



GLOBAL JOURNAL OF MANAGEMENT AND BUSINESS RESEARCH: D
ACCOUNTING AND AUDITING
Volume 14 Issue 1 Version 1.0 Year 2014
Type: Double Blind Peer Reviewed International Research Journal
Publisher: Global Journals Inc. (USA)
Online ISSN: 2249-4588 & Print ISSN: 0975-5853

Truth Telling Activity: A Practice beyond the Norms

By Maria Thereza Pompa Antunes, Octavio Ribeiro De Mendonça Neto, Hilmi
Erdoğan Yayla, Rodrigo Takashi Okimura, João Paulo Cavalcante Lima &
Claudio Rafael Bifi

Mackenzie Presbyterian University, Brazil

Abstract- The focus of this study is the ethical conduct of Brazilian accountants, based on the Foucault (2001b) approach concerning the practice of Parrhesia. It is aimed to find out how characteristics of truth-telling activities can be framed as perceived by Brazilian accountants according to their beliefs and identify differences between these beliefs and how they actually practice in their profession. The motivation for using this approach was the fact that the existence of a professional ethical code hasn't proven itself enough to curb moral deviations in professional conduct. This is an exploratory and descriptive study with a quantitative approach. A survey was made through a structured questionnaire and featured a final sample composed of 5,087 respondents. Data were treated by descriptive analysis, Exploratory Factor Analysis (EFA) and Technical Analysis of Paired Data.

Keywords: *parrhesia – professional ethics – accountants – brazil.*

GJMBR-D Classification : *JEL Code: M40*



TRUTH TELLING ACTIVITY A PRACTICE BEYOND THE NORMS

Strictly as per the compliance and regulations of:



Truth Telling Activity: A Practice beyond the Norms

Maria Thereza Pompa Antunes ^α, Octavio Ribeiro De Mendonça Neto ^ο, Hilmi Erdoğan Yayla ^ρ,
Rodrigo Takashi Okimura ^ω, João Paulo Cavalcante Lima ^ξ & Claudio Rafael Bifi [§]

Abstract- The focus of this study is the ethical conduct of Brazilian accountants, based on the Foucault (2001b) approach concerning the practice of *Parrhesia*. It is aimed to find out how characteristics of truth-telling activities can be framed as perceived by Brazilian accountants according to their beliefs and identify differences between these beliefs and how they actually practice in their profession. The motivation for using this approach was the fact that the existence of a professional ethical code hasn't proven itself enough to curb moral deviations in professional conduct. This is an exploratory and descriptive study with a quantitative approach. A survey was made through a structured questionnaire and featured a final sample composed of 5,087 respondents. Data were treated by descriptive analysis, Exploratory Factor Analysis (EFA) and Technical Analysis of Paired Data. Two different models were found. One for the beliefs composed of the factors: Courage, Duty and Sincerity. And another for practices, composed of the factors: Transparency, Competence and Critique. The analysis of the frequencies of the mode of the paired variables (beliefs *versus* practice) showed higher frequencies for the assertions related to practice suggesting that Brazilian accountants are more effective in truth-telling activities in daily practices. Suggestions for educational institutions and professional entities were made, in order to enhance the ethical behavior based on the practices of the self.

Keywords: *parrhesia – professional ethics – accountants – brazil.*

1. INTRODUCTION

The main motivation for this study comes from the finding that the mere existence of standards expressed, even with coercive power, has not been enough to curb misappropriation of conduct in professional activity, in general, and with the accountants, in particular. As noted Hyman, Skipper and Tansey, in early 1990, companies giving much more attention to the rules than for the ethical dilemmas that its professionals face in their daily practice, however well intentioned, may not have contributed effectively to development of the moral character of the same (Hyman, Skipper e Tansey, 1990, pg. 15)

Therefore, the focus of this study is the individual ethical conduct of accountants in Brazil and is based on the Foucault idea, about the individual's

relationship with himself (Foucault, 2001a) and that constitutes the practice of *Parrhesia* (Foucault, 2001b).

According to Foucault (2001b), the truth of the human beings involve first, a set of rational principles that are rooted in world knowledge, human life, needs, happiness, freedom and so on; and, on the other hand, in the practical rules of behavior. The question that arises is oriented to the following problem: "are we sufficiently familiar with these rational principles? Are they sufficiently well established in our minds to become practical rules for our daily behavior?" (Foucault, 2001b, part5, pg.9). Therefore, the author suggests that the path is in self-reflection about what we do, think and feel in order to reactivate our rational principles making them, thereby, as permanent and effective as possible in our lives.

The most recent financial scandals, widely reported in the media, and that covered not only private and public companies but also the governments of certain countries; cast some doubt on the ethical conduct of accountants to the point of questioning the credibility of the profession and its social role, despite all the regulations and codes of ethics, formally established. In this context, according to Buchan (2005), it is relevant to examine the personal and contextual factors that influence ethical behavior in their professional activities.

The main purpose of this paper is to find out how characteristics of truth-telling activity can be framed as perceived by Brazilian accountant's beliefs and identify any differences between their beliefs and how they actually practice in their profession (praxis), in the sense proposed by Foucault (2001b).

This study is justified because it is a pioneer in the Brazilian accounting field while using Foucault's approach in the study of professional ethics of accountants, i.e., focusing on an individual's moral values (subjectivity and practices of the self) and not emphasizing on the formal code (Foucault, 1986). Another aspect that justifies and contributes to its relevance is the fact that the present study demonstrates results that involve the perception of accounting professionals from all States of Brazil, portraying therefore a significant representativeness of the Brazilian accounting profession.

In terms of contributions, it is understood that the findings of this study provide a reflection on the importance of individual moral values that, in general,

Author ^α: Universidade Presbiteriana Mackenzie - São Paulo - Brazil.
e-mail: mariathereza@mackenzie.br

Author ^ο: Universidade Presbiteriana Mackenzie - São Paulo - Brazil.

Author ^ρ: Gumushane Universitesi - Gumushane - Turkey Rodrigo.

Author ^ω: INSPER - São Paulo - Brazil.

Author ^ξ: Universidade Presbiteriana Mackenzie - São Paulo - Brazil.

Author [§]: PUC - São Paulo - Brazil.

come from the reflections of philosophers since antiquity (Marcondes, 2009); passing through the studies in the field of psychology (Fromm, 1970), and is present incisively in the concerns of Arthur Schopenhauer (Schopenhauer, 2010), among other philosophers. In particular, the focus is on the professional conduct of the accountants, especially in this current time in which a paradigm shift in the field of the accounting practices is being experienced.

This paradigm shift stems from the internationalization process of Brazilian accounting (IFRS), in which the accounting practice shall be much more based on principles rather than rules, leading to greater analysis and subjective judgments. This process aims to produce higher quality accounting information, but that "depends on the quality with which the accountants exercises their profession" (Iudícibus, Martins, Gelbcke, & Santos, 2010, pg. 21). We can infer from this statement that this quality is related not only to technical knowledge, but also to the ethical conduct of this professional.

II. LITERATURE REVIEW

a) Previous Studies

Within the sociology framework of professions, ethics has occupied an important role. Both the defenders of professionalism, such as Parson (1939), Wilensky (1964) and Freidson (1994), as their critics, like Johnson (1972) and Larson (1977), highlight this point. In addition, the adoption of a code of ethics is one of the attributes that in Hall's (1968) and Moore's (1970) opinions define a profession.

Research on the professional ethics of accountants has concerned scholars in recent decades. Recent studies on this theme have covered many different topics. Professional ethics, ethical decision making, ethics in Accounting education, auditor independence, accounting practices and professional ethical codes and business codes of ethics are some examples, according to a survey conducted by Uysal (2010). Although with different focus, these studies have in common the search for some understandings to the complex interactions between: ethical conduct, values and professional/organizational standards in the professional practice, as accountants play an important societal role.

Armstrong (1993), Leung and Cooper (1995) and Jeffrey and Weatherholt (1996) were concerned with the evaluation of ethics in the accounting profession; Cohen and Sharp (1995) and Gul, Ng and Tong (2003) investigated the ethical behavior of auditors; Hilttebel and Jones (1992), Mintz (1995), Gren and Weber (1997), Mele (2005) and Persons (2009) analyzed the ethical aspects of undergraduate accounting classes and the ethical tendency of students, like Lang, Hall and Jones (2010), sought to understand the perception of students facing ethical situations; Finn, Chonko and Hunt (1988),

Shearer (2002) and Brown, Mendenhall and Khamer (2003) addressed the role of ethics in accounting organizations; Tsui and Gul (1996), Godwin, Godwin and Fieldler (2000) and Ho and Lin (2008) were interested by the cultural values on accounting ethics, while the moral development was explored, among others, by StPierre, Nelson and Gabbin (1990), Shaub (1994) and Yayla and Demi (2009).

In Brazil we have the study of Alves, Lisbon, Weffort and Antunes (2007) which investigated the influence of the ethical code in the accountants decision process; the studies of Cardoso de Almeida and Souza (2006); Pires, Damacena and Ott (2009) and Cardoso (2006) that focused on the skills required for the practice of the accounting profession; the research of Borges and Medeiros (2007) who studied the influence of ethical values in professional commitment; the study conducted by Linguitte, dos Santos and Sa (1997) which addressed the ethical conflicts in the professional practice and, more recently, the research of Antunes, Mendonça Neto, Oyadomari and Okimura (2011) in which the authors analyzed the ethical conduct of accounting researchers focusing on their beliefs and practices.

b) Subjectivity and Practices of the self and *Parrhesia*

According to Levy (2004, pg.1), Foucault in his later writings, distinguished in the ethical field, two primary elements. In the first one, code is emphasized, while in the other one the emphasis is on forms of subjectivity and practices of the self. In the latter case, the code can even be rough and its observance is of little importance when compared to what is required by the individual in his relationship with himself (Foucault, 1986, 29 and 30).

