

Ethical Integrity and Spirituality in Accounting Practice: A Case Study of UMKM MOUKA

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Abstract

This research aims to understand how the values of integrity, ethics, and spirituality are lived and realized in accounting practices in MOUKA MSMEs in Sidenreng Rappang Regency. Using a qualitative approach and case study method, this study explores the experiences, beliefs, and daily practices of owners and employees in managing business activities and financial records. Data were obtained through in-depth interviews, participatory observations, and documentation, then analyzed using the Miles, Huberman, and Saldana models. The results of the study show that integrity is understood as honesty and openness in every accounting decision, shown through transparent transaction recording and joint evaluation when mistakes occur. Ethics are reflected in work relationships that uphold justice, politeness, and social responsibility to customers and employees. Meanwhile, spirituality is present as a moral foundation that directs business practices, including through the cessation of operations during prayer time and the belief that business success is part of blessings. The three values are intertwined and form value-based accounting practices, which are not only profit-oriented, but also on the meaning, blessings, and sustainability of the business.

This research emphasizes that accounting in MOUKA MSMEs is not just a tool technical, but serves as a social and spiritual practice that contains moral values, thus contributing to the growth of public trust and business sustainability.

Keywords: integrity, ethics, spirituality, value-based accounting, MSMEs, case study
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INTRODUCTION

In an increasingly competitive business world, the sustainability of a business is determined not only by operational efficiency and marketing strategies, but also by the application of ethical and spiritual values in every business process. Business ethics are moral principles that guide the behavior of individuals and organizations in carrying out economic activities to remain within the corridor of social and moral responsibility. (Ferrell et al., 2016) emphasizes that companies that uphold ethics and integrity tend to gain the trust of consumers and loyalty of employees, which ultimately have a positive impact on business performance and sustainability.

This view aligns with Freeman's *Stakeholder Theory*, which emphasizes that business success depends on an organization's ability to address the interests of all stakeholders, not

just those of shareholders. Therefore, ethical practices and moral integrity are the primary foundation for creating a harmonious relationship between a company and its social environment.

From the perspective of Islamic value-based accounting (sharia accounting), spiritual values are an important dimension that strengthens business ethics. The concepts of honesty (*sidq*), trustworthiness, and responsibility to God (*taqwa*) are not merely religious norms but also guidelines for financial management and accounting reporting. (Triyuwono, 2006) emphasizes that accounting should not be value-neutral, but rather should reflect noble values that bring justice, blessings, and balance to social and economic life. This demonstrates that accounting practices based on moral integrity and spirituality can be a means of realizing true accountability.

MOUKA, a small and medium enterprise (SME), established in mid-2021 in Sidenreng Rappang Regency, South Sulawesi, is a compelling example of the application of ethical and spiritual values in business activities. Despite starting with one outlet, MOUKA has grown to seven outlets in less than four years. MOUKA's uniqueness lies in its operational policies, which are steeped in spiritual values, such as suspending business operations during prayer times to allow employees the opportunity to worship, and providing a unified day off on Sundays. These practices demonstrate a balance between profit-oriented and deeply held spiritual values.

This phenomenon is interesting to examine further because conventionally, limiting operating hours can be considered to reduce business productivity and efficiency. However, MOUKA continues to show significant growth. This raises academic questions about the extent to which integrity, ethics, and spirituality contribute to the business's sustainability and development, and how these values are reflected in the accounting and financial reporting systems used.

Several previous studies (Giacalone & Jurkiewicz, 2003) show that spirituality plays an important role in improving performance and integrity plays a significant role in building a strong organizational culture (Cloud, 2006) . However, there is still limited research that examines the implementation of ethical and spiritual values in the context of MSMEs, especially in the Sidenreng Rappang Regency area with an accounting-based approach. Therefore, this study is important to understand how integrity, ethics, and spirituality can be internalized in accounting practices at the MOUKA MSME and their contribution to business sustainability.

