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Causes Consequences and Remedies of Unethical Accounting Practices Among Accountants in Business: A Review of Private Sector Organizations in Nigeria

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Abstract
This paper examined the Causes, Consequences and Remedies of Unethical Accounting Practices among Accountants in business: A Review of Private Sector Organizations in Nigeria. The study seeks to identify how Accounting Ethics among Accountants in business can improve the financial transparency and performances of their respective Organizations. The specific objectives of this work will be to determine the effect of Conflict of interest among Accountants in business on the performances of Private Sector Organizations in Nigeria, the effect of Gift and inducement of values among Accountants in business on the performances of Private Sector Organizations in Nigeria and the effect of greed among Accountants in business on the performances of Private Sector Organizations in Nigeria. Several studies have discussed how Accounting Ethics have affected the financial transparency and performances of Private Sector Organizations in Nigeria but failed to ascertain how it improves the moral wellbeing of the Accountants in business. Hence, the study will fill the identified gap. The study anchors on Normative ethical theory . Normative theories determine the moral rightness or wrongness of a decision or action based on its intrinsic features or characters. After reviewing relevant literatures and empirical studies, the study recommend remedies as follows to private organizations: Establish a code of conduct, Promote ethical training, Encourage whistleblowing, Implement internal controls, Lead by example etc.

Key words: *Accountants in business, financial, transparency, Causes, Consequences, Remedies*

Introduction

1.1 Background of the Study

Accountants both students and qualified professionals are expected to behave in accordance with professional codes of ethics, and to maintain standards of moral behaviour that are expected from a professional body. In practice, there are often pressures on an individual at work to bend the rules and act in a way that is not ethical. Making moral or ethical decision might not be easy, especially when colleagues or bosses do not agree with you and will not listen to what you have to say. Some individuals might take the view that when they are at work, they act according to a different moral outlook, compared to the way they think and behave in their private life. This view can be used to justify decisions or action at work that are unethical on the grounds that business is different. This is not a view that accountants should take. Accountants in business are expected to act with personal ethics and should be prepared to make difficult choice if necessary when faced with moral dilemma (Owolabi 2007).

Ethics involves learning what is right and wrong, and then doing the right thing. Ethics is also described as the process by which individuals, social groups and societies evaluate their actions from the perspective of moral principles and values (Hilton 2005)). Wheelwright (1959) defines ethics as "that branch of philosophy which is the systematic study of reflective choice, of the standard of right and wrong by which it is to be guided, and of the goods toward which it may ultimately be directed. From this definition three key elements can be identified. First, ethics involves question requiring reflective choice (decision problems). Second, ethics involves guides of right and wrong (moral principles). Third, ethics is concerned with the consequences (goods) of decisions. A problem situation exists when a person must make choice among alternative actions, and the right choice is not absolutely clear. For instance, as a result of unethical practices among professional accountants in business, professional scandals have been threatening the existence of the private sectors in Nigeria.

1.2 Statement of the Problem

Sequel to many cases of fraud, falsification and deliberate overstatement of companies' accounts and other unethical practices, many financial institutions, public and private companies have either been declared distressed or have completely closed down (see Nigeria Deposit Insurance Corporation, NDIC, 1995). These distresses and closures have contributed to massive unemployment in the Nigerian economy and the poverty of millions of Nigerians (see The Guardian, 2002).However, various investigations launched into these cases of distress and closure by the government, regulators and other stakeholders have continued to reveal that the professional accountants in business and auditors are implicated (see NDIC, 1995, Shanusi, 2004). This is as a result of the failure of the accountants in business to prepare financial statements that are devoid of frauds or other irregularities.

Thus, inspite of the above concerns about the unethical practices of professional accountants in business and the subsequent appeals from the leadership of ICAN and ANAN for the accountants and auditors to always act ethically, some professional accountants in business are still bent on taking advantage of the uncertainties which accounting systems may present in order to continue to "cut corners" (Owolabi M. B(2007)). For example, Akintola Williams Deloitte was accused of collaborating with the Board of Directors of Afribank Nigeria Plc to falsify the Bank's March 2006 accounts (see Akinkuotu, 2006). In the absence of any investigations or sanctions from the ICAN and within 6 months of these allegations, Akintola Williams Deloitte was again been accused of collaborating with the Board of Directors of Cadbury Nigeria Plc to deliberately overstate the company's accounts by between N13 billion (US$96.30 million) and N15 billion (US$111.11 million).

