

Love Money, Ethical Perception And Earning Management Behavior for Lecturer

Eva Wany
I Made Narsa
Basuki

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Eva Wany, Doctoral Program Students at the Faculty of Economics and Business, Airlangga University, Surabaya & Lecturer at the Faculty of Economics Wijaya Kusuma University, Surabaya
eva.wany2016@feb.unair.ac.id

I Made Narsa, Professor in Accounting, at the Faculty of Economics and Business, Airlangga University, Surabaya
i-made-n@feb.ac.id

Basuki, Professor in Accounting, at the Faculty of Economics and Business, Airlangga University, Surabaya
basuki@feb.unair.ac.id

ABSTRACT

This study aims to examine the influence of the behavior of love money and the perception of ethical behavior on perceptions of earning management, using participants, the academics who followed workshop activities from all over Indonesia. This study focused on love money and ethics perception influences earning management perception. This experimental research design used 2x2 between-subjects to investigate participants who are the lecturers from Indonesia. The method of analysis used regression analysis. The results indicated that there is an influence of attitude of love money and perception of ethics on the behavior of earnings management.

Keywords: Love Money, Behavior, Lecturer, Management Ethics

INTRODUCTION

Practices in earnings management are now becoming a common viral in many companies in the world. It is the concern of experts to be debated in the accounting literature. In practice, earnings management can be done legally and illegally. The practice of earnings management is legal, and it does not break the accepted accounting principles as well as actions that are the authority of the manager. But on the other hand, the actions of managers in making earnings management are often used for the personal gain of corporate managers. Thus, misinformation of misleading and misleading earnings would result in a wrong decision that also breaks public trust [1, 2].

In social life, individuals or groups must have shared values. Ethical values will be able to minimize the occurrence of conflict between communities. Ethics is a moral attitude associated with decision-making behavior that is right or wrong, so people need ethics to know what should have done. [3, 4] say that ethics is an issue that is always discussed in every discussion related to the professionalism of the world of

accounting and auditing. The ethical behavior of a professional accountant is crucial in determining the status and credibility of the profession in accounting [5-7].

There are two views on factors influencing individual ethical actions, first, unethical decision making is influenced more by the individual's moral character, second, unethical actions are influenced more by the environment. The influence of both views often occurs in the case of earnings management [8, 9]. [10, 11] suggests that earnings management occurs when managers choose reporting and estimation methods that do not accurately reflect the company's financial condition. Such actions are usually motivated by internal manager factors. One of the cases of earnings management performed by large companies that is Worldcom is a big company that became a star in the capital market in 1990 in the United States and turned into a company that is doing a big accounting scandal.

The SEC data showed that Worldcom classifies a \$ 3.8 billion network expense into its capital account with details of \$ 3,055 million in 2001 and \$ 797 million in the first quarter in 2002. As a consequence of these actions, Worldcom can raise earnings as its cost account is recorded lower. The sanction received by Worldcom in the form of an SEC fine of \$ 2,250,000,000 was subsequently reduced by the court to \$ 750,000,000. Also, the four Worldcom executives are prohibited from serving as officers, directors, or accountants in public companies [12, 13]. From the case, it is concluded that earnings management behavior can cause danger to survival of the company and harm the individuals involved in it. Thus, some managers decide to engage in earnings management and some others do not [14, 15].

Based on agency theory, managers are in a dilemmatic position when they have to decide their position as agents in a company. The relationship between agents and principals can lead to conflict when there is a conflict of interest between them [16, 17]. As an agent, managers should make decisions that can benefit principals, but on the other hand, managers have consideration to earn higher bonuses by raising profits. The situation is caused by the existence of money.

Money is one of the most important aspects of life, in ~~america~~ the United States of America (USA), one's success is measured by the amount of money and income generated [18, 19]. Of several factors, one of which money can affect one's ethical behavior. [20-22] says that money is a motivator for some, but others consider it as a hygiene factor and developed in research conducted by Tang on a new psychological variable that is a love money.

