

**INTERNATIONAL JOURNAL OF
MULTIDISCIPLINARY RESEARCH & REVIEWS**journal homepage: www.ijmrr.online/index.php/home

The Role of accountability in Business organizations

Byju John¹, Mohammad Chand Jamali²¹Department of Commerce and Management, Kalinga University, India²Khawarizmi International College, 25669, Al Ain, Abu Dhabi UAE

How to Cite the Article: John, B. & Jamali, M. C., (2022). The Role of accountability in Business organizations. International Journal of Multidisciplinary Research & Reviews, 1(2), 27-34.

Keyword

Accountability, Corporate accountability, Transparency, Organization

Abstract

The current article has been developed for analyzing the heightening clarity and accountability incorporate. Developing collaboration and responsibility towards the internal performances and the need for accountability development have been discussed. Specification of the team working and sharing value advantages has been detected from the accountability whereas time taking decision making probability has been identified as disadvantages. Essential consideration of forming accountability has been identified and discussed. The importance of accountability build-up for the organization has been analyzed in the current article.

1.Introduction

Heightening clarity and accountability are essential for the corporate organization for making transparent working processes including members. Martins, Gomes and Branco (2020) stated that it provides reliability for the involved stakeholders whereas employees get the chances of performance improvement. Here in the current article different aspects of clarity and accountability in the corporate sector have been analyzed and discussed. As per Vullingsh et al., (2020) need and importance both have been clarified in the current article. Potential advantages and disadvantages have been discussed for developing clarity and accountability in the corporate (Hermans 2020). Influencing factors have been identified and discussed for making the development of clarity and accountability well-fitted for the organization (Kumar 2022).

2. Clarity and Accountability in Corporate Organization

In the corporate world, accountability binds the collaborating transparency between employees, stakeholders, and involved members. It builds up an ethical and responsible attitude among the members. According to Yohanna (2020), corporate accountability is mainly linked with non-financial business values like reputation, social impact, and sustainability.

Table 1: Advantages of corporate accountability (Source: Yohanna. 2020)

Advantages of corporate accountability					
Economy		Performance		Social	
Developing innovation	Creating new models	Upgraded quality	Efficiency in public service	Improved transparency	Improved participation



As per Sani et al., (2021) business sustainability is not only dependent on the profit margin or the expansion market size for the stakeholders but is more responsible for the ongoing performances of the corporate (Kumar 2022). Kumar (2022) stated that at the time standard and clear accountability will build up the chances of responsible activity will come out from the organization. It is hard to survey absolutely the immediate effect of administrative changes on globalization patterns (and on cross-fringe streams specifically). There have been numerous natty gritty examinations, however these to a great extent concentrate on the general effect after the progressions are completely basically, as opposed to endeavouring to evaluate the time way of the effect. In addition, a large portion of the changes are staged step by step, with the full execution just in quite a long while (e.g. under Basel 3 banks have until 2019 to meet new gauges and a considerable lot of the subtle elements are still being worked out). The report offers a discourse on the worldwide administrative change plan and its suggestions for budgetary globalization.

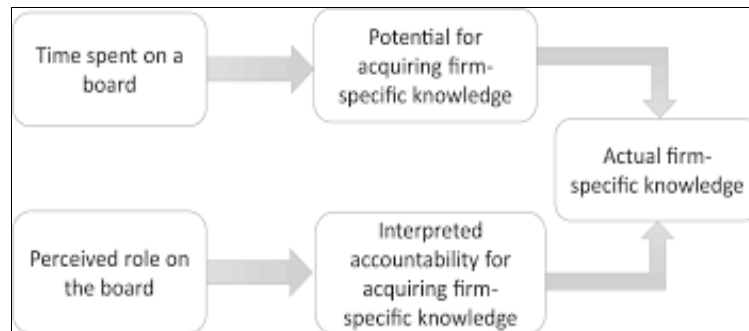


Figure 1: Flowchart of the process

(Source: Graamenga 2018, p.215)