This new way of thinking is based on the archeology of problematizations - "ways in which the human being reflects on what he is and what he does", and in the genealogy of practices - "the way in which men set for themselves, rules of conduct and transform themselves" (Pradeau, 2008, pg.131) or, in the words of Foucault (2001a, pg. 1437): "An ontology of our relationship with morality, which allows us to constitute ethical agents in us."

The moral problem is not a simple problem, nor is the blind acceptance of rules of conduct that are supplied and already prepared from outside, neither is the affirmation of a radical freedom to establish ourselves, alone, our values and our purposes (Garaudy, 1982). The moral problem in a man's life is made of vivid contradictions, always renewed, between the demands of the discipline necessary for the effectiveness of our struggle and the sense of personal responsibility that each of us have in the preparation and in the application of the laws themselves of our combativeness (Garaudy, 1982).

In this sense, the question of morality was developed by Foucault (1986, pg 33), as the following: 1) A set of values and action rules (norms) for individuals and groups, through the prescription of several instruments that can be explicitly and clearly disclosed, or transmitted diffusely, and 2) The actual behavior of individuals regarding these rules and values (norms) that are proposed, designating; thereby, the way they submit or comply or resist, or respect, or neglect, more or less completely a set of values. This second statement results in the understanding of the reflections of the human being himself, whose emphasis lies on forms of subjectivity and in the practices of the self, and not merely by the observance of a code / norm established.

According to the explanation of Díaz (2005), Foucault analyzed the pagan and Christian texts and he found recurring themes that permeated Western culture and that the Christian texts have become standards of conduct that were brought from Greek and Latin texts. In this set of texts it is noticeable that beyond the rule of conduct and the conduct that is taken place and that is measured by this rule, the disposition of each individual in relation to oneself, namely, the way in which the individual must establish himself as a moral subject who acts in reference to the prescriptive elements that make up the code (Foucault, 2004).

Thus, according to the understanding of Foucault, given an ethical code, there are different ways for an individual to act morally and to be the moral subject of his action, thereby transforming himself into a subject of ethics, and not simply in an agent of ethics. The constitution of the subject is determined by his relationship with himself, defined in four instances: 1) Determination of the ethical substance, 2) Modes of subjection, 3) Preparation of ethical study and 4) the subject's moral teleology (Díaz, 2005).

The determination of ethical substance (1st instance) is based on how the individual, while belonging to a group, gives form to himself, since it arises from a moral value that is accepted as such, so the value of the group serves as raw material for moral conduct. Take as an example the moral value of fidelity. Fidelity is instrumentalized taking what one considers essential in terms of value, that is, being faithful in thought, with the body, with sentiments, under certain conditions, always, unconditionally etc. The constitution of the ethical substance answers the following question: what part of me, or my conduct, concerns the moral conduct?

The mode of subjection (2nd instance) is the way in which an individual is connected to the recognized rules and establishes his relationship with it. This aspect of ethics has to do with the way a person is invited or incited to recognize their moral obligations. In this instance one can formulate the following questions: Should I obey the divine law which was revealed in a

text? Do the laws of nature react in the same manner for every living thing?

The conduction of ethical study (3rd Instance) is characterized by the transformation made by the one. In a broader perspective, it is an asceticism through which man becomes the subject of their moral conduct. Objectively, it is the moderation of acts, to decipher the desires of control upon certain acts, positive or negative. In this case, one can propose steps to achieve a desirable behavior or, conversely, one suddenly decides to stop bad habits and get others.

Last resort (4th instance) is the teleology of the moral subject. That relates to the insertion of each action in a line of conduct. A moral action tends to its self-compliance, aims at creating a moral behavior that leads not only to the individual actions in conformity with certain values, but also the sense of being that characterizes every moral subject. Some questions of teleology of ethics, in which the subject falls within while performing research may be: Looking for self-control, how? How does one cultivate a beautiful soul? How does one save his soul? Or aspire to be a good citizen? Finally, according to Foucault, a moral action is part of: a) a code of which moral action refers to and is not dependent on the subject, b) conduct which depends on the relation of the subject with the code; and c) a certain relationship of the subject with self, defined as: i) the ethical substance, ii) modes of subjection, iii) work on oneself and iv) Teleology (dependent relationship with self-code.)

Díaz (2005) also highlights an observation of Foucault according to whom the transformation of man to act as a moral subject of his action takes place gradually through the course of practice and the construction of his speech, which is related to the practice the *Parrhesia*.

Foucault presented the concept of Parrhesia in a series of six classes taught at the University of California, Berkeley, in October and November 1983 and published by Joseph Pearson in Fearless Speech (2001b).

In general, Parrhesia refers, on one hand, to the moral quality, also to the moral attitude (*êthos*) and, secondly, to the technical procedure (*Tékhnē*), both necessary and essential to convey the true discourse to those who need it "say what you have to say, the way you want to say it, when you want to say it and in the manner that is believed to be necessary to say it" (Foucault, 2006, pg. 450).

In other words, the activity is to speak the truth (truth-telling activity) in terms of: Frankness - Truth - Danger - Criticism and Duty (Foucault, 2001b).

Parrhesia is normally translated into English as "free speech" and *parrhesiastes* is the one who uses *Parrhesia*, i.e., is the one who speaks the truth. According to Zapata (2005), the qualities of Parrhesia

are filtered through the notions of Frankness – Truth – Danger - Criticism and Duty as a means of analyzing how the word “evolved” and influenced different dimensions of Greek society and cultures. According to Foucault (2001b), the word *Parrhesia* refers to a type of relationship between the speaker and what he says.

In this paper we use the meaning of the word *Parrhesia* presented by Michel Foucault's six lectures on the Greek concept of *Parrhesia* delivered in the fall of 1983, as a part of his seminar “Discourse and Truth” at the University of California in Berkeley. In the lecture,

Foucault aims to construct a genealogy of the critical attitude in western philosophy by historically examining the problematizations of the *parrhesiastes*, the truth-teller. In Foucault's words “My intention was not to deal with the problem of truth, but with the problem of truth-teller or truth-telling as an activity” (Foucault, 2001b, pg.121).

Table 1 presents briefly the main features of the five qualities of *Parrhesia*, i.e: Frankness – Truth – Danger - Criticism and Duty.

Table 1 : Qualities of *Parrhesia*

Qualities of <i>Parrhesia</i>	Meaning
Frankness	The one who uses <i>parrhesia</i> , is someone who says everything he has in mind: he does not hide anything, but opens his heart and mind completely to other people through his discourse. In this sense, the speaker is supposed to give a complete and exact account of what he has in mind so that the audience is able to comprehend exactly what the speaker thinks. For in <i>parrhesia</i> , the speaker makes it manifestly clear and obvious that what he says is his own opinion. And he does this by avoiding any kind of rhetorical form which would veil what he thinks. In this way, the specific “speech activity” of the <i>parrhesiastic</i> enunciation thus takes the form: “I am the one who thinks this and that”.
Truth	There is always an exact coincidence between belief and Truth. But not in a pejorative sense of the word not very far from “chattering” and which consists of saying anything or everything one has in mind without qualification. The <i>parrhesiastes</i> says what is true because he knows that it is true; and he knows that it is true because it is really true. It presupposes that the <i>parrhesiastes</i> is someone who has the moral qualities which are required, first, to know the truth, and secondly, to convey such truthfulness to others.
Danger	Someone is said to use <i>Parrhesia</i> and merits consideration as a <i>parrhesiastes</i> only if there is a risk or danger for him or her in telling the truth. It means, when a philosopher addresses himself to a tyrant, and tells him that his tyranny is disturbing and unpleasant because tyranny is incompatible with justice, then the philosopher speaks the truth, believes he is speaking the truth, and, more than that, also takes a risk (since the tyrant may become angry, may punish him, may exile him, may kill him). The risk is not always a risk to his/her life, it could hurt somebody, lose popularity or status, or cause a political scandal, for example. <i>Parrhesia</i> is linked to courage in the face of danger: it demands the courage to speak the truth in spite of some danger.
Criticism	<i>Parrhesia</i> is a form of criticism, either towards another or towards oneself, but always in a situation where the speaker or confessor is in a position of inferiority with respect to the interlocutor. The <i>parrhesiastes</i> is always less powerful than the one with whom he or she speaks. The <i>Parrhesia</i> comes from “below”, as it were, and is directed towards “above”.
Duty	Telling the truth is regarded as a duty. No one forces him to speak; but he feels that it is his duty to do so. If someone is compelled to tell the truth, for example, under duress of torture, then his discourse is not a <i>parrhesiastic</i> utterance. But if he voluntarily confesses his crime to someone else out of a sense of moral obligation, then he performs a <i>parrhesiastic</i> act by criticizing a friend who does not recognize his wrongdoing, or insofar as it is a duty towards the city to help the king to better himself as a sovereign.