Consequent to the above, this study tends to examine the Causes, Consequences and Remedies of Unethical Accounting Practices among professional Accountants in business: A Review of private Sector Organizations in Nigeria.

1.3 Objectives of the Study

The specific objectives of this work will be to determine the effect of Conflict of interest among professional Accountants in business on the performances of private Sector Organizations in Nigeria, the effect of Gift and inducement of values among professional Accountants in business , and the effect of financial greediness among professional Accountants in business on the performances of Private Sector Organizations in Nigeria.

This Study is anchored on Normative ethical theory. Normative ethical theories are beliefs about how people should behave. This type of theory claims that there are features within the actions themselves which deter mine whether or not they are right. The theory of ethics was developed by Immanuel Kant. Normative theories determine the moral rightness or wrongness of a decision or action based on its intrinsic features or characters (Soetan, 2018)

2.0 Review of Related Literature

2.1.1 Concept of Ethics

Ethics has several meanings in common use. It is: A method of inquiry that helps people to understand the morality of human behaviour. Ethics is then defined in an active and positive sense rather than simply in the passive sense of ethics being defined as simple conformity to the written code. Furthermore, in Foucault's definition of ethics, Michel Foucault distinguished "moral code" and "morality of behaviour" (Ross Westerfield & Jordan 2000)). "For Foucault, "ethics" or "morality of behaviour", refers to "the manner in which one forms oneself as a subject of morality acting in reference to its prescriptive elements" (Owolabi 2007)), states that ethics is a creative activity which is the permanent training of oneself by oneself. Accounting ethics refers to following specific rules and guidelines set by governing bodies that every person associated with accounting should follow to prevent misuse of the financial information or their management position.

The Oxford Dictionary of English provides a more accessible definitions of ethics with four possible views, thus: 'ethics is (i) the science of morals, (ii) moral principles (iii) a philosophy or (iv) a code'. The fourth definition of ethics as "an ethical code" is the one commonly preferred in professional associations' circle. Establishing and maintaining a reputation for ethical behaviours is a valuable corporate asset in the business community.

2.1.2 Professional Accountants in Business

A competent professional accountant in business is an invaluable asset to the company. These individuals employ an inquiring mind to their work founded on the basis of their knowledge of the company's financials. Using their skills and intimate understanding of the company and the environment in which it operates, professional accountants in business ask challenging questions. Their training in accounting enables them to adopt a pragmatic and objective approach to solving issues. This is a valuable asset to management, particularly in small and medium enterprises where the professional accountants are often the only professionally qualified members of staff. A professional accountant in business may be a salaried employee, a partner, director (whether executive or non-executive), an owner manager, a volunteer or another working for one or more employing organization. The legal form of the relationship with the employing organization, if any, has no bearing on the ethical responsibilities incumbent on the professional accountant in business. (Section 300.3 of IFAC, 2005). A professional accountant in business often holds a senior position within an organization. The more senior the position, the greater will be the ability and opportunity to influence events, practices and attitudes. A professional accountant in business is expected, therefore, to encourage an ethics-based culture in an employing organization that emphasizes the importance that senior management places on ethical behavior (Section 300.5 of IFAC, 2005).

2.1.3 Role of Professional Accountants in Business

Professional Accountants in Business are known for providing financial data that businesses need to make decisions. That information goes onto reports for both internal and external use. Internal customers include management evaluating company-specific information, like overall sales or sales by region. Information used internally can help determine the best way to meet business goals.Externally, accountants provide reports to lenders and revenue agencies. The reports determine company performance and help external customers evaluate the business. Banks may be looking to refinance loans while revenue agencies may be looking at what a business owes.Here are some of the responsibilities that fall on accountants as provided by ACCA and CIMA (2004):

i. **Record Data**

This is what accountants are most recognised for: recording and documenting transactions for a business. Professional Accountants in Business spend a lot of their time entering and checking data, such as revenues, expenses, and sales, to make sure it is recorded properly.

ii. **Report and Communicate Financial Information**

After it's been recorded, Professional Accountants in Businessturn data into polished reports. Some of the reports, like ales reports or accounts ageing, may be for internal customers only. Those don't require special formatting or rules. However, accountants are known for producing specific reports according to industry regulations and rules which include:

iii. **Profit and Loss Statements**: shows earning and expenses
iv. **Statement of Financial Position**: reports what a business owes versus what it owns
v. **Cash Flow Statements**: tracks incoming and outgoing cash