It provides the scope of guiding employees' activity within the sector and from which controlling and ethical nature formation for the sector became well established (Harun 2021). It depends on the integration and practices that have been up taken by the sector (Kumar 2022). Sometimes the issue of falling collaboration and communication has been noticed because of the ethical balance and obligation attitude that is not formed at suitability. Buhman, Pabmann, and Fieseler (2020) stated that the development of internal relationships within the members has been detected from which the scope of lacking collaboration can be removed. A well-defined scope before taking a customer relationship at hands is always very helpful (Kumar, S., 2022),

3. Identification of the Need of Accountability in Corporate Organization

Accountability is the bridge of linking the employees together in terms of balancing organization performances as a result the attitude of positivity has been developed. As per Lopez-rodriguez (2018) positivity is the standard that is stand up by the vision and ethics has been used for performing the organizational activity.

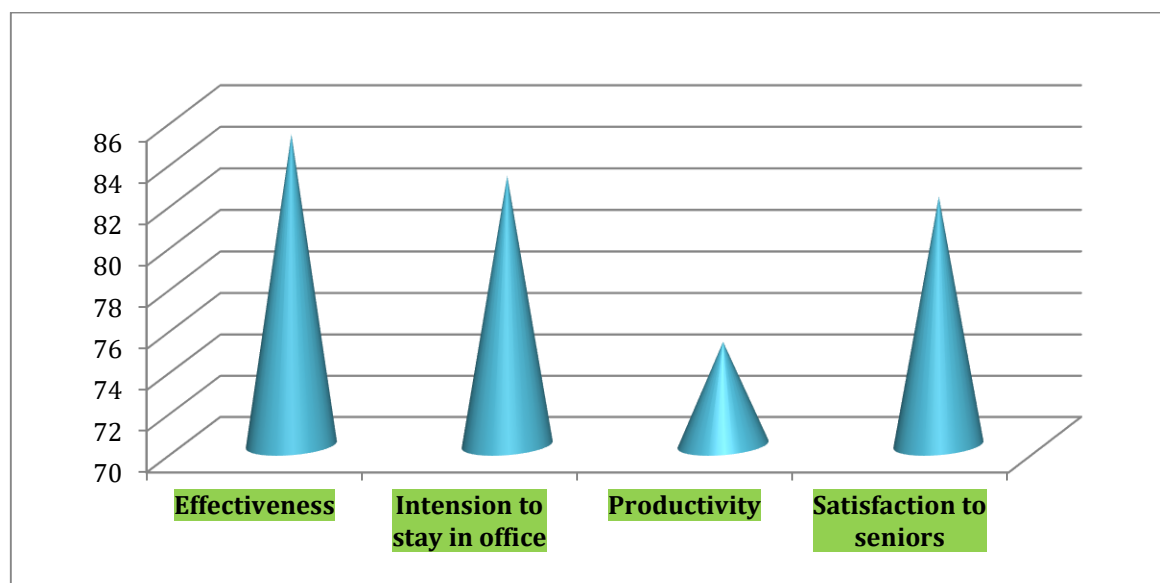


Figure 2: Outcomes of Employees with high clarity in percentage

(Source: Lopez-rodriguez, 2018, p.215)

Accountability provides the scope of bringing it for the organization. It is the platform where the expectations of employees and organizations both get their way (Walby, Lippert & Luscombe 2020). Two valuable assets like time and efforts both have been secured with the operations of accountability (Nayak et al., 2022). Sometimes volatile performances make the barriers for time and effort suitable for the corporate sector. In any case, it appears to be likely that administrative changes have as of now substantially affected both conduct and business models. Specifically, banks have been underweighting from business sectors to move rapidly to raise their capital amplexness and meet other new administrative prerequisites well ahead of time of formal due dates.