To provide a clear direction in this research, it is necessary to formulate the problem that forms the basis of the focus of the study. How do business actors understand and express integrity in the practice of financial recording and management? How are ethical values present in social relationships and accounting decisions? How does spirituality shape the perspective of business actors on accounting practices and business sustainability and finally? How are these values woven into the accounting practices they carry out daily? Therefore, this study aims to, Explore the meaning of integrity as understood by MOUKA MSME actors in their accounting practices, Understand how ethical values are lived in the relationships between owners, employees, and customers, Interpret how spirituality shapes attitudes, beliefs, and decisions related to accounting practices and Interpret how these three values are interwoven into the foundation of the accounting practices they carry out.

Business Ethics

Business ethics is a set of moral principles that guide individuals and organizations in making decisions and behaving in economic activities. According to Ferrell et al. (2016), business ethics encompasses values such as honesty, responsibility, fairness, and integrity, which shape an organization's behavior in achieving its goals. The application of business ethics serves to create a balance between profit and social responsibility.

Research (Valentine & Barnett, 2003) shows that the implementation of ethics in organizations increases employee commitment and creates more stable professional behavior. This is in line with findings (Kaptein, 2011) that a strong ethical culture in an organization can reduce dysfunctional behavior, increase transparency, and strengthen integrity in the business decision-making process. Furthermore, (O'Fallon & Butterfield, 2005) in their empirical review concluded that ethical decisions in business are strongly influenced by the organization's moral values and individual perceptions of the company's ethical culture.

In the context of stakeholder theory (Freeman, 1984), companies are not only responsible to their capital owners but also to all parties affected by their business activities, such as employees, customers, the community, and the environment. Thus, ethical decisions are an important foundation for maintaining harmonious relationships with stakeholders.

Several other studies, such as those conducted by Jalil et al. (2010), confirm that consistently applied ethics can increase public trust and become a source of competitive advantage for small businesses. Kusumasari & Riyanto (2020) also found that business ethics directly contributes to improving MSME performance, particularly in building reputation and customer loyalty. Therefore, for MSMEs, business ethics plays a significant role in building reputation and customer trust, which are crucial assets for business sustainability.

Integrity in Accounting Practice

Integrity is a fundamental value in the accounting profession. According to the Indonesian Accountants Code of Ethics (IAI, 2020), integrity means acting honestly, courageously, and consistently with moral principles in all professional situations. Accountants with integrity will not sacrifice honesty for personal gain or external pressure. This is in line with research (Giacalone & Jurkiewicz, 2003), which found that personal moral values and ethical commitment have a strong relationship with accountants' integrity in making professional decisions. (Sweeney & McGarry, 2011) also emphasized that integrity is a key element in balancing commercial pressures and professional obligations, especially when accountants face ethical dilemmas.

In the context of MSMEs, integrity is reflected in honest transaction recording, transparency in financial reporting, and responsibility in business decision-making. Limited resources often leave MSMEs facing a dilemma between efficiency and ethical compliance. Therefore, integrity is a crucial factor in ensuring accounting practices remain grounded in moral values, not merely economic interests. (Eka Putri & Puspita Sari, 2020) shows that MSME owners who uphold integrity tend to have more orderly, accurate, and accountable financial records. Furthermore, research (Kaptein, 2011) confirms that a culture of integrity can reduce dysfunctional behavior and increase transparency in the financial recording process, even in small businesses without formal control systems.

Spirituality in Business and Accounting

The concept of workplace spirituality refers to a higher meaning and purpose beyond mere material achievement. (Giacalone & Jurkiewicz, 2003) explain that workplace spirituality encompasses values such as compassion, the meaning of life, and a sense of connectedness with others and God. Spirituality gives meaning to work and builds moral awareness within an organization.

In the context of Islamic value-based accounting (sharia accounting), spirituality holds a central position. (Triyuwono, 2006) states that sharia accounting is not value-neutral, but is imbued with divine values such as *ṣidq* (honesty), *amanah* (responsibility), *'adl* (justice), and *taqwa* (consciousness of God). Similarly, (Alimuddin & Ruslan, 2012) state that accounting is essentially an ideological product that both constructs and reproduces social reality. Because accounting is a value construct, when it is based on Islamic ideology, its orientation does not stop at economic information alone, but also extends to spiritual and social goals.