Source: Foucault, (2001b)

Summarizing the foregoing, according to Foucault (2001b):

Parrhesia is a kind of verbal activity where the speaker has a specific relationship with the truth through frankness, a certain relationship with his

own life through danger, a certain type of relation with himself or other people through criticism (self criticism or criticism of other people), and a specific relationship with moral law through freedom and duty.

More precisely, Parrhesia is a verbal activity in which a speaker expresses his personal relationship with truth, and risks his life because he recognizes truth-telling as a duty to improve or help other people (as well as himself). In Parrhesia, the speaker uses his freedom and chooses frankness instead of persuasion, truth instead of falsehood or silence, the risk of death instead of life and security, criticism instead of flattery, and moral duty instead of self-interest and moral apathy.

c) *Accounting Profession in Brazil*

In Brazil, the accounting profession involves two categories. The Accounting Technician, whose educational background provides a high school diploma with a technical course of Accounting, and the other category, is that of an Accountant, whose education is a Bachelors degree of Science in Accounting (graduation). The professional prerogatives of these two categories are defined in Article 25 of Legislative Decree 9.295/46 which one also regulates the profession and established the Federal Accounting Council (CFC) and the Regional Councils that represent and regulate the profession with the power to supervise and establish duties.

With the enactment of Law 12.249/10, the professional registration for the Accounting Technician will be granted only to those who until June 1, 2015 have been approved in a Professional Exam and for professionals who are already registered in that category the right to practice the profession will be guaranteed. It is important to note that the main objective of the Professional Exam is to contribute to the quality of accounting activity in Brazil.

The first code of ethics was approved in 1950 and had no power to enforce punishment. In 1970 a new code was created by the Federal Accounting Council (CFC). This new code came to formalize the professional standards of conduct with coercive power. Currently there is a new code that was approved in 1996, which was updated in 2010 (Resolução CFC, 1.307/10) given the intensification of the relationship of accounting with the companies and the subsequent groups as whole.

Recently, Law 12.249/10 brought significant changes to the accountants, aiming to rigorously increase the detection of professional misconduct that the accounting professionals may do, which covers technical competence and ethical performance. This Law establishes the following penalties for the accountants, depending on the infraction committed: fines, temporary suspension from the practice of the profession and forfeiture of the professional practice.

In fact, a professional ethics code cannot cover all the problems that may occur in the practice, but it contains the basis of the expected conduct requiring compliance, and penalties that can be imposed on

violators. Therefore, one should ask: what explains the continuing practice of acts that flout the rules of the Code of Professional Ethics of the Accountant? The existence of a code of ethics, by itself, does not guarantee ethical conduct?

The findings of research carried out by Alves, Lisbon, Weffort and Antunes (2007, pg.67), in a sample of 2034 chartered accountants in the Regional Councils of Rio de Janeiro, Sao Paulo, Rio Grande do Sul and Minas Gerais (Brazil), illustrate the reality of the complex interaction between ethical and professional standards. This study investigates the influence of the Code of Ethics on the ethical decision-making process of Brazilian accountants and showed a contradiction. Its empirical results showed that not all professionals who completely agree that the code statement is an important guide of conduct (73% of professionals) are predisposed to follow it (only 44.4% of respondents agree with this statement).

The reality is that professionals experience different situations every day, leading to moral dilemmas (as a result of the practiced behavior that runs contrary to what most of society believes to be appropriate), or rationalizations (excuses for misconduct) or even the belief that nothing immoral was committed.

In general, the expected behavior is formalized, materialized in the form of a code, implicitly explicit. Therefore, considering the prerogative of free will, the assessment of the risks and of the consequences of the transgressions depends on the individual, the decision is on a personal level. But on the other hand, it is understood that while the prevailing thoughts that ethics, deep down, are the rules that a group establishes and that an unethical person is one who does not follow them (pejorative use of ethical relativism) has in mind a game of personal interests, established not on moral standards accepted by society, but for the benefit of the few.

As a last note, it can be observed that society has granted the accounting class a monopoly to practice the profession with the economic benefits that result from it, and at least it is expected is that they (accountants) act for their benefit (society).

III. METHODOLOGY

Given the objectives, this current research is of an exploratory and descriptive nature. According to the procedures for data collection it's classified as a survey, with a quantitative approach (Collis & Hussey, 2009).

The data was gathered through a structured questionnaire that followed the guidelines of Hill & Hill (2008) divided into three parts. This questionnaire was available via web from June to September 2012.

The first part characterizes the respondent in terms of age, professional category (accountant or accounting technician), geographical region and primary professional activity.

The second part identifies the characteristics of the *truth-telling activity* according to the Brazilian accountant's beliefs. To do this, we have prepared 25 assertions on truth-telling activity for the five *Parrhesia* characteristics (variables): Frankness – Truth – Danger – Criticism – Duty based on Michel Foucault's six lectures on Greek of *Parrhesia* as quoted before (see assertions G_01 to G_25; Appendix A). Survey items were measured using the seven-point Likert-scales with semantic anchored on both ends. All items were converted so that the score of 1 = strongly disagree and 7 = strongly agree.

The third and final part consisted of 25 assertions also related to notions of Frankness - Truth - Danger - Criticism and Duty, but featuring situations of the professional accounting practices (see assertions P_01 to P_25; Appendix A). With this procedure we also identify the similarities and differences between beliefs and practices (praxis), comparing these answers with the answers of the second part of the questionnaire. In the same way, survey items were measured using the seven-point Likert-scales with semantic anchored on both ends. All items were converted so that the score of 1 = strongly disagree and 7 = strongly agree.

After a pre-text, the questionnaire was sent to Brazilian accountants (accountants and accounting technicians) who were registered in one of the 27 Regional Councils (26 states and 1 Federal District), totaling 483,395 professionals. A total of 5,087 questionnaires were returned, which represents 1,05% of the population and all of them were valid.

As mentioned previously, the statements of the questionnaire were categorized into two groups. The first one composed by assertions G1 to G25, and refers to the belief among professionals about truth-telling activity. This number is preceded by the letter "G" for "Generalized", in other words, primarily linked to personal values. The second one composed by assertions P1 to P25, and refers to truth-telling activity in the professional practices. This number is preceded by the letter "P" for "Professional" to indicate the practices (praxis). These assertions are paired, so in other words, G1 (beliefs) is linked to P1 (practices), G2 to P2, G3 to P3 and so on (see Appendix A). Therefore, it was possible to compare the belief and practice of the professionals as provided in general purpose of this study.

The data were organized in frequency tables and summary measures for conducting descriptive analyzes, we also adopted the statistical techniques of Exploratory Factor Analysis (EFA) and Frequency of Mode and Paired Analysis, as suggested by Stevenson (1981), and Morettin and Bussab (2003), Hair, Anderson, Tathan and Black (1998) and Aaker (2001). All analysis was processed with SPSS - Statistical Package for Social Sciences Software, version 19.

Following Hair et al. (1998), for a factor to be considered, the requirements were: 1) a degree of explanation of the Kaiser-Meyer-Olkin (KMO) test, also known as the Measure of Sampling Adequacy (MSA), greater than 0.50; 2) the value of Sig. (significance) obtained by means of Bartlett's test of sphericity does not exceed 0.05; 3) the values obtained in individual MSA Array anti-imaging (Anti-image Correlation) were always above 0.50; 4) the communalities (Communalities) of the variables were also always above 0.50; and 5) the total variance explained, would be of, at least, 60% of the original variance.

In summary, data analysis was performed as follows:

- choice of variables according to the blocks of the questionnaire;
- application of factor analysis;
- analysis of KMO, assessing the significance obtained through Bartlett's sphericity test, assessment of values obtained in individual MSA Array anti-imaging, assessment of the communalities of the variables and assessment of the total variance explained;
- elimination of variables with low communality and low individual MSA and
- repeating item 'b' and continuing, until all variables reach the conditions specified for commonality and MSA. In sequence, the results were rotated in order to achieve an easier interpretation of factors. The method of orthogonal rotation VARIMAX with Kaiser Normalization was used.

IV. RESULTS

a) Sample characterization

The final sample included 5,087 questionnaires. The sample consisted of 3,740 accountants (73,52%) and 1,347 accounting technicians (26,48%), with a predominance of male professionals (63,4%). In terms of geographical concentration, 46,39% of professionals were in the Southeast Region, 22,86% in the South; 16,36% in the Northeast, 7,45% were in the Northern Region and 6,94% were in Midwest Region. The range of ages of the respondents are almost evenly distributed (in 5 intervals of 5 years from 20 to over 60 years old) with a slight predominance of professionals aged between 31 and 35 years (15,8%). Regarding the length of professional activities, there was a predominance of professionals working in the profession for a long time (over 21 years), 27% of the respondents and the ones who worked less time in the profession (up to 5 years) 28% of them.

b) Data Analysis

i. Descriptive statistics

Initially, the descriptive analysis of the data sample (consisted of 5,087 answered questionnaires) was carried out and the results are listed in Table 2.

The variables G1 to G25 identify the beliefs of the professionals and the variables P1 to P25 identify the accounting professionals' practices in relation to truth-telling activity.

The analysis of the data in Table 2 makes it possible to verify that all assertions, both those that refer to the beliefs as well as those that refer to the practice, have shown a mode of 7 (strongly agree), with the

exception of the assertive G_21_TRUTH. This means that most of the Brazilian professional accountants believe and practice Parrhesia.

