



THE SOCIAL RESPONSIBILITY OF AUDITORS AND ENHANCING THE COMPETITIVE ADVANTAGE OF IRAQI GOVERNMENT BANKS- A SURVEY OF OPINIONS OF A SAMPLE OF EMPLOYEES IN GOVERNMENT BANKS

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Article history:		Abstract:
Received:	24 th September 2024	<p>This research aims to analyze the level of social responsibility practiced by accountants and auditors working in Iraqi government banks and to determine its role in enhancing competitive advantage. Accountants and auditors play a crucial role in safeguarding public funds from waste and misuse, as well as promoting transparency in the banking sector. To achieve the research objectives and test its hypotheses, the researcher adopted a descriptive-analytical approach, relying on a questionnaire to collect data on the research population, namely accountants and auditors working in Iraqi government banks. The questionnaire was distributed to a sample of 132 accountants and auditors working in several Iraqi government banks. A set of statistical methods, specifically the SPSS program, was used to tabulate and analyze the data. The research concluded that the level of social responsibility practice in government banks remains moderate, and that there is a relative disparity in the application of the dimensions of social responsibility. The ethical and professional dimensions ranked first, while the environmental dimension ranked last. The research recommended the need to integrate social responsibility into the basic work policies of accountants and auditors, and the need to adopt awareness training programs that promote a culture of social and environmental commitment in the public banking sector.</p>
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1- RESEARCH METHODOLOGY AND PREVIOUS STUDIES

1-1: Introduction

State banks are some of the most important financial and political institutions in the country today, for both economic and social purposes. They are the financial systems official intermediaries and are used to control, direct or limit some public economic policies. With the development of the financial industry, and emergence of increasingly complex banking business, accountants have played an irreplaceable role in promoting financial transparency and setting rules for good practice which helps to build trust between citizens and banks through competitive information.

Due to the world's swift progress towards a more sustainable and socially responsible economy, the tasks of accountants and auditors are not just in preparing or checking financial reports. They have now to take care of social-, professional- and ethical demands which tend to protect the interests of different stakeholders and promote a balanced

economic society. From this point of view, assessing the degree to which accountants and auditors at an Iraqi government banks carry out their social obligations the game changer in the financial system is now more than ever realized to be essential.

1-2: Research Problem

It is a fairly new notion this social responsibility of banks owned by government. But application and measurement of such a concept is obscure for accountants and auditors whose concentration is drawn more to traditional dimensions, without dealing with other than those, e.g. social and environmental issues in their occupation. There is no statutory or professional obligation of a commitment towards social responsibility in the government banks, hence there are varying levels of employee commitment toward them. This is largely where the private sector has an opportunity to fill in, through comprehensive social responsibility programs that will tackle the various issues it faces there, both economic and social. Therefore, the power of social responsibility has been gaining more importance in order to create value, get



a competitive and sustainable advantage over others, protect the special surrounding environment, preserve the available resources and attest an objective visibility concerning full information disclosure. This includes the provision of short-term loans, lending for small and medium-size firms, and enabling social, health and teaching facilities to promote human development for the most disadvantaged. The concentration is not only a moral call but also a modern way to add value and immerse profit in the current market. It is proved in many research that the banks who care for social responsibility gain competitive advantage, lead to higher long term performance. Based on this principle, the research problem can be summarized in the following questions:

- To what extent do accountants and auditors in Iraqi government banks practice their social responsibility?
- To what extent does the social responsibility of accountants and auditors contribute to enhancing the competitive advantage of government banks?

1-3: Research Objectives:

This research aims to identify the following:

- Analyze the level of social responsibility practiced by accountants and auditors in Iraqi government banks in light of the dimensions of social responsibility and determine which are most influential.
- Determine the extent to which the social responsibility of accountants and auditors contributes to enhancing the competitive advantage of government banks.

1-4: Research Significance:

This research is of scientific importance in enriching the literature related to professional social responsibility through an applied study in the environment of Iraqi government banks. It also reflects the global interest in the concept of social responsibility as a fundamental pillar of sustainability and a means of strengthening trust between banks and society. These banks represent a model environment sensitive to the importance of transparency and accountability. Furthermore, the research adds a modern theoretical framework linking the social responsibility practices of accountants and auditors to enhancing competitive advantage from a sustainability perspective. Practical implications As regards its practical implication, the findings of our research provide important guidance for managers in banks to develop internal policies and programs which enhance social and ethical commitment so as to improve competitive advantage. It also provides feasible means to increase the attention to social responsibility in accounting and auditing practices applied at government banks on one hand, and improve accountants' & auditors' performance by providing training that the principles of social

responsibility could be included in their practical job activities as well.

1-5: Research Hypotheses:

This research is based on two main hypotheses:

- 1) The dimensions of social responsibility of accountants and auditors have no impact on government banks.
- 2) There is no statistically significant relationship between the social responsibility of accountants and auditors and the enhancement of competitive advantage in government banks.

