BEHAVIOR, MANAGEMENT DECISION AND FINANCIAL STATEMENT FRAUD

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Abstract

The past two decades, financial statement fraud has increased substantially. Financial statement fraud has occurred to a variety of companies, not only in Indonesia but also in other countries. The rise in the incidence of financial statement fraud, need has been considered by both the principal and the management of the company, becomes an interesting study material to know at the point where preventive measures initiated.

The purpose of the study to know the behavior will affect the management of financial statement fraud, through a management decision variable. Data has analyzed by the path analysis method. The results show the behavior of management (abuse position, abuse power and abuse resources) affects the financial statement fraud directly or through management decisions, it is in line with previous research. This study corroborates previous research.

Management influence the management decisions. The only abuse position affected to the financial statement fraud. Management behavior has influence on financial statement fraud.

Key Word: Financial statement fraud, behavior management, decision management