Regarding the assertion G_21_TRUTH (I know what my opinion is and I also know that my opinion is always the truth), the mode of the sample was 5 while its corresponding P_21_TRUTH was related to the practice (I believe in my ability and accounting knowledge), presented a mode of 7. This suggests that although the respondents are not secure, regarding the certainty of the truth of their own opinions, in general, they are certain when this opinion is related to the practice of accounting.

Table 2 : Descriptive statistics of data sample

		G_01_TRUTH	G_02_FRANK	G_03_DANGER	G_04_DUTY	G_05_FRANK	G_06_TRUTH	G_07_DANGER	G_08_CRITIC	
N	Valid	5087	5087	5087	5087	5087	5087	5087	5087	
	Missing	0	0	0	0	0	0	0	0	
Mean		6,25	5,28	5,07	6,42	6,19	6,55	4,79	6,33	
Std. Error of Mean		,018	,023	,027	,014	,019	,013	,027	,016	
Median		7,00	6,00	6,00	7,00	7,00	7,00	5,00	7,00	
Mode		7	7	7	7	7	7	7	7	
Std. Deviation		1,276	1,671	1,944	1,022	1,372	,946	1,913	1,150	
Variance		1,628	2,793	3,778	1,045	1,883	,895	3,661	1,323	
Skewness		-2,169	-,934	-,839	-2,230	-2,176	-2,796	-,643	-2,177	
Std. Error of		,034	,034	,034	,034	,034	,034	,034	,034	
Kurtosis		5,050	,272	-,392	6,006	4,700	9,599	-,565	5,308	
Std. Error of Kurtosis		,069	,069	,069	,069	,069	,069	,069	,069	
Range		6	6	6	6	6	6	6	6	
Minimum		1	1	1	1	1	1	1	1	
Maximum		7	7	7	7	7	7	7	7	
		G_09_DANGER	G_10_FRANK	G_11_TRUTH	G_12_DANGER	G_13_CRITIC	G_14_DUTY	G_15_DUTY	G_16_TRUTH	
N	Valid	5087	5087	5087	5087	5087	5087	5087	5087	
	Missing	0	0	0	0	0	0	0	0	
Mean		5,91	5,99	6,56	5,10	5,06	6,49	6,38	5,84	
Std. Error of Mean		,019	,018	,012	,026	,027	,014	,014	,020	
Median		6,00	6,00	7,00	5,00	6,00	7,00	7,00	6,00	
Mode		7	7	7	7	7	7	7	7	
Std. Deviation		1,389	1,271	,878	1,875	1,908	,968	,995	1,440	
Variance		1,929	1,614	,771	3,517	3,639	,936	,991	2,074	
Skewness		-1,537	-1,537	-2,958	-,881	-,823	-2,582	-2,137	-1,598	
Std. Error of		,034	,034	,034	,034	,034	,034	,034	,034	
Kurtosis		2,329	2,634	11,760	-,181	-,367	8,247	5,877	2,531	
Std. Error of Kurtosis		,069	,069	,069	,069	,069	,069	,069	,069	
Range		6	6	6	6	6	6	6	6	
Minimum		1	1	1	1	1	1	1	1	
Maximum		7	7	7	7	7	7	7	7	
		G_17_DUTY	G_18_CRITIC	G_19_DANGER	G_20_FRANK	G_21_TRUTH	G_22_CRITIC	G_23_DUTY	G_24_FRANK	G_25_CRITIC
N	Valid	5087	5087	5087	5087	5087	5087	5087	5087	5087
	Missing	0	0	0	0	0	0	0	0	0
Mean		5,27	5,59	5,42	5,27	4,64	5,54	6,18	5,10	5,84
Std. Error of Mean		,025	,023	,023	,022	,027	,022	,019	,026	,021
Median		6,00	6,00	6,00	6,00	5,00	6,00	7,00	5,00	6,00
Mode		7	7	7	7	5	7	7	7	7
Std. Deviation		1,806	1,649	1,605	1,604	1,906	1,563	1,361	1,843	1,495
Variance		3,263	2,720	2,576	2,574	3,633	2,442	1,851	3,396	2,234
Skewness		-1,053	-1,252	-1,033	-,982	-,564	-1,200	-2,124	-,912	-1,563
Std. Error of		,034	,034	,034	,034	,034	,034	,034	,034	,034
Kurtosis		,232	,913	,571	,555	-,645	1,064	4,572	-,074	2,193
Std. Error of Kurtosis		,069	,069	,069	,069	,069	,069	,069	,069	,069
Range		6	6	6	6	6	6	6	6	6
Minimum		1	1	1	1	1	1	1	1	1
Maximum		7	7	7	7	7	7	7	7	7

		P_01_TRUTH	P_02_FRANK	P_03_DANGER	P_04_DUTY	P_05_FRANK	P_06_TRUTH	P_07_DANGER	P_08_CRITIC	
N	Valid	5087	5087	5087	5087	5087	5087	5087	5087	
	Missing	0	0	0	0	0	0	0	0	
Mean		6,28	6,30	5,49	6,42	6,05	6,34	6,20	6,62	
Std. Error of Mean		,016	,018	,025	,015	,018	,019	,020	,013	
Median		7,00	7,00	6,00	7,00	7,00	7,00	7,00	7,00	
Mode		7	7	7	7	7	7	7	7	
Std. Deviation		1,124	1,282	1,785	1,049	1,291	1,384	1,394	,907	
Variance		1,264	1,642	3,187	1,099	1,666	1,916	1,943	,822	
Skewness		-2,116	-2,422	-1,224	-2,439	-1,789	-2,680	-2,149	-3,378	
Std. Error of		,034	,034	,034	,034	,034	,034	,034	,034	
Kurtosis		5,483	6,135	,599	7,219	3,558	6,885	4,408	13,977	
Std. Error of Kurtosis		,069	,069	,069	,069	,069	,069	,069	,069	
Range		6	6	6	6	6	6	6	6	
Minimum		1	1	1	1	1	1	1	1	
Maximum		7	7	7	7	7	7	7	7	
		P_09_DANGER	P_10_FRANK	P_11_TRUTH	P_12_DANGER	P_13_CRITIC	P_14_DUTY	P_15_DUTY	P_16_TRUTH	
N	Valid	5087	5087	5087	5087	5087	5087	5087	5087	
	Missing	0	0	0	0	0	0	0	0	
Mean		6,41	6,64	6,66	6,48	6,32	6,40	6,21	6,44	
Std. Error of Mean		,016	,012	,011	,014	,015	,014	,019	,014	
Median		7,00	7,00	7,00	7,00	7,00	7,00	7,00	7,00	
Mode		7	7	7	7	7	7	7	7	
Std. Deviation		1,169	,825	,808	,992	1,086	,996	1,356	1,006	
Variance		1,367	,680	,652	,984	1,179	,993	1,840	1,011	
Skewness		-2,678	-3,343	-3,506	-2,802	-2,239	-2,267	-2,212	-2,548	
Std. Error of		,034	,034	,034	,034	,034	,034	,034	,034	
Kurtosis		7,914	14,666	16,303	9,912	6,264	6,626	4,893	8,224	
Std. Error of Kurtosis		,069	,069	,069	,069	,069	,069	,069	,069	
Range		6	6	6	6	6	6	6	6	
Minimum		1	1	1	1	1	1	1	1	
Maximum		7	7	7	7	7	7	7	7	
		P_17_DUTY	P_18_CRITIC	P_19_DANGER	P_20_FRANK	P_21_TRUTH	P_22_CRITIC	P_23_DUTY	P_24_FRANK	P_25_CRITIC
N	Valid	5087	5087	5087	5087	5087	5087	5087	5087	5087
	Missing	0	0	0	0	0	0	0	0	0
Mean		5,24	5,37	5,89	6,42	5,78	6,18	6,34	6,13	6,36
Std. Error of Mean		,027	,026	,020	,014	,021	,017	,015	,018	,016
Median		6,00	6,00	6,00	7,00	6,00	7,00	7,00	7,00	7,00
Mode		7	7	7	7	7	7	7	7	7
Std. Deviation		1,959	1,840	1,417	1,033	1,466	1,185	1,054	1,270	1,115
Variance		3,839	3,384	2,008	1,067	2,149	1,404	1,110	1,612	1,243
Skewness		-,940	-1,106	-1,552	-2,523	-1,502	-1,880	-2,117	-1,941	-2,421
Std. Error of		,034	,034	,034	,034	,034	,034	,034	,034	,034
Kurtosis		-,263	,254	2,329	8,017	2,153	4,080	5,505	4,292	7,078
Std. Error of Kurtosis		,069	,069	,069	,069	,069	,069	,069	,069	,069
Range		6	6	6	6	6	6	6	6	6
Minimum		1	1	1	1	1	1	1	1	1
Maximum		7	7	7	7	7	7	7	7	7

c) Exploratory Factor Analysis (EFA)

- Characteristics of truth-telling activity related to the accountants beliefs

The exploratory factor analysis (EFA) was estimated with SPSS Statistics 19.0. In EFA, whenever a variable (a question) shows no statistically significant load factor or significant load factor on more than one factor simultaneously it should be dropped from the analysis.

Thus, questions (variables) G3 to G11; G16; G17; G20 and G22 to G25 were dropped as a result of the EFA approach. After exclusions of variables that did not comply with statistical standards required, Factor Analysis revealed that the data had the expected requisites to continue with the application of the technique.

