

CONCEPTS OF BEHAVIORAL ACCOUNTING FROM PSYCHOLOGICAL, SOCIAL, AND HUMAN BEHAVIOR ASPECTS

Sri Trisnaningsih¹

Gempita Asmaul Husna²

^{1,2} Faculty of Economics and Business, UPN Veterans East Java, Indonesia

*e-mail: trisna.ak@upnjatim.ac.id, gempitahusna@gmail.com,

*Correspondence: trisna.ak@upnjatim.ac.id

Submitted: 06th November 2022 *Revised:* 14th November 2022 *Accepted:* 27th November 2022

Abstract: Behavioral accounting connects human behavior and accounting. Behavioral science is part of social science, while behavioral accounting is part of accounting science and behavioral knowledge. But behavioral accounting and behavioral science both use the principles of psychology and sociology to assess and solve a problem. This study aims to determine the concepts that exist in the area of psychology and social psychology and to find out how these are applied to the theoretical system of behavioral accounting. The method used in this research is descriptive which describes how the concepts are applied to the theoretical system in behavioral accounting. The result of this research is that we are able to understand aspects of psychology and social psychology comprehensively. In this study, the main concepts contained in it are explained, where attitudes, changes in attitudes, motivation, perceptions, learning, personality, and emotions are discussed. Then we see how this system is applied theoretically to behavioral accounting.

Keywords: Behavioral Accounting, Psychology, Sociology, Human Behavior.

INTRODUCTION

The differences and similarities between behavioral accounting and behavioral science have to do with predicting and explaining human behavior. Behavioral accounting connects human behavior and accounting. Behavioral science is part of social science, while behavioral accounting is part of accounting science and behavioral knowledge. But behavioral accounting and behavioral science both use the principles of psychology and sociology to assess and solve a problem.

Lubis, (2017) defines behavioral accounting as a sub-discipline of accounting that involves several aspects of human behavior related to the process of making an economic decision.

In 1930, in the United States has developed psychology that specifically studies human relationships. Finally, a new branch of psychology emerged which was later known as social psychology. Social psychology is also a subject in sociology because in sociology there are 2 main perspectives, namely the macro structural perspective which emphasizes the study of social structure, and the micro perspective which emphasizes individualistic studies and social psychology in explaining variations in human behavior. Behavioral accounting is behind the traditional accounting role which means collecting, measuring, recording and reporting financial information. Thus, the accounting dimension relates to human behavior and also to the design, construction, and use of an efficient accounting information system.

Behavioral accounting, by considering the relationship between human behavior and the accounting system, reflects the social and cultural dimensions of humans in an organization. Stainer also briefly explained the definition of behavior, namely as scientific research that deals directly with human behavior. This definition captures the core problems of behavioral science, namely scientific research and human behavior (Arfan & Ishak, 2010).

The following describes some things related to behavioral aspects of psychology and social psychology. The term self means that part of the individual that is separate from the rest. The concept of envy can be interpreted as a person's picture of himself or an assessment of himself (KBBI, 2008). A self-concept is a psychological contract that has long been discussed in the social sciences (Marsh and Craven, 2008).

General self-concept is a generalized understanding of self-concept without seeing a specific description of what is seen in particular. This implies that the general concept is an individual's understanding of themselves in general without looking at the more specific parts of themselves (Puspasari, 2007). The development of self-concept further leads to a specific self-concept or better known as multidimensional. The concept of specifics is a pattern of individual self-concept assessment that looks into a wider perspective of the individual, so that he can get a picture of the individual's self from various diverse and dynamic perspectives (Metiver, 2009).

The main study of this psychology is the problem of behavior, mental, personality and other dimensions contained in an individual. But sociology is closer to its study of culture and social structure, both of which influence personality, interactions and behavior. So the two fields of science meet in an area called social psychology.