1-6: Literature Review:

- The study by Bou Najib (2019): The research carried out by Bou Najib is to measure how the principles of social responsibility have been taken into account in Islamic banks, especially in Al Baraka Banking Group. Results In utilizing descriptive-analytical analysis approach, the research concluded that Al Baraka Banking Group implemented social responsibility and sustainability program (2016–2020) for Al Baraka banking group throughout which contributed significantly to the adoption of social responsibility principles. The results indicated that the social role of Islamic banks is based on observance to islamic morality and ethics. Remarkably, professional ethical (legitimacy) was identified as the most significant factor of social responsibility. This way, global banking, in general and over the long term, managed to achieve substantial took place..benefits for society while serving Applied Research & Social Responsibility 86 humanity. Additionally, the CSR of Islamic banks extends to all aspects of social life and helps in building up an economic society in equilibrium. The research recommended the introduction of environmental conservation measures in form of multiple strategies.

- The study by Elbannan et al. (2020), titled "Corporate social responsibility and financial reporting quality in the banking sector": under the title "Corporate Social Responsibility and Financial Reporting Quality in Banking Sector": The objective of this research was to investigate the relationship between corporate social responsibility (CSR) disclosure and financial reporting quality among Egyptian banks. The results supported a significant positive association between corporate social responsibility disclosure and financial reporting quality, indicating that corporates which adhere to corporate social responsibility leads to improved institutional trust and better quality of financial disclosures. The study also suggested some recommendations to help future research in this field.

- The study by Farah and Abdul Aziz (2021), "Financial Inclusion and its Role in Enhancing Social Responsibility in Banks": Financial Inclusion



and its Impact on Social Responsibility in Banks”: The aim of this study was to explore the role of financial inclusion in enhancing social responsibility. Using a descriptive-analytical method, some main findings are extracted asserting that financial inclusion is necessary for economic development and stability across the countries. The research suggested that banks should be motivated and engaged in effective corporate responsibility programs.

The literature that examines social responsibility is relatively scarce, and it focuses mainly on the application of social responsibility in organizations or banks and how regulatory bodies oversee them. However, they have paid little attention to its importance to accountants and auditors. Current research proposes the introduction of principles from social responsibility in actions that concern accounting and auditing, a move which adds an vector on for development of the profession and improvement of its performance, especially in public bodies as well as in state banks.

2- Theoretical Framework:

The Social Responsibility of Accountants and Auditors in Government Banks

They have developed rapidly in aims and variety of endeavors. These changes have presented a big challenge for them to change with the times, as they aim to transform in ways which will improve people's lives but also make sure that basics are delivered. The modern view of business managers focuses on their organizations extending beyond their own functions to encompass all aspects of society and are not limited to goods or services (Bhattacharya et al., 2012). This is because society expects them to contribute more than in the past (Dahlsrud, 2013:5). This development has also affected the field of accounting and auditing (Al-Hazmi, 2022), making it necessary to move from traditional accounting to accounting that is appropriate for society and the environment, to meet all the goals and needs of users in a way that enhances their value.

2-1: The Origin and Concept of Social Responsibility

Before presenting the concept of social responsibility, it is necessary to note that social responsibility is not a new phenomenon or an exceptional situation that was directed towards in response to urgent social pressures. Still, rather it is related to the changes that social life has witnessed objectively, meaning that responsibility did not arise as a result of simple social modifications, nor was it a kind of ideological luxury or otherwise. Still, it resulted from radical changes in general social conditions (Kotler, et al, 2004). The emergence of social responsibility began with the start of the Industrial Revolution in Europe and the subsequent reform

movements that swept the world (Broadhurst, 2000: 99). This coincided with the rise of movements demanding workplace safety and security, reduced working hours, and the protection of the rights of various stakeholders. Consequently, there were objectives beyond the profit motive that organizations strive to achieve (Bhattacharya et al., 2012: 213). Thus, corporate social responsibility became more closely linked to the interests of owners and investors and the pursuit of profits alone, extending to achieving a balance in responsibility towards other stakeholders (Dahlsrud, 2013). Some progress to the articulation of social responsibility began to be made, when as it was in management and accounting thought entered mid 20th century. As management theories developed, this concept moved from being an optional moral commitment to strategic instruments of corporate policy that help in obtaining competitive advantage and long-term economic viability (Carroll, 1999).

Further research on social responsibility extended to different industries, and among them were the financial sector and banking. Social responsibility was increasingly accepted as an institutional capacity, but also as a professional duty of balancing good economics against ethical accountability and social justice – counterbalanced by environmental concerns. Over the last few decades, global professional organizations such as the International Federation of Accountants (IFAC) and the International Ethics Standards Board (IESBA) have emphasized the need for incorporating social responsibility into accounting and auditing practices to demonstrate professional commitment and a public responsibility toward society (IFAC 2021). Accordingly the concept, which initially was just an institutional requirement has now become a personal duty applicable to every individual accountant and auditor, who are no exception in their work, more particularly those affiliated to high sensitive institutions like the State-Owned Banks.