Table 3 shows the results of tests Kaiser-Meyer-Olkin (KMO), Bartlett's test of sphericity, Anti-image

Matrices, Communalities and Total Variance Explained that were conducted as initial tests to verify whether the correlation matrix is an identity matrix, which would indicate that the factor model is inappropriate.

The results shown in Table 3 indicate an adequacy of the sample with EFA, i.e.: Kaiser-Meyer-Olkin (KMO) greater than 0,50; sphericity (Bartlett's Test) less than 0,05 and Communalities greater than 0,50. Anti-image Matrices test also shows that all variables have individuals MAS greater than 0, 50.

Table 3 also shows that the reduction of variables is acceptable since the text of the total variance shows that the remaining variables explain 62, 22% of the original variance.

Table 3 : Results Kaiser-Meyer-Olkin (KMO), Bartlett's test of sphericity, Anti-image Matrices, Communalities Total Variance Explained

KMO and Bartlett's Test									
Kaiser-Meyer-Olkin Measure of Sampling Adequacy					0,812				
Approx. Chi-Square					10481,872				
Bartlett's Test of Sphericity					df				
					36				
					Sig.				
					0,000				
TEST	Variables								
	G_01_TRUTH	G_02_FRANK	G_12_DANGER	G_13_CRITIC	G_14_DUTY	G_15_DUTY	G_18_CRITIC	G_19_DANGER	G_21_TRUTH
Anti-image Matrices	0,780	0,833	0,849	0,791	0,777	0,756	0,816	0,854	0,849
Communalities	0,627	0,558	0,587	0,658	0,723	0,754	0,631	0,538	0,523
Total Variance Explained									
Factor		% of Variance							
1		25,41							
2		18,60							
3		18,21							
Cumulative %		62,22							

Table 4 shows the Rotated Component Matrix. As we can see, the SPSS grouped the variables into 3 factors. The first factor accounts for 25.41% of the explained variance, the second for 18.60% and the third for 18.21 (Table 3).

Table X4 : EFA results – Rotated Factor Matrix**Rotated Component Matrix^a**

	Component		
	1	2	3
G_01_TRUTH	-,048	,240	(,753)
G_02_FRANK	,171	,110	(,719)
G_12_DANGER	(,721)	,097	,240
G_13_CRITIC	(,808)	,042	,064
G_14_DUTY	,207	(,814)	,132
G_15_DUTY	,143	(,849)	,111
G_18_CRITIC	(,755)	,234	,077
G_19_DANGER	(,595)	,390	,179
G_21_TRUTH	,309	-,039	(,653)

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

According to Table 4, we can see that the variables (questionnaire responses) are condensed in the three constructs, as stated. In Table 5 we can see the variables grouped by factor and also the respective denomination (Label) given by us to each factor.

Table 5 : Parrhesia according to Brazilians' accountants - Beliefs

Factor	Assertions	Label
Factor 1	G_12_DANGER: I don't care whether my opinions may cause a political scandal. G_13_CRITIC: I criticize more powerful people than me. G_18_CRITIC: I don't care about the status of the people I criticize. G_19_DANGER: I have courage to speak the truth in spite of some danger.	COURAGE
Factor 2	G_14_DUTY: No one forces me to tell the truth; but I feel that it is my duty to do so. G_15_DUTY: I use moral duty instead of self-interest and moral apathy.	DUTY
Factor 3	G_01_TRUTH: I say what is true because I know that it is really true. G_02_FRANK: I do not hide anything, but open my heart and mind completely to other people through my discourse. G_21_TRUTH: I say what my opinion is and also know that my opinion is always the truth.	SINCERITY

Factor 1 was named COURAGE, because the assertions that compose this factor are directly linked to the concept of courage that, according to the Webster Dictionary (1993, pg.266), means: “mental and moral strength to resist oppositions, danger or hardship; implies firmness of mind and will in face of danger or extreme difficulty”.

Factor 2 was named DUTY which according to the Webster Dictionary (1993, pg.360), means: “a moral or legal obligation” and in Emmanuel Kant’s philosophy means obligation to act according to a moral law (Kant, 1976).

The 3rd and last factor was named SINCERITY, since the assertions that compose this factor are directly linked to the concept of sincerity that, according to the Webster Dictionary (1993, pg.1095), means: “honesty of mind; freedom from hypocrisy”.

Thus, the model that represents Brazilian Accountants truth-telling activity, according to their beliefs, is composed of the three constructs described above. This model reveals, in accordance with their personal values, they do not fear that their opinions can cause scandals; are not afraid to criticize people more powerful than them, regardless of their status; affirm to tell the truth despite any danger; They consider it a personal duty to tell the truth and they are led by this duty instead of being led by self-interest, and also have a personal commitment to speak the truth.

- Characteristics of truth-telling activity related to the accountants’ practices

EFA analysis relating to the accountants’ practices was carried on in the same way as was done previously for their beliefs. Thus, questions (variables) P2 to P4; P6 to P9; P15 to P17; P20; 24 and 25 were dropped. After these exclusions, Factor Analysis revealed that the data had the expected requisites to continue with the application of the technique.

Table 6 shows the results of tests Kaiser-Meyer-Olkin (KMO), Bartlett’s test of sphericity, Anti-image Matrices, Communalities and Total Variance Explained that were conducted as initial tests to verify whether the correlation matrix is an identity matrix, which would indicate that the factor model is inappropriate.

The results shown in Table 6 indicate an adequacy of the sample according to the EFA, i.e.: Kaiser-Meyer-Olkin (KMO) greater than 0,50; sphericity (Bartlett’s Test) less than 0,05 and Communalities greater than 0,50. Anti-image Matrices test also shows that all variables have individual MAS greater than 0,50. Table 6 also shows that the reduction of variables is acceptable since the test of the total variance shows that the remaining variables explain 62,59% of the original variance.

Table 6 : Results of Kaiser-Meyer-Olkin (KMO), Bartlett’s test of sphericity, Anti-image Matrices, Communalities and Total Variance Explained

KMO and Bartlett's Test												
Kaiser-Meyer-Olkin Measure of Sampling Adequacy					0,905							
Approx. Chi-Square					22846,303							
Bartlett's Test of Sphericity					df		66					
Sig.					0,000							
TEST	Variables											
	P_01_TRUTH	P_05_FRANK	P_10_FRANK	P_11_TRUTH	P_12_DANGER	P_13_CRITIC	P_14_DUTY	P_18_CRITIC	P_19_DANGER	P_21_TRUTH	P_22_CRITIC	P_23_DUTY
Anti-image Matrices	0,917	0,904	0,901	0,912	0,923	0,918	0,917	0,827	0,870	0,885	0,913	0,932
Communalities	0,622	0,630	0,650	0,619	0,626	0,585	0,637	0,691	0,692	0,665	0,586	0,507
Total Variance Explained												
Factor					% of Variance							
1					25,77							
2					19,68							
3					17,14							
Cumulative %					62,59							

Table 7 shows the Rotated Component Matrix. As we can see, the SPSS grouped the variables into 3 factors, as well. The first factor accounts for 25.77% of the explained variance the second for 19,68% and the third for 17,14 (Table 6).

Table 7 : EFA results – Rotated Factor Matrix

Rotated Component Matrix^a

	Component		
	1	2	3
P_01_TRUTH	,299	,112	(,721)
P_05_FRANK	,198	,163	(,751)
P_10_FRANK	(,786)	,052	,173
P_11_TRUTH	(,743)	,019	,259
P_12_DANGER	(,757)	,185	,133
P_13_CRITIC	(,577)	,489	,116
P_14_DUTY	(,653)	,428	,168
P_18_CRITIC	-,014	(,817)	,153
P_19_DANGER	,202	(,791)	,158
P_21_TRUTH	,095	,227	(,777)
P_22_CRITIC	,437	(,568)	,268
P_23_DUTY	(,470)	,441	,303

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

According to Table 7, we can see that the variables (questionnaire responses) are condensed into the three constructs, as stated before. In Table 8 we can see the variables are grouped by factor and also the respective denomination given by us to each factor.

Table 8 : *Parrhesia* according to Brazilians' accountants - Practices .

Factor	Assertions	Labels
Factor 1	P_10_FRANK: I give my technical guidance in the most direct and clear way. P_11_TRUTH: I only tell my clients what I know is true. P_12_DANGER: I issue my technical advice in a true way regardless of the impacts they might cause. P_13_CRITIC: When I experience technical failures or ethical disagreement, I criticize even when related to my superiors. P_14_DUTY: I tell the truth, regardless of any action or reaction, showing the mistakes or discrepancies that I can find in the rules or in the professional activity. P_23_DUTY: I always tell the truth to my superiors to help them improve themselves and thus contribute to the enhancement of the profession.	TRANSPARENCY
Factor 2	P_18_CRITIC: I criticize my colleagues regardless of their status or professional position. P_19_DANGER: I have the courage to tell the truth regardless of the consequences that may arise from this attitude. P_22_CRITIC: I speak the truth to my superior, or to the Regional Council, even against the majority and running the risk of losing privileges.	CRITICISM
Factor 3	P_01_TRUTH: When I give my opinion about accounting issues I know that my opinion is the truth. P_05_FRANK: I evaluate all the circumstances before giving my opinion about a work and I make clear that my conclusion is the truth. P_21_TRUTH: I believe in my ability and knowledge about accounting issues. That way, I know that my technical opinion is always true.	COMPETENCY

Factor 1, denominated by us TRANSPARENCY, since the variables that comprise this factor are closely linked to the practice of speaking clearly, with frankness and without any feeling of fear when they take the risk of contradicting higher interest, or their clients. We named the Factor 2 CRITIC. Variables comprising this factor are related to the criticism of those who do not speak the truth, without fear of the consequences that may result from this attitude. This critical activity is always performed aiming to improve the criticized in favor of a greater good. According to Parry (1996), competency is a set of knowledge, skills and attitudes (Parry, 1996). So, we named Factor 3 by COMPETENCY, since the variables encompassed by this factor denotes that the professional is sure of his knowledge and this certainty is revealed through their attitudes.