Table2: various aspects in accountability mindset (Source: Nayak et al., 2022)

<i>Percentage of various aspects in accountability mindset</i>			
<i>Role clarity</i>	<i>Purpose</i>	<i>Behaviour</i>	<i>Ownership</i>
<i>25</i>	<i>45</i>	<i>20</i>	<i>10</i>

This procedure appears to have gone quickest in the U.S., where banks have expected to adjust to expansive changes that in a few cases go past the multilateral motivation, as required by Dodd-Frank enactment, and have balanced their business models in like manner. In the meantime, U.S. banks have too possessed the capacity to raise capital and re-establish productivity, and bank loaning conditions have been great, especially concerning the Euro Area, since 2012. This recommends in total, the degree of deleveraging as of late has been expected more to a loosening up of pre-emergency overabundances and the powerless worldwide economy, instead of the long-haul administrative change motivation. By the by, and as talked about in Section 4, certain sorts of action, for example, the arrangement of long-haul credit and the expansion of cross-outskirt streams do appear to have been influenced by more stringent administrative prerequisites.

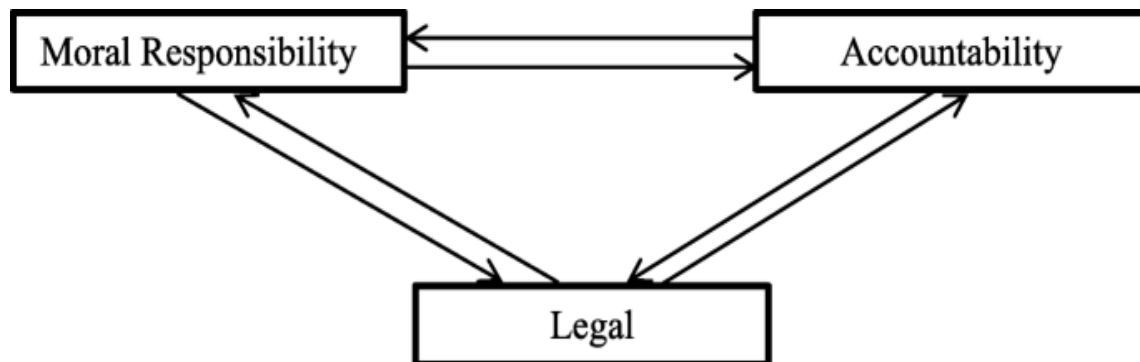


Figure 3: Relationship among process

(Source: Graamenga 2018, p.13)

In the process of handling accountability managers are the responsible and advantages taking responsible for the corporate sector. Graamenga (2018) mentioned that with suitable and transparent accountability they can extend the strength of the organization's performances and improve the skill and performances of the organization's employees. Valuation for the organization's performances has been developed with the appropriate accountability integration (Ekakitie-emonena 2020). Reduction of the decision-making errors for a suitable time and efforts distribution can be developed. Error minimization can be achieved using the analysis and interpretation of data effectively (Roland et, al., 2021).

4. Discussion over the Advantages and Disadvantages of Corporate Accountability

Advantages:

Passi and Jackson (2018) stated that with the advantages of accountability, corporate sectors get the scope of making their performance outcome accurate and beneficial. Standard time and efforts make the potential scope of gaining advantages from accountability (Ofuani, Sulaimon & Adebisi 2018). Performance improvement is developed only when the collaboration of used elements and the responsibility of the members become clear. With the standard of transparency, the scope of improvement of the performances has been developed. Hlaing (2019) stated that the scope of considering weaknesses and strengths within the organization's performances has been formed with suitable accountability.