Social responsibility lacks a single, fixed definition, as it is linked to numerous variables. Consequently, it has multiple definitions, and these diverse definitions lead to a variety of initiatives and activities depending on the nature and environment of the work, as well as the available financial and human resources. Therefore, the definition of social responsibility is dynamic, realistic, and evolving, influenced by political, economic, and social changes (Musa, 2023).

The International Business Council for Sustainable Development defines it as "the ongoing commitment to act ethically and contribute to economic development and improve the quality of life for workers, their families, and society as a whole" (Al-Hazmi, 2022), intending to improve the quality of life for all these parties (Al-Zubaidi, 2020).



It is also defined as "the responsibility that assumes that the organization has not only legal and economic obligations, but also responsibilities towards society that go beyond these obligations." It is a concept that encompasses all the human and social implications of the performance and activity of organizations, reconsidering their social horizon and ensuring that their mission extends beyond achieving economic goals to include social and human dimensions that society faces significantly (Joyner & Payne, 2015: 66), and focusing on developing employees' skills in managing human relations and avoiding racial discrimination in the workplace (Broadhurst, 2000: 87).

Therefore, in addition to profit and growth, business organizations now aim to ensure their survival and continuity through their social responsibility (SR) practices.

Despite differing viewpoints, the researcher believes that the concept of SR means attending to the ethical, social, and environmental aspects of society and utilizing them in accordance with their aspirations and desires to achieve goals, while also focusing on developing employees' interpersonal skills and avoiding racial discrimination in the workplace.

2-2: The Concept of Social Responsibility for Accountants and Auditors

Social responsibility is considered the responsibility of for-profit and non-profit organizations for their impact on stakeholders, the environment and society, because it is based primarily on transparency in the ethical, social and environmental dealings of organizations (KPMG, 2024).

The International Federation of Accountants (IFAC) defines the social responsibility of accountants as a professional and ethical commitment to serving the public interest by preparing and delivering transparent and reliable financial and non-financial information, thereby enhancing trust in institutions and achieving sustainable development (IFAC, 2022). The International Institute of Chartered Accountants in Business Ethics (IESBA) indicates that social responsibility is manifested in objectivity, competence, confidentiality, professional conduct, and transparency—values that represent the core of the accounting and auditing profession (IESBA, 2023). The quality of the financial services is an important dimension demonstrating the importance of such service for clientelerelig. This characteristic includes the client's perceptions and expectations of the financial service they are seeking (Flag et al., 2020, p. 307). These latter considerations give rise to one of the main difficulties in a competitive field, namely how to ensure the development of indicators that are

genuinely high quality. We do need to improve the quality of financial services — type, cost and speed of delivery. Failure to access the required financial services is a significant problem, leading to the search for alternatives that offer better services at lower costs. However, ensuring the quality of financial services provided remains a challenge. This requires taking actions based on clear evidence regarding the quality of services, as many factors affect the quality and type of financial services provided, such as the cost and type of service, consumer awareness, consumer protection services, financial guarantees, transparency of competition in the market, as well as intangible factors such as consumer confidence. All these matters are governed by the ethical responsibility of accountants and auditors (Farah and Abdul Aziz, 2021)

Accordingly, the social responsibility of accountants and auditors can be defined as "a set of professional, ethical and environmental obligations that the accountant and auditor bear towards society, aimed at achieving justice and transparency and enhancing confidence in the financial system, in a way that contributes to achieving sustainable development and improving institutional performance in government banks."

2-3: Dimensions of Social Responsibility in Banks

Modern literature has adopted several classifications of the dimensions of social responsibility. However, this research adopts the four-dimensional model, which is appropriate for the nature of government banking operations. It includes the following dimensions (Farah and Abdul Aziz, 2021):

- Social Dimension: This means acting as a responsible individual who contributes to strengthening community resources and improving the quality of life.
- Ethical Dimension: This is achieved by considering the ethical aspect in decisions, leading to proper work practices, skill development, attention to managing human relations, and avoiding racial discrimination in the workplace to ensure fairness.
- Legal Dimension: This is achieved through the proper application of established rules, regulations, and laws that reflect what is right and wrong in society.
- Economic Dimension: This is achieved through institutions generating returns, which represent a fundamental basis for meeting other economic requirements.
- Knowledge Dimension: This is achieved through the application of modern technology and



methods, and knowledge management to simplify work procedures, expedite performance, and ensure quality (Khudhiar, 2024).

