Accounting Ethics and Financial Information Quality in Algerian Economic Institutions : A Survey Study of Accounting Professionals

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Abstract:

This article examines how accounting ethics can improve the quality of financial information in Algerian economic institutions. It starts from a simple but important idea: financial reports are useful only when the people who prepare them act with integrity, objectivity, competence, due care, confidentiality, and professional behavior. To test this relationship, a questionnaire was distributed to accounting professionals, and 155 valid responses were analyzed using descriptive statistics, reliability analysis, simple linear regression, and correspondence analysis. The results show that respondents report a high level of ethical commitment and a moderately high level of financial information quality. They also confirm a positive and statistically significant effect of accounting ethics on relevance, reliability, comparability, understandability, and the overall quality index. The study suggests that ethics should not be treated as a formal slogan, but as a practical condition for producing credible, clear, and decision-useful financial information in Algerian institutions. For practice, training, control, and organizational culture should consistently support ethical judgment.

Keywords: Accounting ethics; financial information quality; professional conduct; Algerian economic institutions; financial reporting.
Jel Classification Codes : : M41; M42; M14; G38.

ملخص:

يفحص هذا المقال كيف يمكن لأخلاقيات المحاسبة أن تسهم في تحسين جودة المعلومات المالية في المؤسسات الاقتصادية الجزائرية. وينطلق من فكرة بسيطة لكنها مهمة، وهي أن التقارير المالية لا تكون مفيدة إلا عندما يلتزم القائمون على إعدادها بالنزاهة، والموضوعية، والكفاءة المهنية، والعناية الواجبة، والسرية، والسلوك المهني. ولاختبار هذه العلاقة، تم توزيع استبيان على مهنيين في مجال المحاسبة، وتم تحليل 155 استجابة صالحة باستخدام الإحصاء الوصفي، وتحليل الثبات، والانحدار الخطي البسيط، وتحليل المراسلات. وتُظهر النتائج أن المبحوثين يقرّون بمستوى مرتفع من الالتزام الأخلاقي، وبمستوى متوسط إلى مرتفع من جودة المعلومات المالية. كما تؤكد النتائج وجود أثر إيجابي ذي دلالة إحصائية لأخلاقيات المحاسبة على الملاءمة، والموثوقية، والقابلية للمقارنة، وقابلية الفهم، والمؤشر الكلي لجودة المعلومات. وتخلص الدراسة إلى أن الأخلاقيات لا ينبغي أن تُعامل كشعار شكلي، بل كشرط عملي لإنتاج معلومات مالية موثوقة ومفيدة لاتخاذ القرار في المؤسسات الجزائرية. ومن الناحية العملية، ينبغي أن يدعم التكوين والرقابة والثقافة التنظيمية الحكم الأخلاقي بصورة مستمرة.

الكلمات المفتاح: أخلاقيات المحاسبة؛ جودة المعلومات المالية؛ سلوك مهني؛ مؤسسات اقتصادية جزائرية؛ تقارير مالية.
تصنيف JEL : M41 ؛ M42؛ M14؛ G38

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I. Introduction:

Financial information is useful only when users can rely on it to understand the economic reality of an institution and to make decisions with reasonable confidence. In practice, this usefulness depends on two closely related elements. The first is the technical framework within which accounting information is produced, including accounting standards, reporting rules, internal control procedures, and the professional competence of accountants. The second element is behavioral. It concerns the values that guide accountants when they select accounting treatments, classify transactions, prepare financial statements, or communicate information to internal and external users.

The behavioral dimension has become more important after the succession of accounting scandals that affected public confidence in financial reporting. The collapse of Enron, WorldCom, and later cases such as Wirecard or Luckin Coffee showed that accounting failure is not always the result of insufficient technical standards. Often, the problem lies in the way individuals apply those standards under pressure, conflict of interest, weak control, or the search for short-term gains. This is why accounting ethics has become a central issue for professional bodies, regulators, universities, and business organizations.

In the Algerian context, the question is particularly relevant. Economic institutions operate in an environment where the financial statements are used by several parties, including managers, tax authorities, banks, owners, employees, and potential investors. These users do not all have the same level of access to internal information. Therefore, the quality of the information produced by accountants becomes a key condition for transparency, credibility, and sound decision-making. When accounting professionals act with integrity, objectivity, competence, due care, confidentiality, and professional behavior, the information system is more likely to produce reports that are relevant, reliable, comparable, and understandable. The main research question is formulated as follows:

What is the effect of accounting ethics on the quality of financial information from the perspective of accounting professionals in Algerian economic institutions?

From this question, the following hypotheses are developed:

- **H1:** Accounting ethics has a positive and statistically significant effect on financial information quality.
- **H1a:** Accounting ethics has a positive and statistically significant effect on the relevance of financial information.
- **H1b:** Accounting ethics has a positive and statistically significant effect on the reliability of financial information.
- **H1c:** Accounting ethics has a positive and statistically significant effect on the comparability of financial information.
- **H1d:** Accounting ethics has a positive and statistically significant effect on the understandability of financial information.