The sense of love of money psychologically affects the individual (manager) in craving money that can be rationally accepted if individuals with high levels of love of money can be motivated to take any action to earn money. Thus, individuals who have a high love money mentality will tend to engage in unethical behavior within an organization rather than individuals with low love of money [23-25]. Money is the root cause of the company's financial scandal [23-25] and indicates low ethical perceptions in business situations [26-28]. Thus, the love money can affect one's moral reasoning ability towards ethical or unethical judgments of earnings

[29-31] argues that some areas may be the main cause of corporate financial scandals, he classifies the areas into six categories, one of which is the ethical climate of the organization. The ethical climate of an organization is the result of a reflection of management attitudes and ethical behaviors [29-31], within the organizational culture will affect individuals the enterprise to behave ethically when the organizational culture can proceed like a formal system.

Based on the description above, the researchers are interested in taking the title: Love Money and Ethical Perceptions of Lecturer Earning Management Perception Behavior with Experimental Study. The reason why the researcher took the title is to prove whether the love money and ethical perception of lecturers are interrelated and influence the behavior of individuals to do management that theoretically can provide an assessment of the behavior of earnings management from the provisions of the point of view of business ethics.

LITERATURE REVIEW

Agency Theory

The agency theory assumes that individuals act on their interests, shareholders as principals are assumed to be only interested in increased financial results or their investment within the firm. Agents are assumed to receive satisfaction in the form of financial compensation and the conditions that accompany those relationships.

Jensen and Meckling, explain that the conflicts of interest trigger the occurrence of agency costs. Agency costs arise from differences in economic interests between the manager of the company (agent) and the shareholders (principal). This difference in economic interest may cause or lead to information asymmetry (the information gap) that motivated principals to contract to obtain an ever-increasing probability. Meanwhile, agents are motivated to maximize their economic and psychological needs.

[32-35] empiric study proves that principal and agent relationships are often determined by accounting numbers. This spurred agents to figure out how these accounting numbers could be used as a means to maximize their importance. One form of agency action is profit management practice. This condition provides an opportunity and motivates managers to manage earnings to obtain fully subscribed issues [36, 37].

Earnings management

[38-40] defines earning management as the practice of management intervention in external financial reporting processes with the intent or intention of personal [38-40] define earnings management from the perspective of accounting practices as manager behavior increases (decreases) the current earnings report of the firm without relating to the increase (decrease) of the long-term economic probability of the company. Meanwhile, [41-43] defines earnings management as an accounting magic game by hiding the real financial reality of investors. Manipulation is done so that earnings look as expected [44, 45].

[46] sees earning management as a deliberate intervention in external reporting processes with a view to personal gain. It is assumed to be done through the selection of accounting methods in generally accepted accounting principles (GAAP) or by applying the methods specified in some ways. From the opinion of experts on earning management can be concluded that the practice of earnings management is the process of preparing external financial reporting by raising or lowering profits according to accounting methods applicable to obtain benefits by their interests.

Love Of Money

Everyday human life cannot be separated from money because money is one of the most important aspects of life, it has a significant impact on one's motivation and behavior at work. A person's attitude toward money may have an impact on their perceptions of the work, reward system, and internal motivation of the job that turn affect the behavior in work, task performance, job satisfaction and morale, and the effectiveness of the organization.

[47] in the United States, states that success is measured by money and income. Although money is used universally, the meaning and importance of money are not universally accepted [48]. [45] argue that attitudes toward money learned through the socialization process were established in childhood and maintained through adult life. In the business world, managers use the money to attract, retain, and motivate employees [49], because of the importance of money and different interpretations [48, 50] introduced the concept of love money, the theory seeks to measure one's subjective feelings about money. Research shows that love of money is associated

with some desirable organizational behaviors such as high levels of job satisfaction, low employee turnover, and undesirable organizational behavior such as accounting fraud and others. [48, 50] argues that students can be classified based on the level of Love of Money they have, i.e. money worshippers, money-repellants, and careless money-admirers. According to [51, 52], money worshippers are those with high levels of job involvement, money repellants are those with low competition levels and low success rates, while careless money-admirers are those with high levels of job involvement and a high level of success.