In summary, the model that represents the Brazilians' Accountants truth-telling activity, according to their practices, is composed of TRANSPARENCY, CRITICISM and COMPETENCY. This model reveals that in their daily practice the professionals use a clear and direct speech to tell their clients only what they consider to be the truth, regardless of the impact that this might cause; they do not avoid criticizing their colleagues, superiors and the Regional Council, even against the majority and assuming the risk of losing privileges, since

they are aware of the truth of their speeches; and they believe in their own knowledge. They are self-confidence.

It is important to note that the model that represents Brazilian Accountants truth-telling activity, according to their practices differs from that one that represents their beliefs.

These differences suggest that the accountant's behavior in the exercise of their professional practices is not fully aligned with their beliefs. This lack of alignment between beliefs and practices will be analyzed in the next section.

- Differences between beliefs and practice

As already noted in Table 2, all assertions both those that refer to the beliefs as well as those that refer to the practices, have shown a mode of 7 (strongly agree), with the exception of the assertive G_21_TRUTH. This means that most of the Brazilian accountants believe and practices *Parrhesia*.

However, a deeper analysis of the frequencies of modes reveals some important aspects that will be discussed in sequence.

Figure 1 shows us the frequency of mode and the paired results.

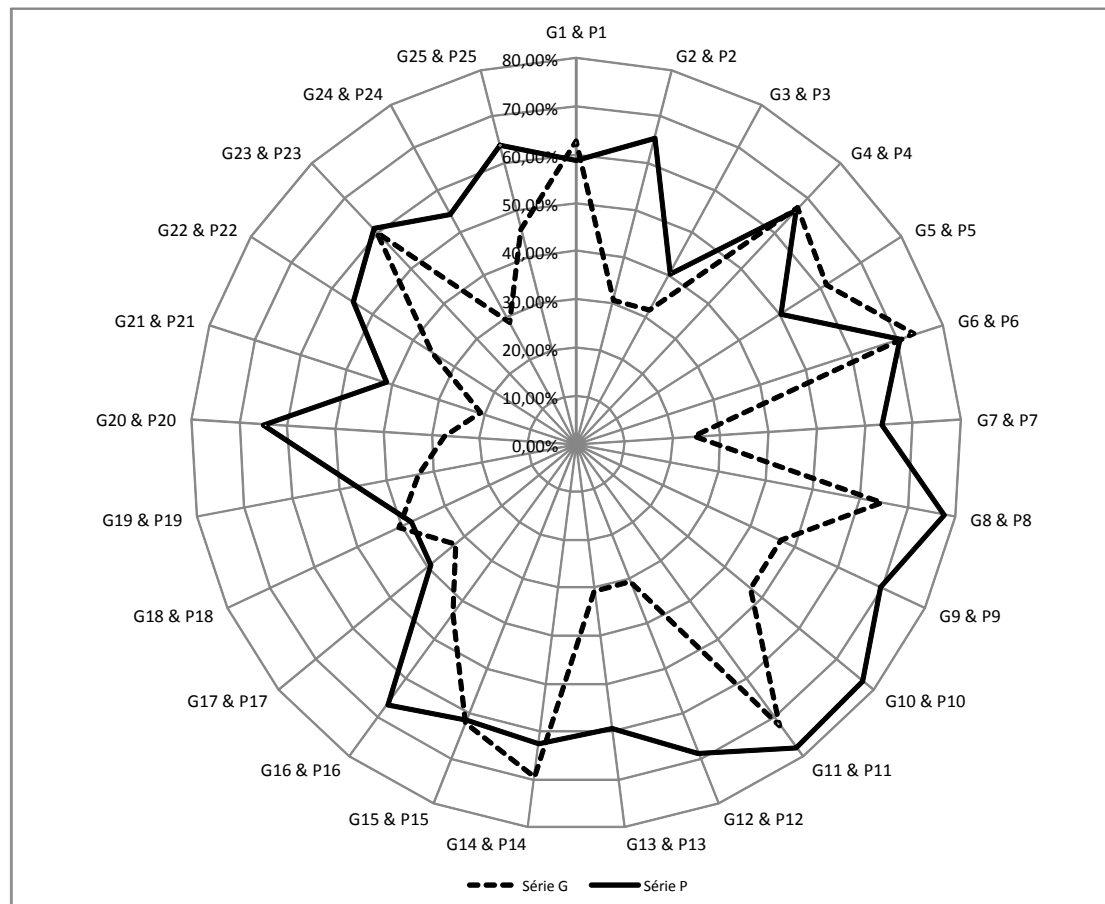


Figure 1: Frequency of mode and the paired results

As shown in Figure 1, the frequencies of the variables' modes related to the practices are, mostly, higher than those related to beliefs. This may suggest, first, that accounting professionals have more security in issuing opinions, criticize etc. when the topic is about their competence, but on the other hand, it may also suggest that the existence of an ethical code that enables the application of punishments is effective as a guide for conduct. It is worth mentioning that, the interpretations presented here are merely indications to be confirmed in future researches.

The only relevant exception shown in Figure 1, refers to the assertion G_14_DUTY (No one forces me to tell the truth; but I feel that it is my duty to do so.) which presents a higher frequency of mode than its equivalent related to practices P_14_DUTY (I tell the truth, regardless of any action or reaction, showing the mistakes or discrepancies that I can find in the rules or in the professional activity). In this case, the professionals' beliefs are more intense than their practices.

Another important aspect that emerges from the results contained in Figure 1 are the low frequencies of some assertions related to the beliefs of Brazilian accountants.

We can see that assertion G_21_TRUTH (I say what my opinion is and also know that my opinion is always the truth.), shows a frequency of mode of only 20%; that assertion G_07_DANGER (I prefer to tell the truth and risk death instead of life and security.) presents frequency of mode of 25% and that assertions G_02_FRANK (I do not hide anything, but open my heart and mind completely to other people through my discourse.); G_03_DANGER (If I see a friend doing something wrong, I can risk incurring his anger by telling him he is wrong.); G_12_DANGER (I don't care whether my opinions may cause a political scandal.), G_13_CRITIC (I criticize more powerful people than me.) and G_24_FRANK (My "speech activity" takes the form: "I am the one who thinks this and that") shows a frequency of mode of 30%. Given that the frequencies of modes of its correspondent assertions related to the practice are much higher, the suggestion of the ethical code effectiveness is strengthened.

Although these results suggest the effectiveness of the code of ethics, we understand that the moral education according to the Foucault approach must be improved, especially at the current phase of the implementation of IFRS in Brazil, since this new legislation extends the use of subjective judgments and, consequently, the possibility of misconduct. In this case, a solid moral education will be more effective than the code avoiding such misconduct.

V. CONCLUSION

This study addressed the topic of professional ethics, focusing on the individual ethical behavior of

Brazilian accountants. It is based on Michel Foucault ideas about the ways in which a human being reflects on what he is and what he does (archeology of problematizations) and in the manner in which men set rules of conduct for themselves and transform themselves (genealogy of practices).

Therefore, we applied the concept of *Parrhesia* to the accounting professionals in order to find out the characteristics of *Parrhesia* (truth-telling activity) according to the beliefs and practices of these professionals. This is the same concept analyzed by Foucault in the ancient Greek texts.

The application of the statistical technique of factor analysis resulted in two different models for truth-telling activity (*Parrhesia*). The first one was related to Brazilian accountant's beliefs and the second one was related to their practices of truth-telling activities.

The existence of these two different models suggests, *a priori*, that these professionals have a practice that differs from their beliefs. This suggestion was reinforced by the analysis of frequencies of modes of the paired statements.

The model related to the beliefs consists of three factors: COURAGE, DUTY and SINCERITY revealing that, according to their personal values, professionals do not fear that their opinions can cause scandals; are not afraid to criticize people more powerful than them, regardless of their status; affirm to tell the truth despite any danger; they consider it a personal duty to tell the truth and they lead themselves by this duty instead of conducting themselves by self-interest, and also have a personal commitment to speak the truth.

The model related to the practices also consists of three factors: TRANSPARENCY, CRITICISM and COMPETENCY. This model reveals that in their daily practice the professionals use a clear and direct speech to tell their customers only what they consider to be the truth, regardless of the impact that this might cause; they do not avoid criticizing their colleagues, superiors and the Regional Council, even against the majority and assuming the risk of losing privileges, since they are aware of the truth of their speeches; and they believe in their own knowledge.

The analysis of frequency of modes i.e., the comparison between beliefs and practices, revealed higher frequencies for the assertions related to the practices, which suggests that Brazilian accountants are more effective in truth-telling activity when practicing the profession. This may indicate, on one hand, that they have more security, courage and sense of duty in their practices. But on other hand, it may also suggest some effectiveness of the professional ethical code in restraining any misconduct. Clearly, this is our preliminary interpretation and must be confirmed by future studies.

