

Machiavellianism and Accountants Ethical Approach: Evidence from Iran

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ABSTRACT

Background: The past researches have shown that the Machiavellian personality trait is an effective factor for choosing a job and also the way people behave in their working places. This study was aimed at investigating the extent of accountants' Machiavellian trait in Iran, and also the relation between job satisfaction and Machiavellianism has been examined. Furthermore, using the concepts of idealism and relativism, accountants' ethical ideology has also assessed. **Methods:** To do this, The Mach IV Scale for finding the extent of Machiavellian trait and the Ethics Position Questionnaire (EPQ) for assessing ethical ideology were utilized. Therefore, 450 questionnaire were distributed among accountants of which 334 questionnaire were finally answered by them. According to the results of the study, although Iranian accountants generally have a low extent of Machiavellianism, the extent of their Machiavellian trait was more than that of the most of other groups who were examined by the other researchers.

Results: According to the results of this study, Among the Iranian accountants, there were a significant relationship between Machiavellianism and job satisfaction, and furthermore, there were a positive relation between Machiavellian trait and relativism and also an opposite relationship between Machiavellianism and idealism.

Conclusion: According to the findings of the research, designing and running courses of ethics in accounting at different academic levels and also as a profession are emphasized.

KEY WORDS: accounting ethics, idealism, job satisfaction, Machiavellianism, relativism.

1-INTRODUCTION

The writings of Niccolo Machiavelli in the sixteenth century led to the creation of the term Machiavellianism. Machiavellianism is a term that personality and social psychologists use it to describe the tendency to cheat and mislead others in order to achieve personal interests, and it is usually associated with violating the rights of others. Machiavellianism is a part of personal characteristic that influences the individual job selection and also the approach that people select for their profession and their interaction with others (Holland, 1968, pp. 1-37). The Machiavellian individuals have a low level of emotion and their interaction with other people is low. These people like to ignore moral norms in order to achieve personal goals (Christie & Geis, 1970).

Accountants like other professional groups have a special moral responsibility and in addition to specialty, they should also respect to their own professional ethics. In this research the trait of Machiavellianism and its prevailing rates in the accounting society of Iran were studied, and also the relationship between moral approach (relativism and idealism) and Machiavellianism amongst Iranian accountants are explained. In the current competitive conditions, finding new customers and keeping them is costly and it seems that finding new customers, the accountants want to keep them for many years to cover their own costs through the interests of providing the services for these new customers (Sarлак, 2009). By increasing the competition, the ethical crisis also heightened, and therefore, the study about moral and ethical standards for the profession of accounting seems to be quiet necessary.

Two researchers have attempted to develop a questionnaire that can be used to assess the level of individuals' Machiavellianism. The questionnaire has been used of most of the researches on the behavior. They used the questionnaire in 38 separate investigations to assess the differences in behavior and attitude of people who have different levels of Machiavellianism. Generally, people who have high levels of Machiavellianism are more cheater and winner than those with low levels of Machiavellianism. People who have a higher level of Machiavellianism are less convinced, and the more, they convince the others.

Machiavellianism researches are also done in the areas other than psychology. Machiavellianism in the accounting area, of course, has been relatively less studied. A Research in Canada has studied the rate of Machiavellianism amongst the Canadian certified accountants. The results of this study showed that there is no significant difference between Machiavellianism of audit companies' partners and the managers of those companies.

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Of course, according to the evidences, Machiavellianism of audit companies' partners, in comparison with senior auditors, was significantly low (Shome & Rao, 2009). According to carried out surveys in Iran, no filed study has been done about Machiavellianism.

Code of professional conduct can prohibit Machiavellian behavior (i.e. deception and abuse). The regulations may provide some constraints for members and conflict with their inner desire where they have a high level of Machiavellianism, and may lead to a lack of job satisfaction. Job satisfaction is a general attitude toward the job (Robbins, 2007, pp. 294-303). In other words, job satisfaction is the extent of positive feelings and attitudes that people have towards their jobs, which help the physical and mental health of individuals a lot. Job satisfaction also determines many of the organizational variables. Several studies have shown that job satisfaction is an important factor in increasing the productivity, staff compassion to the organization, dependency and interest to their working place, increasing the quantity and quality of work, developing good and humane relationships at the working place, developing the proper communications and raising morale, love and interest to work. Researchers in a study entitled, "Machiavellianism as an effective factor in career satisfaction, job satisfaction and social progress" that was conducted amongst 150 directors, came to this conclusion that there is a positive relationship between Machiavellianism and career satisfaction and a negative relationship between Machiavellianism and job satisfaction (Gemmil & Heisler, 1972, pp. 51-62).