The importance of this study is due to the growing need to strengthen the credibility of financial information in Algerian economic institutions. Financial statements are used by managers, owners, banks, tax authorities, employees and other stakeholders. Hence, quality of financial statements is not only determined by technical accounting rules but also by the ethical conduct of the professionals who prepare and communicate them. The study aims to determine the perceived level of commitment to accounting ethics, to assess the perceived level of quality of financial information, and to test whether accounting ethics contribute to improve relevance, reliability, comparability and understandability.

The fieldwork was carried out in Algerian economic institutions between November 2024 and February 2025. The study's human component was limited to accounting professionals who were involved in, supervised, or were directly involved in accounting and financial reporting activities. The scientific work was limited to the scope of accounting ethics, measured through integrity and transparency, objectivity, professional competence, due care, confidentiality and professional behaviour and the quality of financial information, measured through relevance, reliability, comparability and understandability.

The article contributes to the literature in three ways. First, it studies a topic that remains underexplored in the Algerian empirical context despite its practical importance. Second, it connects the ethical principles emphasized by the International Code of Ethics for Professional Accountants with the qualitative characteristics of financial information. Third, it uses two complementary statistical approaches: regression analysis, which tests the direction and significance of the effect, and correspondence analysis, which provides a categorical view of the association between ethics levels and quality levels.

The article fills the research gap of the lack of empirical evidence of the direct relationship between accounting ethics and the qualitative characteristics of financial information in Algerian economic institutions. Previous literature has examined ethics in terms of reporting quality in other contexts or specific sectors, but the Algerian empirical context remains understudied. Thus, this article is organised as follows: the first section presents the introduction, research question, hypotheses, and contribution; the second section discusses the theoretical framework and previous studies; the third section describes the methodology, sample, and measurement of variables; the fourth section presents and discusses the empirical results; and the last section presents the conclusion, recommendations, limitations, and future research directions.

II. Theoretical Framework and Literature Review :

II.1. Accounting ethics as a foundation of professional conduct :

Accounting is not limited to recording transactions or preparing statements. It is an information system that transforms economic events into financial messages used by stakeholders. Because these stakeholders depend on the accountant's work, the profession requires both technical competence and ethical discipline. Earlier definitions of accounting emphasized recording, classification, summarization, and interpretation of financial transactions. More recent definitions place greater emphasis on the role of accounting as an information system that measures, processes, and communicates financial information to users for decision-making purposes (Matar, 2007, pp. 25-26; Marghi & Sabbane, 1988, pp. 17-18).

The professional character of accounting also implies a public responsibility. The accountant may be employed by a particular institution, but the information produced often affects users beyond that institution. Investors, creditors, tax authorities, employees, and other interested parties rely on accounting information even when they cannot directly verify all underlying transactions. This gives accounting ethics a practical role: it helps limit opportunistic behavior and protects users against manipulation or selective disclosure.

The International Ethics Standards Board for Accountants identifies core principles that should guide professional accountants. These principles include integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. Integrity requires honesty and straightforwardness. Objectivity requires professional judgment that is not compromised by bias, conflict of interest, or undue influence. Professional competence and due care require accountants to maintain the knowledge and skills necessary to provide competent service and to act diligently. Confidentiality requires respect for information obtained through professional relationships. Professional behavior requires compliance with laws and regulations and avoidance of conduct that may discredit the profession (IESBA, 2021, pp. 15-22).

The ethical code is not intended to replace professional judgment. Rather, it provides a framework for identifying, evaluating, and addressing threats to ethical compliance. Threats may arise from self-interest, advocacy, familiarity, or intimidation. In business settings, such threats can appear when accountants face pressure from management, when remuneration or promotion depends on financial targets, or when long-standing relationships weaken professional skepticism. The ethical framework therefore serves as a guide for action in situations where formal rules alone are insufficient.

In this study, accounting ethics is treated as a multidimensional construct. It includes integrity and transparency, objectivity, professional competence, due care, confidentiality, and professional behavior. These dimensions reflect the principles most relevant to the preparation and communication of financial information in economic institutions. They also correspond to the measurement structure adopted in the doctoral questionnaire.

II.2. Financial information quality:

The quality of financial information refers to the extent to which information is useful, credible, and understandable for decision-makers. In the conceptual framework of financial reporting, usefulness depends first on relevance and faithful representation, while comparability, verifiability, timeliness, and understandability enhance that usefulness (IASB, 2018). In many applied studies, reliability is used as a practical expression of faithful representation, especially in contexts where respondents evaluate the credibility and absence of material error in financial information.

Relevance means that information can influence decisions by helping users evaluate past, present, or future events. Information is relevant when it has predictive value, confirmatory value, or both. Reliability, or faithful representation, means that information reflects economic reality in a neutral, complete, and error-free manner as far as possible. Comparability allows users to identify similarities and differences between institutions or across periods. Understandability means that information is presented clearly enough to be understood by users who have a reasonable knowledge of business and accounting.

The Algerian financial reporting environment gives these characteristics practical importance. The financial statements are often used by banks and tax authorities, but they are also important for internal management, owners, and other stakeholders. If financial information is prepared only to satisfy formal obligations, its decision usefulness may be weakened. Conversely, when accountants respect ethical principles and professional standards, they contribute to the production of information that better reflects the economic situation of the institution.