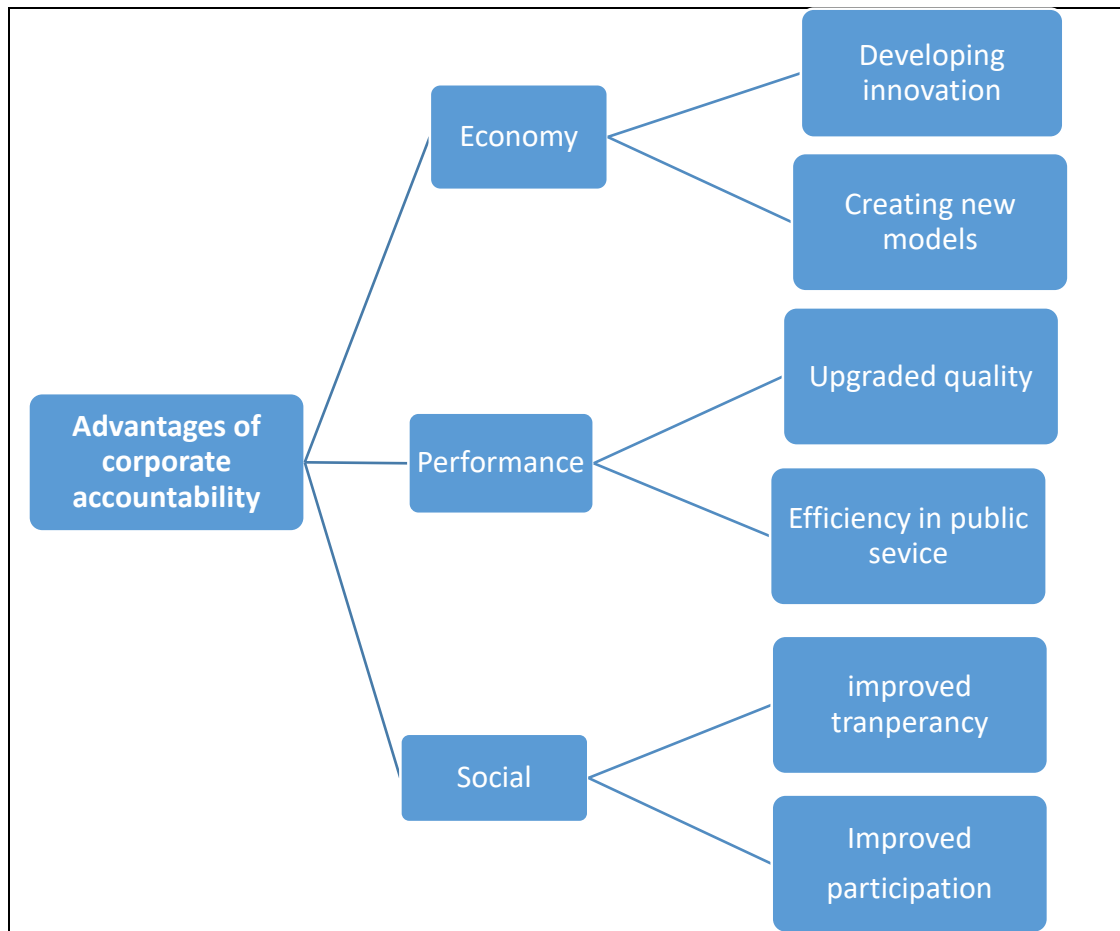


Figure 4: Flowchart of the advantages of corporate accountability

(Source: .Hlaing 2019)

Sharing value has been developed for the employees that make the collaborating development within the corporate sector. The information which is gathered from the literature explains that different economies are based on Industrial sectors. The main point of risk-sharing services remains limited in the context of events. There are potential gains that are not exploited in the same areas. Therefore, there is a future consideration on the specific part. The studies from a few articles in the literature by Sorensen et al 2007 show that the chances of risk are increased in terms of the recent wave of globalization. There is a group that has been limited in terms of different types of industrial economies. One of the important factor of accountability comes from the approach towards business leadership (Monteiro et al., 2022).

There has been a significant change observed in the subject of financial integration and its relation to direct investment. This is a vision that has been related to financial globalization. The world has experienced a significant increase in foreign investment and this history goes back to the time of 1960. The countries have sped up their economies and the ratio in the financial levels has been raised because financial integration has raised the factor of direct investment from different foreign countries. Now the effect of the whole system was that their financial services got a bloom of 40 % in the residing years. Internet has been the key driver to the growth story (Sehgal et al., 2022).

Disadvantages:

Existing disadvantages of accountability have been noticed in time taking decision-making process and the probability of team conflict. Teamwork is the process in which time-taking activity has been performed because for the decision-making process everyone gets the chance of moving their perspective (Mohammed, Hassan & Bala 2020). As a result, judging and choosing the right one becomes difficult for the corporate. Lack of communication can make accountability disadvantageous for the corporate sector. The main side of policies was related to the economics of changes in solid growth stages where the rising inflation levels have changed the concept of economies of countries. The export level and growth expertise will be present in the competitiveness of the tightened flows, and this helps to change the experience of the economic areas. The economies have been affected with the help of the policies. This provides a slow death for the sluggish persons and the recoveries are important for the United States to have provided a change in globalization.