The broad scope of behavioral accounting which includes budgeting, accounting systems, cost accounting, tax accounting, auditing and management accounting proves that it is important and necessary to have knowledge of behavioral accounting. But in reality, at this time behavioral accounting is not known by many parties such as employees in companies and even lecturers who teach accounting at universities. This causes a lack of application of behavioral accounting, especially in companies that can lead to fraud. For example in the ENRON case, fraud occurred because both the company management and KAP Anderson did not apply behavioral accounting by violating business ethics and professional accounting ethics which violated the principles of integrity and professional behavior. The management of ENRON and KAP Anderson worked together to manipulate financial reports and destroy documents for ENRON's bankruptcy. Therefore, behavioral accounting is very important to know and needs to be studied by researchers.

LITERATURE REVIEW

Concept

The concept comes from the Latin *conceptum* which has a meaning that can be understood. When viewed from the etymology of the language, the notion of a concept is an arrangement of ideas or ideas that are interrelated between one event and another so that it can be used as a theoretical basis. According to Soedjadi (2000:14), interpreting a concept as an abstract idea that can be used to classify or classify which is generally expressed by a term or a series of words (language symbols).

Attitude/Behavior

Attitudes can be positioned as a result of evaluation of the attitude object, which is expressed in cognitive, effective and behavioral processes (Eagly and Chaiken, 1993). According to Sumarwan (2014 p.166), attitude is an expression of consumer feelings about an object whether it is liked or not, and attitudes also describe consumer confidence in various attributes and benefits of the object.

Motivation

According to Umam (2012), the notion of motivation includes various aspects of human behavior or behavior that can encourage someone to behave or not behave. But in the following terms, motivation is a human drive to act and behave. While the notion of motivation in everyday life, motivation can be interpreted as a process that can provide encouragement or stimulation to employees so that they are willing to work sincerely and are not burdened according to Saydam (2000: 326).

Perception

According to Alex Sobur (2013), perception is a process of relevant sensory cues and past experiences organized to give us a structured and meaningful picture of a particular situation. Implicitly Stephen P. Robbins and Timothy A. Judge (2009) say that an individual's perception of an object is very likely to have differences with other individuals' perceptions of the same object.

Value

According to (Schwartz and Bilsky 1987) Value is a belief as a standard that directs actions and ways of making decisions on objects or situations that are very specific in nature. Value is a cognitive representation of universal human needs which include biological needs, social interactional needs, and demands of social institutions on individuals.

Psychological

Psychology is a science that seeks to measure, explain and sometimes change human behavior. According to Bimo Walgito Psychology is a word taken from the Dutch language "psychologie" or from the English "psychology". From the point of view of the origin of the word, the word psychologie or psychology comes from the Greek language which consists of two words, namely "psyche" and "logos" which means soul and science. knowledge of the soul or often referred to as "psychology".

Social Psychology

Social psychology is a field of psychology that combines concepts from both psychology and sociology that focus on the behavior of social groups. According to Baron and Byrne (2006), social psychology according to Baron and Byrne is a field of social science that seeks to

understand the origins and causes of individual thoughts and behavior in social situations. In this sense, it emphasizes the importance of understanding the origin and causes of behavior and thought.

MATERIALS AND METHODS

The method used in this research is descriptive which describes how the concepts are applied to the theoretical system in behavioral accounting.

RESULTS AND DISCUSSION**Attitude/Behavior**

Attitude is a vehicle in guiding behavior. Attitudes are not the same as values, but the two are related. Attitude can also be said to be a study of all tendencies of action, favorable or unfavorable, human goals, objects, ideas or situations. The term object in attitude is used to include all objects that lead to a person's reaction. It is important to note that the definition of attitude is a tendency or inclination to answer or respond, and not to respond to itself. Attitude is not behavior, but attitude presents a readiness for actions that lead to behavior (Arfan & Ishak, 2010). The processes that shape attitudes are effective and behavior. Effective processes can form attitudes in individuals, for example, an attitude object that is presented with an electric shock will be responded negatively to an object that is not accompanied by an electric shock (Zanna, Kiesler, and Pilkolis 1970). Bem (1972) suggested that previous behavior can influence attitudes.