The link between ethics and information quality can be explained through agency theory. Jensen and Meckling (1976) argue that agency relationships create information asymmetry and potential conflicts of interest between principals and agents. Financial reporting helps reduce these problems, but only if the information is credible. Ethical behavior reduces the risk that the agent manipulates information for personal or organizational advantage. It also supports the monitoring function of accounting and strengthens confidence in reported figures.

II.3. Previous studies and research gap:

Prior studies generally support the idea that accounting ethics improves the quality of financial reporting. Research on accounting scandals has shown that the absence of ethical commitment can lead to manipulation, misstatement, loss of investor confidence, and severe institutional damage (Cernusca, 2007; Duska et al., 2011; Jaijairam, 2017). Studies on earnings quality and financial reporting credibility also show that weak governance and weak investor protection are associated with lower reporting quality and greater opportunities for earnings management (Bushman & Smith, 2001; Dechow et al., 2010; Leuz et al., 2003).

Empirical studies in emerging and African contexts are particularly useful for this research. Mabil (2019) found that accountants' competence, independence, objectivity, and integrity positively affect the quality of financial reporting in selected commercial banks in South Sudan. Murungi and Tarus (2022) reported that integrity, objectivity, and professional competence have a significant positive influence on the quality of financial reporting in Rwandan commercial banks. Nkuranga and Tarus (2023) also studied listed commercial banks in Rwanda and found evidence that accounting integrity and objectivity contribute to financial reporting quality.

In the Algerian and regional literature, several studies emphasize the role of professional ethics in improving the credibility of accounting information and reducing corruption. These works generally show that ethical behavior is not merely an individual virtue but a condition for the reliability of accounting outputs. However, much of the available evidence remains either theoretical or limited to specific professional groups. There is still a need for empirical evidence that directly examines accounting ethics and the qualitative characteristics of financial information among accounting professionals in Algerian economic institutions.

This article addresses that gap by testing the relationship between accounting ethics and four dimensions of financial information quality. It also adds correspondence analysis to the regression results in order to observe whether higher levels of ethics correspond to higher perceived levels of quality.

II.4. Ethical failures and the need for professional safeguards:

The importance of accounting ethics becomes clearer when it is examined through the consequences of unethical reporting. The Enron case, for example, showed how aggressive accounting practices, weak independence, and conflicts of interest can transform accounting information from a decision-support tool into a misleading signal. WorldCom also illustrated how the improper capitalization of operating expenses and the manipulation of line costs can create an artificial image of profitability. These cases are relevant for this study because they demonstrate that technical accounting rules cannot protect users if the professionals applying them do not act with integrity and objectivity (Cernusca, 2007; Ramadhani, 2020).

More recent cases confirm the same lesson. The Wirecard scandal raised questions about audit skepticism and the verification of cash balances. Luckin Coffee showed how fabricated sales can mislead investors when internal controls and ethical discipline fail. These cases are not mentioned to compare Algeria with those environments, but to emphasize a general principle: financial information quality depends on the ethical choices made before the final report is issued. When accountants, managers, or auditors accept concealment, bias, or manipulation, the report may still appear formally complete while losing its informational value.

For Algerian economic institutions, these examples reinforce the need to strengthen professional safeguards. Ethical codes, internal audit, external audit, separation of duties, and continuous training should work together. The accountant should not be viewed as a passive technician who records what management requests. Rather, the accountant should be viewed as a professional actor who has a responsibility toward the institution and toward users of financial information. This responsibility is particularly important when the same information is used for taxation, credit assessment, management decisions, and evaluation of financial performance.

II.5. Synthesis of selected empirical studies:

The previous literature supports the expected relationship between ethical commitment and reporting quality, but it also shows that this relationship may vary depending on the institutional setting, sector, and measurement method. Table (1) summarizes some studies that informed the development of the present article.

Table (1): Selected previous studies related to accounting ethics and reporting quality

Author(s)	Context	Method	Main finding
Mabil (2019)	Commercial banks in South Sudan	Multiple regression	Competence,independence, objectivity, and integrity were positively related to financial reporting quality.
Murungi and Tarus (2022)	Commercial banks in Rwanda	Regression and interviews	Integrity, objectivity, and professional competence positively affected reporting quality.
Nkuranga and Tarus (2023)	Listed banks in Rwanda	Regression analysis	Accounting integrity and objectivity significantly influenced financial reporting quality.
Jaijairam (2017)	Professional accounting context	Conceptual analysis	Ethical conduct is necessary to protect public trust in accounting.
Dechow et al. (2010)	Earnings quality literature	Literature review	Reporting quality is affected by incentives, governance, and managerial reporting choices.

Source: Prepared by the authors from the literature review.

This synthesis shows that the relationship between ethics and information quality is not limited to one country or one type of institution. However, the Algerian setting remains relatively less represented in the empirical literature. The current study therefore contributes by providing evidence from professionals who deal directly with accounting records and financial statements in Algerian economic institutions.

