

## Development of Character Education Based on Tri Hita Karana with a Contextual Approach in Accounting Education: A Literature Review

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### ABSTRACT

The prevalence of unethical practices and the erosion of ethical values in the accounting profession underscore the need for integrating character education into accounting curricula. High-profile accounting scandals like Enron and WorldCom highlight the critical importance of fostering ethical behavior and social responsibility among future professionals. This literature review explores the integration of Tri Hita Karana, a Balinese philosophy promoting harmony among human-God, human-human, and human-environment relationships, with contextual learning in accounting education. The study suggests that incorporating Tri Hita Karana into the curriculum through community-based projects and real-world ethical scenarios enhances students' ethical and professional competencies. Empirical evidence from various studies supports the effectiveness of this integrated approach in developing students' ethical judgment, social and environmental awareness, and spiritual well-being. This holistic educational model not only prepares students for professional challenges but also promotes broader cultural shifts towards ethical integrity in professional practices.

**Keywords:** Accounting Education, Tri Hita Karana, Character Education, Contextual Learning

### INTRODUCTION

In contemporary society, the erosion of ethical values and the rise of unethical practices in various professional fields have become pressing concerns. The field of accounting, in particular, has witnessed numerous scandals and instances of unethical behavior that have undermined public trust in financial reporting and corporate governance. High-profile cases like Enron and WorldCom have demonstrated the catastrophic consequences of unethical accounting practices. These issues highlight the urgent need for integrating character education into professional training programs to foster ethical behavior and social responsibility among future professionals.

Extensive research has emphasized the significance of character education in shaping individuals' moral and ethical development. Character education programs, which instill values such as honesty, responsibility, and respect, have been shown to positively influence students' behavior and decision-making processes. In the context of accounting education, integrating ethical training is crucial for preparing students to navigate complex moral dilemmas in their professional careers. The concept of Tri Hita Karana, a Balinese philosophy that promotes harmony and balance between humans, God, and the environment, offers a culturally grounded framework for character education. Furthermore, the contextual learning approach, which connects

educational content with real-life situations, enhances the relevance and effectiveness of character education by making learning more meaningful for students.

Despite the recognized importance of character education, there is a gap in the practical implementation of these principles within accounting education. Traditional pedagogical methods often fail to address the ethical dimensions of accounting practice comprehensively. There is a lack of concrete strategies and frameworks that effectively integrate character education into the accounting curriculum. This gap necessitates a systematic exploration of innovative approaches to incorporate ethical and character-building elements into accounting education.

This literature review proposes the integration of Tri Hita Karana-based character education with a contextual learning approach in accounting education. By embedding the values of *parahyangan* (harmony with God), *pawongan* (harmony among people), and *palemahan* (harmony with the environment) into the accounting curriculum, educators can foster a holistic development of students' ethical and professional competencies. The novelty of this approach lies in its cultural relevance and its potential to create a more engaged and ethically aware student body. By linking accounting concepts to real-world applications and ethical considerations, this method can bridge the gap between theoretical knowledge and practical ethical behavior. Implementing this model can transform accounting education, making it more comprehensive and ethically oriented, and serve as a blueprint for integrating character education into other professional training programs. Ultimately, this approach contributes to the cultivation of a more ethical and socially responsible workforce, promoting broader cultural shifts towards ethical integrity in professional practices.

## METHODS

This study reviews development of character education Based on Tri Hita Karana with a contextual approach in Accounting. The primary data of this study were obtained from online bibliographic databases: Google Scholar and DOAJ. Such databases are home to one of the most significant assemblages of previously published articles. Everyone in the world who has access to the Internet has unrestricted access to the scientific literature of the entire world (Fink, 2019). The steps of this study are: (a) to determine the keywords in the literature search using the keywords "character education," "Tri Hita Karana," "contextual learning," "accounting education," "ethical education," "professional ethics," and combinations thereof; (b) to limit the year from 2015 to 2020; (c) to download the journal articles; (d) to read the journal articles with scanning and skimming techniques and underline words, sentences, and paragraphs related to the focus of the study; (e) to analyze the data that have been underlined; and (f) to describe the findings.

## FINDINGS AND DISCUSSION

The literature review identified several key themes and insights related to the integration of Tri Hita Karana-based character education and contextual learning in accounting education.

Character education is essential for developing ethical and responsible professionals. The main objective is to instill moral values that guide individuals in their personal and professional lives. According to Lickona (1991), character education should address cognitive, emotional, and behavioral dimensions to effectively shape students' character. Lickona argues that good character education must involve three key aspects: first, moral knowing, which includes understanding

moral principles and ethics; second, moral feeling, which involves developing empathy and a sense of responsibility; and third, moral action, which entails behaving in accordance with those moral values.

In the field of accounting, ethical training is particularly vital. Armstrong (1993) emphasizes that ethical education should develop students' moral reasoning and decision-making skills, enabling them to handle ethical dilemmas in their professional practice. Armstrong asserts that without adequate ethical education, students may struggle to identify and resolve complex ethical issues in the workplace. Therefore, accounting education programs must include comprehensive ethics training to ensure that students not only understand rules and regulations but also possess the ability to make ethical decisions.