1. Attitude component

Attitudes have cognitive, emotional and behavioral components. The cognitive component is refined from ideas, views and beliefs, one of which is about the attitude object, the emotional component or effectively leads to feelings towards the attitude object. The emotional or effective component refers to a person's feelings that lead to the attitude object. Positive things that are felt are fondness, respect or recognition of other people's souls. Negative feelings include dislike, fear or disgust. And the behavioral component refers to how one force reacts to the attitude object.

2. The closest concept of attitude

- Trust

Trust is the capital in establishing good relationships with others. Building trust is like building a house that has strong pillars. One of the pillars collapsing will affect the strength of the building. Peace will be strong, if it is supported by the pillars of stakeholder trust. If trust is difficult to build, don't expect peace to materialize, conflict will escalate. Therefore, building peace should be accompanied by efforts to increase trust among stakeholders involved in the conflict (Arfan & Ishak, 2010).

- Opinions or opinions are sometimes interpreted as synonyms for attitudes and beliefs. In general, opinion is seen as a narrower concept than attitude. At first the opinions

formed came from personal opinions, namely individual interpretations of various issues in which there was no common view.

- Values are important life goals and standards of behavior. Values are the basic feelings by which people orient themselves toward higher goals and they distinguish what is useful and beautiful from what is gross and immodest. This value will affect attitudes and behavior. Habits are unconscious, automatic, and repetitive patterns of behavioral responses (Siegel; 1989:29).
- Habit is the indecision of automatic response, and repetition of behavioral patterns and responses. Habits are different from attitudes which are not behavior.

3. Attitude function

Attitudes have four functions, namely the first understanding serves to help someone in giving meaning or understanding the situation. The second need for satisfaction, for example, people tend to form positive attitudes towards objects when they get what they want and negative attitudes towards objects when they are prevented from getting what they need. Third, according to (Arfan & Ishak, 2010) the defensive ego is by developing or changing it to protect humans from truth-based knowledge about the basis of humans themselves or their world. The last expression of values is that

people get satisfaction by expressing themselves through their attitudes.

4. Attitude and consistency

Research has generally concluded that people strive for consistency between their attitudes and between attitudes and behavior. This means that individuals seek to relate their separate attitudes and align attitudes with their behavior so that they appear rational and consistent. If there is inconsistency, the power to return the individual to a state of balance continues to be used so that his attitudes and behavior become consistent again.

5. Attitude formation and change

Attitude formation refers to the development of an attitude that leads to an object that did not exist before. Attitude change refers to the substitution of a new attitude for someone who has previously dealt with. Attitudes are formed based on the character of psychological, personal and social factors. The most fundamental points about the way attitudes are formed are entirely directly related to personal experiences with an object, namely pleasant or unpleasant experiences, traumatic, frequency of occurrence, and the development of certain attitudes that lead to a new life picture.

Several theories related to attitude

1. Attitude change theory

Attitude change theory can help predict the most effective approach. Attitudes may change as a result of

approach and circumstances.

2. Reinforcement theory and stimulus response

The reinforcement and stimulus-response theory of attitude change focuses on how people respond to certain stimuli. Responses are likely to be repeated if they are appreciated and reinforced. These theories are ordered by component of stimulus versus response.

3. Social considerations theory

This theory explains that humans can create changes in individual attitudes if they want to understand the structure that concerns other people's attitudes and make an approach at least to be able to change the threat. The underlying assumption of this theory is that attempts to cause a major change in attitude are likely to fail, because the change will result in discomfort to the subject. The main factor influencing success is persuading and mediating two opposing positions, each of which is supported by the communicator. If the communicator positions too far from the internal term, the results achieved may be contradictory and attitudes will not change. If the communication is closer to the internal term, then assimilation can result because the subject does not perceive the persuasive communication as an extreme threat, so the person will evaluate the message positively and will likely change his attitude.

4. Consistency and discord theory

Consistency theory maintains the relationship between attitude and behavior in instability even though

there is no theoretical pressure in the system. Dispute theory is a variation of consistency theory. This theory has to do with the relationship between the elements of the theory. Psychologically, disagreement is an unpleasant thing so people will look for ways to avoid it.