III. Methods and Materials :

III.1. Research design:

The study adopts a quantitative, descriptive, and analytical design. The descriptive part identifies the level of commitment to accounting ethics and the perceived level of financial information quality. The analytical part tests the effect of accounting ethics on each quality characteristic and on the overall quality index. This design is appropriate because the objective is not only to describe perceptions but also to test statistically whether ethical commitment explains differences in perceived information quality.

The empirical data were collected through a structured questionnaire addressed to accounting professionals working in Algerian economic institutions. The questionnaire was designed after reviewing the literature on accounting ethics and financial information quality, and it was refined through expert review and a preliminary test before the final distribution. The final version contained 47 items distributed across three parts: general respondent information, accounting ethics, and financial information quality.

III.2. Population and sample :

The target population consisted of professionals responsible for accounting or financial reporting tasks in Algerian economic institutions. The questionnaire was distributed electronically through Google Forms using social media, professional networks, and email contacts. The study used non-probability purposive and convenience sampling because there was no exhaustive and accessible list of accounting professionals working in Algerian economic institutions. At first, Algerian economic institutions were targeted through professional contacts, electronic networks, and direct communication channels. Then, respondents actively involved in accounting or financial reporting in these institutions were invited. The inclusion criteria were that the respondent should have a relevant qualification, specialisation, or professional position in accounting, auditing, taxation, enterprise finance, or accounting and finance management. This approach enabled us to reach respondents with practical knowledge of the study variables, but it restricts the statistical generalisation of findings to the whole population. A total of 164 responses were received. After screening the responses, 9 were excluded because they did not meet the study requirements relating to qualification, specialization, or professional position. Therefore, the final sample included 155 valid responses.

Table (2): Sample profile (n = 155)

Characteristic	Category	n	%
Highest degree	Doctorate (PhD)	7	4.5
Highest degree	Magister	4	2.6
Highest degree	Master	106	68.4
Highest degree	License	34	21.9
Highest degree	Higher technician	4	2.6
Specialization	Accounting and finance	102	65.8
Specialization	Auditing	28	18.1
Specialization	Taxation	17	11.0
Specialization	Enterprise finance	8	5.2
Position	Accountant	75	48.4
Position	Head of accounting and finance department	45	29.0
Position	Director of accounting and finance	35	22.6
Experience	Less than 5 years	56	36.1
Experience	5-10 years	39	25.2
Experience	More than 10 years	60	38.7

Source: Prepared from field survey data.

The profile shows that the respondents are sufficiently connected to accounting and financial reporting practice. Most respondents hold university qualifications, and the sample includes accountants, department heads, and directors of accounting and finance. This composition supports the relevance of the data because the participants are familiar with the preparation, interpretation, or supervision of financial information. Hence, the results should be taken as findings of the perceptions of the surveyed accounting professionals and not as results that can be generalised mechanically to all Algerian economic institutions.

III.3. Measurement of variables:

The independent variable is accounting ethics. It was measured through six dimensions: integrity and transparency, objectivity, professional competence, due care, confidentiality, and professional behavior. These dimensions were selected because they reflect the main ethical principles recognized in international professional guidance and in the literature on accounting ethics.

The dependent variable is financial information quality. It was measured through four characteristics: relevance, reliability, comparability, and understandability. These dimensions reflect the main qualitative characteristics required for useful financial information. All items were measured using a five-point Likert scale ranging from 1, “strongly disagree”, to 5, “strongly agree”.

Table (3): Constructs and measurement structure

Construct	Dimension / characteristic	Number of items	Scale
Accounting ethics	Integrity and transparency	5	Five-point Likert
Accounting ethics	Objectivity	5	Five-point Likert
Accounting ethics	Professional competence	5	Five-point Likert
Accounting ethics	Due care	4	Five-point Likert
Accounting ethics	Confidentiality	3	Five-point Likert
Accounting ethics	Professional behavior	3	Five-point Likert
F. information quality	Relevance	5	Five-point Likert
F. information quality	Reliability	7	Five-point Likert
F. information quality	Comparability	5	Five-point Likert
F. information quality	Understandability	3	Five-point Likert

Source: Prepared from the questionnaire structure.

III.3.1. Questionnaire items :

To improve methodological transparency, Table 4 presents the main questionnaire structure used to measure the study variables. The items were organized according to the two main constructs: accounting ethics and financial information quality. Respondents evaluated each statement using a five-point Likert scale ranging from 1 “strongly disagree” to 5 “strongly agree”.

Table (4): *Questionnaire structure and number of items*

Construct	Dimension / characteristic	Number of items
Accounting ethics	Integrity and transparency	5
Accounting ethics	Objectivity	5
Accounting ethics	Professional competence	5
Accounting ethics	Due care	4
Accounting ethics	Confidentiality	3
Accounting ethics	Professional behavior	3
Financial information quality	Relevance	5

Financial information quality	Reliability	7
Financial information quality	Comparability	5
Financial information quality	Understandability	3

III.4. Reliability and statistical methods:

The internal reliability of the questionnaire was tested using Cronbach's alpha. The ethics axis, composed of 23 items, recorded an alpha of 0.944. The financial information quality axis, composed of 20 items, recorded an alpha of 0.943. The overall questionnaire, composed of 47 items, recorded an alpha of 0.945. These values exceed the commonly accepted threshold of 0.70 and indicate strong internal consistency.