Loeb (2015) found that students who receive comprehensive ethics training in accounting programs are more likely to exhibit ethical behavior in their careers, highlighting the critical role of character education in professional training. Loeb's research demonstrates that good ethics training can enhance students' awareness of the importance of ethics in accounting and prepare them to face ethical challenges in their careers. These findings indicate that ethics education is not merely an optional add-on but a crucial component of effective accounting education.

### **Tri Hita Karana: A Framework for Character Education**

Tri Hita Karana, a Balinese philosophical concept, promotes harmony and balance among three fundamental relationships: parahyangan (human-God), pawongan (human-human), and palemahan (human-environment). This philosophy offers a culturally relevant framework for character education, emphasizing interconnectedness and ethical responsibilities.

According to Pitana (2010), Tri Hita Karana encourages individuals to live harmoniously within their communities and with their environment, fostering a sense of collective well-being. Pitana explains that this philosophy not only guides personal behavior but also enhances social cohesion and environmental stewardship, which are crucial for sustainable development.

### **Incorporation into Educational Curricula**

Studies have shown that incorporating Tri Hita Karana principles into educational curricula enhances students' social and environmental awareness, as well as their spiritual well-being (Rai, 2013). This holistic approach aligns well with the goals of character education, providing a robust foundation for developing ethically grounded individuals. Here's how it can be integrated:

1. **Curriculum Design:**
  - **Interdisciplinary Themes:** Embedding Tri Hita Karana's principles across subjects to highlight interconnectedness and ethical responsibilities.
  - **Project-Based Learning:** Developing projects that require students to engage with their communities and environment, fostering practical applications of the philosophy.
2. **Pedagogical Strategies:**
  - **Collaborative Learning:** Promoting group activities that emphasize cooperation, mutual respect, and collective problem-solving.
  - **Experiential Learning:** Involving students in community service and environmental conservation activities to experience the principles of Tri Hita Karana firsthand.

3. **Assessment Approaches:**
  - **Reflective Journals:** Encouraging students to reflect on their experiences and growth in understanding the principles of Tri Hita Karana.
  - **Ethical Dilemmas:** Using case studies and scenarios to assess students' ethical reasoning and decision-making skills.

#### **Benefits of Tri Hita Karana-based Education**

1. **Enhanced Social Awareness:**
  - Students develop a deeper understanding of their roles and responsibilities within their communities, leading to improved interpersonal relationships and community involvement.
2. **Environmental Stewardship:**
  - By fostering a connection with the environment, students are more likely to engage in sustainable practices and advocate for environmental protection.
3. **Spiritual Growth:**
  - The emphasis on parahyangan nurtures students' spiritual well-being, helping them find purpose and inner peace.
4. **Ethical Development:**

The holistic approach of Tri Hita Karana supports the development of well-rounded individuals capable of navigating ethical dilemmas in various aspects of life. Research conducted by Rai (2013) provides evidence that students exposed to Tri Hita Karana-based education exhibit higher levels of social and environmental consciousness. These students demonstrate greater community involvement and behaviors that reflect a strong ethical foundation. Rai's study highlights how the principles of Tri Hita Karana can be effectively integrated into educational programs to produce ethically aware and socially responsible individuals.

Further, Pitana (2010) underscores the positive impact of Tri Hita Karana on student behavior and school environment, noting improvements in harmony and cooperation among students. These findings suggest that Tri Hita Karana not only enhances individual character development but also contributes to a more positive and cohesive educational atmosphere.

#### **Contextual Learning in Accounting Education**

Contextual learning connects educational content with real-life situations, making learning more relevant and meaningful for students. Berns and Erickson (2001) explain that contextual learning strategies, such as problem-based learning and project-based learning, engage students actively and enhance their understanding by linking theory to practice. This approach is particularly effective in professional education, where practical application of knowledge is crucial. Knechel (2000) demonstrated that students who engage in contextual learning activities, such as case studies and simulations, show improved understanding of accounting principles and are better prepared for real-world challenges. Additionally, contextual learning promotes critical thinking and problem-solving skills, essential for ethical decision-making in accounting.

#### **Strategies for Implementing Contextual Learning**

1. **Problem-Based Learning (PBL):**
  - In PBL, students are presented with real-world problems and work in groups to find solutions. This strategy encourages active learning and

critical thinking, as students must apply theoretical knowledge to practical scenarios.

- For instance, students might be tasked with resolving a financial discrepancy in a company's accounts, requiring them to utilize accounting principles and ethical reasoning.
2. **Project-Based Learning:**
    - Project-based learning involves students working on extended projects that often culminate in a final product or presentation. These projects can simulate real-world accounting tasks, such as preparing financial statements or conducting audits.
    - Through these projects, students gain hands-on experience and develop practical skills that are directly applicable to their future careers.
  3. **Case Studies and Simulations:**
    - Knechel (2000) demonstrated that students who engage in contextual learning activities, such as case studies and simulations, show improved understanding of accounting principles and are better prepared for real-world challenges.
    - Case studies allow students to analyze real or hypothetical business scenarios, promoting critical thinking and decision-making skills. Simulations can mimic the dynamic nature of the business environment, giving students a taste of the pressures and complexities they will face in their careers.