5. Cognitive dissonance theory

This theory explains the relationship between attitudes and behavior (Leon Festinger, 1957). Dissonance in this case means an inconsistency. Cognitive dissonance refers to any inconsistency that is perceived by a person towards 2 or more attitudes, or to behavior with attitudes. Dissonance cannot be separated from the work environment of the organization. Therefore, everyone can be involved in this. Festinger says any inconsistency will produce discomfort, and as a result someone will try to reduce it.

6. Self-perception theory

This theory proposes the fact that attitudes do not determine behavior, but that attitudes are formed after behavior occurs in order to offer attitudes that are consistent with behavior. Attitudes will only change after behavior changes.

Motivation

According to Mulyasa (2003:112) motivation is the driving or pulling force that causes behavior towards a certain goal.

Motivation theory and its application

The public accounting control system has an understanding of how individuals can be motivated by accounting theory. There is a belief that human behavior is caused by motivation. Thus, there is something that

encourages (motivates) someone to do something.

Early motivation theory

Motivation is a process that begins with physiological and psychological definitions that drive behavior or drives that are shown for the purpose of incentives.

1) The theory of needs and satisfaction

This theory explains that every individual has a variety of needs that can affect their behavior. The five hierarchies of human needs described by Maslow (1954) are described as follows:

- Physiological needs , namely physical needs, such as hunger, thirst, the need for housing, clothing, and so on.
- The need for security (safety needs) , namely the need for safety and protection from danger, threats, confiscation or dismissal.
- Social needs , namely the need for love and satisfaction in establishing relationships with others, the need for satisfaction and a feeling of belonging and acceptance in a group, a sense of kinship, friendship, and affection.
- The need for esteem (esteem needs), namely the need for status or position, self-respect, reputation, and achievement.
- The need for self-actualization (self-actualization needs) , namely the need for self-fulfillment to use the potential of self-expression and do what is most suitable for him.

The process of motivation theories

Motivation is the act of stimulating someone or oneself to get the desired action.

1. ERG theory

According to Clayton Alderfer (1962), human needs are arranged in a hierarchy. ERG theory argues that satisfied lower-level needs lead to a desire to satisfy higher-level needs. But multiple needs can operate as both motivators and barriers, in that trying to satisfy higher-level needs has an effect on the satisfaction of lower-level needs. Overall ERG theory states a more valid version of the hierarchy of needs.

2. Expectancy theory

Expectancy theory is also known as valence or instrumentalist theory. The basic idea of this theory is that motivation is determined by the results that are expected to be obtained by a person as a result of his actions.

3. Reinforcement theory

Reinforcement theory has a basic concept, namely:

- The focus is on behavior that can be measured, such as the quantity that can be produced, the quality of production, the accuracy of the execution of the production schedule, and so on.
- Contingencies of reinforcement, which are related to the sequences between the stimulus,

response, and consequences of the resulting behavior. A certain working condition is formed by the organization (stimulus), then the employee acts as desired by the organization (response), then the organization provides rewards in accordance with the employee's actions or behavior (consequences of behavior).

- The shorter the time interval between employee responses (eg work performance) and the provision of reinforcement (reward), the greater the effect on behavior.

4. Goal setting theory

The basic concept of this theory is that employees who have goals will influence their work behavior.

5. Attribution theory

This theory was developed by Fritz Heider who argues that a person's behavior is determined by a combination of internal forces (internal forces), namely factors that originate from within a person, such as ability or effort, and external forces (external forces), namely factors that comes from outside such as difficulties in work or luck.

6. Agency theory

This theory assumes efficient performance and that organizational performance is determined by effort and the influence of environmental conditions. This theory generally

assumes that the principal is risk neutral while the agent is averse to effort and risk.

7. Dyadic approach

Stating that there are 2 parties that play a role in the performance evaluation process, namely superiors and subordinates.

Perception

Perception is how people see or interpret events, objects and people. According to Leavitt HJ (1978) distinguishes perception into 2 views, namely a narrow view and a broad view. Factors Affecting Perception

- Factors in the situation consisting of time, circumstances (workplace), social conditions.
- Factors in Perception consisting of attitudes, motives, interests, experiences and expectations.
- Factors on Target consisting of novelty, movement, sound, size, background, proximity.