The reports above are formatted in a specific way so any professional can easily read and understand the data. Standardised reporting has helped eliminate misreporting financial information and creates an easier, uniform way to interpret business performance. Another way that accountants report data is by using financial ratios. Ratios are just metrics that help businesses understand their performance. For example, liquidity can be measured using the quick ratio, hich just compares current assets and current liabilities. It helps management see whether they will be able to meet short-term obligations.

vi. Budgeting

Professional Accountants in Business are responsible for creating a budget that helps a company plan for the future. The budget decides how much money the business is allowed to spend on different resources, like labour and equipment. It's a key role to ensure business profitability.

vii. Compliance and Legal

A business needs proper accounting procedures in place to stay legal. Accountants make sure that information is accurate and up-to-date. Government agencies require that businesses report finances as truthfully as possible; not doing so can land you with a fine. Plus, having accurate, error-free data can help prevent a tax audit while still minimising tax payments.**Save Money**

Any business looking to improve the bottom line will want to talk to an accountant! They can spot tax deductions, detect and prevent internal fraud, and avoid costly reporting mistakes. The risk of filing incorrect taxes alone can justify bringing an accountant on board. Accountants help businesses avoid being audited, which can be time-consuming and end with penalties or fines.

viii. Forecast the Future

Accountants help businesses better prepare for the future with accurate forecasting. In short, they analyse past data to identify patterns. Those patterns can help predict how the business will perform in the future.

ix. Increase Profitability With Analysis

There's an entire segment of accounting dedicated to understanding the costs that go into keeping a business running. Cost accounting analyses what it costs to make a product or sell a service. Additionally, cost accountants use that data to understand which products or services are the most profitable and easiest to sell (Laura 2022).

2.1.4.1Overview of financial scandal and unethical accounting practices among professional accountants in business

Accounting scandals refer to instances of fraudulent or unethical financial practices within a company's accounting and reporting systems. These scandals often involve the manipulation of financial statements, concealing liabilities, inflating revenues, or misrepresenting the financial health of a business. Such misconduct can have severe consequences, including misleading investors, creditors, and regulatory authorities (Ankush 2002).

2.1.4.2 Some major accounting scandals/unethical practices in the past

#1 WorldCom (2002)

This accounting scandal occurred in the year 2002. WorldCom was a telecommunication company. The name of WorldCom has not changed; it is MCI, Inc. now. The fraud happened due to the inflated assets of the company. Then CEO Bernie Ebbers didn't report the line costs by capitalizing,and he also inflated the company's revenues by recording fake entries. As a result, 30,000 people lost their jobs, and investors lost around $180 billion. The internal audit team of

WorldCom found out $3.8 billion fraud. After the fraud was discovered, WorldCom filed for bankruptcy, and Ebbers got a sentence of 25 years.

#2 Enron (2001)

This accounting scandal happened in the year 2001. Enron, a commodity and energy-based service company, was in trouble for removing a massive amount of debt from its balance sheet. As a result, the shareholders of Enron lost $74 billion. Many employees lost their jobs. Many investors and employees lost their retirement savings. It is one of the most cited accounting scandals of all time. It was the work of then CEO Jeff Skilling and former CEO Ken Lay. Ken Lay died even before serving time. Jeff Skilling was imprisoned for 24 years. Enron filed for bankruptcy and found that Arthur Anderson was also guilty of falsifying Enron's accounts. Sherron Watkins had acted as an internal whistleblower. And the suspicions increased as Enron's stock price increased. (K.Echewald and F. Norris 2002)

#3 Waste Management Company (1998)

This accounting scandal happened in the year 1998. Waste management company reported around $1.7 billion in fake earnings. They deliberately increased the time period of depreciation period of their plant, equipment, and property. While the new CEO, A. Maurice Meyers, and his team members went through the books of accounts, they found out about this unprecedented scenario. Arthur Anderson had to pay $7 million as a penalty to the Securities and Exchange Commission (SEC), and the shareholder class-action suit settled for $457 million. After all was settled, the CEO, A. Maurice Meyers, started an anonymous hotline so that the employees could spread the word about any dishonest or improper matter happening in the organization. P. Tharp (200)

#4 Freddie Mac (2003)

This accounting scandal occurred in 2003. It was a mortgage finance giant, and it had massive backing from the Federal Reserve. The scandal was enormous. The earnings of $5 billion were intentionally understated. The whole plan was executed by the CEO, COO, and ex-CFO of the company. While investigating, the SEC found out the fraud. Freddie Mac needed to pay $125 million in fines, and the CEO, COO, and ex-CFO were fired from the company. After a year, the most surprising thing is that another federally backed mortgage finance company was caught in a similar sort of scandal (J.D Glater 2003).