2-4: Social Responsibility of Accountants and Auditors in Banks

Social responsibility is of great importance to accountants and auditors in banks, perhaps the most important of which are (Al-Hazmi, 2022):

- Social responsibility practices by accountants and auditors lead to establishing and building trust between the bank and society through the provision of fair financial reports and their transparent and objective disclosure.
- Commitment to social responsibility contributes to reducing instances of manipulation and fraud by promoting work ethics and professional integrity and combating financial and administrative corruption.
- Social responsibility by accountants and auditors works to achieve economic justice in banks, as they not only provide services to banks but also bear a duty towards the public interest and society as a whole.
- Social responsibility by accountants and auditors works to achieve sustainable development goals in banks, such as decent work, economic growth, peace, justice, and the creation of strong institutions.
- Social responsibility by accountants and auditors enhances the reputation of institutions, as those that commit to social responsibility are seen as trustworthy institutions whose data can be relied upon to make sound decisions (Khudhiar, 2024).

Other studies have addressed the practice of social responsibility by accountants and auditors in banks according to its four dimensions: social, ethical, legal, and economic, as follows (Mahmoud, 2022):

- The economic dimension is exercised through their ability to ensure financial efficiency in the use of public resources, achieve transparency in the presentation of financial reports and data, rationalize expenditures, manage financial risks, and provide financial advice that serves the country's economy (Farah and Abdul Aziz, 2021).
- The aspect which has an ethical character and professional inclination, the so-called "conduct" in profession and considered as a basis for the trust established between banking community and subordinate external public, consists of independence, integrity and objectivity when drawing up/auditing financial statements. A societal conscious accountant makes decisions for the common good, rather than favoring individuals or departments.

- Social - Accountants and auditors help fund-government who provide social programs to better the welfare of its workers and their surrounding environment. This commitment is demonstrated through financial support to those in need, community development and the promotion of ethical workplace practices. The environmental dimension, introduced as a modern aspect in the profession considers the role of accountants and auditors in promoting or advocating for environmental accounting on disclosing an organizations ecological footprint such as Green finance & sustainable projects. This includes reducing the carbon footprint of financial institutions and supporting circular economy and environmental responsibility initiatives (Ali and Rahman, 2023).

The researcher believes that making all financial data available and disclosing it transparently and objectively, and providing high-quality services to various segments of society, both institutions and individuals, in a competitive manner, ensures the protection of clients' rights, encourages them to manage their money and savings soundly, and prevents them from resorting to unofficial entities and exposing their funds to risks, such as those offered by private banks that are not properly regulated.

2-5: The Importance of Social Responsibility (SR) in Banks for Accountants and Auditors and Creating a Competitive Advantage

The commitment of accountants and auditors to CSR in banks ensures that all clients have access to a complete and comprehensive set of financial data and reports, guaranteeing high-quality services at the lowest cost and in a profitable manner that preserves client dignity (Boumaza et al., 2022, p. 748). With the increasing global interest of banks in creating alliances between international financial institutions and bodies to coordinate and operate within common and unified mechanisms, competition in providing the best financial services has intensified. The Consultative Group to Assist the Poor (CGAP) of the World Bank believes that building an inclusive financial system is the only option to reach all economically and socially marginalized segments of society, thereby achieving its objectives and focusing efforts on combating poverty, unemployment, and exclusion by integrating low-income and unemployed individuals into the economic cycle.

Social responsibility (SR) is of paramount importance to businesses for all stakeholders, the organization, the community, and the state. It improves corporate image in the community, contributes to teamwork and good treatment between



co-workers, increases the quality of services offered and contributes to financial literacy and social awareness of people (Bou Maaza et al., 2022). In aggregations these influences will lead to added-value for the government, as companies increasingly recognize their role in bettering cost effectiveness, stimulating technological advancement and reducing unemployment. Heavy stress can also befall banks (Mahmoud, 2022), a sector that is quite susceptible to social accountability because of their salient role in the meting out of economic and political stability. Recent researchers have revealed the "key role" of social responsibility (SR) in banks' enhanced financial performance, increasing customers' satisfaction and mitigating operational risk (Fernando & Lawrence, 2021). The services and characteristics of the services provided by companies responding to customer may prioritize from customers' point of view, address and response more quickly towards rapidly changing competitive environment based "on fast winds" (from customer requirements and technology advancement) (Khudhiar 2024).

In the light of above mentioned discussion, it can be said that the practice of social responsibility for accountants and auditors within government banks in which they work is directed on four main directions: commitment to professional ethic values; economical efficiency upholding with its transparency; contribution in developing capital and providing communal service at large scales by adopting sustainable environmental practices.

2-6: Social Responsibility and Sustainable Development

Sustainability reports including social responsibility indicators are now being prepared by a large number of financial institutions and banks internationally. Auditors increasingly assume the responsibility for examining these reports (Global Survey 2024). In financial institutions, social responsibility is a particularly important driver of sustainable development, which evens out the economic profitability, ethical involvement and the safeguarding of natural resources. United Nations Development Programme (UNDP, 2022) insists that organisations that integrate social responsibility with their operations achieve greater financial stability; increased trustworthiness and long-term competitive advantage. This largely depends on accountants and auditors, who are responsible for all banking operations, including measuring, evaluating, and disclosing sustainable performance. Adopting social responsibility principles contributes to improved financial performance, increased customer satisfaction, and reduced operational risks.