In another study among a group of Turkish physicists the relationship between Machiavellianism and job satisfaction were examined. In this study, 361 out of 5959 physicists working in Ankara were chosen as the sample. To evaluate the Machiavellianism of the selected people "The MACH IV Scale 2 were used. In this study also between Machiavellianism and job satisfaction there was a significant, but opposite, relationship (Mustafa, et al., 2003, pp. 1169-75).

The aforementioned issues lead to the following two questions that are related to job satisfaction and career satisfaction: Is there a significant relationship between Machiavellianism and job satisfaction in the society of accountants in Iran? And is there a significant relationship between Machiavellianism and career satisfaction in the society of accountants?

There are many schools of thought in the field of ethical theory that try to lead people to make useful ethical decisions. One of these schools called ethical ideology. Ethical ideology comprises of two aspects called idealism and relativism. Idealism is the aspect of ethical ideology where people, accordingly, accept that ethical act is an act which has no harm to others. This aspect of ethical ideology assumes that there is always the possibility and probability that one can achieve the ideal goals. Forsyth states that ones who are idealist insist on this point that a person must always avoid harming to the others. In contrast, non-idealists claim that in order to do a good act, sometimes, harming to the others is inevitable. In addition to refusing the global norms, relativists claim that ethical judgments depend on the circumstances (such as culture, time and place). From the relativists' perspectives, there are not exceptional ethical codes, and in contrast, non-relativists believe that some codes such as "one must never lie" provide useful guidelines for people's deeds. It is expected that individuals with a high level of Machiavellianism obey the philosophy of ethical relativism (Forsyth, 1980, pp. 175-184).

A study was conducted in this field in 2008. The aim of the study was to evaluate the relationship between Machiavellianism of Accountants and also examine the relationship between ethical ideology (relativism and idealism) and Machiavellianism of Accountants. The statistical population of the study comprises of certified accountants, and according to the results, the low level of Machiavellianism of accountants was generally low, and the accountants who had a high level of Machiavellianism, from ethical ideology perspectives, had tendency towards relativism (Wakfield, 2008, pp. 115-129).

Given the above, the other research questions are as follows: Do the accountants who have a high level of Machiavellianism are more relativist than the accountants who have a low level of Machiavellianism? Do the accountants who have a low level of Machiavellianism are more idealist than the accountants who have a high level of Machiavellianism?

The present study is also based on above-mention research and it is done in Iran. The first objective of this study was to investigate the prevalence of Machiavellianism amongst Iranian accountants; this study also examines the relationship between Machiavellianism and job satisfaction. Furthermore, using the concepts of idealism and relativism, the ethical vision of accountants will be evaluated to determine the extent of their willingness to adhere to the code of professional conduct.

2-METHODOLOGY

The statistical population of the study consisted of the employed individuals (including certified accountants, etc.) in audit institutions on the Stock Exchange Organization of Iran. In this study to do sampling, a simple random method and to collect data a questionnaire were used.

In this study to assess Machiavellianism of the accountants a questionnaire called “The MACH IV Scale” was used. According to conducted surveys, the present study is the first study in which the aforementioned questionnaire was used. The MACH IV Scale, which was designed in early 1970s, is a valid criterion to assess the Machiavellianism personality. The questionnaire consisted of 20 questions to assess one's opinion about whether others deserve deceitful behavior or not (Gable & Tool, 1988, pp. 68-84). According to the studies conducted in the past, the answer to the 20 questions in the form of a seven-point Likert spectrum was collected. Therefore, for opinions “completely agree” - 7 points, “no comments” - 4 points, and “totally disagree” - 1 point were assigned. At the end, a fixed number of 20 added to the total score of each respondent, and in this way, the points are placed in the range of 40 to 160, and of course, the average score is 100. According to the past studies procedures, people who score less than 100 have a low level of Machiavellianism, on the other hand, they are more ethical. In contrast, people who score more than 100 are less ethical and have a high level of Machiavellianism. It is worth noting that there is no absolute score to indicate the border between ethical and non-ethical, and in this study, the 100 points in was solely based on the past selected studies, and it is not necessarily the border between ethical and non-ethical.