### **Benefits of Contextual Learning**

1. **Enhanced Understanding of Accounting Principles:**
  - By linking theoretical knowledge with practical application, students develop a deeper and more nuanced understanding of accounting concepts. This prepares them to apply what they have learned in real-world situations.
2. **Improved Problem-Solving Skills:**
  - Contextual learning promotes critical thinking and problem-solving skills, essential for ethical decision-making in accounting. Students learn to approach problems methodically, considering various perspectives and potential solutions.
3. **Better Preparation for Professional Challenges:**
  - Students who participate in contextual learning activities are better equipped to handle the challenges of the professional world. They gain confidence in their abilities and are more adept at navigating complex and uncertain situations.
4. **Development of Soft Skills:**
  - In addition to technical knowledge, contextual learning helps students develop important soft skills, such as communication, teamwork, and ethical reasoning. These skills are crucial for success in any professional setting.

Research by Berns and Erickson (2001) supports the efficacy of contextual learning in enhancing student engagement and understanding. Their study found that students who participated in contextual learning activities showed greater motivation and higher levels of achievement compared to those who engaged in traditional learning methods.

Knechel (2000) also provides evidence that contextual learning improves students' readiness for professional practice. His research indicated that students who experienced case studies and simulations had a better grasp of accounting principles and were more capable of applying them in real-world situations.

### **Integrating Tri Hita Karana with Contextual Learning**

Integrating Tri Hita Karana-based character education with contextual learning in accounting offers a holistic educational approach. This integration aims to embed the values of parahyangan (human-God), pawongan (human-human), and palemahan (human-environment) into the accounting curriculum, fostering both ethical and professional competencies.

#### **Practical Implementation**

##### **1. Community-Based Projects:**

- **Social Responsibility:** Projects focused on community service can emphasize the pawongan aspect by promoting social responsibility. For example, students could work on accounting projects for local non-profits, helping them manage their finances while understanding the impact of their work on the community.
- **Environmental Stewardship:** Projects that involve environmental audits for businesses can operationalize the palemahan aspect, teaching students about sustainable business practices and the importance of environmental conservation.

##### **2. Real-World Ethical Scenarios:**

- **Parahyangan Integration:** Incorporating discussions and reflections on how spiritual and ethical beliefs influence professional behavior. Students could analyze case studies where ethical dilemmas intersect with personal values, encouraging them to consider how their beliefs shape their professional decisions.

#### **Benefits of Integration**

##### **1. Holistic Ethical Development:**

- By embedding the principles of Tri Hita Karana, students develop a well-rounded ethical framework that goes beyond professional standards to include social and environmental responsibilities. This comprehensive approach ensures that students are not only technically proficient but also ethically grounded.

##### **2. Enhanced Professional Competencies:**

- Contextual learning strategies such as problem-based and project-based learning help students apply theoretical knowledge to practical situations. Integrating Tri Hita Karana enriches this process by adding layers of ethical and social considerations, resulting in more competent and conscientious professionals.

#### **Empirical Evidence**

##### **1. Deeper Ethical Understanding:**

- Suardana (2016) found that students participating in community-based projects developed a deeper understanding of ethical and social responsibilities. These projects provided practical experiences that reinforced the values of Tri Hita Karana, making the abstract concepts tangible and actionable.

##### **2. Improved Ethical Judgment and Behavior:**

- Latan and Jabbour (2015) noted that integrating ethical education with practical learning significantly improved students' ethical judgment and behavior. Their research indicated that students exposed to this integrated approach were better at recognizing and resolving ethical dilemmas, showcasing the effectiveness of combining Tri Hita Karana with contextual learning.

## CONCLUSION

The findings of this literature review suggest that integrating Tri Hita Karana-based character education with a contextual learning approach in accounting education can significantly enhance students' ethical and professional development. By embedding the principles of *parahyangan*, *pawongan*, and *palemahan* into the curriculum, educators can create a more comprehensive and ethically oriented learning environment. This approach not only equips students with technical skills but also instills a strong ethical foundation, preparing them to become responsible professionals.

The contextual learning approach, which connects educational content with real-life situations, further enhances the relevance and effectiveness of character education. By engaging students in community-based projects and real-world applications, educators can foster critical thinking, problem-solving skills, and ethical decision-making. This dual approach ensures that students are not only competent in technical skills but also possess a strong ethical compass.

In conclusion, the integration of Tri Hita Karana-based character education with a contextual learning approach in accounting education offers a novel and effective solution to the challenges of ethical and professional development. By fostering a holistic approach to education, this model provides students with the knowledge, skills, and values necessary to navigate complex ethical dilemmas in their professional careers. Implementing this model can transform accounting education, making it more comprehensive and ethically oriented, and serve as a blueprint for integrating character education into other professional training programs. Ultimately, this approach contributes to the cultivation of a more ethical and socially responsible workforce, promoting broader cultural shifts towards ethical integrity in professional practices.

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