This principle demands that every accounting process, from recording, measuring, to reporting, be carried out with the intention of worship and moral responsibility to Allah SWT, not just to fulfill regulations or the interests of the business owner.

Business Sustainability from a Value Perspective

Sustainability is not only measured financially, but also by the balance between economic, social, and spiritual aspects. Elkington (1997), through the Triple Bottom Line concept, introduced *three* main pillars of sustainability: *profit, people, and planet*. In the context of MSMEs that integrate spiritual values, sustainability can also encompass the dimension of **faith**, namely the belief that business success is the result of synergy between human effort and divine values.

Integrity, ethics, and spirituality are the foundations for this sustainability. These three elements shape a healthy organizational culture, foster internal and external trust, and minimize moral conflict in business decision-making.

METHODOLOGY

Types of Research and Research Approaches

This research uses a **qualitative approach** with the case study method chosen because the research focuses on an in-depth understanding of the application of integrity, ethics, and spirituality values in accounting practices in a real context, namely the MOUKA MSME in Sidenreng Rappang Regency.

According to Creswell (2014), qualitative research aims to understand the meaning behind social actions and naturally occurring phenomena. Meanwhile, according to Yin (2018), case studies are used when researchers want to explore an event or process within a real-life context with clear boundaries.

This approach is in accordance with the research objective to explore moral and spiritual values that influence accounting practices, not to measure quantitative relationships, but rather to understand their meaning in depth from the perspective of business actors.

Location and Time of Research

This research was conducted at the MOUKA MSME, located in Sidenreng Rappang Regency, South Sulawesi. This location was chosen purposively because MOUKA is known to implement spiritual values in its business activities, such as stopping operations during prayer times and providing simultaneous religious holidays.

Data collection technique

To obtain valid and comprehensive data, this study uses the following techniques:

1. **In-depth interviews** with key informants to explore experiences, perceptions, and practices related to integrity, ethics, and spirituality.
2. **Participatory observation** at the business location to directly observe the operational processes and religious practices implemented.
3. **Documentation** in the form of accounting records, financial reports, and other relevant internal documents.

Data Analysis Techniques

Data analysis was carried out interactively and continuously following the Miles, Huberman, and Saldaña (2014) model, which consists of three main stages:

1. **Data Reduction**
Researchers select, simplify, and organize data from interviews, observations, and documentation according to the research focus.
2. **Data Display**
Data is presented in narrative form, matrices, or thematic tables to facilitate interpretation and drawing conclusions.
3. **Conclusion Drawing and Verification**
Researchers interpret the meaning of the data that has been presented to answer research questions, by rechecking so that the conclusions drawn are truly valid.

Data Validity

To ensure the validity of the data, four criteria from Lincoln and Guba (1985) were used:

Credibility is carried out through source triangulation, technical triangulation (interviews, observation, documentation), and *member checks* with informants.

Transferability provides a detailed contextual description so that research results can be understood and compared with other contexts.

Dependability (Dependability) carried out by maintaining the consistency of the research process and documenting all stages of the research systematically.

Confirmability ensures that research results actually come from field data, not from the researcher's assumptions.

RESULTS AND DISCUSSION

Integrity in accounting practices

From the results of the interview with the owner of MOUKA (Mr. Hardiasyah), integrity is the main value in financial management:

"We always emphasize honesty. If there's a cash discrepancy, we don't get angry; we investigate it together. The important thing is that everything is transparent and nothing is hidden."

The business owner emphasizes honesty as a core value. Any recording errors are resolved openly and without punitive sanctions, but rather through moral development. This aligns with the Indonesian Institute of Accountants (IAI) (2020), which asserts that integrity is the foundation of accounting professionalism. This perspective is further reinforced by Jalil et al. (2010), who explain that a business environment that upholds moral values will shape employee behavior that is more responsible and transparent in financial activities. At MOUKA, these values are reflected in an internal culture that prioritizes honesty and dialogue when errors occur. employee (Employee X) added:

"We report sales results daily, and everything is recorded in the ledger and in Excel. Owners can also view them at any time. So, no one can mess with cash."