In order to measure job satisfaction, there are two very common methods, i.e. general measurement method and descriptive measurement method, in which many aspects of a job are taken into considerations. Doing general measurement method, a worker or employee is provided with only one question and he/she must draw a circle around the numbers 1 to 7 (that the sentences contained very dissatisfied to very satisfied) to answer the question. The other method which is called detailed method is more complex. In this way, the elements and components of a job are specified and the respondents are questioned about their feelings towards those issues. In this study, in order to avoid having too detailed questionnaire, the general measurement method was used to assess job satisfaction and career satisfaction, and the opinions of respondents about the two sentences, the first one was on the assessment of job satisfaction and the next on career satisfaction, were collected in the form of a seven-point Likert spectrum. First sentence: Considering all aspects, I am generally satisfied with my job. Second sentence: If I start again, I would still choose accounting profession.

In this study, the Ethical Position Questionnaire (EPQ) was used to assess the ethical beliefs of accountants. Ethical beliefs, in this study, are divided into two category, relativism and idealism. As in the previous studies, the responses were collected in the form of seven-point Likert spectrum, indicating a range of complete disagreement to complete agreement.

To examine the relationship between job satisfaction and career satisfaction with Machiavellianism the variance analysis were used and to examine the relationship between Machiavellianism and ethical approach the correlation analysis were used.

3-RESULTS

According to the findings of the study, the average of Machiavellianism of the Accountants is equal to 92.1 which is less than 100, therefore, it can be concluded that the extent of Machiavellianism of accountants in Iran is low.

Then, using the Kolmogorov-Smirnov Test (K-S), the distributed data related to the Machiavellianism of the respondents were examined. Based on this test, the distribution of data related to Machiavellianism was normal, thus, the parametric tests can be used to examine the other questions of the study.

To examine the relationship between job satisfaction and Machiavellianism the variance analysis was used. The test results showed that, with 95% confidence, it can be said that there is a relationship between job satisfaction and Machiavellianism, i.e. the extent of Machiavellianism among the various levels of the accountants' job satisfaction has a significant difference.

Then, in order to further examine and indicate the differences, the Tukey test was used. The Results of the Tukey test, in paired comparisons after the variance analysis, showed that the major difference of the extent of Machiavellianism of the group of accountants is between job full-dissatisfaction and job satisfaction. In other words, a group of accountants, who were completely dissatisfied with their jobs, had a high level of Machiavellianism, and those accountants, who were satisfied with their jobs, had a less level of Machiavellianism, and of course, the difference is also significant.

According to the results, it can be said, with 95% confidence, that there is not a significant relationship between Machiavellianism of Iranian accountants and career satisfaction, i.e. the Machiavellianism of the accountants, amongst different values of the career satisfaction, is almost the same from full satisfaction to complete dissatisfaction.

Furthermore, correlation analysis showed, with 99% confidence, that there is a positive relationship between Machiavellianism of the accountants and their relativism; i.e. by increasing the extent of Machiavellianism, the extent of relativism also increases amongst the accountants.

Finally, according to the results of examining the relationship between Machiavellianism and idealism amongst the accountants, it can be said, with 99% confidence, that there is a negative relationship between Machiavellianism of accountants and their idealism, in other words, the accountants who have a low level of Machiavellianism, have a higher level of idealism.