The flow of cash includes the sides of the emerging economies where the inwards areas are strongly regulated. The number of advanced areas has been reported in the capital flows period and provides a change in the global appetite for the risk-sharing areas. The relative effects of financial globalization have proved a stand for economic activity. The main site for the integration and impacts of globalization has produced changes in the financial sector. The economies have been studied with the help of a change in measures which have provided to the economic situation of the developing countries. The main side depends upon the rich and poor economies whereas the side of the economies of the developing country has been listed with the cross-sectional variation for the country.

5. Identification of the Considering Elements of Corporate Accountability

Different driving factors bring accountability well developed for the corporate sector. As per Osho and Avorinde (2018) recognizing responsibility is very essential from which they can plan the progress for the organization. Feedback is the vital part of knowing the growth efficiency of accountability within the corporate (Martin, Connolly & Wall 2018). Time for measuring the growth and efficiency needs to be integrated for making the accountability well fitted for the organization (Almahirah et al., 2021). In the process of accountability individual responsibility for the plan is very essential for making the outcome beneficial for the corporate.

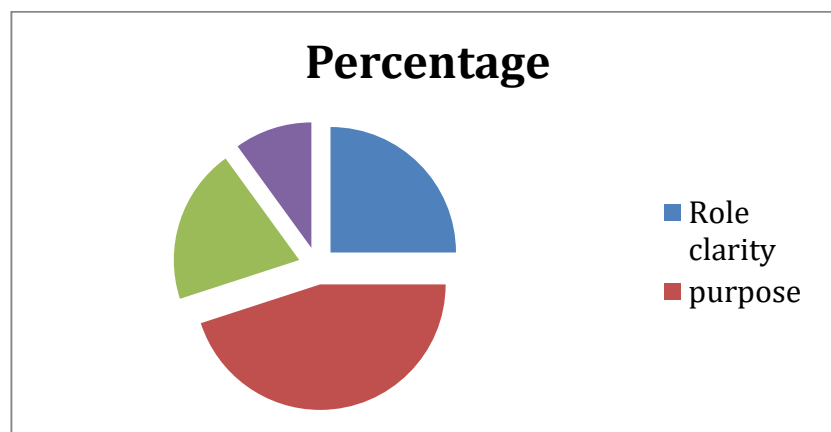


Figure 5: various aspects in accountability mindset

(Source: Almahirah et al., 2021)

Fiduciary Responsibility and accountability is the fundamental theory of business ethics (Sumit Kumar and Pankaj Kumar Baag, 2021a, 2021b). In addition, as clarified in more profundity, there are worries that irregularities in the use of new universal rules and 'ring-fencing' by national wards could suggest more monetary discontinuity that would be a delay monetary globalization. An ongoing push toward all the more ring-fencing of capital in nearby entities' was referred to in a current E&Y/IIF study, in which over 80% of respondents revealed a 'increased concentrate on overseeing capital crosswise over elements and geographies. Accountability and responsibility towards make business more sustainable (Kumar, S., Baag, P.K. and Shaji, K.V., 2021).

There is a change in the experience for the profitability factor.

Table 3: Outcomes of Employees with high clarity (Source: Kumar, S., Baag, P.K. and Shaji, K.V., 2021)

Outcomes of Employees with high clarity in percentage	
Effectiveness	85
Intension to stay in office	83
Productivity	75
Satisfaction to seniors	82

Central confirmations about the change positive states of cash-related breaker owe much to the way that impacting business to zone economies have, as a social affair, experienced far higher joined progress since 1970 than other making countries or even mechanical countries (Figure 2). Banishing China and India from the vivacious review of having markets impacts the execution of this get-together to look less surprising, paying little character to how it is so unmistakably superior to that of the get-together of other making countries.