Table (5): Cronbach's alpha reliability coefficients

Scale	Number of items	Cronbach's alpha
Accounting ethics	23	0.944
Financial information quality	20	0.943
Overall questionnaire	47	0.945

Source: Prepared from field survey data using Python.

The statistical analysis was conducted using Python. Descriptive statistics were used to summarize the means and standard deviations of ethics and financial information quality. Simple linear regression was then used to test the effect of accounting ethics on each quality characteristic and on the overall quality index. The general form of the model is:

$$[Y_i = a + b(ETHICS) + e_i]$$

where (Y_i) represents either relevance, reliability, comparability, understandability, or the overall quality index; (a) is the intercept; (b) is the regression coefficient; and (e_i) is the error term. Correspondence analysis was also used to verify whether the categorized levels of accounting ethics and financial information quality are associated.

III.5. Decision rules and interpretation of the Likert scale:

To interpret respondents' answers, the study used the usual five-point Likert intervals. The range was calculated as the difference between the highest and lowest values of the scale, that is 5 - 1 = 4. This value was divided by five categories, producing an interval length of 0.8. Accordingly, means from 1.00 to less than 1.80 indicate a very low agreement level; means from 1.80 to less than 2.60 indicate a low level; means from 2.60 to less than 3.40 indicate a moderate level; means from 3.40 to less than 4.20 indicate a high level; and means from 4.20 to 5.00 indicate a very high level.

This interpretation rule is useful because it avoids reading the mean values mechanically. For example, an ethics mean above 4.20 is interpreted as a very high level of agreement with the ethical statements. A quality mean between 3.40 and 4.20 is interpreted as a high, but not necessarily excellent, level of agreement. This distinction helps the discussion remain realistic. It prevents the study from claiming that financial information quality is perfect simply because respondents evaluate it positively.

V. Results and discussion:

V.1. Descriptive results:

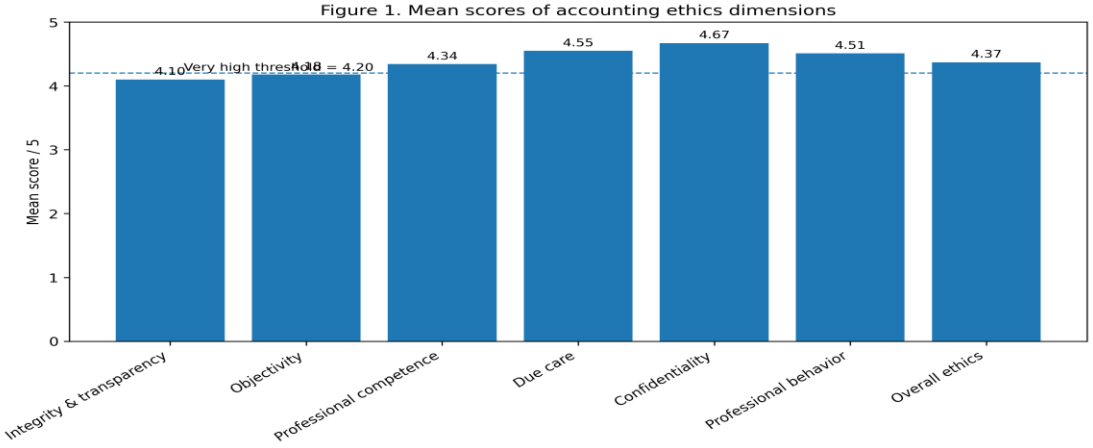
The descriptive statistics show that respondents perceive a high level of commitment to accounting ethics in Algerian economic institutions. The overall ethics mean is 4.37 on a five-point scale. The highest means are recorded for confidentiality and due care, which suggests that accountants are particularly aware of the need to protect confidential information and to perform tasks carefully and within professional requirements. Integrity and transparency also record a high mean, although the standard deviation indicates greater dispersion of opinions compared with the other dimensions.

Table (6): Descriptive statistics for accounting ethics dimensions

Dimension	Mean	Standard deviation
Integrity and transparency	4.10	1.27
Objectivity	4.18	0.95
Professional competence	4.34	0.62
Due care	4.55	0.57
Confidentiality	4.67	0.56
Professional behavior	4.51	0.66
Overall accounting ethics	4.37	0.78

Source: Prepared from field survey data.