[53] also found that the mental health of a professional with the lowest level of love money has low job satisfaction. [54] theorize that love money is strongly associated with the concept of "greed." They found that Hong Kong employees with higher levels of love money were less satisfied with their work than their counterparts. [55] argue that such relationships can lead to unethical behavior. [55] also found a direct connection between the love money and unethical behavior among Hong Kong employees.

Organizational Ethical Climate

Organization's climate has several dimensions, including the nature of interpersonal relationships, the nature of the hierarchy, the nature of the work, and the rewards of the organization towards its members. The ethical climate of an organization is often referred to as human-environmental behavior, in which employees in doing their work cannot be physically observed, cannot be touched but can be perceived. The organizational climate is a characteristic that differentiates one organization from another and influences the behavior of the members of the organization. The characteristics of the organizational climate clearly illustrate the way an organization treats its members.

[56] defined organizational ethical climate as organizational shared beliefs and values in shaping and guiding the organizational members' behavior. Victor and Cullen (1988) also had defined organizational ethical climate as perceptions of typical organizational practices and procedures that have ethical content. Meanwhile, [57] defined organizational ethical climate as a component of an organizational culture that influences organizational members on how to act appropriately. In summary, the organizational ethical climate is perceived as a part of organizational culture that is reflected in organizational ethical practices and procedures in guiding acceptable and unacceptable behaviors within the organizations. This view was supported by [58, 59] when they revealed that organizational ethical climates provided behavioral cues and reflected in organizational practices, procedures, and norms. For example, when the organizational members are faced with an ethical dilemma (e.g overconsumption of natural resources), their behaviors are guided by the organizational ethical procedures.

Ethical Perceptions

Perception of ethical plays a crucial role in the ethical decision-making process because the process begins with an individual's recognition that a decision situation has an ethical content. According to [56, 60], ethical perception 'is the relative awareness or recognition of the 'ethical dimensions' within an ethical situation'. [58, 61] also define perception as a process by which a person chooses, organizes, and interprets information to form a meaningful picture of the world. [62, 63] states that moral sensitivity is the awareness of how our actions affect other people. It involves being aware of different possible lines of action and how each line of action could affect the parties concerned. It involves imaginatively constructing possible scenarios, and knowing cause-consequence chains of events in the real world; it involves empathy and role-taking skills. From the various definitions of perceptions that have been described, it can be concluded that perception is an individual's opinion of an object or

event that depends on different time and space frames. The difference is caused by two factors, namely factors from within a person and factors from the outside world.

Ethics comes from the Greek word 'ethos' that means character, another name for ethics is morality that is derived from the Latin word that means habits. Morality focuses on "right" and "wrong" human behavior, so ethics deals with the question of how one acts against another. Ethics in more detail is the science that deals with human morality. Thus, education on the importance of ethics in the profession needs to be given to students, especially to early accounting as an anticipatory action. One of the intellectual skills that must be possessed by accounting graduate students is the ability to identify ethical issues of ethical questions. Thus, the ethical perception in this study is how the acceptance and views of a student in this accounting who will become an accountant through a process gained from experience and learning on the ethics of an accountant, with the influence of the love money and ethical climate organization as part from individual aspects that influence ethical perceptions.

Previous Research

[64, 65] conducted a research study on future accountants. Results showed that level of individual love money is lower, it causes the higher the ethical perception of accounting students, if students have a high level of love money, then they will view ethically questionable acts as ethical. The study of earnings management concerning ethics begins has begun with research conducted by [61, 66], which in his investigation investigated earnings management practices and the results showed that there is was no agreement on the ethical whether or not the action of earnings management. The study was then replicated by [63, 67] in Indonesia whose results supported the results of Burns and Merchant's research.