6. Conclusion

From the above article, it has been concluded that heightening clarity and accountability both are essential for making the growth prominent and the performance well improving. As per Halake (2018) in the process of integrating accountability, knowing the value of it for the organization and the considering factors for development need to be known. Advantages of teamwork and sharing value creation from accountability and disadvantages of time-taking activity have been noticed (Oriakhi, Agbata & Okonewa 2019). From the above discussion need, importance and the considering key areas have been developed and clear.

References

- Almahirah, M. S., S. V. N., Jahan, M., Sharma, S., & Kumar, S. (2021). Role Of Market Microstructure In Maintaining Economic Development. *Empirical Economics Letters*, Vol.20, No.2, Pp. 01-14
- Buhmann, A., Paßmann, J., & Fieseler, C. (2020). Managing Algorithmic Accountability: Balancing Reputational Concerns, Engagement Strategies, And The Potential Of Rational Discourse. *Journal Of Business Ethics*, 163(2), 265-280.
- Ekakitie-Emonena, S. (2020). Accountability, Transparency & Nation Building: The Antitheses Of Corporate Theft & Regulatory Agency Graft. *Nigerian Academy Of Management Journal*, 15(1), 98-114.
- Gramegna, A. (2018). Data-Gathering, Governance, And Algorithms: How Accountable And Transparent Practices Can Mitigate Algorithmic Threats.
- HALAKE, A. M. (2018). Influence Of Corporate Governance On Budget Utilization Of County Government In Kenya; The Case Of Isiolo County Government.
- Harun, M. S. (2021). The Downward Vs Upward Accountability Practices: A Study Of Malaysian-Palestine Non-Government Organizations (Ngos).
- Hermans, M. F. (2020). Global Mobility Is Increasingly Becoming A Key Employee Value Proposition For Global Organizations To Assist With The Attraction Of New Talent And The Retention Of Existing Talent. *University Rotterdam*.
- Hlaing, K. E. E. (2019). *Effect Of Corporate Governance Practices On Financial Performance Of Proximity Designs Social ENTERPRISE* (Doctoral Dissertation, Yangon University Of Economics).
- Kumar, S. (2020). *Relevance Of Buddhist Philosophy In Modern Management Theory*. *Psychology And Education*, Vol. 58, No.2, Pp. 2104–2111.
- Kumar, S. (2022). A Quest For Sustainium (Sustainability Premium): Review Of Sustainable Bonds. *Academy Of Accounting And Financial Studies Journal*, Vol. 26, No.2, Pp. 1-18.

