Whistleblowing, Love Of Money, Machiavellian In Accounting Mentallity Perspective Towards Fraud Tendencies

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Article Info	Abstract
	This study aims to determine the effect of whistleblowing, love of money, machiavellian for mental accounting perspective on the tendency accounting fraud. This type of research is quantitative. The data collection method used in this study refers to primary data sources in the form of questionnaires. The results showed that whistleblowing has significant effect on the tendency of fraud accounting at 0,001 < 0,05. The love of money and Machiavellian have no significant effect on the tendency of fraud accounting. The love of money has 0,537 > 0,5. The Machiavellian has 0,541 > 0,05.

INTRODUCTION

Fraud is an illegal practice that is very detrimental to many people. Fraud can be act by anyone and anywhere, and can occur in many sectors. Therefore, it is necessary to prevent fraud so that fraud does not occur frequently and detrimental to companies. Factors that affecting fraud must be found so that it can be prevented.

ICW (Indonesia Corruption Watch) said that corruption in the first semester of 2021 amounted to 209 cases and named 282 suspects, causing losses to the state of IDR 26,830 trillion. This data shows that there is a large amount of fraud in Indonesia and causes huge losses to the country. These losses should be used for the welfare of Indonesian society, not for personal use.

Finding factors that can not decrease state losses. There are still many corruption cases occurring in Indonesia. Corruption is a form of fraud that is very detrimental. Nwakeze et all (2023) concluded that a whistleblowing system can provide prevention against accounting fraud. If this system is developed well, fraud can be prevented. Ayunda & Nayang (2022) found that people who have Machiavellian traits have a tendency to do fraud while they love money. Ningsih et all (2022) research found that the positive influence of love of money and Machiavellianism give tendency to do fraud.

The problem that will be examined in this research is the influence of whistleblowing, love of money, Machiavellian from a mental accounting perspective on tendency of fraud. These things are concepts that allow for indicators that influence the occurrence of fraud. The behavior of people who have a high love of money can lead to fraud in order to get what they want inappropriately. The existence of whistleblowing can reduce fraud because there is adequate reporting of fraud. Machivellian is the act of manipulating in order to obtain the desired things. These things will be associated with mental accounting which has the idea of separating every accounting decision.

The mental accounting perspective is a theory that individuals tend to separate and group their money or assets into different mental "accounts" (Thaler, 1985). Mental separation in accounting can influence individual perceptions of the risks and benefits of committing fraud. Individuals who mentally separate financial accounts may be more likely to engage in fraud accounting if they perceive low risks and high returns (Zhang et al, 2014).

Whistleblowing as a violation reporting mechanism can help in preventing and detecting accounting fraud by providing a channel to report fraud that occurs within the company. Research by Lembke (2017), Jayanti (2019), Dandekar (2018) explain that whistleblowing involves the act of disclosing accounting violations, will have a positive influence on preventing Accounting Fraud.

Love of Money as an individual trait that places great importance on

money, can influence an individual's tendency to get involved in accounting fraud in order to gain greater financial profits. Research by Yim (2022) and Chen (2021) found that the love of money has a positive impact on accounting fraud tendency.

Machiavellian describes the nature of individuals who are manipulative and cunning and can also influence an individual's tendency to engage in accounting fraud according to research by Lassk (2016). Nelson (2015) found that Machiavellian traits are closely related to unethical action and more likely to accounting fraud.

The purpose of this research is to determine the influence of whistleblowing, love of money, Machiavellian from a mental accounting perspective on fraud that occurs. Individuals tend to make irrational decisions in managing their money due to mental division into separate "accounts", such as "vacation money" or "entertainment money" this can open up opportunities for accounting manipulation or ignoring applicable regulations (Thaler, 1985). The results of this research are expected to provide an overview of things that support the possibility of fraud so that appropriate steps can be taken to prevent it. detrimental fraud.

METHODS

This study uses a quantitative research. This approach is used to see the influence between whistleblowing, love of money, Machiavellian. The use of a quantitative is based on the data collection process by first determining the variables, as basic concepts that will be connected to existing theory. This research is based on mental accounting theory, namely about the thoughts used in determining accounting decisions. In this study the research focus is:

1. The data is primary data, using a modified questionnaire to measure each variable.

2. Whistleblowing, love of money, Machiavellian indicators from a mental accounting perspective are indicators that can effectively describe the causes of accounting fraud.

Population is the entire data source that may be obtained through the results of quantitative or qualitative calculations and measurements (Sugiyono 2017). In this research, the population is employees of the Republic of Indonesia

Financial Audit Agency.

The sample is part of the number and characteristics of the population (Sugiyono 2017). The sample in this research are employees of the ministry of finance who have direct links to perpetrators of corruption.

The type of data in this research is primary data. The data used are the results of filling out a questionnaire from employees of ministry of finance. The data is supported by literature studies to complete the data results.

Data collection was carried out by distributing questionnaires to employees of the ministry of finance who were willing to fill out the questionnaire. The first stage is measuring the variables whistleblowing, love of money, Machiavellian, tendency accounting fraud. Then, testing questionnaire data with reliability and validity testing. After that, testing normality, multicollinearity and heteroscedasticity for questionnaire data. If classical assumptions is done, hypothesis testing is carried out to determine the influence between variables.