The study of [63, 67] was followed by [68] confirmed the [66] studies found in the surveyed group (undergraduate, MBA, and accountant) students as a whole tolerant of operational cost manipulation rather than accounting manipulation. [67] conducted a research study on accountants. The results showed that accountants with higher moral reasoning are more likely to judge a situation as unethical than accountants with lower personal ethics.

[69] conducted a study on 564 students. America has worked. The results showed that students with higher levels love of money have higher levels job satisfaction both intrinsic and extrinsic as well as a better perception of the importance of human needs and the fulfillment of those needs. Furthermore, the research conducted by [58] indicated that LOM affects the behavior of managers in deciding whether to do earnings management or not.

[58] examined the relationship between the rate of the love money assessed by the satisfaction of income revenues by sex, the results showed that men are more satisfied in terms of finances than women. Men feel satisfied because they tend to have higher income, while women are less satisfied because they earn less income than men, women may feel financially less because they tend to earn a low income, financial problems, and are more obsessed with money than men, it can also be concluded that the level of female love money is greater than that men.

[1] investigated empirically the relationship of corporate ethical values with earning management, investigations are conducted by using accountant samples in public accountants, industry, and academia. Accountants in organizations with high (low) ethical values assess earning management actions as more unethical (ethical) actions. The results also showed that there are significant differences that incorporate ethical values based on gender, age, experience, position, and other demographic factors. Meanwhile, [1] further examined the influence of the love of money accounting students on their ethical perceptions, the results showed that the love money significantly influences the ethical perception of accounting students. This study also

showed that there are significant differences regarding ethical behavior based on gender differences.

[8] found that there is a positive influence between the climate of ethics with the commitment of employee organizations but on the contrary, from the results of the study, it was found that there is no positive influence between the ethical climate with employee turnover intention. Furthermore, the study also found that organizational commitment can negatively affect employee turnover intention. Furthermore, [10] study argued that when employees feel an unethical climate in an organization or instructions from superiors, they tend to minimize the importance of corporate ethics and social responsibility to rationalize aggressive earnings management decisions.

Several previous studies have been described, essentially contributing to the management accounting literature particularly on earnings management, and have also been replicated by other researchers. Thus, showing the research can display new ideas related to aspects of ethics in earnings management. Then, it became the focus of development in this study by including important variables such as the influence of the love money and the ethical perception of academics who allegedly can have a direct and indirect effect on the desire to make earnings management. So, it is expected to further illustrate the factors that affect a person in performing earnings management action.

Hypotheses Development

Love Money and Impact on Perception of Earning Management Behavior

Love money is an attitude of individuals who prefer money, the examples of the love money impact on behavior are discontent and fraud [52] state that people with high love money orientations have low satisfaction with salary. They also mentioned that the concept of love money is closely related to the concept of greed and the root of evil.

Love money is an attitude of someone who leads to money. [52] sees love money as a desire to earn money beyond what an individual needs, but with the goal of greed. Love money will have a direct impact on work-related behavior because a person uses a lot of time to work. [56] provide empirical evidence that love money influences unethical behavior on business students, it is the same as the research of that revealed that love of money is the root of the crime. Measures related to workplace irregularities, for example, deplete company resources, theft, sabotage, lies, and more costly charging on customer.

Efforts to intervene in financial statements by management for private gain or so called earnings management are often assessed as unethical behavior, because the strategy for implementing this practice is well concealed between company leaders. Also, earnings management can be detrimental to stakeholders. Someone with high love money has the perception that money is a factor of wealth, important factors, success, and motivation in doing every act, by having that perception, the individual with a love money will make various efforts to earn money not only to meet his needs but also for greed. One of the efforts is to make earnings management. The practice of earnings management aims to meet the targeted profit level. The individual will get a bonus or compensation in the form of money. Bonus earned more than the income earned, it is also a reflection of the success and wealth that can be achieved.

H1: There is a difference between individuals who have high levels love money and low levels of love money in the perception of earnings management behavior.