DISCUSSION

According to the findings of the present study, the average of Machiavellianism of the Iranian accountants is equal to 92.1 which is less than 100, therefore, it can be concluded that the extent of Machiavellianism of accountants in Iran is low. According to the conducted surveys, no academic scientific study on Machiavellianism has done in Iran; therefore, the results of the present study were forcefully compared with the results of the similar studies conducted in other countries. Therefore, the compared results of the conducted studies on Machiavellianism of different groups are presented in Table 1. According to the table, it can be concluded that the Iranian accountants in comparison with other groups, including the American accountants, have a higher level of Machiavellianism than almost 86% of the other groups. In this table, the lowest rate of Machiavellianism is related to university presidents, with the rate of 73.3 Machiavellianism, the maximum rate is related to purchase managers, with the rate of 99.6 of Machiavellianism. It is worth noting that the rates of Machiavellianism of the Certified Public Accountants (CPA) and other American accountants are 81 and 80.9, respectively, which is far less than the Machiavellianism of the Iranian Accountants, i.e. 92.1. Given to the results of the previous studies, accountants of a society, in comparison with the other groups, have a lower level of Machiavellianism; it may be also the same in Iran. I.e. despite the fact that the Machiavellianism of the Iranian accountant in comparison with accountants and other foreign groups is high, they may be have a lower level of Machiavellianism compared to the other groups within the country. In other words, Machiavellianism may generally be high in Iran and this characteristic is not solely related to the accounting group.

Table 1: Machiavellianism of different groups

| Title of the Group | Mean of Machiavellianism | SD | sample size |
|---|--------------------------|------|-------------|
| Purchase managers (Chonko, 1982, pp. 1520) | 99.6 | 12.6 | 122 |
| Iranian accountants | 92.1 | 12.1 | 334 |
| Managers in Hong Kong (Ralston, et.al., 1993, 275-294) | 90.7 | 15.8 | 187 |
| Students | 90.7 | 14.3 | 1782 |
| Professors of sociology faculty (Hollon, 1975, p. 222) | 88.7 | 14.5 | 211 |
| Store managers (Gable & Topol, 1991, pp. 1-10) | 87.1 | 12.8 | 60 |
| Sales managers (Anusorn & Scott, 1992, pp. 27-38) | 86.8 | 12.8 | 98 |
| Marketers (Hunt Chonko, 1984, pp. 30-42) | 85.7 | 13.2 | 1076 |
| Parents | 84.5 | - | 1477 |
| American managers | 83.9 | 10.6 | 62 |
| Bankers in Hong Kong (Gorzine, Buntzman and Busch, 1999, 72-83) | 81.9 | 11.8 | 197 |
| Certified Public Accountants (CPA) | 81.0 | 10.9 | 186 |
| American accountants | 80.9 | 11.2 | 198 |
| University Presidents (Volp & Willower, 1977, 257-262) | 73.3 | 11.0 | 52 |

The results of variance analysis showed that there is a significant relationship between Machiavellianism and job satisfaction in accounting society of Iran. In other words, the extent of Machiavellianism of the accountants at various levels of their job satisfaction is significantly different. The Tukey test showed that the main difference is between a group of accountants who are dissatisfied with their jobs and the ones who are completely satisfied with their job. Given that job satisfaction is an important factor of increasing productivity, staff compassion to the organization, dependency and interest to their working place, increasing the quantity and quality of work, developing good and humane relationships at the working place, developing the proper communications, therefore, according to this category, timely and proper utilization of human resources is one of the most effective ways of relieving of bottlenecks and problems of economic, social and educational development. According to the results of the present study, the type of personality is one of the effective factors on job satisfaction, and therefore, it should be considered in the planning of human resources.

Following the investigations, between Machiavellianism of accountants and their career satisfaction no significant relationship between was observed. I.e. the extant of Machiavellianism of accountants amongst various groups of career satisfaction, from full dissatisfaction to complete dissatisfaction, is almost the same.

According to the results of the study, it can be said, with 99% confidence, that there is a positive relationship between Machiavellianism of the accountants and their relativism; i.e. by increasing the extent of Machiavellianism,

the extent of relativism also increases amongst the accountants. And also according to the test of correlation analysis, it can be said, with 99 percent confidence, that there is a significant relationship between Machiavellianism of the accountants and their idealism. In other words, the accountants who have a low level of Machiavellianism have a higher level of idealism.