Given that human beings are the foundation of development, and development is both based on and targeted by them, accountants and auditors, for example, work to maintain the legality and integrity of transactions, strive to achieve customer satisfaction, facilitate procedures, gain customer trust, study customer behavior over varying periods, address their complaints, offer the best solutions, and anticipate their expectations to provide the best possible service. They also contribute to meeting the basic needs of society and combine poverty and unemployment by financing real, productive projects that create job opportunities and generate added value, whether these projects are large, small, or medium-sized. Furthermore, they contribute to financing healthcare and social welfare projects, increasing savings awareness among members of society, especially small savers, and enhancing financial literacy within the community. Hence, the importance of the role of accountants and auditors as a link between institutional values and society lies in their simplicity, credibility, and trustworthiness in disclosing accurate data in a manner suitable for all segments of society. This contributes to developing their expertise, considering that these activities are vital, and they finance projects that provide housing and healthcare services at affordable prices, as well as all activities that contribute to and benefit society (Bou Najib, 2019). These efforts by banks to establish social responsibility are of a profit-driven nature, as they pave the way for achieving more profits. The returns are usually shared between the profitability of banks and the benefit to society in all its categories through wide-ranging services (Farah and Abdul Aziz, 2021).

3: The Practical Framework of the Study

3-1: Research Methodology

The research adopted the descriptive-analytical approach as the most suitable for studying and analyzing social and professional phenomena in real-world work environments. This approach aims to describe the social responsibility practices of accountants and auditors in Iraqi government banks and analyze them statistically to determine the level of their application and the differences among the respondents according to personal and professional variables.

3-2: Research Population and Sample

The research population consists of accountants and auditors working in Iraqi government banks in Al-Qadisiyah Governorate, including the main banks: (Rafidain Bank, Al-Rasheed Bank, Agricultural Cooperative Bank, and Industrial Bank). A random sample of accountants and auditors working in these

banks was selected according to their job classification. It had a sample of 150 accountants and auditors that worked for the above-mentioned banks. After excluding invalid questionnaires, 132 valid forms were generated and harvested (the response rate was 73%). Eighteen forms were eliminated for not fulfilling all the requisites, representing a 12% of total.

3-3: Describing the demographic variables

The questionnaire included a set of demographic items in order to describe the sample as gender, age, education level and years of professional work (see Table 1).

Table (1) Demographic Characteristics

Section	Variable	Categories	Data Frequency	Percentage
1	Gender	Male	73	57.6%
		Female	60	42.4%
			132	100%
2	Age	Under 30 years	37	28%
		30-40 years	35	27%
		40-50 years	40	30%
		Over 50 years	20	15%
			132	100%
3	Educational Qualification	Bachelor's	79	59.8%
		Master's	45	34.1%
		PhD	8	6.1%
			132	100%
4	Years of Experience	Less than 10 years	30	22.7%
		10-20 years	42	31.8%
		20 years and over	60	45.5%
			132	100%
5	Job Title	Accountant and its Levels	52	38.9%
		Auditor Its levels	45	34.1%
		Other	35	27%
			132	100%

Table 1 part 1 (Gender) shows that majority participants reported they were male (57.6%) with a minority who identified as female (42.3%). These relatively similar rates may imply that men and women are similarly involved in social responsibility acts, most likely because they both share common social and religious perceptions.

Section 2 (Age): The research sample reported that; 28% were younger than the age of 30, 27% were between the ages of 30 and 40, while for age group between the ages of 40 and 50 represented (30%), with finally only (15%) who are older than the age of 50. This distribution does represent what has been learned and therefore contributes to the level of social responsibility that reside in banks.

Section 3 (Academic Qualification) indicates that 59.8% of the research sample have a bachelor's degree, 34.1% have a master's degree, and 6.1% have a doctorate. Reliance on those with high

academic qualifications enables them to have a higher understanding of the requirements of social responsibility compared to other qualifications.

Section 4 (Years of Experience) indicates that 22.7% of the research sample have less than 10 years of work experience, 31.8% have 10 to 20 years of work experience, and 45.5% have 20 years or more of work experience. This is an indicator that means the information the research sample possesses is based on their years of experience.

Finally, Section 5 (job title) included 38.9% of the sample members who had the job title of accountant and its levels, and 34.1% of the study sample members who had the job title of auditor and its levels, while 27% of the sample members had other administrative job titles. This indicator is used to identify the extent to which all the principles of social responsibility are upheld.



3-4: Research Tool (Questionnaire)

The research tool (questionnaire) was developed based on literature, previous studies, and recent studies on the professional social responsibility of accountants and auditors in government banks. It was designed according to a five-point Likert scale (strongly agree, agree, neutral, disagree, strongly disagree) and consisted of five main dimensions (economic, ethical and professional, social, environmental, and cognitive). The questionnaire comprised 24 items distributed across the research axes according to the research hypotheses. The

questionnaire forms were distributed to a randomly selected research sample.