- Kumar, S. (2022). Effective Hedging Strategy For Us Treasury Bond Portfolio Using Principal Component Analysis. *Academy Of Accounting And Financial Studies Journal*, Vol. 26, No.2, Pp. 1-17.
- Kumar, S. (2022). Risk Rationalization Of OTC Derivatives In SOFR (Secured Overnight Funding Rate) Transition: Evidence From Linear Interest Rate Derivatives. *Academy Of Accounting And Financial Studies Journal*, 26(3), 1-22.
- Kumar, S., Baag, P.K. and Shaji, K.V. (2021). *Impact of ESG Integration on Equity Performance between Developed and Developing Economy: Evidence from S and P 500 and NIFTY 50*. Vol. 20. *Empirical Economics Letters*, no. 4, pp. 01-16.
- Kumar, S. (2022), Scope confirmation exercise (SCE): A pre-project exercise to ensure a successful capital market fintech project, *Journal of Management Information and Decision Sciences*, vol. 25, no. 3, pp. 1-17, 2022.
- López-Rodríguez, L. M. (2018). Nonprofit Organization Accountability: Compliance With Governments, Foundations, And Corporate Funder Requirements. *Journal Of The Grant Professionals Association*, 16(1), 44-58.
- Martin, G., Connolly, C., & Wall, T. (2018). Enhancing NDPB Accountability: Improving Relationships With Upward And Downward Stakeholders. *Public Management Review*, 20(9), 1309-1331.
- Martins, A., Gomes, D., & Branco, M. C. (2020). Managing Corporate Social And Environmental Disclosure: An Accountability Vs. Impression Management Framework. *Sustainability*, 13(1), 296.
- Mohammed, S. D., Hassan, A., & Bala, A. J. (2020). The Determinants Of Corporate Social And Environmental Disclosure In The Nigerian Oil And Gas Industry: An Empirical Investigation. *International Journal Of Auditing And Accounting Studies*, 2(2), 129-153.
- Monteiro, S, S, Kumar, S, Manjre, R, Agrawal and Tiwari, N (2022), ANALYSIS OF THE PSYCHOGRAPHIC CHARACTER OF A LEADER FOR DETERMINING LEADERSHIP EFFECTIVENESS, *Manager-The British Journal of Administrative Management*, Vol.58, No. 146
- Nayak, N. R., Kumar, S., Gupta, D., Suri, A., Naved, M., And Soni, M. (2022). Network Mining Techniques To Analyze The Risk Of The Occupational Accident Via Bayesian Network. *International Journal Of System Assurance Engineering And Management*. Vol.1, No.1, Pp. 01-09.
- Ofuani, A. B., Sulaimon, A. H. A., & Adebisi, S. A. (2018). Corporate Governance Practices: A Comparative Study Of Selected Public Corporations In Nigeria. *Academic Journal Of Economic Studies*, 4(1), 192-202.
- Oriakhi, S., Agbata, A. E. A., & Okonewa, O. (2019). Impact Of Corporate Governance On Audit Quality Of Quoted Firms In Nigeria. *Journal Of Global Accounting Department Of Accountancy*, 6(3).
- Osho, A. E., & Ayorinde, F. M. (2018). The General Tenets Of Positive Accounting Theory Towards Accounting Practice And Disclosure In Corporate Organizations In Nigeria. *Journal Of Economics And Sustainable Development ISSN*, 2222-1700.
- Passi, S., & Jackson, S. J. (2018). Trust In Data Science: Collaboration, Translation, And Accountability In Corporate Data Science Projects. *Proceedings Of The ACM On Human-Computer Interaction*, 2(CSCW), 1-28.
- Roland, G., Kumaraperumal, S., Kumar, S., Gupta, A. das, Afzal, S. and Suryakumar, M. (2021). PCA (Principal Component Analysis) Approach towards Identifying the Factors Determining the Medication Behavior of Indian Patients: An Empirical Study. *Tobacco Regulatory Science*, Vol. 7, no. 6-1, pp 7391-7401
- Sani, M. D., Yusra, M. M., Ruqayya, I. T., Bashir, S. A., Adam, A. D., Sallau, M. M., & Gimba, Y. A. (2021). Corporate Tax Burden And Social And Environmental Accountability: Evidence From Listed Nigerian Oil And Gas Companies. *FUDMA JOURNAL OF MANAGEMENT SCIENCES*, 3(1), 95-106.
- Sehgal, Kumar.B, Sharma.M, Salameh A.A, Kumar.S, Asha.P (2022), Role of IoT In Transformation Of Marketing: A Quantitative Study Of Opportunities and Challenges, *Webology*, Vol. 18, no.3, pp 1-11
- Sumit Kumar and Pankaj Kumar Baag. (2021a), Ethics Erosion in Capital Market: Lehman Brothers' Case Study of Repo 105," in *AIMS-18*, March 4, 2021, India, *AIMS Texas USA*, [A1872-Final.pdf \(aims-international.org\)](#)

Sumit Kumar and Pankaj Kumar Baag. (2021b), Erosion of Ethics in Credit Derivatives: A Case Study, in AIMS-18, March 4, 2021, India, AIMS India & Texas USA, [A1873-Final.pdf \(aims-international.org\)](#)

Vullingshs, J. T., De Hoogh, A. H., Den Hartog, D. N., & Boon, C. (2020). Ethical And Passive Leadership And Their Joint Relationships With Burnout Via Role Clarity And Role Overload. *Journal Of Business Ethics*, 165(4), 719-733.

Walby, K., Lippert, R. K., & Luscombe, A. (2020). Police Foundation Governance And Accountability: Corporate Interlocks And Private, Nonprofit Influence On Public Police. *Criminology & Criminal Justice*, 20(2), 131-149.

YOHANNA, L. F. (2020). Impact Of Auditor Independence On Accountability And Transparency In Corporate Organizations In Nigeria.