#5 Tyco (2002)

This accounting scandal occurred in the year 2002. Tyco was a Swiss security systems company. The CEO and CFO inflated the company's income by $500 million so that they could steal $150 million. They did this through fraudulent stock sales and unapproved loans. Securities and Exchange Commission (SEC) and Manhattan D.A. found out about questionable practices in accounting,and that's how the whole thing got attention. The CEO and CFO got a sentence of 8 to 25 years, and Tyco had to pay $2.92 billion to investors due to the lawsuit (Ankush 2002)).

2.1.5 The Nigeria Experience in the private sector

Nigerian investors have lost billions of dollars due to companies falsifying and deliberately overstating their accounts by their accountants, according to Rabiu Olowo, executive secretary/CEO of the Financial Reporting Council of Nigeria (FRCN) August,2004. Olowo emphasised that these fraudulent practices have led to the downfall of numerous companies and caused severe financial damage to investors. These incidents, he said, underscore the devastating consequences of corporate greed and audit failures. Between 1990 and 1994, the country's banking sector alone lost over N6 billion ($42.9 million) due to fraud. Cases like the collapse of Afribank Plc in 2011 and the Cadbury Nigeria scandal between 2002 and 2005 revealed significant shortcomings in the auditing process, with auditors accused of facilitating the falsification of accounts. These failures not only resulted in substantial financial losses but also eroded investor confidence in the Nigerian capital market (Hope 2024).

2.1.6 Banks dismissed 110 top executives, others over N82bn fraud

At least 110 top bank executives and junior staff members have been dismissed for fraud-related cases in the past two years, (PUNCH 2003). These were contained in the 'Reports of Fraud of Forgeries in Nigerian Banks'' released by the Financial Institutions Training Centre (FITC) between the second quarter of 2021 and Q2 2023.

FITC's institutional members are members of the Nigerian Banker's Committee, which comprises the Central Bank of Nigeria, the Nigeria Deposit Insurance Corporation, and all licensed banks in Nigeria. A breakdown showed that while only four bank officials were sacked in Q2 2021, the figure rose by 175 per cent to 11 in Q2 2023. The highest number of sacked top bank executives and junior staff members was recorded in Q3 2022. Twenty officials were fired. The PUNCH observed that between Q2 2021 and Q2 2022, 52 bank staff members were sacked for fraud-related issues. However, between Q3 2022 and Q2 2023, 58 bank staff members were sacked for the same reason.

Also, within the period under review, the sacked staff members were involved in a total of 967 fraud cases. The highest number of cases was recorded in Q4 2021, with 410 cases involving bank staff, while the lowest was recorded in Q3 2021, with 32 cases. The PUNCH further observed that between Q2 2021 and Q2 2022, bank staff were involved in 657 cases, while between Q3 2022 and Q2 2023, they were involved in 310 cases. Also, about N18.01bn was lost due to fraud committed by bank staff and outsiders within the reviewed period out of a total of N81.69bn involved in fraud cases.

The PUNCH(2003), learnt that the highest amount lost was N5.79bn in Q2 2023, while the lowest amount lost was N472.28m in Q1 2023. For the total amount involved, the highest amount was N34.78bn in Q3 2021, while the lowest amount was N1.18bn in Q2 2022. The PUNCH further observed that mobile fraud, computer/web fraud, and P0S-related fraud were the most prevalent types of fraud, and this trend persisted in Q2 2023. In June 2022, the PUNCH reported the continued trial of three former workers with the First Bank of Nigeria facing attempted fraud charges before a Lagos State Special Offences Court, Ikeja. The defendants, Ozioma Ugorji, 35; Ugwu Emeka, 32; and Obike Chukwuka, 38, were arraigned by the Economic and Financial Crime Commission for allegedly attempting to steal N20bn from the bank.

The PUNCH learnt that the defendants conspired to tap into the bank's server to grant access to a syndicate.In June this year, four men were arraigned at the Yaba Magistrates' Court for allegedly defrauding their employer, Think Finance Microfinance Bank of N150m in the FESTAC Town area of Lagos State. The defendants include the company's Head of Risk Management, Ojimi Ayodeji, the Loan Officer, Isaac Eddy, Joseph Setonji and Juwon Irinyemi, and were arraigned before Magistrate Patrick Nwaka on three counts of theft.