3-5: Instrument Validity and Reliability

The face validity of the questionnaire was tested by presenting it to a group of experts specializing in accounting, management, and economics, to ensure the soundness of the wording and the suitability of the items to the research objectives. Internal reliability was also tested using Cronbach's alpha coefficient for each dimension, and the values are shown in Table 2:

Table (2) Indicators of Cronbach's Alpha Coefficient Test

Dimension	Cronbach's Alpha Coefficient Value	Reliability Level
Economic	0.84	High
Ethical and Professional	0.89	Very High
Social	0.81	Good
Environmental	0.78	Acceptable
Knowledge	0.89	Very High

Table2 shows that the Cronbach's alpha was between 0.78 and 0.89, that indicates an acceptable statistical internal consistency (for values above 0.75 are considered acceptable). Also, all of the items were greater than 0.70 by the composite reliability, supporting that the dependable validity and consistency of scale t-3 The mean value was over 0.7 which is a cut-off value in interpreting it as reliable scale or not.It have been demonstrated to be valid for scales sensitive performance.

organized, then statistically analyzed with SPSS. A host of relevant methods were used. Practice level in each dimension was measured by computing the average and standard deviation. The T-test was used to test differences between dimensions, whereas Pearson's Correlation Coefficient was also incorporated to examine the association that exists between different dimensions of social responsibility and banks' competitive advantage.

3-6: Statistical Methods Used

The responses of the research sample to the questionnaire were systematically categorized and

3-7: Discussion of Results

The mean and standard deviation of the research questions were obtained are indicated in tables 3 and 4 respectively.

Table (3) Arithmetic Mean, Standard Deviation, and Variance

Section	Mean	Std. Deviation	variance	Description of the meaning
1	3.95	0.58	0.33	Strongly Agree
2	4.83	0.38	0.14	Very Strongly Agree
3	3.58	0.23	0.052	Agree
4	4.08	0.33	0.11	Agree
5	4.05	0.26	0.07	Agree
6	4.87	0.34	0.12	Neutral
7	2.87	0.81	0.65	Agree
8	4.05	0.26	0.07	Agree
9	2.92	0.99	0.97	Agree
10	3.54	0.9	0.81	Agree
11	3.19	0.63	0.4	Neutral
12	3.05	0.25	0.06	Neutral
13	3.05	0.25	0.06	Neutral
14	4.06	0.26	0.07	Agree



15	3.95	0.23	0.06	Agree
16	4.06	0.36	0.13	Agree
17	4.8	0.45	0.2	Very Strong Agree
18	4.81	0.43	0.18	Agree
19	4.17	0.38	0.14	Very Strong Agree
20	4.76	0.51	0.26	Agree
21	4.05	0.26	0.07	Very Strong Agree
22	4.85	0.36	0.13	Agree
23	4.01	0.17	0.03	Very Strong Agree
24	4.30	0.87	0.76	Agree
25	3.95	0.58	0.33	Very Strong Agree

Interpretation of Results:

-Economic_SubSpace** e1, e2, and e3 from economic sub-dimension were considered. The arithmetic mean for this dimension on the whole was (4.12), the SD was (0.39) and variance was (0.15). Highest agreement was reached on the item "Contributing in preparation of transparency and accurate financial reports which serve public interest" having arithmetic mean (4.83) came at first place among the dimensions. On the other hand, a statement that "Proposing financial projects that help to support economic development of society" appeared as the least one with mean (3.58). This reflects a moderate level of financial responsibility, which could be due to the regulatory and legal restrictions experienced by many accountants and auditors affect their ability / limits-innovative proposed reforms in its work.

-Data Analysis for Items (4 -6) under Ethical and Professional Dimension:** The response to these items whether the administration of assessment is a professional issue were analyzed, the mean for this analysis was obtained as (4.30), there standard deviation used was (0.31) and the variance resulting is (0.10). The high means found in the overall sample are above 4, indicating a strong tendency to "agree" and "strongly agree", and can be attributed once more to item 3 even though it was lower (M=4.87), close to M=5. From a methodological perspective, these low SD level of the items also indicate that there was a good deal of homogeneity in how respondents evaluated the latter. This suggests that accountants and auditors strongly adhere to the ethics embraced by the accounting profession, set forth in the Code of Professional Conduct. This includes personal independence and

objectivity, the capacity to withstand professional pressure that compromises financial reports, and confidentiality of information that protects a bank's best interest.

-Social Factor** (Items 7-9) : The overall aggregate of this factor mean and standard deviation were (3.28) and (0.51), respectively indicating that the social relations showed moderate level themselves. The variance was (0.26). The general trend in the sample's responses was towards "agreement" with the items of this axis. Agreement was particularly strong on the item stating, "We provide accurate data on the risks of non-compliance with social responsibility," which ranked first among the items of the dimension with a mean of (4.05) and a standard deviation of (0.26), a very low level indicating a homogeneity of opinion regarding the item. In contrast, the item stating, "I participate in activities or programs that contribute to serving the local community," ranked last with a mean of (2.87) and a standard deviation of (0.81), indicating a high degree of dispersion in opinions. This suggests a weak level of social responsibility practice. It was found that most of the accountants and auditors in the research sample did not participate extensively in community activities outside of their work environment.