Ethical Perceptions and Impact on Perceptions of Earning Management Behavior

Ethical Perception is the process whereby a person chooses, attempts, and interprets stimuli into an integrated and meaningful picture, if an issue is not recognized as ethically intensive, there is no need to consider it in an ethically comprehensive

manner. Because individuals would not engage in the ethical decision-making process if they are not aware of the moral aspect of the issue [70]. The resolution of the issue in such instances would be made based on non-ethical considerations such as the economic aspects of the decision or the impact on the individual's career.

According to [67], manager may face conflict when determining appropriate action (intervention) for ethical or unethical action because of perceived inconsistencies between ethical actions and consequences for the organization. In particular, the tendency of managers to focus on organizational performance measures, especially financial measures, leads managers to place more weight on the organizational consequences of ethical behavior than on behavior itself when ethical behavior is unfavorable. In particular, managers may try to reduce the severity of reprimand in responding to earnings management decisions for personal gain if the organization also benefits from positive consequences as a result.

Ethical perceptions and profit management [67] suggest that the ethical evaluation of earnings management behavior tends to reflect (1) the consensus of peer references as to whether the behavior is ethical and (2) the possible financial impact of such behavior on the organization. This shows a positive relationship between earnings management behavior, its consequences, and ethical judgment.

[71] suggest that earnings management behavior in accordance with the social consensus of ethical actions, and the perceived positive consequences of the organization, will result in a judgment that the behavior and consequences are more ethical. Conversely, the behavior of earnings management as opposed to the social consensus of ethicality, and the consequences for the perceived unfavorable organization, will result in an ethical judgment that such behavior and its consequences.

H2: There is a difference between individuals on high ethics and low ethics in the perception of earnings management behavior.

H3: There is an interaction between love money with ethics perception in the perception of earnings management behavior.

RESEARCH METHODS

This study will use the questionnaire as the main instrument for collecting data. Questionnaires will be given directly to the respondent; this study is an experimental study where the researcher hopes to find the causality relationship between the independent variable with the dependent variable.

Participant Subject Selection.

This study is an experimental study where participants in this research come from lecturers at universities who come from universities in Indonesia, the consideration in choosing the subject is to be able to represent the actual decision-making proxy.

This is because most of the Lecturers have worked and experienced to be decision-makers, before the experiment is done on the actual subject, a pilot test is done on the final graduate student at Wijaya Kusuma University Surabaya. The pilot test aims to determine whether the given case can be understood or not by the participants. This method can also be used to find out the errors in the design and monitor whether the treatment provided has been delivered correctly.

Characteristics of Participant Demographics

Participants A total of 57 Academics from Universities in Indonesia are involved as participants in the study. Participant gathering was conducted at Hotel Ibis Style Surabaya in Experimental Workshop, the researcher assumed that Participants involved in this research have understood the method contained in experimental research.

Participants were categorized into four treatment conditions, each participant receiving one treatment condition. Assignment of experimental tasks randomly assigned into groups (Love Money behavioral conditions and not Love Money, as well as Ethical and Unethical Behavior) is required to make the groups comparable to the dependent variables.

Variable Measurement

Perception of Earning Management

Earning management is the choice for managers in determining accounting policies to achieve specific goals. The goal is to maximize the manager's utility and increase the company's value. This objective refers to the motivations that include: obtaining high bonuses, funds in debt contracts, public confidence in the capital market, low tax costs, good performance for CEOs, and positive reactions from investors in IPO (Initial Public Offering). Given the goal of earnings management to maximize this utility, earning management activities can be classified into the ethics of utilitarianism.

The Love of Money.

The measurement of the love money will be measured by [71] scale that consists of four different factors are motivation, success, the importance of money, and wealth. as was explained previously, the love money holds the view that money is a motivation that can represent someone's success. Thus, the love money is necessary for someone to be rich, that scale is connected to the theory of the love money that attempts to measure someone's subjectivity about money. In that theory, the love money will be measured by using Money Ethics Scale (MES) that was developed by [52]. This scale measures how someone values money. Prescribe MES as the best survey to measure attitude towards money. In this research, respondents noted their agreement or disagreement by using the Likert Scale 5.0 or every person's statement at 7.0, with 1 (disagree very much) to 5 (agree a lot) and separated score for every factor is counted.