RESULTS AND DISCUSSION

This research uses validity and reliability testing. Then continued with normality, multicollinearity and heteroscedasticity tests. After the 5th test passes, multiple regression testing is carried out to see the influence between the variables. The research results presented in this section are as follows:

Reliability

Reliability describes the accuracy and precision in measuring variables (Jogiyanto, 2007). The results of reliability testing show that the Cronbach's Alpha value is > 0.6 so the data is declared reliable. The Cronbach's alpha produced by whistleblowing is 0.762 which is greater than 0.6 so it is reliable. Machiavellian has reliable data, namely 0.679. Love of money has 0.777 which is greater than 0.6 so the data is reliable. Fraud has 0.918 so it is reliable. All data indicate reliable data that are accurate and consistent. Measuring tools can be used.

Table 1.Reliability

Variable	Cronbach's Alpha
Whistleblowing	0,762
Machiavellian	0,679
Love of Money	0,777
Fraud Tendency	0,918

Source: processed data
Level significant 5%; Variable dependent: Fraud Tendency

Validity

Validity describes to measure what have to be measured (Jogiyanto, 2007). The results of validity testing are shown in table 2. The r table value < the calculated r value so the data can be said to be valid. The question component of the whistleblowing variable has a value of 0.745, 0.786, 0.719, 0.635 which has a value bigger than the r table so it can be concluded as valid. The Machiavellian question component has 0.5, 0.614, 0.606, 0.637, 0.663, 0.369, 0.468, 0.55 which is bigger than 0.2785 so the data is valid and can be used for next testing.

Table 2. Validity Testing Results

Whistleblowing	r table	r count	Result (rcount>rtable)
Q1	0,2785	0,745	Valid
Q2	0,2785	0,786	Valid
Q3	0,2785	0,719	Valid
Q4	0,2785	0,635	Valid
Machiavellian			
Q1	0,2785	0,500	Valid
Q2	0,2785	0,614	Valid
Q3	0,2785	0,606	Valid
Q4	0,2785	0,637	Valid
Q5	0,2785	0,663	Valid

Whistleblowing	r table	r count	Result (rcount>rtable)
Q6	0,2785	0,369	Valid
Q7	0,2785	0,468	Valid
Q8	0,2785	0, 550	Valid
Love of money			
Q1	0,2785	0,617	Valid
Q2	0,2785	0,472	Valid
Q3	0,2785	0,546	Valid
Q4	0,2785	0,662	Valid
Q5	0,2785	0,717	Valid
Q6	0,2785	0,76	Valid
Q7	0,2785	0,846	Valid
Q8	0,2785	0,356	Valid

Source: processed data
significant level 5%; Variable dependent: Fraud Tendency

Love of money has 0.617, 0.472, 0.546, 0.662, 0.717, 0.76, 0.846, 0.356 which is more than the r table so the data is valid. Questionnaire data can be used for next testing in this research. The instrument is able to measure variables well.

Normality

The normality testing is carried out to see the normality of the data distribution. The normality testing shows a significance value of 0.140. This value is greater than 0.05 so it can be said that the data is normally distributed. Data is normally distributed if the significance value is bigger than 0.05.

Table 3. Normality

One Sample Kolmogorov-Smirnov Test	
Asymp. Sig (2-tailed)	0,140

Source: processed data
Significant level 5%; Variable dependent: Fraud Tendency

Multicollinearity

The multicollinearity test is carried out to see the relationship between independent variables in a model. If the VIF value is less than 10 and the

tolerance value is less than 0.01, it can be concluded that the data does not have multicollinearity. The results of whistleblowing tolerance were 0.968, bigger than 0.01, Machiavellian was 0.848, which was bigger than 0.01, love of money was bigger than 0.01, namely 0.874. The VIF value for whistleblowing is 1.033, which is less than 10. Machivellian is 1.180, less than 10. Love of money is bigger than 1.144, less than 10. Variables are free from multicollinearity so testing can be continued.

Table 4. Multicollinearity

Variable	Tolerance	VIF
Whistleblowing	0,968	1,033
Machiavellian	0,848	1,180
Love of Money	0,874	1,144