The PUNCH had reported recently that four Nigerian deposit money banks lost a total of N1.77bn to fraudulent activities involving the banks' employees and consumers in 2021. This was contained in the 2021 financial statements of the banks, which included Access Bank Plc, Guaranty Trust Bank Plc, First Monument City Bank, and Wema Bank. The PUNCH also reported that Access Bank. GTB and Fidelity Bank recorded 26,877 fraud cases in the first six months of this year, according to analyses of their financial reports for the first half of 2022.

This was a 56.45 per cent decrease from the 61,715 fraud cases that were recorded by the banks between June and December, 2021. The President of the Bank Customers Association of Nigeria, Dr Uju Ogunbunka, recently urged banks to educate their staff and create protective measures that would discourage fraud. Commenting, ICT expert and Senior Partner of e86 Limited, Olugbenga Odeyemi, recently said several fraud cases needed insiders from banks. He stated, "Some of the hacking and fraud cases that we've seen, happened not because of the lack of security on the banks' electronic platforms, but because of poverty, greed, and sometimes collusion between the bank members of Staff and the customers (Hope_2024)

3.1 Conflict of interest among professional Accountants in business

Section 301 of IFAC (2005) States that, a professional accountant in business should take reasonable steps to identify circumstances that could pose a conflict of interest. Such circumstances may give rise to threats to compliance with the fundamental principles. For example, a threat to objectivity may be created when a professional accountant in public practice competes directly with a client or has a joint venture or similar arrangement with a major competitor of a client. A threat to objectivity or confidentiality may also be created when a professional accountant in public practice performs services for clients whose interests are in conflict or the clients are in dispute with each other in relation to the matter or transaction in question.

3.2 Gift and inducement of materials among professional Accountants in business

Section 350.7, states that a professional accountant in business should not offer an inducement to improperly influence professional judgment of a third party.

Section 350.8 Where the pressure to offer an unethical inducement comes from within the employing organization, the professional accountant should follow the principles and guidance regarding ethical conflict resolution set out in Part A of this Code.

3.3 financial greediness among professional Accountants in business

As a consequence of responsibilities to an employing organization, a professional accountant in business may be under pressure to act or behave in ways that could directly or indirectly threaten compliance with the fundamental principles. Such pressure may be explicit or implicit; it may come from a supervisor, manager, director or another individual within the employing organization. A professional accountant in business may face pressure to:

• Act contrary to law or regulation.
• Act contrary to technical or professional standards.
• Facilitate unethical or illegal earnings management strategies.
• Lie to, or otherwise intentionally mislead (including misleading by remaining silent) others, in particular: - The auditors of the employing organization; or - Regulators.

• Issue, or otherwise be associated with, a financial or non-financial report that materially misrepresents the facts, including statements in connection with, for example: - The financial statements; - Tax compliance; - Legal compliance; or - Reports required by securities regulators (Section 310.2 of IFAC, 2005) .

4.0 Causes of unethical accounting practices among Accountant in Business

1. **Major accounting scandals** can result from various factors, often stemming from a complex interplay of financial, ethical, and organizational issues. These include:
2. **Pressure to Meet Financial Targets:** Companies may face immense pressure to meet revenue and profit targets, leading to a temptation to manipulate financial statements to achieve these goals.
3. **Weak Internal Controls:** Inadequate internal control systems can create opportunities for financial irregularities to occur without detection.
4. **Unethical Leadership:** A corporate culture that tolerates or even encourages unethical behavior, starting from top management, can contribute to accounting scandals.
5. **Complex Accounting Rules:** The complexity of accounting standards can provide a cover for fraudulent activities and make it challenging for stakeholders to detect irregularities.
6. **Incentive-Based Compensation:** Compensation structures that tie executive pay to financial performance can incentivize unethical practices to boost earnings and share prices artificially.
7. **Lack of Transparency:** A lack of transparency in financial reporting can obscure the true financial health of a company, making it easier to manipulate financial statements.
8. **Auditor Conflicts of Interest:** Conflicts of interest between external auditors and the companies they audit can compromise the independence and thoroughness of audits.
9. **Inadequate Regulatory Oversight:** Weak regulatory oversight and enforcement can create an environment where companies feel they can engage in unethical practices without significant consequences (Hilton, 2005).

5.0 CONSEQUENCES OF UNETHICAL PRACTICES IN ACCOUNTING

People often use accountants to help with taxes and other money matters. They trust these professionals to be ethical with their finances. A lack of morality and ethics can lead to financial issues and loss of reputation. If you are an accountant, you need to abide by the rules set forth by your state. If you fail to do so, you can face punishment, including fines and license loss. Also, your clients can face serious consequences, such as increased tax liability and penalties. Here are some other effects you could face from unethical practices.