Ethical Perceptions

This study is the ethical perception of academics. Ethical perception is how a person to judge a state or behavior of violations. To measure ethical perceptions, scenarios, or ways used are developing scenarios used by [72]. The instrument is Ethical Rating (ERATING) which consists of 8 statements with a Likert scale of 1-5 that measures ethical perceptions, the more ethical with low scores, and the high ethical perception with high scores. Respondents recorded their perceptions about the ethics of the action on a five point scale from 1 (strongly disagree). It means that the action is very ethical, up to 5 (strongly agree) which means the action is very unethical.

Research Design

This research uses experimental design 2x2 factorial multivariate analysis of variance (MANOVA) between-subjects. Experiments are manipulated with the conditions of high love Money or low love money without ethics and with ethics. Participants only accept one of the four conditions, participants in give the sheet a questionnaire given randomly by selecting only one condition of four scenarios. Table 1 shows the design of the experiment.

Table 1

Experimental Treatment between Love Of Money and Ethical Perceptions

	Love Of Money		
		High	Low
Ethics	High	Cell A	Cell C
	Low	Cell B	Cell D

Data analysis method

The hypothesis will be tested using the Multivariate ANOVA statistical tool. But before, first will be done Leven "s Test and Box" s M Test. This test aims to ensure that all MANOVA assumptions are met, i.e. ensuring that the overall sample has the same variance.

Technical Data Analysis

The analysis used in this research is Two Way Analysis of Variance analysis with main effect and interaction effect using SPSS program version 16.0. Some steps of multiple linear analysis are as follows:

Pilot test

In experimental studies will require a pilot test to be known whether the given case can be understood or not by the subject. A pilot test was conducted in advance in this research so that researchers can find out whether the instrument used can be understood by the research participants by experimenting with several people.

The pilot test aims to ensure that everyone who becomes a participant not only understands each item of question or statement within the instrument but also understands the whole instrument with the same thought. Some changes to the initial design of the questionnaire are likely to be carried out with inputs appropriate to the research objectives, the pilot test was conducted on 60 students of S1 Accounting Generation 2013 and 2014 at Wijaya Kusuma University Surabaya.

Test instruments

Test the research instrument by using the validity test and reliability test in this study aims to produce quality data and can be accounted for. [72] argue that there are two ways to choose. The first way of using instruments of validity and reliability has been demonstrated in previous research while the second way is by using a new instrument whose level of validity and reliability is not yet known. Researchers choose the first way is to use the instrument that has been tested the validity and reliability. Because the research was conducted in different places and participants, the researchers tested the validity and re-reliability to confirm the results of the study.

Hypothesis testing

In analyzing the data, some data testing was conducted in this research that includes the frequency distribution for descriptive statistics, homogeneity tests, and data normality test. After that, hypothesis testing can be performed using the Variance Analysis Test (ANOVA) to test the relationship between one dependent variable (metric scale) with one or more independent variables (nonmetric or categorical scales).

Researchers apply a 5% significance level in this study. It shows that the error limit of this study is 5% or means that a confidence level of 95%. The criteria for decision making are as follows: If the value of significance > 0.05 then H₀ is accepted; If the significance value ≤ 0.05 then H_a is accepted or reject H₀.

RESULTS AND DISCUSSION

Demographic characteristics of participants as much as 57 lecturers from universities in Indonesia are involved as participants in the research. In their study, the instrument projected as managers within the company. Before starting the experiment, the researchers asked participants to sign a letter of willingness to follow experiments. The goal is that there is no compulsion for the following experiments. Researchers were asked to complete survey questions only if the participant has been working and have enough work experience. Researchers remove the one response due to incomplete data, resulting in 56 answers that can be used in this study, after selection in experimental stages. The removal of one response does not affect the results of the statistics.