Integrity is also evident in employees' willingness to fearlessly admit recording errors, thanks to a work culture that fosters, rather than punishes. This reinforces the principles of honesty and responsibility in MOUKA accounting.

Integrity is also evident in employees' willingness to fearlessly admit recording errors, thanks to a work culture that fosters rather than punishes. This reinforces the principles of honesty and responsibility in MOUKA accounting. This aligns with findings (Kaptein, 2011) that a strong ethical culture within an organization can reduce dysfunctional behavior and increase transparency and accuracy in financial reporting.

Strong integrity values encourage honest and transparent financial record-keeping practices. A simple internal audit process is conducted weekly to ensure accuracy. This aligns with the IAI Code of Ethics (2020), which emphasizes honesty and responsibility as the foundation of accounting professionalism. These findings also support the view (Triyuwono, 2006) that accounting should reflect noble values and morality, not simply serve as a technical economic tool.

Application of Ethics in Work and Business Relationships

Ethics are the foundation of the relationship between owners, employees, and customers. MOUKA's owner said:

"We strive to be fair to all employees. We don't discriminate against anyone. If there's a problem, we discuss it together, not publicly."

An employee (Employee Y) also revealed:

"When a customer complains, we're taught to listen first, not argue. The owner said customers should be treated politely, even if they're in the wrong."

Business ethics at MOUKA strengthens customer and employee loyalty. Fair treatment, honest pricing, and courteous behavior create long-term trust. This aligns with research (Valentine & Barnett, 2003) showing that ethical values within an organization increase employee commitment, sense of belonging, and the quality of work relationships. Research (O'Fallon & Butterfield, 2005) also confirms that ethical decisions within an organization are strongly influenced by the ethical culture and behavioral norms that exist within the workplace; when ethical values are consistently practiced, individuals tend to make more responsible decisions and align with moral interests.

Spirituality in Business Activities

Spiritual values are deeply rooted in MOUKA. Operations are suspended during prayer times, and all employees are encouraged to pray together. The business owner explains:

"This business must bring blessings, not just profit. Therefore, we agreed to stop selling during prayer times. Our fortune is determined by God."

Employee (Z) said:

"We feel more at ease working here because we're not under such intense pressure. When it's time to pray, we all pray first. It's become a good habit."

Spirituality at MOUKA is evident in a work culture that emphasizes religious values. Business activities cease during prayer times, and the owner often holds short religious studies sessions at the beginning of each month. Employees view work as a form of worship, fostering a sense of moral responsibility for their work. These spiritual values align with the concept of Islamic accounting (Triyuwono, 2006), which emphasizes blessings and social justice.

Synergy of Values and Business Sustainability

The integrity, ethics, and spirituality internalized in MOUKA's daily life are not merely a set of technical rules, but rather life values that shape how business owners understand and practice accounting. These three values intertwine and create a form of values-based accounting—a practice that goes beyond recording numbers to interpreting every decision as part of a moral and spiritual responsibility. Within the experience of owners and their stakeholders, business sustainability is understood not merely as the ability to survive financially, but as a continuation that aligns with blessings, human relationships, and respect for the environment.

In this context, MOUKA's development is not seen as merely a result of business strategy, but as an expression of a commitment to upholding moral values in all economic activities. This interpretation resonates with the *Triple Bottom Line concept*. (Elkington, 1997) profit, people, and planet, but in MOUKA's practice, these three are expanded by the presence of a more transcendental dimension, namely faith. Thus, accounting practiced by MOUKA is not only an economic instrument, but also a spiritual medium that connects business actors with the values, meaning, and purpose of life they believe in.

CONCLUSION

Based on the research results, it can be concluded that the values of integrity, ethics, and spirituality serve as the primary guidelines in the financial and operational management of MOUKA's MSMEs. Integrity is reflected through honesty in record-keeping and transparency in the presentation of financial reports, while ethics fosters harmonious relationships between owners, employees, and customers in every business activity. At the same time, spirituality serves as a moral force that maintains a balance between profit-oriented and the pursuit of business blessings. The synergy of these three values creates transparent, accountable, and morally sound accounting practices, thus contributing significantly to the sustainability and public trust in MOUKA's MSMEs.

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