Figure 1. Mean scores of accounting ethics dimensions



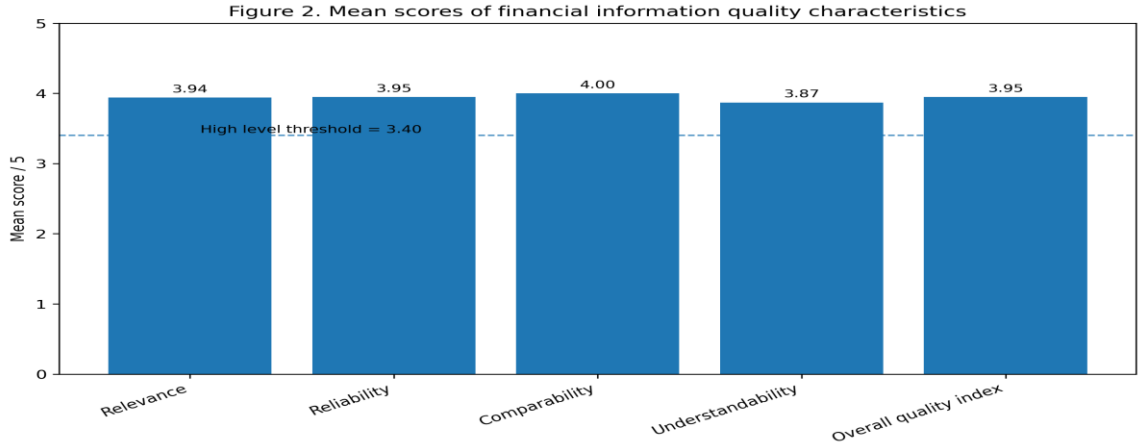
The results also show a moderately high perception of financial information quality, with an average score of 3.95. Comparability records the highest mean, followed closely by reliability and relevance. Understandability records a slightly lower mean, which may indicate that financial statements are not always presented in a sufficiently clear way for all users.

Table (7): Descriptive statistics for financial information quality characteristics

Characteristic	Mean	Standard deviation
Relevance	3.94	0.86
Reliability	3.95	0.92
Comparability	4.00	0.87
Understandability	3.87	0.90
Overall quality index	3.95	0.97

Source**:** Prepared from field survey data.

Figure 2. Mean scores of financial information quality characteristics



These descriptive findings are consistent with the theoretical expectation that ethical commitment and quality-oriented reporting practices can coexist. However, the means also show that the quality of financial information is not as high as ethical commitment. This difference is important. It suggests that ethics is a necessary factor, but it is not sufficient by itself. Other factors, such as internal control, technology, reporting regulation, audit quality, and the use of explanatory notes, may also affect the final quality of financial information.

V.2. Regression results:

Simple linear regression was used to test the effect of accounting ethics on financial information quality. Table (8) summarizes the results. The values are reported as they appear in the empirical outputs of the doctoral study, with the display adjusted for clarity and consistency.

Table (8): Regression results: accounting ethics and financial information quality

Dependent variable	R	R^2	Adjusted R^2	b	Standardized beta	t	Sig.
Relevance	0.434	0.188	0.183	0.162	0.434	5.957	0.000
Reliability	0.510	0.261	0.256	0.278	0.510	7.342	0.000
Comparability	0.479	0.230	0.225	0.169	0.479	6.759	0.000
Understandability	0.424	0.180	0.174	0.101	0.424	5.789	0.000
Overall quality index	0.507	0.257	0.252	0.711	0.507	7.280	0.000

Source: Prepared from field survey data using Python.

The results indicate that accounting ethics has a positive and statistically significant effect on all four characteristics of financial information quality and on the overall quality index. The significance values are below 0.05 in all models, which supports the rejection of the null hypotheses and the acceptance of the alternative hypotheses.

For relevance, the coefficient is positive and significant. The correlation coefficient is 0.434, and the R^2 value is 0.188. This means that 18.8% of the variation in perceived relevance can be explained by accounting ethics. The result suggests that when accountants are more committed to ethical principles, they are more likely to produce information that helps users make decisions. This can occur because ethical accountants are less likely to omit useful information, delay reporting, or select treatments that obscure the economic substance of transactions.

For reliability, the R^2 value is 0.261, which is the highest among the four individual quality characteristics. This result is theoretically reasonable. Reliability is directly linked to honesty, neutrality, absence of material error, and faithful representation. If accountants respect integrity, objectivity, and due care, the financial information they prepare is more likely to be free from manipulation and more likely to reflect the real financial situation of the institution.

For comparability, the R^2 value is 0.230. This indicates that ethical behavior supports consistent application of accounting policies and reduces arbitrary changes in accounting treatment. Comparability does not depend only on the technical rules used; it also depends on the willingness of accountants to apply those rules consistently across periods and to avoid opportunistic changes that make performance look better than it is.

For understandability, the R^2 value is 0.180. Although this is the lowest among the four characteristics, the effect remains positive and significant. This result means that ethics contributes to clearer reporting, but it is not the only determinant of clarity. Understandability also depends on the structure of financial statements, explanatory notes, terminology, information systems, and the level of detail provided to users. In the Algerian context, the limited use of explanatory notes in some institutions may reduce understandability even when accountants show a high level of ethical commitment.

The overall quality index records an R value of 0.507 and an R^2 value of 0.257. This means that 25.7% of the variation in overall financial information quality can be explained by accounting ethics. The remaining variation is due to factors outside the model, such as internal control quality, audit effectiveness, technological infrastructure, organizational culture, regulatory enforcement, and user demand for transparent reporting. Therefore, the results support the main hypothesis while also showing that ethics should be integrated into a broader system of governance and reporting quality.

