financial misappropriation.
- iv. In the event existence of threats, the professionals were encourage to evaluate and embrace all safeguards available to deal with the situation.
- v. The professional bodies and government were also encouraged to introduce and embrace the traditional oath taking in public services in order to hinder the occurrence of financial malpractices by public office holder.

Finally, future researches are encouraged to be conducted on impact of entity's ethic on the performance of employees in order to confirm whether the same conclusion will be reached with this study.

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