4-Suggestions

Given that comparing with the other groups, including American accountants, the Iranian Accountants of Machiavellianism is high, to modify this trait, designing and running courses of ethics in accounting at different academic levels and also as professions are necessary, and therefore, it is suggested that the serious and applied actions must be taken in this filed.

According to the present study, the Machiavellianism of the Accountants is an effective factor on job satisfaction, therefore, examine and analyzing the effective factors on job satisfaction, the type of individuals' personality must be take into considerations and apply in human resource planning. It should be noted that having much fit between personality and job will increase job satisfaction. If individuals fit a job or profession according to their own personality, then they will realize that they have the required talents and abilities to do the task assigned to them, hence, they will be more successful, and because of this success, their job satisfaction will be increased.

The results of the test of relationship between Machiavellianism and idealism and relativism indicate that there is a strong relationship between the type of personality and ethical views of accountants. According to this issue and given that ethical view is the determining factor in producing high quality data (Etemady & Dianati, 2009, pp. 11-20), therefore, first, designing and running courses of ethics in accounting alongside with technical accounting discussions are again emphasized, and second, it is proposed that, scientifically and in environmental conditions of Iran, the factors influencing personality types must be identified, and in this regard, the required actions must be done by the professionals.

5-Limitations of the study

There were some limitations in the present study and they should be considered in the interpretation of the results and their interoperability. The limitations are as follows:

Given that the questionnaire was used in the present study to collect data, the examined subject was ethics, and given that some questions of the questionnaire, such as income, were the very personal information of the respondents, therefore, this may lead to bias respondents, and as a results, provide incorrect information in the questionnaire or not respond to questions, as out of 450 distributed questionnaires, 334 were collected, and some of the questions were left unanswered in the collected questionnaire.

The statistical population of the present study consisted of employed audits in auditing institutions of stack market, and given that these audits are only a part of the accountants' society of Iran, therefore, the generalizability or external validity of the study is challenged with.

Given that no field study on Machiavellianism has done in Iran; therefore, the results of the present study were forcefully compared with the results of the similar studies conducted in mainly USA and other countries. In this comparison, however, the extent of Machiavellianism of the Iranian was higher than the most of the groups. If this study is done for various groups in Iran, maybe one can more rely on the results of the comparison; furthermore, maybe the extent of Machiavellianism in Iran for different groups is mainly high. Therefore, as the results of the overseas studies, the extant of Machiavellianism of the Iranian accountants is lower than that of the other groups in Iran.

Given that the instrument used in this study, i.e. The MACH IV Scale, has not been used in Iran yet, and mainly according to the conducted surveys, graduates of sociology in Iran have not made any criticism about this instrument. Therefore, given the environmental conditions of Iran, the probable strengths and weaknesses of used instrument and also its applicability in Iran may be in question.

5-1 Suggestions for future studies

With regard to this point that there is a significant relationship between the type of personality and ethical approach, and given that according to previous studies, the ethical approach is effective in compliance and non-compliance with the qualitative traits (Etemady & Dianati, 2009, pp. 11-20), therefore, it is suggested that the effective factors on ethical approach and personality type are examined for the different studies.

It is also recommended that the sociology graduates in Iran review and analyze the questionnaire of the type of personality and ethical approach used in this study, and extract their strengths and weaknesses, and if it is required, provide domestic versions of it.

6- Conclusions

Despite the fact that the Iranian accountants have generally a low level of Machiavellianism, according to the results of other studies, their Machiavellianism is often high in comparison with the other groups. It should be noted that no study on in this field has done made in the country, and forcefully, the results of the present study were compared with the oversee studies and this is one of the limitations of the present study.

According to the results of the study, there is a positive relationship between Machiavellianism and relativism of the accountants, and also there is a negative relationship between Machiavellianism and idealism. According to the findings of the research, designing and running courses of ethics in accounting at different academic levels and also as a profession are emphasized. One of the limitations of this study was the potential bias of respondents towards questions of the study. Furthermore, this study examined only a small part of the Iranian accountants and this may challenge the generalizability of the results.

Given that the topic and the method used in this study is a new, it can be useful to do a research based on occupational, ethnic ... groups.

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