V.3. Correspondence analysis:

To support the regression results, correspondence analysis was conducted using categorized levels of accounting ethics and overall financial information quality. The aim was to examine whether higher ethics categories correspond to higher quality categories. The contingency table shows that most observations are concentrated in the higher categories of both variables.

Table (9): Contingency table: accounting ethics and overall financial information quality

Ethics level	FIQ = 1	FIQ = 2	FIQ = 3	FIQ = 4	FIQ = 5	Row total
1	0	0	0	0	0	0
2	0	1	1	0	0	2
3	2	1	20	7	0	30
4	1	6	46	58	6	117
5	0	0	0	3	3	6
Column total	3	8	67	68	9	155

Source: Prepared from field survey data using Python.

The correspondence analysis confirms a statistically significant association between accounting ethics and overall financial information quality. The chi-square value is 46.280 with 16 degrees of freedom and a significance level of 0.000. The first dimension explains 64.2% of inertia, while the second dimension explains 19.6%. Together, the first two dimensions explain 83.8% of the total inertia, which indicates a good representation of the relationship between the categories.

Table (10): Correspondence analysis summary

Statistic	Value
Chi-square	46.280
Degrees of freedom	16
Sig.	0.000
Total inertia	0.299
Dimension 1 share	64.2%
Dimension 2 share	19.6%
Cumulative share, dimensions 1 and 2	83.8%

Source: Prepared from field survey data using Python.

This result reinforces the regression analysis. The concentration of observations in the higher categories shows that respondents who perceive stronger ethical commitment also tend to perceive stronger financial information quality. The categorical evidence therefore supports the conclusion that accounting ethics is associated with better reporting outcomes.

V.4. Discussion of findings:

The results show that accounting ethics is not an abstract professional ideal. It has a significant relationship with perceived quality of financial information in Algerian economic organisations. This is consistent with the theoretical argument that ethical conduct reduces the risk of biased judgement, manipulation, omission and opportunistic reporting. If accountants behave in an honest and objective manner, then they are more likely to provide information that is neutral and complete. The more professional competence and due care they apply, the greater the likelihood that the information will be prepared correctly and in accordance with applicable standards. Confidentiality and professional behaviour are respected, and they strengthen the trust relationship between the institution and users of financial information.

Reliability has the most explanatory power. This is an important finding as reliability is the attribute most associated with ethical behaviour. By being honest, objective, and diligent, accountants reduce the likelihood of material error, bias, and intentional misstatement. This is in line with the notion that professional ethics functions as a governance mechanism. It is not a replacement for internal

control or external audit, but it reinforces them by affecting the behaviour of those who produce information at the source.

The results for relevance and comparability are also meaningful. Ethical commitment can improve relevance because accountants who respect users' needs are more likely to provide information that supports decision-making rather than information that merely satisfies formal reporting requirements. It can improve comparability because ethical accountants apply accounting rules consistently and avoid selective changes in policy designed to influence reported results.

The lower explanatory power for understandability suggests a practical limitation. Clarity depends not only on accountants' ethical intentions but also on institutional reporting practices. For example, if institutions do not prepare sufficient explanatory notes, if accounting terminology is too technical, or if information systems do not allow timely and structured reporting, users may still find the information difficult to understand. This means that ethics should be supported by better reporting processes, training, and institutional commitment to transparency.

The findings are generally consistent with previous studies in emerging contexts. Mabil (2019), Murungi and Tarus (2022), and Nkuranga and Tarus (2023) found positive links between accounting ethics and financial reporting quality in African banking contexts. The present study extends this evidence to Algerian economic institutions and shows that the relationship is not limited to banks or listed companies. It also confirms that the ethical dimension remains relevant even when the focus is on perceived financial information quality rather than archival indicators of earnings quality.

At the same time, the results should be interpreted carefully. The R^2 value of the overall model is 0.257. This is statistically meaningful, but it also indicates that most of the variation in financial information quality is explained by other factors. Ethics matters, but it is part of a wider ecosystem. Reporting quality requires ethical accountants, effective internal control, competent external audit, reliable information systems, updated training, and stronger enforcement of accounting and financial reporting rules.

V.5. Reliability of interpretation and consistency with the thesis outputs :

The statistical results presented in this article were checked against the empirical outputs reported in the doctoral work from which the article is derived. Particular attention was paid to the regression table because the relationship between the correlation coefficient, the coefficient of determination, and the standardized coefficient must be displayed consistently. For the relevance model, the appropriate interpretation is that the correlation coefficient is 0.434 and the coefficient of determination is 0.188, meaning 18.8%. This is consistent with the reported regression coefficient and t statistic. Presenting this value as 0.818 would overstate the explanatory power of the model and create a mathematical inconsistency.

This correction does not change the substantive conclusion of the study. The effect of accounting ethics on relevance remains positive and statistically significant. The correction only ensures that the table is interpreted in a way that is statistically coherent. In the same way, the overall model is reported with $R^2 = 0.257$ and adjusted $R^2 = 0.252$, which shows a moderate but meaningful explanatory contribution.