1. **Criminal Penalties**

When an accountant engages in unethical behavior, it may be illegal at the state or federal level, resulting in criminal penalties such as fines, license loss, and jail time. Poor ethics in a business means that those involved are more willing to break the rules to benefit either themselves or their business. When there is little oversight, it is easier to defraud a business. An unethical accountant can easily manipulate financial data to commit serious financial crimes such as fraud and tax evasion.

2. **Personal Consequences**

Unethical accounting can also lead to personal consequences. An accountant can lose their license, which can affect their career. In some cases, unethical behavior can lead to a criminal record, which can impact a person for the rest of their life. Unethical behavior can also affect relationships, causing issues with spouses, children, siblings, and parents. This behavior can be devastating for friends and others who know the accountant, such as neighbors. Once an unethical accountant is caught and tried, he or she will be punished. Although it depends on the specific circumstances surrounding the case, this can result to being sentenced to prison, fines, withdrawal of license and other legal punishments to the accountants found guilty. This will not only be devastating for said accountant, it will also be devastating on both friends and family, especially the family.

3. **Effects to Reputation**

Poor ethics by accountants can negatively impact the business' reputation. It can also affect the reputation of those involved with the business, such as business partners and clients. This can lead to a lack of trust, which can make it difficult for the business to conduct business with other companies. This can be especially devastating to the reputation of accounting firms, which rely heavily on reputation and goodwill to remain in business. In extreme cases, a business may even shut down.

4. **Errors to Financial Records**

When an accountant breaks the rules to manipulate the information presented on the financial statements, financial statements become less useful. Financial statements must remain accurate and truthful to help end users make good financial decisions. When they have been manipulated, they can deter the decision-making process. All these errors will cast all other figures into doubt, making it difficult to trust the information presented.

5. **Loss of Human Capital**

A vast majority of employees do not want to work for a company where unethical behavior are practised. It is one of the requirements of Accounting professional standards that accounting should be performed ethically and with integrity. If you pressure your accountants to behave unethically, they can't uphold the standards of their profession, and this may lead to loss of their license or credentials by the authority in charge of accounting profession. Your company might not be able to employ reputable accountants because they will not work for an employer who expects unethical behavior (Hilton, 2005)..

6.0 Remedies to unethical accounting practices among Accountant in Business

Ethics in accounting play a crucial role in maintaining the integrity and trustworthiness of financial information. Accountants need to adhere to ethical principles to ensure accurate reporting and transparency. Here are six key ways to improve ethics in accounting:

1. Establish a code of conduct

A well-defined code of conduct serves as a guiding framework for ethical behavior in accounting. It outlines the expected standards and behaviors that accountants should follow. By clearly communicating these expectations, organizations can foster a culture of integrity and accountability.

2. Promote ethical training

Continuous education and training on ethical practices are vital for accountants. By providing regular workshops and seminars, organizations can enhance their employees' understanding of ethical dilemmas and equip them with the necessary skills to make ethical decisions.

3. Encourage whistleblowing

Creating a safe environment for employees to report unethical behavior is crucial. Whistleblowing mechanisms, such as anonymous hotlines or reporting channels, allow individuals to raise concerns without fear of retaliation. This promotes accountability and helps identify and address unethical practices promptly.

4. Implement internal controls

Robust internal controls are essential for preventing fraud and ensuring accurate financial reporting. By implementing segregation of duties, regular audits, and thorough review processes, organizations can minimize the risk of unethical behavior and detect any irregularities early on.

5. Lead by example

Ethical behavior starts at the top. Leaders should demonstrate integrity and ethical decision-making in their actions and decisions. When employees see their superiors upholding ethical standards, they are more likely to follow suit.

6. **Encourage ethical discussions**

Creating an open dialogue about ethics within the organization encourages employees to voice their concerns and seek guidance when faced with ethical dilemmas. Regular discussions or forums can help clarify ethical expectations and provide a platform for sharing experiences and best practices (Hilton, 2005).

7.0 Conclusion

In conclusion, Unethical conduct is very bad for a business, both a growing business and an established business. It has alot of disadvantages and no advantage to your business unless you want to ruin the hard earned reputation that your business has built over the years. In order not to lose clients, partners and members of staff, Chief Executive Officers, Directors and professional Accountants in business are hereby advised to avoid unethical conducts in the accounting profession.

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