Value

Values have both content and intensity attributes. The content attribute says a mode of behavior or end state of existence is important. The intensity attribute specifies how important it is. Value is not an absolute reference for individuals, but is a tendency or consideration that is felt and considered as something that can be determined morally, with see reasons or aesthetic provisions (Hari, 2015).

1. The significance of value

In studying behavior in organizations, values are stated to be important because they lay the foundation for understanding attitudes and motivations and

because values influence human attitudes. A person enters an organization with a preconceived notion of what should and should not be.

2. Value function

According to Rokeach (1973) and Schwartz (1994) the value function is as follows:

- Value as standard
- As a general plan for conflict resolution and decision making
- As motivation
- As a defensive ego

3. Values and ethical dilemmas

The problems of the accounting profession today are heavily influenced by the problem of declining ethical standards and a crisis of trust. This crisis of confidence should be a lesson for accountants to improve themselves, strengthen the discipline to manage themselves properly, and establish better relationships with clients or the wider community. For example: the Enron scandal involving Arthur Anderson, as well as the Worldcom, Merck, and Xerox scandals, the accounting profession became an uproar. Ihsan added that a better and ideal way to overcome this dilemma is to consider the adequacy of the opportunities that exist and then react to what is the concern in it. Opportunity can be seen as an expected ethical standard, which can be seen every change in behavior within the professional organization itself as well as any behavioral change

expected from others.

Personality

The main application of personality theory in organizations is predicting behavior. Testing refers to the part of the psychological characteristics within a person that determine and reflect how that person responds to his environment.

1. personality determinant

- Descendants

The hereditary approach argues that the ultimate explanation of an individual's personality is the molecular structure of the genes located on the chromosomes.

- Environment

The environment that is exposed to a person plays a large role in shaping that person's personality. Careful consideration of the arguments in favor of both heredity and environment as major determinants of personality leads to the conclusion that both are important.

- Situation

These factors influence the impact of heredity and environment on personality. A person's personality, although seemingly steady and consistent, can change under different conditions.

2. Key personality attributes influence behavior

- Locus of control is how much power goes beyond your goals considering what you have.
- Machiavellianism is how to gain and use power.
- Self-esteem or self-esteem is directly related to the hope for success
- Self-monitoring is that some people are able to pay close attention to their external environment and are able to respond to it.
- Risk taking is the courage to make changes that sometimes differ from one person to another
- Proactive personality

Other actions from proactive can be positive and negative, depending on the organization and the situation

CONCLUSIONS

In this study, the main concepts contained in it are explained, where attitudes, changes in attitudes, motivation, perceptions, learning, personality, emotions are discussed. Then we see how this system is applied theoretically to behavioral accounting.

REFERENCES

- Arfan, I., & Ishak, M. (2010). Akuntansi Keperilakuan. *Edisi Dua, Salemba Empat: Jakarta*.
- Halimah, SN, Rahman, F., & Sucipto, S. (2018). Study Of Behavioral Accounting Towards Financial Accounting At Pt Hexindo Adiperkasa, Tbk Branch Samarinda City. *JAMDI (Journal of Multi-Dimensional Accounting)*, 1 (2).
- Safitri, DZE (2020). Behavioral Accounting In Supporting Financial Accounting In Pt. East Java Regional Development Bank Tbk. Jombang Branch (Doctoral dissertation, STIE PGRI Dewantara).
- Sari, D., Anastasia, D., Ferdiani, A., & Gajah, RS (2022). Concepts Of Behavioral Accounting From Psychological And Social Psychological Aspects. *Research in Accounting Journal (RAJ)*, 2 (2), 264-272.
- Septiarini, DF (2013). Behavioral Accounting, The Basis of Behavioral Accounting in an Islamic Perspective. *Accruals: Journal of Accounting*, 5 (1), 45-58.
- Sutrisna, A., & Abidin, D. (2019). *Managerial Behavioral Accounting*. Depublish



© 2022 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license (<https://creativecommons.org/licenses/by-sa/4.0/>).