The correspondence analysis was also kept consistent with the original empirical outputs. The overall association between accounting ethics and financial information quality is significant, with chi-square = 46.280 and 16 degrees of freedom. The first two dimensions explain 83.8% of total inertia. These values support the existence of an association, but they should not be read as proof that ethics is the only factor explaining quality. They confirm the same direction observed in the regression results: higher ethical commitment is associated with higher perceived financial information quality.

V.6. Interpretation in the Algerian institutional setting :

The Algerian institutional setting helps explain why the effect of ethics is meaningful but not total. Many institutions prepare financial statements under strong tax and administrative pressures. In such cases, the financial statements may be treated mainly as compliance documents rather than as communication tools for diverse users. This can reduce the attention given to explanatory notes, forward-looking information, and the detailed disclosure that improves relevance and understandability.

Moreover, the quality of financial information depends on organizational resources. Even when accountants are ethically committed, weak accounting software, insufficient staffing, poor documentation, and limited internal control can affect the final quality of information. The results therefore suggest that ethical commitment should be reinforced by institutional reforms. These include clearer procedures, better information systems, stronger audit practices, and a reporting culture that values transparency beyond minimum legal compliance.

The findings also indicate that accountants themselves are aware of the importance of ethical behavior. The high ethics mean shows that respondents generally endorse professional principles. This is encouraging, but it should not lead to complacency. Ethical awareness must be transformed into consistent practice, especially when accountants face pressure to adjust figures, postpone recognition of losses, classify expenses inappropriately, or omit information that may be unfavorable to management.

V.7. Practical Implications:

The results have several implications for professional bodies, regulators, universities, and Algerian economic institutions. First, professional ethics should be treated as a practical competence, not only as a theoretical topic. Training programs should use realistic cases involving pressure from management, conflicts of interest, confidentiality dilemmas, and the manipulation of accounting estimates. Accountants need to practice how to identify ethical threats and how to respond to them.

Second, institutions should strengthen their ethical infrastructure. Codes of conduct should be written clearly, communicated to employees, and linked to daily accounting tasks. It is not enough to state that integrity and objectivity are important. Institutions should create reporting channels, protect employees who report unethical behavior, and ensure that performance evaluation systems do not encourage manipulation or concealment.

Third, accounting education should integrate ethics with financial reporting courses. Students should learn that accounting standards and ethical judgment are complementary. A technically correct treatment may still be misleading if it is selected with the intention of hiding relevant information. Linking ethics to the qualitative characteristics of financial information can help future accountants understand the real consequences of their professional choices.

Fourth, regulators and professional organizations should encourage continuous professional development in ethics. The adoption of international ethical principles can be useful, but their effectiveness depends on local implementation. In the Algerian context, training should also consider the specific role of tax authorities, banks, and external auditors as users and monitors of financial information.

VI. Conclusion:

The article examined the effect of accounting ethics on the quality of financial information in Algerian economic institutions. The study received 155 valid responses from accounting professionals. The study found high level of perceived ethical commitment and high level of perceived financial information quality. The regression results showed that accounting ethics had positive and significant effects on relevance, reliability, comparability, understandability and the overall quality index. Further confirmation of the strong association between categorised ethics levels and categorised quality levels was provided by correspondence analysis.
The study finds that accounting ethics improves the quality and credibility of financial information. The ethical commitment of accountants helps in the preparation of information more relevant for decision making, more reliable in representing the economic reality, more comparable between periods and institutions, clearer for users. But the results also suggest that ethics is not the only factor determining quality. Complementary factors are still needed: internal control, audit quality, reporting systems, explanatory disclosures, professional training and regulatory enforcement. There are some limitations of the present study. It is based on perceptions that may be subject to social desirability bias. It also employs a cross-sectional design that limits causal inference. Moreover, the model treats ethics as the primary explanatory variable, without accounting for other organisational and institutional determinants of reporting quality.

Future research may extend this analysis by combining survey data with archival measures of financial reporting quality such as the quality of accruals, restatements, audit qualifications or timeliness of disclosure. It can also examine the moderating effect of internal control, audit quality, company size, ownership structure or technological development. Studies that compare different sectors or compare Algeria with other emerging economies would also clarify the conditions for the best impact of accounting ethics on the quality of financial information.

VI.1. Recommendations

The study recommends based on the results to strengthen continuous professional training on accounting ethics, especially through practical cases related to conflicts of interest, pressure from management, confidentiality and manipulation of accounting estimates. Algerian economic institutions need also to enhance internal control procedures, clarify codes of conduct, protect employees who report unethical practices and improve the quality of explanatory disclosures accompanying financial statements. Professional bodies and universities need to integrate ethical judgement into financial accounting, auditing and reporting courses, rather than as a distinct theoretical subject.

VI.2. Limitations and future research

There are some limitations to this study. It is based on perceptions of accounting professionals that may be subject to social desirability bias. It also has a cross-sectional design and a non-probability sample limiting causal interpretation and statistical generalisability. Future studies may combine survey data with archival measures of financial reporting quality such as the quality of accruals, audit qualifications, restatements, or timeliness of disclosure. It may also explore the moderating effect of internal control, audit quality, firm size, ownership structure, digital accounting systems or sectoral differences.

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