Experiment steps:

Before the experimental process, the division was done to group participants into four experimental groups.

1. The process of randomization is was done utilizing each lecturer gets a sealed closed envelope containing the group number, without knowing the meaning of the number and the question in the envelope. The distribution of participants after the randomization process into four groups is as:

Table 2

Randomisasi Participants in the 2 x 2 Between the Subject

	Love Of Money			Total
		High	Low	
Ethics	High	26	16	42
	Low	12	2	14
	Total	38	18	56

2. Test the demographic characteristics to know does not contain correlation by doing randomization test.

Table 3

Chi – Square Test

	Value	df	Asymp_Sig (2-sided)
Pearson Chi-Square	4,891	1	,027
Continuity Corrections	3.594	1	,058
Likelihood Ratio Fisher's Exact Test	5.429	1	,020
Linear – by – Linear Associations	4,804	1	,228
N of Valid Cases	56		

- a. 17 celss (80%) have expected count less than 5. The minimum expected count is 5.50
- b. Computed only for a 2x2 table

The results were not significant, hence indicating the absence of significant differences between cells. So it has been randomized and does not need to be tested as a covariate variable. Test the description by using frequency to measures which scenario has the most relationship.

Table 4

Description Test

		Love Of Money		
		High	Low	Total
Ethics	High	N = 17 Sd : .46	N = 16 Sd : .47	N = 33 Sd : .50
	Low	N = 12 Sd : .48	11 Sd : .48	N = 23 Sd ; .50637
	Total	38	18	56

Anova Total Cell Test, To know the Influence of Cell Overall to Response.

Table 5.

Test of Between Subject Effect

Dependent Variabel : EM

Source	Type III Sum Of Squares	df	Mean Square	F	Sig
Corrected Model	2.351 ^a	3	,784	3.504	,022
Intercept	120.174	1	120.174	537.278	,000
LOM	1.796	1	1.796	8.029	,004
Ethics	,661	1	,661.174	2.954	,092
LOM*Ethics	,174	1	,224	,779	,382
Error	11.631	52			
Total	137.000	56			
Corrected Total	13.982	55			

a.R.Squared= ,668 (Adjusted R Squares = ,420)

Table 5.Presents a summary of ANOVA results of the influence test of each independent variable on the dependent variable. The test results show that the F test for the influence of love money and ethics has a significant effect on 0.02 which means behavior perception management profit influenced by love money behavior and ethics perception, this result rejects Hypothesis 1a, and supports Hypotheses 1b, 2a and 2b.

Partial results show that the high one love money scenario high ethics does not affect the perception of earnings management, scenario two, low love money with high ethics also shows the result of no influence to Perception Management Profit, Result for scenario three, show result of the love of high money and low ethics do not show there is no influence on earnings management perception. And the four show scenarios of low love money and low ethics can affect the perception of profit management behavior.

Table 6

Summary of test results of different independent sample mean

Dependent Variable/ Scenario	N	Mean	Mean Difference	t	Sig
Love Money :					
Scenario A (LOM High/Ethics Low) vs Scenario B (lom Low / Ethics Hihg)	17	1,29	- 1,38	-2,222	0,446
	16	1,219			
Scenario C (LOM High/Ethics Low) vs Scenario D (LOM Low/Ethics Low)	12	1,31	- 1,64	-3,246	0.001
	11	1,39			
Ethics:					
Scenario A (LOM High /Ethics Low)vs Scenario B (LOM Low/Ethics High)	17	1,69	- 1,31	-4,276	0,046
	16				
Scenario C (LOM High / Ethics Low)vs Scenario D (LOM Low ? Ethics Low)	12	1,69	- 0,70	-2,175	0,001
	16	2,01			

The average for the perception of earnings management behavior is not significantly affected when the high love money and Ethics is comparable to the results of the scenario which is also no effect if love money is low and the Ethic Perception is high. This indicates that low love money behavior is less important when High Ethic behavior affects the perception of earnings management. Average for Behavior Earnings management is significantly affected if love money is high and low ethics (scenario D) and there are differences in behavior if love money is low and ethics is low.