- Environmental Dimension: Analysis of the environmental dimension results showed that the overall arithmetic mean for this dimension was (3.16), with a relatively low standard deviation of (0.50), indicating a moderate level and a variance of (0.25). This suggests that the response values of the sample were stable and was not far from average. There was common agreement on the statement "I try to minimize the paper and energy waste of bank operations," which yielded the highest score among all items



in this dimension. In contrast, the relatively low scores for "The bank has a system in place for managing paper and electronics waste" and "The bank has embraced green finance initiatives", indicates less commitment to social responsibility activities. This means most research sample (accountants/auditors) show low interest in environmental concerns of government banking.

-The cognitive level: per the findings, there is a consensus among the sample of using state-of-the-art tools that facilitate access to and organization of data having an overall means score of 4.02 with standard deviation 0.34. This shows that the banks have a pretty clear idea of their social responsibility by spreading knowledge and practical messages conducive to development and which results in a modern useful Sustainable environment. Moreover, the majority of participants agreed that there are knowledge contents in relation to banks' development (mean and standard deviation were 4.06 and 0.30 respectively) which represent an implementation of new systems affecting the quality of performance constructively at banks.

-Analysis of the first axis data shows different effects on practices of social responsibility according to the sample's view, considering

differences among arithmetic means for the variables covered in this study (Table 3). The findings provide support that banks are Important with Respect to ethical and professional factors, specifically the commitment of accountants/auditors to the ethical standards of the profession (professional code of conduct), such as independence and objectivity.

-The mean, standard deviation and variance of the data on second axis (competitiveness advantage: items (17-24)) are 4.47, 0.42 and 0.18 respectively as in the table below: The moderately high mean scores (above 4) indicate a high tendency of the responding to agree or strongly agree on this items, in particular item 3 which was rated at $M = 4.85$, nearing to score of $M = 5$. The low standard deviations also indicate a high degree of homogeneity in respondents' opinions on these items. This suggests that accountants' and auditors' commitment to social responsibility provides a competitive advantage. Furthermore, delivering services accurately and on time, along with providing high-quality services quickly, also contributes to a competitive advantage. Building strong customer relationships increases customer loyalty, and improved accuracy and transparency in disclosed data and reports enhances investor confidence in the bank compared to its competitors.

Table (4) Arithmetic Mean, Standard Deviation, and Amount of Variance for Scale Dimensions

Dimension	Mean	Std. Deviation	Analysis of variance
Economic	4.12	0.39	0.15
Ethical and Professional	4.30	0.31	0.10
Social	3.28	0.51	0.26
Environmental	3.16	0.50	0.25
Knowledge	4.02	0.37	0.13
Axis 1 (X)	3.74	0.43	0.19
Axis 2 (Y) Competitive Advantage	4.47	0.42	0.18

3-8: Hypothesis testing:

First: To test the first hypothesis, which states that "there is no effect of the dimensions of social responsibility of accountants and auditors in government banks," a multiple regression test was conducted to determine the individual explanatory

power of the dimensions of social responsibility of accountants and auditors in government banks. Table 5 shows the individual effect of the five dimensions on competitive advantage, where the dimension that gets the largest β value is the most influential.

Table (5) The strength of individual influence of the dimensions of social responsibility

Dimension	β coefficient	Sig (a)	t-value	Significance	Relative effect
Economic	0.25	0.03	3.11	Significant	medium



Ethical and Professional	0.38	0.000	4.52	Significant	Strong
Social	0.09	0.30	1.05	Non-Significant	None
Environmental	0.07	0.380	0.90	Non-Significant	None
Knowledge	0.40	0.000	2.88	Significant	Most Influential

Table 5 indicates a clear variation in the magnitude of influence among the dimensions of social responsibility. The cognitive dimension has the greatest impact on competitive advantage, as it had the highest β value of 0.40, followed by the ethical dimension. The table also shows no influence for the

third and fourth dimensions, as their Sig values were greater than 0.05.

Furthermore, the results of the multiple regression analysis to determine the explanatory power of the combined effect of the social responsibility dimensions among accountants and auditors in government banks are shown in Table 6.

Table (6) The combined impact strength of the dimensions of social responsibility

Scale	R	R ²	F	Sig (a)	Significance
Explanatory value	0.75	0.68	32.89	0.000	Significant

R² value indicates that there is a 68% variance in competitive advantage attributable to the combined dimensions of social responsibility. Because the overall effect of the dimensions combined was significant and more explanatory than the effect of each dimension individually (Sig. value 0.000 being less than the accepted significance level of 0.005), it is statistically significant. Therefore, the combined effect of the dimensions is real, the hypothesis stating "There is no statistically significant relationship between the social responsibility of accountants and auditors in government banks" is rejected, and the alternative

hypothesis "There is an effect of the dimensions of social responsibility of accountants and auditors in government banks" is accepted.