It is important to mention that these results contradict the findings of others studies conducted by us that also handle *Parrhesia* but focusing on beliefs and practices of accounting researchers (Antunes et al., 2011; Antunes et al. 2012). In these studies, the relative frequencies of beliefs are always larger than those related to practices.

The prevalence of the practices over the beliefs, as regards the activity of speaking the truth, in our view, should not be viewed with optimism because it reveals the need for an improvement of ethics regarding the relationship of the individual with himself.

This ethical improvement becomes more imperative given the current period of Brazilian accounting, in which the alignment with the international standards through the implementation of IFRS, provides the profession with a more intensive use of subjective judgments. If according with sociology, this fact implies greater benefits for those who practice the profession, it may also facilitate misconduct, such as, earns management and even fraud.

Therefore, if on one hand, the results reveal that Brazilian accountants perceive themselves as *parrhesiastes*, on other hand, one cannot ignore the recurring occurrence of dysfunctional practices that, besides causing significant financial damage to society in general, undermine the credibility of the profession. Thus, a deeper reflection on this topic by the professional entities and academic community is necessary and urgent, focusing on the improvement of the practice of the self.

In the educational context the improvement of the individual ethical behavior should be incorporated into the curriculum. For this, it is necessary to abandon the traditional way of teaching professional ethics which, in most cases, is limited to the reproduction of duties and prohibitions of the professional ethical codes. We understand that ethical classes must transcend the establishment of rights and obligations (Deontological Code) and must include reflections on the relationship of the individual to himself (practices of the self), because we believe that this is the most appropriate way to enhance ethical behavior and build confidence in the profession.

The professional entities, by themselves, must go beyond the application of penalties, which are important and therefore, should not be abandoned; but more important than this is to not evade speaking publicly and with vehemence, upon the occurrence of scandals and the dysfunctional behaviors of its members and making clear, towards society, that the accounting profession, as a class, do not practice the *esprit de corps*.

Finally, it is worth mentioning that this study does not intend to exhaust the complex relationship between values, norms and conduct, but rather signal a

path that can be better exploited in the ethical exercise of the profession. We understand that our main contribution is a lot more about provoking reflection and criticism than presenting solutions.

REFERENCES RÉFÉRENCES REFERENCIAS

1. Aaker, D. A, Kumar, V., & Day, G. S. (2001). *Pesquisa de Marketing*. São Paulo: Atlas.
2. Alves, J. S., Lisboa, N. P., Weffort, E. F. J., & Antunes, M. T. P. (2007). Um estudo empírico sobre a importância do código de ética profissional para o contabilista. *Revista de Contabilidade e Finanças da Universidade de São Paulo*, 18, 58-68.
3. Antunes, M. T. P., Mendonça Neto, O. R., Oyadomari, J. C. T., & Okimura, R. T. (2011). Conduta Ética dos Pesquisadores em Contabilidade: diferenças entre a crença e a práxis. *Revista de Contabilidade e Finanças da Universidade de São Paulo*, 22(57), 319-337.
4. Antunes, M. T. P., Mendonça Neto, O. R., Okimura, R. T & Silva, Z. Y. B. (2012). Ethical issues in a research practices: the perception from Brazilian's graduate students, in European Accounting Association Congress. Anais, 2012.
5. Armstrong, M. (1993). Ethics and professionalism in accounting education: a sample course. *Journal of Accounting Education*, 11(1), 77-92.
6. Borges, E., & Medeiros, C. (2007). Comprometimento e ética profissional. *Revista de Contabilidade e Finanças da Universidade de São Paulo*, 44, 60-71.
7. Brown, D., Mendenhall, S., & Khamer, J. (2003). Business ethics programs: is internal audit playing a proactive role? *Internal Auditing*, 18(4), 28-32.
8. Buchan, H. F. (2005). Ethical decision making in the public accounting profession. *Journal of Business Ethics*, 61(2), 165-81.
9. Cardoso, R. L. (2006). *Competências do contador: um estudo empírico* (Tese de doutorado), Universidade de São Paulo, São Paulo, SP, Brasil.
10. Cardoso, J. L., Souza, M. A de., & Almeida, L. B. (2006). Perfil do contador na atualidade. *BASE - Revista de Administração da Unisinos*, 3(3), 275-284.
11. Cohen, J., Pant, L.W., & Sharp, D.J. (1995). An international comparison of moral constructs underlying auditors' ethical judgments. *Research on Accounting Ethics*, 1, 97-126.
12. Collins J., & Hussey, R. (2009). *Business Research: A Practical Guide for Undergraduate and Postgraduate Students*. 3rd edition. London: Palgrave Macmillan.
13. Comitê de Pronunciamentos Contábeis. (2008). *Pronunciamento conceitual básico estrutura conceitual para a elaboração e apresentação das demonstrações contábeis*. Recuperado em 15 de

- agosto, 2010, de <http://www.cpc.org.br/m-outra-Orientacao.php?id=14>
14. Conselho Federal de Contabilidade (CFC). 2012. Profissionais ativos nos Conselhos Regionais de Contabilidade agrupados por gênero. Recuperado em 04 de setembro, 2012, de <http://www3.cfc.org.br/spw/crcs/ConsultaPorRegiao.aspx?Tipo=0>
 15. Díaz, Esther. (2005). *La filosofía de Michel Foucault*. Buenos Aires: Editorial Biblos.
 16. Decreto-Lei n. 9.295, de 27 maio, 1946 (1946). Dispõe sobre a criação do Conselho Federal de Contabilidade, define as atribuições do Contador e do Guarda-livros, e dá outras providências. Brasília, DF. Recuperado em 15 de setembro, 2010, de <http://www.planalto.gov.br/ccivil/DecretoLei/Del9295.htm>
 17. Finn, D.W., Chonko, L.B., & HUNT, S.D. (1988). Ethical problems in public accounting: the view from the top. *Journal of Business Ethics*, 7(8), 605-15.
 18. Foucault, M. (1986). *The history of sexuality: the use of pleasure*. New York: Vintage.
 19. Foucault, M. (2001a). *Dits et écrits II*, 1976-1988, Paris: Éditions Gallimard.
 20. Foucault, M. (2001b). *Fearless speech*. (J. Pearson, Ed.). Los Angeles: Semiotext.
 21. Foucault, M. (2004). *Discurso y verdad em la antigua Grecia*. Barcelona: Ediciones Paidós Ibérica.
 22. Foucault, M. (2006). *A Hermenêutica do sujeito*. São Paulo: Martins Fontes.
 23. Fromm, E. *Análise do homem*. (1970). Rio de Janeiro: Zahar Editores.
 24. Garaudy, R. (1982). Por uma discussão sobre o fundamento da moral. In G. Della Volpe et al. *Moral e Sociedade*. Rio de Janeiro: Paz e Terra.
 25. Goodwin, J., Goodwin, D., & Fiedler, B. (2000). The influence of culture on accountants' ethical decision making in Singapore and Australia. *Accounting Research Journal*, 13(2), 24-38.
 26. Green, S., & Weber, J. (1997). Influencing ethical development: exposing students to the AICPA code of conduct. *Journal of Business Ethics*, 16(8), 77-90.
 27. Gul, F.A., Ng, A.Y., & Tong, M.W. (2003). Chinese auditors' ethical behavior in an audit conflict situation. *Journal of Business Ethics*, 42(4), 379-92.
 28. Hair, J. E., Anderson, R. E., Tathan, R. L., & Black, W. C. (1998). *Multivariate data analysis* (5a ed.). New Jersey: Prentice Hall.
 29. Hill, M. M., & Hill, A. (2008). *Investigação por questionário*. Lisboa: Edições Sílabo.
 30. Hildebeitel, K.M., & Jones, S.K. (1992). An assessment of ethics instruction in accounting education. *Journal of Business Ethics*, 11(1), 37-46.
 31. Ho, Y.H., & Lin, C.Y. (2008). Cultural values and cognitive moral development of accounting ethics. *Social Behavior and Personality*, 36(7), 883-892.
 32. Iudícibus, S. de; Martins, E., Gelbcke, E.R., & SANTOS dos. (2010). *A Manual de Contabilidade Societária: aplicável a todas as sociedades de acordo com as normas internacionais e do CPC*. São Paulo: Atlas.
 33. Jeffrey, C., & We at her Holt, N. (1996). Ethical development, professional commitment, and rule observance attitudes: a study of CPAs and corporate accountants. *Behavioral Research in Accounting*, 8(1), 8-31.
 34. Kant, E. (1976). *Foundations of the metaphysics of morals: and what is enlightenment*. Indianapolis: The Bobbs-Merrill Company, Inc.
 35. Lang, T. K., Hall, D., & Jones, R. C. (2010). Accounting student perceptions of ethical behavior: insight into future accounting professionals. *Academy of Educational Leadership Journal*, 14 (2), 1-11.
 36. Lei n. 11.638, de 28 de dezembro de 2007, (2007). Altera e revoga dispositivos da Lei nº 6.404, de 15 de dezembro de 1976, e da Lei nº 6.385, de 7 de dezembro de 1976, e estende às sociedades de grande porte disposições relativas à elaboração e divulgação de demonstrações financeiras. Brasília, DF. Recuperado em 15 de setembro, 2010, de http://www.planalto.gov.br/ccivil/_Ato2007-2010/2007/Lei/L11638.htm
 37. Lei n. 12.249, de 11 de junho de 2010, (2010). Dispõe sobre alterações no Decreto-Lei n. 9.295 de 27 de maio de 1946. Brasília, DF. Recuperado em 15 de setembro, 2010, de http://www.planalto.gov.br/ccivil_03/_ato2007-2010/2010/lei/l12249.htm
 38. Levy, N. (2004). Foucault as virtue ethicist. *Foucault Studies*, 1, 20-31
 39. Leung, P., & Cooper, B. J. (1994). Ethics in accountancy: a classroom experience. *Accounting Education*, 3(1), 19-33.
 40. Linguitte, H. V., Santos, R. F dos., & Sá, M. (1997). A ética para o contabilista *Revista de Contabilidade do Conselho Regional de Contabilidade de São Paulo*, 1(3), 87-94.
 41. Marcondes, D. (2009). Textos básicos de ética: de Platão a Foucault. Rio de Janeiro: Zahar.
 42. Mintz, S.M. (1995). Virtue ethics and accounting education, *Issues in Accounting Education*, 10(2), 247-67.
 43. Mele, D. (2005). Ethical education in accounting: integrating rules, values and virtue. *Journal of Business Ethics*, 57(1), 97-109.
 44. Merriam-Webster's Collegiate Dictionary (1992). 10th ed. Springfield: Merriam-Webster Inc.
 45. Morettin, P. A., & Bussab, W. de O. (2003) Cálculo – funções de uma e várias variáveis. 1.ed. São Paulo: Saraiva.
 46. Persons, O. (2009). Using a corporate code of ethics to assess students' ethicality: implications for