Average for high love and money scenarios and low ethics have an influence, and there is also an influence on low and high ethical love money scenarios.

The result also showed that there is a perception of earnings management influence if the love money is high and high ethics and showed the same result for low-cost love scenario and low ethics.

Table 7

Hypothesis Testing with Two-Way ANOVA

Dependent Variable : Earning Management Perseptions			
Variable	F	Sig	Result
LOM	5.573	,023	H1 Accepted
Ethics	4.157	,048	H2 Accepted
LOM *Ethics	10.358	,003	H3 Accepted

Discussion of Research results

The Influence of Love Money on Earnings Management Behavior

The results support the first hypothesis (H1) that there is a difference between a person with a high love money level and a low love money level in the perception of earnings management behavior, regardless of other treatment. It is proved from H1 with a significance coefficient value of 0.023 (<0.05) which means the hypothesis is accepted.

The results of this study support the research conducted by [63] who examines the relationship of love money to students' ethical perceptions shows that there is a relationship between the level of love money in accounting students with their ethical perception. The greater the level love money students will be the lower the level of their ethical perceptions. love money with students' ethical perceptions has a negative relationship.

The Influence of Ethics on Earning Management Behavior.

The results of this study support the second hypothesis (H2) that there is a difference between individuals who have high ethics and low ethics in the perception of earnings management behavior, regardless of other treatment. It is proved from H2 with a significance coefficient value of 0.048 (<0.05) which means the hypothesis is accepted. The results of this study support previous research by [63], namely that the more effective Internal Control or high organizational climate conditions that exist in the company, the lower the tendency of someone to commit Accounting Cheating in the company. Therefore, with the formation of rules in an organization as one form of Internal Control, the objectives of the organization will be more easily achieved.

The Influence of the Relationship between Love Money and Ethics.

The results supported the third hypothesis (H3) that there is an interaction between love money with ethics perception. The results showed that the effect of interaction variables is indicated by the significance coefficient value of 0.003 (<0.05). It indicates that there is a dependence between the Perception of Ethics and the level of love money. A person with a high level of love money tends to make earnings management easy when in low ethics, whereas someone with a low level of love money tends to be stable in performing earnings management practices in both high and low ethical conditions. Changes in the level of Ethics (existing and no Internal Control elements) will result in the impact of changes in individuals with a moral level at a certain level of love of money (high or low) to practice earnings management.

CONCLUSION, SUGGESTIONS, LIMITATIONS

This study aimed to compare the tendency of a person to the perception of earnings management behavior in high and low ethical conditions with someone who has a high level of love money and someone with a low-level love money. A person with a low level of love money will tend to not do earnings management if it is in high ethics. Conversely in low ethics, individuals with low levels of love of money allow a stable tendency to perform profit management. Meanwhile, individuals who have a high level of love of money tend to perform earnings management in both high and low ethics, individuals with low love money level allow a stable tendency to perform profit management. Meanwhile, individuals who have high levels of love of money tend to perform earnings management in both high and low ethics.

This study examines the evaluation and reactions of Lecturers against the scenario of love money and ethics, ie when managers make decisions about whether or not to engage in management behavior. The results of the study provide evidence that in general the ethical nature and love money an act has the greatest influence on the profit management Period. However, the combination of love of money and ethics favorable to the organization of the behavior. Perceptions of earnings management, the finding that managers tend to justify earnings management behavior, due to the high love money behavior and the nature of perceptions ethics this study has several limitations, the data collection method asks participants to choose their group of scenarios so that there are personal characteristics in each response (such as altruistic and cooperative attitudes) that are different from Academician population characteristics. This study also does not control the contingency issue that is the ethical environment of leadership within the organization. Prior research [73] states that the ethical environment of an organization plays an important role in raising awareness and ethical judgment of organizational managers. Therefore further research is expected to control the personal characteristics of respondents and the ethical environment of leadership within the organization.

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