Second: To test the second hypothesis, which states that "There is no effect of the social responsibility of accountants and auditors on enhancing competitive advantage in government banks," Pearson's correlation coefficient (r) and the t-test were calculated for the set of questions related to the second hypothesis. The results are shown in Table 7.

Table (7) Pearson's correlation coefficient (r)

The variable	X	SD	p	r	N	Significance
Social responsibility	3.74	0.43	0.000	0.82	132	The relationship is very strong and direct.
Competitive advantage	4.47	0.42				

Table 7 shows that the r-value is (0.82), indicating a very strong and statistically significant positive correlation between the social responsibility axis and competitive advantage. The p-value is less than 0.05, which is statistically significant, and therefore the null hypothesis is rejected.

The t-test for paired samples yielded a calculated value of (29.92), which is greater than the tabular value of (1.98) at a significance level of 0.05 (df 131). Furthermore, the sig alpha value is less than (0.05). As shown in Table 8:

Table (8) T-test

Calculated T	Tabular T	Sig (a)	df	Decision
29.92	1.98	0.00	131	Rejection of the null hypothesis



Based on these results and based on the decision rule, the null hypothesis "There is no impact of the social responsibility of accountants and auditors on enhancing competitive advantage in government banks" will be rejected, and the alternative hypothesis "There is an impact of the social responsibility of accountants and auditors on enhancing competitive advantage in government banks" will be accepted.

It can be also said that the social responsibility of Iraqi state-owned banks accountants and auditors acts as one of their infrastructure to attain transparency, integrity and competitive advantage. This duty is not a matter of personal ethics or professional development at an individual level; rather, it requires an institutional framework that weaves this duty into routine policies and practices. A comprehensive view on all relevant dimensions is needed for such an effort. Therefore, the implementation of a sound and complete administrative-professional policy in state-owned banks, based on transparency, objectivity, fairness and integrity is conducive to enhancing performance and reinforcing their role as a national edifice that efficiently meets society's needs as well as those of the state leading to full realization of their objectives. And the incorporation of social responsibility into the corporate system of state-owned banks is an important way to achieve transparency and financial integrity.

4- CONCLUSION AND RECOMMENDATIONS

4-1: Conclusion

First: Practical Results: In light of the statistical analysis and discussion of the hypotheses, the research arrived at a set of important results, which can be summarized as follows:

- The five dimensions of social responsibility (economic, ethical, social, environmental, and cognitive) are practiced to varying degrees among accountants and auditors in Iraqi government banks, ranging from moderate to high. The cognitive dimension had the greatest impact on accountants and auditors compared to the other dimensions, followed by the cognitive dimension, and then the economic dimension.
- The overall impact of the social responsibility dimensions on accountants and auditors combined is more significant and better explains the variation than the impact of each dimension individually.
- The social responsibility of accountants and auditors has a statistically significant impact on

enhancing the competitive advantage of government banks.

- There is a very strong and statistically significant positive correlation between the social responsibility of accountants and auditors and the competitive advantage of government banks.

Second: Theoretical Findings:

- Banks are knowledge-based institutions, meaning they leverage information and expertise to enhance their competitive advantage. This involves utilizing technology, developing training systems, building partnerships, and implementing advanced strategies to increase the expertise and skills of accountants and auditors. It also entails facilitating services for customers and delivering them in innovative ways that create a competitive edge.
- Iraqi government banks, such as Rafidain, Rasheed, and the Agricultural Bank, still face significant difficulties and challenges in integrating the principles of social responsibility into their operational policies, particularly those related to environmental, social, and non-financial disclosure practices.
- Increased customer loyalty and trust in the bank creates a positive reputation that is difficult for competitors to imitate, thus granting the bank a competitive advantage.
- Social responsibility contributes to improving the efficiency and effectiveness of services, as the bank increases its focus on meeting the needs of the community and stakeholders in a way that enhances service quality.
- Transparency and reliability in disclosing information, along with improved methods for attracting customers interested in sustainability, support more efficient investment decisions.
- The bank's commitment to ethical and professional standards towards its employees improves employee satisfaction and loyalty, thereby achieving a competitive advantage.

4-2: Recommendations

Based on the preceding findings, the research presents a set of recommendations, including:

- Establishing a system that encompasses all dimensions of social responsibility (economic, social, ethical, environmental, and knowledge) within the policies of government banks as a professional and organizational commitment that



includes all accountants, auditors, and employees.

- Developing training programs to enhance accountants' and auditors' awareness of the dimensions of social responsibility, particularly the environmental and societal aspects.
- Adopting sustainable accounting standards within the government accounting system to align with the United Nations Sustainable Development Initiatives.
- Updating professional legislation pertaining to accountants and auditors with codes that serve to achieve the dimensions of social responsibility (economic, social, ethical, environmental, and knowledge).

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