Source: processed data
significant level 5%; Variable dependent: Fraud Tendency

Heteroscedasticity

The heteroscedasticity is carried out to see whether there is inequality of residual variance in all observations. Heteroscedasticity testing was carried out using scatterplots. Based on the image obtained, the image has scattered dots and does not form a clear pattern. It can be concluded that this scatterplot image does not have heteroscedasticity.
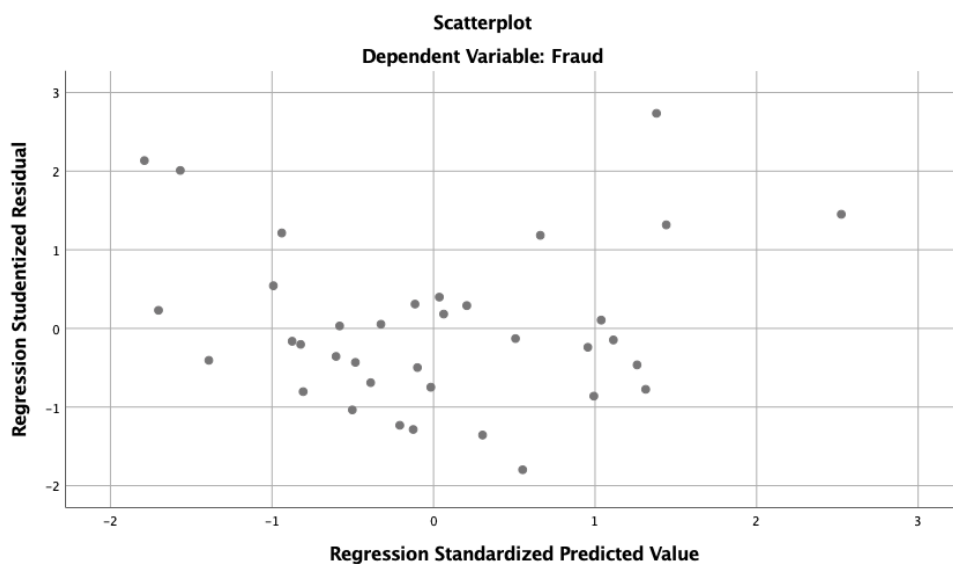

Figure 1. Heteroscedasticity Test

Source: processed data

significant level 5%; Variable dependent: Fraud Tendency

Regression

Variables have influence if the significance result is less than 0.05. Based on the results in table 5, the whistleblowing variable has a significance value of 0.001, which is smaller than 0.05, so the whistleblowing variable has an influence on fraud tendency. The Machiavellian variable has 0.541 which is greater than 0.05 so it has no significant effect on fraud tendency. The love of money variable has 0.537 which does not have a significant effect on the occurrence of fraud tendency. Based on table 6 data, the test shows 0.005 is smaller than 0.05 so it can be concluded that it has a simultaneous influence. So, whistleblowing, Machiavellian, love of money together have an influence on fraud tendency.

Table 5. Regression (T)

Variable	Coefficient	t	Sign
(Constant)	45,126	5,482	0,000
Whistleblowing	-1,218	-3,603	0,001
Machiavellian	-0,144	-0,618	0,541
Love of Money	-0,118	-0,625	0,537

Source: processed data
significant level 5%; Variable dependent: Fraud

Tabel 6. Uji F

ANOVA	F	Sign
	5,209	0,005

Source: processed data
significant level 5%; Variable dependent: Fraud Tendency

The Influence of Whistleblowing on Accounting Fraud Tendency

This research shows that whistleblowing has a negative influence on the tendency for accounting fraud. The whistleblowing variable has a significance value of 0.001, which is smaller than 0.05, so the whistleblowing variable has an influence on fraud tendency. Whistleblowing is a procedure that report irregularities that may be happen within an institution. With whistleblowing, people do not have the courage to commit fraud because there is a facility to report fraud. Officers prefer

to maintain their behaviors rather than be reported as perpetrators of fraud. This system can be a prevention against committing acts of fraud within the agency. It will be different if the agency doesn't have this system, people don't think about the impact that might occur when doing fraud.

The Influence of Love of Money on Accounting Fraud Tendency

The love of money can provide a stimulant to commit fraud because of the desire to get a lot of money. This could happen if you think that money is important. The results show that love of money has no influence on the tendency to commit fraud. The love of money variable has 0.537 which does not have a significant effect on the occurrence of fraud. This is in accordance with the results of research by Selawati (2023) which shows that love of money does not have an impact on the occurrence of fraud. Selawati (2023) stated that correspondents are more careful in how they use their money. This explains that the correspondent has wise thoughts regarding the use of money so that the love of money does not have a negative impact. This will have a positive impact because of a good perspective from mental accounting. Mental accounting provides a perspective of using money according to needs. When someone has wise thoughts in using money, their behavior will not be impulsive regarding money.

The Influence of Machiavellian on Accounting Fraud Tendency

Machiavellians can manipulate for personal interests, namely committing fraud. This research shows that there is no Machiavellian influence on accounting fraud tendency. The Machiavellian variable has 0.541 which is bigger than 0.05 so it has no significant effect on fraud. This is different from the results shown by Selawati (2023). There are correspondents who have wise behavior in acting without being Machiavellian therefore they do not use the opportunity to commit fraud.

CONCLUSION

This research examines the influence of whistleblowing, love of money, Machiavellianism on the tendency to commit fraud. The whistleblowing variable has a significance value of 0.001, which is smaller than 0.05, so the whistleblowing variable has an influence on fraud tendency. The Machiavellian variable has 0.541 which is bigger than 0.05 so it has no significant effect on

fraud tendency. The love of money variable has 0.537 which does not have a significant effect on the occurrence of fraud tendency. Based on table 6 data, the test shows 0.005 is smaller than 0.05 so it can be concluded that it has a simultaneous influence.

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