- business education. *Journal of Education for Business*, 84(6), 357-366.
47. Pires, C. B., Ott, E., & Damacena, C. (2009). "Guarda-Livros" ou "Parceiros de Negócios"? *Revista de Contabilidade Vista e Revista. Universidade Federal de Minas Gerais*, 20(3), 157-187.
 48. Pradeau, J.F. (2008). O sujeito antigo de uma ética moderna. In F. Gros (Org.). *Foucault a coragem da verdade*. São Paulo: Parábola Editorial.
 49. *Resolução do Conselho Federal de Contabilidade n.803, de 8 outubro, 1996* (1996). Aprova o Código de Ética Profissional do Contabilista. Brasília, DF. Recuperado em 15 de setembro, 2010, de http://www.senar.org.br/legislacao/setor_cont/res_cf_c_803.pdf
 50. *Resolução do Conselho Federal de Contabilidade n.1.374, de 8 dezembro, 2011* (2011). Dá nova redação à NBC TG ESTRUTURA CONCEITUAL - Estrutura Conceitual para Elaboração e Divulgação de Relatório Contábil-Financeiro. Brasília, DF. Recuperado em 15 de setembro de 2012, de <http://www.normaslegais.com.br/legislacao/resolucao-cfc-1374-2011.htm>
 51. *Resolução do Conselho Federal de Contabilidade n.1.307, de 9 dezembro, 2010* (2010). Altera dispositivos da resolução CFC nº 803/96 que aprova o código de Ética Profissional do Contabilista. Brasília, DF. Recuperado em 15 de setembro de 2012, de http://www.crcsp.org.br/portal_novo/legislacao_contabil/resolucoes/Res1307.htm
 52. Schopenhauer, A. (2010). *The two fundamental problems of ethics*. New York: Oxford University Press.
 53. Shaub, M. (1994). An analysis of the association of traditional demographic variables with the moral reasoning of auditing students and auditors. *Journal of Accounting Education*, 12(1), 1-26.
 54. Shearer, T. (2002). Ethics and accountability: from the-for-itself to the for-the-other. *Accounting, Organizations and Society*, 27 (6), 541-573.
 55. Stevenson, W. J. (1981). *Estatística aplicada à administração*. São Paulo: Harbra.
 56. StPierre, K., Nelson, E., & Gabbin, A. (1990). A study of the ethical development of accounting majors in relation to other business and non-business disciplines. *The Accounting Educators' Journal*, 3(1), 23-35.
 57. Tsui, J., & Gul, F. (1996). Auditors' behavior in an audit conflict situation: a research note on the role of locus of control and ethical reasoning. *Accounting, Organizations and Society* 21(1), 41-51.
 58. Uysal, O. O. (2009). Business Ethics Research with an accounting focus: a bibliometric analysis from 1988 to 2007. *Journal of business Ethics*, 93(1), 137-160.
 59. Yayla, H. E., & Demir, H. (2009, may). Testing Parrhesia in accounting profession. *Proceedings of the European Accounting Association Congress*, Tampere, FI, Finland.
 60. Zapata, F. R. (2005). *Foucault Studies*. Review of Feraless Speech, 2, 150-153.

APPENDIX A: ASSERTIONS

Generalized Assertions	Code
1. I say what is true because I know that it is really true.	G 01 TRUTH
2. I do not hide anything, but open my heart and mind completely to other people through my discourse.	G 02 FRANK
3. If I see a friend doing something wrong, I can risk incurring his anger by telling him/he is wrong.	G 03 DANGER
4. I regard truth-telling as a duty to improve and help other people.	G 04 DUTY
5. I make it manifestly clear and obvious that what I say is my own opinion.	G 05 FRANK
6. I prefer truth instead of falsehood or silence.	G 06 TRUTH
7. I prefer to tell the truth and risk death instead of life and security.	G 07 DANGER
8. I prefer criticism instead of flattery.	G 08 CRITIC
9. I can risk losing my status by telling my truth which is contrary to the majorities opinion.	G 09 DANGER
10. I use the most direct words I can find.	G 10 FRANK
11. I convey to others what i know to be true.	G 11 TRUTH
12. I don't care whether my opinions may cause a political scandal.	G 12 DANGER
13. I criticize more powerful people than me.	G 13 CRITIC
14. No one forces me to tell the truth; but i feel that it is my duty to do so.	G 14 DUTY
15. I use moral duty instead of self-interest and moral apathy.	G 15 DUTY
16. There is always an exact coincidence between my belief and my truth.	G 16 TRUTH
17. I voluntarily confess my crime to someone else out of a sense of moral obligation.	G 17 DUTY
18. I don't care about the status of the people I criticize.	G 18 CRITIC
19. I have courage to speak the truth in spite of some danger.	G 19 DANGER
20. The audience is able to comprehend exactly what I say.	G 20 FRANK
21. I say what my opinion is and also know that may pinion is always the truth.	G 21 TRUTH
22. I can risk my privilege when I disclose a truth which threatens the majority.	G 22 CRITIC
23. Truth-telling is my duty as a citizen to help the king to better himself as a sovereign.	G 23 DUTY

24. My "speech activity" takes the form: "I am the one who thinks this and that".	G_24_FRANK
25. I give honest and helpful advice when I criticize people.	G_25_CRITIC
Professional Assertions	Code
26. When I give my opinion about accounting issues I know that my opinion is truth.	P_01_TRUTH
27. I don't hide anything and I also declare my impediment to exercise my profession regardless of financial loss.	P_02_FRANK
28. When I see a fellow professional doing a job in the wrong way, I risk incurring his wrath by telling him/he's wrong	P_03_DANGER
29. I consider it a duty telling the truth to professional colleagues to improve and help them.	P_04_DUTY
30. I evaluate all the circumstances before giving my opinion about a job and I make clear that my conclusion is truthful.	P_05_FRANK
31. I don't try to mislead the good faith of any accounting user, changing technical information to favor others, even if it is to safeguard business continuity.	P_06_TRUTH
32. I prefer professional freedom rather than assure myself of management positions or economic benefits that the profession can offer me.	P_07_DANGER
33. I prefer having my work criticized, when this is the case, instead of receiving false praise or be flattered by my professional colleagues (subordinates and superiors).	P_08_CRITIC
34. I declare myself unable to perform a technical work even if it costs my function or my status.	P_09_DANGER
35. I give my technical guidance in the most direct and clear way.	P_10_FRANK
36. I only tell my clients what I know is true.	P_11_TRUTH
37. I issue my technical advice in a true way regardless of the impacts they might cause.	P_12_DANGER
38. When I experience technical failures or ethical disagreement, I criticize even when related to my superiors.	P_13_CRITIC
39. I tell the truth, regardless of any action or reaction, showing the mistakes or discrepancies that I can find in the rules or in the professional activity.	P_14_DUTY
40. My professional activities are not guided by self-interest.	P_15_DUTY
41. I always make it clear to my client / employer the way in which I will lead my professional work.	P_16_TRUTH
42. I denounce myself to Regional Council when I do something against the profession, regardless of it being a legal or moral obligation.	P_17_DUTY
43. I criticize my colleagues regardless of their status or professional position.	P_18_CRITIC
44. I have the courage to tell the truth regardless of the consequences that may arise from this attitude.	P_19_DANGER
45. I issue my advices and technical works so that everyone understands exactly what I think about the subject.	P_20_FRANK
46. I believe in my ability and knowledge about accounting issues. That way, I know that my technical opinion is always true.	P_21_TRUTH
47. I speak the truth to my superior, or to the Regional Council, even against the majority and running the risk of losing privileges.	P_22_CRITIC
48. I always tell the truth to my superiors to help them improve themselves and thus contribute to the enhancement of the profession.	P_23_DUTY
49. I always say what I think in front of business situations.	P_24_FRANK
50. When I criticize my colleagues and superiors I do it in order to help them improves their moral development and their professionalism.	P_25_CRITIC